

1 Permittee shall not operate scuba-diving charters, individual ticket sales
2 tours, sportfishing charters, or point-to-point water taxi service within the limits of the City
3 of Long Beach.

4 A. Delivery and Loading. Permittee, its subpermittees,
5 concessionaires or other person or entity operating under a contract with
6 Permittee or on behalf of Permittee delivering, loading or unloading goods,
7 services or merchandise to the Permit Area shall use the Shoreline Village Parking
8 Lot.

9 1) Delivery and Loading Hours. Delivery, loading and
10 unloading shall be limited to the hours from midnight until 9:00 a.m., seven
11 (7) days a week. Permittee shall contact the Manager of the Marine Bureau
12 to coordinate deliveries outside of the hours defined.

13 B. Harbor and Marina Rules and Regulations. Permittee shall
14 comply with the Rainbow Harbor and Long Beach Marina Rules and Regulations
15 of the City of Long Beach whether known by that or some other name or names.

16 C. Customer Satisfaction. Permittee shall make available
17 customer satisfaction evaluation surveys to all customers.

18 3. SAFETY AND EQUIPMENT.

19 A. Permittee must provide all safety equipment determined to be
20 necessary for the safe operation of all personal watercrafts, sport boats, or other
21 aquatic equipment furnished for the public use by Permittee. Permittee shall meet
22 before April 30 of each year, with the City's Chief Lifeguard and Manager of
23 Marinas and Beaches or their designees to review emergency water safety
24 requirements and instructions to be given to the public for operation of Permittee's
25 aquatic equipment, said Lifeguard being authorized to determine any necessary
26 safety equipment, and the circumstances attaching to its requirement or use. The
27 Permittee must initially submit to the City's Chief Lifeguard or his designee and to
28 the Director, and thereafter before March 1 of each year, a list of Permittee's

1 aquatic equipment held for rental to the public.

2 B. PARASAILING. Permittee must adhere to United States
3 Coast Guard and other applicable governmental requirements at all times.
4 Membership in the Professional Association of Parasail Operators is highly
5 desirable.

6 4. WAIVER FORM. Permittee is required to have parasailing
7 customers complete and sign a waiver form before participating. The "Parasailing
8 Release of Liability, Wavier of Claims, Express Assumption of Risk and Indemnity
9 Agreement" must include the City of Long Beach, its officials, employees, and agents as
10 additional insureds and should be executed by adults. Participants shall be required to
11 complete a "Declaration of Fitness to Parasail" form. Permittee must disclose that
12 parasailing is an activity that may not be covered by the participant's life insurance policy.

13 5. TERM. The term of this Permit shall commence at 12:01 a.m. on
14 April 1, 2008 and shall terminate at midnight on March 31, 2011. Notwithstanding the
15 foregoing, either party may terminate this Permit at any time for any or no reason upon
16 ninety (90) days written notice to the other party. Upon termination of this Permit
17 (whether by lapse of time or otherwise), Permittee shall quit and surrender possession of
18 the Permit Area and remove its personal property therefrom. The term of this Permit may
19 be extended beyond March 31, 2011 for two (2) periods of three (3) years.

20 6. COMPENSATION.

21 A. Dock Fee. Permittee shall pay to the City for the use of the
22 Permit Area an amount equal to \$14.00 per lineal foot, per month, or other fee
23 subsequently adopted by the City Council of the City of Long Beach, occupied
24 and/or reserved by Permittee for any time such slip or end tie is so used. The
25 Dock Fee shall be paid on or before the first day of each month during the term of
26 this Permit. The Dock Fee shall be paid in advance and Permittee shall not have
27 any right of abatement, deduction, set off, prior notice or demand.

28 B. Permit Fee.

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1) Permittee shall pay to the City percentage fees in the amount of eight percent (8%) of Permittee's "gross receipts" (as that term is defined in subparagraph 6.E below) derived from Permittee's Long Beach Operations or an annual minimum of Four Thousand, Five Hundred Dollars (\$4,500.00), whichever is greater. Payment is due on or before the 20th day of the calendar month immediately following the month in which the gross receipts were earned.

2) A statement of gross sales receipts must be submitted along with the monthly annual minimum payment for each and every month in which gross receipts are received whether received by Permittee, its subpermittees, concessionaires or other person or entity operating under a contract with Permittee from all permitted concessions, operations and activities. Permittee shall not have any right of abatement, deduction, set off, prior notice or demand.

3) In the event that the annual percent of gross receipts derived from Permittee's Long Beach Operations exceeds the annual minimum paid by Permittee to City, the Permittee shall pay the difference between the gross receipts and the annual minimum to the City on or before January 31st.

C. Adjustment of Minimum Payment. In the event the term of this Permit is extended beyond the initial term, the annual Minimum Payment shall be increased each year by the Consumer Price Index (CPI) (all Urban Consumers) for the Los Angeles - Riverside - Orange County, California area. The Minimum Payment shall not be reduced pursuant to this section and each annual increase shall not exceed eight (8) percent. The CPI statistical data reported for the month of March each year shall be used to calculate the increase in the Minimum Payment for the following calendar year.

D. Charges for Late Payments.

1 1) If Dock Fee payment is not received within ten days
2 after the same has become due, a late fee shall be assessed. The late fee
3 shall be, in addition to the amount of the Dock Fee, a sum equal to ten
4 percent (10%) thereof.

5 2) If Permit Fee payment is not received on the twentieth
6 (20th)day following the preceding month, a late fee shall be assessed. The
7 late fee shall be 5% or \$50, whichever is greater.

8 3) If the Minimum Payment, if any, is not received on or
9 before January 31 of each year, a late fee shall be assessed. The late fee
10 shall be 5% or Fifty Dollars (\$50.00) whichever is greater.

11 4) In addition to the late fees above, interest shall accrue
12 on all amounts owed from the due date, at a rate of ten percent (10%) per
13 annum until paid.

14 5) The late fees above are intended to compensate City
15 for its additional administrative costs resulting from Permittee's failure, and
16 has been agreed upon by City and Permittee, after negotiation, as a
17 reasonable estimate of the additional administrative costs that will be
18 incurred by City as a result of Permittee's failure. The actual cost in each
19 instance is extremely difficult, if not impossible, to determine. These late
20 fees will constitute liquidated damages and shall be paid to City together
21 with such unpaid amounts. The payment of these late fees shall not
22 constitute a waiver by City of any default by Permittee under this Permit.

23 E. Gross Receipts. "Gross receipts" as used herein shall include
24 the following:

25 1) The gross selling price of all rental equipment or other
26 charges associated with the equipment of any Permittee authorized vessel
27 that docks or ties up at the Permit Area.

28 2) The gross selling price for all food, beverages, and

1 other merchandise or services sold or delivered by Permittee, its permitted
2 licensees, concessionaires, and persons, firms, or corporations aboard said
3 vessels.

4 3) Gross receipts shall include sales for cash, credit, or
5 services whether collected or not.

6 4) Gross receipts shall not include, or if included shall be
7 deducted (but only to the extent they have been included), any sales and
8 use taxes, transportation taxes, excise taxes, franchise taxes, and other
9 similar taxes now or in the future imposed on the sale of tickets, food,
10 beverages, merchandise, or services, but only if such taxes are added to
11 the selling price, separately stated, collected separately from the selling
12 price and collected from customers.

13 5) Gross receipts shall be reported for the month
14 received.

15 F. Statement of Gross Receipts.

16 1) Permittee shall prepare and deliver or cause to be
17 prepared and delivered to the City at:

18 Department of Parks, Recreation and Marine

19 2760 Studebaker Road

20 Long Beach, CA 90815-1697

21 Attention: Accounting Section

22 within twenty (20) days after the end of each month during the term of this
23 permit or extension thereof, a financial statement showing in reasonable
24 detail Permittee's gross receipts for the preceding calendar month or partial
25 calendar month and a computation of the percentage fee provided for
26 herein.

27 2) Permittee shall within thirty (30) days of each calendar
28 year deliver to the City, at the address set forth in subparagraph above, a

1 statement showing gross receipts of the preceding calendar year or partial
2 calendar year. Such statement shall be prepared and delivered to City in
3 accordance with generally accepted accounting practices containing a
4 statement of gross receipts and a computation of percentage of gross
5 receipts.

6 3) Each statement shall be signed and certified to be
7 correct by an officer of Permittee.

8 7. FEES AND CHARGES. All fees and charges associated with the
9 permitted concessions, operations and activities and any changes to fee schedules shall
10 be subject to the prior written approval of the Manager.

11 8. AUDIT. The City shall be entitled during the initial term or any
12 extension thereof and within three (3) years after the expiration or termination of this
13 Permit to inspect, examine, and audit all Permittee's books of account, records, cash
14 receipts, and other pertinent data so City can ascertain Permittee's gross receipts.
15 Permittee shall cooperate fully with City in making any such inspection, examination, and
16 audit. The inspection, examination, or audit shall be conducted during usual business
17 hours. If an audit shows that there is a deficiency in the payment of any sum due the
18 City, the deficiency shall become immediately due and payable. The costs of the audit
19 shall be paid by the City unless the audit shows that Permittee understated gross receipts
20 by more than three percent (3%), in which case Permittee shall pay all City's costs of the
21 audit. If it is determined by an audit that there is an overpayment of percentage fees, a
22 refund shall become due from the City.

23 9. BOOKS OF ACCOUNT AND RECORDS.

24 A. Permittee shall keep complete and accurate books of account,
25 records, cash receipts, and other pertinent data showing all gross receipts, all in
26 accordance with generally accepted accounting principles, at the Corporate
27 Offices in Costa Mesa, California. Permittee shall make such records available to
28 the City within twenty four (24) hours of City's request.

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B. Permittee shall install and maintain accurate receipt printing cash registers or computer systems and shall record on the cash registers or computer systems every sale of merchandise and services or other transactions at the time of the transaction on either a cash register having a sealed, continuous cash register tape with cumulative totals that numbers, records and duplicates each transaction entered into the register, or serially numbered sales slips.

If Permittee chooses to record each sale by using a cash register, the continuous cash register tape will be sealed or locked in such a manner that it is not accessible to the person operating the cash register.

If Permittee chooses to record each sale by using a computer system, the computer generated receipts shall be retained in chronological order (including those canceled, voided or not used) for three (3) years.

If Permittee chooses to record each sale on individual slips, the sales slips (including those canceled, voided, or not used) will be retained in numerical sequence for three (3) years.

C. Permittee will prepare or cause to be prepared, preserve, and maintain, for a period of not less than three (3) years these books, accounts and records:

- 1) daily cash register summary tapes and sealed, continuous cash register tapes or prenumbered sales slips or computer transaction receipts on transaction summary reports;
- 2) a single, separate bank account into which all receipts of business or other revenue from operations on or from the Permit Area are deposited;
- 3) all bank statements detailing transactions in or through any business bank account;
- 4) daily or weekly sales capitulations;
- 5) a general ledger or a summary record of all cash

1 receipts and disbursements from operations on or from the Permit Area;

2 6) copies of all tax returns filed with any governmental
3 authority that reflect in any manner sales, income, or revenue generated in
4 or from the Permitted Area, including, but not limited to, federal income tax
5 returns and state sales or use tax returns;

6 7) other records or accounts that City may reasonably
7 require in order to ascertain, document, or substantiate gross receipts.

8 D. Permittee shall keep at the corporate headquarters all of the
9 books, records, and other documents in the manner recited in this paragraph, and
10 will make said books, records and documents available for inspection,
11 examination, or audit by City or City's designated representative upon giving
12 Permittee five (5) days' prior notice of City's intention to exercise its rights under
13 this paragraph. In connection with an examination of audit, City will have the right
14 to inspect the records of sales from any other store operated by Permittee, but
15 only if the examination is reasonably necessary to ascertain gross sales from the
16 Permit Area. If upon inspection or examination of Permittee's available books and
17 records of account, City determines that Permittee has failed to maintain,
18 preserve, or retain the documents, books, and records that this Permit requires
19 Permittee to maintain in the manner set forth in this paragraph, City will give the
20 Permittee sixty (60) days to cure the deficiencies. Further, if Permittee is found to
21 be deficient in maintaining any of documents, books, or records, Permittee will
22 reimburse City for all reasonable expenses incurred by City in determining the
23 deficiencies, including without limitation any audit or examination fees.

24 E. The receipt by City of any statement or any payment of
25 compensation for any period shall not bind City as to the correctness of the
26 statement or payment.

27 10. STANDARDS OF SERVICE. Permittee shall conduct business in a
28 manner acceptable to the City and shall have a sufficient number of employees

1 necessary to furnish the best service possible. All personnel used in serving the public
2 shall be clean, neat and orderly in appearance, and shall be uniformed and identified in a
3 manner acceptable to the Director.

4 The Director shall have the right to approve the level of service rendered
5 and to order such service improved, discontinued or remedied. If the quality of service or
6 equipment supplied or the cleanliness of concession is not at a level satisfactory to the
7 Director or does not adequately meet the needs of the public, or if Permittee violates any
8 of the terms of conditions of this permit, then the Director shall have the right to revoke
9 this Permit by giving prior notice of revocation to Permittee.

10 11. ATTENTION. Permittee shall devote time and attention to the
11 concession and shall promote, increase and develop the concession and render every
12 possible service and convenience to the public or shall appoint a manager to do so who
13 shall remain subject to the direction of control of Permittee. Any manager appointed by
14 Permittee shall have full authority for the concession or portion under his/her control.
15 Permittee shall employ individuals skilled in management of businesses similar to the
16 concession and Permittee shall encourage his manager to utilize sound business
17 methods.

18 12. CONTROL OF PREMISES. If necessary for the health, welfare or
19 safety of the public, or as a result of the revocation of this Permit, the City shall have the
20 right to enter the concession and immediately take possession of it and remove, relocate,
21 or use Permittee's items at Permittee's full cost and expense until arrangements can be
22 made by the City for other items to replace those of Permittee.

23 13. LAWS AND ORDINANCES. Permittee shall comply with all
24 applicable municipal, state and federal laws, rules, regulations, and ordinances and the
25 directives or instruction of the Director relating to the concession. Failure to do so may
26 result in the immediate revocation of this Permit. Permittee shall obtain and display, as
27 required, all other permits or licenses, including but not limited to those from the City's
28 Department of Health and Human Services, and business licenses.

1 14. IMPROVEMENTS. Permittee shall not install, erect, or construct any
2 building, improvement, or structure on the Permit Area nor alter the same without the
3 prior written approval of the Manager. In the event Permittee, with the prior written
4 approval of the Manager, makes any improvement to the structures within the Permit
5 Area, title to any such improvement shall vest in the City.

6 Any approval shall be subject to conditions as may be required for such
7 improvements and imposed by the Manager.

8 15. ADVERTISING.

9 A. Advertising Signs. Permittee, at its cost, may place or erect
10 and maintain signs on the Permit Area, provided that Permittee obtains prior
11 written approval from the Manager of the Marine Bureau. Further, Permittee's sign
12 shall be in compliance with City's sign ordinance and conditions of the Department
13 of Parks, Recreation and Marine.

