

SMALL CRAFT HARBOR COMMISSION AGENDA August 10, 2016 10:00 A.M.

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



Audio

1. (1) CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. ***) APPROVAL OF MINUTES

Small Craft Harbor Commission Meeting of July 13, 2016.

3. (1) COMMUNICATION FROM THE PUBLIC

This is the opportunity for members of the public to address the Commission on items that are not on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Speakers are reminded of the three-minute time limitation.

4. (1) COMMUNICATION WITH THE COMMISSIONERS

This is the opportunity for members of the Commission to provide notification to the public regarding any communication received by the Commissioners from the public, lessees, or other interested parties regarding business of Marina del Rey.

5. (1) REGULAR REPORTS

a. Marina Sheriff

(DISCUSS REPORTS)

- Crime Statistics
- Enforcement of Seaworthy & Liveaboard
- Sections of the Harbor Ordinance with Liveaboard Permit Percentages

b. Marina del Rey and Beach Special Events

(DISCUSS REPORT)

c. Marina Boating Section Report

(VERBAL REPORT)

d. Marina del Rey Convention and Visitors Bureau

(PRESENTATION)

6. OLD BUSINESS

None

7. (III) NEW BUSINESS

a. Total Maximum Daily Load (TMDL) Update

(PRESENTATION)

Small Craft Harbor Commission Agenda for August 10, 2016 Page 2 of 2

b. Lease Amendment for Parcel 140 (Admiralty Apartments) to include Decennial Rent Adjustment.

(ENDORSEMENT)

c. Lease Amendment for Parcel 100/101 (The Shores) to revise affordable housing provision.

(ENDORSEMENT)

8. (1) STAFF REPORTS

Ongoing Activities

(DISCUSS REPORTS)

- Board Actions on Items Relating to Marina del Rey
- Regional Planning Commission's Calendar
- California Coastal Commission Calendar
- Venice Dual Force Main Project Update
- Redevelopment Project Status Report
- Design Control Board Minutes
- Marina del Rey Slip Report
- California Coastal Commission Slip Report
- Fisherman's Village Progress Report
- Parcel 9U (Woodfin Hotel and Wetland Park) Project Status

9. **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.
- The agenda will be posted on the internet and displayed at the following locations at least 72 Hours preceding the meeting date:

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

Department of Beaches and Harbors Administration Building 13837 Fiji Way Marina del Rey, CA 90292 MdR Visitors & Information Center 4701 Admiralty Way Marina del Rey, CA 90292

Burton Chace Park Community Room 13650 Mindanao Way Marina del Rey, CA 90292 Lloyd Taber-Marina del Rey Library 4533 Admiralty Way

Marina del Rey, CA 90292

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

Si necesita asistencia para interpreter esta informacion llame al (310) 305-9503.

ADA ACCOMODATIONS: If you require reasonable accommodations or auxiliary aids and services such as material in alternate format or a sign language interpreter, please contact the ADA (Americans with Disabilities Act) Coordinator at (310) 305-9538 (Voice) or (TTY/TDD) users, please call the California Relay Service at 711. The ADA Coordinator may be reached by email at rstassi@bh.lacounty.gov.

SMALL CRAFT HARBOR COMMISSION MINUTES July 13, 2016

Commissioners: David Lumian, Chair; Dennis Alfieri, Vice Chair; Russ Lesser, Commissioner; Allyn Rifkin, Commissioner; Vanessa Delgado, Commissioner

Department of Beaches and Harbors: Gary Jones, Director; Brock Ladewig, Deputy Director; Steve Penn, Chief of Asset Management Division; Carol Baker, Chief of Community and Marketing Services Division; Michael Blenk, Real Property Agent I; Michael G. Rodriguez, Chief Property Manager; Gloria Perez, Management Fellow

County: Amy Caves, County Counsel; Deputy Sheriff Michael Mitchell

Item 1- Call to Order and Pledge of Allegiance

Chair Lumian called the meeting to order at 10:06 a.m. followed by the Pledge of Allegiance led by Deputy Sheriff Michael Mitchell. Chair Lumian read the Commission's policy on public comments.

Item 2- Approval of Minutes

Motion to approve by Vice Chair Rifkin, seconded by Commissioner Lesser, unanimously approved.

Ayes: 5 - Chair Lumian, Vice Chair Rifkin, Mr. Alfieri, Ms. Delgado and Mr. Lesser

Item 3 – Communication from the Public

None

Item 4 – Communication with the Commissioners

Commissioner Lesser reported on a meeting he had with Supervisor Knabe to discuss funding for Los Angeles youth to visit the Marina and other beach areas to teach them about oceanography. He also discussed the displacement of yacht sales tenants.

Chair Lumian stated he attended the dedication of Oxford Basin Park, the External Tank (ET) Comes Home celebration, and the US Coast Guard's Navigation Safety Advisory Council Meeting in Washington, D.C.

Item 5a - Marina Sheriff

Deputy Sheriff Michael Mitchell presented the Crime Stats reports.

Item 5b – MdR and Beach Special Events

Carol Baker reported that the ET relocation events, including a "Party in the Park" at Burton Chace Park, were all very successful. She also announced upcoming summer activities planned for MdR.

Item 5c - Marina Boating Section Report

Michael Blenk announced that Cal Yacht Club was sponsoring the U.S. Junior Olympic Sailing Festival in MdR July 15-17, 2016, and that DBH arranged parking. He provided a detailed report about the completion of Anchorage 47. Carol Baker added that the Boating Section is also providing support to the sailing program.

Steve Curran spoke about being displaced from Pier 44 due to the redevelopment of the property. He thanked Pacific Ocean Management Company (Pacific) and the County for

extending the time he has to relocate and for developing plans to allow his boat sales business to stay in MdR, including securing office space in Fisherman's Village. However, there is no area to display boats. As a result, part of his business will be relocated to Long Beach. He expressed his concern that MdR is reducing its focus on recreational boating.

Commissioner Lesser asked staff if there's anything else the Department can do to keep Mr. Curran's business operating in the Marina.

Gary Jones replied that DBH is trying to do everything possible to accommodate Mr. Curran. He agreed with Mr. Curran's assessment that it has been a challenge to find alternative accommodations. Unfortunately, the Marina was not designed to support a large amount of commercial activity and the emphasis has always been recreational boating.

Commissioner Alfieri inquired about a possible month-to-month agreement during the boating season to allow boat brokers to dock at Anchorage 47. Gary Jones replied that County policy will not allow commercial activity at Anchorage 47.

Gary Jones further commented that the Department will continue to work with the lessee to help resolve issues related to the redevelopment of Pier 44.

Tim Riley inquired about the rental rates and the number of slips in each category for Anchorage 47. Tim Riley also asked about the 25% percentage rent that is charged by the County for anchorages throughout the Marina and if Anchorage 47 is subject to the same fees.

Gary Jones replied that the Board of Supervisors (BOS) approved the rental rates for Anchorage 47 as well as the methodology. The item was endorsed by the Small Craft Harbor Commission (SCHC) before going to the BOS. He explained that DBH's staff conducted a study reviewing comparable anchorages throughout the Marina. Anchorage 47's slip rates were calculated based on the average of the comparable anchorages. He further commented that 100% of the revenue from Anchorage 47 is placed into a County account that is used for the operation of the anchorage and to pay off the debt incurred to fund the redevelopment project.

Commissioner Alfieri requested to see a slip fee pricing schedule.

Gary Jones replied that staff would provide the Commissioners with the requested information.

Chair Lumian stated that he received an e-mail from Steve Curran stating that he received a 60-day notice to vacate his business location. He added that he forwarded the e-mail to DBH staff and Pacific. Both parties reported that they had met with Mr. Curran to develop the solutions that Mr. Curran had already reviewed.

Chair Lumian asked if there are any other businesses besides Mr. Curran's that have been identified as not having suitable alternative accommodations.

Gary Jones replied that there is one other business, and assistance has been provided by Pacific and the County. There may also be a number of live-aboards in Pier 44 but Mr. Jones believes no one has approached the County for assistance. He further stated that

Anchorage 47 does permit live-aboards, and that there are approximately 15 currently permitted in the Marina.

Chair Lumian expressed the need to have businesses that support recreational boating in the Marina and asked DBH to take measures to retain these type of businesses. His concern is that without these businesses the number of boat owners will decrease. He further voiced his concern regarding the large amount of redevelopment happening simultaneously with MdR anchorages. He asked if there is a plan to avoid temporary shortages and large increases to slip rental rates.

Steve Penn replied that Michael Tripp will address those concerns during his presentation on Item Number 8.

Chair Lumian asked what was the total amount spent on the redevelopment of Anchorage 47 and how was the project financed?

Gary Jones responded that he did not have the exact amount but he estimates approximately \$15 million. The project was financed by monies collected in prior years, when the County managed Anchorage 47. In addition, the County incurred debt that will be paid back with future revenue generated by slip fees.

Item 6a - Old Business

None.

Item 7a – Dock 55 Management Program

Michael Rodriguez, presented the staff report providing details of the management program for the newly built Dock 55, which will assist charter operators. There has been an increase in the demand for charter operators in MdR but very few marinas can allow charters to operate. The program will allow charter boats to be docked throughout the Marina but will allow them to legally load/unload passengers at Dock 55 for a fee. The program will be launched in August/September and will be managed by the same company that operates Fisherman's Village.

Daniel Ginzburg pointed out that Dock 55 is not a new charter dock. The dock was originally planned to fulfill requirements by the Coastal Commission and Department of Regional Planning to mitigate the loss of Dock 52. He wants to make sure the plan for Dock 55 meets these requirements and is an efficient and appropriate way of utilizing the space, and addresses everyone's interests.

Vice Chair Rifkin asked if the new program is based on first come first serve.

Michael Rodriguez replied that the program will try to accommodate as many businesses as possible. There are issues with parking which are currently being reviewed. Mr. Rodriguez emphasized that the program will serve both small and large operators.

Vice Chair Rifkin expressed his concern of DBH's reliance on one company to manage the program.

Mr. Rodriguez replied that an internal study was conducted. DBH does not have sufficient staff to properly manage the program. Furthermore, Dock 55 does not have an office or

amenities available. Pacific was identified as the best option because the business is already operating in a nearby location and can offer amenities to the charter boat passengers.

Amy Caves added that the County's agreement with Pacific contains language that provides DBH the right to terminate. She further added that this a trial program and adjustments can be made to address issues as they develop.

Vice Chair Rifkin requested DBH staff provide an update report in six months. He also applauded DBH's efforts to assist charter boat operators in the Marina.

Pat Younis voiced her concerns about the new program and believed it was too much work for one agency to accomplish.

Matt Schubert, a permitted water taxi operator, talked about how charter boat operators in San Diego pay 7% of their revenue to help pay for the operation of the charter boat dock and encouraged DBH to adopt a similar policy.

Brian Mitchell of Luxury Liners asked if there will be a sublease requirement and requested pricing information.

Chair Lumian asked if the operations would be limited to skipper charters or is it also for bareboat charters, and provided definitions for the different type of charters.

Mr. Rodriguez replied that the program is open to all types of charters. He addressed Brian Mitchell's questions: (1) an agreement between Pacific and the charter boat operator will be required; and (2) fees are still being established.

Commissioners Lumian and Lesser both commended DBH for outsourcing the program and for contracting with Pacific to operate the new program.

Gary Jones thanked Mr. Rodriguez, and stated that the Department will provide ongoing progress reports to the Commission.

Item 7b – Lease Amendment for Parcel 20 (Panay Way Marina) to include Decennial Rent Adjustment.

Michael Rodriguez provided the staff report.

Motion to approve by Commissioner Lesser, seconded by Commissioner Alfieri, unanimously approved.

Ayes: 5 – Chair Lumian, Vice Chair Rifkin, Mr. Alfieri, Ms. Delgado and Mr. Lesser

Item 7c – Lease Amendment for Parcel 33 (Killer Shrimp) to include Decennial Rent Adjustment.

