

**Remarks of Santos Kreimann, Director of Beaches and Harbors on the
Proposed Master Coastal Development Permit for Dock Replacement in
Marina del Rey Harbor**

Small Craft Harbor Commission Meeting – July 13, 2010

Commissioners, Residents and Members of the Boating Community of Marina del Rey,

My staff and I are here tonight to walk you through our proposed approach for rehabilitating and improving the condition of the aging docks here in Marina del Rey.

As you know, many of our marinas were built in the 1960s and 1970s and are in desperate need of replacement. Marinas typically have a useful life of approximately 30 years, at which point the amount of upkeep to maintain them in service becomes cost prohibitive.

You won't be surprised to learn that standards for marinas have changed over the last 30 to 40 years, when Marina del Rey was first constructed. Now, any marina that is reconstructed must comply with certain standards such as Americans with Disabilities Act (ADA). We also follow other guidelines for reconstruction such as those recommended by our own State's Department of Boating and Waterways (DBAW), which is the State agency that is tasked with encouraging recreational boating in California. DBAW also assesses boating needs along the coast, recommends standards for fairway widths and the like, and in general oversees the status of boating in California. Although no agency is obligated to follow DBAW recommendations (unless the project involves a grant from them) it is wise to do so, as they are the agency with principal expertise in the boating arena.

We also look at other factors when we approve marina design changes. We look at flexibility (like using powerboat slip widths so that either a sailboat or a powerboat can be accommodated), vacancy rates, waiting lists and the like, over a relatively long period such as five years. Finally, we look at situations that we do not wish to promote in the marina, such as derelict boats, “floating homes” which are not seaworthy, and boats that do not have current registrations. But what really drives the marina reconstruction configuration is a determination of what we can do to prepare for the future.

As you know, we have done numerous studies on this topic to inform our decisions and have also reviewed the work of other experts whose work has been endorsed by DBAW and used in places like San Francisco and Channel Islands. As a result, we are very confident that the configurations we have reviewed are state of the art and appropriate for the future needs of the Marina del Rey boating community.

Presently, we have seven marinas that are slated for reconstruction and reconfiguration in the near future. All of these marina projects must be approved by the County of Los Angeles and the California Coastal Commission. In order to assure that we look at all of the effects of the potential marina reconstruction projects, we have assembled the projects into one Master Coastal Development Permit. This Master CDP will address the seven marinas in question and will be filed with the California Coastal Commission in the near term. Once filed, the County does not control when it will be heard by the Coastal Commissioners. However, we hope the permit will be considered and approved this year, but we cannot be certain of that. The decision to combine the marinas into a single Master CDP

resulted from conversations with CCC staff and the County's recognition of the limited staffing resources available to them for processing permits due to the serious budget cuts impacting their operations. By combining and processing the Master CDP it was felt that greater economies of scale would be achieved and a timelier processing of the individual projects would result.

In the past, there have been concerns expressed from members of the public about reductions in slips. When the new standards and recommendations are implemented, the number of slips in MDR will unfortunately be reduced. The combination of ADA, DBAW guidelines, and powerboat widths reduces the number of slips in and of itself. But we also have to look to the future in terms of slips distribution and recognize that we have very high vacancy rates in slips below 30 feet, and not enough slips over 50 feet. This was true even BEFORE the economy forced a lot of people out of boating. Losing the slips below 30 feet will not, in our opinion, result in a shortfall of slips for the public. In fact, most reports by experts point to the fact that the median boat length has increased between 1960 and 2006 from 29 feet to 43 feet. Since smaller boats can fit in larger slips, but not the converse, it makes complete sense to reduce the representation of small slips in the marina reconstructions in MDR to provide flexibility in the operation of the marinas. After the reduction, MDR will still have more than 50 percent of its slips in lengths below 35 feet, comparable to the ratio in Long Beach and San Pedro.

Finally, it is important to point out that our plans include increasing boating opportunities in Marina del Rey by proposing two dry stack storage facilities, adding a dinghy dock to Chace Park, and adding slips to our new wetland park on Parcel 9. We are also encouraging restaurants that remodel or rebuild at the water's edge to provide guest docks for its patrons. This

will help partially mitigate the loss of smaller wet slips and provide an alternative for storing boats on land.

