



C-10

CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



2760 N. Studebaker Road, Long Beach, CA 90815-1697
(562) 570-3100 • FAX (562) 570-3109
www.LBParks.org

selected
best in the nation

October 23, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a permit with Star Party Cruises, Inc., dba Star Party Cruises, for the use of Berth 2 in Alamitos Bay to store vessels during the off-season from January 1 through November 30, and for the use of Berth 3 in Alamitos Bay to conduct holiday cruises from December 1 through December 31, for a term of five years. (District 3)

DISCUSSION

Since 1986, Star Party Cruises, Inc. (Star Party), has been operating party cruises and holiday cruises in Alamitos Bay from Berth 3. Recently, Long Beach Transit requested the use of Berth 3 for the AquaLink service out of downtown Long Beach. BANCAP Investment Group, Inc., the master lessee for the Alamitos Bay Landing, supports this request, and has recommended that the City of Long Beach (City) move Star Party to Berth 2. Because the Department of Parks, Recreation and Marine recognized that Berth 2 is not suitable for a commercial operation and would require approximately \$75,000 in repairs to make this dock suitable for an active commercial operation, a shared use proposal was presented to all parties involved.

In discussions with Star Party and Long Beach Transit, it was agreed that Star Party would move to Berth 2 from January 1 through November 30 for each year of the term, and would not operate cruises or any other commercial activity during this time. This will allow Long Beach Transit to operate AquaLink's downtown service out of Berth 3 during this same period and provide them the ability to dock when not operating. In return for occupying this non-functional dock, Star Party will receive discounted dock rent during this period of time. From December 1 through December 31 of each year of the term, Star Party will relocate to Berth 3 and operate its holiday cruises, and AquaLink will relocate to another dock as assigned by the City. Berths 2 and 3 and their relation to Alamitos Bay Landing are illustrated (Attachment).

The proposed permit contains the following major provisions:

- Term: Five Years, May 1, 2012 through April 30, 2017.

- Premises: Berth 2 in Alamitos Bay from January 1 to November 30 for each year of the term, and Berth 3 in Alamitos Bay from December 1 through December 31 for each year of the term.
- Authorized Use: Operation of holiday cruises during the period of December 1 through December 31 for each year of the term.
- Permit Fee: Star Party shall continue to pay dock rent at a discounted rate of \$1,130 per month from January through November, and \$1,630 in dock rent for the month of December. All marina slip fee increases shall be applied to the permit fee for this permit.
- Insurance: Star Party shall provide insurance coverage as defined by the City's Risk Manager.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on September 27, 2012, and Budget Management Officer Victoria Bell on September 28, 2012.

TIMING CONSIDERATIONS

City Council action is requested on October 23, 2012, in order to enable the execution of the permit.

FISCAL IMPACT

Annual revenue in the amount of \$14,060 will accrue to the Marina Fund (TF 403) in the Department of Parks, Recreation and Marine (PR). The recommended action will result in a positive impact on seasonal 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

STAR PARTY, INC.
PROPOSED LOCATION
ALAMITOS BAY MARINA
LONG BEACH, CA

