Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 3, 2005

TO: Small Craft Harbor Commission

FROM: Kerry Gottlieb-Silverstrom for
Stan Wisniewski, Director

SUBJECT: **COMMISSION AGENDA – MARCH 9, 2005**

Enclosed is the March 9, 2005 meeting agenda, together with the minutes from your meeting of January 12, 2005. Also enclosed are reports related to agenda items 3a, 3b, 5a, 5b, 5c, 5d, 5e and 6a.

Agenda item 5f was added at short notice per the request of the proposed assignee. That report will be provided to you prior to the meeting if the lessee and assignee are able to provide the information required for the Department to perform its analysis of the proposed assignment; otherwise, we will continue the item until the next agenda or schedule a special meeting of the Commission at which this item could be considered.

SW:tm

Enclosures

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://beaches.co.la.ca.us

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AGENDA

SMALL CRAFT HARBOR COMMISSION MEETING
MARCH 9, 2005
9:30 a.m.
BURTON W. CHACE PARK COMMUNITY BUILDING
13650 MINDANAO WAY
MARINA DEL REY, CA. 90292

1. Call to Order, Action on Absences and Pledge of Allegiance

2. Approval of Minutes: Meeting of January 12, 2005

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

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

   b. Marina del Rey and Beach Special Events

4. **OLD BUSINESS**

   None

5. **NEW BUSINESS**

   a. Request for Authorization to Enter Into Exclusive Negotiations for Parcel 1S (Fuel Dock) – Marina del Rey (RECOMMEND TO BOARD)

   b. Approval of First Amendment to Option to Amend Lease No. 13508 - Parcels 95S and LLS (Marina West Shopping Center) - Marina del Rey (RECOMMEND TO BOARD)

   c. Approval of Amendment No. 5 to Lease No. 13509 – Parcel 97R (Marina Beach Shopping Center) – Marina del Rey (RECOMMEND TO BOARD)

   d. Approval of First Amendment to Option to Amend Lease No. 6125 - Parcel 140V (Admiralty Apartments) – Marina del Rey (RECOMMEND TO BOARD)

e. Approval of Second Amendment to Option Agreement and Joint Escrow Instructions for Lease Nos. 6734 and 11140 – Parcels 44U (Pier 44) and 77W (Del Rey) - Marina del Rey (RECOMMEND TO BOARD)

f. Approval of Assignment of Leasehold Interest for Lease No. 10665 - Parcel 33 (Harbor House Restaurant) - Marina del Rey (RECOMMEND TO BOARD)

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

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

b. Marina del Rey Convention and Visitors Bureau (PRESENTATION BY EXECUTIVE DIRECTOR OF MdR CVB)

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://beaches.co.la.ca.us

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

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

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

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

Si necesita asistencia para interpretar esta informacion llame al (310) 305-9547.

Small Craft Harbor Commission
Meeting of January 12, 2005
Minutes

Commissioners Present	Excused Absences
Harley Searcy, Chairman Carole Stevens, Vice-Chairperson Russ Lesser	Joe Crail

Department of Beaches & Harbors:	Stan Wisniewski, Director Roger Moliere, Deputy Director, Asset Mgmt & Planning Bureau Joe Chesler, Chief, Planning Division Dusty Crane, Chief, Community Services & Marketing Division
Other County Departments:	Tom Faughnan, Senior Deputy County Counsel Lt. Greg Nelson, Sheriff's Department Deputy Paul Carvalho, Sheriff's Department
Also Present:	Beverly Moore, Executive Director, MdR Convention & Visitors Bureau

1. CALL TO ORDER, ACTION ON ABSENCES AND PLEDGE OF ALLEGIANCE

Chairman Searcy called the meeting of the Los Angeles County Small Craft Harbor Commission to order at 9:32 a.m. in the Burton W. Chace Park Community Room, Marina del Rey.

Commissioner Lesser moved and Vice-Chairperson Stevens seconded a motion to excuse Commissioner Crail from today's meeting. The motion passed unanimously.

The Commissioners, staff and members of the public stood and recited the Pledge of Allegiance.

2. APPROVAL OF MINUTES

Commissioner Lesser moved and Vice-Chairperson Stevens seconded a motion to approve the November 10, 2004 minutes. The motion passed unanimously.

7. COMMUNICATION FROM THE PUBLIC (TAKEN OUT OF AGENDA ORDER)

Chairman Searcy pulled Agenda Item 7--Communication from the Public from the regular agenda order so that Ms. Alis Berin and Ms. Dina Novak, residents of Archstone-Marina del Rey Apartments (formerly Kingswood), could address the Commission. Both Ms. Berin and Ms. Novak needed to leave the meeting early and could not wait until the item was heard in the regular agenda sequence.

Ms. Alis Berin, a 31.5-year Kingswood resident, came to the podium and informed the Commission that when Archstone gave her an eviction notice she requested a temporary apartment. When Ms. Berin went to the management office to collect her apartment keys an employee named Sandy Reimer informed Ms. Berin of her assigned parking space. Ms. Berin requested Ms. Reimer to give her another space because the card machine that controlled access to the assigned space was too high for Ms. Berin to reach from her car and presented a hazard to her. Ms. Berin said that she requested a parking space in the upper garage instead since it provided access via remote control. Sandy Reimer refused to give Ms. Berin the alternative parking space. Consequently, Ms. Berin felt that she had no other choice than to move out of the complex.

Ms. Berin informed the Commission that when she returned to the management office the next day to notify Archstone of her moving plans an employee (not Sandy Reimer) inquired why Ms. Berin was moving. When Ms. Berin told him, the employee found a parking space she could have in the upper garage area that was accessible via remote control. In other words, this employee was willing to accommodate Ms. Berin and give her the alternative parking space that she had requested in the first place. Ms. Berin proceeded with moving out of the complex anyway and at much expense and hardship.

Ms. Berin asked the Commission what the County is going to do about Archstone's arbitrary management practices. Mr. Wisniewski apologized to Ms. Berin for the inconvenience that she experienced. He said that staff would send a letter bringing the matter to Archstone's attention and requesting an explanation. The Department wants tenants to be treated with respect and Archstone needs to be informed about what has transpired.

Ms. Dina Novak, a 5-year Kingswood resident, came to the podium, shared her experiences with Archstone's management and discussed its treatment of tenants. Ms. Novak said that when she had requested a comparable unit in the complex, management led her to believe that there were enough units available to provide existing tenants with comparable units. However, not long after promising tenants that they would be given comparable units, Archstone posted rental signs advertising available apartments to the public. The units that Ms. Novak thought would be available for existing tenants were rented to new tenants. Ms. Novak said that Archstone has twice rented a unit to someone else that she thought was reserved for her and the company's executives were callous when she spoke to them about the matter.

Ms. Novak expressed her feeling that existing tenants who had paid lower rental rates are being treated as second-class citizens. She said it isn't the tenants' fault that the previous lessee went for years without increasing the rents. Ms. Novak also noted how Archstone's brochures and website publicize the company's honesty and ethics but these values are not exemplified in Archstone's treatment of its tenants.

Ms. Novak asked what could be done about the appalling situation at Archstone. Chairman Searcy asked Ms. Novak whether she could distribute to the Commission the documents that she referenced throughout her testimony. Ms. Novak responded that she would be happy to give copies to the Commission. Chairman Searcy suggested that Ms. Novak give the documents to Mr. Moliere after the meeting or later.

Chairman Searcy commented that Archstone painted a rosy picture of its plans and management style when it addressed the Commission. He said that although the company's practices may be questionable he wonders whether its staff has committed any violations.

Mr. Wisniewski informed the Commission that when the Department receives complaints of this nature, the first thing staff does is inform the lessee of the complaint and request a response. He said that staff would look into the matter. The Commission would be provided a copy of the lessee's response.

Mr. Wisniewski said that good management practices dictate that people be treated with courtesy and dignity. He expressed hope that this is what all of the Marina's management companies are doing. Mr. Wisniewski said that he would not prejudge the situation but would wait until he sees the facts.

Mr. Wisniewski also commented that he isn't defending Archstone; however, he knows that renovations cause a good deal of disruption and miscommunication can occur. He said that this doesn't justify abusive communication with tenants; after all, tenants should be valued and the lessees he knows certainly value good tenants.

Vice-Chairperson Stevens expressed her concern after hearing Ms. Berin's and Ms. Novak's testimonies. She encouraged staff to contact Archstone's corporate office and let its top management know that there is a wonderful community here and the County wants to keep it that way.

Chairman Searcy agreed with Vice-Chairperson Stevens and pointed out that since one of the office employees was very willing to accommodate Ms. Berin and the other employee [Sandy Reimer] was

not, it's possible that there is a personnel problem that needs to be brought to the corporate office's attention.

Commissioner Lesser commented that some of the information, if it's true, concerning Archstone, suggests poor management on Archstone's part.

Relative to Ms. Novak's comment that it isn't the tenants' fault that Kingswood's lessee went years without increasing the rents, Commissioner Lesser noted that staff reported at a prior meeting that Archstone's rents are comparable to those charged at other Marina complexes. He said the problem is that Archstone's rent increases weren't gradual and, consequently, were felt more deeply.

3. REGULAR REPORTS

a. Marina Sheriff

-- *Crime Statistics*

Lt. Greg Nelson reported a crime increase on the waterside particularly in the area of burglaries and theft. This is a normal trend during the holiday season and the Marina del Rey deputies have taken aggressive police action of which he wanted the Commission to be aware. He said that Deputy John Rochford and Deputy Paul Carvalho arrested a boat burglar who Detective Martinez connected with a number of other felony crimes. Additionally, Deputy Moreland has done very good police work and made a number of arrests connected to the theft of titanium mountain bikes.

Chairman Searcy asked how bike thefts are categorized. Lt. Nelson responded that it depends and he explained that bike thefts could fall under petty theft or grand theft, such as Deputy Moreland's arrests involving the titanium mountain bikes, which are worth thousands of dollars. The bike thefts could also fall under miscellaneous because receiving stolen property is a crime that doesn't appear in the crime statistics.

Lt. Nelson also reported that Detective Tartiff identified the person who had been robbing the docks. The Department thinks the suspect will account for a number of the crimes identified in the statistics.

Additionally, on the Eastside there was a deputy involved shooting two weeks ago after a car jacking at the Ladera Center. The victims pointed out the suspect to the deputies, who chased him down and engaged in a gun battle. The deputies were not harmed; however, the suspect was shot twice but will survive and probably go to prison for the remainder of his life.

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

Deputy Carvalho reported little change since his last report concerning the number of vessels that were issued Notices to Comply or citations pertaining to the seaworthiness ordinance.

He noted that the Seaworthy Report's "Number of Unseaworthy Vessels Demolished" heading was changed to read "Number of Impounded Vessels Demolished." Deputy Carvalho explained that this change was made after Donald Klein expressed concern that the Department destroyed vessels that were impounded for being unseaworthy. Deputy Carvalho said that, in fact, the Sheriff's Department has never impounded a boat for being unseaworthy. The boats were impounded for other factors; however, many of the vessels were unseaworthy.

Deputy Carvalho further reported that eight additional vessels were disposed of and there is a slight increase in vessels awaiting lien sale procedures.

Chairman Searcy opened the floor to public comment.

Mr. Hans Etter asked: 1) Why are the deputies considered to be accredited surveyors and is there a survey report that they use to determine that impounded vessels are unseaworthy; 2) Why wasn't there a problem with the boats prior to the Marina's redevelopment; 3) What are the deputies'

qualifications for determining that boats should be impounded; and 4) Why aren't boat owners given the opportunity to make their vessels seaworthy.

Ms. Carla Andrus informed the Commission that a recent Argonaut article referred to Hans Etter as a gang. She commented that it's very discouraging to see when members of the public go through the proper channels they are referred to as a gang.

Relative to impounded boats, Ms. Andrus said that many boats have been destroyed and the bar is being raised higher for boaters while the marinas are given a "green light to do anything."

Ms. Andrus also commented that she was very moved by Ms. Dina Novak's testimony. Ms. Andrus said that the Marina is a public recreational small craft harbor that is turning into a nightmare and more than a thousand slips have been lost in the Marina in an effort to accommodate more yachts. Ms. Andrus expressed opposition to promoting yachts as meeting facilities and said that the Marina is not a business boardroom and "is not here to facilitate businesses."

Ms. Andrus added, "We're at cross purposes here and that's why you get all of this repetitive stuff over and over again, because we're really at cross-purposes here. The master plan even addresses that, at least the lease does. When you're at cross purposes, the public is supposed to be favored in this situation."

Mr. Klein referred to Deputy Carvalho's comment in the November 10, 2004 SCHC minutes that "the Department continues to follow up on the Notices to Comply that were issued." Mr. Klein asked Deputy Carvalho to identify to which notices he was referring.

Mr. Klein also said that he has specific knowledge regarding the way things work with the seaworthy ordinance. He explained that a "lessee or anchorage operator will decide...that it specifically wants to go after some person and a call goes into the Sheriff's Department and miraculously a Sheriff's boat just happens to come to that area, then a boat that looks like it's unseaworthy gets cited. The next thing you know you get a 30-day notice."

Commissioner Lesser asked Mr. Klein whether he believes that deputies act arbitrarily just because they don't like a certain person. Mr. Klein suggested that Commissioner Lesser ask the Sheriff's Department that question.

Chairman Searcy asked Mr. Tom Faughnan to explain the criteria used to cite or impound boats. Mr. Faughnan suggested that the officers explain the criteria; however, he said that, as he understands it, boats are not impounded for being unseaworthy. The procedure is to send the boat owners a Notice to Comply. Boaters who don't respond to these notices are fined.

Mr. Faughnan further explained that the Sheriff's Department uses two separate ordinances. One ordinance pertains to illegally moored vessels and enables the deputies to impound them. For the most part, those vessels that are impounded are illegally moored, meaning they are unattended and are not in a legal mooring. There is also an ordinance that pertains to seaworthiness and provides for a process whereby vessels are issued Notices to Comply and are given a period-of-time to comply. The seaworthiness ordinance does not give authority to impound vessels.

Chairman Searcy commented that, in the past, copies of the ordinances were placed on the public information table because several people asked for specific standards under the law. He suggested that staff resume this practice since it is an issue that comes up regularly. Chairman Searcy also mentioned that the information is available at Beaches and Harbors. Mr. Faughnan added that the ordinances are available on the County website.

Deputy Carvalho explained that impounded vessels that went through the lien sale procedure and did not sell were destroyed. All of these vessels were impounded in the first place because they were illegally moored either in slips that they should not have been in or because they exceeded time limits in areas that were posted.

Relative to Hans Etter's question about how the deputies determine a vessel's seaworthiness, Deputy Carvalho explained that it's a simple matter in a lot of cases. For example, at present, there's a vessel

that sunk at the Sheriff's Department's docks and one that sunk at Union East. He said that it doesn't take much expertise to determine whether a vessel is unseaworthy when it has taken on so much water that "you can't keep up with it, " or has redwood plugs in the exhaust, for example, which show that the vessel is not operable.