Michael Rodriguez provided the staff report.

Motion to approve by Commissioner Alfieri, seconded by Vice Chair Rifkin, unanimously approved.

Ayes: 5 - Chair Lumian, Vice Chair Rifkin, Mr. Alfieri, Ms. Delgado and Mr. Lesser

Item 8 - Staff Reports

Gary Jones provided the staff reports on ongoing activities including that the CDP on Parcel 9's wetland park has been extended and the project will be able to move forward.

Steve Penn discussed an e-mail that the Chair Lumian sent to DBH voicing his concerns regarding pending construction projects of various marinas in MdR and the impact on boaters.

Michael Tripp provided an overview of the CDP and Local Coastal Program amendment which provides protections for smaller boats including a mandate that 59% of the boats slips in MdR be reserved for boats 35 feet or under. Additionally, before a marina is redeveloped, a transitional plan must be submitted to the Coastal Commission which outlines resources for boaters to assist them with relocation.

Chair Lumian expressed concern about multiple projects potentially triggering a sharp increase in slip rental fees.

Michael Tripp explained that when a dock is being redeveloped construction is usually phased to minimize the number of boaters being displaced.

Steve Penn added that the majority of MdR's ground leases contain a controlled price clause. Under this clause, if a slip rental fee is beyond a reasonable level, a boater can bring it to the County's attention. DBH staff will conduct a market analysis. If the price is found to be unreasonable, DBH has the authorization to request a correction.

Adjournment

Chair Lumian adjourned the meeting at 11:42 a.m.



LOS ANGELES COUNTY SHERIFF'S DEPARTMENT MARINA DEL REY STATION PART I CRIMES JUNE 2016



	West	East	Lost	Marina	Upper	County	Lower	Windsor	View		
	Marina	Marina	R.D.	Water	Ladera	Area	Ladera	Hills	Park	Parks	TOTALS
	2760	2761	2762	2763	2764	2765	2766	2767	2768	2791	
Homicide											0
Rape											0
Robbery: Weapon	1										1
Robbery: Strong-Arm		1					1	1			3
Aggravated Assault	3								1		4
Burglary: Residence	2						2	4	4		12
Burglary: Other Structure	2			1			2	1		1	7
Grand Theft	6	5		2	2		1	4	3	1	24
Grand Theft Auto		1					2	1	2		6
Arson											0
Boat Theft											0
Vehicle Burglary	10	1			1	1		2	1		16
Boat Burglary				2							2
Petty Theft	5	6			1	1	4	5			22
REPORTING			_	_							
DISTRICTS TOTALS	29	14	0	5	4	2	12	18	11	2	97

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

Source- LARCIS, **Date Prepared July 05, 2016** CRIME INFORMATION REPORT - OPTION 5A

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART 2 CRIMES - JUNE 2016





Community	Upper	Lower
Advisory	Ladera	Ladera
Committee	2764	2766
Homicide		
Rape		
Robbery: Weapon		
Robbery: Strong-Arm		1
Aggravated Assault		
Burglary: Residence		2
Burglary: Other Structure		2
Grand Theft	2	1
Grand Theft Auto		2
Arson		
Boat Theft		
Vehicle Burglary	1	
Boat Burglary		
Petty Theft	1	4
Total	4	12

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

Source- LARCIS, **Date Prepared July 05, 2016** CRIME INFORMATION REPORT - OPTION 5A

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART 3 CRIMES- JUNE 2016





	MARINA AREA	EAST END
	(RD'S 2760-	(RD'S 2764-
Part I Crimes	2763)	2768)
Homicide		
Rape		
Robbery: Weapon	1	
Robbery: Strong-Arm	1	2
Aggravated Assault	3	1
Burglary: Residence	2	10
Burglary: Other Structure	3	4
Grand Theft	13	11
Grand Theft Auto	1	5
Arson	1	
Boat Theft		
Vehicle Burglary	11	5
Boat Burglary	2	
Petty Theft	11	11
Total	49	49

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

Source- LARCIS, **Date Prepared – July 05, 2016**CRIME INFORMATION REPORT - OPTION 5A



MARINA DEL REY HARBOR LIVEABOARD COMPLIANCE REPORT 2016



Liveaboard Permits Issued			
	June	July	
New permits Issued:	4	5	
Renewal Issued:	23	16	
Total:	27	21	
Notices to Comply Issued:	21	2	

Totals:	June	July	
Liveaboard:	310	311	
Current Permits:	275	271	
Expired Permits:	29	34	
No Permits:	6	6	

Total reported vessels in Marina del Rey Harbor:

4011

Percentage of vessels that are registered liveaboards

7.75%

Number of currently impounded vessel: 6



Caring for Your Coast . . .

Gary Jones

Kerry Silverstrom

John Kelly

Deputy Directo **Brock Ladewig** Deputy Director

August 10, 2016

TO:

Small Craft Harbor Commission

FROM:

SUBJECT: AGENDA ITEM 5b - MARINA DEL REY SPECIAL EVENTS

BURTON CHACE PARK WALKING CLUB

Burton Chace Park ♦ Lobby ♦ 13650 Mindanao Way ♦ Marina del Rey Tuesdays & Thursdays 10:30 a.m. - 11:30 a.m.

The Department of Beaches and Harbors (Department) is sponsoring a FREE one-hour walking club. Get your exercise while taking in the beautiful view of the Marina del Rey harbor. Please RSVP by calling (310) 305-9595.

For more information: Call (310) 305-9595

SUNSET SERIES SAILBOAT RACES 2016

Marina del Rey Wednesdays through September 7, 2016 5:30 p.m. – 8:00 p.m.

Spectators can enjoy these races from the comfort of one of the water-view restaurants on Wednesday evenings between 5:30 p.m. (sailboats leaving the harbor) and 8:00 p.m. (race finishes at California Yacht Club).

For more information: Call (310) 823-4567

BURTON CHACE PARK AEROBICS CLASS

Burton Chace Park ♦ Lobby ♦ 13650 Mindanao Way ♦ Marina del Rey Wednesdays 6:00 p.m. – 7:00 p.m.

The Department is offering FREE indoor group aerobics classes that combine rhythmic aerobic exercise with stretching and strength training routines with the goal of improving all elements of fitness. Come get in shape with an experienced instructor at beautiful Burton Chace Park. Ages 13 and up. Please RSVP by calling (310) 305-9595.

For more information: Call (310) 305-9595

"BEACH EATS" GOURMET FOOD TRUCKS IN MARINA DEL REY

Marina "Mother's" Beach ♦ 4101 Admiralty Way ♦ Marina del Rey Thursdays through September 29, 2016 5:00 p.m. – 9:00 p.m.

The Department is sponsoring gourmet food trucks in Marina del Rey offering delectable dishes plus a chance to picnic on the beach. The "Beach Eats" gourmet food truck events are held from 5 p.m. to 9 p.m. The assortment of trucks varies week to week. Paid parking is available at the beach parking lot #10 for 25 cents for every 10 minutes.

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

MARINA DEL REY FARMERS' MARKET

Parking Lot #11 ♦ 14101 Panay Way ♦ Marina del Rey Saturdays 9:00 a.m. – 2:00 p.m.

The Department, in collaboration with Southland Farmers' Markets Association, is offering the Marina del Rey Farmers' Market on Saturdays. The Marina del Rey Farmers' Market offers fresh, locally-grown organic and conventionally grown fruits and veggies. Also available are prepared and packaged foods, hand-crafted products and much more! Paid parking is available for 25 cents for every 10 minutes.

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

FISHERMAN'S VILLAGE WEEKEND CONCERT SERIES

13755 Fiji Way ♦ Marina del Rey Sponsored by Pacific Ocean Management, LLC

All concerts are from 2:00 p.m. - 5:00 p.m.

Saturday, August 6th
Thin Ice, playing Contemporary

Sunday, August 7th
Bob DeSena, playing Latin Jazz

Saturday, August 13th Izmskzm, playing Reggae

Sunday, Sunday 14th
Jimi Nelson & The Drifting Cowboys, playing Country

Saturday, August 20th Upstream, playing Reggae

Sunday, August 21st Shades, playing R&B

Saturday, August 27th
Jimbo Ross & The Bodacious Blues Band, playing Blues

Sunday, August 28th 2Azz1, playing Jazz Funk

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

BEACH SHUTTLE

Through September 25, 2016
Fridays and Saturdays from 10:00 a.m. – 10:00 p.m.
Sundays and Labor Day from 10:00 a.m. – 8:00 p.m.

Catch a free ride on the Beach Shuttle to and from Playa Vista, Marina del Rey and Venice, and enjoy the surf, sand and surroundings of Marina del Rey in a hassle-free and

relaxing way. The Beach Shuttle operates weekends, Labor Day, and during the Thursday Marina del Rey Summer Concerts.

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

MARINA DEL REY WATERBUS

Through September 5, 2016

For a fun weekend, ride the Marina del Rey WaterBus. Park your car and ride the WaterBus for a unique water's-eye view of Marina del Rey. Eight boarding stops throughout the Marina offer opportunities to shop, dine, and recreate in one of the most beautiful Southern California residential and tourist areas. Bikes and strollers are welcome on board, but no pets are allowed. The fare is \$1.00 per person, for a one-way ticket. Ample parking is available at nearby Los Angeles County lots for a reasonable fee.

WaterBus Schedule:

Thursday – Saturday: 11:00 a.m. – midnight Sundays: 11:00 a.m. – 9:00 p.m. Labor Day: 11:00 a.m. – 9:00 p.m.

For more information: Visit marinawaterbus.com or call the Marina del Rey Information Center at (310) 628-3219

SUMMER YOUTH SAILING CAMP

Burton Chace Park ♦ 13640 Mindanao Way ♦ Marina del Rey Beginning Sailing: August 15 – 19 and August 22 – 26, 2016 10:00 a.m. – 4:00 p.m.

Los Angeles County Lifeguards will instruct beginning and advanced sailing courses teaching students basic sailing knowledge and terms, boat maintenance and rigging, knot tying, tacking, docking and introduction to ocean sailing. Students will learn to sail on 14-foot Capri sailboats (with main sail and jib). In the final days of the session, students will get experience on 24-foot MacGregor sailboats.

Financial aid is available for qualified families. Please call for details.

Ages: 11 - 17 years old

Class Size: 6 - 12 students with 2 Lifeguard instructors

Fee: \$250 per 5-day session

*NOTE: Applicants must successfully complete a 100-yard swim test in 2 minutes and 20 seconds to be eligible for Beginning Sailing.

For more information: Call (310) 305-9587

2016 FREE MARINA DEL REY SUMMER CONCERT SERIES

Burton Chace Park ♦ 13650 Mindanao Way ♦ Marina del Rey August 13 – August 27, 2016 7:00 p.m.

Symphonic Thursdays

August 18

Madame Butterfly

Staged production

Marina del Rey Summer Symphony

Pop Saturdays

August 13
Ra Ra Riot
Indie Rock

August 27

Eddie Palmieri Salsa Orchestra Salsa/Latin Jazz

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

FREE MARINA MOVIE NIGHT

Burton Chace Park ♦ 13650 Mindanao Way ♦ Marina del Rey August 20, 2016 Movie start time: 8:00 p.m.

The Department presents Free Marina Movie Nights in Burton Chace Park. Pack your picnic baskets and bring the family out to the park to enjoy our outdoor movies screening under the stars.

Movie Lineup

August 6

The SpongeBob Movie: Sponge Out of Water

August 20

My Fair Lady

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

DISCOVER MARINA DEL REY 2016

Burton Chace Park ◆ 13650 Mindanao Way ◆ Marina del Rey, CA 90292 Sunday, October 9, 2016 11:00 a.m. to 4:00 p.m.