14 B. Advertising Budget. Within thirty (30) days after the
15 commencement date of the term of this Permit, and within thirty (30) days after the
16 end of each calendar year during the term of this Permit, Permittee shall submit to
17 the Manager a written budget describing in reasonable detail proposed
18 expenditures for advertising, publicity and promotion (including direct expenses for
19 salaries associated therewith) proposed to be made during the calendar year.
20 Beginning in year two, the budget shall not be less than one percent (1%) of
21 Permittee's gross sales for previous calendar year. Permittee shall submit to the
22 Manager upon demand a detailed statement of expenditures made by it to
23 advertise, publicize and promote the permitted concession, operations and
24 activities. In the event Permittee fails or refuses to comply with the provisions of
25 this paragraph, such failure or refusal shall be deemed a material breach and the
26 City may terminate this Permit upon fifteen (15) days written notice to Permittee.

27 16. UTILITIES. Permittee, at its cost, shall promptly pay or cause to be
28 paid all utility fees, costs and charges resulting from such use or assessments for utilities

1 levied against the Permit Area for any period during the term of this Permit. If Permittee
2 requires utilities which are beyond the capacity provided, Permittee shall coordinate and
3 submit request for additional services through the Manager of the Marine Bureau.

4 17. TRASH REMOVAL AND DISPOSAL. The City shall provide, for
5 Permittee, trash bins at each dock for trash disposal except the floating docks located at
6 Pierpoint Landing. Trash from Permittee's operation shall be disposed of in the trash
7 bins for collection by the Maintenance Operations Bureau of the Department of Parks,
8 Recreation and Marine. The City shall have the right to modify or change the trash
9 removal operation and Permittee agrees to accept and comply with any such modification
10 or change.

11 18. MAINTENANCE AND REPAIR. The City shall maintain the Permit
12 Area and the improvements thereon in good condition and repair, reasonable wear and
13 tear excepted. Permittee understands that the water area within the Rainbow Harbor and
14 Rainbow Marina area is subject to collection of debris from the Los Angeles River runoff.
15 Further, Permittee acknowledges that water conditions including debris and sediment
16 may occur at times in the adjacent area of the Los Angeles River which could affect
17 access to the Rainbow Harbor and Rainbow Marina. City shall not be required to dredge
18 the Permit Area or adjacent area of the Los Angeles river. Neither the City nor its officers
19 or employees shall be liable and Permittee waives all claims for damage to its vessels or
20 its business as a result of any such condition. Permittee's vessels and their gear and
21 Permittee's property thereon shall be at the Permit Area at Permittee's risk and the City
22 shall not be liable for any damage thereto or theft or appropriation thereof.

23 19. DAMAGE OR DESTRUCTION OF IMPROVEMENTS.

24 A. Responsibility for Repair. If any dock or improvement at any
25 time on the Permit Area shall be damaged or destroyed by any cause whatsoever
26 during the Permit term, Permittee shall, with reasonable promptness, report the
27 damage to the City. The City shall have responsibility to make repairs to replace
28 the same, to at least the condition existing immediately prior to such damage or

1 destruction. The Permittee shall be responsible for reimbursing the City for the pro
2 rata share of expenses incurred to repair or replace the damage or destruction to
3 the Permit Area to the extent contributed to by the act or omission of Permittee, its
4 employees or agents. Permittee shall be responsible for reimbursing the City even
5 though the proceeds of any insurance policies covering the loss ("Insurance
6 Proceeds") may be insufficient to reimburse Permittee therefore; provided,
7 however, that if such proceeds of insurance are more than sufficient to pay the
8 cost of any such rebuilding, Permittee shall be entitled to receive any surplus. City
9 at its discretion may authorize Permittee to make repairs to replace the same to at
10 least the condition existing immediately prior to such damage or destruction. Such
11 authorization shall be in writing.

12 B. Insurance Proceeds. Insurance Proceeds shall be held by an
13 Insurance Trustee mutually agreed to by the parties, but shall be paid to the
14 Permittee or as Permittee may direct from time to time as the restoration of the
15 Permit Area progresses, to pay or reimburse City for the cost of such restoration
16 upon the written request of City accompanied by evidence satisfactory to the
17 Insurance Trustee that:

18 1) an amount equal to the amount requested is then due
19 and payable or has been paid and is properly a part of such cost of
20 restoration;

21 2) that the net Insurance Proceeds not yet advanced will
22 be sufficient for the completion of the restoration. If at any time during the
23 period of restoration and/or reconstruction the City shall determine that the
24 Insurance Proceeds are insufficient to cause such restoration, then upon
25 delivery of written notice thereof and specifying the deficit Permittee shall
26 deposit in trust with the Insurance Trustee such additional sums as may be
27 required to complete the restoration of the Permit Area. Upon receipt by
28 the Insurance Trustee of evidence satisfactory to it that:

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- (a) A. the restoration of the Permit Area has been completed;
- (b) B. the cost thereof has been paid in full; and
- (c) C. there are no mechanic's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such Insurance Proceeds shall be paid to Permittee or as the Permittee may direct.

C. Procedure for Restoration of Improvements. Following damage to all or any portion of the Permit Area, Permittee shall reimburse the City for restoration of the Permit Area and/or the improvements thereon, whether or not insurance proceeds are sufficient to do so.

D. No Termination. Except as otherwise expressly agreed to in writing by the parties hereto, no destruction of or damage to the Permit Area, improvements thereon or any part thereof, whether such damage or destruction be partial or total or whether such damage or destruction is covered by insurance or not, shall entitle or permit either City or Permittee to surrender, to terminate this Permit or relieve Permittee from liability to pay in full the fee payable by Permittee hereunder. Permittee hereby waives any rights now or hereafter conferred upon it by statute or other law to surrender this Permit or to quit or surrender the Permit Area or any part thereof, or to receive any suspension, diminution, abatement or reduction of fees or other sums of charges payable to Permittee hereunder on account of any such destruction or damage.

20. INSURANCE. Concurrent with the execution of this Permit and in partial performance of Permittee's obligations hereunder, Permittee shall procure and maintain at Permittee's expense for the duration of this Permit, including any extensions, renewals, or holding over thereof, the following insurance coverages from insurance companies that are admitted to write insurance in the State of California or from authorized nonadmitted insurers that have ratings of or equivalent to an A:VIII by A.M.

1 Best and Company:

2 A. Commercial General Liability insurance (equivalent in
3 coverage scope to ISO form CG 00 01 11 85 or 11 88) in an amount not less than
4 One Million Dollars (\$1,000,000) combined single limit per occurrence and
5 covering the Permittee's operations under or in connection with this Permit. If the
6 policy contains a general aggregate, the general aggregate shall be in an amount
7 not less than Two Million Dollars (\$2,000,000). Such insurance shall include, as
8 may be applicable to Permittee's operations under or in connection with this
9 Permit, broad form contractual liability, products and completed operations liability
10 and liquor liability. The City of Long Beach, its officials, employees and agents
11 shall be added as additional insureds by endorsement (equivalent in coverage
12 scope to ISO form CG 20 26 11 85). This insurance shall contain no special
13 limitations on the scope of protection afforded to the City, its officials, employees
14 and agents, and shall provide cross-liability protection.

15 B. Protection and Indemnity including, as may be applicable to
16 Permittee's operations under or in connection with this Permit, injury to
17 passengers, damage to piers, docks and pilings and property on piers and docks,
18 wreck removal, and collision liability in an amount not less than One Million Dollars
19 (\$1,000,000) per occurrence for each vessel operating under this Permit. If the
20 policy contains a general aggregate, the general aggregate shall be in an amount
21 not less than Two Million Dollars (\$2,000,000). The City of Long Beach, its
22 officials, employees and agents shall be added as additional insureds by
23 endorsement. This insurance shall contain no special limitations on the scope of
24 protection afforded to the City, its officials, employees, and agents, and shall
25 provide cross-liability protection.

26 C. Workers' Compensation as required by the State of California
27 endorsed, as applicable, to include United States Longshoremen and Harbor
28 Workers' Compensation Act coverage and Jones' Act coverage and Employer's

1 Liability insurance with minimum limits of One Million Dollars (\$1,000,000).

2 D. Parasailing Activities. In addition to the above requirements,
3 the Permittee shall provide a copy of the insurance policy's declaration page with a
4 listing of all insured watercrafts by serial number.

5 Any self-insurance program or self-insured retention must be approved
6 separately in writing by City and shall protect the City of Long Beach, its officials,
7 employees, and agents in the same manner and to the same extent as they would have
8 been protected had the policy or policies not contained retention provisions.

9 Each insurance policy shall be endorsed to state that coverage shall not be
10 suspended, voided, materially changed, or canceled by either party except after thirty
11 (30) days prior written notice to City, and shall be primary to City. Any insurance or self-
12 insurance maintained by City shall be excess to and shall not contribute to insurance or
13 self-insurance maintained by Permittee.

14 Permittee shall deliver to City certificates of insurance and the required
15 endorsements for approval as to sufficiency and form prior to commencement of this
16 Permit. The certificates and endorsements for each insurance policy shall contain the
17 original signature of a person authorized by that insurer to bind coverage on its behalf.
18 Permittee shall, at least thirty (30) days prior to expiration of such policies, furnish City
19 with evidence of renewals. City reserves the right to require complete certified copies of
20 all said policies at any time.

21 Such insurance as required herein shall not be deemed to limit Permittee's
22 liability relating to performance under this Permit. The procuring of insurance shall not be
23 construed as a limitation on liability or as full performance of the indemnification and hold
24 harmless provisions of this Permit. Permittee understands and agrees that,
25 notwithstanding any insurance, Permittee's obligation to defend, indemnify, and hold City,
26 its officials, agents, and employees harmless hereunder is for the full and total amount of
27 any damage, injuries, loss, expense, costs, or liabilities caused by or in any manner
28 connected with the operations of Permittee.

1 Not more frequently than every three (3) years, if in the opinion of City the
2 amount of the foregoing insurance coverages is not adequate, Permittee shall amend the
3 insurance coverage as required by City's Risk Manager or designee.

4 Any modification or waiver of the insurance requirements herein shall be
5 made only with the written approval of the City's Risk Manager or designee.

6 21. INDEMNIFICATION.

7 A. General Indemnity. Permittee shall defend and indemnify the
8 City of Long Beach and its officers and employees while acting within the scope of
9 their duties from and against any and all actions, suits, proceedings, claims and
10 demands, costs (including attorneys' fees and court costs), expense and liability of
11 any kind or nature whatsoever ("claims") for injury to or death of persons or
12 damage to property (including property owned by or under the control of the City)
13 which may be brought, made, filed against, imposed upon or sustained by the City,
14 its officers or employees based upon or arising out of:

15 1) An act or omission of Permittee, its officers, agents,
16 employees, contractors, licensees or invitees or of any person entering
17 upon the Permit Area with the express or implied invitation of Permittee;

18 2) A violation by Permittee, its officers, agents,
19 employees, contractors, licensees or invitees or of any other person
20 entering upon the Permit Area with the express or implied invitation of
21 Permittee of any law ordinance or governmental order of any kind;

22 3) The use or occupancy of the Permit Area by Permittee,
23 its officers, agents, employees, contractors, licensees or invitees or of any
24 other person entering upon the Permit Area with the express or implied
25 invitation of Permittee.

26 This indemnity shall not include claims based upon or arising out of
27 the sole negligence, gross negligence, or willful misconduct of the City, its officers
28 and employees. Further, this indemnity shall not require payment of a claim by the

1 City or its officers or employees as a condition precedent to the recovery under the
2 same.

3 This indemnification provision supplements and in no way limits the
4 scope of the indemnifications set out in subparagraph 15.2 below. The indemnity
5 obligation of Permittee under this paragraph shall survive the expiration or
6 termination, for any reason, of this Permit.

7 B. Environmental Release and Indemnification. Permittee
8 hereby agrees to hold harmless, defend and indemnify the City and its employees,
9 members and officials from and against all liability, loss, damage, costs, penalties,
10 fines and/or expenses (including attorneys' fees and court costs) arising out of or
11 in any way connected with or the activities, acts or omissions of Permittee, its
12 permittees, employees, contractors or agents on or affecting the Permit Area
13 without regard to fault or negligence including but not limited to the release of any
14 hazardous materials into the air, soil, groundwater or surface water on, in, under or
15 from the Permit Area whether such condition, liability, loss, damage, cost, penalty,
16 fine and/or expense shall accrue or be discovered before or after termination of
17 this Permit. This indemnification supplements and in no way limits the scope of
18 the indemnification set forth in paragraph 22.1. above.

19 In addition, Permittee waives, releases, acquits and forever
20 discharges City, its employees, members and officials or any other person acting
21 on behalf of City, of and from any and all claims, actions, causes of action,
22 demands, rights, damages, costs, expenses, or compensation (collectively
23 "claims") whatsoever (including, but not limited to, all claims at common law and/or
24 under any federal, state or local environmental, health and/or safety-related law,
25 rule, regulation or order, currently existing and as amended or enacted in the
26 future ("Environmental Law"), whether direct or indirect, known or unknown,
27 foreseen or unforeseen, which Permittee now has or may have or which may arise
28 in the future on account of or in any way growing out of or in connection with any

1 hazardous materials on, under from, or affecting the Permit Area, or any law or
2 regulation applicable thereto. Permittee acknowledges that it is familiar with
3 Section 1542 of the California Civil Code which reads: "A general release does not
4 extend to claims which the creditor does not know or suspect to exist in his favor
5 at the time of executing the release, which if known by him must have materially
6 affected his settlement with the debtor"; and hereby releases the Permittee from
7 any unknown claims and waives all rights it may have under Section 1542 of the
8 Civil Code or under any other statute or common law principle of similar effect.

9 1) Exclusions.

10 (a) Contamination on, beneath, or abutting the
11 Permit Area which existed prior to the initial commencement date of
12 the Permit.

13 (b) Contamination which has emanated or
14 emanates from a location off site the Permit Area and which has
15 trespassed onto, underneath or across the Permit Area.

16 (c) Contamination which is unrelated to Permittee's
17 use, occupancy of Permittee's subpermittees, invitees, or guests, on
18 the Permit Area.

19 (d) Permittee need not indemnify City for activities
20 carried on or around the Permit Area by City as part of occasional
21 use of the Permit Area by City or its other permittees, licensees, or
22 the like or actions of the public who have not been permitted or
23 solicited by Permittee.

24 2) Definition. "Hazardous material" means any
25 substance:

26 (a) the presence of which requires investigation or
27 remediation under any federal, state or local statute, regulation,
28 ordinance, order, action, policy or common law; or

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(b) which is or becomes defined as a "hazardous waste," "hazardous substance," pollutant or contaminant under any federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S. C. Section 6901 et seq.); or

(c) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of California or any political subdivision thereof; or

(d) the presence of which on the Permit Area causes or threatens to cause a nuisance upon the Permit Area or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Permit Area; or

(e) the presence of which on adjacent properties could constitute a trespass by Permittee; or polychlorinated bipheynols (PCBs), asbestos or urea formaldehyde foam insulation.