Over the past year there have been assertions that the County is squeezing the small boater out. According to some boaters, this has to do with the cost of slips, which is subject to a fair market return. Our studies show that MDR costs per foot are well within the norm for marinas in southern California. It should not be surprising to see strong competition, however, for slips in a county that has 10.5 million people and an outstanding proximity to Catalina Island. There can be no doubt that MDR is one of the most desirable harbors in the world, and is probably priced accordingly.

We believe that the County's approach to marina reconstruction is sound, based in fact, and aimed at modern trends for boating. Rather than frustrating recreational boating opportunities, we believe that they will be expanded and enhanced appropriately. However, it should be recognized that very few new harbors have been built in the last 30+ years, yet the population of California has doubled. That fact alone causes supply to fall short of demand, requiring that the County arrange its marina configurations as efficiently as possible to satisfy public demand. Even so, we will fall well short of space for larger boats, which cannot be stored out of the water in most cases. We can only do so much, but we believe that what we are proposing to the Small Craft Harbor Commission is prudent and responsive to what is needed.

I would welcome the opportunity to answer any questions you or the public may have. Thank you for your attention.

**WATERSIDE COASTAL DEVELOPMENT PERMIT
BRIEFING REPORT TO SMALL CRAFT HARBOR COMMISSION
FOR MEETING OF JULY 13, 2010**

The County of Los Angeles, Department of Beaches and Harbors, together with six Marina del Rey lessees, is acting collectively (hereafter collectively referred to as "Applicant") for a master waterside Coastal Development Permit ("Master CDP") for marina reconstruction in the original jurisdiction of the California Coastal Commission ("CCC"), the water area of Marina del Rey.

The Applicant proposes to rebuild seven aging marinas in Marina del Rey. Marina del Rey has 21 individual recreational marinas, most of which were built in the early 1960s and 1970s. Eight of these marinas (Parcels 12, 13, 18, 20, 54, 111, 112 and 132) have already been replaced, while seven more (Parcels 8, 10, 21, 42/43, 44, 47, and 125R) have replacement plans, mostly in connection with lease extensions and redevelopment or renovation projects, as they have outlived their original life expectancy and require constant maintenance in order to remain operational. Of the remaining six marinas, one marina (Parcel 15) already has regulatory approval for its replacement and one (Parcel 7) will be replaced in approximately ten years by-and-large with its current configuration. The remaining marinas (Parcels 28, 30, 41, and 53) have no near-term plans to rebuild and are being maintained in acceptable or better condition.

Reconstruction of marinas when they are obsolete or in poor condition is a significant step in maintaining the availability of recreational boating for the public. The table below lists the marinas by common name, parcel number and original or reconstruction date. The seven marinas combined as the Applicant were constructed between 1964 and 1972 and comprise 58% of the oldest docks in Marina del Rey (those built/replaced pre 1980), as can be seen in the following table:

Marina del Rey Marinas

Parcel No.	Parcel Name	Year Docks Built/Replaced	New Docks Planned
7	Tahiti Marina	1964	
8	Bay Club	1966	X
10	Neptune	1964	X
12	Esprit I	2008	
13	Villa del Mar	1989	
15	Bar Harbor	1968	
18	Dolphin	1999	
20	Panay Way	2006	
21	Holiday Harbor	1968	X
28	Mariner's Bay	1966	
30	Del Rey Yacht Club	1982	
41	Catalina Yacht Anchorage	1964	

42/43	Marina del Rey Hotel	1964	X
44	Pier 44	1966	X
47	Anchorage 47	1972	X
53	The Boatyard	1964	
54	Windward Yacht Center	1997	
111	Marina Harbor	2006	
112	Marina Harbor	2004	
125	Marina City Club Marina	1969	X
132	Cal Yacht Club	1985	

The Master

CDP includes the anchorage reconstruction for seven parcels (Parcels 8, 10, 21, 42/43, 44, 47, and 125), four of which have already been approved by your Commission (Parcels 8, 10, 21, and 125). Two parcels (Parcels 42/43 and 44) will be brought to your Commission after consideration of the proprietary terms by the Board of Supervisors. This step does not affect the processing of the entitlements, which is a separate matter. With respect to these parcels, your Commission has previously seen the projected slip loss for each in the Noble Right Sizing Study (2009), and one (Parcel 44) has been approved by the Marina del Rey Design Control Board (DCB). With respect to Parcel 47, as well as the proposed Chace Park dock improvements, a replacement plan was presented to your Commission previously.