Discover Marina del Rey Day 2016 is sponsored by the Department and is a community event that can be enjoyed free of charge. The event features booths from various organizations on health, safety and the environment, plus water events, games, music, arts & crafts and children's marionette shows. Visitors who wish to access the popular inflatable games must pay \$5.00 for a wristband. Food and beverages are also available for purchase on one of several gourmet food trucks.

Event parking is available for \$8 in County Lots #77 and #4 located at 13560 and 13500 Mindanao Way respectively.

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

GJ:CB:es



Caring for Your Coast

Gary Jones

Kerry Silverstrom Chief Deputy

> John Kelly Deputy Director

Brock Ladewig

August 10, 2016

TO:

Small Craft Harbor Commission

FROM:

Gary Jones, Director

SUBJECT:

ITEM 7a - UPDATE ON THE MARINA DEL REY TOXICS TOTAL

MAXIMUM DAILY LOAD (TMDL)

Item 7a on your agenda is an update on the Marina del Rey Toxics TMDL. Michael Tripp, Planning Division Chief of the Department of Beaches and Harbors will be present to provide the update.

GJ:BW:SP



Caring for Your Coast

Gary Jones

Kerry Silverstrom

John Kelly

Brock Ladewig

August 10, 2016

TO:

Small Craft Harbor Commission

FROM:

SUBJECT: ITEM 7b- APPROVAL OF AMENDMENT NO. 2 TO AMENDED AND

RESTATED LEASE NO. 6121 ADMIRALTY APARTMENTS (PARCEL 140V AT

4170 Admiralty Way) MARINA DEL REY

Item 7b pertains to Amended and Restated Lease No. 6121 of Parcel 140V (Admiralty Apartments) and the adjustment of percentage rents and minimum rent on May 23, 2016. Lessee has agreed to amend the County percentage rental rate for the following percentage of gross receipts: 11% for occupancy of structures and other facilities including apartments and meeting rooms. All other percentage rental rates will be maintained at the current levels. Minimum rent is being increased. The adjustment is projected to yield \$31,592 in additional rent revenue over the 10-year period beginning May 23, 2016. Insurance provisions will be updated

Your Commission's endorsement of the recommendations in the attached draft Board Letter is requested. Staff will inform your Commission should there be any material change to this draft prior to submitting it to the Board of Supervisors for approval.

The recommended action will keep County percentage rents at Parcel 140V comparable to other Marina del Rey leaseholds and update insurance provisions, in fulfillment of the County Strategic Plan Goal No. 1, "Operational Effectiveness/Fiscal Sustainability."

GJ:BL:SP:mr

Attachments



___, 2016

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

Dear Supervisors:



APPROVAL OF AMENDMENT NO. 2
TO AMENDED AND RESTATED LEASE AGREEMENT NO. 6121
PARCEL 140V – MARINA DEL REY
(FORTH DISTRICT) (4 VOTES)

SUBJECT

This Board letter requests approval of Amendment No. 2 to Marina del Rey Amended and Restated Lease No. 6121 (Lease) for Parcel 140 (Admiralty Apartments) that readjusts the Percentage Rents, Annual Minimum Rent and updates General Liability insurance.

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that the proposed Lease Amendment No. 2 is categorically exempt under the provisions of the California Environmental Quality Act pursuant to class 1(r) of the County's Environmental Document Reporting Procedures and Guidelines and Section 15301 of the State CEQA Guidelines (Existing Facilities).
- 2. Approve and authorize the Chair of the Board to sign the attached Amendment No. 2 to Lease No. 6121 pertaining to the readjustment of the Percentage Rents, Annual Minimum Rent, and General Liability insurance for the ten-year period ending May 23, 2026.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Marina del Rey leases generally provide for the periodic review of leasehold rents to ensure that the percentage rents payable to the County are maintained at current Fair Market Rental Value levels and the amount of general liability insurance is adequate to protect County's interests.

Proposed Amendment No. 2 to Marina del Rey Lease No. 6121 for Parcel 140 (Lease) requires the adjustment of the Percentage Rents, Annual Minimum Rent, and general

The Honorable Board of Supervisors
_____, 2016
Page 2

liability insurance on May 23, 2016 (2016 First Decennial Renegotiation Date) and every tenth anniversary thereafter.

Effective as of May 23, 2016, Lease Amendment No. 2 would adjust the Percentage Rents and Annual Minimum Rent to the Fair Market Rental Value, and would update the general liability insurance as follows:

- Percentage Rents for apartments, hotel and/or motel accommodations, house trailers, meeting rooms, and rental of land and/or water or facilities for activities not otherwise provided for in this section such as but not limited to television and/or motion pictures are increased from 10.5% to 11%. There is no change for the other percentage rent categories;
- The new Annual Minimum Rent is \$467,036 payable in monthly installments of \$38,920 each;
- Amendment No. 2 incorporates changes to the miscellaneous insurance provisions. There are no adjustments to the amount of general liability insurance.

Implementation of Strategic Plan Goals

The recommended action will keep County's percentage rents at Parcel 140 comparable to other Marina del Rey leaseholds in fulfillment of the Strategic Plan Goal No. 1 (Operational Effectiveness/Fiscal Sustainability).

FISCAL IMPACT/FINANCING

Proposed Amendment No. 2 is projected to yield an additional \$31,592 in leasehold rent revenue to the County in Fiscal Year 2016-2017 Budget. The Amendment will increase Annual Minimum Rent from \$441,914 to \$467,036 based on 75% of the total average annual rent payable by the Lessee to the County over the three years prior to May 23, 2016.

Operating Budget Impact

Upon your Board's approval of proposed Amendment No. 2 to the Lease, the Department of Beaches and Harbors will receive approximately \$31,592 in annual increases in leasehold rent revenue. The annual increase received from Fiscal Year 2016-17 is budgeted in the Department's Fiscal Year 2016-17 Final Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Marina del Rey Parcel 140, commonly known as Admiralty Apartments, is improved with

The Honorable Board of Supervisors August 30, 2016 Page 3

(1) a four story apartment building containing 172 residential units, totaling 370,300 gross square feet (approximately 211,130 net rentable square feet) over two levels of parking, and (2) a one-story clubhouse. Other ancillary improvements include a swimming pool, spa, steam room, sauna, fitness center, business center, gym, movie theater, parking area containing 380 parking spaces, dog run, bike storage & two rooftop decks, walkways, landscaping.

This proposed Amendment No. 2 has been approved as to form by County Counsel. At its meeting on _____, the Small Craft Harbor Commission _____the Director's recommendation that your Board approve and execute the proposed Amendment.

ENVIRONMENTAL DOCUMENTATION

The proposed lease Amendment No. 2 is categorically exempt from the California Environmental Quality Act pursuant to class 1(r) of the County's Environmental Document Reporting Procedures and Guidelines and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current services or projects from your Board's approval of Amendment No. 2.

CONCLUSION

Please have the Chair of your Board sign all three copies of the Amendment No. 2, and have the Executive Officer of the Board return two (2) executed copies, as well as an adopted-stamped copy of this letter to the Department of Beaches and Harbors, retaining a copy for your records. Should you have any questions please contact Natasha Robinson at (310) 306-6144 or NRobinson@bh.lacounty.gov.

Respectfully submitted,

GARY JONES
Director

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

GJ:BL:SP:MR:nr



AMENDMENT NO. 2 TO AMENDED AND RESTATED LEASE AGREEMENT PARCEL 140V – MARINA DEL REY (LEASE NO. 6121)

THIS LEASE AME	NDMENT NO. 2 ("Am	nendment" or "Amendment No. 2") is made
and entered into this	day of	, 2016 (the "Effective Date").

BY AND BETWEEN

COUNTY OF LOS ANGELES, hereinafter referred to as "County".

AND

GOLD COAST APARTMENTS, LLC a Delaware limited liability company, hereinafter referred to as "Lessee"

RECITALS:

WHEREAS, on May, 23, 2006, County and Lessee entered into Amended and Restated Lease Agreement No. 6121 (the "Lease") under the terms of which County leased to Lessee that certain real property located in the Marina del Rey Small Craft Harbor, County of Los Angeles, State of California, now commonly known as Parcel 140V, which Premises are more particularly and legally described in Exhibit "A" attached to and incorporated in the Lease (the "Premises"); and

WHEREAS, County and Lessee entered into Amendment No. 1 on November 12, 2008, to extend the Required Completion Date for the Redevelopment Work (as defined in the Lease) to January 31, 2009, and to make certain other modifications to the Lease; and

WHEREAS, Section 4.4 of the Lease requires renegotiation of the Annual Minimum Rent and Percentage Rates as of May 23, 2016 (2016 First Decennial Renegotiation Date), and on each tenth (10th) anniversary thereafter (each a "Renegotiation Date" and collectively, the "Renegotiation Dates"). The Annual Minimum Rent and Percentage Rent shall be readjusted to the Fair Market Rental Value in accordance with the standards established in Section 4.4.1 of the Lease; and

WHEREAS, Section 9.6 of said Lease provides that the amounts of liability insurance required by this Section shall be subject to renegotiation as of each fifth (5th) anniversary of May 23, 2006; and

WHEREAS, all capitalized terms used but not otherwise defined herein shall have the same meanings given such terms in the Lease; and

WHEREAS, the parties hereto have reached an agreement with respect to the required adjustments which are to apply for the ten (10) year period effective as of May 23, 2016, and wish to amend the Lease as set forth herein; and

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and the mutual agreements, covenants and restrictions contained herein, the parties agree as follows:

- 1. <u>Percentage Rent.</u> Effective as of May 23, 2016, Section 4.2.2(c) of the Lease is deleted and replaced with the following:
 - "(c) ELEVEN percent (11%) of Gross Receipts or other fees charged for the occupancy of structures and other facilities including but not limited to (1) apartments, (2) hotel and/or motel accommodations, (3) house trailers, (4) meeting rooms, and (5) rental of land and/or water or facilities for activities not otherwise provided for in this section such as but not limited to television and/or motion pictures."
- 2. <u>Adjustments to Annual Minimum Rent.</u> Effective as of May 23, 2016, Section 4.2.3 is deleted and replaced with the following:
 - 4.2.3 As of May 23, 2016, the new Annual Minimum Rent is \$467,036 payable in monthly installments of \$38,920 each.

As of the 2016 First Decennial Renegotiation Date (May 23, 2016), and thereafter each third (3rd), sixth (6th) and ninth (9th) anniversaries of each Renegotiation Date (each an "Adjustment Date" and collectively the "Adjustment Dates"), the Annual Minimum Rent shall be adjusted as of each Adjustment Date to the amount which equals seventy five percent (75%) of the average of the total annual rent (i.e., the total Monthly Minimum Rent and Percentage Rent), payable by Lessee to County under Section 4.2 of this Lease during the thirty six (36) months period immediately preceding the Adjustment Date.

Notwithstanding any contrary provision hereto, in no event shall the Annual Minimum Rent be reduced to less than the Annual Minimum Rent in effect immediately prior to the then-applicable Adjustment Date.

3. Retroactive Rent and Interest. In conformance with the Lease Section 4.4.5, Lessee shall pay to County, within seven (7) days following the Effective Date of the Amendment No.2, the difference, if any, between (a) the Fair Market Rental Value for the Premises and (b) the actual Annual Minimum Rent and Percentage Rent paid by Lessee to County, for the period of time from the Renegotiation Date until the date of such payment. County shall further be entitled to interest, compounded monthly, on each portion of such payment from each date on which the applicable rental payments were payable under this Lease to the date paid, at the following rates:

- (i) the interest rate applicable to the first six (6) months following the Renegotiation Date shall be equal to the average daily rate for the non-restricted funds held and invested by the Treasurer and Tax Collector of Los Angeles County during that period, computed by the Auditor-Controller (County Pool Rate); and
- (ii) the interest rate applicable to any period of time in excess of six (6) months following the Renegotiation Date shall be the average prime rate of interest published in the Wall Street Journal (the "Prime Rate") plus one percent (1%) for the period between the date which is six (6) months after the Renegotiation Date and the date of payment.