22. FORCE MAJEURE. City and Permittee shall not be deemed to be in default in the performance of the terms, covenants or conditions of this Agreement if either party is prevented from performing said terms, covenants or conditions by causes beyond its control, including, without limitation, acts of God or the public enemy; failures due to nonperformance or delay of performance by suppliers or contractors; any order, directive or other interference by municipal, state, federal or other governmental official or agency; any catastrophe resulting from the elements, flood, fire, explosion, or any other cause reasonably beyond the control of a party, but excluding strikes or other labor

1 disputes, lockouts, work stoppages or financial inability.

2 23. LICENSE AND CERTIFICATION. Permittee shall not permit any
3 person charged with the responsibility of operating any of its vessels providing
4 parasailing or charter cruises to do so unless and until that person is qualified and duly
5 licensed to operate and in compliance with the U.S. Coast Guard regulations, the vessel
6 or vessels to which that person is assigned. Permittee shall deliver to the Manager of the
7 Marine Bureau copies of such licenses for all vessel operators. Permittee's vessel
8 operators and crew and ticket sellers shall at all times be dressed in clean, well-kept
9 coordinated uniforms, except when performing required maintenance.

10 Permittee's vessels shall at all times be certified and licensed and inspected
11 by those governmental agencies having jurisdiction over Permittee's activities. Permittee
12 shall at all times comply with all United States Coast Guard regulations.

13 24. PARKING. Parking facilities at Shoreline Village shall not be used
14 by Permittee's patrons.

15 A. Parking/Traffic Management. Permittee and employees of
16 Permittee may be required to participate in a parking/traffic management program
17 which may designate parking areas for Permittee's employees.

18 25. STORAGE ON DOCKS. Storage of items on dock, except in dock
19 boxes/containers approved by City is prohibited.

20 26. ASSIGNMENT OR TRANSFER. Permittee shall not assign or
21 transfer this Permit nor shall any interest herein be assignable or transferable by
22 operation of law or by any process or proceedings of any court or otherwise. Any
23 attempted transfer or assignment shall be void and confer no rights whatsoever upon a
24 transferee or assignee.

25 Notwithstanding the foregoing, Permittee may grant subpermits, licenses or
26 concessions to others provided Permittee shall first obtain the written consent of the
27 Manager. The Manager shall not be required to give any consent to a proposed
28 subpermitting, licensing or grant of concession rights, unless and until Permittee has

1 submitted to the Manager such additional information regarding the identity of proposed
2 subpermittee, licensee or concessionaire and the terms and conditions of the proposed
3 transaction as may be required by the Manager to make a determination to grant or
4 withhold such consent. Further, the Manager shall have the right to impose such further
5 conditions in connection with the granting of consent as may be required to assure that
6 public health, safety, welfare and convenience will be best served by the proposed
7 subpermit, license or concession.

8 If Permittee shall be adjudicated a bankrupt or become insolvent or any
9 interest in this Permit be taken by virtue of attachment, execution, or receivership, the
10 City may terminate this Permit upon five (5) days written notice to Permittee.

11 27. HOLDING OVER. This Permit shall terminate without any further
12 notice as of the Permit expiration date set forth in paragraph three above. Any holding
13 over by Permittee after the Permit expiration date shall not constitute a renewal or
14 extension or give Permittee any rights in or to the Permit Area except as expressly
15 provided in this Permit. Any holding over after the Permit expiration date with the
16 consent of City shall be construed to be a tenancy from month to month, at fees equal to
17 the fees due for the last year of the Permit term, and shall otherwise be on the terms and
18 conditions herein specified.

19 28. INSPECTION. The City's authorized representatives shall have
20 access to and across the Permit Area during business hours and, in the event of an
21 emergency, at any other time for inspection, repair of publicly-owned utilities and
22 structures, and for fire and police purposes. The City, acting through the Marine Bureau
23 of the Department of Parks, Recreation and Marine, shall have the right, but not the
24 obligation, to board and inspect any such vessels to assure compliance by Permittee with
25 the provisions of this Permit. City shall coordinate inspections with Permittee.

26 29. GENERAL PROVISIONS.

27 A. Notices, Demands and Communication Between the Parties.

28 Written notices, demands, and communication between City and Permittee shall

1 be in writing and shall be sufficiently given if personally served or if mailed by
2 registered or certified mail, postage prepaid, return receipt requested addressed
3 as follows:

4 TO CITY: City Manager
5 13th Floor, City Hall
6 333 West Ocean Boulevard
7 Long Beach, California 90802

8 WITH A COPY TO: Director of Parks, Recreation & Marine
9 2760 Studebaker Road
10 Long Beach, California 90815-1697

11 TO PERMITTEE: BOAT RENTALS OF AMERICA, INC.
12 125 E. Baker St., Suite 266
13 Costa Mesa, California 92626

14 Either party may change its address by notifying the other party of the
15 change of address. Notice shall be deemed communicated within forty-eight (48)
16 hours from the time of mailing if mailed as provided in this paragraph.

17 B. Conflict of Interest. No member, official or employee of City
18 shall have any personal interest, direct or indirect, in this Permit, nor shall any
19 such member, official or employees participate in any decision relating to this
20 Permit which affects his personal interest or the interests of any corporation,
21 partnership or association in which he is, directly or indirectly, interested. No
22 member, official or employee of City shall be personally liable to Permittee, or any
23 successor in interest, in the event of any default or breach by City or for any
24 amount which may become due to Permittee or successor or on any obligations
25 under the terms of this Permit.

26 C. Defaults and Remedies.

27 1) Defaults - General. Failure by either party to perform
28 any term or provision of this Permit constitutes default under this Permit, if
not cured within thirty (30) days from the date of receipt of a written notice
from the other party specifying the claimed default provided that if such
default cannot reasonably be cured within such thirty (30) day period, the

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 party receiving such notice of default shall not be in default under this
2 Permit if such party commences the cure of such default within such thirty
3 (30) day period and thereafter diligently prosecutes the steps to cure such
4 default to completion.

5 2) Institution of Legal Actions. In addition to any other
6 rights or remedies, either party may institute legal action to cure, correct, or
7 remedy any default, to recover damages for any default, or to obtain any
8 other remedy consistent with the purpose of this Permit. Such legal actions
9 must be instituted in the South Branch of the Superior Court of the County
10 of Los Angeles, State of California, in an appropriate municipal court in that
11 county, or in the Federal District court in the Central District of California.
12 The prevailing party in any action commenced pursuant to this Permit shall
13 be entitled to recover reasonable costs, expenses and attorneys' fees.

14 3) Applicable Law. The laws of the State of California
15 shall govern the interpretation and enforcement of this Permit. Permittee
16 during its use and occupancy of the Permit Area shall at all times comply
17 with all laws, ordinances, rules, and regulations of and obtain permits from
18 all federal, state, and local governmental authorities having jurisdiction over
19 the Permit Area, Permittee's vessels and Permittee's activities thereon.

20 4) Service of Process. In the event any legal action is
21 commenced by Permittee against City, service of process on City shall be
22 made by personal service upon the City Clerk of the City, or in such other
23 manner as may be provided by law.

24 In the event that any legal action is commenced by City
25 against Permittee, service of process on Permittee shall be made as
26 provided by law and shall be valid whether made within or outside the State
27 of California.

28 5) Rights and Remedies Are Cumulative. Except as

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otherwise expressly stated in this Permit, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

6) Inaction Not a Waiver of Default. Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

7) Remedies. In the event of a default by Permittee, which is not cured by Permittee within the times specified in this Permit, City without further notice to Permittee, may declare this Permit and/or Permittee's right of possession at an end and may reenter the Permit Area by process of law, in which event, City shall have the right to recover from Permittee:

(a) The worth at the time of award of the unpaid fees which have been earned at the time of termination, plus interest;

(b) The worth at the time of award of the amount by which the unpaid fees which would have been earned after termination until the time of award exceeds the amount of such fee loss that Permittee proves could have been reasonably avoided, plus interest;

(c) The worth at the time of award of the amount by which the unpaid fees for the balance of the term after the time of award exceeds the amount of such fee loss for the same period the Permittee proves could be reasonably avoided, plus interest thereon;

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and

(d) The remedies of City as hereinabove provided are cumulative to the other provisions of this Permit.

D. Enforced Delay: Extension of Time of Performance. In addition to other provisions of this Permit, performance by either party hereunder, shall not be deemed to be in default where delays or defaults are unavoidable or performance is rendered impracticable, due to war; enemy action; insurrection; civil disturbance, strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or moratoria; failure or inability to secure materials or labor by reason of regulations or order of any governmental entity; litigation including eminent domain proceedings or related legal proceedings, acts or failure to act of the other party; acts or failure to act of any public or governmental agency or entity; and the time for such performance shall be extended for a period equal in length to such delay(s).

E. Partial Invalidity. If any term or provision of this Permit or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Permit, or the application of such term or provisions, to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Permit shall be valid and enforceable to the fullest extent permitted by law.

F. Right to Contest Laws. Permittee shall have the right after notice to City to contest or to permit its subpermittees to contest by appropriate legal proceedings, without costs or expense to City, the validity of any law, ordinance, order, rule, regulation or requirement to be complied with by Permittee under this Permit and to postpone compliance with the same except such laws as may be adopted by City, provided such contest shall be promptly and diligently

1 prosecuted at no expense to City so long as City shall not thereby suffer any civil
2 penalties, sanction or be subjected to any criminal penalties or sanctions, and
3 Permittee shall protect and save harmless City against any liability and claims for
4 any such noncompliance or postponement of compliance.

5 G. Entire Agreement, Waivers and Amendments. This Permit
6 constitutes the entire understanding and agreement of the parties. This Permit
7 integrates all the terms and conditions mentioned herein or incidental hereto, and
8 supersedes all negotiations between the parties with respect to all or any part of
9 the subject matter hereof.

10 H. Waivers. All waivers of the provisions of this Permit must be
11 in writing by the appropriate authorities of City or Permittee and all amendments
12 hereto must be in writing by the appropriate authorities of City and Permittee.

13 I. Successors in Interest. The provisions of this Permit shall be
14 binding upon and shall inure to the benefit of the heirs, executors, assigns and
15 successors in interest of the parties hereto.

16 J. Nondiscrimination. In connection with performance of this
17 Agreement and subject to applicable laws, rules and regulations, Consultant shall
18 not discriminate in rendering services hereunder on the basis of race, color,
19 religion, national origin, sex, sexual orientation, AIDS, HIV status, age, disability,
20 handicap or veteran status.

21 K. No Joint Venture or Partnership. Nothing in this agreement
22 shall be construed as creating either a partnership or joint venture between the
23 parties hereto.

24 L. Jointly Drafted. This agreement is jointly drafted by the
25 parties hereto and it is not to be construed against either party as the drafter.

26 M. Municipal Powers. Nothing contained herein shall be
27 construed as a limitation upon powers of City as a chartered city of the State of
28 California. This Permit is entered into by City in its proprietary capacity and

1 nothing contained herein shall relieve Permittee from complying with all
2 requirements, rules, regulations or ordinances of the City of Long Beach.

3 N. No Mineral Rights. This Permit creates no rights in Permittee
4 to minerals, or proceeds from mineral production, which may lie below the Permit
5 Area including but not limited to any unitized oil.

6 O. No Relocation Benefits. Permittee shall have no rights to
7 relocation benefits mandated by the laws of the State of California as to this Permit
8 Area.

9 P. Americans with Disabilities Act. Permittee shall have and be
10 allocated the sole responsibility to comply with the Americans with Disabilities Act
11 ("ADA") as may be applicable with respect to Permittee's operation and the
12 Permittee shall indemnify and hold City harmless from and against any claims of a
13 violation of the ADA.

14 30. TAXES. This Permit may create a possessory interest subject to
15 property taxation and Permittee may be liable for the payment of property taxes levied on
16 such possessory interest. Permittee shall pay or cause to be paid, prior to delinquency,
17 all taxes, assessments and other governmental and district charges that may be levied or
18 assessed for buildings, improvements or property located on the Permit Area and upon
19 possessory interests created by this Permit. Satisfactory evidence of such payments
20 shall be delivered by Permittee upon demand therefore.

21 31. COASTAL DEVELOPMENT PERMIT. Permittee acknowledges that
22 the California Coastal Commission requires that any permit issued for operation within
23 the Rainbow Harbor and Rainbow Marina area shall be subject to the terms and
24 conditions of Coastal Development Permit no. 5-96-124, and Coastal Development
25 Permit no. 5-98-161. The conditions of Coastal Development Permit no. 5-96-124, and
26 Coastal Development Permit no. 5-98-161 are incorporated herein and attached as
27 Exhibits B and C respectively:

28 Exhibit B - Coastal Development Permit no. 5-96-124

1 Exhibit C - Coastal Development Permit no. 5-98-161

2 32. FOURTH OF JULY. Permittee recognizes that it is the responsibility
3 of the City to maintain a safe and secure environment for the public at all times.
4 Annually, the Rainbow Harbor and Rainbow Marina area experiences exceptional visitor
5 and activity levels related to the 4th of July. To mitigate the impact to public safety and
6 security, the City may limit Rainbow Harbor and Rainbow Marina activity. Permittee
7 agrees to be bound by reasonable restrictions on its activities in or around the Permit
8 Area on such day or day(s) of 4th of July activities each year of the term of this Permit.
9 Such restrictions may include limitations on the hours businesses may operate including
10 those of Permittee in the Permit Area. Permittee waives any and all claim that it might
11 ever have against City as a result of any adverse impact on its operations or business as
12 a result of City restrictions.

13 33. SPECIAL EVENTS. Permittee recognizes that the area of the City in
14 which Permittee will operate pursuant to this Permit is annually impacted by Special
15 Events, including but not limited to the running of the Long Beach Grand Prix. Permittee
16 waives any and all claim that it might ever have against City or the operators of said
17 Special Events, including but not limited to the Grand Prix Sea Festival events and boat
18 shows as a result of any adverse impact on its operations or business as a result of said
19 Special Events.

20 34. EMPLOYMENT COOPERATION. Permittee acknowledges that the
21 Queensway Bay Project, including Permittee's operations under this Permit, is subject to
22 the hiring requirements set forth in 24 C.F.R. Section 570.209. Such requirements
23 mandate that the Queensway Bay Project create 1,143 new jobs for low- or moderate-
24 income persons (as defined in 24 C.F.R. Section 570.3) (hereinafter 'low-income hires').
25 Accordingly, Permittee agrees that it shall use good faith efforts to create such low
26 income hires, and shall report to the City of Long Beach, on an annual basis, the name,
27 position, date of hire and income level for all low-income hires for its operations under
28 this Permit. Permittee further agrees that all permits, subpermits, concession

1 agreements and licenses entered into by Permittee regarding any portion of the permit
2 area shall require that all subpermittees, concessionaires and licensees comply with such
3 requirements. In furtherance of these requirements, Permittee agrees that it will
4 reasonably cooperate with the City of Long Beach, through its Training and Employment
5 Development Officer and staff with recruitment, screening and tracking. In implementing
6 such efforts, the City of Long Beach, through its Training and Development Officer and
7 staff, will provide to Permittee and all Queensway Bay permittees, subpermittees,
8 concessionaires and licensees, staff assistance, at no cost, to pre-screen and qualify all
9 potential job applicants. Such services include assisting with community outreach to
10 recruit qualified job applicants and conducting pre-screening sessions to determine the
11 most qualified applicants for jobs. All qualification and hiring decisions will be made by
12 Permittee or its subpermittees, concessionaires or licensees. As part of its
13 implementation program, the City of Long Beach will also provide for up to 240 hours of
14 on-the-job training if the employee is determined to need such training and he/she meets
15 Federal Job Training Partnership Act (JTPA) program eligibility. The City of Long Beach
16 Training and Employment Development Officer is responsible for providing the staff
17 necessary for pre-employment assistance.