Mr. Klein said that Deputy Carvalho isn't qualified to inspect vessels since he doesn't have a license or certification. Mr. Klein recounted his experience with his boat being cited by Deputy Carvalho for unseaworthiness. He said that Deputy Carvalho never actually boarded the vessel and Deputy Carvalho's claim that there was rust on the boat's exhaust pipes was enough to satisfy "the court that the vessel was unseaworthy." Mr. Klein offered to show the Commissioners his file concerning the matter if they wish to see it.

b. Marina del Rey and Beach Special Events

Mr. Wisniewski reported that the Marina del Rey boat show is scheduled for January 13-16 at Chace Park. The boat show is sponsored by the LAX/Westchester Marina del Rey Chamber of Commerce and will be managed by a promoter.

Also included in the report are the Fisherman Village concert dates and performers.

Mr. Wisniewski mentioned that a lot of debris and erosion occurred on the beach after the recent storms and maintenance staff is busy cleaning the debris.

Chairman Searcy took a moment to announce that he got married on December 31. He received a round of congratulations from the meeting attendees.

4. OLD BUSINESS

a. Marina del Rey Woodfin Suite Hotel & Vacation Ownership

Chairman Searcy thanked staff for the report and commented that it provided a lot of new information relative to the wetlands issue.

Mr. Roger Moliere gave some background, informing the Commission that the 1996 Local Coastal Plan (LCP) did not designate Parcel 9U or any other area, except around the Oxford Basin, as a wetland. Approximately, one year ago the Department began some negotiations, pursuant to an Request for Proposals, for Parcel 9. During the course of negotiations, it came to staff's attention that there may a wetland issue with part of the area.

Mr. Moliere commented that there is a lot of misinformation about how an area is determined to be a wetland. He explained that a large scale, detailed scientific process is needed to determine whether a wetland is present. There can be initial assumptions of jurisdiction, which there was in this case because the Department notified various agencies, including the Corps of Engineers, Department of Fish and Game, California Coastal Commission and others. In fact, during the course of the area's maintenance, these agencies were invited to check and ensure that the area is appropriately maintained and the wetland isn't disturbed.

Mr. Moliere said that determining the presence of a wetland requires investigation of plant indicators and hydrological testing of the soils. The preliminary investigation began with a group of testing, which has been done, and proceeded on to more detailed testing, which can only be done under certain circumstances. The lessee plans to conduct the tests during the winter months when there is rainfall because rainfall is required to make a correct determination. Luckily, there has been plenty of rain and the tests can be conducted.

The Parcel 9U area was created and is not hydrologically connected to other wetlands in the area. Mr. Moliere said that years ago this area was supposed to be developed with a hotel. There was early construction that scraped out and created some low lying areas over the course of years and pooling of water and other things contributed to making it, what may be in certain areas of the site, a possible wetland. Tests will determine whether a wetland is present and, if there is, the area's condition.

As Mr. Moliere understands it, the tests have been conducted and preliminary results are arriving. A decision has to be made regarding what may be done with the property. There will be consideration regarding whether the property can be developed at all and, if so, can the planned project go there; whether a redesign is needed; and whether a redesign can accompany it. Other alternatives include off sight mitigation of the wetland. Because this would be such a small and isolated wetland, it has a relatively lower value. One of the standard methodologies is to provide off sight mitigation by contributing to the restoration of wetlands that are more connected and more valuable in the longer run.

Chairman Searcy asked which jurisdictional body would make the wetland determination. Mr. Moliere responded that it appears the California Coastal Commission would make the determination although it is probable the Army Corps of Engineers would also be involved.

Chairman Searcy asked whether the California Fish and Game, Army Corps and Coastal Commission would all receive the reports. Mr. Moliere responded that they would receive the reports as part of the Environmental Impact Review (EIR).

Chairman Searcy asked how members of the public would obtain the reports. Mr. Moliere responded that the report would be available at the Department of Regional Planning as part of the EIR process. The report would also be provided to the Design Control Board and the Small Craft Harbor Commission. Copies of the report would also be available to the public at various locations. Mr. Faughnan added that typically a copy is made available at the MdR Library.

Mr. Moliere said that one of the project benefits is that the open space now designated under the LCP is Parcel FF. That is a paved parking lot. The project initially was to move that open space designation to a portion of Parcel 9, which provided a much superior location with view shed and all kinds of other benefits and would provide for the development of an actual park. This would not be at public expense. Mr. Wisniewski interjected that Parcel FF would have been a park also; it's just this is a superior site for the park.

Mr. Moliere continued, stating that the plan was for the developer to pay for and maintain the park that was created. There was also a plan to include some water area as part of the park to build new public docks, some 10 or 12 docks, depending on the size of the space.

Chairman Searcy asked would the docks be transient docks. Mr. Wisniewski responded that the docks would be transient and would be added to the inventory. There would be access to the Marina's Westside for transient slips, which doesn't currently exist.

Mr. Moliere said the plan was to add a maritime dimension to the park that enabled the public to visit from the water. This would have been accomplished without any public expense. These plans are now on hold.

In response to concerns that the County is developing a wetland, Mr. Moliere responded that is not the case. He said that initially there must be a determination as to whether there is a wetland under the jurisdictional guidelines. This is different from the Army Corps of Engineers asserting jurisdiction, which it did at the County's request only because it is near a navigable waterway. This is a very preliminary step.

Mr. Moliere stated that once it is determined there is a wetland and it is precisely mapped, that will inform later decisions. Nothing will happen until this is done. Nothing will happen until the studies are completed, reviewed, subjected to public comment and the alternatives are explored and presented.

Chairman Searcy asked staff to identify exactly what part of the process would be subject to public comment. Mr. Faughnan responded that the EIR process includes a public comment period. The regulatory process for approval of development in the Marina also includes hearings where public comments are taken. There are also opportunities for public comment at the California Coastal Commission, Regional Planning Commission, Design Control Board and Small Craft Harbor Commission meetings.

Chairman Searcy asked whether notices of the meetings and hearings that have opportunities for public comment are posted on the County's website. Mr. Chesler responded that notification for the Department of Regional Planning hearings are posted. There are notification requirements in the EIR process where the comments will be published as part of the final decision making process.

Chairman Searcy asked how members of the public would be notified of meetings where they can provide input. Mr. Faughnan responded that all of the public meetings are subject to Brown Act requirements and public notification requirements. Members of the public can contact the appropriate agencies to request that their name/address be placed on a mailing list for meeting notifications.

Relative to testing Parcel 9U, Commissioner Lesser clarified that the Department will not know the options until these tests are completed. Mr. Moliere said that the general category of options that would be available is known; however, everything depends on the test results.

Commissioner Lesser asked when the tests would be completed. Mr. Moliere responded that, as he understands it, the tests were completed. Mr. Moliere added that he can't, however, predict when the report would be ready. The Department will inform the Commission when the report is available.

Mr. Wisniewski informed the Commission that the report would naturally be made available to the Commission since, if the Department were to negotiate a lease for Parcel 9, the lease would be presented to the Commission en route to the Board of Supervisors. The next likely step is for the report to be included in the regulatory process before the Regional Planning Commission. The report would also have to return to the Design Control Board. These are opportunities for public comment.

Mr. Moliere commented that, since both the DCB and SCHC have requested copies of the report, it would be included on both the DCB and SCHC agendas when the report becomes available during the regulatory process.

Chairman Searcy opened the floor to public comment.

Ms. Carla Andrus asked whether the new transient slips are intended for owners of the timeshare units or for the public. She also asked who would manage the slips. Mr. Wisniewski responded that the Department would manage the transient docks.

Ms. Andrus commented that the Department has the option not to have a hotel on Parcel 9U at all and she suggested that if a hotel is necessary, it should be placed on Parcel FF. She said that if the area isn't designated as a wetland it doesn't mean it should be used for commercial purposes. Ms. Andrus believes that this is almost the last open space available in the Marina and provides the only opportunity to see that this is a marina.

Further, Ms. Andrus stated that willow trees were removed from the wetlands during Playa Vista's development. Although the developers promised to keep the seedlings, they were not kept. Parcel 9U is the only place where there are willow trees and they are utilized by rare fly catchers, snowy egrets and great blue herons. She said that a park with trees that are friendly to this environment would be good since "we haven't been friendly to the environment at all, let alone the residents. We haven't been friendly to the wildlife in this area either."

Ms. Andrus stressed that there are options other than constructing an overpriced hotel to accommodate people who can afford a five-star setup. She said that the Marina is intended for low and moderate-income people. Ms. Andrus asked where the low and moderate-income facilities are located in the Woodfin Hotel plans.

Mr. Donald Klein expressed the Coalition to Save the Marina's opposition to the Woodfin Hotel Suite project and to the replacement park space credit for space on the water. He said that such plans are not consistent with the Marina LCP or Marina Specific Plan. The Coalition is also opposed to off-site mitigation for the park space and trading land for water. The Coalition believes it would better serve the public to use the space as a park.

Relative to Mr. Moliere's statement that the developer would pay for the park, Mr. Klein said that he interprets this to mean that the park would serve as a front entrance to the hotel itself and wouldn't be much of a park.

Mr. Hans Etter asked: 1) Commissioner Lesser for an update regarding the boater that Mr. Etter told him was rudely treated and kicked out of the Chace Park transient docks after staying there for seven days; 2) whether the Department's boater friendly philosophy applies to the transient dock managers; and 3) the management policy for the new transient slips that Mr. Wisniewski mentioned earlier.

Mr. Etter commented that Portofino Marina has transient slips that he believes charges $10.00 per day for up to ten days and provides gate cards and nice slips. The Newport Marina Harbor allows up to 60 days during the wintertime and the officers help people tie up their boats at the mooring. The boaters are charged only $5.00 per day for a mooring.

Additionally, Mr. Etter said that the Marina treats boaters poorly, particularly at Chace Park during the current boat show preparations. The boat show operators were allowed to push the transient slip boaters out of the park and the boaters weren't offered suitable alternatives. Mr. Etter noted, "Even though on the chart there are legal anchorages where you can seek shelter, they have never been offered to boaters as an alternative and it the harbor master's authority to do so."

Commissioner Lesser informed Mr. Etter that he contacted the transient dock guest that Mr. Etter referred to him. Commissioner Lesser said that he began the conversation by explaining who he was and stating that he understood that the guest had been treated poorly. The guest immediately told Commissioner Lesser that this was a false statement. The guest told him that in fact he had been treated courteously and professionally. Further, the guest indicated that he understood why he had to leave the transient docks and it was because the rules have to be the rules. The guest said that it's a shame such rules are needed but without the rules limiting the amount of time there are certain people in the Marina who would abuse them. The guest also said that unfortunately in a case like his where it would have made sense to allow him to stay the people who abuse the rules would consider it favoritism. Therefore, the rules have to apply to everyone.

Commissioner Lesser expressed his feeling that Mr. Etter had mislead him since the transient guest's comments were contrary to everything that Mr. Etter had told Commissioner Lesser.

5. NEW BUSINESS

a. Election of Commissioner Officers

Commissioner Lesser moved that the Commission retain the same officers. Before proceeding, Chairman Searcy wished to know whether the Commission could retain the same officers since there are term limits. Mr. Wisniewski responded that the Commission could waive the term limit rule and then re-elect the same officers.

Commissioner Lesser's original motion was dropped and the followed motions were made and unanimously approved.

Vice-Chairperson Stevens moved and Commissioner Lesser seconded a motion to waive the Commission's two-term limit rule. The motion passed unanimously.

Vice-Chairperson Stevens moved and Commissioner Lesser seconded a motion nominating Chairman Searcy to serve as Chairman of the Commission for the year 2005. The motion passed unanimously.

Commissioner Lesser moved and Chairman Searcy seconded a motion nominating Vice-Chairperson Stevens to serve as Vice-Chairperson of the Commission for the year 2005. The motion passed unanimously.

6. STAFF REPORTS

a. Ongoing Activities

-- *Board Actions on Items Relating to Marina del Rey*

Mr. Wisniewski said that he would like the report to stand as written and would be happy to respond to questions from the Commission or members of the public.

Vice-Chairperson Stevens commented that there is a tremendous amount of debris remaining in the basins after the recent storms. She asked whether the Department has the ability to clean the debris at these basins. Mr. Wisniewski responded that the Department has vessels cleaning the public water areas of Marina del Rey; however, the lessee is responsible for the water area at his/her own leasehold. He added that most of the debris comes from the Ballona Creek discharge, especially when it discharges while the Marina is going from low to high tide, which acts like a suction device and brings the debris into the Marina. Staff works with the Department of Public Works (DPW) to install screening devices to catch the debris and, hopefully, in the future, DPW will improve this process.

Vice-Chairperson Stevens asked staff to notify the lessees about the debris at their anchorages. Mr. Wisniewski assured Vice-Chairperson Stevens that the lessees are aware of the matter; however, Mr. Wisniewski said that he would bring the issue to their attention today when he attends the lessees' luncheon.

Vice-Chairperson Stevens requested a status on the replacement of the old, decaying docks. Mr. Wisniewski responded that there is an ongoing maintenance inspection program and when docks are identified as needing replacement, the lessee is put on notice and staff monitors the replacement of the boat slips or the correction of the deficiencies. If a slip can be repaired and operational, the harbor engineer certifies that it's okay and, if a slip needs to be replaced, the Department insists upon replacement.

Vice-Chairperson Stevens said that she was under the impression there was a requirement to replace the docks that are in terrible shape. Vice-Chairperson Stevens clarified that she isn't referring to tearing down docks that are part of a leasehold's entire renovation project, but those deteriorating docks in need of replacement. Mr. Wisniewski responded that Vice-Chairperson Stevens is right and he explained that there is a point at which docks can't be repaired or it becomes economical infeasible to repair them. It's always to the County's advantage to replace the docks because of the economic costs of putting old slips back into service. Many of the Marina's slips that aren't being removed as a result of redeveloping landsite facilities are reaching and have reached the age where the lessees are facing the need to replace them.

Mr. Wisniewski said that the Department has gone before the California Coastal Commission (CCC) in an effort to help speed up slip maintenance so that the Department can work with the lessees to maintain them. Currently, if a lessee has to maintain a slip, he/she has to obtain a Coastal Development Permit, which slows down slip maintenance.

Vice-Chairperson Stevens mentioned the upcoming CCC meeting. Mr. Wisniewski thanked her for bringing up the subject and announced that the CCC is conducting a Local Coastal Plan Periodic Review on Wednesday, January 19 at 6:30 p.m. in the Chace Park Community Room. He informed the public that the Coastal Commission issued a list of items on which it would like to receive public comment and the list is available at Beaches and Harbors' headquarters.

-- *Response to Public Inquiries*

Commissioner Lesser and Chairman Searcy commended the Department on the "Response to Public Inquiries" segment of the Ongoing Activities Report and commented that it does a good job of addressing the issues raised at the November 2004 meeting.

Chairman Searcy opened the floor to public comment.

Ms. Andrus questioned how a brand new Marina was charging less rent (during the month of May) than the degraded docks at Bar Harbor, which is scheduled for demolition. She said there is a low quality of life at Bar Harbor, there's no market value for the tenants and they are uncertain as to where they will relocate. Ms. Andrus said that the anchorage doesn't have a list for boaters. Ms. Andrus made a sweep of every marina and when she was looking for a 30' slip for a Pearson 1984, Bar Harbor was the only one that did not provide a list for boaters. She said that boats are still coming to Bar Harbor and there is a yacht broker that is allegedly charging $1,000 as a finders fee for slips. Ms. Andrus was told that Bar Harbor doesn't want old boats there even if the boat owner has insurance.