The Applicant's seven marinas currently contain a total of 1,826 slips, while the planned replacement marinas have a total of 1,346 slips, resulting in a net loss of 480 slips, as shown on the following chart:

Parcel	Current	Planned	Change
8	231	207	24
10	184	161	23
21	183	92	91
42/43	348	277	71
44	391	237	154
47	173	94	79
125	316	278	38
Totals	1,826	1,346	480

A detailed breakdown of each marina by slip length, with both current and proposed layouts for each marina, is in the attached chart (Exhibit A).

Factors Influencing Marina Design and Slip Replacement

In reconstructing the marinas, each individual applicant is obligated to follow ADA regulations. Compliance with DBAW's design guidelines also insures that each marina represents the latest design guidance from the State agency vested with responsibility for overseeing recreational boating in California. In and of themselves, compliance with ADA requirements and DBAW guidelines causes a

reduction in the total number of slips provided, as well as requires marinas built in the 1960s to revise their existing configurations. Present DBAW guidelines call for wider fairways, wider slips for both powerboats and sailboats, and wider fingers than were used in the 1960s and 1970s. Requirements for ADA compliance call for increased dock and finger widths and decreased ramp gradients. Thus, even if the exact same slip distributions as exist now were desired by the individual applicants, it would not be possible, as the anchorage footprints must change due to the modern requirements for marinas.

Additionally, in the last 20 years, the market for new boats that are kept in the water has shifted to larger boats; conversely, the trend for smaller boats has shifted more to trailerable designs. This has been amply documented in the California Boating Facilities Needs Assessment published by DBAW in 2002, and can also be seen in the vacancy rate for older marinas in Marina del Rey. Finally, one further reason for the loss of slips is the elimination of double-wide slips. In all, therefore, ADA requirements, current DBAW design guidelines, market forces (both historic slip vacancies and sales trends) and elimination of double-wide slips result in a loss of total slips when marinas are redeveloped.

In the past, the County contemplated extending anchorages further into the Marina's main channel, the so-called "funnel concept", because of the finite amount of water surface available for slips between mole roads. However, moving forward pursuant to the funnel concept is no longer being pursued, in order to reserve a generous main channel area for those who use the channel itself as their recreational area, which is also busy with vessels entering and exiting the Marina. Accordingly, build-out further into the main channel is only currently contemplated in the Parcels 42/43 dock replacement plan.

Master CDP's Seven Marina Redevelopment Plans

The total combined loss of 480 slips from the seven marinas to be redeveloped pursuant to the Master CDP represents slightly more than 96% of the 498 average 2009 monthly slip vacancies and 82% of the average of 582 slip vacancies in 2010. The largest slip loss occurs in the two smallest size categories (18-25' and 26-35'), which have the highest number of vacancies; however, the displacement of boats in the smallest size categories will result. There should be no displacement of boats in the two other size categories, due to both existing vacancies and an increase in the number of slips in the particular size category. The following chart shows historic slip vacancies in Marina del Rey by size category:

MDR Average Annual Vacancy by Size Category

	18-25'	26-35'	36-50'	51' +	Total
2005	69.6	17.1	5.7	0.8	93.2
2006	72.2	21.2	4.2	2.3	99.8
2007	86.3	39.3	6.0	0.8	132.4
2008	112.8	66.1	30.2	9.9	218.9
2009	164.8	185.3	114.6	33.0	497.6
2010	195	242	120	25	582

In comparison, the change in slips included in the Master CDP by size category is identified in the following chart:

Master CDP Slip Loss by Size Category

	18-25'	26-35'	36-50'	51' +	Total
Change	<512>	<330>	324	38	<480>

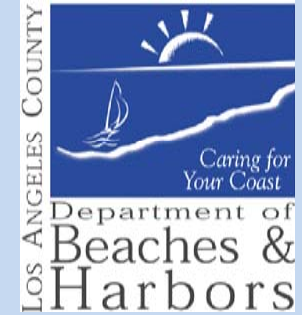
To help offset the loss of smaller slips, increased dry storage is being planned for Marina del Rey. Specifically, your Commission has previously approved the Boat Central dry-stack project on Parcels 52/GG (up to 346 stacked boats and 30 mast-up). Additionally, as part of the proposed Parcel 44 slip redevelopment, there are plans to add 234 dry-stack spaces. In total, therefore, there will 580 dry stack slips constructed, which will offset some of the 842 slips lost in the two smallest size categories.