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1 The requirements set forth in this Section shall terminate upon the City's written
2 verification that 1,143 low-income hires have been created for the Queensway Bay
3 Project.

4
5 BOAT RENTALS OF AMERICA, INC., a
California corporation

6 4-7-, 2008
7 4-7-, 2008

8 By: R. Radkin PRES.
9 By: J. M. Lockrad CFO
"PERMITTEE"

10 CITY OF LONG BEACH, a municipal
corporation

11 Jan 9, 2008

12 By: [Signature] Assistant City Manager
13 City Manager

**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.**

14 Approved as to form, this 22 day of May, 2008.

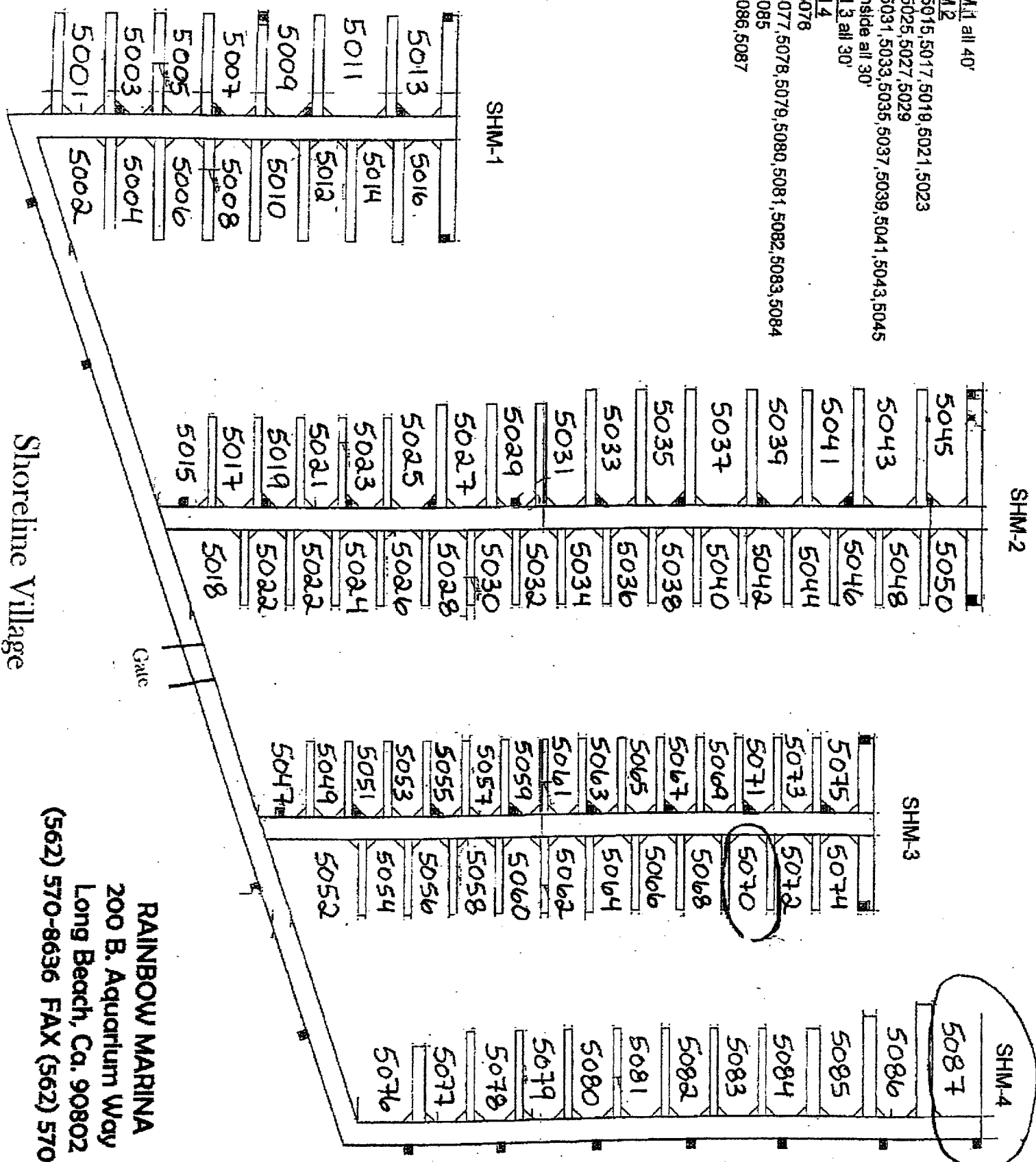
15 ROBERT E. SHANNON, City Attorney

16 By: [Signature]
17 Deputy

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OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

EXHIBIT A

SHM-1 all 40'
 SHM-2
 35'-5015, 5017, 5018, 5021, 5023
 40'-5025, 5027, 5029
 45'-5031, 5033, 5035, 5037, 5039, 5041, 5043, 5045
 Everside all 30'
 SHM-3 all 30'
 SHM-4
 30' 5078
 35' 5077, 5078, 5079, 5080, 5081, 5082, 5083, 5084
 40' 5085
 45' 5086, 5087



Shoreline Village

Gate

RAINBOW MARINA
 200 B. Aquarium Way
 Long Beach, Ca. 90802
 (562) 570-8636 FAX (562) 570-8640

Yard House

EXHIBIT

B

CALIFORNIA COASTAL COMMISSION

SOUTH COAST AREA
 245 W. BROADWAY, STE. 380
 P.O. BOX 1450
 LONG BEACH, CA 90802-4416
 (310) 590-5071

Page 1 of 8
 Date: 13 November 1996
 Permit No. 5-96-124

COASTAL DEVELOPMENT PERMIT

On 12 September 1996, the California Coastal Commission granted to City of Long Beach this permit subject to the attached Standard and Special conditions, for development consisting of

Construct a downtown commercial harbor in Shoreline Park and Lagoon, reconstruct and improve Shoreline Park, demolish the Golden Shore public boat launch in order to create a 6.4 acre habitat mitigation area, transport approximately 109,000 cubic yards of excavated sand to 8th Place Beach area for beach replenishment, [and dispose of approximately 325,000 cubic yards of dredged materials at the LA-2 offshore disposal site (see Consistency Certification No. CC-98-96)].

more specifically described in the application file in the Commission offices.

The development is within the coastal zone in Los Angeles County at 200 W. Shoreline Drive (Shoreline Park), 199 S. Golden Shore (Golden Shore boat launch), and public beach between 1st Place and 15th Place (beach replenishment), City of Long Beach.

Issued on behalf of the California Coastal Commission by

PETER DOUGLAS
 Executive Director

By: 

Title: Coastal Program Analyst

ACKNOWLEDGMENT

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code Section 818.4 which states in pertinent part, that: "A public entity is not liable for injury caused by the issuance. . . of any permit. . ." applies to the issuance of this permit.

IMPORTANT: THIS PERMIT IS NOT VALID UNLESS AND UNTIL A COPY OF THE PERMIT WITH THE SIGNED ACKNOWLEDGEMENT HAS BEEN RETURNED TO THE COMMISSION OFFICE. 14 Cal. Admin. Code Section 13158(a).

 Date

 Signature of Permittee

COASTAL DEVELOPMENT PERMIT

Page 2 of 8
Permit No. 5-96-124

STANDARD CONDITIONS:

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. Expiration. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. Inspections. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS:

1. Regional Bicycle Route

Pursuant to the July 11, 1996 letter signed by Robert Paternoster, Director of the Queensway Bay Project, and addressed to Charles Posner, Coastal Program Analyst, the Commission's Long Beach office:

- a) During the construction phase of the proposed project, the City shall provide and maintain a temporary bicycle route connecting the existing Los Angeles River bicycle path to the existing beach bicycle path. The temporary bicycle route shall maintain regional bicycle circulation through the Downtown Shoreline area by generally following the route described in the July 11, 1996 letter.

COASTAL DEVELOPMENT PERMIT

Page 3 of 8
Permit No. 5-96-124

- b) Prior to the closing or demolition of any portion of the existing regional bicycle route, a replacement bicycle route shall be constructed and opened in order to maintain the connection between the Los Angeles River bicycle path and the beach bicycle path.
- c) Prior to the removal of the temporary bicycle route, the City shall construct, open and maintain the proposed permanent regional bicycle route which connects the Los Angeles River bicycle path to the beach bicycle path as shown on Exhibit #11 of this report.

2. Public Restrooms

The City shall provide public restroom facilities in Riverfront Park. Either temporary or permanent restroom facilities shall be available for public use when Riverfront Park officially opens, and thereafter. The City shall install permanent restroom facilities in Riverfront Park within one year of the official opening of the park to the public, or within such additional time as may be granted by the Executive Director for good cause. The permanent restroom facilities will require a Coastal Development Permit or a permit amendment approved by the Commission.

3. Parking Meters

Any parking meters installed on public parking spaces in Riverfront Park shall allow ninety minutes of parking when the maximum amount of coins are deposited. In addition, the users of such public parking spaces shall be permitted to use the metered parking spaces for at least four hours (if the required amount of coins are added) before being required to vacate the parking space.

4. Public Access

The City shall provide and maintain unobstructed public access to and along the Pine Avenue Pier, the Queensway Bay Harbor esplanade, and the plaza areas in front of and adjacent to the aquarium structure free of charge for the life of the development approved herein. Public access to the Pine Avenue Pier may only be interrupted for special events with a duration of six hours or less, or by special events permitted by a subsequent Coastal Development Permit. Public access may also be interrupted subject to those temporary safety limitations necessitated by unsafe conditions resulting from waves, extreme weather or required maintenance activities.

5. Public Boat Docks

The City shall provide and maintain a minimum of 200 linear feet of docking area within the Queensway Bay Harbor which shall be reserved for short-term public docking which shall be available for free or at rates comparable to automobile parking. Short-term shall be defined as any term between one hour and six hours. This public docking area shall not be leased or reserved by any individual, business or organization. Additional short-term and/or long-term public docking areas over and

COASTAL DEVELOPMENT PERMIT

Page 4 of 8
Permit No. 5-96-124

above this minimum requirement may be provided. All public docking areas shall be identified with signage which clearly communicates the availability and limitations of the public docking facilities.

6. Future Uses and Improvements

This approval is limited to the uses and development specifically described in the project description and related findings contained in Coastal Development Permit 5-96-124. Any additional development, including intensification of use such as the lease of docks areas, esplanade areas, park areas, or the commercial use of docks by party boats or cruise ships, will require an amendment to the permit or a new Coastal Development Permit.

7. Leases to Private Operators

The lease of any area subject to the terms and conditions of Coastal Development Permit 5-96-124 to private operators shall explicitly incorporate the terms and conditions of Coastal Development Permit 5-96-124. In addition, such leases shall incorporate provisions for use, public access and public recreation consistent with all terms and conditions contained herein.

8. Chemical Management Plan

Prior to the issuance of the Coastal Development Permit, the City shall submit a Chemical Management Plan for the review and approval of the Executive Director. The purpose of the Chemical Management Plan shall be to address how the City will construct and operate the Queensway Bay Harbor in a manner that protects water quality from pollutants, typically associated with commercial harbors, such as boat cleaning chemicals, pesticides, fuels and oil. The Chemical Management Plan shall identify the equipment and structures that will be installed at the harbor to assist users in preventing any discharge of pollutants into the harbor. The Chemical Management Plan shall be in compliance with the standards and regulations of the California Regional Water Quality Control Board, the United States Environmental Protection Agency (EPA), and all other applicable local, state and federal regulations. The Executive Director will approve the Chemical Management Plan if it contains the following minimum elements:

- a. Harbor users shall be prohibited from discharging pollutants, including pesticides, varnishes, paints, sewage, cleaners, fuel, etc. into the harbor.
- b. The City will install the equipment necessary to prevent or reduce any discharge of pollutants into the harbor, including the equipment for the proper disposal of pollutants in compliance with all local, state and federal regulations.

The approved Chemical Management Plan shall be prominently posted near all docks and shall be explicitly incorporated into all leases to private

COASTAL DEVELOPMENT PERMIT

Page 5 of 8
Permit No. 5-96-124

operators within the harbor. The Queensway Bay Harbor shall be constructed and operated consistent with the plan approved by the Executive Director. Should the City need to revise the plan, the proposed revisions shall be submitted to the Executive Director in order to determine if the proposed changes shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.

9. Public Boat Launch

Within two years of the demolition of the Golden Shore public boat launch, the City shall construct and open to the public a new boat launch of not less than two launching lanes and 60 parking spaces for autos with boat trailers within the Queensway Bay area.

10. Golden Shore Public Parking

The City shall retain a minimum of thirteen (13) existing public metered parking spaces in the existing public parking lot located near the entrance of the recreational vehicle park and the Golden Shore public boat launch (See Exhibit #15).

11. Habitat Mitigation Project

- a) The City shall construct, monitor and maintain the proposed habitat mitigation project consistent with the standards contained in the "Planting Plan, August 1996" and the "Monitoring Plan, August 1996" prepared for Moffatt & Nichol Engineers by Wetlands Research Associates, Inc.
- b) The implementation of the grading and planting plans (Exhibit #15) for the proposed habitat mitigation project shall commence prior to or simultaneous with the commencement of the proposed dredging of Shoreline Lagoon. Once the grading has commenced for the habitat mitigation project, the construction and planting of the habitat mitigation site shall proceed continuously until it is completed in conformance with the approved plan.
- c) The five-year monitoring period proposed by the "Monitoring Plan, August 1996," prepared for Moffatt & Nichol Engineers by Wetlands Research Associates, Inc., shall commence upon completion of the first planting of the project site. The City shall notify the Executive Director upon completion of the first planting of the project site.
- d) Upon completion of the first year of the monitoring period, and annually thereafter, the City shall submit to the Executive Director a report which documents the implementation of the planting and monitoring plans and which documents the status of the habitat mitigation project in relation to the performance standards contained in those plans.

COASTAL DEVELOPMENT PERMIT

Page 6 of 8
Permit No. 5-96-124

- e) Any additional work or modifications to the habitat mitigation project which are necessary to meet the performance standards contained in the planting and monitoring plans shall be submitted to the Executive Director. Any change in the approved habitat mitigation project shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.
- f) The City shall be responsible for the ongoing maintenance of the habitat mitigation project and site. The required maintenance shall include regular cleaning and trash pick-up.

12. Siltation Control

Prior to the issuance of the Coastal Development Permit, the City shall submit, for the review and approval of the Executive Director, an erosion control and siltation prevention plan which controls erosion from the upland portions of the construction sites, and prevents silt from the upland portions of the construction sites from entering coastal waters during the construction of the proposed harbor and habitat mitigation project. The plan shall conform to the standards of the California Regional Water Quality Control Board and the U.S. Army Corps of Engineers. The approved plan shall be implemented during construction of the proposed project.