No late fee shall be payable under Lease Section 4.5 with respect to any underpayment of rent retroactively readjusted pursuant to the Lease Section 4.4.5 as long as Lessee pays to County any such rent underpayment and accrued interest within the seven (7) day period prescribed in the Lease Section 4.4.5.

4. <u>Security Deposit.</u> Effective as of May 23, 2016, the first sentence of Lease Section 7.1 is deleted and replaced with the following:

"Lessee shall deliver to and maintain with County a security deposit (the "Security Deposit") in an amount equal to the sum of two (2) times the Monthly Minimum Rent in effect from time to time during the Term (i.e., adjusted to reflect any change in the Monthly Minimum Rent during the Term of this Lease). Lessee shall adjust its Security Deposit within thirty (30) days after receipt of the written notification for each adjustment of the Annual Minimum Rent.

5. <u>Insurance.</u> Per Los Angeles County Chief Executive Office Risk Management Division, no adjustments to the amounts of Liability Insurance is recommended for the 2016 First Decennial Renegotiation.

Effective as of May 23, 2016, new Section 9.8 is added to the Lease:

"Lessee shall not be required to indemnify, defend or hold County harmless with respect to the existence of any Hazardous Substances that might be present in seawater passing over, under, through or around any portion of the Premises or any Improvements as long as (I) such Hazardous Substances did not originate at or from the Premises or Improvements, and (II) with respect to Hazardous Substances that did not originate at or from the Premises or Improvements, were not caused by the acts or omissions of Lesseee or its Sublessees, or its or their respective contractors, employees, agents, representatives, consultants, customers, visitors, permittees or licensees."

6. <u>Counterparts.</u> This Amendment may be signed in counterparts. Each counterpart represents an original of this Amendment and all such counterparts shall collectively constitute one fully-executed document.

7. <u>Miscellaneous.</u> Except as herein specifically amended, all terms, conditions and provisions of the Lease shall be and remain in full force and effect and are unmodified, and each of the parties hereto reaffirms and re-acknowledges its respective obligations under the Lease as amended hereby. In the event of a conflict between the terms of this Amendment and the terms of the Lease, the terms of this Amendment shall control.

(Signature page follows)
/
/
/

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

mot door o mittori.	
	THE COUNTY OF LOS ANGELES
	By: Chair, Board of Supervisors
	LESSEE
	GOLD COAST APARTMENTS, LLC, A Delaware limited liability company
	By: Golden Pacific, LLC, A Delaware limited liability company
	Its: Managing Member
	Michael Pashaie, Manager
	Michael Fashale, Mahager
	By: Jade Pacific, LLC, A Delaware limited liability company
	Its: Managing Member
	David Taban, Manager
ATTEST:	
LOR! GLASGOW, Executive Officer - Clerk of the Board of	of Supervisors
By: Deputy	
APPROVED AS TO FORM:	
MARY C. WICKHAM, County Counsel	
By:	

<u>EXHIBIT A</u> LEGAL DESCRIPTION OF PREMISES

LEGAL DESCRIPTION

Marina Del Rey Lease Parcel No. 140V

Parcels 421 to 424 inclusive, in the County of Los Angeles, State of California, as shown on Los Angeles County Assessor's Map No. 88, filed in Book 1, pages 53 to 70 inclusive, of Assessor's Maps, in the office of the Registrar-Recorder of said County.

Excepting therefrom that portion thereof within the following described boundaries:

Beginning at the northwesterly terminus of a curve concave to the west, having a radius of 24 feet, tangent to the northeasterly boundary of said Parcel 423 and tangent to a line parallel with and 3 feet northwesterly, measured at right angles from the straight line in the southeasterly boundary of said last mentioned parcel; thence southerly along said curve 30.75 feet to the northwesterly line of that certain parcel of land described as Parcel A in a resolution by the Board of Supervisors of said County, setting aside County-owned property for Admiralty Way, recorded as Document No. 3149, on March 22, 1967, in Book D3591, page 377, of Official Records, in the office of said Registrar-Recorder; thence southwesterly and southeasterly along the northwesterly and southwesterly lines of said certain parcel of land to said curve; thence southwesterly along said curve 2.00 feet to said parallel line; thence southwesterly along said parallel line 157.28 feet to a curve concentric with and 3 feet northwesterly, measured radially, from that certain 1040 foot radius curve in the southeasterly boundary of said Parcel 422; thence southwesterly along said concentric curve and its southwesterly continuation 179, 61 feet to the southwesterly line of said Parcel 421; thence southeasterly along said last mentioned southwesterly line 3.05 feet to the southerly corner of said last mentioned parcel; thence northeasterly along the southeasterly boundaries of said Parcels 421 and 422 to the most southerly corner of said Parcel 423; thence northeasterly, northerly and northwesterly along the southeasterly, easterly and northeasterly boundaries of said last mentioned parcel to the point of beginning.

Reserving and excepting unto the County of Los Angeles a right of way for access and harbor utility purposes in and across that portion of above described parcel of land which lies within the northwesterly 20 feet thereof.

Also reserving and excepting unto the County of Los Angeles a right of way for storm drain and harbor utility purposes in and across that portion of above described parcel of land which lies within the southeasterly 10 feet of the north-westerly 30 feet thereof.

Also subject to any and all easements of record as the same now exists.

DESCRIPTION APPROVED January 19, 1979 STEPHEN J. KOONCE County Engineer

By Acy 1- Awars Deputy



Caring for Your Coast

Gary Jones

Kerry Silverstrom

John Kelly

Brock Ladewig

August 10, 2016

TO:

Small Craft Harbor Commission

FROM:

Gary Jones, Director Kon Loisinger For Gay Jones

SUBJECT:

ITEM 7c - APPROVAL OF AMENDMENT NO. 1 TO FACILITATE A

REFINANCING AND AMENDMENT NO. 1 TO COVENANTS. CONDITIONS. AND RESTRICITONS TO EXTEND THE TERMS OF AFFORDABLE HOUSING COVENANT FOR THE DEL REY SHORES RESIDENTAIL DEVELOPMENT IN

MARINA DEL REY (PARCELS 100S-101S AT 4201 TO 4261 VIA MARINA)

Item 7d pertains to Amended and Restated Lease No. 77483 of Parcels 100S-101S (Via Marina) requesting approval from the Board of Supervisors for: (a) an amendment to that certain Amended and Restated Lease Agreement, Parcels 100S and 101S-Marina del Rey dated March 3, 2011, by and between the County of Los Angeles and Shores, LLC, a Delaware limited liability company, to: (1) eliminate provisions specifically pertaining to the original HUD financing through a Federal Home Administration loan, which will no longer exist under the proposed refinancing: (2) eliminate certain provisions that are no longer applicable due to the passage of time; (3) grant an additional rent credit in the amount of \$3.8 million to extend the existing affordable housing covenant for an additional approximately 20 years to the end of the Lease term; and (4) obtain a release of all environmental and other alleged claims by Lessee against the County in connection with the development of the Lessee's project; and (b) approve the amendment of the Covenants, Conditions, and Restrictions for the Lessee's project to extend the term of the affordable housing covenant through the end of the Lease term.

Your Commission's endorsement of the recommendations in the draft Board letter attached is requested. Staff will inform your Commission should there be any material change made to this draft prior to submitting it to the Board of Supervisors for approval.

GJ:BL:SP:dlg

Attachments





_____, 2016

Caring for Your Coast

Gary Jones
Director

Kerry Silverstrom
Chief Deputy
John Kelly
Deputy Director

Brock Ladewig
Deputy Director

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 LEASE AMENDMENT NO.1 TO FACILITATE A REFINANCING AND AMENDMENT NO. 1 TO COVENANTS, CONDITIONS, AND RESTRICTIONS TO EXTEND THE TERMS OF AFFORDABLE HOUSING COVENANT FOR THE DEL REY SHORES RESIDENTIAL DEVELOPMENT IN MARINA DEL REY

(PARCELS 100S/101S at 4201 to 4261 Via Marina)

(4th DISTRICT - 4 VOTES)

SUBJECT

Request for approval of: (a) an amendment to that certain Amended and Restated Lease Agreement, Parcels 100S and 101S-Marina del Rey dated March 3, 2011, by and between the County of Los Angeles and Shores, LLC, a Delaware limited liability company, to: (1) eliminate provisions specifically pertaining to the original HUD financing through a Federal Home Administration loan, which will no longer exist under the proposed refinancing; (2) eliminate certain provisions that are no longer applicable due to the passage of time; (3) grant an additional rent credit in the amount of \$3.8 million to extend the existing affordable housing covenant for an additional approximately 20 years to the end of the Lease term; and (4) obtain a release of all environmental and other alleged claims by Lessee against the County in connection with the development of the Lessee's project; and (b) approve the amendment of the Covenants, Conditions, and Restrictions for the Lessee's project to extend the term of the affordable housing covenant through the end of the Lease term.

IT IS RECOMMENDED THAT YOUR BOARD:

 Find that your Board has previously considered and recertified the Environmental Impact Report and adopted the Environmental Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring Program for the proposed redevelopment project in compliance with the California Environmental Quality Act and the writ of mandate by the Los Angeles Superior Court. The Honorable Board of Supervisors
_____, 2016
Page 2

- Approve and authorize the Chair to execute Amendment No.1 to the Amended and Restated Lease Agreement for Parcels 100S and 101S (attached hereto as Exhibit A).
- Approve the amendment to the Covenants, Conditions and Restrictions requiring the project to maintain its existing 54 affordable housing units until the end of the Lease term (approximately an additional 20 years).
- 4. Authorize the Director of the Department of Beaches and Harbors to execute and deliver such other ancillary documentation (including without limitation a lender estoppel certificate and a memorandum of lease amendment) for Parcels 100 and 101, as may be required in connection with the proposed refinancing of the project or the other transactions contemplated hereby.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Background

In 1964, the County of Los Angeles entered into two, separate leases for Parcels 100S and 101S in Marina del Rey, each of which had a term ending March 31, 2022.

On December 12, 2006, your Board approved an Option to Amend Lease Agreements for Parcels 100S and 101S (Option Agreement), pursuant to which the lessee, Shores, LLC (Lessee), was granted an option to consolidate the leaseholds and extend the term of the resulting consolidated lease by 41 years to July 31, 2063, in exchange for their demolition of the then-existing 201 apartments and construction of 544 new apartment units (including 54 affordable units). The Option Agreement included an approved draft of an Amended and Restated Lease Agreement for the consolidated and extended leasehold, which was to be executed after satisfaction of various requirements, including evidence that the lessee had sufficient project financing.

On December 15, 2009, your Board approved a renewal/extension of the Option Agreement due to complex litigation impacting the project's entitlements and the Lessee's difficulty in obtaining financing.

The Lessee was unable to secure financing from traditional sources for a commercial loan but was able to negotiate financing with the U.S. Department of Housing and Urban Development (HUD) through a Federal Housing Administration (FHA) program loan. The \$125 million, 40-year FHA loan serves as both construction and permanent financing.

The Honorable Board of Supervisors
______, 2016
Page 5

To secure the financing, the Lessee requested that your Board approve among other things certain modifications to the previously-approved draft of the Amended and Restated Lease to accommodate certain HUD/FHA requirements. The principal modification required that certain future lease payments to the County in excess of the minimum rent and initial percentage rent be subordinated to debt service and ongoing project costs. Your Board approved the modifications on February 2, 2011, and the Amended and Restated Lease for the project (the Lease) was executed on March 3, 2011.

The Lessee is now refinancing the HUD/FHA loan with a \$156 million permanent loan, and is requesting your Board's approval of an amendment of the existing Lease that will accommodate the new loan and eliminate the HUD/FHA modifications.