Ms. Andrus asked how Bar Harbor could discriminate when it is ready for demolition itself. She said that a default notice should have been given to the lessee a long time ago and the docks should have never gotten to the condition where they have outlived their useful life. Ms. Andrus also commented that its management has outlived its useful life. The docks should have been repaired or redone 10-15 years ago as was done at Villa del Mar. Villa del Mar is charging rents that are a little bit more than Bar Harbor; however, Villa del Mar replaced its docks 15 years ago and is doing its job and has a great reputation. The boaters are very happy. Ms. Andrus found out, however, that the anchorage eliminated a great deal of small boats.

Ms. Andrus reiterated her request for an explanation as to why Bar Harbor's management is receiving preferential treatment.

Mr. Hans Etter asked why the Sheriff's Department never pursues slumlords that don't maintain the docks. He also wanted to know why there isn't an independent building inspector.

Mr. Etter alerted the Commission about a public hazard on the sidewalk outside the gates of C-2600 at Bar Harbor. He said that the street is sinking by the curb. Parts of the curb have almost a foot of drop when there should only be six inches. The area also has tree roots pushing up the asphalt.

b. Marina del Rey Convention and Visitors Bureau

Ms. Beverly Moore reported on the Bureau's outreach program to newspapers, magazines and television stations to entice them to include Marina del Rey in their stories. Reporters were also invited to the Marina to get a first-hand look at the community. During 2004, the Bureau hosted 22 travel writers.

Ms. Moore distributed copies of a story about the Marina written by the editor of a Japanese travel magazine called "Rasin," which means compass. The editor visited the Marina last spring. In the magazine story, the writer advises people traveling to Los Angeles to stay in the Marina and the article provides a wonderful description of the views and comments on the delicious food at Café del Rey

Ms. Moore said there is an interesting trend in Japanese travel to California. Many travelers are taking longer trips and staying in one place. They like the idea of staying in an American style apartment while on vacation, which can be done at the Oakwood-Marina apartments. Ms. Moore said that Oakwood has quite a number of Japanese travelers who have chosen to vacation in an American lifestyle environment.

While at a trade show she attended in September, Ms. Moore met the editor of a magazine called "Black Meetings and Tourism." The meeting resulted in a story being written about Marina del Rey hotel sales and marketing manager, Shelby Turner, who happened to be with Ms. Moore at the trade show.

Ms. Moore showed the Commission a video of two short television clips that were produced by Bryan Schofield and aired in November on NBC's Channel 6 in Palm Springs. She had invited Bryan Schofield, producer of an award-winning food and travel show called "Cruisin' California" to come to the Marina in October. Mr. Schofield's show has an audience of approximately 500,000.

Chairman Searcy opened the floor to public comment.

Ms. Carla Andrus commented that she's glad the Marina is getting publicity from the video. She suggested that public service announcements be made to inform people about the Marina's existence

since a lot of people aren't aware that it provides small craft harbor recreation, which is quickly disappearing.

Ms. Andrus expressed resentment about the Visitor Bureau's promotion of big yachts and restaurants. While she appreciates the video's humor, Ms. Andrus doesn't believe the Marina is intended just for yachts and restaurants. She informed the Commission that when she lived on Rampart Street, which is a crime-ridden area in L.A., she didn't have a clue about Marina del Rey. When Ms. Andrus found out about the Marina, it was a life changing experience for her.

Ms. Andrus said that there are people who aren't aware of the Marina and are being deprived. She mentioned that Supervisor Burke's outreach activity for very low income and disadvantaged children is good, but the Marina was intended for low and moderate-income people and everyone seems to be losing sight of that.

Ms. Andrus suggested that the Marina's promotional campaign include public service announcements to inform a broader spectrum of people about the Marina and she suggested that the issue be discussed at the upcoming Coastal Commission LCP Review.

Chairman Searcy commented that Ms. Andrus raised some interesting points and he informed her that Mr. Schofield produced the video, not Beaches and Harbors or the Visitors Bureau. Chairman Searcy suggested that since Ms. Andrus has experience with video recorders, as demonstrated by her taping of Commission meetings, perhaps, she could join with a non-profit group to create public service spots for television and/or the radio since stations set aside blocks of time for these groups. Chairman Searcy explained that he knows about this subject because he did public service announcements for his church organization on several occasions during the 1980's and 1990's.

Ms. Andrus commented that she thought public service announcements had to be sponsored by a government body. Chairman Searcy told her that public service spots are available to non-profit groups and if she has ideas and wants to do something positive about the Marina she has the opportunity to do it.

Mr. Hans Etter said that he prefers to use his video recorder to film the crimes transpiring in the Marina and he plans to show taped proof and documentation of the Fantasea 1 violations to the federal prosecutors. He also suggested that Japanese tourists stay at Bar Harbor or Archstone-Marina if they wish to experience real American homes during their visit to this country.

Mr. Donald Klein asked the name of the County's engineer for the Marina. He also referenced a letter to the editor that appeared in the December 9, 2004 Argonaut, in which the Marina director states, "Despite temporary closures due to construction on new slips, vacancies still exist in the Marina." Mr. Klein informed the Commission that a close study has revealed: 1) the temporary closures are now more than three years; 2) new boat slip construction has not even begun; and 3) a recent poll (dated December 12) of all the anchorages shows that boaters seeking slips for 30' vessels are referred to a waiting list for a period of two months to 1 ½ years.

Mr. Klein asked why the slip vacancies that Mr. Wisniewski referred to in the Argonaut aren't posted on the Department's website or published monthly with the County's report in the Argonaut. He requested that this issue be placed on a future Commission agenda.

In response to Mr. Klein's request for the name of the Department's engineer, Mr. Wisniewski responded that the Department uses four private sector engineering firms: Concept Marine Associates, Noble Consulting Group, Hans-Padron Associates and David Evans & Associates. Concept Marine conducts the premises maintenance inspections. Mr. Wisniewski said that the Department also avails itself of the Department of Public Works whose director is considered the County engineer.

In response to Mr. Klein's slip vacancy question, Mr. Wisniewski responded that the Marina does have vacancies, but certainly not in every slip category. The Department conducts monthly surveys to identify vacancies and their slip categories.

Mr. Wisniewski said that Mr. Klein's comment about posting slip data on the Internet is a good idea and in the future the Department would post the information, including dockmasters' names and phone numbers, on its website.

Mr. Klein requested the names of the employees who actually conduct the premises maintenance inspections. Mr. Wisniewski suggested that Mr. Klein obtain this information from Mr. Moliere after today's meeting

7. COMMUNICATION FROM THE PUBLIC

Chairman Searcy opened the floor to public comment.

Ms. Patricia Raye gave the following testimony:

> I recently had my boats impounded. I was on the docks, at the overnight. I had just gotten the titles and everything; I had just bought these boats. The night before, I'd been there for one night, at the overnight, and it was broken into. The latch was broken. The title and my I.D. were stolen. I raced to the DMV and tried to get my paperwork back together. By the way, I had taken it to Officer Thornton and he copied all the documents so that I would have no problems if anything happened. I just wanted insurance. I have them [the deputies] constantly everyday, maybe 2-3 times per day, coming to me asking me what I'm doing, as if I'm a less than desirable citizen here, which has never been proven 'cause it's not true.
>
> At any rate, the boat was impounded and Officer Clark was not interested in taking a burglary report. He was interested in taking my boat. I showed him the printout of my new I.D. I did not have a picture I.D. Now, mind you, these officers have arrested me on trumped up charges that I've beaten in court, one after 11 ½ months, charged with trespassing. I proved harassment. I had letters that I submitted from other people that proved harassment.... On top of it, my name was not on the boat that I was arrested on. I woke up and I didn't even know where I was. He had moved the boat for twenty minutes. Anyway, we were charged with trespassing because he stopped and picked up a worker, my boyfriend Johnny.
>
> We proved that it wasn't true, that we were being harassed and chased around. I'm not able to get a slip. I walk in and there must be a huge poster back there with a circle and a slash across my face because they seem to know that I fight a lot for my rights. They know who I am. The FBI fingerprinted me three times and Officer Clark claimed that he couldn't allow my boat, and Jose, to be registered at the park because of my non-picture I.D.
>
> Also, there was $56.00 owed by another person, the previous owner, and I said, 'Well, that person is coming to pay it....' They said, 'No, go, or we'll take you and your boat.' I had warrants that I had let go to warrant because I had been given citations for things I found unreasonable, such as, last Christmas during the Christmas parade, there was a red flag.... I was at the launch. I wasn't allowed to come to the park. I had my civil rights taken away on the water by Jose and these nice officers here have to defer to his judgment.
>
> The officer took me out. I was at launch. Every finger was filled and it was double parked. I was the only officer that he yanked out of the boat quite forcefully. He said, 'Come out' and he steps on my boat. He puts me in handcuffs. He searches my boat and gives me a citation because I was 15 minutes over after they dropped the red flag. Not one other boat, and there were probably 20 other boats there, received any sort of treatment like that. It was embarrassing, humiliating and slanderous. I go through this everyday.
>
> Now I 've had my second boat taken. It was wrapped around by another boat and they had to take it. The anchors got entwined. Now they want money from me for both boats. I took care of all my warrants. I've been to court. I've never committed a

crime. I've never been to jail before ever in my life.... I have huge grievances and I'm being discriminated against.

8. ADJOURNMENT

Chairman Searcy adjourned the meeting at 11: 23 a.m.

Respectfully submitted,

Toni Minor
Commission Secretary

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART I CRIMES- JANUARY 2005

Part I Crimes	MARINA AREA (RD'S 2760-2763)	EAST END (RD'S 2764-2768)
Homicide	0	0
Rape	0	0
Robbery: Weapon	0	2
Robbery: Strong-Arm	0	0
Aggravated Assault	0	2
Burglary: Residence	4	7
Burglary: Other Structure	2	1
Grand Theft	5	4
Grand Theft Auto	8	1
Arson	0	0
Boat Theft	0	0
Vehicle Burglary	4	14
Boat Burglary	5	0
Petty Theft	6	3
Total	34	34

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

Source- LARCIS, **Date Prepared –** February 1, 2005
CRIME INFORMATION REPORT - OPTION B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
MARINA DEL REY STATION
PART I CRIMES- JANUARY 2005

	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									2	2
Robbery: Strong-Arm										0
Aggravated Assault								2		2
Burglary: Residence	2			2				4	3	11
Burglary: Other Structure	1	1						1		3
Grand Theft	3			2		1	2	1		9
Grand Theft Auto	7	1					1			9
Arson										0
Boat Theft										0
Vehicle Burglary	4						3	6	5	18
Boat Burglary		2		3						5
Petty Theft	6					1	2			9
REPORTING DISTRICTS TOTALS	**23**	**4**	**0**	**7**	**0**	**2**	**8**	**14**	**10**	**68**

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

Source- LARCIS, **Date Prepared** – February 1, 2005
CRIME INFORMATION REPORT - OPTION B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART I CRIMES- FEBRUARY 2005

Part I Crimes	MARINA AREA (RD'S 2760-2763)	EAST END (RD'S 2764-2768)
Homicide	0	0
Rape	0	0
Robbery: Weapon	0	2
Robbery: Strong-Arm	0	1
Aggravated Assault	1	2
Burglary: Residence	2	5
Burglary: Other Structure	5	1
Grand Theft	4	5
Grand Theft Auto	3	6
Arson	0	1
Boat Theft	0	0
Vehicle Burglary	1	8
Boat Burglary	2	0
Petty Theft	2	2
Total	20	33

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

Source- LARCIS, **Date Prepared** – March 2, 2005
CRIME INFORMATION REPORT - OPTION B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
MARINA DEL REY STATION
PART I CRIMES- FEBRUARY 2005

	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	1		2
Robbery: Strong-Arm							1			1
Aggravated Assault	1								2	3
Burglary: Residence	2							3	2	7
Burglary: Other Structure	4	1					1			6
Grand Theft	1	1		2			2	1	2	9
Grand Theft Auto	4				1		2	3		10
Arson								1		1
Boat Theft										0
Vehicle Burglary	1					1	2	3	2	9
Boat Burglary				2						2
Petty Theft	2						2			4
REPORTING DISTRICTS TOTALS	**15**	**2**	**0**	**4**	**1**	**1**	**11**	**12**	**8**	**54**

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

Source- LARCIS, **Date Prepared –** March 2, 2005
CRIME INFORMATION REPORT - OPTION B

MARINA DEL REY HARBOR ORDINANCE
SEAWORTHY & LIVEABOARD COMPLIANCE REPORT

	January	February
Liveaboard Permits Issued	1	2
Warnings Issued (Yellow Tags)	0	0
Notices to Comply Issued	0	0

Total Reported Liveaboards By Lessees - 572
Total Liveaboard Permits Issued - 465
Percentage of Compliance - 81

No new Warnings were issued in the month of February.

No new Notices to Comply were issued in the month of February.

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

Number Of Impounded Vessels Demolished

To date, one hundred and sixty five (165) vessels have been removed from the marina for disposal. Currently, eighteen (18) vessels are ready for disposal and eight (8) are awaiting lien sale procedures.

Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 2, 2005

TO: Small Craft Harbor Commission

FROM: Kerry Gottlieb-Silverstrom for
Stan Wisniewski, Director

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

MARINA DEL REY EVENTS

LOS ANGELES COUNTY HOUSEHOLD HAZARDOUS WASTE ROUND UP

Saturday, March 5
Dock 52 Parking Lot on Fiji Way
9:00 am – 3:00 pm

The County of Los Angeles Department of Public Works and Sanitation Districts of Los Angeles County, in conjunction with the Department of Beaches and Harbors, are sponsoring the annual Household Hazardous Materials and E-Waste Round Up for the proper disposal of environmentally harmful household hazardous substances and electronic waste.

For information call: The County of Los Angeles Department of Public Works at (888) 253-2652 or the Sanitation Districts of Los Angeles County at (800) 238-0172.

OPENING DAY CEREMONIES 2005

Marina del Rey Yacht Clubs
Saturday, March 19 – Sunday, March 20

The yacht clubs of Marina del Rey will be celebrating the opening of the yachting season on March 19 - 20. Contact the clubs for their schedule of events during this weekend.

California Yacht Club:
www.calyachtclub.com
(310) 823-4567

Del Rey Yacht Club:
www.dryc.org
(310) 823-4664

Marina Venice Yacht Club:
www.mvyc.org
(310) 822-9082

Pacific Mariners Yacht Club:
www.pmyc.org
(310) 823-9717

Santa Monica Windjammers Yacht Club:
www.smwyc.org
(310) 827-7692

South Coast Corinthian Yacht Club:
www.sccyc.org
(310) 306-2787

MARINA DEL REY OUTDOOR ADVENTURES

Sponsored by the Los Angeles County Department of Beaches and Harbors

Bird Watching Experience Program

Thursdays, March 24 and May 26 at 9:00 am
and
Thursdays, April 28 and June 23 at 4:00 pm

County-sponsored bird watching walk for adults is a free two-hour walk, which will take place at various sites in the Ballona Wetlands. Meet at the Burton Chace Park office in the lobby. Participation, parking and transportation to tour sites are free. Pre-registration is a must!