Remaining in Marina del Rey overall after reconstruction of the seven marinas contemplated by the Master CDP will be the following number of slips by size category:

MDR Slip Count after Master CDP Reconstruction

	18-25'	26-35'	36-50'	51' +	Total
Total	745	1,766	1,379	369	4,253

SHK:ks
Exhibit (1)



Highlights of Master Waterside CDP

Master Waterside CDP

Coastal Development Permit for the replacement of seven aging marinas

Parcel 8 (Bay Club)

Parcel 10 (Neptune Marina)

Parcel 21 (Holiday Harbor)

Parcel 42/43 (MdR Hotel)

Parcel 44 (Pier 44)

Parcel 47 (County)

Parcel 125 (Marina City Club)

Eight marinas have already been replaced:

- Parcel 12 (Esprit I)
- Parcel 13 (Villa del Mar)
- Parcel 18 (Dolphin Marina)
- Parcel 20 (Panay Way)
- Parcel 54 (Windward Yacht)
- Parcel 111 (Marina Harbor)
- Parcel 112 (Marina Harbor)
- Parcel 132 (CA Yacht Club)

One marina has regulatory approval for replacement: Parcel 15 (Esprit II)

One marina plans to rebuild in ten years:
Parcel 7 (Tahiti Marina)

Four remaining marinas have no near term plans to rebuild:

Parcel 28 (Mariners Bay)

Parcel 30 (Del Rey Yacht Club)

Parcel 41 (Catalina Yacht Club)

Parcel 53 (The Boat Yard)

<u>Parcel</u>	<u>Status</u>
8	SCHC Approval
10	SCHC Approval
21	SCHC Approval
42/43	Pending Approval
44	DCB Approval
47	Pending Approval
125	SCHC Approval

Marina del Rey Slip Replacement

Parcel	Current	Planned	Change
8	231	207	24
10	184	161	23
21	183	92	91
42/43	348	277	71
44	391	237	154
47	173	94	79
125	316	278	38
Totals	1826	1346	480

Factors Influencing Marina Design and Slip Replacement

- Compliance with ADA requirements
 - Changes in DBAW guidelines
- Elimination of double-wide slips
 - Market trends

MDR Average Annual Slip Vacancy by Size Category

	18-25'	26-35'	36-50'	51' +	Total
2005	69.6	17.1	5.7	0.8	93.2
2006	72.2	21.2	4.2	2.3	99.8
2007	86.3	39.3	6.0	0.8	132.4
2008	112.8	66.1	30.2	9.9	218.9
2009	164.8	185.3	114.6	33.0	497.6
2010	195	242	120	25	582

Slip Loss/Displacement

- Loss of 480 wet slips
- The largest slip loss occurs in the smallest size category (25 foot and less), which has the highest number of vacancies and will cause displacement of boats (317 boats) from wet slips to either dry storage or to other marinas.

Slip Loss/Displacement (continued)

- Planned Dry Stack projects can offset much of the slip loss:
 - Parcel 52/GG: 346 spaces & 30 mast up spaces
 - Parcel 44: 234 spaces

Marina del Rey Slips

Noble Slip Sizing Recommendations

Current		Noble Slip Sizing Recommendations		Proposed	
Slip Count	Percentage	Size	Percentage	Slip Count	Percentage
2,414	51.00%	≤ 30'	30%	1,625	38.20%
885	18.70%	31' - 35'	20%	886	20.80%
596	12.60%	36' - 40'	19%	730	17.20%
277	5.90%	41' - 45'	10%	375	8.80%
229	4.80%	46' - 50'	10%	271	6.40%
332	7.00%	< 50'	11%	369	8.70%
4,733	100%		100%	4,256	100.00%

Marina del Rey Average Slip Size

Parcel Number	Current Slip Count	Current Avg. Slip Size	Proposed Slip Count	Proposed Avg. Slip Size
7	214	37.11	214	36.08
8	231	36.88	207	34.71
10	184	30.3	161	31.84
12	216	47.46	216	47.46
13	186	41.75	186	41.75
15	215	32.24	222	29.29
18	424	33.39	424	32.15
20	145	30.16	145	30.16
21	183	25.42	92	36.4
28	369	35.82	369	33.92
30	287	39.7	287	39.24
41	148	26.28	148	26.28
42/43	349	31.43	277	43.26
44	397	26.08	237	33.46
47	173	29.45	94	42.46
53	103	30.85	103	30.85
54	53	48.94	53	40.11
111	112	47.96	112	47.96
112	175	38.06	175	38.06
125	316	35.48	278	38.09
132	253	39.35	253	39.35
Total	4733	33.53	4253	35.26