In addition to eliminating the HUD/FHA lease modifications, the proposed Lease amendment (Amendment) will:

- (a) Eliminate the "Additional Lease Extension Fee" defined in the existing Lease;
- (b) Extend by approximately an additional 20 years the Lessee's obligation to provide 54 affordable apartment units (37 moderate income and 17 very low income);
- (c) Add a rent credit in the amount of \$3.8 million as consideration for the 20-year extension of the affordable housing covenant through the end of the Lease term;
- (d) Release environmental and other claims alleged by the Lessee against the County in connection with the construction of the Lessee's project (Del Rey Shores);
- (e) Bind the County and Lessee, post execution of the Lease Amendment, to negotiate changes to the structure of the Capital Improvement Fund to include having a reserve study conducted every 5 years, requiring Lessee to reserve sufficient funds for Permitted Capital Expenditures (as defined in the Lease) as provided in the reserve study.

The County's economic consultant has analyzed the economic impact of the elimination of the Additional Lease Extension Fee and has concluded that it is revenue-neutral as no payment is due under that clause now and there is no possibility that any payment will be due in the future for the County, assuming that all cost and rent data provided to the economic consultant by the Lessee are confirmed by the County. The County's economic consultant has also analyzed whether the rent credit is at or below similar concessions currently being given by public entities to create affordable housing units, and has concluded that the rent credit measured on a per unit basis adjusted for the 20-

The Honorable Board of Supervisors
_____, 2016
Page 4

year term represents a per unit cost lower than the typical or "market" level of per unit subsidies needed to fund affordable housing.

Implementation of Strategic Plan Goals

The recommended actions will further County policies that promote and facilitate the economic viability and public benefit of the parcels, which will help the County achieve fiscal sustainability (Strategic Plan Goal No. 1, Strategy No. 1).

FISCAL IMPACT/FINANCING

There is no fiscal impact to the County in the short term. The rent credit provided by the proposed Lease Amendment will have no fiscal impact until approximately 2019 and then over a period of approximately two years.

Operating Budget Impact

No change to the operating budget is expected as a result of this action.

Costs of the consultants involved in the negotiation and development of the Amended and Restated Lease Agreement are being reimbursed by the Lessee on an ongoing basis.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The terms of the original leases for Parcels 100S and 101S were scheduled to expire concurrently on March 31, 2022. In exchange for a Lease term extension for the consolidated Lease to July 31, 2063, the Lessee agreed to raze the existing 201 apartments and other existing improvements and to construct 544 new apartments (including 54 affordable units).

The existing affordable housing covenant does not extend through the end of the Lease term in 2063; the proposed Amendment (and concurrent amendment of the affordable housing covenant for the project) will extend the Lessee's covenant to provide affordable housing so that it runs concurrently with the Lease term. The County's signatories to the existing affordable housing covenant (Department of Regional Planning and Community Development Commission) are authorized by the Coastal Development Permit for the project to sign the Covenants, Conditions and Restrictions (CC&Rs) amendment that would be required by the proposed Lease Amendment.

At its meeting on August 10, 2016, the Small Craft Harbor Commission the Director's recommendation that your Board approve and execute the proposed Amendment.

The Honorable Board of Supervisors
_____, 2016
Page 5

Amendment of the Lease is authorized by Government code Sections 25907 and 25536. The proposed Amendment was reviewed and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

On December 16, 2008, your Board considered and recertified the Environmental Impact Report (EIR) and adopted the Environmental Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring Program for the proposed redevelopment project in compliance with the California Environmental Quality Act and the writ of mandate by the Los Angeles Superior Court. The recommended actions are within the scope of the project in the previously certified EIR.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors send two executed original copies of the Amendment No. 1 to the Amended and Restated Lease and an adopted Board Letter to the Department of Beaches and Harbors. Should you have any questions please contact Don Geisinger at (310) 305-9506 or degesinger@bh.lacounty.gov.

Respectfully submitted,

Gary Jones, Director

GJ:BL:dlg

Attachments

c: County Counsel

AMENDMENT NO. 1 TO AMENDED AND RESTATED LEASE AGREEMENT PARCELS 100S AND 101S — MARINA DEL REY (LEASE NO. 77483)

THIS AMENDMENT NO. 1 TO AMENDED AND RESTATED LEASE AGREEMENT (the "Amendment") is made and entered into as of August ___, 2016 (the "Effective Date"), by and between COUNTY OF LOS ANGELES ("County") and SHORES, LLC, a Delaware limited liability company ("Lessee").

RECITALS

- A. County and Lessee entered into Amended and Restated Lease Agreement (Lease No. 747483) dated March 3, 2011 (the "Lease"), pursuant to which County leased to Lessee that certain real property located in the Marina del Rey Small Craft Harbor, County of Los Angeles, State of California, commonly known as Parcels 100S and 101S and more particularly described in Exhibit A attached hereto (the "Premises").
- B. County and Lessee have agreed to an increase in the Lessee Credit as defined in Section 4.4.1 of the Lease in consideration of the agreement by Lessee to amend the Covenants, Conditions and Restrictions by and among the Community Development Commission of the County of Los Angeles (the "CDC"), the County (by and through the Department of Regional Planning), and Lessee dated as of February 24, 2011 (the "Affordable Housing Agreement") to extend the affordable housing obligations described therein to be coterminous with the Term of the Lease.
- C. County and Lessee have also agreed to eliminate provisions in the Lease relating to the "FHA Loan," as described in the Lease, since the FHA Loan is being repaid contemporaneously with the date of the Amendment.
- D. County has also acknowledged that no "Additional Lease Extension Fee," as defined in the Lease, is due and owing, and the provisions related to the Additional Lease Extension Fee may be deleted from the Lease.
- NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Lessee agree as follows:
- 1. <u>Capitalized Terms</u>. All capitalized terms used in this Amendment and not otherwise defined herein shall have the same meanings given to such terms in the Lease.
- 2. <u>FHA Loan Provisions</u>. All references to and provisions pertaining to the FHA Loan in the Lease are deleted. In particular:
- a. The last Recital (which begins, "WHEREAS in connection with the acquisition by Lessee of the FHA Loan...) is deleted.
 - b. Section 1.2 is deleted.

- Section 1.4 is deleted.
- d. The reference to "and the FHA provisions" in Subsection 4.3.4 is deleted.
- e. The last 2 sentences of Section 5.9 are deleted.
- f. Subsection 6.7.5 is deleted.
- g. The second paragraph of Subsection 11.2.4 (which begins, "Notwithstanding any contrary provision of this Section 11.2.4, during the FHA Loan Term...) is deleted.
- h. The reference to "FHA, HUD or other Encumbrance Holder under the FHA Loan" in Subsection 12.3.1 is deleted.
 - i. The last sentence in Subsection 12.6.3(a) is deleted.
 - j. Subsection 12.6.3(b)(3) is deleted.
 - k. The last sentence in Subsection 13.3.1 is deleted.
 - 1. Section 17.10 is deleted.
 - m. The FHA Lease Addendum is deleted.
 - n. Exhibit F is deleted.
- 3. <u>Funds held by FHA</u>. Immediately following the consummation/closing of Lessee's new financing by a Fannie Mae related entity, the amount required by Lessee to be paid into the Capital Improvement Fund as of August 31, 2016 (estimated to be approximately Four Hundred Fifty-Five Thousand Six Hundred Thirty Dollars (\$455,630) shall be established and maintained in accordance with Section 5.12 of the Lease.
 - 4. Additional Lease Extension Fee. Section 2.3 is deleted.
- 5. <u>Lessee Credit</u>. The Lessee Credit of Eleven Million Fifty Thousand Dollars (\$11,050,000) in Section 4.4.1 is increased to Fourteen Million Eight Hundred Fifty Thousand Dollars (\$14,850,000).
- 6. Release & Indemnity. Lessee agrees that as a condition to the effectiveness of this Amendment, Lessee shall execute and deliver to County concurrently with its execution and delivery of this Amendment a letter in the form attached hereto as Exhibit B, with only the following changes: (a) the letter shall be dated as of the Effective Date and addressed to the attention of Gary Jones, and (b) the first and last paragraphs of the letter shall be updated to reflect the current status of the reabandonment of the wells so that the letter is factually correct with respect to the same as of the Effective Date.
- 7. <u>Amendment of Affordable Housing Covenant</u>. As consideration for the increase of the Lessee Credit as set forth in Paragraph 5 above, Lessee agrees to amend the Affordable

Housing Covenant to extend the affordable housing obligations described therein to be coterminous with the Term of the Lease (the "Affordable Housing Amendment"). Lessee (a) shall execute, acknowledge and deliver the Affordable Housing Amendment to County within thirty (30) days after Lessee's receipt of the final form thereof as approved by the CDC and County, and (b) consents to the recordation thereof in the Official Records of Los Angeles County, California. Furthermore, Section 17.11 of the Lease is hereby amended to add ", as amended from time to time" after "in accordance with the provisions of the Affordable Housing Covenant."

- Capital Improvement Fund. Immediately following the Effective Date of this Amendment, Lessee agrees to negotiate in good faith so that within sixty (60) days following such Effective Date the County and Lessee shall agree upon a mutually acceptable supplement to Section 5.12 of the Lease regarding the Capital Improvement Fund and its utilization such that commencing on the seventh (7th) anniversary date of this Amendment and thereafter every five (5) to seven (7) years as the company conducting the seven (7) year reserve study so recommends, Lessee (at its expense) shall cause a Reserve Study (as defined below) to be prepared within one hundred twenty (120) days from anniversary date, by a mutually acceptable company (who has special expertise in preparing capital improvement reserve studies for similar projects) (the "Reserve Study"), and (i) the Capital Improvement Fund contributions will be adjusted to insure the availability of funds for "Permitted Capital Expenditures" in the amounts and at the times indicated by the Reserve Study; and (ii) Lessee shall complete the Permitted Capital Expenditures recommended in the Reserve Study, subject to the new lender's (Fannie Mae related entity) requirements. In the event that the County and Lessee are unable to agree upon a mutually acceptable company to prepare the Reserve Study, then the Director shall select a company in its reasonable discretion. The Director is hereby authorized to execute said ancillary supplement to Section 5.12.
- 9. <u>CASp Disclosure</u>. For purposes of Section 1938 of the California Civil Code, County hereby discloses to Lessee, and Lessee hereby acknowledges, that the Premises has not undergone an inspection by a Certified Access Specialist.
- 10. <u>No Other Modifications</u>. Except as expressly set forth in this Amendment, all terms, conditions, and provisions of the Lease remain in full force and effect and are unmodified, and each of the parties reaffirms and acknowledges its respective obligations under the Lease as amended hereby.
- 11. <u>Encumbrance Holder</u>. Lessee represents and warrants to County that as of the Effective Date of this Amendment (a) there are no deeds of trust, mortgages or other security interests that encumber Lessee's interest in the Lease or the Premises other than the Deed of Trust in connection with the FHA Loan which is intended to be refinanced, and (b) there will be no further Deed of Trust recorded against Lessee's interest in the Lease or the Premises until the recordation of the Memorandum described in Paragraph 14 below is recorded.
- 12. <u>County Costs</u>. Lessee shall promptly following written demand from County reimburse County for the Actual Costs (as defined in the Lease) incurred by County in the review, negotiation, preparation and documentation of the matters that are the subject of this Amendment, including any lender consent or estoppel certificate pertaining to the Lease or this Amendment.

- 13. <u>Counterparts</u>. This Amendment may be signed in counterparts. Each counterpart represents an original of this Amendment and all such counterparts shall collectively constitute one fully-executed document.
- 14. <u>Memorandum of Amendment</u>. Concurrent with the execution and delivery of this Amendment, County and Lessee shall execute a Memorandum of Amendment to Amended and Restated Lease Agreement (the "**Memorandum**") and cause same to be recorded in the Official Records of Los Angeles County, California.