13. Turbidity Control

The City shall minimize negative impacts on the marine environment by using silt curtains, sand bags, or other forms of barriers during construction of the proposed harbor and habitat mitigation project to confine turbid water to the immediate areas of all dredging, excavation and deposition.

14. Suitability of Materials for Beach Replenishment

Prior to the issuance of the Coastal Development Permit, the City shall submit a written agreement, subject to the review and approval of the Executive Director, to provide a qualified expert at the sand source site to inspect and monitor all material proposed to be deposited at the approved deposition site. The inspector shall determine the geotechnical suitability of all such material using the sediment compatibility criteria contained in the Dredged Material and Sand Testing Program - Queensway Bay Downtown Harbor Facilities, City of Long Beach, by Kinnetic Laboratories, Inc. & ToxScan, Inc., June 19, 1996. Only material deemed "compatible" by the qualified expert pursuant to the criteria contained in the above-stated document may be deposited at the approved deposition site. All contracts involving the subject project shall include the above stated condition of approval.

COASTAL DEVELOPMENT PERMIT

Page 7 of 8
Permit No. 5-96-124

15. Beach and Recreational Facility Closures

During the proposed beach replenishment project, all beach areas and recreation facilities shall remain open and available for public use during the normal operating hours on weekends. On weekdays, beach area closures shall be minimized and limited to areas immediately involved in transportation and deposition. On all days, except for the portions of the beach where transportation and deposition is occurring, all beach areas and recreation facilities shall remain open and available for public use during the normal operating hours. On all days, the beach bicycle path shall remain open and available for public use during the normal operating hours.

16. Timing of Beach Replenishment Project

In order to reduce impacts on the grunion and the California least tern during the grunion breeding runs and the least terns' nesting and foraging season, no beach replenishment shall occur during the period commencing March 15 and ending September 1. However, limited beach replenishment activities may occur between March 15 and May 16 if the City submits, for the review and approval of the Executive Director, a mitigation program approved by the California Department of Fish and Game which insures that no adverse impacts will occur during grunion breeding or to least tern foraging areas.

17. Conformance with the Requirements of the Resource Agencies

The City shall comply with all permit requirements and mitigation measures of the California Department of Fish and Game, Regional Water Quality Control Board, U.S. Army Corps of Engineers, and the U.S. Fish and Wildlife Service with respect to preservation and protection of water quality and marine environment. Any change in the approved project which are required by the above-stated agencies shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.

18. Foundation Design

Prior to the issuance of the Coastal Development Permit, the City shall submit for review and approval by the Executive Director, final plans for the proposed harbor and habitat mitigation site which have been reviewed and approved for structural soundness and safety by a qualified engineer. The submitted plans must be in substantial conformance with the plans approved by the Commission and must contain the foundation design recommendations contained in the Geotechnical Investigation Report for Queensway Bay Downtown Harbor by Advanced Earth Sciences, Inc., June 28, 1996. Any changes in the design of the proposed project which was approved by the Commission which may be required by the engineer shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations. The proposed harbor and habitat mitigation site shall be constructed in a manner consistent with the final approved plans.

COASTAL DEVELOPMENT PERMIT

Page 8 of 8
Permit No. 5-96-124

19. Assumption of Risk

By acceptance of this Coastal Development Permit, the City agrees that: (a) the site may be subject to extraordinary hazard from storms, waves and erosion; and (b) the City hereby waives any future claims of liability against the Commission or its successors in interest for damage from such hazards.

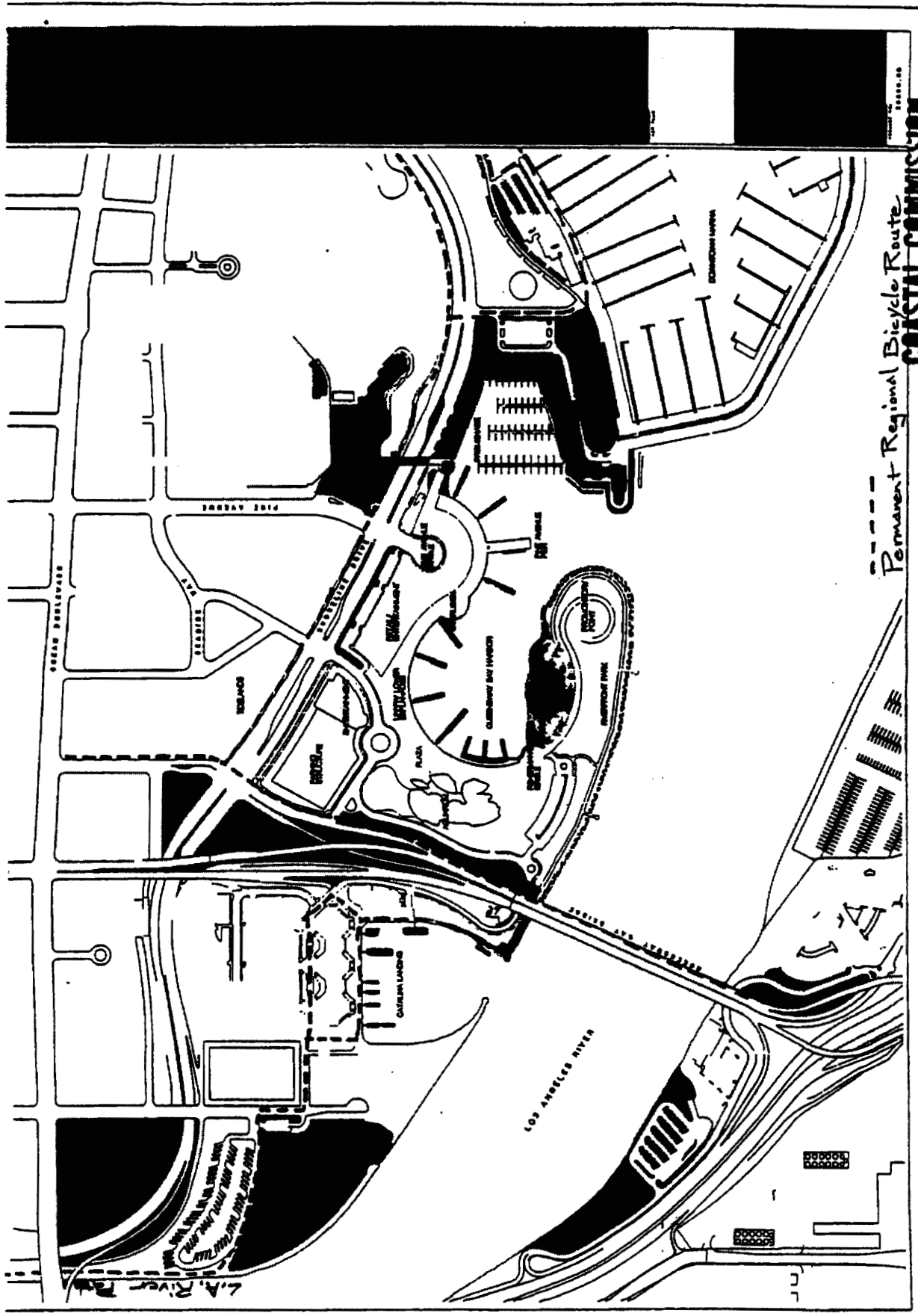
20. City Acceptance of Conditions

Prior to the issuance of the Coastal Development Permit, the City Council shall adopt and submit a resolution, subject to the review and approval of the Executive Director, agreeing to abide by all terms and conditions of Coastal Development Permit 5-96-124. The City and its representatives shall abide by all terms and conditions of Coastal Development Permit 5-96-124.

CP:b11

Attach Exhibit Nos. 11 & 15

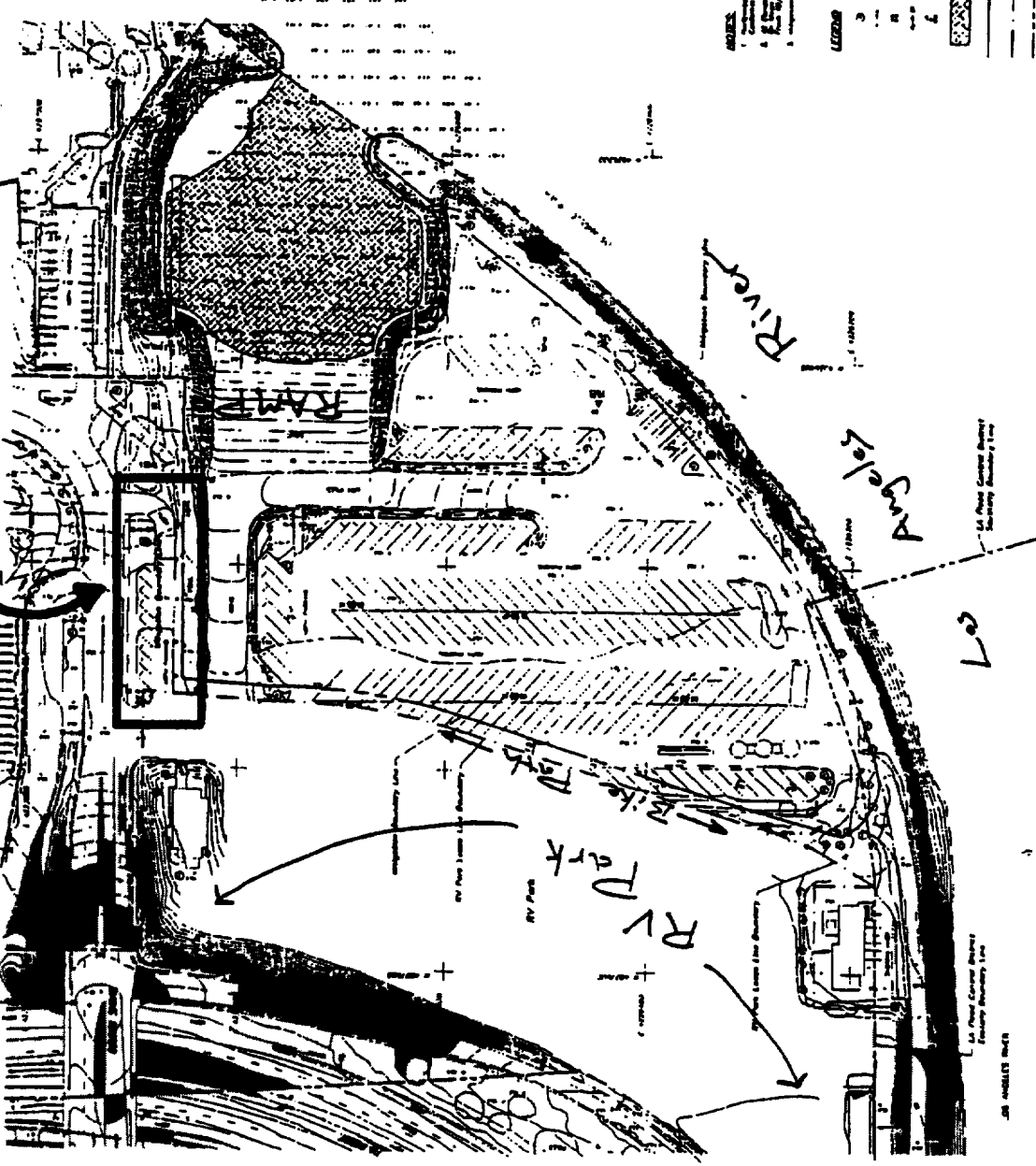
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Permanent Regional Bicycle Route
COASTAL COMMISSION

----- Final Regional Bicycle Route

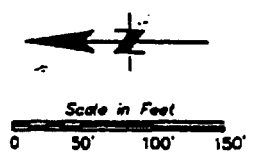
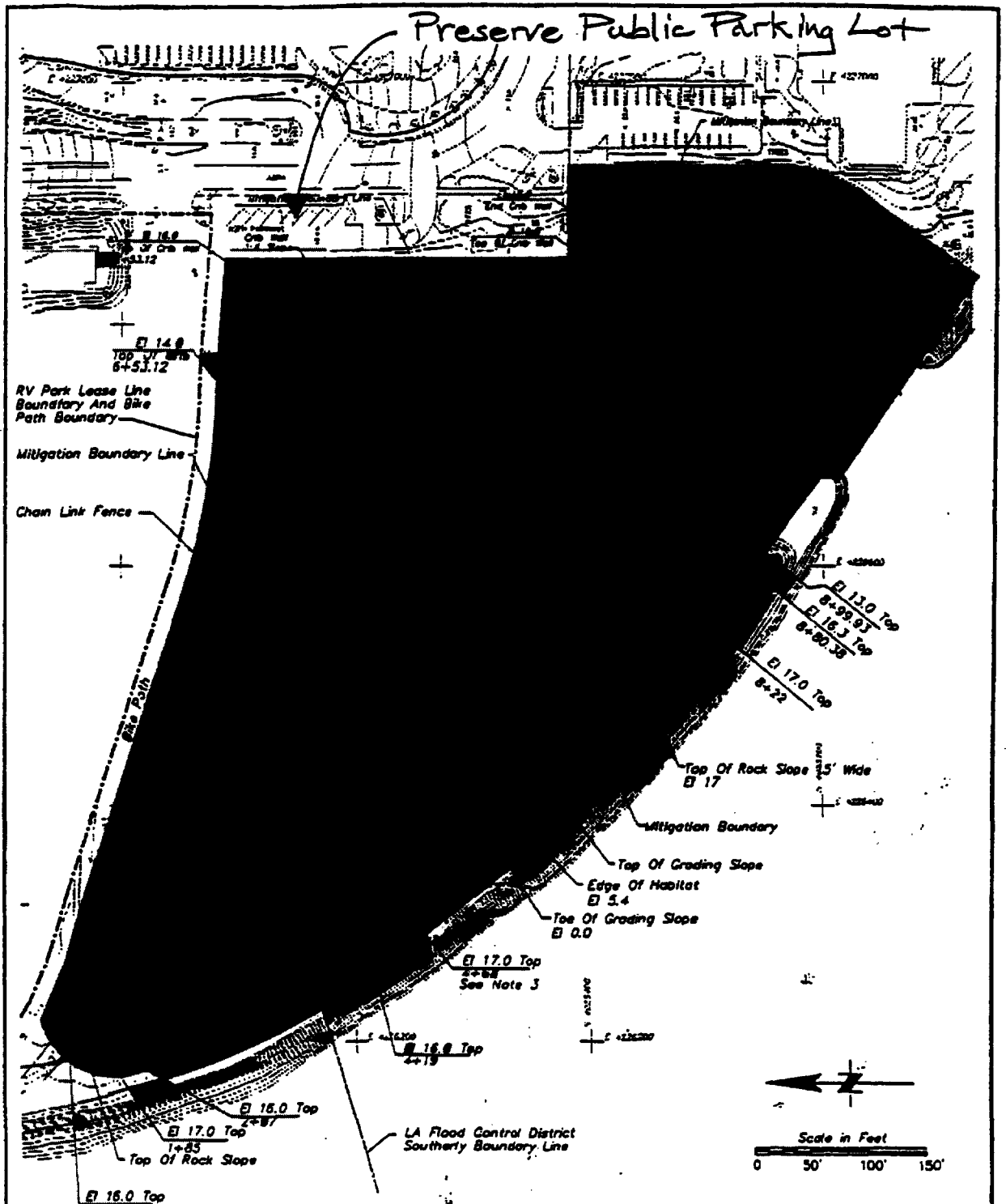
Public Parking Lot