For program information and registration call: Burton Chace Park at (310) 305-9595.

Advanced Kayaking Program

Saturdays, March 12, April 9, May 14, June 11, September 10 and October 1
8:00 am – 11:00 am

Los Angeles County Department of Beaches and Harbors is offering a *new* advanced kayaking outing this year. Participants will get the opportunity to kayak through the Marina del Rey harbor and head out to the North Jetty, where they will surf the waves aboard sit-on-top kayaks. Los Angeles County Ocean Lifeguards will instruct the outing.

Harbor Kayaking Program

Saturdays, March 12, April 9, May 14, June 11, September 10 and October 1
11:30 am – 1:45 pm

Back by popular demand, a leisurely kayaking session in the Marina harbor. This two-hour session begins with Los Angeles County Lifeguard instruction and water safety. The group will get the opportunity to enjoy Marina del Rey's basins.

Programs require pre-registration. Fees are $25 (youths 10 – 18) and $30 (19 or older). Fees must be paid upon registering.

For program information and registration call: Burton Chace Park at (310) 305-9595.

FISHERMAN'S VILLAGE WEEKEND CONCERTS

Sponsored by Pacific Ocean Management, LLC
All concerts are from 1:00 pm – 4:00 pm

Saturday, March 12
Solvei, playing Smooth Jazz

Sunday, March 13
Sullivan Hall Band, playing R&B, Blues, Pop & Rock

Saturday, March 19
Werewolves of Claremont, playing Rock & Roll

Sunday, March 20
Monica Burnett, performing Storytelling Rock

Saturday, March 26
Captain Dan's Big Love Band, playing Jazz, R&B and Rock

Sunday, March 27
The Anderson's, playing Pop and Rock

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

ANNUAL MARINA DEL REY ANGLERS HALIBUT DERBY
Sponsored by the Marina del Rey Anglers
Saturday, April 2 – Sunday, April 3

Competitors vie for great grand prizes at this popular local event. Awards go to those who catch the biggest fish on a rod and reel in Santa Monica Bay. Fishing starts at sunrise, but the real fun starts at the public weigh-ins held Saturday, April 2, in Burton Chace Park from 3:00 pm to 5:00 pm and again on Sunday, April 3, from 1:00 pm to 3:00 pm.

For information visit: marinadelreyhalibutderby.com or call (310) 827-4855.

BEACH EVENTS

SANTA MONICA PIER WEEKEND CONCERTS
Junior Acoustic Music Series
Saturday, March 12

Pier JAMS (Junior Acoustic Music Series), a program dedicated to giving young musicians the opportunity to perform in a high-profile venue, presents the University High School Jazz Ensemble, performing at the Santa Monica Pier's Carousel Deck at 1:00 pm.

For information call: Santa Monica Pier Restoration at (310) 458-8901.

SW:mc

Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 3, 2005

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director

SUBJECT: ITEM 5 a — REQUEST FOR AUTHORIZATION TO ENTER INTO EXCLUSIVE NEGOTIATIONS FOR PARCEL 1S (FUEL DOCK) – MARINA DEL REY

Item 5b on your agenda pertains to a request for authorization for the Chief Administrative Officer and the Director of the Department of Beaches and Harbors to enter into exclusive negotiations for the long term ground lease and redevelopment of Parcel 1S, which is located at the terminus of Bora Bora Way. The attached Board letter contains background information on our request.

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

SW:RM:AK

Attachment

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://beaches.co.la.ca.us

March 15, 2005

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:

AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER AND DIRECTOR OF THE DEPARTMENT OF BEACHES AND HARBORS TO ENTER INTO EXCLUSIVE NEGOTIATIONS FOR THE LONG TERM GROUND LEASE AND REDEVELOPMENT OF PARCEL 1S IN MARINA DEL REY
(4th DISTRICT)
(3 VOTES)

JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND THE DIRECTOR OF BEACHES AND HARBORS THAT YOUR BOARD:

Authorize the Chief Administrative Officer ("CAO") and Director of the Department of Beaches and Harbors ("Director") to proceed with exclusive negotiations with the entity to be established jointly by Harbor Real Estate LP, a Delaware partnership, doing business as The BoatYard, and Westrec Marina Management, Inc., a California corporation, for a ground lease of Parcel 1S that would enable the redevelopment of the fuel dock facility located on the leasehold, together with development of new adjunct facilities.

PURPOSE AND JUSTIFICATION OF RECOMMENDED ACTION

Pursuant to your Board's authorization, the Department issued a Request for Proposals for Development of Parcel 1S in Marina del Rey ("RFP") in September 2004. The existing ground lease on Parcel 1S expires May 2006 and has no further options to extend. The parcel is located at the terminus of Bora Bora Way and includes 46,510 square feet of water area. The RFP solicited proposals for redevelopment of the fuel dock and related facilities, incorporating a boater-friendly, waterfront-oriented design. Four proposals and one alternate proposal were received in response to the RFP and were considered by an evaluation committee appointed by the Director. Approval of this item by your Board would authorize the CAO and Director to proceed with exclusive negotiations for a new ground lease of Parcel 1S.

Implementation of Strategic Plan Goals

This recommendation is consistent with the County's Strategic Plan Goals of Service Excellence and Fiscal Responsibility, and furthers the goals of the Board-adopted Marina del Rey Asset Management Strategy. The resulting lease would ensure the continued availability of an on-the-water fueling station for boaters and provide an enhanced level of visitor-serving facilities, including a marine-theme restaurant, large view decks and ample docking spaces for visiting yachts. The new and additional development will ensure that the County will be able to maximize its returns from the leasehold.

FISCAL IMPACT/FINANCING

The recommended proposal offers the prospect for improved lease revenue on the parcel while ensuring continued marine fueling service. Parcel 1S currently contains a fuel dock, a limited amount of dock space, a small office and public restrooms; the parcel provides $167,000 of annual income to the County. Assuming a new lease with rents at prevailing market levels, annual rent to the County from the proposed project is projected to reach $328,000 at stabilization, almost twice the amount of current revenue.

It is contemplated that the County will expend funds (already budgeted) on economic and legal consultants associated with negotiations for a lease on this parcel.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended project involves the following proposed development program: demolishment of all existing improvements, with the exception of the underground fuel storage tanks (recently replaced in the 1990s); complete replacement of the docks; construction of an approximately 2,000 square foot commercial building, including a public observation deck; and construction of a public promenade with two public view platforms.

The Small Craft Harbor Commission, at its meeting held on March 9, 2005, _____ the Director's recommendation that your Board authorize the CAO and the Director to proceed with exclusive negotiations.

ENVIRONMENTAL DOCUMENTATION

It is anticipated that a coastal development permit and a parking permit may be required for the proposed project. Execution of any lease approved by your Board as a result of the exclusive negotiations recommended by this letter will be contingent upon the lessee's successful acquisition of any necessary governmental permits authorizing the proposed construction and completion of the land use entitlement and/or environmental review process.

CONTRACTING PROCESS

On September 21, 2004, your Board authorized the release of a Request for Proposals for Development of Parcel 1S in Marina del Rey ("RFP"). The Department held a proposer's conference on October 4, 2004, to answer questions post by interested parties concerning the RFP.

Four proposals and one alternate proposal were received and reviewed by an evaluation committee appointed by the Director. The committee was composed of the Department's Chief Negotiator, one of the Department's Economic Advisors, a Principal Analyst from the County's Chief Administrative Office, and one of the Department's Marine Engineering Consultants. A copy of the committee's report and its recommendation to the Director is attached as Exhibit 1.

IMPACT ON CURRENT SERVICES OR PROJECTS

The Parcel 1S fuel dock is currently the only fuel dock in the Marina, serving the approximately 5,000 boaters who moor in the Marina, as well as visiting boaters. As stated in the RFP, a condition of the proposed project is to provide uninterrupted fueling services to boaters throughout the construction process. The recommended proposer agrees to provide a temporary fuel delivery system during construction, if needed, to assure the continuity of fuel sales.

In addition to fuel sales, the existing Parcel 1S leasehold also provides a limited amount of dock space, sale of live bait, and sundries. It is anticipated that the anchorage component will be taken out of service temporarily. Similarly, there may be an interruption of live bait and miscellaneous sales. The proposed lessee intends to direct the existing anchorage tenants and customers to its Parcel 53 leasehold where similar services are provided.

Construction will cause only nominal impacts on surrounding developments. The adjacent Parcel 112 lessee is in the midst of redevelopment work, consisting of dock replacement, realignment of Bora Bora Way, construction of a new apartment building, renovations of existing apartments and construction of a public view park. The docks on Parcel 112 adjacent to Parcel 1S and the realignment of Bora Bora Way are already completed; the apartment building construction is underway and anticipated to be completed in 2005. Therefore, the only work that may coincide with future Parcel 1S construction is the apartment renovation work and view park construction. However, these phases are not anticipated to hinder traffic flow on Bora Bora Way or Parcel 1S construction activity.

CONCLUSION

Authorize the CAO and Director to proceed with exclusive negotiations for a long term ground lease to develop Parcel 1S, Marina del Rey, as herein described, and forward one adopted copy of this Board letter to the Department of Beaches and Harbors.

Respectfully submitted,

Stan Wisniewski
Director

David E. Janssen
Chief Administrative Officer

SW:RM:PW:AK:ST

Attachments (1)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors

MEMORANDUM

To: Stan Wisniewski, Director
Department of Beaches and Harbors
County of Los Angeles

From: Fuel Dock RFP Evaluation Committee

Subject: Evaluation of Responses to Fuel Dock RFP

Date: March 3, 2005

INTRODUCTION

The Fuel Dock RFP Evaluation Committee ("Committee") was formed to evaluate submittals received in response to the *Request for Proposals for Development of Fuel Dock Facilities on Parcel 1S in Marina del Rey* ("RFP"). This solicitation was approved by the Board of Supervisors and issued by the Department of Beaches and Harbors ("DBH") in September 2004. The existing lease on Parcel 1S expires in May 2006 and has no further options to extend the term.

The parcel offered in connection with the RFP comprises approximately 1.4 acres total of wet and dry lot area and is situated on the west side of the Marina near the entrance to the main channel, ideally located to provide fuel to boaters. The parcel is subject to the policy set forth in the Marina del Rey Asset Management Strategy ("AMS"), adopted by the Board of Supervisors on April 15, 1997. The AMS specifically calls for, among other things, an accessible waterfront, both physically and visually, and an exciting mix of interconnected uses that relate strongly to the water.

EVALUATION PROCESS AND METHODOLOGY

The proposals were evaluated by a Committee comprised of four members: Richard Volpert, Esq. of Munger, Tolles and Olson, LLP, the County's outside counsel; Allan Kotin of Allan D. Kotin & Associates, Inc., one of the Department's economic consultants; Ron Noble of Noble Consultants, Inc., one of the Department's marine engineering consultants; and Al Tizani of the Chief Administrative Office's Financial and Asset Management Branch. The Committee's duty was to rank and recommend proposals to the Director for exclusive negotiations with the County for a long term ground lease.

Of paramount importance in the proposed redevelopment is the security and safety of continued fuel service, as the existing fuel dock is the only one currently operating in Marina del Rey, which comprises over 5,000 boat slips. In addition to this overriding consideration, the evaluation criteria can be broken down into four main categories, listed below.

Evaluation Criteria

Purpose: Redevelopment of the fuel dock parcel and related facilities, incorporating a boater-friendly, waterfront-oriented design.

- Revenue Enhancement
- Implementation of AMS
- Project Implementability
- Creativity and Marina Upgrade

The Committee met on four separate occasions to analyze the proposals received, interview the proposers and consider policy matters related to them. Prior to interviewing proposers, the Committee distributed a list of general questions to all proposers, as well as a list of questions specific to each proposer, to provide an initial basis for interviews and to allow proposers the opportunity to consider a number of the Committee's concerns in advance of the interviews. The Committee then conducted separate interviews with each of the four proposers in a single day.

SUMMARY OF RECOMMENDATIONS

The Committee recommends the proposal from The BoatYard/Westrec Marinas for exclusive negotiations, on the specific condition that The BoatYard/Westrec Marinas agrees to increase its proposal for initial minimum ground rent.

Each of the proposals submitted in response to the RFP met the baseline criteria by providing for redevelopment of the fuel dock. While the proposals submitted by the other three proposers, Best Fuel, Marina Fuels & Service, and Marina Pacific Associates, also met the requirements and goals of the RFP in overall terms, The BoatYard/Westrec Marinas proposal was judged superior in all of the evaluation criteria categories.

RESULTS OF EVALUATION

Best Fuel

The Best Fuel team, which includes the owner of a local restaurant and the owner of a local automobile gas station, set forth a proposal for complete replacement of the existing docks and above-ground landside improvements, including renovation of the round structure currently used as an office. The waterside plan features a 182 foot large-vessel guest dock, renovation of the round structure of approximately 200 square feet, a dock kiosk, also of approximately 200 square feet, and 8 slips. The landside site plan features a one story building of approximately 1,500 square feet, containing a market/café, boater showers, bathrooms, office space, a cold-storage room, an outdoor plaza area, and 14 parking spaces.

Despite important drawbacks, the Committee believes that the Best Fuel proposal meets the baseline goals of the RFP. The docks appear to be situated within the pierhead lines and the

required backup clearances and fairway clearances appear to be provided. The large-vessel guest dock and market/café address the AMS goal of increasing visitor-serving uses; and the showers, pumpout station and high-speed pumps contribute, at a minimum, to increasing boater amenities.

One of the strengths of the Best Fuel proposal is its landside site plan. The provision of an outdoor plaza area of approximately 5,000 square feet is proposed for use as an art exhibition space, and this space could be utilized for other purposes, such as for staging sportfishing tournament ceremonies. The provision of 14 parking spaces is accessible and efficient.

This proposal has strengths on the waterside, as well. Best Fuel proposes installation of high-speed pumps, a direct marketing campaign to large vessel owners, and a large-vessel guest dock capable of accommodating a greater range of large vessels (up to roughly 180 feet). The ability to accommodate a greater range of yachts could be a significant source of fueling revenues with the right marketing program and could have a positive, indirect impact on other Marina businesses.

There are several drawbacks to this proposal. There are significant flaws in Best Fuel's financial proforma with respect to construction cost and revenue projections. Construction hard costs of $125 per square foot including tenant improvements are below market levels, even when considering the relatively low cost steel and glass architectural style proposed. Moreover, the revenue projection for fuel sales shows a threefold increase in three years. To account for this rather steep sales increase, Best Fuel cites increased prices and increased sales to large vessels. While some degree of increase is plausible, a threefold increase is overly optimistic and significantly impairs the viability of this proposal, as fuel sales account for the majority of total projected revenues.

Another drawback of the Best Fuel team is a lack of marine fueling experience. Although one of the team's principals has experience operating a local automobile gas station, the proposer has simply no direct experience operating a marine fueling business. Even if Best Fuel hires a crew with marine experience to operate the fuel dock, because the fuel operator is not a principal, the County would be exposed unnecessarily to greater operational risk.

