

Department of Parks, Recreation and Marine Marine Bureau, Marinas and Beaches

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May 12, 2022

COMMISSIONERS
MARINE ADVISORY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Recommendation to endorse the submission to execute any and all documents necessary for a Fourth Amendment to Lease No. 27959 with The Gondola Getaway, Inc., to extend the Lease for one year, through April 30, 2023, to allow for continued operation of the Lessee's gondola concession while a new agreement process is conducted. (District 3)

DISCUSSION

On May 14, 2002, the City Council approved Lease No. 27959 with The Gondola Getaway, Inc. (Lessee), a California corporation, for the operation of a gondola concession at the Leeway Sailing Center dock, 5437 E. Ocean Boulevard (Leased Premises) (Attachment A). The Lessee has operated this unique business in Alamitos Bay since 1982, offering Venetian gondola cruises through the canals of Naples Island. Following the initial 10-year term of the Lease, two five-year options to extend were executed, and the Lease expired on April 30, 2022.

The Lessee has requested to enter into a new agreement and is currently negotiating with staff the major terms and conditions of this new agreement. To allow the Lessee to continue to operate while negotiations continue, a Fourth Amendment to the Lease is required to memorialize the extension. All other terms and conditions would remain the same.

The Fourth Amendment to the Lease contains the following major terms and conditions:

- <u>Lessor</u>: City of Long Beach, a municipal corporation.
- <u>Lessee</u>: The Gondola Getaway, Inc., a California corporation.
- <u>Amended Term</u>: The Term of the Lease will be extended for one year, through April 30, 2023.

- <u>Premises</u>: Approximately 220 square feet of office space and shared dock space at Leeway Sailing Center pier and dock, 5437 E. Ocean Boulevard (Attachment A).
- Rent: The Minimum Rent will be \$1,500 per month and 7 percent of gross receipts.
- <u>Utilities and Maintenance</u>: Lessee will be responsible for all utilities and maintenance of the office space.
- <u>Insurance</u>: Lessee will purchase and maintain all applicable insurance and endorsements as required and approved by the City's Risk Manager.

This matter was reviewed by Deputy City Attorney Anita Lakhani on xxxx, 2022 and by Revenue Management Officer Geraldine Alejo on xxxx, 2022.

TIMING CONSIDERATIONS

City Council action is requested on May 17, 2022, to facilitate timely execution of the Fourth Amendment to Lease No. 27959.

FISCAL IMPACT

Monthly Rent will continue to accrue in the Tidelands Operating Fund Group in the Parks, Recreation and Marine Department at an estimated minimum amount of \$18,000 annually. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

Shina Hallinan
ELVIRA HALLINAN

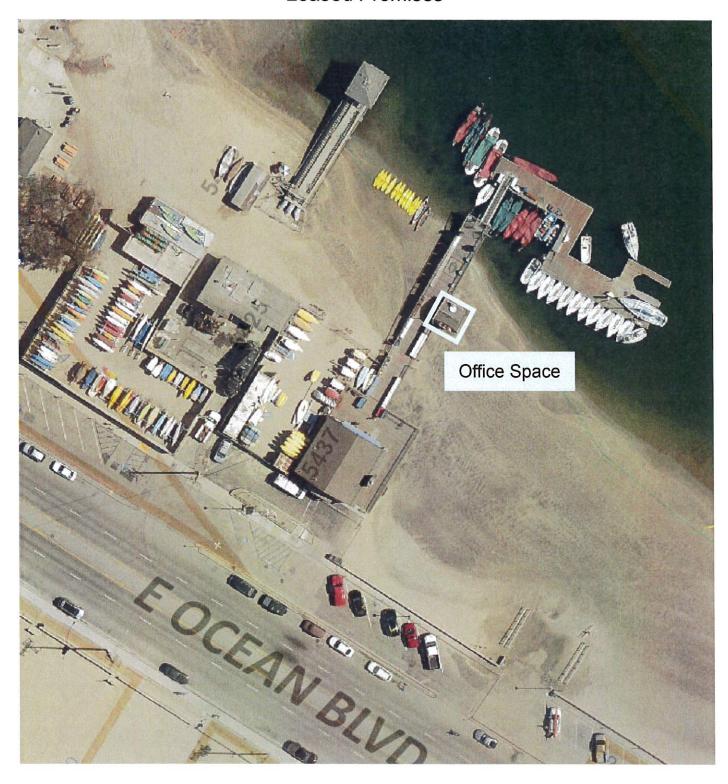
MANAGER, MARINAS AND BEACHES

EH:tl

Attachment: Attachment A - Leased Premises



Attachment A Leased Premises



5437 E. Ocean Boulevard