



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



May 7, 2013

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HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

RECOMMENDATION:

Authorize the City Manager to execute a permit with HappyCross Ministry, dba WishCruise Navy, for the use of the fixed eastern side of the Pine Avenue Pier in Rainbow Harbor, to conduct make-a-wish cruises, maritime and nautical education cruises, juvenile correction program charters, and pirate-themed cruises for a term of ten years, with two, five-year renewal options at the discretion of the City Manager or his designee. (District 2)

DISCUSSION

Rainbow Harbor contains 12 docks for commercial operations. Since Rainbow Harbor was constructed, the City of Long Beach (City) has managed a diverse and desirable mix of on-water commercial operations, including sports fishing and diving, harbor cruises, whale-watching tours, tallship educational charters, small vessel rentals, and a Mississippi River-style paddle boat used for charters and show tours. The operational mix in Rainbow Harbor has been very successful given the diversity of the vessels and operations.

HappyCross Ministry, dba WishCruise Navy (WishCruise), has approached the City with a proposal that is different from anything currently in Rainbow Harbor. WishCruise is seeking to rent available space on the Pine Avenue Pier (Attachment), and utilize a 65-foot pirate-themed vessel to operate make-a-wish cruises, maritime and nautical education cruises, juvenile correction program charters, and pirate-themed cruises. The proposal has been discussed with the operators in the area, who agree that WishCruise would add an interesting vessel to the diverse mix in Rainbow Harbor, and provide a commercial operation that is complementary to the other operations in Rainbow Harbor.

The proposed non-transferable permit contains the following major provisions:

- Term: Ten Years, commencing October 1, 2013 through September 30, 2023.
- Renewal Options: Two, five-year renewal options at the discretion of the City Manager or his designee.
- Premises: Fixed eastern side of the Pine Avenue Pier in Rainbow Harbor, or other dock space as assigned by the City.

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HONORABLE MAYOR AND CITY COUNCIL

May 7, 2013

Page 2

- Authorized Use: Operation of make-a-wish cruises, maritime and nautical education cruises, juvenile correction program charters, and pirate-themed cruises.
- Permit Fee: City Council-adopted dock fee of \$16.30 per month/per foot of dock space assigned, estimated at \$15,000, or dock fees as adopted by the City Council during the length of the permit, plus eight percent of gross revenue generated from all operations in Long Beach, or an annual minimum percentage rent of \$20,000, whichever is greater.
- Insurance: WishCruise shall provide insurance coverage as defined by the City's Risk Manager.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on March 27, 2013 and by Budget Management Officer Victoria Bell on April 5, 2013.

TIMING CONSIDERATIONS

City Council action is requested on May 7, 2013, in order to enable the execution of the permit and allow WishCruise to begin promoting the business.

FISCAL IMPACT

Minimum annual revenue in the amount of approximately \$35,000 will accrue to the Rainbow Harbor Fund (TF 411) in the Department of Parks, Recreation and Marine (PR). The recommended action will result in a positive impact on jobs, although the exact number is unknown at this time.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



GEORGE CHAPJIAN
DIRECTOR OF PARKS, RECREATION AND MARINE

GC:MS:erh
Attachment

APPROVED:



PATRICK H. WEST
CITY MANAGER

HAPPY CROSS MINISTRY DBA, WISHCRUISE NAVY

Proposed location: Rainbow Harbor
Pine Avenue Pier