[SIGNATURES ON FOLLOWING PAGE]

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

COUNTY OF LOS ANGELES:

	By:Chair, Board of Supervisors
	LESSEE:
	SHORES, LLC, a Delaware limited liability company
	By: Del Rey Shores, LLC, a Delaware limited liability company, its Managing Member By: David O, Levine David O. Levine, President Vice President
ATTEST:	Vice President
PATRICK OGAWA, Acting Executive Officerk of the Board of Supervisors	cer -
By:	-
APPROVED AS TO FORM:	
MARY C. WICKHAM, County Counsel	
By:	-
APPROVED AS TO FORM:	
GLASER WEIL FINK HOWARD AVCHE	N & SHAPIRO LLP
By:	_

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

Commencing at the intersection of a line parallel with and 40 feet northwesterly, measured at right angles, from the straight line in the northwesterly boundary of Parcel 406, as shown on said map, with a line parallel with and 35.5 feet southwesterly, measured at right angles, from the streight line in the southwesterly boundary of said last mentioned parcel; thence South 36*00*53*
East along said last mentioned parallel line 156.78 feet to the beginning of a tangent curve concave to the southwest and having East along said last mentioned parallel line 156.78 feet to the beginning of a tangent curve concave to the southwest and having a radius of 810 feet; thence southeesterly along said last mentioned curve through a central angle of 23°06'05" a distance of 326.60 feet; thence South 12°54'45" East tangent to said last mentioned curve through a central angle of 23°06'05" a distance of 326.60 feet; thence South 12°54'45" East tangent to said last mentioned curve of 3.36 feet to the beginning of a curve concave to the west, having a radius of 1231.31 feet, tangent to said last mentioned course and tangent to a line parallel with and 40 feet easterly, measured at right angles, from the easterly line of said Parcel 308; thence southerly along said last mentioned curve 247.07 feet to a point hereby designated "Point A"; thence continuing southerly along said last mentioned curve 30.42 feet to said last mentioned parallel line; thence South along said last mentioned parallel line to the easterly prolongation of the southerly line of the northerly prolongation and said last mentioned southerly line to a point in the westerly line of the easterly 3.5 feet of said last mentioned parcel, said last mentioned point being the true point of beginning; thence North along said westerly line and its mortherly prolongation 358.24 feet to a line parallel with and 19.41 feet southerly, measured at right angles, from the straight line in the northerly boundary of said Parcel 202; thence North 6.00 feet; thence East 2.00 feet; thence North 5.00 feet; thence North 6.00 feet; thence South 68°35'04" Mest 4.00 feet; thence North 1°24'56" West along a straight line; thence North 1°24'56" West along and last mentioned straight line; thence North 1°24'56" West loss and last mentioned straight line; thence North 1°24'56" West loss along said last mentioned straight line; thence North 1

Together with a right of way for ingress and egress, to be used in common with the owners of the leasehold estates designated as Parcels 1008, 1028 and 1037 and their tenants, all persons lawfully occupying the premises, and their invitees (hereinafter referred to as "Others"), over those portions of Parcels 300, 315, 316, 317, 323 to 326 inclusive, 332, 353, 354 and 369, as shown on said map, within the following described boundaries:

Beginning at the intersection of the southwesterly boundary of said Parcel 326 with the westerly prolongation of the straight line in the southerly boundary of said Parcel 300; thence East along said westerly prolongation and said last mentioned straight

line 54.85 feet; thence North 35°03'05" West to the southeasterly boundary of above described parcel of land; thence South 54°56'55" West along said southeasterly boundary to the most southerly corner of said parcel of land; thence northwesterly along the southwesterly boundary of said parcel of land to the most westerly corner of said parcel of land; thence northwesterly along the northwesterly boundary of said parcel of land to the northwesterly prolongation of said course of North 35°03'05" West; thence North 35°03'05" West along said northwesterly prolongation to a line parellel with and 30 feet northwesterly measured at right angles, from the southwesterly line of said Parcel 325; thence North 34°06'16" West along said last mentioned parallel line 529.10 feet to a line parallel with and 30 feet northeasterly measured at right angles, from that certain course of North 36°00'30" West 360.10 feet in the southwesterly boundary of said Parcel 369; thence North 36°00'30" West along said last mentioned parallel line 371.20 feet; thence North 14°23'56" West 54.29 feet to the northwesterly boundary of said last mentioned parcel; thence southeasterly along said last mentioned northwesterly boundary to the most westerly corner of said last mentioned parcel; thence southeasterly along the southwesterly lines of said Parcels 369, 354, 353, 332, 325 and 324 to the northeasterly corner of said Parcel 326; thence westerly and southwesterly along the northerly and southwesterly boundaries of said last mentioned parcel to the point of beginning.

Also together with a right of way for ingress and agress over those portions of Parcels 308, 309, 319, 320, 322 and 323, as shown on said map, within the following described boundaries:

Beginning at the most westerly corner of above described parcel of land; thence North 35°52'53" West along the southwesterly line of said Parcel 323 to a line parallel with and 26 feet north-westerly; measured at right angles, from above described course of South 54°56'55" West 440.96 feet in the northwesterly boundary of said parcel of land; thence North 54°56'55" East along said last mentioned parallel line to a line parallel with and 20 feet northerly, measured at right angles, from above described course of West in the northerly boundary of said parcel of land; thence East along said last mentioned parallel line to the northerly prolongation of above described course of North 1°24'56" West 23.42 feet in the easterly boundary of said parcel of land; thence South 1°24'56" East along said last mentioned northerly prolongation to said northerly boundary; thence westerly and southwesterly along the northerly and northwesterly boundaries of said parcel of land to the point of baginning.

Reserving and excepting unto the County of Los Angeles a right of way for ingress and agress, to be used only in common with "Others", over that portion of above described parcel of land which lies southwesterly of the following described line:

Beginning at a point in the southerly boundary of said Parcel 300 distant East thereon 27.40 feet from the southwesterly corner of said last mentioned parcel; thence North 35°03'05" West to a line parallel with and 30 feet northeasterly, measured at right angles, from the southwesterly line of said Parcel 325.

Also reserving and excepting unto the County of Los Angeles a right of way for access, fire access and harbor utility purposes in and across that portion thereof designated on said map as easement to be reserved by said County for such purposes.

DESCRIPTION APPROVED

HARVET T. BRANDT County Engineer

By Jane Systemoti Deputy

APN: 8940-370-016 and 8940-370-017 (affects Parcel 101S)

EXHIBIT B

FORM OF RELEASE AND INDEMNITY LETTER

SHORES, LLC 4201 Via Marina Marina del Rey, California 90292 Telephone: 310-823-5384 FAX: 310-301-1710

September 12, 2011

County of Los Angeles c/o Department of Beaches and Harbors 13836 Fiji Way Marina del Rey, CA 90292 Attention: Santos Kriemann

Re: Amended and Restated Lease between the County of Los Angeles (the "County") and Shores, LLC ("Shores" or "Lessee") dated March 3, 2011 (the "Lease") - Confirmation of Lessee's Waivers and Indemnification

Dear Santos:

Shores is in the process of securing from the California Department of Conservation, Division of Oil and Gas and Geothermal Resources ("DOGGR") a permit for the supplemental reabandonment of the two abandoned oil wells (the "Oil Wells") that are located on the demised premises that is the subject of the Lease. Despite the fact that re-abandonment has not been required by any governmental entity, Shores has submitted to County a plan for supplemental re-abandonment (the "supplemental re-abandonment plan") in order to provide comfort concerning the impact the Shores construction might have on the Oil Wells. We understand that County is prepared to allow Shores to proceed with the supplemental re-abandonment plan, and to sign the necessary permit application, provided that Shores confirms its understanding regarding certain terms and provisions of the Lease pertaining to the Oil Wells.

Without limitation of the specific terms and provisions of Section 15.4 of the Lease, including the exceptions provided therein, Section 15.4 of the Lease provides for (a) Lessee's acceptance of the Premises in its "AS IS" condition, including all known and unknown defects; (b) acknowledgment that County has no obligation for any additional engineering or construction costs that Lessee might incur with respect to defects or conditions affecting the Premises; and (c) Lessee's waiver and release with respect to the physical condition of the demised premises and the soil thereon and thereunder as and to the extent set forth in Section 15.4.1. Section 49 of the prior Existing Lease (as such term is defined in the Lease) for Parcel 101S includes similar acceptances, acknowledgments, waivers and releases.

Section 5.8.1 of the Lease imposes certain obligations upon Lessee with respect to the performance by Lessee of construction, alteration, modification or repair work pertaining to or affecting the Premises.

Finally, Article 8 of the Lease contains certain indemnification, hold harmless and defense obligations of the Lessee.

Shores acknowledges and agrees that the terms and provisions of Sections 15.4 and 5.8.1 (and Section 49 of the prior Existing Lease for Parcel 101S to the extent relevant with respect to Parcel 101S) and Article 8 of the Lease (including without limitation, the acceptances, acknowledgments, waivers and releases by Lessee set forth in Sections 15.4, the obligations of

Page 2
 September 12, 2011

Lessee under Section 5.8.1 of the Lease, and the indemnification, defense and hold harmless obligations of Lessee under Article 8 of the Lease) (all of the foregoing matters referenced in this sentence are collectively referred to herein as the "Subject Provisions") are binding and enforceable against Lessee, and pertain to (i) the supplemental re-abandonment of the Oil Wells, including any adverse effect or negative impact of the supplemental re-abandonment on the Oil Wells, (ii) any current and future construction, modification, alteration or repair to any of the improvements being constructed or contemplated to be constructed on the demised premises and (iii) other activities on or use of the demised premises by or on behalf of Lessee subsequent to the supplemental re-abandonment that affect the Oil Wells as a result of Lessee having conducted the supplemental re-abandonment (clauses (i), (ii) and (iii) are collectively referred to herein as the "Subject Matters"). For clarification, the Subject Provisions, and Lessee's obligations thereunder, shall extend to any future orders by DOGGR or any other governmental agency pertaining or relating to, or affecting, the Oil Wells (including without limitation, any future leaks, additional re-abandonment or other required work relating to the Oil Wells) to the extent that such future orders arise out of, result from, or are required because of, the Subject Matters. Shores further acknowledges and agrees that in accordance with the terms of the Lease, neither County, nor its officers, agents, employees or volunteers shall have any obligations or liabilities to Lessee with respect to any of the Subject Matters. Without limitation of the foregoing, Lessee acknowledges and agrees that, in clarification of clause (ii) of Section 15.4.1.3 of the Lease, County has no obligations or liabilities to Lessee under the Existing Leases (as such term is defined in the Lease) with respect to the Subject Matters.

Without limitation of the foregoing, Shores understands and agrees that the execution by County of the application for the DOGGR supplemental re-abandonment plan permit will not result in any demand being made upon County, nor result in any claim, assertion or defense by Lessee against the County, based on any of the exceptions, qualifications or limitations to Shores' repair, indemnification or other obligations, waivers or releases under the Lease.

This letter shall not limit, restrict, reduce, waive or release any liabilities or obligations of Lessee under the Lease.

Lessee acknowledges that County's execution at Lessee's request of the DOGGR permit application for the supplemental reabandonment plan will be in reliance on the terms and provisions of this letter.

Respectfully yours,

David O. Levine for Shores, LLC

63576\4105449v3



Caring for Your Coast

Gary Jones

Kerry Silverstrom

John Kelly

Brock Ladewig

August 10, 2016

TO:

Small Craft Harbor Commission

FROM:

Gary Jones, Director

SUBJECT: ITEM 8 - ONGOING ACTIVITIES REPORT

BOARD ACTIONS ON ITEMS RELATING TO MARINA DEL REY

No items relating to Marina del Rey were heard by the Board of Supervisors during the months of June and July 2016.

REGIONAL PLANNING COMMISSION'S CALENDAR

No items relating to Marina del Rey were on the July 2016 Regional Planning Commission agenda.