Another potential drawback is that, for a portion of the docks, Best Fuel proposes to utilize a "cross-tie" system using anchors and elastomeric ties. Few projects (if any) on the California coast with this type of dock system have been successfully implemented; therefore, suitability for the local tidal and weather conditions over the long term remains untested. However, this drawback is somewhat mitigated by the proposer's willingness to use pilings throughout the dock plan.

The Committee ranked this proposal fourth. Although this proposal addresses the minimum requirements of the RFP, the relatively nominal increase in visitor-serving uses and boater amenities alone cannot overcome the more significant additional risks posed by a new dock technology and particularly aggressive sales projections, and therefore the proposal does not merit a superior score. *Score: 68*

Marina Fuels & Service

Marina Fuels & Service ("Marina Fuels"), the existing Parcel 1S lessee, submitted a proposal for complete replacement of the existing docks and landside improvements, including renovation of the round structure. The waterside plan features an 82 foot large-vessel guest dock, a retail kiosk of approximately 700 square feet, a renovated office of approximately 200 square feet in the round structure, and 13 slips (11 dedicated and 2 shared). The landside plan includes a one-story building of approximately 1,500 square feet, with boater showers, bathrooms, a cold-storage room, and 17 parking spaces.

While there are several drawbacks to this proposal, the Committee believes the Marina Fuels proposal meets the baseline goals of the RFP. The docks appear to lie within the pierhead lines and fairway clearances appear to be provided. There is a problem with compliance regarding backup distances for the slips facing the water taxi dock, although this could be remedied. The increase in retail square footage nominally addresses the AMS goal of increasing visitor-serving uses and the boater showers, pumpout station and high-speed pumps contribute, at a minimum, to increasing boater amenities.

The strength of this proposal is the valuable, local, marine fueling experience gained by Marina Fuels when it oversaw the replacement of the fuel tanks in the 1990s. Marina Fuels' approach to entitlements, which minimizes potential issues by virtue of only a nominal increase in the intensity of land uses, is straightforward. However, in an effort to avoid entitlement risk or, to use the proposer's words, "to maintain a low profile," Marina Fuels proposes a development that does little to expand the visitor-serving role of this leasehold.

A drawback of this proposal is the deficiency in the marketing plan and sales projection. Marina Fuels estimates a 60% increase in fuel sales revenue in the first year following completion of construction. This proposer cites high-speed pumps as a contributing factor, but does not include a marketing program to attract large vessels; similarly, while a large-vessel guest dock is included, its size is limited to accommodating only the smallest of large vessels (100 feet or less). While this proposer offers to moor the larger of large vessels on the fuel dock itself, this partial solution is impractical, as it would interfere with basic fueling operations.

Another drawback of this proposal is the poor location of the bait pens. By situating the pens near the bottom of the ADA gangway in close proximity to the water taxi slip and the dock house, it will be necessary to transport bait across the approximately 15 foot wide main fuel dock. As bait pens attract both seals and birds, inevitable conflicts with marine life may pose health and safety risks to both humans and animals. In addition, the location of the water taxi slip requires a circuitous route from the Main Channel, and in some instances the water taxi may have to change its mooring location depending on which of the facing slips are occupied.

The Committee ranked this proposal third. Although meeting the minimum requirements of the RFP, the nominal increase in visitor-serving uses and boater amenities and concerns with the marketing plan, sales projections, and dock plan prevented the Committee from scoring this proposal higher. *Score: 76*

Marina Fuels also submitted an alternate proposal, which only differs from its primary proposal in the dock plan. In the alternate proposal, the docks lie outside the pierhead lines and thus do not meet the requirements of the RFP. The Committee did not consider further the alternate proposal.

Marina Pacific Associates

Marina Pacific Associates ("Marina Pacific") is the lessee of the adjacent Parcel 112. The proposal submitted by Marina Pacific provides for complete replacement of the existing docks and above-ground landside improvements. The waterside plan features a 100 foot large-vessel guest dock, a fish weigh station, boat rentals and 15 slips. The landside site plan features a view park of approximately 5,500 square feet and a one-story building of approximately 2,000 square feet, containing a snack bar, retail/office space, bathrooms, and storage room.

The Marina Pacific proposal meets the baseline goals of the RFP and offers a clear alternative redevelopment plan for the parcel. The docks appear to lie within the pierhead lines and the required backup clearances and fairway clearances appear to be provided. The view park, snack bar and boat rentals all address the AMS goal of increasing visitor-serving uses. The fish weigh station, pumpout station and high-speed pumps contribute, at a minimum, to increasing boater amenities. Parking can be provided on the adjacent Parcel 112 leasehold, where perhaps as many as 152 spaces could be provided, although there is little demonstrated need for this much parking with the limited buildout proposed in this submittal.

The proposer takes advantage of the anticipated common ownership of the adjacent leasehold by specifying that slip operations for the two parcels would be combined (or in other words, consolidated). As a result of this proposed consolidation, the greatest number of total boat slips would be made available, and certain physical efficiencies regarding the layout of the two parcels (specifically, the dock and gangway arrangement discussed below) could be achieved. Additional efficiencies with respect to the operational and administrative management of the two parcels are also implied, although not clearly explained by the proposer. While recognizing that potential operational and administrative efficiencies may benefit the proposer from financial or management perspectives, there are few, if any, benefits to be derived by the patrons of the fuel dock itself as a result of the proposed consolidation. Moreover, there are no comparable efficiencies with respect to development costs, as this proposal has the highest development cost of the four proposals by a significant margin.

The Committee found certain strengths in this response to the RFP. First, Marina Pacific proposes to replace the approximately 4,500 square foot view park that it is required to implement on Parcel 112 with an expanded park of 5,500 square feet, a net benefit in park size of approximately 1,000 square feet. Second, parking can be kept away from the waterfront, although as described above, there is little demonstrated need for so much parking.

The Committee recognizes the Parcel 1S location appears to be more visible and accessible for the purpose of a view park, but notes the Parcel 112 location appears to offer a more serene park experience. If relocation of the view park were an objective of this RFP, or a priority of Marina redevelopment, this aspect of the proposal may have been weighed more heavily, as only the

adjacent lessee could implement this particular relocation. Since the benefits to be derived from the proposed relocation would accrue primarily to the proposer and to the adjacent apartment residents, the Committee concludes relocation of the view park is of only secondary importance to the boating community that this RFP seeks to serve.

A drawback of this proposal is the proposed dock and gangway arrangement. Landside access to the fuel dock and the related boater amenities located on the fuel dock itself is limited to a single gangway. Since Marina Pacific plans to combine its slip operations on the existing Parcel 112 docks with the 15 slips proposed on Parcel 1S, access to the Parcel 1S slips will be eliminated on Parcel 1S and consolidated on two existing gangways on Parcel 112. Therefore, when the 15 slips located on Parcel 1S are used for visitor-serving purposes such as boat rentals and guest docks, the path of travel for visitors to these amenities is circuitous. Moreover, Parcel 112 slip tenants, who are accustomed to the relative privacy of longer term dock tenants, may not appreciate increased traffic from guest dock visitors or boat rental operations.

Aside from these drawbacks, the addition of the greatest number of total boat slips among the four respondents (15 slips for Marina Pacific, versus between 8 and 13 slips for the three other respondents) made possible by the proposed dock and gangway arrangement is a benefit to the boaters that would occupy those slips, although there is some difficulty in reaching a consensus as to what blend of slip lengths is of greatest benefit to the boating community as a whole.

Also of concern is this proposer's idea of cross-staffing with its staff at Parcel 112. While the Committee recognizes the cost efficiencies that Marina Pacific could realize, the experience of the Parcel 112 staff is concentrated on its tenant-oriented apartment and anchorage operations. This drawback is mitigated by the more complete experience of Marina Pacific's proposed professional management team, The BellPort Group. Although BellPort's ocean marine fueling experience is limited, BellPort's marina management experience is comprehensive.

Marina Pacific proposes that the County forego percentage rent for 9 years, stating that the rate of return on equity is too low to afford a relatively high development budget (over $5 million). The effect of this ramp-up proposal is that the County must underwrite (in the form of percentage rent abatement) to a large extent, an upgrade to an existing leasehold that has already been negotiated (Parcel 112), while achieving only a nominal increase in the utilization of Parcel 1S. It is therefore uncertain whether the County's appraisal test will be met. The Committee ignored this unusual ramp-up proposal for percentage rents in determining the score. If the ramp-up were included, the resulting score would have been lower.

Because the large-vessel guest dock is only 100 feet, its size is limited to accommodating only the smallest of large vessels (100 feet or less). While this proposer offers to moor the larger of large vessels on the fuel dock itself, this partial solution is impractical, as it would interfere with basic fueling operations.

The Committee ranked this proposal second. Although this proposal consolidates the slips located on Parcel 1S into Parcel 112 and transfers/enlarges a view park from the adjacent leasehold, the net increase in visitor-serving uses and boater amenities is nominal and does not

overcome the more substantial issues involved in merging the largely private, tenant orientated Parcel 112 and the explicitly public, visitor-serving goals for the fuel dock parcel. *Score: 79*

BoatYard and Westrec Marinas

Harbor Real Estate, LLC dba The BoatYard, the existing Parcel 53 lessee, and Westrec Marinas ("BoatYard/Westrec") submitted a response which provides for complete replacement of the existing docks and landside improvements. The waterside plan features a 185 foot large-vessel guest dock, a retail kiosk of approximately 300 square feet, a guest dinghy basin, a fish weigh station and 13 slips. The landside site plan features a two story building of approximately 3,000 square feet containing a restaurant and public observation deck on the second story and bathrooms and storage on the ground level; also included are two over-the-water view platforms and 13 parking spaces.

The BoatYard/Westrec proposal clearly meets the goals of the RFP. The docks appear to lie within the pierhead lines and the required backup clearances and fairway clearances appear to be provided. One exception is that the southernmost and westernmost end-ties may require approval of the Director. The large-vessel guest dock, observation deck, two view platforms, and restaurant clearly address the AMS goal of increasing visitor-serving uses and the tournament area, fish weigh station, guest dinghy basin, pumpout station and high-speed pumps contribute to increasing boater amenities by offering boaters a variety of boater services.

One of the strengths of this proposal is the extensive, valuable, marine fueling experience of Westrec Marinas, having operated fuel docks for 18 years in 32 marinas nationwide, including those on seafronts subject to ocean tidal and weather conditions. Westrec also has an existing contract with Onyx Mansfield, a national fuel and marine products supplier, for low-cost fuel supplies and marketing support. The contract enables this proposer to offer lower fuel prices, which are expected to help spur an increase in fuel sales revenues, and a related marketing agreement is expected to help successfully market marine products at the fuel dock. In addition, this proposer plans to market Marina del Rey branded products, which would serve the AMS goal of enhancing Marina del Rey as a unique destination.

Another strength is that BoatYard/Westrec proposes installation of high-speed pumps, a direct marketing campaign to large vessel owners, and a large-vessel guest dock capable of accommodating a greater range of large vessels (up to roughly 180 feet). The ability to accommodate a greater range of yachts could be a significant source of fueling revenues with the right marketing program and could have a positive, indirect impact on other Marina businesses. The BoatYard has valuable, local, marine marketing and development experience. This proposer also envisions cross-staffing with its existing Marina leasehold, but the level of staff experience with marine commercial operations of the BoatYard is significant. The benefit of having staff available from Parcel 53 is that this operation and its staff can complement Westrec's marine-fueling-specific experience. Together, both Marina boaters and visitors will have greater access to marine fueling, boat maintenance, and marine marketing experience, with a high level of fueling safety and supervision.

The beneficial owners of the BoatYard leasehold have also completed successful restaurant projects on the west side of Los Angeles and have the necessary restaurant management experience to implement the restaurant concept proposed. These existing ties to the restaurant industry can be a valuable source of supplies and staffing for the proposed adjunct restaurant.

The main drawback to this proposal is the possible difficulty in obtaining entitlements, particularly to provide sufficient parking for the proposed restaurant. However, the proposer has experience managing development projects and making the related entitlement applications in the Marina and other areas, and has provided a plan to obtain a parking permit, which emphasizes the multi-modal transportation opportunities offered by the water taxi, as well as dinghies, boats, and pedestrian connections. This proposer has a coherent strategy to seek entitlements, and has specifically stated his willingness to downsize or otherwise change the use of the restaurant space to another visitor-serving use. Even with a reduced restaurant facility, the fueling experience and existing contracts of Westrec, together with the proposed merchandising approach, suggest that this proposal would provide the best opportunity to expand and improve fuel service operations and enhance the marketing image of the Marina.

The initial minimum rent level is another drawback to this proposal. BoatYard/Westrec proposes $117,000 for initial minimum annual ground rent, which equates to approximately $23 per square foot. Although this is approximately 80% higher than the current level, and may be supplemented with percentage rents, the Committee is concerned that this level of ground rent for oceanfront property on the Westside today may not meet the County's appraisal test.

The Committee ranked this proposal first. The Committee highly valued the variety of boater and public amenities offered in this proposal, and believes this proposer's depth of experience in the fields of marine fueling operations, marine products marketing and marina redevelopment would justify the granting of a long term ground lease provided that the minimum rent is increased. *Score: 90*

CONCLUSION

By providing a modern fuel dock facility, combined with an impressive list of boater services and visitor-serving amenities, the recommended proposal fulfills the objective of the AMS to bring "an accessible waterfront, both physically and visually" and "an exciting mix of interconnected uses that relate strongly to the water" thereby increasing public enjoyment of the waterfront.

Of central importance to the Committee in making its recommendations was the overriding objective of developing a modern fuel dock with increased boater and visitor-serving amenities, which would help establish Marina del Rey as a prime destination for both local and out of town boaters. Importantly, the recommended proposal offers not only a clear plan and a coherent strategy, but also the most extensive experience available in marine fueling, and therefore represents the best alternative.

Respectfully submitted by the Fuel Dock RFP Evaluation Committee members, as set forth below.

Al Tizani
Chief Administrative Office
County of Los Angeles

Allan Kotin
Owner/Principal
Allan D. Kotin & Associates, Inc.

Richard S. Volpert, Esq.
Partner
Munger, Tolles & Olson LLP

Ron Noble
President
Noble Consultants, Inc.

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Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 1, 2005

TO: Small Craft Harbor Commission

FROM: Kerry Gottlieb-Silverstrom for Stan Wisniewski, Director

SUBJECT: **ITEM 5B - APPROVAL OF FIRST AMENDMENT TO OPTION TO AMEND LEASE NO. 13508 - PARCELS 95S AND LLS (MARINA WEST SHOPPING CENTER) - MARINA DEL REY**

Item 5b on your agenda pertains to a proposed amendment to the existing Option for Amended and Restated Lease for Parcels 95S and LLS (Marina West Shopping Center) that establishes an additional three-month extension to the Option expiration date to October 8, 2005 for a supplemental fee of $31,666.50.

Attached is a copy of the Board letter that explains the details of the proposed Amendment. The exhibit to the Board letter is a copy of the proposed Amendment.