- LEGEND**
- 1. Public Parking Lot (Hatched)
 - 2. RV Park (Dotted)
 - 3. Boat Launch (Cross-hatched)
 - 4. Building Footprint (Solid)
 - 5. Site Boundary (Dashed)
 - 6. Right-of-Way Line (Dotted)

Golden Shore Boat Launch
 Existing

COASTAL COMMISSION



COASTAL COMMISSION

LEGEND


-  Wetland Water Inundation At El. 0.0 MLLW
- Datum MLLW = 0.0

EXHIBIT # 15
 PAGE 2 OF 3

FIGURE 1. PLAN VIEW OF PROPOSED GRADING PLAN FOR QUEENSWAY BAY MITIGATION SITE, LONG BEACH, CALIFORNIA

13241000-0

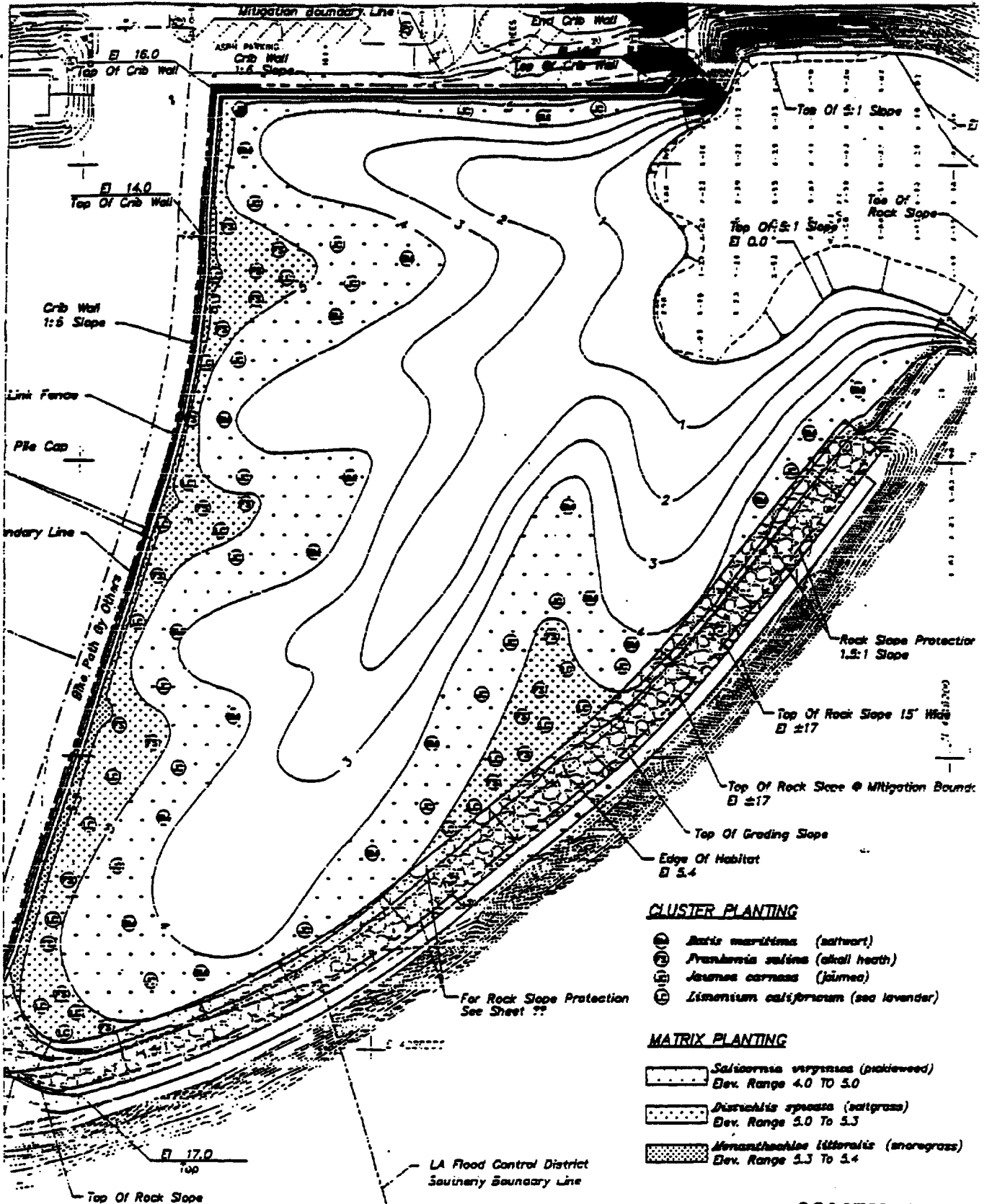


Figure 8: MITIGATION PLANTING PLAN

COASTAL COMMISSION

RESOLUTION NO. C- 26100

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH ACCEPTING ALL TERMS AND CONDITIONS OF CALIFORNIA COASTAL COMMISSION COASTAL DEVELOPMENT PERMIT 5-96-124 ISSUED IN CONNECTION WITH THE QUEENSWAY BAY PROJECT

WHEREAS, on September 12, 1996, the California Coastal Commission granted to the City of Long Beach a Coastal Development Permit to: construct a downtown commercial harbor in Shoreline Park and Lagoon; to reconstruct and improve Shoreline Park; to demolish the Golden Shore public boat launch in order to create a 6.4 acre habitat mitigation area; to transport approximately 109,000 cubic yards of excavated sand to the 8th Place Beach area for beach replenishment; and to dispose of approximately 325,000 cubic yards of dredged materials at the LA-2 offshore disposal site; and

WHEREAS, the aforementioned Coastal Development Permit is subject to certain standard and special conditions for development, which conditions are fully set forth in the Notice of Intent to Issue Permit, a copy of which is attached hereto and incorporated herein by this reference; and

WHEREAS, it is the City's intent to abide by all terms and conditions of Coastal Development Permit 5-96-124;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. That the City agrees to accept all terms and conditions of Coastal Development Permit 5-96-124.

John R. Cathoun
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4864
(310) 570-2200

CALIFORNIA COASTAL COMMISSION

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

**AMENDMENT TO COASTAL DEVELOPMENT PERMIT****5-96-124-A2****page 1 of 2****August 20, 1997**

Permit Number **5-96-124** issued to **City of Long Beach** for:

construct a downtown commercial harbor (Rainbow Harbor) in Shoreline Park and Lagoon, reconstruct and improve Shoreline Park, demolish the Golden Shore public boat launch to create a 6.4 acre habitat mitigation area.

at: 200 W. Shoreline Drive, (Shoreline Park & Rainbow Harbor), City of Long Beach, Los Angeles County has been amended to include the following change: amend previously approved Rainbow Harbor and Shoreline Park project to include minor revisions to the previously approved plans and construction of two public restrooms, concession building, three tensile structures, lighthouse, water feature, informational signs, and light standards.

This amendment will become effective upon return of a signed copy of this form to the Commission office. Please note that the original permit condition unaffected by this amendment are still effect.

PETER M. DOUGLAS
Executive Director

By: 
Charles Posner
Title: Coastal Program Analyst

ACKNOWLEDGMENT

I have read and understand the above permit and agree to be bound by the conditions as amended of Coastal Development Permit 5-96-124.

Date: _____

Signature _____

AMENDMENT TO COASTAL DEVELOPMENT PERMIT

5-96-124-A2

Page: 2

SPECIAL CONDITIONS:

No new special conditions are added to the permit by this amendment. However, the original special conditions of Coastal Development Permit 5-96-124 remain in full force and effect.

CP:

96-124-A2

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CALIFORNIA COASTAL COMMISSION

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

**IMMATERIAL AMENDMENT
TO COASTAL DEVELOPMENT PERMIT**

November 13, 1998

Permit Number **5-96-124** issued to **City of Long Beach** for:

Construction of a downtown commercial harbor (Rainbow Harbor) in Shoreline Park and Lagoon, reconstruct and improve Shoreline Park, and demolish the Golden Shore public boat launch in order to create a 6.4 acre habitat mitigation area.

at: 200 W. Shoreline Drive (Shoreline Park & Rainbow Harbor), Long Beach, Los Angeles County has been amended to include the following change: Grant the City a one-year time extension to comply with special condition nine of coastal development permit 5-96-124.

This amendment was determined by the Executive Director to be immaterial, was duly noticed, and no objections were received. Please note that the original permit condition unaffected by this amendment are still effect.

PETER M. DOUGLAS
Executive Director


By: Charles Posner
Title: Coastal Program Analyst

ACKNOWLEDGMENT

I have read and understand the above permit and agree to be bound by the conditions as amended of Coastal Development Permit 5-96-124.

Date: _____

Signature _____

CALIFORNIA COASTAL COMMISSION

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



5-96-124-A4

AMENDMENT TO COASTAL DEVELOPMENT PERMIT

DATE January 19, 2000

Permit No: 5-96-124

issued to: City Of Long Beach, Attn: City Manager James C. Hankla

for: **One-year time extension to comply with special condition nine of Coastal Development Permit 5-96-124.**at: **200 W. Shoreline Drive And 199 So. Golden Shore, Long Beach (Los Angeles County)**

has been amended to include the following changes:

One-year time extension (until January 2001) for City compliance with special condition nine of Coastal Development Permit 5-96-124 requiring the construction of a new public boat launch ramp (located on the South Shore of Queensway Bay).

This amendment was determined by the Executive Director to be immaterial, was duly noticed, and no objections were received or the Commission concurred with the Executive Director's determination of immateriality (Sec. 13166 (b)(2)).

This amendment will become effective upon return of a signed copy of this form to the South Coast Area office. Please note that the original permit conditions are still in effect.

Sincerely,
PETER M. DOUGLAS
Executive Director

A handwritten signature in black ink, appearing to read "Chuck Posner", written over a horizontal line.

By: CHUCK POSNER
Coastal Program Analyst

ACKNOWLEDGMENT

I have read and understand the above amendment and agree to be bound by the remaining conditions of Permit No: 5-96-124.

Date: _____

Signature _____

STATE OF CALIFORNIA - THE RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, Governor

CALIFORNIA COASTAL COMMISSION

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

RECEIVED
South Coast Region



DEC 8 - 2004

**AMENDMENT TO COASTAL DEVELOPMENT PERMIT
5-96-124-A5**

December 3, 2004
Page 1 of 1

Permit Number **5-96-124** issued to **City of Long Beach** for:

Construct a downtown commercial harbor (Rainbow Harbor) in Shoreline Park and Lagoon, reconstruct and improve Shoreline Park, and demolish the Golden Shore public boat launch to create a 6.4-acre habitat mitigation area.

At: **100 Aquarium Way, Downtown Shoreline, City of Long Beach, Los Angeles County,** has been amended to include the following change:

Install new signage and refurbish an existing water fountain on the Rainbow Harbor Esplanade in order to create the "Rio de la Vida/River of Life" interpretive exhibit. Includes the installation of three new fountain nozzles and a one thousand square foot ceramic mural on the existing fountain walls, placement of granite boulders within the existing fountain area, attachment of two 8'x 1.5' graphic panels to the existing security railing, and erection of two ten-foot high freestanding interpretive signs (2.75'x 5') next to the fountain.

This amendment will become effective upon return of a signed copy of this form to the Commission office. Please note that this permit amendment does not affect the special conditions of Coastal Development Permit 5-96-124 as previously amended, and all previously imposed special conditions still apply to the approved development. No new special conditions are being imposed by this permit amendment.

PETER M. DOUGLAS
Executive Director

By: Charles R. Posner
Title: Coastal Program Analyst

ACKNOWLEDGMENT

I have read and understand the above amendment and agree to be bound by the remaining conditions of Permit No: 5-96-124.

Date: 12/4/04

Signature Barbara Long

EXHIBIT

C

CALIFORNIA COASTAL COMMISSION

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

Page: 1 of 4
Date: July 22, 1998
Permit No: 5-98-161



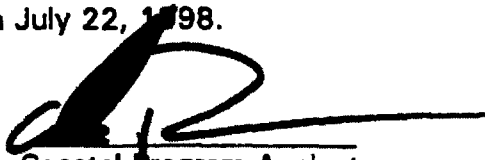
COASTAL DEVELOPMENT PERMIT

On 10 June 1998, the California Coastal Commission granted to City of Long Beach Coastal Development Permit 5-98-161, subject to the attached Standard and Special Conditions, for development consisting of: establishment of on-the-water commercial concessions to be provided by approximately forty vessels operating out of Rainbow Harbor. More specifically described in the application file in the Commission offices.

The development is within the coastal zone in Los Angeles County at Rainbow Harbor, Downtown Shoreline, City of Long Beach.

Issued on behalf of the California Coastal Commission on July 22, 1998.

PETER DOUGLAS
Executive Director

By: 
Title: Coastal Program Analyst

ACKNOWLEDGMENT

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code Section 818.4 which states in pertinent part, that: "A public entity is not liable for injury caused by the issuance . . . of any permit . . ." applies to the issuance of this permit.

IMPORTANT: THIS PERMIT IS NOT VALID UNLESS AND UNTIL A COPY OF THE PERMIT WITH THE SIGNED ACKNOWLEDGMENT HAS BEEN RETURNED TO THE COMMISSION OFFICE. 14 CAL. ADMIN. CODE SECTION 13158(a).

Date

Signature of Permittee

Please sign and return one copy of this form to the Commission office at the above address.

COASTAL DEVELOPMENT PERMIT

No. 5-98-161

Page 2 of 4

STANDARD CONDITIONS

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Compliance.** All development must occur in strict compliance with the proposal set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. **Inspections.** The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS:

1. **Public Boat Docks**

Prior to the issuance of the Coastal Development Permit, the City shall submit a plan which identifies at least 200 linear feet of docking area within Rainbow Harbor which is reserved for short-term public docking as required by Coastal Development Permit 5-96-124. The public docking area shall not be leased or reserved by any individual, business or organization. The vessels which provide the commercial uses permitted by this permit (Coastal

COASTAL DEVELOPMENT PERMIT

No. 5-98-161

Page 3 of 4

Development Permit 5-98-161) shall not be permitted to use the public docking areas. All public docking areas shall be identified with signage which clearly communicates the availability, cost and time limits of the public docking facilities.

2. Public Parking

All parking spaces within the Shoreline Park parking lot shall be reserved for the use of the general public and shall be available for use on a first-come, first-served basis. There shall be no reserved parking spaces or exclusive use of the parking spaces within the Shoreline Park public parking lot by any person or group other than the general public (handicapped spaces excluded).

3. Temporary Trailer

A 440 square foot trailer may be placed in the Shoreline Park public parking lot on a temporary basis for the administration of fishing and diving boat expeditions operating at Pierpoint Landing in Rainbow Harbor. The trailer must be removed from the Downtown Shoreline area prior to September 15, 1998. The Executive Director may grant an extension to the September 15, 1998 deadline for good cause.