CALIFORNIA COASTAL COMMISSION CALENDAR

On June 9, 2016, the Coastal Commission found that the appeal of the Pier 44 project raised no substantial issue. The project at 13443 Bali Way, Marina del Rey, Los Angeles County involves the demolition of existing facilities and removal of vegetation; construction of approximately 83,253 square feet of mixed-use, boater, and communityserving space within 8 buildings with associated signage and vegetation; construction of an open-air, dry-boat storage area; construction of a 28-foot wide waterfront promenade; realignment of Marvin Braude Bike Path; development of a public plaza and a 462-space vehicle parking area with 100 bicycle parking spaces.

On June 9, 2016, the CDP was approved with conditions for Mariner's Bay, LLC, and Los Angeles County Department of Beaches and Harbors to remove 371 boat slips and construct 301 boat slips in Marina del Rey Basin D and Basin E, 14000 Palawan Way, Marina del Rey, Los Angeles County.

VENICE DUAL FORCE MAIN PROJECT UPDATE

No updates on the Venice Dual Force Main Project since the April 2016 report.

REDEVELOPMENT PROJECT STATUS REPORT

The updated "Marina del Rey Redevelopment Projects Descriptions and Status of Regulatory/Proprietary Approvals Report" is attached.

Small Craft Harbor Commission August 10, 2016 Item 8 Page 2 of 2

DESIGN CONTROL BOARD MINUTES

The April 2016 meeting minutes are attached. The June and July 2016 DCB meetings were canceled due to the lack of new business and the lack of a quorum. The next meeting is scheduled for August 23, 2016, at 6:30 PM. The May 2016 meeting minutes are pending approval.

MARINA DEL REY SLIP REPORT

In June 2016, the overall vacancy rate across all anchorages in Marina del Rey stood at 9.1%. Adjusted to remove out-of-service slips and 50% of available double slips, the vacancy rate within Marina del Rey stood at 6.9%. The vacancy data by anchorage and slip length are provided in the attached document.

CALIFORNIA COASTAL COMMISSION SLIP REPORT

Pursuant to certain conditions of the Coastal Development Permit (5-11-131) issued by the California Coastal Commission, the County is required to maintain certain minimum thresholds of slip sizes as a percentage of the entire Marina. The attached document outlines the percentage of each size category as a percentage of all available slips in the Marina.

FISHERMAN'S VILLAGE PROGRESS REPORT

No further updates.

Parcel 9U (Woodfin Hotel and Wetland Park) Project Status

On July 11, 2016, work began on the wetland park project. The project is expected to be completed by the end of the year, and no major traffic impacts are anticipated.

GJ:BW:SP

ym

Attachments (6)

Map Key	Parcel No. Project Name	Representative	Redevelopment Proposed	Massing and Parking	Status
2	9 Proposed Hotel on northern portion of Parcel 9U, wetland park on southern portion.	Sam Hardage	* Proposed dual building hotel, 6-story, 72'-high Marriott Residence Inn, and, 5-story, 61'-high Courtyard Marriott. *New promenade improvements, restaurants and amenities. * Wetland public park project (1.46 acres).	Massing Revised project will be resubmitted at a later date. Parking plan will be resubmitted at a later date.	Proprietary Option was approved by BOS on 10/6/15. July 2016 –status unchanged Regulatory January 6, 2016, the BOS' approval of the hotel project was appealed to the CCC. On May 13, 2016, the CCC granted a time extension, until December 12, 2016, for the wetland park CDP
3	10/14 (FF) Neptune Marina/ Legacy Partners	Tim O'Brien	* Demolish existing facilities and build 526 apartments. * 161-slip marina + 7 end-ties. * 28 foot-wide waterfront promenade.	Massing Four 55' tall clustered 4-story residential buildings over Parking with view corridor. Parking 1,012 project required parking spaces to be provided (103 public Parking spaces to be replaced off site) * Replacement of public parking both on and off site.	Proprietary – December 1, 2015, the BOS agreed to extend the term of the option for up to one year. Regulatory On January 21, 2015, the final project design was approved by the Design Control Board. July 2016 –status unchanged.
9	43 Marina del Rey Hotel Anchorage	Jeff Pence	* Demolition of a 349-slip marina and construction of a 277-slip marina.	Massing Parking163 spaces for boaters	Proprietary BOS approved bifurcation of Parcels 42 and 43 into separate leaseholds. Parcel 43 lessee has extended the option agreement for six months to have enough time to procure building permits from DPW. Lessee exercised its option to expand the lease term. July 2016 –status unchanged Regulatory Dock replacement will be phased during a 5-year period beginning in 2015. July 2016 – status unchanged. Regulatory Matter: No Variance proposed. Parking Permit for reduced Parking.

10	44 - Pier 44/Pacific Marina Venture	Michael Pashaie/ David Taban	* Build 5 new visitor serving commercial and dry storage buildings * 82,652 s.f. visitor serving commercial space * 141 slips + 5 end ties and 57 dry storage spaces	Massing Four new visitor- serving commercial buildings, maximum 36' tall and one dry stack storage building, 65' tall. 771.5 lineal feet view corridor proposed. Parking 381 at grade Parking spaces will be provided with shared Parking agreement (402 Parking spaces are	Proprietary The lessee initialed a revised Term Sheet on July 9, 2015. On January 13, 2016, SCHC endorsed DBH's recommendation to grant lessee an option to extend the lease term for 39 years. July 2016 – status unchanged. Regulatory February 9, 2016, the BOS approved the project, which was appealed to the CCC. CCC denied the appeal on June 9, 2016. Regulatory Matter: Shared Parking Agreement. No Variance proposed
11	52 Boat Central/Pacific Marina Development	Jeff Pence	* 345-vessel dry stack storage facility* 30-vessel mast up storage space* 5,300 s.f. County Boatwright facility	required). Massing 81.5' high boat storage building partially over water. Parking with view corridor parking. All parking required of the project to be located on site.	Proprietary An extension to the Option was approved at the 11/12/13 BOS meeting. July 2016 – status unchanged. Regulatory The waterside portion of the project was approved by the Coastal Commission on January 9, 2015. The USACOE will hold a public meeting to hear comments about the 404 permit.
12	53 The Boatyard	Greg Schem	* New 921 s.f. ADA Restroom * New 3,916 s.f. carport with 14 garage spaces and boater storage. * Leasehold refurbishment, including new landscaping, hardscape, and waterside walkway.	Massing One 38' tall commercial warehouse building and 15' tall office buildings. New carport storage and office buildings will be 15' tall. Parking Parking proposed is 147 spaces. The code requires 134 spaces for this use.	Proprietary On 11/6/ 2012 the Lessee initialed a term sheet for an extension of the leasehold. On January 13, 2016, SCHC endorsed DBH's recommendation to extend the lease for 39 years. The grant of option was approved by the BOS at its March 15, 2016 meeting. July 2016 –status unchanged Regulatory The DCB approved the final design of the project on December 16, 2015. Regulatory Matter: Variance for reduced setbacks and Architectural Guidelines requiring that structures beat least 15 ft. from bulkhead.

13	55/56/W Fisherman's Village/Gold Coast	Michael Pashaie/ David Taban	* 132-room hotel * 65,700 square foot restaurant/retail space * 30-slip new marina * 28 foot-wide waterfront promenade	Massing Nine mixed use hotel/visitor-serving commercial/retail structures (8 1- and 2-story and 1 60'-tall hotel over ground floor retail/ restaurant), parking structure with view corridor. Parking On-site Parking includes all project required Parking, Parking for Parcel	Proprietary The lessee provided the SCHC with project updates at the March and May 2015 meetings. July 2016 –status unchanged Regulatory The Department of Regional Planning had considered a design concept, which would relocate the launch ramp to Fisherman's Village. In June 2014, Supervisor Knabe announced that moving the launch ramp would no longer be part of the visioning process.					
				61 lessee (Whiskey Reds).	Regulatory Matter: Shared Parking Agreement. Variance for reduced setbacks (side and waterfront).					
1	113 Mariner's Village	Michael Sondermann	* Complete leasehold refurbishment of 981 apartments * Retail space increase from 2,070 s.f. to 9,000 s.f. * New 92-slip anchorage will be constructed * New 28 foot-wide pedestrian promenade and public amenities		Proprietary – Item opened on 9/23/2013. July 2016 – status unchanged. Regulatory A new EIR scoping meeting was held on 09/16/14 in Chace Park. July 2016 – status unchanged.					
			Construc	tion in Process						
4	13 Villa del Mar	David Canzoneri	* Complete leasehold refurbishment of 198 apartments * Existing 209-slip anchorage will be renovated commencing no later than 2029 * Improved pedestrian promenade and public amenities will be renovated.	Massing Four existing buildings up to 3 stories high. Parking Existing open air Parking and Parking structure will be renovated. Total Parking provided on site is 572 spaces.	Proprietary Construction commenced on December 8, 2014. Completion of construction is currently anticipated in December 2016. July 2016 – status unchanged. Regulatory On 6/18/14, the DCB approved the final design of the renovation project. July 2016 – status unchanged.					

5	15 AMLI Residential	Jason Armison	* Demolish existing facilities and build 585 apartments * New 8,000 s.f. commercial space * New 241 boat slip marina * New 1,271-Parking space garage	Massing Six buildings up to 5 stories and 70' high Parking All Parking to be provided on site within new 1,271-space Parking garage	Proprietary Construction commenced on July 1, 2014, and anticipated completion date is July 1, 2018. July 2016 –status unchanged Regulatory June 30, 2014, demolition of the site commenced. July 2016 –status unchanged
7	28 Mariners Bay	Tim O'Brien	* Complete leasehold refurbishment of 379 apartments * New bicycle depot for public use * Improvements to existing promenade and dock gates and public amenities * Replacement of existing docks within 6 months of completed of landside renovation	Massing Seven buildings up to 3 stories high Parking Existing subterranean Parking structure contains 947 Parking spaces.	Proprietary The MND for the project was adopted by the BOS at the March 24, 2015 meeting. Board also approved a future assignment to Legacy. Option was exercised and lease executed on 9/25/15. Regulatory On July 15, 2015, the DCB approved the final design of the project. July 2016 –status unchanged

DESIGN CONTROL BOARD MINUTES April 20, 2016

Members Present: Peter Phinney, AIA, Chair (Fourth District); Helena Jubany FAIA, Vice Chair (First District); Jerome Stanley, Member (Second District); Tony Wong, P.E, Member (Fifth District)

Members Absent: Simon Pastucha, Member (Third District)

Department Staff Present: Brock Ladewig, Deputy Director; Michael Tripp, Planning Specialist; Troy Evangelho, Planner; Yeni Maddox, Secretary

County Staff Present: Kevin Finkel, Department of Regional Planning; Amy Caves, County Counsel

Guests Testifying: Autumn Thompson, Legacy Partners; Tony Bomkamp, Glenn Lukos Associates; Hannah Dewey, Department of Public Works (DPW); Khai Chung, DPW; Jack Hollander, Jack Hollander & Associates; Aaron Clark, Armbruster, Goldsmith, and Delvac; Kathleen Wishard, LRM Architects; Kathryn Toth, Lighting Design Alliance; Michael Pashaie, Pacific Ocean Management

1. Call to Order and Pledge of Allegiance

Vice Chair Jubany called the meeting to order at 12:09 p.m.

Vice Chair Jubany announced that Chair Phinney would be joining the Board later in the hearing.

On a motion of Mr. Wong, seconded by Vice Chair Jubany, the absence of Mr. Pastucha was excused.

Ayes: 3 -Vice Chair Jubany, Mr. Stanley and Mr. Wong

Mr. Stanley led the Pledge of Allegiance.

2. Approval of February 17, 2016 Minutes

On a motion of Mr. Wong, seconded by Mr. Stanley this item was approved.

Ayes: 3 – Vice Chair Jubany, Mr. Stanley and Mr. Wong

3. Public Comment

Dan Gottlieb spoke about the possible banning of non-motorized vessels in Marina del Rey.

Kathy Knight requested that the Board support recreational boating needs.

J. Kurland submitted a letter for public comment.

4. Consent Agenda

No Items

5. Old Business

A. Parcel 9 – Wetland Park – Consideration of new signage, fencing, and lighting – DCB#16-002

Mr. Evangelho presented the staff report.