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

SW:gb
Attachment

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://beaches.co.la.ca.us

Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 15, 2005

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 FIRST AMENDMENT TO OPTION TO AMEND LEASE NO. 13508 PARCELS 95S and LLS (MARINA WEST SHOPPING CENTER) - MARINA DEL REY (FOURTH DISTRICT) (4 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Chair to execute the attached Amendment extending the term of the Option to Amend Lease No. 13508 ("Option") with respect to Parcels 95S and LLS (Marina West Shopping Center), reflecting an additional three-month extension of the Option expiration to October 8, 2005, for a supplemental fee of $31,666.50.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County is the lessor of a ground lease for Parcel 95S, which was originally entered into for a term of 60 years. Your Board previously, on July 8, 2003, approved the Option to facilitate redevelopment of Parcel 95S and relocation of parking spaces on Parcel LLS to accommodate improvement of a public park thereon, along with an Amended and Restated Lease Agreement ("Restated Lease") providing for a 39-year lease extension, payment of a $270,000 lease extension fee, a renovation plan consisting of demolition of all existing buildings (except for the 5,713 square foot Islands Restaurant that will be remodeled to "like new" condition) and construction of a new 2-story office/retail/restaurant building (18,650 square feet), a 1-story retail building (16,400 square feet), 238 parking spaces, and a public park, and adjustment of minimum and percentage rents and other miscellaneous improvements to the lease.

The Option has an expiration date of January 7, 2005, but allows for an extension to the Option for up to six additional months upon approval by the Director, which the Director has already partially granted. During the entitlement process, the lessee was encouraged by the County's Planning Commission to explore the possibility of implementing a mixed-use commercial/residential project on the leasehold. The lessee, after significant expenditure of time and effort in exploring these additional uses, has decided not to further pursue this additional redevelopment, as it would further prolong the entitlement process. Having spent time in exploration of this redevelopment scenario, however, the additional extended term remaining on the Option will not be adequate to obtain all needed entitlements and permits, and an additional three months has been requested. We concur that the extra three months sought by the lessee is necessary, but wish to ensure that the lessee is properly motivated to complete the process in a timely manner by imposing a cost on the extension. Lessee has agreed to assume this added fee. The attached Amendment extends the Option by three months beyond the five months remaining, to October 8, 2005, and requires the lessee to pay an extension fee of $31,666.50.

Implementation of Strategic Plan Goals

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

FISCAL IMPACT/FINANCING

The financial impact to the County as a result of the Amendment is a supplemental option fee of $31,666.50.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the lease for Parcel 95S commenced on June 1, 1968, with a term expiring on May 31, 2028. If the Option is exercised and the lease extended pursuant to the Restated Lease, the term will expire on May 31, 2067.

At its meeting of March 9, 2005, the Small Craft Harbor Commission _____ the Director's recommendation that your Board approve the attached Amendment, which has

been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

Approval of the Amendment does not authorize construction or re-construction of any improvements on the parcels. The discretionary land use entitlements and the corresponding environmental documentation necessary to implement the proposed redevelopment/replacement contemplated by the Restated Lease are under review by the Department of Regional Planning.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

Authorize the Executive Officer of the Board to send two copies of the executed Amendment to the Department of Beaches and Harbors.

Respectfully submitted,

Stan Wisniewski, Director

SW:AK:GB

Attachment (1)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel

FIRST AMENDMENT TO
OPTION TO AMEND LEASE AGREEMENT
(Parcels 95S and LLS)

THIS FIRST AMENDMENT TO OPTION TO AMEND LEASE AGREEMENT ("**First Amendment**") is made as of March ___, 2005, between **COUNTY OF LOS ANGELES** ("**County**"), and **GOLD COAST WEST, LLC,** a Delaware limited liability company ("**Lessee**").

RECITALS

A. County and Interstate Properties, a limited partnership (the "**Original Lessee**"), entered into Lease No. 13508, dated June 5, 1968, as amended (the "**Existing Lease**"), regarding the lease from County of certain real property in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 95S, as more particularly described in the Existing Lease (the "**Premises**").

B. Lessee has succeeded to the Original Lessee's right, title and interest as lessee under the Existing Lease.

C. County and Lessee entered into that certain Option to Amend Lease Agreement made as of July 8, 2003 (the "**Agreement**"), whereby County granted Lessee the right to extend the term of the Existing Lease through May 31, 2067 and to add Parcel LLS to the Premises on the terms and conditions set forth in the Option Agreement (the "**Option**").

D. County and Lessee (or its affiliates) are entering into various agreements pertaining to the Premises and the premises leased by Lessee (or its affiliates) that are commonly known as Parcels 140V, Parcel 97R, Parcel 44U and Parcel 77W (the "**Related Agreements**").

E. In connection with the Related Agreements, County and Lessee desire to amend the Agreement in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the Related Agreements, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Lessee and County hereby agree as follows:

1. Section 2 of the Agreement is hereby amended and restated in its entirety as follows:

"2. Option Term. The term of the Option (the "Option Term") shall commence on the date of the Agreement and expire on that date (the "Option Expiration Date") which is the earlier of (i) forty-five (45) days following the date of the satisfaction of the Entitlement Conditions (as defined in Section 3 of the Agreement), or (ii) October 8, 2005 (the date set forth in this clause (ii) is referred to as the "Extension Date")."

2. In consideration of, and as a condition to, the extension of the Option Term as provided in Section 1 above, Lessee shall pay to County concurrent with Lessee's execution of this First Amendment the sum of Thirty-One Thousand Six Hundred Sixty-Six and 50/100 Dollars ($31,666.50) (the "**Supplemental Fee**"). The Supplemental Fee shall be non-refundable and shall not be applied against the Extension Fee (as defined in Section 4.2 of the Agreement) if Lessee exercises the Option..

3. Section 6 of the Agreement is hereby amended and restated in its entirety as follows:

"6. Delay in Exercise of Option. If Lessee obtains the Entitlements by the Extension Date, but such Entitlements are contested by appeal or litigation brought by a third party (a "**Contest Delay**"), then upon the written request of Lessee, and provided that Lessee continues to use its best efforts to contest the appeal or litigation, Director shall extend the Option Expiration Date until a final order or decision on such appeal or litigation is issued or such appeal or litigation is dismissed or otherwise resolved; provided, however, in no event shall the Option Expiration Date be extended beyond the fourth (4^{th}) anniversary of the date of this Agreement. For purposes of the immediately preceding sentence, a "third party" shall mean any person or entity other than (a) Lessee or any person or entity with any direct or indirect interest in Lessee, or (b) the governmental agency, commission, board or other instrumentality that issued the Entitlement that is the subject of the appeal or litigation. Lessee shall not be required to pay a fee in connection with any extension of the Option Expiration Date to which Lessee is entitled under this paragraph.

Notwithstanding the foregoing provisions of this Section 6, there shall be no extension of the Option Expiration Date under this Section 6 if Lessee is in breach or default of the Agreement or the Existing Lease. No Extraordinary Governmental Delay or Contest Delay shall be considered to have commenced under this Section 6 until such time as Lessee shall have notified Director in writing of such delay. If Lessee desires to have the Option Expiration Date extended pursuant to this Section 6, then Lessee must deliver written notice to Director of its request for the extension not later than thirty (30) days prior to the Option Expiration Date, as such date may have been previously extended; provided, however, if the basis for the extension does not arise until later than thirty (30) days prior to the Option Expiration Date, then Lessee shall be required to deliver its written request for the extension promptly following its discovery of the basis for the required extension."

4. All other terms and conditions of the Agreement shall continue in full force and effect.

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

LESSEE:

GOLD COAST WEST, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

COUNTY:

COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS,
Executive Officer of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: _____
Deputy

SIGNATURES CONTINUED ON NEXT PAGE
APPROVED AS TO FORM:

MUNGER, TOLLES & OLSON LLP

By: _____

LOS ANGELES COUNTY
Caring for Your Coast
Beaches & Harbors

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 3, 2005

TO: Small Craft Harbor Commission

FROM: Kerry Gottlieb-Silverstrom for
Stan Wisniewski, Director

SUBJECT: **ITEM 5C - APPROVAL OF AMENDMENT NO. 5 TO LEASE NO. 13509 – PARCEL 97R (MARINA BEACH SHOPPING CENTER) – MARINA DEL REY**

Item 5c on your agenda pertains to a proposed amendment of the existing lease agreement for Parcel 97R (Marina Beach Shopping Center) that will provide for an extended term of eight years in order to facilitate changes to the existing renovation plan, resulting in the demolition of three existing buildings (8,978 square feet), the construction of two new buildings (9,286 square feet), the complete redevelopment of the remaining five buildings (15,671 square feet) and the construction a larger new landscaped entryway park (70% larger) at the southeast corner of Washington Blvd. and Via Marina.

Attached is a copy of the Board letter that explains the details of the proposed transaction. The exhibit to the Board letter is a copy of the proposed amendment with its new renovation plan as Exhibit A.

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

SW:gb
Attachment

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://beaches.co.la.ca.us

Los Angeles County
Caring for Your Coast
Beaches & Harbors

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 15, 2005

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. 5 TO LEASE NO. 13509
TO EFFECT FURTHER REDEVELOPMENT AND EXTEND LEASE TERM
PARCEL 97R (MARINA BEACH SHOPPING CENTER) - MARINA DEL REY
(FOURTH DISTRICT)
(4 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed Amendment No. 5 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 Chair to execute the attached Amendment No. 5 to Lease No. 13509 ("Amendment") and Memorandum of Lease ("Memorandum") with GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company ("Lessee"), for the Parcel 97R lease, Marina del Rey, reflecting a revised renovation plan and increased financial contribution in addition to an eight-year extension of the current term to 2056.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County is the lessor of a ground lease for Parcel 97R, which was originally entered into in 1968 for a term of 60 years. Your Board previously, on November 22, 2004, executed an Amended and Restated Lease Agreement ("Restated Lease") to Lease No. 13509 to facilitate redevelopment of Parcel 97R, which provided for a 20-year extension of the original lease term to May 31, 2048 and payment of a $400,000 lease extension fee,

and required a renovation plan with a minimum cost of $2.9 million, resulting in a remodeled shopping center of 24,957 square feet, as well as construction of a new landscaped entryway park space/public area of approximately 5,730 sq. ft. at the southeast corner of Washington Boulevard and Via Marina.

The principals of the Parcel 97R Lessee are also the principals of the lessee of Parcel 95S, situated west of Parcel 97R across Via Marina. Plans for the demolition and reconstruction of Parcel 95S would have required the placement of one of its primary tenants, Wells Fargo Bank, in a temporary facility for an extended period, and the Parcel 97R Lessee has, instead, proposed reconfiguration of the Parcel 97 leasehold plan to provide for replacement of two planned smaller buildings with a new larger single building to house Wells Fargo Bank. The revised plan will also effect an increase in the size of the entryway park space/public area to approximately 9,937 sq.ft., an increase of over 70% in size.

The Amendment being presented for your Board's consideration provides for this revised redevelopment and also increases the minimum cost of construction of the renovated facilities from $2.9 million to $5.4 million. In addition, Lessee is required to pay an additional extension fee of $160,000, resulting in a total extension fee of $560,000. The term of the Restated Lease will be increased by eight years to May 31, 2056.

The Restated Lease calls for both Lessee and County to sign a memorandum of lease in recordable form following the effective date of the lease. The Memorandum updates the previous memorandum of lease to acknowledge the Amendment.

Implementation of Strategic Plan Goals

In furtherance of County Goal #4, "Fiscal Responsibility," the recommended action will allow the Department to implement that portion of its Strategic Plan that enhances strategic partnerships with existing and prospective lessees through proactive implementation of the Marina del Rey Asset Management Strategy toward both revenue maximization and property redevelopment.

FISCAL IMPACT/FINANCING

The Amendment calls for the Lessee to pay an additional extension fee of $160,000,

resulting in a total extension fee of $560,000. The additional $160,000 extension fee is payable via an increase in the currently required annual extension fee payments by $32,000 from $66,666.80 to $98,666.80. All sums due are also subject to payment of interest on the unpaid balance at the prime rate.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County originally entered into a 60-year ground lease for Parcel 97R on June 1, 1968, which was amended and restated on November 22, 2004, extending the expiration date of the lease to May 31, 2048. As a consequence of the revised renovation plan and the increased required expenditures for renovations, as well as the expanded public space to be provided by the Lessee, an additional eight years is being added to the lease term, extending the expiration date to May 31, 2056.

In construction of the revised renovation plan, the Lessee plans to demolish three existing buildings (8,978 square feet) and build two new buildings (9,286 square feet) and completely redevelop the remaining five buildings (15,671 square feet) of the existing Marina Beach Shopping Center, along with providing 109 parking spaces and constructing and maintaining a larger new landscaped entryway park on the southeast corner of Washington Boulevard and Via Marina. The minimum cost of the redevelopment work of $2,900,000 is increased to $5,400,000.

Under the terms of the Amendment, except for the $160,000 increase in the extension fee, the revised renovation plan, the increase of the minimum cost of redevelopment work to $5.4 million and the extension of the lease termination date to May 31, 2056, all other terms of the current lease will remain the same.

At its meeting of March 9, 2005, the Small Craft Harbor Commission _____ the Director's recommendation that your Board approve the attached Amendment and Memorandum, which have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

Approval of Amendment No. 5 and the Memorandum of Lease are 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. Entering into the Amendment does not authorize construction or re-construction of any improvements on the parcel. The discretionary land use entitlements and the corresponding environmental documentation necessary to implement the proposed redevelopment/replacement contemplated by the Amendment and the Restated Lease are under review by the Department of Regional Planning.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

Authorize the Executive Officer of the Board to send two copies of the executed Amendment and Memorandum to the Department of Beaches and Harbors.

Respectfully submitted,

Stan Wisniewski, Director

SW:AK:GB

Attachments (2)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel

Recording Requested by:

COUNTY OF LOS ANGELES

When Recorded Return to:

COUNTY OF LOS ANGELES
Office of County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012
Attn: Thomas Faughnan, Esq.

FREE RECORDING
GOVERNMENT CODE SECTION 6103

_____SPACE ABOVE THIS LINE FOR RECORDING USE_____

MEMORANDUM OF LEASE
PARCEL 97R — MARINA DEL REY

This Memorandum of Lease ("Memorandum") dated as of _____, 2005, is entered by and between the COUNTY OF LOS ANGELES ("County"), as lessor, and GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company ("Lessee"), as lessee.

W I T N E S S E T H

WHEREAS, County and Interstate Properties, a limited partnership (the "Original Lessee"), entered into Lease No. 13509 dated June 5, 1968 (as previously amended, the "Prior Lease") regarding the lease from County of that certain real property in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 97R and which is more specifically described on Exhibit A attached hereto and incorporated herein by this reference (the "Premises");

WHEREAS, County and Lessee have entered into that certain Amended and Restated Lease Agreement dated as of November 22, 2004 (the "Restated Lease"), amending and restating the Prior Lease in its entirety; and

WHEREAS, County and Lessee have entered into that certain Amendment No. 5 to Lease No. 13509 dated of even date herewith (the "Amendment"), amending the Restated Lease in certain respects (the Restated Lease, as modified by the Amendment, is referred to herein as the "Lease").

NOW, THEREFORE, in reliance on the foregoing and in consideration of the mutual covenants, agreements and conditions set forth herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto and each of them

do agree that the Prior Lease is hereby amended and restated in its entirety in accordance with the Lease, as follows:

1. **Lease**. For and in consideration of the payment of rentals and the performance of all the covenants and conditions of the Lease, County hereby leases to Lessee, and Lessee hereby leases and hires from County, an exclusive right to possess and use, as lessee, the Premises for the Term (as hereinafter defined) and upon the terms and conditions, and subject to the requirements, set forth in the Lease.