4. Shoreline Park and Rainbow Esplanade

The commercial uses and associated activities permitted by this permit (Coastal Development Permit 5-98-161) shall not interfere with public use or access to Shoreline Park and the Rainbow Esplanade. The park and esplanade areas shall be kept free of any barriers which could impede public access through the area, or impede public use of the area.

5. Leases to Private Operators

The lease of any dock area in Rainbow Harbor to private operators shall explicitly incorporate the terms and conditions of Coastal Development Permits 5-96-124 and 5-98-161. Such leases shall incorporate provisions for use, public access and public recreation consistent with all terms and conditions contained in Coastal Development Permits 5-96-124 and 5-98-161.

6. Assumption of Risk

By acceptance of this Coastal Development Permit, the City agrees that:
(a) the site may be subject to extraordinary hazard from storms, waves, floods, and earthquake induced liquefaction; and (b) the City hereby waives

COASTAL DEVELOPMENT PERMIT

No. 5-98-161

Page 4 of 4

any future claims of liability against the Commission its successors in interest for damage from such hazards.

CP:bl

98161per.doc.

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CALIFORNIA COASTAL COMMISSION

SOUTH COAST AREA
 245 W. BROADWAY, STE. 380
 P.O. BOX 1450
 LONG BEACH, CA 90802-4416
 (310) 590-5071

Page 1 of 8
 Date: 13 November 1996
 Permit No. 5-96-124

**COASTAL DEVELOPMENT PERMIT**

On 12 September 1996, the California Coastal Commission granted to City of Long Beach this permit subject to the attached Standard and Special conditions, for development consisting of

Construct a downtown commercial harbor in Shoreline Park and Lagoon, reconstruct and improve Shoreline Park, demolish the Golden Shore public boat launch in order to create a 6.4 acre habitat mitigation area, transport approximately 109,000 cubic yards of excavated sand to 8th Place Beach area for beach replenishment, [and dispose of approximately 325,000 cubic yards of dredged materials at the LA-2 offshore disposal site (see Consistency Certification No. CC-98-96)].

more specifically described in the application file in the Commission offices.

The development is within the coastal zone in Los Angeles County at 200 W. Shoreline Drive (Shoreline Park), 199 S. Golden Shore (Golden Shore boat launch), and public beach between 1st Place and 15th Place (beach replenishment), City of Long Beach.

Issued on behalf of the California Coastal Commission by

PETER DOUGLAS
 Executive Director

By: 

Title: Coastal Program Analyst

ACKNOWLEDGMENT

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code Section 818.4 which states in pertinent part, that: "A public entity is not liable for injury caused by the issuance. . . of any permit. . ." applies to the issuance of this permit.

IMPORTANT: THIS PERMIT IS NOT VALID UNLESS AND UNTIL A COPY OF THE PERMIT WITH THE SIGNED ACKNOWLEDGEMENT HAS BEEN RETURNED TO THE COMMISSION OFFICE. 14 Cal. Admin. Code Section 13158(a).

 Date

 Signature of Permittee

COASTAL DEVELOPMENT PERMIT

Page 2 of 8
Permit No. 5-96-124

STANDARD CONDITIONS:

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. Expiration. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. Inspections. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS:

1. Regional Bicycle Route

Pursuant to the July 11, 1996 letter signed by Robert Paternoster, Director of the Queensway Bay Project, and addressed to Charles Posner, Coastal Program Analyst, the Commission's Long Beach office:

- a) During the construction phase of the proposed project, the City shall provide and maintain a temporary bicycle route connecting the existing Los Angeles River bicycle path to the existing beach bicycle path. The temporary bicycle route shall maintain regional bicycle circulation through the Downtown Shoreline area by generally following the route described in the July 11, 1996 letter.

COASTAL DEVELOPMENT PERMIT

Page 3 of 8
Permit No. 5-96-124

- b) Prior to the closing or demolition of any portion of the existing regional bicycle route, a replacement bicycle route shall be constructed and opened in order to maintain the connection between the Los Angeles River bicycle path and the beach bicycle path.
- c) Prior to the removal of the temporary bicycle route, the City shall construct, open and maintain the proposed permanent regional bicycle route which connects the Los Angeles River bicycle path to the beach bicycle path as shown on Exhibit #11 of this report.

2. Public Restrooms

The City shall provide public restroom facilities in Riverfront Park. Either temporary or permanent restroom facilities shall be available for public use when Riverfront Park officially opens, and thereafter. The City shall install permanent restroom facilities in Riverfront Park within one year of the official opening the park to the public, or within such additional time as may be granted by the Executive Director for good cause. The permanent restroom facilities will require a Coastal Development Permit or a permit amendment approved by the Commission.

3. Parking Meters

Any parking meters installed on public parking spaces in Riverfront Park shall allow ninety minutes of parking when the maximum amount of coins are deposited. In addition, the users of such public parking spaces shall be permitted to use the metered parking spaces for at least four hours (if the required amount of coins are added) before being required to vacate the parking space.

4. Public Access

The City shall provide and maintain unobstructed public access to and along the Pine Avenue Pier, the Queensway Bay Harbor esplanade, and the plaza areas in front of and adjacent to the aquarium structure free of charge for the life of the development approved herein. Public access to the Pine Avenue Pier may only be interrupted for special events with a duration of six hours or less, or by special events permitted by a subsequent Coastal Development Permit. Public access may also be interrupted subject to those temporary safety limitations necessitated by unsafe conditions resulting from waves, extreme weather or required maintenance activities.

5. Public Boat Docks

The City shall provide and maintain a minimum of 200 linear feet of docking area within the Queensway Bay Harbor which shall be reserved for short-term public docking which shall be available for free or at rates comparable to automobile parking. Short-term shall be defined as any term between one hour and six hours. This public docking area shall not be leased or reserved by any individual, business or organization. Additional short-term and/or long-term public docking areas over and

COASTAL DEVELOPMENT PERMIT

Page 4 of 8
Permit No. 5-96-124

above this minimum requirement may be provided. All public docking areas shall be identified with signage which clearly communicates the availability and limitations of the public docking facilities.

6. Future Uses and Improvements

This approval is limited to the uses and development specifically described in the project description and related findings contained in Coastal Development Permit 5-96-124. Any additional development, including intensification of use such as the lease of docks areas, esplanade areas, park areas, or the commercial use of docks by party boats or cruise ships, will require an amendment to the permit or a new Coastal Development Permit.

7. Leases to Private Operators

The lease of any area subject to the terms and conditions of Coastal Development Permit 5-96-124 to private operators shall explicitly incorporate the terms and conditions of Coastal Development Permit 5-96-124. In addition, such leases shall incorporate provisions for use, public access and public recreation consistent with all terms and conditions contained herein.

8. Chemical Management Plan

Prior to the issuance of the Coastal Development Permit, the City shall submit a Chemical Management Plan for the review and approval of the Executive Director. The purpose of the Chemical Management Plan shall be to address how the City will construct and operate the Queensway Bay Harbor in a manner that protects water quality from pollutants, typically associated with commercial harbors, such as boat cleaning chemicals, pesticides, fuels and oil. The Chemical Management Plan shall identify the equipment and structures that will be installed at the harbor to assist users in preventing any discharge of pollutants into the harbor. The Chemical Management Plan shall be in compliance with the standards and regulations of the California Regional Water Quality Control Board, the United States Environmental Protection Agency (EPA), and all other applicable local, state and federal regulations. The Executive Director will approve the Chemical Management Plan if it contains the following minimum elements:

- a. Harbor users shall be prohibited from discharging pollutants, including pesticides, varnishes, paints, sewage, cleaners, fuel, etc. into the harbor.
- b. The City will install the equipment necessary to prevent or reduce any discharge of pollutants into the harbor, including the equipment for the proper disposal of pollutants in compliance with all local, state and federal regulations.

The approved Chemical Management Plan shall be prominently posted near all docks and shall be explicitly incorporated into all leases to private

COASTAL DEVELOPMENT PERMIT

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Permit No. 5-96-124

operators within the harbor. The Queensway Bay Harbor shall be constructed and operated consistent with the plan approved by the Executive Director. Should the City need to revise the plan, the proposed revisions shall be submitted to the Executive Director in order to determine if the proposed changes shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.

9. Public Boat Launch

Within two years of the demolition of the Golden Shore public boat launch, the City shall construct and open to the public a new boat launch of not less than two launching lanes and 60 parking spaces for autos with boat trailers within the Queensway Bay area.

10. Golden Shore Public Parking

The City shall retain a minimum of thirteen (13) existing public metered parking spaces in the existing public parking lot located near the entrance of the recreational vehicle park and the Golden Shore public boat launch (See Exhibit #15).

11. Habitat Mitigation Project

- a) The City shall construct, monitor and maintain the proposed habitat mitigation project consistent with the standards contained in the "Planting Plan, August 1996" and the "Monitoring Plan, August 1996" prepared for Moffatt & Nichol Engineers by Wetlands Research Associates, Inc.
- b) The implementation of the grading and planting plans (Exhibit #15) for the proposed habitat mitigation project shall commence prior to or simultaneous with the commencement of the proposed dredging of Shoreline Lagoon. Once the grading has commenced for the habitat mitigation project, the construction and planting of the habitat mitigation site shall proceed continuously until it is completed in conformance with the approved plan.
- c) The five-year monitoring period proposed by the "Monitoring Plan, August 1996," prepared for Moffatt & Nichol Engineers by Wetlands Research Associates, Inc., shall commence upon completion of the first planting of the project site. The City shall notify the Executive Director upon completion of the first planting of the project site.
- d) Upon completion of the first year of the monitoring period, and annually thereafter, the City shall submit to the Executive Director a report which documents the implementation of the planting and monitoring plans and which documents the status of the habitat mitigation project in relation to the performance standards contained in those plans.

COASTAL DEVELOPMENT PERMIT

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- e) Any additional work or modifications to the habitat mitigation project which are necessary to meet the performance standards contained in the planting and monitoring plans shall be submitted to the Executive Director. Any change in the approved habitat mitigation project shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.
- f) The City shall be responsible for the ongoing maintenance of the habitat mitigation project and site. The required maintenance shall include regular cleaning and trash pick-up.

12. Siltation Control

Prior to the issuance of the Coastal Development Permit, the City shall submit, for the review and approval of the Executive Director, an erosion control and siltation prevention plan which controls erosion from the upland portions of the construction sites, and prevents silt from the upland portions of the construction sites from entering coastal waters during the construction of the proposed harbor and habitat mitigation project. The plan shall conform to the standards of the California Regional Water Quality Control Board and the U.S. Army Corps of Engineers. The approved plan shall be implemented during construction of the proposed project.

13. Turbidity Control

The City shall minimize negative impacts on the marine environment by using silt curtains, sand bags, or other forms of barriers during construction of the proposed harbor and habitat mitigation project to confine turbid water to the immediate areas of all dredging, excavation and deposition.

14. Suitability of Materials for Beach Replenishment

Prior to the issuance of the Coastal Development Permit, the City shall submit a written agreement, subject to the review and approval of the Executive Director, to provide a qualified expert at the sand source site to inspect and monitor all material proposed to be deposited at the approved deposition site. The inspector shall determine the geotechnical suitability of all such material using the sediment compatibility criteria contained in the Dredged Material and Sand Testing Program - Queensway Bay Downtown Harbor Facilities, City of Long Beach, by Kinnetic Laboratories, Inc. & ToxScan, Inc., June 19, 1996. Only material deemed "compatible" by the qualified expert pursuant to the criteria contained in the above-stated document may be deposited at the approved deposition site. All contracts involving the subject project shall include the above stated condition of approval.

COASTAL DEVELOPMENT PERMIT

Page 7 of 8
Permit No. 5-96-124

15. **Beach and Recreational Facility Closures**

During the proposed beach replenishment project, all beach areas and recreation facilities shall remain open and available for public use during the normal operating hours on weekends. On weekdays, beach area closures shall be minimized and limited to areas immediately involved in transportation and deposition. On all days, except for the portions of the beach where transportation and deposition is occurring, all beach areas and recreation facilities shall remain open and available for public use during the normal operating hours. On all days, the beach bicycle path shall remain open and available for public use during the normal operating hours.

16. **Timing of Beach Replenishment Project**

In order to reduce impacts on the grunion and the California least tern during the grunion breeding runs and the least terns' nesting and foraging season, no beach replenishment shall occur during the period commencing March 15 and ending September 1. However, limited beach replenishment activities may occur between March 15 and May 16 if the City submits, for the review and approval of the Executive Director, a mitigation program approved by the California Department of Fish and Game which insures that no adverse impacts will occur during grunion breeding or to least tern foraging areas.

17. **Conformance with the Requirements of the Resource Agencies**

The City shall comply with all permit requirements and mitigation measures of the California Department of Fish and Game, Regional Water Quality Control Board, U.S. Army Corps of Engineers, and the U.S. Fish and Wildlife Service with respect to preservation and protection of water quality and marine environment. Any change in the approved project which are required by the above-stated agencies shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.

18. **Foundation Design**

Prior to the issuance of the Coastal Development Permit, the City shall submit for review and approval by the Executive Director, final plans for the proposed harbor and habitat mitigation site which have been reviewed and approved for structural soundness and safety by a qualified engineer. The submitted plans must be in substantial conformance with the plans approved by the Commission and must contain the foundation design recommendations contained in the Geotechnical Investigation Report for Queensway Bay Downtown Harbor by Advanced Earth Sciences, Inc., June 28, 1996. Any changes in the design of the proposed project which was approved by the Commission which may be required by the engineer shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations. The proposed harbor and habitat mitigation site shall be constructed in a manner consistent with the final approved plans.

COASTAL DEVELOPMENT PERMIT

Page 8 of 8
Permit No. 5-96-124

19. Assumption of Risk

By acceptance of this Coastal Development Permit, the City agrees that:
(a) the site may be subject to extraordinary hazard from storms, waves and erosion; and (b) the City hereby waives any future claims of liability against the Commission or its successors in interest for damage from such hazards.

