



Legislation Text

File #: 08-0527, **Version:** 1

Recommendation to authorize City Manager to execute a permit with Marina Sailing Charters, Inc., to use and occupy portions of the docks, slips, and end ties at Rainbow Harbor for the purpose of operating a sailboat charter service for a three-year term, with one two-year renewal option, at the discretion of the City Manager or his designee. (District 2)

Marina Sailing Charters, Inc., (Marina Sailing) has been operating in Southern California since 1962. They currently operate out of six locations, including the Channel Islands, Marina Del Rey, Redondo Beach, Newport Beach, San Diego, and Long Beach. At this time, Marina Sailing is requesting a permit to operate a sailboat charter service out of Rainbow Harbor (Exhibit A).

Marina Sailing has been operating a sailing club out of Rainbow Marina since 1981, and provides a low-cost alternative to boat ownership. Members have access to daily sailing activities, including beginning, intermediate, and advance sailing lessons; a full-service sailing club; racing; cruising; group day-sails; sunset sails; and charters.

Instructors are United States Coast Guard licensed skippers and certified by the American Sailing Association. The 22-vessel fleet ranges in size from a 25' yacht to a 46' yacht. Half-day rentals cost between \$87 and \$380, depending on the size of the yacht and its amenities. Marina Sailing operates seven days per week, year-round, except on Thanksgiving Day, Christmas Day, and New Year's Day. This service will enhance the services already provided at Rainbow Harbor.

The following are major provisions of the proposed permit:

- Premises: Commercial dock space, as assigned by the Marine Bureau.
- Authorized Use: Operation of a sailboat charter service.
- Term: Three years, through March 31, 2011.
- Renewal Options: One two-year renewal option, at the discretion of the City Manager or his designee.
- Permit Fee: Six percent of annual gross receipts for the first and second year, and seven percent of annual gross receipts for the third year, with an annual minimum amount of \$5,000.
- Dock Fee: \$14.50 per lineal foot occupied or reserved by the operator, or other fee subsequently adopted by the City Council.
- Insurance: Marina Sailing Charters, Inc., shall provide insurance coverage as defined by the City's Risk Management Office.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on May 16, 2008, and Budget Management Officer Victoria Bell on May 21, 2008.

City Council action is requested on June 10, 2008, to enable the execution of the permit.

Annual revenue in the amount of \$5,000 will accrue to the Tidelands Fund (TF) in the Department of Parks, Recreation and Marine (PR).

Approve recommendation.

Phil T. Hester
Director of Parks, Recreation and Marine

NAME
TITLE

APPROVED:

PATRICK H. WEST
CITY MANAGER