2. **Term**. Unless terminated sooner in accordance with the provisions of the Restated Lease, the term of the Lease (the "Term") shall continue until and expire on 11:59 p.m. on May 31, 2056.

3. **Reservations**. Lessee expressly agrees that the Lease and all rights thereunder shall be subject to all prior encumbrances, reservations, licenses, easements and rights of way existing as of the date hereof or otherwise referenced in the Lease in, to, over or affecting the Premises for any purpose whatsoever.

Without limiting the foregoing, Lessee expressly agrees that the Lease and all rights thereunder shall be subject to all prior matters of record and the rights of County existing as of the Effective Date of the Restated Lease or otherwise disclosed to or known to Lessee, as its interest may appear, to install, construct, maintain, service and operate sanitary sewers, public roads and sidewalks, fire access roads, storm drains, drainage facilities, electric power lines, telephone lines and access and utility easements across, upon or under the Premises, together with the right of County to convey such easements and transfer such rights to others.

4. **Successors**. Subject to the provisions in the Lease governing assignment, the rights and obligations created in the Lease shall bind and inure to the benefit of the respective heirs, personal representatives, successors, grantees, and assigns of County and Lessee.

5. **Incorporation and Conflicts**. The purpose of this Memorandum is to provide notice of the Lease. All of the terms and conditions of the Lease are incorporated herein by reference as though set forth fully herein. In the event of any conflict between the terms hereof and of the Lease, the Lease shall prevail. This Memorandum is prepared for the purpose of recordation only and it in no way modifies the provisions of the Lease. A true copy of the Lease is on file in the offices of the County at Department of Beaches & Harbors, 13837 Fiji Way, Marina del Rey, California 90292. This Memorandum may be executed in counterparts, each of which shall be an original and all of which together shall 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.

THE COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company

By: _____
Its: _____

By: _____
Its: _____

ATTEST:

VIOLET VARONA-LUKENS,
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

PARCEL 97R LEGAL DISCRIPTION

LEGAL DESCRIPTION

Marina Del Rey
Lease Parcel No. 97R

Parcels 407 to 415 inclusive, in the County of Los Angeles, State of California, 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 Recorder of said county.

Excepting therefrom that portion thereof which lies within the following described boundaries:

Beginning at the westerly corner of said Parcel 411; thence northeasterly along the northwesterly lines of said Parcels 411 to 414 inclusive, a distance of 390.00 feet to a point hereby designated "Point A"; thence continuing northeasterly along said northwesterly line of Parcel 414 to the northerly corner of said Parcel 414; thence northeasterly, easterly and southeasterly along the northwesterly, northerly and northeasterly boundaries of said Parcel 415 to the beginning of a curve concave to the south, having a radius of 20 feet, tangent to said northeasterly boundary and tangent to a line parallel with and 10 feet southeasterly, measured at right angles, from the straight line in said northwesterly boundary of Parcel 415; thence westerly along said curve to said parallel line; thence southwesterly along said parallel line to a line which bears at right angles to said northwesterly line of Parcel 414 at said "Point A"; thence southwesterly in a direct line to the point of beginning.

Also excepting therefrom that portion thereof which lies westerly of a curve concave to the east, having a radius of 40 feet, tangent to the straight line in the northwesterly boundary of said Parcel 407 and tangent to the straight line in the southwesterly boundary of said last mentioned parcel.

DESCRIPTION APPROVED
September 21, 1967
JOHN A. LAMBIE
County Engineer

By _____ Deputy

AMENDMENT NO. 5 TO LEASE NO. 13509
PARCEL 97R

THIS AMENDMENT NO. 5 TO LEASE NO. 13509 ("Amendment") dated as of _____, 2005, is entered into by and between the COUNTY OF LOS ANGELES ("County"), as lessor, and GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company ("Lessee"), as lessee.

RECITALS

A. County and Lessee entered into that certain Amended and Restated Lease Agreement dated as of November 22, 2004, and referred to as Lease No. 13509, pertaining to the real property located in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 97R (the "Lease").

B. In accordance with the Lease, the Term of the Lease was extended to expire on May 31, 2048.

C. County and Lessee desire to further extend the Term of the Lease by an additional eight (8) years to May 31, 2056.

D. In consideration of the extension of the Term of the Lease as provided in this Amendment, the parties have agreed to increase the Extension Fee described in the Option Agreement in accordance with the terms of this Amendment.

E. County and Lessee desire to modify the Renovation Plan that is attached to the Lease as Exhibit B.

AMENDMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Lessee agree as follows:

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

2. Extension of Term of Lease. The Term is hereby extended for an additional eight (8) years from 11:59 p.m. on May 31, 2048 to 11:59 p.m. on May 31, 2056.

3. Extension Fee. Section 4.2 of the Option Agreement required the payment of an Extension Fee of Four Hundred Thousand Dollars ($400,000.00). Sixty-Six Thousand Six Hundred Sixty-Six Dollars ($66,666.00) of the Extension Fee has been paid by Lessee in the form of the Option Fee described in Section 4.1 of the Option Agreement. Prior to this Amendment, the remaining unpaid principal amount of the Extension Fee was Three Hundred Thirty-Three Thousand Three Hundred Thirty-Four Dollars ($333,334.00), payable in five equal Extension Fee Installment Payments of Sixty-Six Thousand Six Hundred Sixty-Six and 80/100

Dollars ($66,666.80) each, plus accrued interest, in accordance with the terms of Section 4.3 of the Lease and Section 4.2 of the Option Agreement.

In consideration of the extension of the Term of the Lease from May 31, 2048 to May 31, 2056, the Extension Fee is hereby increased by One Hundred Sixty Thousand Dollars ($160,000.00) to Five Hundred Sixty Thousand Dollars ($560,000.00), and each of the five Extension Fee Installment Payments is increased by Thirty-Two Thousand Dollars ($32,000.00) to Ninety-Eight Thousand Six Hundred Sixty-Six and 80/100 Dollars ($98,666.80) each, plus accrued interest on the unpaid balance of the Extension Fee in accordance with the provisions of Section 4.2 of the Option Agreement. The first Extension Fee Installment Payment (as increased herein) is due and payable by Lessee on November 22, 2006, and the remaining four Extension Fee Installment Payments are due and payable by Lessee on each of the first four anniversaries of November 22, 2006, through and including November 22, 2010.

4. New Renovation Plan. The Renovation Plan that is attached to the Lease as Exhibit B is hereby replaced with a new Renovation Plan that is attached to this Amendment as Exhibit A and incorporated herein by reference.

5. Modification to Minimum Cost of Redevelopment Work The reference to "$2,900,000" in the sixth (6^{th}) sentence of Section 5.1 of the Lease is hereby changed to "$5,400,000."

6. Governing Law. This Amendment shall be governed by and interpreted in accordance with the laws of the State of California.

7. No Other Modifications. The parties acknowledge that the Lease remains in full force and effect, unmodified except as set forth herein. This Amendment constitutes the entire agreement of the parties with regard to the amendment of the Lease, and this Amendment supersedes any and all previous negotiations, communications or understandings between the parties, whether oral or written, with regard thereto.

8. County Costs. Lessee shall promptly reimburse County for the Actual Costs incurred by County in the review, negotiation, preparation and documentation of this Amendment and any term sheets and memoranda that preceded it. County shall deliver to Lessee a report detailing such expenditures within ninety (90) days after the date of this Amendment.

9. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall collectively constitute one fully-executed document.

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

THE COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

GOLD COAST SHOPPING CENTER, LLC, a Delaware limited liability company

By: Michael Pashaie
Its: managing member

By: [illegible]
Its: managing member

ATTEST:

VIOLET VARONA-LUKENS,
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

RENOVATION PLAN

PARCEL 97 EXHIBIT B RENOVATION PLAN - REVISED
January 12, 2005

Term Sheet Template Item	*Lessee Proposal* *Gold Coast Shopping Center – Parcel 97*
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 – See below** ▫ **Timing for the start of the work – September 2004** ▫ **Timing for the completion of the work – November 2005** **The narrative shall include all applicable components of the project, grouped as set forth below.**	
a) Commercial – Shopping Center	
• **Demolition (of existing improvements prior to commencing work)**	(1) Demolish existing Building A: 510 Washington Blvd., Building B: 514 - 522 Washington Blvd. and Building F: 566, 572 Washington Blvd. (2) Remove one curb – cut to Washington Blvd located on the North – East of the property. (3) Remove any planters, asphalt paving light fixture etc. to allow for new design of shopping center.
• **New building construction**	(1) Construction new building B & F. (2) Construction new parking layout.

Term Sheet Template Item	*Lessee Proposal Gold Coast Shopping Center – Parcel 97*
• **Remodeled building exteriors**	(1) Renovate all existing building exterior. (2) Create towers at the center of each building. (3) Create new sign fascia. (4) Provide new trellis design at roof level to provide a nautical design and hide air condition equipment. (5) Create new trellis areas between buildings. (6) Paint all building exteriors. (7) Provide new light fixtures at each building.
• **Remodeled building interiors**	All interiors will be remodeled to meet the requirements of the sub-tenant.
• **Remodeled interior building common areas**	All interiors are part of the sub-tenant's leasehold. There will be no interior common area.
• **Remodeled exterior building common areas**	(1) Repave several areas of the center to enhance the exterior environment of the center. The paving shall be decorative. (2) Provide a park-like setting at the corner of Palawan Way and Admiralty similar to the park which be created on Lot 95 North East corner. The park shall include a fountain, seating area, trees and decorative paving. (3) Create new decorative paving areas between several of the buildings and revised lighting to encourage outdoor seating.

Term Sheet Template Item	*Lessee Proposal Gold Coast Shopping Center – Parcel 97*
• **Landscaping**	(1) Re-do entire landscape design for the center to include trees, plants and flowers. (2) Renovate landscape area along Washington Boulevard sidewalk. (3) Create a landscape park on the North – West Sidewalk.
b) Marina	
• **Replacement of docks and slips, including design and materials**	This item does not apply because Parcel 97 is not adjacent to the water. There are no slips.
• **Retention of existing slip count, including slip count before and after by slip size**	This item does not apply because Parcel 97 is not adjacent to the water. There are no slips.
• **Retention of marine commercial facilities, including area count before and after for each category**	This item does not apply because Parcel 97 is not adjacent to the water and there currently are no marine commercial uses.
c) Promenade	
• **Walkway design and materials**	This item does not apply because Parcel 97 is not adjacent to the water and there will be no promenade.
• **Fencing design and materials**	This item does not apply because Parcel 97 is not adjacent to the water and there will be no promenade.
• **Lighting design and materials**	This item does not apply because Parcel 97 is not adjacent to the water and there will be no promenade.

Term Sheet Template Item	*Lessee Proposal Gold Coast Shopping Center – Parcel 97*
d) Signage	
• **New signage program**	(1) Redo all signage on new building fascia. (2) Create new monument signs.

Term Sheet Template Item	*Lessee Proposal Gold Coast Shopping Center – Parcel 97*
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 97 Site Plan – Initial" Also see Exhibit A-3, "Parcel 97 Elevation and Site Plan – Partial" Also see Exhibit A-6, "Parcel 97 Project Analysis – Revised"
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 97 Elevation - Initial" Representative of Design Concept Also see Exhibit A-4, "Parcel 97 Typical Elevation – Revised – Domed Cap" Also see Exhibit A-5, "Parcel 97 Typical Elevation – Revised – Raked Cap"
c) Landscaping Plan	
• **If not already included in the above materials**	See Exhibit A-3, "Parcel 97 Elevation and Site Plan – Partial"

Term Sheet Template Item	*Lessee Proposal Gold Coast Shopping Center – Parcel 97*
d) Dock Construction Plan	
• **Dock construction plan, including physical layout of docks and slips**	This item does not apply because Parcel 97 is not adjacent to the water. There are no slips.

Term Sheet Template Item	*Lessee Proposal* *Gold Coast Shopping Center – Parcel 97*
3) BUDGET	
a) Budget worksheet	
• **Estimated cost for all of the work agreed upon**	$5.423 million, as described below

Parcel 97 – Marina Beach Shopping Center
Construction Costs and Assumptions
16 September 2004

DEVELOPMENT COST ESTIMATE - Parcel 97 Revised Redevelopment Plan

HARD COSTS		
Site Improvements		
Site Work	Contractor Estimates	$ 145,000
Driveway realignment, curb/gutter & sidewalk		$ 95,000
Landscaping, Interlocking Pavers		$ 190,000
Replace Signage and Lighting		$ 90,000
Park Development and Improvements		$ 379,000
Plaza Area (Building B)		$ 75,000
Contingency - Enriommental Remediation		$ 150,000
Contingency - Site Work (5%)		$ 49,000
Total		$ 1,173,000
Direct Construction		
Demolition - Building A, B, & F	Allowance	$ 150,000
Building B (Wells Fargo)		
Construction	6050 SF @ $140	$ 847,000
Tenant Improvements	Per Tenant Agreement	$ 250,000
Building F		
Construction	3236 SF @ $110	$ 355,960
Tenant Improvements	$30/SF	$ 97,080
Buildings C, D, E, G & H		
Construction	15871 SF @ $70	$ 1,096,970
Tenant Improvements	Estimate	$ 240,000
Contingency - Construction (5%)		$ 151,851
Total		$ 3,188,861
Total Hard Costs		**$ 4,361,861**
INDIRECT COSTS		
A & E Fees	4.0% Hard Cost	$ 174,474
Permits & Fees	2.5% Hard Cost	$ 109,047
Legal, Accounting, Insurance	1.0% Hard Cost	$ 43,619
Other Consultants	Allownace	$ 45,000
Leasing Costs (incl. $70,000 for Wells Farge)	$6 Per SF	$ 183,000
Income during Construction	See Exhibit 3	$ (130,866)
Developer OH and Management	3.0% Hard Cost	$ 130,856
Loan and Related Fees	2.0%	$ 87,237
Construction Loan Interest	8.5%	$ 207,118
Permanent Loan Fees	1.0%	$ 81,874
Ground Rent During Construction	$101,705/year	$ 101,750
Contingency (5% excl. loan costs and ground rent)		$ 27,756
Total Indirect Costs		**$ 1,060,865**
TOTAL DEVELOPMENT COSTS (rounded)		**$ 5,423,000**