20. City Acceptance of Conditions

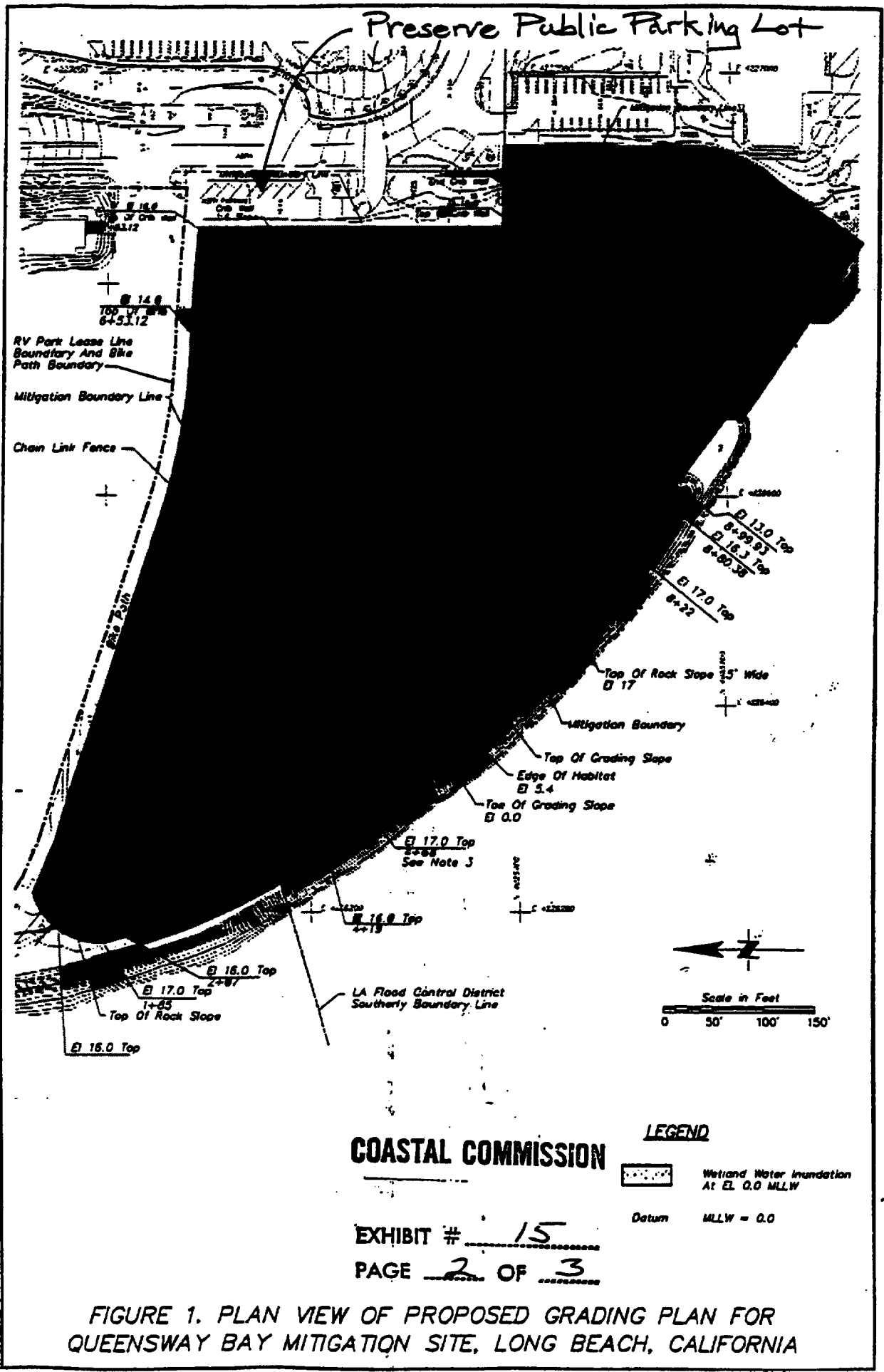
Prior to the issuance of the Coastal Development Permit, the City Council shall adopt and submit a resolution, subject to the review and approval of the Executive Director, agreeing to abide by all terms and conditions of Coastal Development Permit 5-96-124. The City and its representatives shall abide by all terms and conditions of Coastal Development Permit 5-96-124.

CP:b11

Attach Exhibit Nos. 11 & 15

7727F

Preserve Public Parking Lot



COASTAL COMMISSION

LEGEND


-  Wetland Water Inundation At El. 0.0 MLLW
- Datum MLLW = 0.0

EXHIBIT # 15
PAGE 2 OF 3

FIGURE 1. PLAN VIEW OF PROPOSED GRADING PLAN FOR QUEENSWAY BAY MITIGATION SITE, LONG BEACH, CALIFORNIA

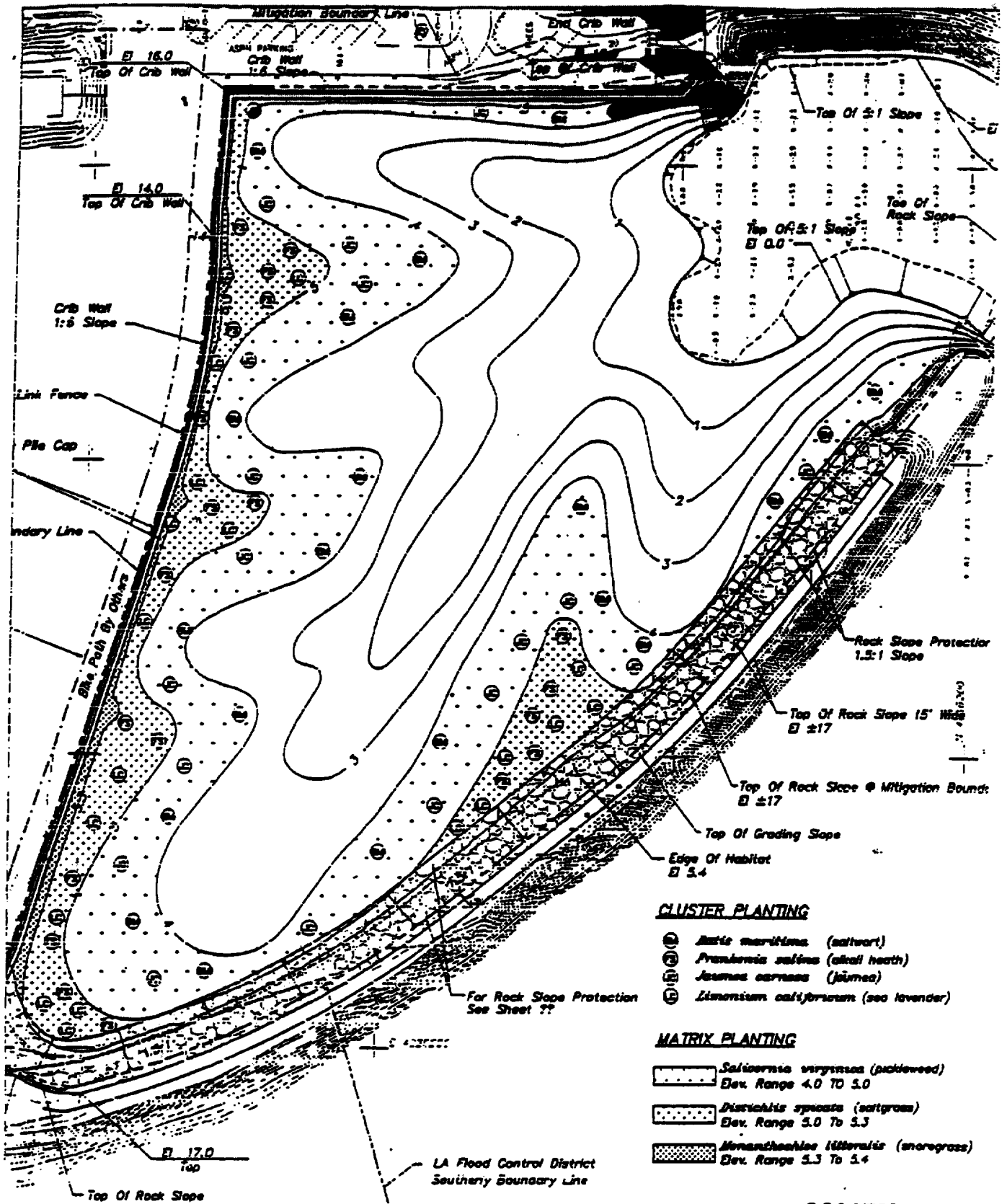


Figure 8: MITIGATION PLANTING PLAN

COASTAL COMMISSION

EXHIBIT # 15

PAGE 3 OF 3

RESOLUTION NO. C- 26100

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH ACCEPTING ALL TERMS AND CONDITIONS OF CALIFORNIA COASTAL COMMISSION COASTAL DEVELOPMENT PERMIT 5-96-124 ISSUED IN CONNECTION WITH THE QUEENSWAY BAY PROJECT

WHEREAS, on September 12, 1996, the California Coastal Commission granted to the City of Long Beach a Coastal Development Permit to: construct a downtown commercial harbor in Shoreline Park and Lagoon; to reconstruct and improve Shoreline Park; to demolish the Golden Shore public boat launch in order to create a 6.4 acre habitat mitigation area; to transport approximately 109,000 cubic yards of excavated sand to the 8th Place Beach area for beach replenishment; and to dispose of approximately 325,000 cubic yards of dredged materials at the LA-2 offshore disposal site; and

WHEREAS, the aforementioned Coastal Development Permit is subject to certain standard and special conditions for development, which conditions are fully set forth in the Notice of Intent to Issue Permit, a copy of which is attached hereto and incorporated herein by this reference; and

WHEREAS, it is the City's intent to abide by all terms and conditions of Coastal Development Permit 5-96-124;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. That the City agrees to accept all terms and conditions of Coastal Development Permit 5-96-124.

John A. Callahan
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4884
(310) 570-2200

John R. Cathoun
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
(310) 570-2200

1 Sec. 2. That the City Manager is hereby authorized and
2 directed to execute an acknowledgment and acceptance of the ter.
3 and conditions contained in California Coastal Development Permit
4 No. 5-96-124.

5 Sec. 3. This resolution shall take effect immediately
6 upon its adoption by the City Council, and the City Clerk shall
7 certify to the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted
9 by the City Council of the City of Long Beach at its meeting of
10 October 8 _____, 1996, by the following vote:

11	Ayes:	Councilmembers:	<u>Oropeza, Lowenthal, Drummond,</u>
12			<u>Roosevelt, Topsy-Elvord,</u>
13			<u>Donelon, Kellogg, Shultz.</u>
14	Noes:	Councilmembers:	<u>None.</u>
15			<u>_____</u>
16	Absent:	Councilmembers:	<u>Robbins.</u>
17			<u>_____</u>

18
19 Shelba Powell
20 City Clerk

21
22
23
24
25
26
27 MJM:vmh
28 10/2/96
s:\mais\cc-reso\Queens.per

CALIFORNIA COASTAL COMMISSION

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



AMENDMENT TO COASTAL DEVELOPMENT PERMIT

5-96-124-A2

page 1 of 2

August 20, 1997

Permit Number 5-96-124 issued to City of Long Beach for:

construct a downtown commercial harbor (Rainbow Harbor) in Shoreline Park and Lagoon, reconstruct and improve Shoreline Park, demolish the Golden Shore public boat launch to create a 6.4 acre habitat mitigation area.

at: 200 W. Shoreline Drive, (Shoreline Park & Rainbow Harbor), City of Long Beach, Los Angeles County has been amended to include the following change: amend previously approved Rainbow Harbor and Shoreline Park project to include minor revisions to the previously approved plans and construction of two public restrooms, concession building, three tensile structures, lighthouse, water feature, informational signs, and light standards.

This amendment will become effective upon return of a signed copy of this form to the Commission office. Please note that the original permit condition unaffected by this amendment are still effect.

PETER M. DOUGLAS
Executive Director

By: 
Title: Coastal Program Analyst

ACKNOWLEDGMENT

I have read and understand the above permit and agree to be bound by the conditions as amended of Coastal Development Permit 5-96-124.

Date: _____

Signature _____

AMENDMENT TO COASTAL DEVELOPMENT PERMIT

5-96-124-A2

Page: 2

SPECIAL CONDITIONS:

No new special conditions are added to the permit by this amendment. However, the original special conditions of Coastal Development Permit 5-96-124 remain in full force and effect.

CP:

96-124-A2

CALIFORNIA COASTAL COMMISSION

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

Page: 1 of 4
Date: July 22, 1998
Permit No: 5-98-161



COASTAL DEVELOPMENT PERMIT

On 10 June 1998, the California Coastal Commission granted to City of Long Beach Coastal Development Permit 5-98-161, subject to the attached Standard and Special Conditions, for development consisting of: establishment of on-the-water commercial concessions to be provided by approximately forty vessels operating out of Rainbow Harbor. More specifically described in the application file in the Commission offices.

The development is within the coastal zone in Los Angeles County at Rainbow Harbor, Downtown Shoreline, City of Long Beach.

Issued on behalf of the California Coastal Commission on July 22, 1998.

PETER DOUGLAS
Executive Director

By: 
Title: Coastal Program Analyst

ACKNOWLEDGMENT

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code Section 818.4 which states in pertinent part, that: "A public entity is not liable for injury caused by the issuance . . . of any permit . . ." applies to the issuance of this permit.

IMPORTANT: THIS PERMIT IS NOT VALID UNLESS AND UNTIL A COPY OF THE PERMIT WITH THE SIGNED ACKNOWLEDGMENT HAS BEEN RETURNED TO THE COMMISSION OFFICE. 14 CAL. ADMIN. CODE SECTION 13158(a).

Date

Signature of Permittee

Please sign and return one copy of this form to the Commission office at the above address.

COASTAL DEVELOPMENT PERMIT

No. 5-98-161

Page 2 of 4

STANDARD CONDITIONS

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Compliance.** All development must occur in strict compliance with the proposal set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. **Inspections.** The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS:

1. **Public Boat Docks**

Prior to the issuance of the Coastal Development Permit, the City shall submit a plan which identifies at least 200 linear feet of docking area within Rainbow Harbor which is reserved for short-term public docking as required by Coastal Development Permit 5-96-124. The public docking area shall not be leased or reserved by any individual, business or organization. The vessels which provide the commercial uses permitted by this permit (Coastal

COASTAL DEVELOPMENT PERMIT

No. 5-98-161

Page 3 of 4

Development Permit 5-98-161) shall not be permitted to use the public docking areas. All public docking areas shall be identified with signage which clearly communicates the availability, cost and time limits of the public docking facilities.

2. Public Parking

All parking spaces within the Shoreline Park parking lot shall be reserved for the use of the general public and shall be available for use on a first-come, first-served basis. There shall be no reserved parking spaces or exclusive use of the parking spaces within the Shoreline Park public parking lot by any person or group other than the general public (handicapped spaces excluded).

3. Temporary Trailer

A 440 square foot trailer may be placed in the Shoreline Park public parking lot on a temporary basis for the administration of fishing and diving boat expeditions operating at Pierpoint Landing in Rainbow Harbor. The trailer must be removed from the Downtown Shoreline area prior to September 15, 1998. The Executive Director may grant an extension to the September 15, 1998 deadline for good cause.

4. Shoreline Park and Rainbow Esplanade

The commercial uses and associated activities permitted by this permit (Coastal Development Permit 5-98-161) shall not interfere with public use or access to Shoreline Park and the Rainbow Esplanade. The park and esplanade areas shall be kept free of any barriers which could impede public access through the area, or impede public use of the area.

5. Leases to Private Operators

The lease of any dock area in Rainbow Harbor to private operators shall explicitly incorporate the terms and conditions of Coastal Development Permits 5-96-124 and 5-98-161. Such leases shall incorporate provisions for use, public access and public recreation consistent with all terms and conditions contained in Coastal Development Permits 5-96-124 and 5-98-161.

6. Assumption of Risk

By acceptance of this Coastal Development Permit, the City agrees that:
(a) the site may be subject to extraordinary hazard from storms, waves, floods, and earthquake induced liquefaction; and (b) the City hereby waives

COASTAL DEVELOPMENT PERMIT

No. 5-98-161

Page 4 of 4

any future claims of liability against the Commission its successors in interest for damage from such hazards.

CP:bl

98161per.doc.

c:\msoffice\winword\template\permit.dot Printed on July 22, 1998