Autumn Thompson stated that she worked on the signage and lighting plan for the project.

Aaron Clark stressed the importance of the project moving forward.

Public Comment

Marina del Rey Design Control Board April 20, 2016 Page 2

Dan Gottlieb spoke against the project.

Ms. Knight spoke against the project and asked for clarification about the lighting.

Leslie Purcell expressed concern about the placement of a hotel near the wetland and about the water quality of the tidally-influenced wetland.

Marsha Santry, Tim Riley, and Patricia Younis spoke in favor of the project.

Vice Chair Jubany asked if the lighting would remain on during the evenings.

Mr. Evangelho replied that the lighting would operate from dusk to dawn.

Board Comment

Mr. Wong stated that the revised signage design had improved and inquired about the cost of the valet parking.

Mr. Finkel replied that the hotel was approved with a condition requiring the price of the valet spaces serving the park to be no more than the average price of other Marina del Rey public parking lots in the vicinity.

Ms. Jubany asked for clarification about the Coastal Commission's project timeline.

Mr. Tripp stated that the Coastal Commission was reviewing a time extension for the wetland park and the hearing would likely be held in May. He added that the issuance of the Coastal Development Permit was contingent upon the DCB's approval of the project.

Mr. Finkel stated that the Marina Local Coastal Program (LCP) requires the wetland park to be a tidally-influenced salt marsh.

Mr. Wong stated that the wetland park and hotel were first reviewed as one project, then split into separate projects.

Mr. Stanley expressed that the project was attractive and struck a good balance between development and conservation.

Ms. Jubany agreed with Mr. Stanley's comments.

On a motion of Mr. Wong, seconded by Mr. Stanley this item was approved as submitted.

Ayes: 3 – Vice Chair Jubany, Mr. Stanley, and Mr. Wong

B. <u>Parcel NR – Parking Lot 9 – Consideration of final site design for a new water quality enhancement</u> project – DCB#15-012-B

Mr. Evangelho presented the staff report.

Hannah Dewey, the project manager, spoke in support of the project.

Public Comment

Leslie Purcell inquired if the trash receptacles would have a recycling component.

Ms. Dewey replied that they would not have a recycling component.

Board Comment

Vice Chair Jubany inquired if the planters were irrigated.

Mr. Khai Chung, the project landscape architect, answered affirmatively.

On a motion of Mr. Wong, seconded by Mr. Stanley this item was approved as submitted. Ayes: 3 – Vice Chair Jubany, Mr. Stanley, and Mr. Wong

Vice Chair Jubany requested a 5-minute break.

Chair Phinney arrived and called the meeting back to order at 1:03 p.m.

- C. Parcel 44 Pier 44 Consideration of final site design for Pier 44 redevelopment DCB#08-015-B
- Mr. Evangelho presented the staff report.
- Mr. Wong inquired about the dry-stack storage and the loading and unloading of boats on the promenade.
- Mr. Stanley asked if there were existing retail stores and restaurants at the site and asked for the reasoning behind the proposed development.
- Mr. Evangelho stated that there were no restaurants, and that the site was developed with marine commercial and boat storage.

Aaron Clark stated that the project is consistent with the LCP and the County's desire to improve the area.

Jack Hollander, the project architect, spoke about the project's view corridors and explained why Building V (retail/restaurant) was not reoriented as requested. He added that he followed the DCB's request to exploit design differences between each building and to change the design of the Trader Joe's building.

Aaron Clark clarified that the orientation of Building V had not changed, however; the building was scaled down to allow a wider view corridor. He also stated that the project was in compliance with the tree and avian protection policies of the LCP, and added that the project would have a community room, available free of charge to the public.

Kathleen Wishard, the project landscape architect, stated that her approach was to make the Marina the primary focus and to use materials for a neutral palette.

Michael Pashaie, the project developer, provided the history leading to the current design of the site, the rationale for providing the types of buildings and uses proposed, and discussed financing concerns for the project. He also stated that he added more transient and dinghy docks to the project.

Kathryn Toth, the lighting consultant, stated that the lighting was designed to address safety and security, without impacts to boaters on the water.

Public Comment

Helen Coyne-Hoerle spoke against the project.

Dan Gottlieb spoke about the importance of the view corridors and keeping them from being obstructed.

Kathy Knight spoke against the project and expressed concern regarding traffic, bird safety related to the glass buildings, and the replacement of trees.

Marina del Rey Design Control Board April 20, 2016 Page 4

Marsh Santry and Tim Riley spoke in favor of the project.

Eric Peterson expressed concerns about the traffic.

Patricia Yunis spoke in favor of the project.

Leslie Purcell asked if the kayak rentals were going to be relocated and expressed concern about the glass buildings in regards to birds.

Aaron Clark and Michael Pashaie addressed the questions and concerns posed by the public.

Board Comment

Vice Chair Jubany requested the applicant make the following changes to the project and stated that she was willing to work with the architect to help simplify the design:

- 1) Buildings I & VII, simplify the design and remove the "44" that is incorporated into the façade.
- 2) Building II needs to be scaled down, including the tower. Try elements from the old design.
- 3) Building IV reduce the amount of glass, remove cabling under the butterfly roof, reduce the angle of the butterfly roof, lighten the slanted wall and don't use wood siding from top to bottom.
- 4) Building VI needs to be changed so that it fits with the other buildings.

Chair Phinney requested the applicant make the following changes to the project:

- 1) Find a place for bicyclist restrooms located near bicycle parking.
- 2) Don't use mechanical chair lifts. Find another way to address the issue, such as ramps or an interior elevator.
- 3) Use a wood trellis for the shaded seating and consider using vines.
- 4) Do not use a campus design, where all of the buildings are similar.
- 5) Buildings I & VII should have the sign reading "Boaters" above the roof removed.
- 6) Building II should be redesigned as a warm residential scale type of building.
- 7) Building III should have a wood façade.

Chair Phinney stated that he likes the design of Building VI, and suggested that the applicant concentrate on redesigning Building II (Trader Joe's).

Mr. Wong inquired about the conflict between the bike path and the promenade to get to the Dry Stack Storage.

Aaron Clark stated that pedestrians could use Bali Way, therefore there is no conflict with the bike path.

Mr. Stanley stated that the docks and buildings need upgrading, and favored the dry stack storage component of the project, but opined that the project was not appropriate for the location, and questioned if the public would desire the proposed retailers at this location. He also expressed concerns with traffic.

Mr. Wong motioned to approve the project with conditions. Chair Phinney seconded the motion. The motion failed, with Chair Phinney and Mr. Wong voting in favor, and Vice Chair Jubany and Mr. Stanley voting against.

Michael Pashaie suggested that the commissioners approve the project with a condition that Chair Phinney, Vice Chair Jubany, and the architect meet, to redesign the Trader Joe's building.

Chair Phinney motioned to approve the project with conditions, and offered himself and Vice Chair Jubany to meet with the architect to discuss how to resolve the design of the Trader Joe's building.

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Amy Caves stated that motion was problematic because they would be approving a portion of the project, with the other portion to be approved outside of a public hearing.

On a motion of Chair Phinney, seconded by Mr. Wong this item was continued to return next month.

Ayes: 3 - Chair Phinney, Vice Chair Jubany, Mr. Stanley, and Mr. Wong

Vice Chair Jubany left the meeting at 3:09pm.

6. New Business

None.

7. Staff Report

Mr. Evangelho presented the Temporary Permits report.

Michael Tripp presented the Ongoing Activities report.

Carol Baker presented the Marina del Rey Special Events report.

8. Adjournment

Chair Phinney adjourned the meeting at 3:16 p.m.

Respectfully Submitted,

Yeni S. Maddox Secretary for the Design Control Board

Marina del Rey Slip Vacancy Report

Jun-16		17-25			26-30			31-35			36-40			41-45			46-50			51+						
Marina	VAC	AVAIL	%VAC	TOTAL VACANT	TOTAL AVAILABLE	%VAC	TTL OFF- LINE	TTL including OFF-LINE																		
P1																				5	0.0%		5	0.0%		
P7		8	0.0%	4	80	5.0%	1	44	2.3%	2	42	4.8%	2	12	16.7%		7	0.0%		21	0.0%	9	217	4.2%		
P8	1	15	6.7%	1	48	2.1%	2	82	2.4%	2	38	5.3%	2	16	12.5%		7	0.0%		1	0.0%	8	207	3.9%		
P10		6	0.0%	2	67	3.0%		12			11	0.0%										2	96	2.1%	84	
P12							3	30	10.0%		53	0.0%	1	58	1.7%		44	0.0%		31	0.0%	4	216	1.9%		
P13					3	0.0%		33	0.0%		70	0.0%	1	36	2.8%	4	36	11.1%		8	0.0%	5	186	2.7%		
P15																							0		236	
P18		198	0.0%		68	0.0%		41	0.0%		39			26	0.0%		18	0.0%		34	0.0%		424	0.0%		
P20		42	0.0%		59	0.0%		21	0.0%	1	9	11.1%		8	0.0%							1	139	0.7%		
P21	20	121	16.5%		51	0.0%					10	0.0%										20		11.0%		
P28				28		15.4%	2	100	2.0%	14	82	17.1%				2	9	22.2%		2	0.0%	46		12.3%		
P30	1	8	12.5%		70	0.0%	2	51	3.9%		33	0.0%	1	26	3.8%		52	0.0%	1	55	1.8%	5	295	1.7%		
P41	7	90	7.8%	2	24	8.3%	5	34	14.7%													14		9.5%		
P43	40		36.7%	38		31.7%		70			36	0.0%					10	0.0%		4	0.0%	78		22.3%		
P44	37	145	25.5%	11	28	39.3%	8	59	13.6%													56		24.1%		
A47	53		54.6%	9	, ,	11.4%	10			21	28	75.0%	5	7	71.4%		1	0.0%	2	3	66.7%	100		41.2%		
P53		34	0.0%		23	0.0%	1	37	2.7%		9	0.0%										1	103	1.0%		
P54					3	0.0%				1	24	4.2%		6	0.0%		7	0.0%	_	14	0.0%	1	54	1.9%		
P111	1	20	5.0%		27	0.0%		2	0.0%	2	15	13.3%					8	0.0%	8	39	20.5%	9	111	8.1%		
P112	5	100	5.0%					11	0.0%		24	0.0%							3	40	7.5%	10		5.7%		
P125I	2	24	8.3%	3	49	6.1%	6	93	6.5%	1	50	2.0%	1	27	3.7%	2	17	11.8%		18	0.0%	15	278	5.4%		
P132		29	0.0%		3	0.0%		68	0.0%	2	58	3.4%	2	40	4.4%	2	39	5.1%		20	0.0%	6	262	2.3%		
Total	167	1046	16.0%	98	984	10.0%	40	816	4.9%	46	631	7.3%	15	267	5.6%	10	255	3.9%	14	295	4.7%	390	4294	9.1%	320	4614

Summation

Vacancy in 17'-25' 16.0%
Vacancy in 26'-30' 10.0%
Vacancy in 31'-35' 4.9%
Vacancy in 36'-40' 7.3%
Vacancy in 41'-45' 5.6%
Vacancy in 46' to 50' 3.9%
Vacancy in 51' and over 4.7%

Total Vacancy 9.1%
Vacancy w/o DOUBLES, OUT OF SERVICE slips 6.9%
Note:

Parcel 10 dock reconstruction commencement August 2016
Parcel 15 dock reconstruction commencement September 2014

Jun-16	Judat	Street dig to the state of the	jjable _{TOTA} .	Metr ology	OTAL CORNIL	A THREE HOLD
25' & Less						•
Number of Slips	112	1046	4614	23%	16%	
26'-30'		1 004	4044	I 040/	100/	- 1
Number of Slips	91	984	4614	21%	19%	
30'-35'						_
Number of Slips	106	1586	4614	34%	18%	