Exhibit A-1
Parcel 97 Site Plan – Initial

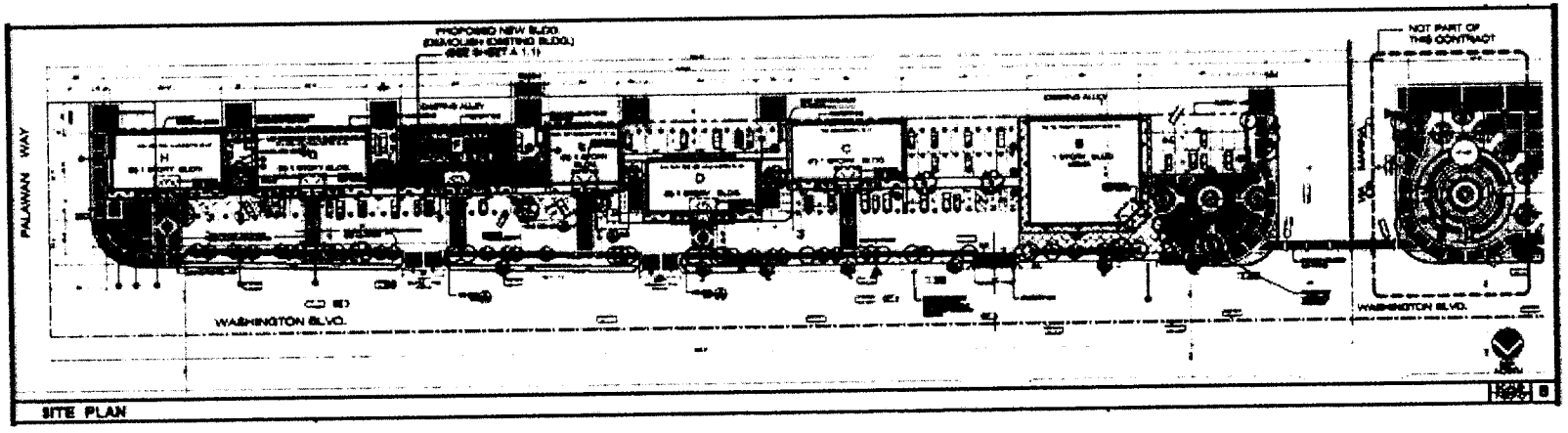
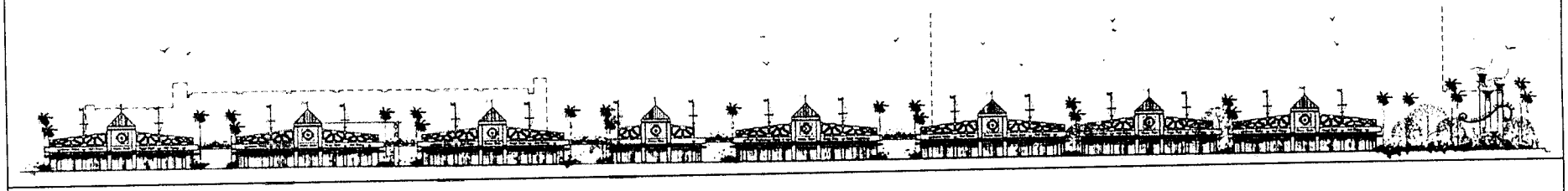


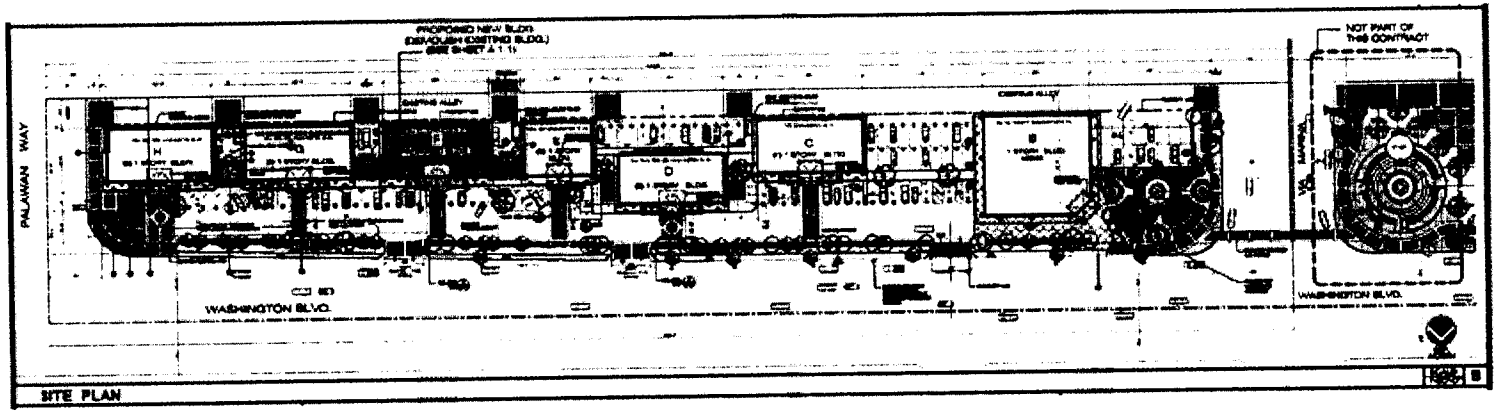
Exhibit A-2
Parcel 97 Elevation – Initial

Elevation along Washington Boulevard



Elevation detail

Exhibit A-3
Parcel 97 Site Plan – Partial – Revised



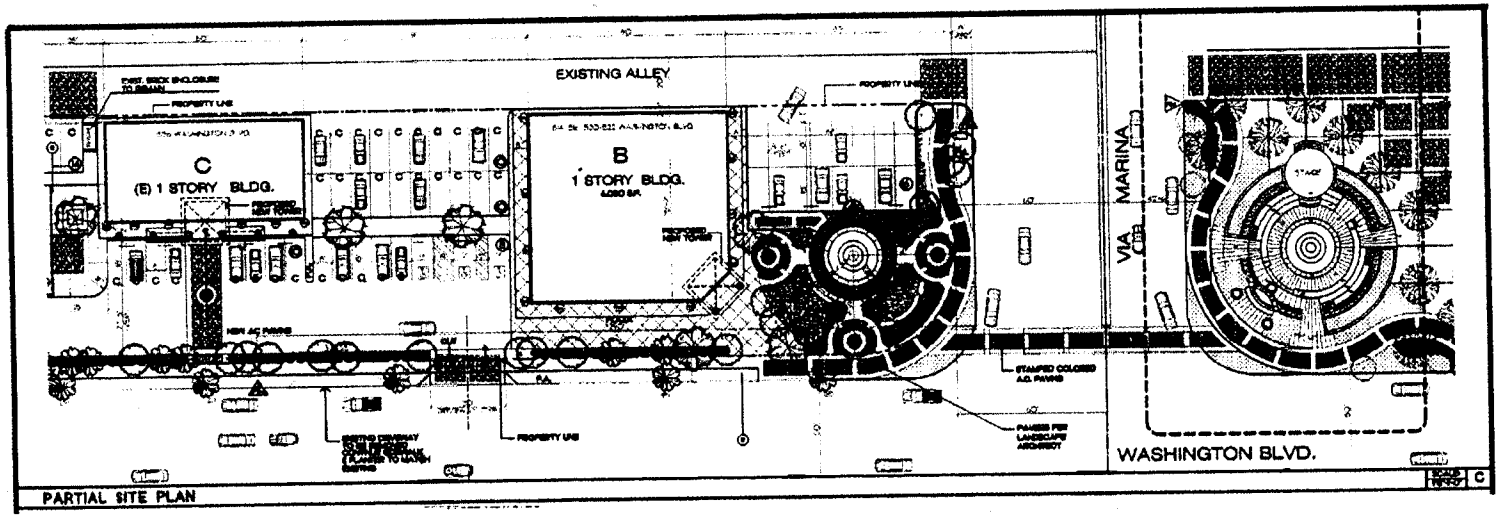
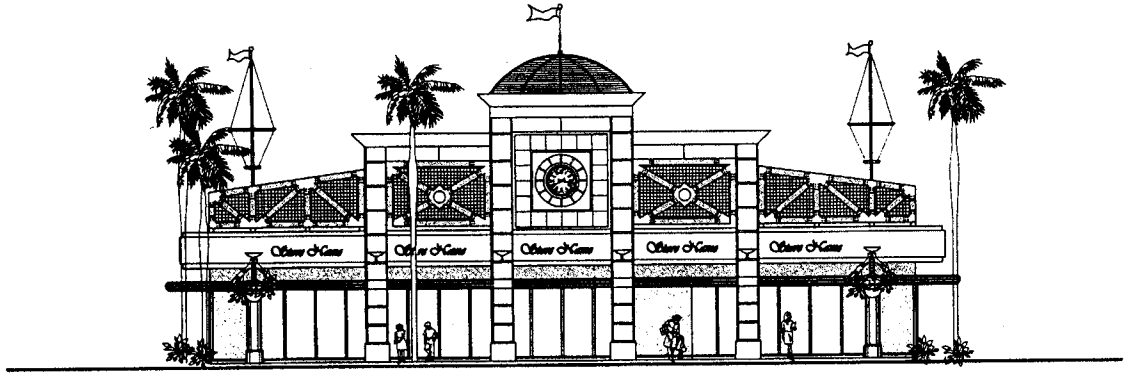


Exhibit A-4
Parcel 97 Typical Elevation – Revised – Domed Cap



TYPICAL ELEVATION

Marina Beach Shopping Center

MARINA DEL REY, PARCEL 97, CALIFORNIA

Jack Hollander & Associates, Inc.

Exhibit A-5
Parcel 97 Typical Elevation – Revised – Raked Cap

TYPICAL ELEVATION

Marina Beach Shopping Center

MARINA DEL REY, PARCEL 97, CALIFORNIA

Jack Hollander & Associates, Inc.

Exhibit A-6
Parcel 97 Project Analysis – Revised

BUILDING AREA

EXISTING BUILDING A - 3,023 S.F TO BE DEMOLISHED		
PROPOSED BUILDING B	6,050	S.F.
(EXISITNG BUILDING B - 3,228 S.F. TO BE DEMOLISHED)		
EXISTING BUILDING C	3,236	S.F.
EXISTING BUILDING D	3,236	S.F.
EXISTING BUILDING E	2,727	S.F.
PROPOSED BUILDING F	3,236	S.F.
(EXISITNG BUILDING F - 2,727 S.F. TO BE DEMOLISHED)		
EXISTING BUILDING G	3,236	S.F.
EXISTING BUILDING H	3,236	S.F.
TOTAL BUILDING AREA	24,957	S.F.
TOTAL NEW BUILDING TO BE CONSTRUCTED	9,286	S.F.
TOTAL EXIST. BLDG. AREA TO BE DEMOLISHED	8,978	S.F.
TOTAL EXISTING BUILDING AREA	24,649	S.F.

PARKING ANALYSIS

	SQ.FT. DEMOLITION	REQUIRED PARKING
BUILDING 'A'		-
NEW BUILDING 'B'	6050	242 SPACES - 1/250 S.F. (ORD 7349)
EXISTING BUILDING 'C'	3236	8 SPACES - 1/400 S.F. (ORD 7349)
EXISTING BUILDING 'D'	3236	42 SPACES - 13 OCCUPANTS
EXISTING BUILDING 'E'	2727	7 SPACES - 1/400 S.F. (ORD 7349)
NEW BUILDING 'F'	3236	13 SPACES - 1/250 S.F. (ORD 7349)
EXISTING BUILDING 'G'	3236	6 SPACES - 1/400 S.F. (ORD 7349)
		10 SPACES - 13 OCCUPANTS
EXISTING BUILDING 'H'	3236	8 SPACES - 1/400 S.F. (ORD 7349)

TOTAL PARKING PROVIDED IN PROJECT	5 HANDICAPPED SPACES & VAN ACCESSABLE
	27 STANDARD SPACES
	77 COMPACT SPACES
TOTAL PROVIDED	109 SPACES

Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 1, 2005

TO: Small Craft Harbor Commission

FROM: Kerry Gottlieb-Silverstrom for
Stan Wisniewski, Director

SUBJECT: **ITEM 5D - APPROVAL OF FIRST AMENDMENT TO OPTION TO AMEND LEASE NO. 6125 - PARCEL 140V (ADMIRALTY APARTMENTS) - MARINA DEL REY**

Item 5d on your agenda pertains to a proposed amendment to the existing Option for Amended and Restated Lease for Parcel 140V (Admiralty Apartments) that grants lessee an initial extension of time of three months to exercise its option for a supplemental option fee of $16,666.50 and allows for up to three additional one-month extensions for an additional supplemental fee of $5,555.50 per month.

Attached is a copy of the Board letter that explains the details of the proposed Amendment. The exhibit to the Board letter is a copy of the proposed Amendment.

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

SW:gb
Attachment

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://beaches.co.la.ca.us

Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

Stan Wisniewski
Director

Kerry Gottlieb
Chief Deputy

March 15, 2005

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 FIRST AMENDMENT TO OPTION TO AMEND LEASE NO. 6125
PARCEL 140V (ADMIRALTY APARTMENTS) - MARINA DEL REY
(FOURTH DISTRICT)
(4 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and authorize the Chair to execute the attached Amendment extending the term of the Option to Amend Lease No. 6125 ("Option"), Parcel 140V (Admiralty Apartments), as previously approved by your Board, for an initial term of three months and, thereafter, on a month-to-month basis for an additional three months, as needed, for a total period of up to six months to August 12, 2005 and establish a supplemental option fee of $16,666.50 for the initial three months, plus $5,555.50 per month for the remaining three months, for a total of up to $33,333.00.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County is the lessor of a ground lease for Parcel 140V, which was originally entered into on September 21, 1962 for a term of 60 years. Your Board previously, on August 12, 2003, approved an Option to extend this lease to facilitate redevelopment of the parcel, along with an Amended and Restated Lease Agreement ("Restated Lease") providing for a 39-year lease extension, payment of a $900,000 lease extension fee, demolition of the existing apartment buildings (64 total units) and construction of 179 new apartment units, adjustment of minimum and percentage rents and other miscellaneous improvements to the lease.

The Option had an expiration date of February 12, 2005, extendable for up to six months subject to approval by the Director. The lessee has requested an additional option period beyond August 12, 2005, believing it will be unable to obtain all of the necessary entitlements within the extended option period. Being satisfied that the lessee has made significant progress in obtaining initial approvals from the Design Control Board and the Department of Regional Planning but will need additional time to complete the entitlement process beyond the extended option period, the Department concurs that the requested extension is reasonable. However, the Department wants to ensure that the lessee is properly motivated to complete the process in a timely manner by imposing a cost on the extension, to which the lessee has agreed. The attached Amendment affirms the granting of an Option extension to the lessee for an initial term of three months, plus three additional months on a month-to-month basis, as needed, for a total of up to six months and requiring the lessee to pay a pro rata option fee of up to $33,333.00.

Implementation of Strategic Plan Goals

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

FISCAL IMPACT/FINANCING

The financial impact to the County as a result of the Amendment is a supplemental option fee of $16,666.50 for the initial three months, plus $5,555.50 per month for a potential additional three months, for a total up to $33,333.00.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the lease for Parcel 140V commenced on October 1, 1962, with a term expiring on September 30, 2022. If the Option is exercised and the lease extended pursuant to the Restated Lease, the term will expire on September 30, 2061.

At its meeting of March 9, 2005, the Small Craft Harbor Commission _____ the Director's recommendation that your Board approve the attached Amendment, which has been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

Approval of the Amendment does not authorize construction or re-construction of any improvements on the parcel. The discretionary land use entitlements and the corresponding environmental documentation necessary to implement the proposed redevelopment/replacement contemplated by the Restated Lease are under review by the Department of Regional Planning.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

Authorize the Executive Officer of the Board to send two copies of the executed Amendment to the Department of Beaches and Harbors.

Respectfully submitted,

Stan Wisniewski, Director

SW:PW:GB

Attachment (1)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel