



CITY OF LONGBEACH

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

Alamitos Bay Marina

205 N. Marina Drive, Long Beach, CA 90803

(562) 570-3215 Fax (562) 570-3247

Shoreline Marina / Rainbow Harbor & Marina

450 E. Shoreline Drive, Long Beach, CA 90802

(562) 570-4950 Fax (562) 570-1799

November 14, 2019

COMMISSIONERS
MARINE ADVISORY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Recommendation to support the Marine Bureau's request for City Council authorization for the execution of a new permit and any amendments, with Dockside Boat & Bed, Inc., of Long Beach, CA, to occupy and use portions of the docks, slips, and end ties in Rainbow Harbor to operate bed and breakfast inn accommodations and charters for a three-year term, from January 1, 2020 through December 31, 2022, with two, three-year options to renew through December 31, 2028.

DISCUSSION

Dockside Boat and Bed, Inc., (Dockside) has been operating a bed and breakfast inn at Rainbow Harbor since 1999. Dockside enters into agreement with private boat owners for the use of the vessels as overnight accommodations. Currently, six vessels are available for overnight accommodations. Due to the economic downturn in 2008 and 2009, Dockside fell upon financial hardship resulting in their inability to stay current with their financial obligations to the City. At that time, Dockside was placed on a payment plan and a month-to-month hold over allowing them to continue to operate while meeting their obligations. All back rent was paid in full in 2014 and have remained current to date.

Earlier this year, Dockside requested removal from the month-to-month hold over. Parks, Recreation and Marine (Department) staff entered into negotiations. The Department supports the request to enter into a new permit. This operation is unique and essential to supporting a vital waterfront and thriving commercial harbor area.

The proposed terms include:

- Permit Area: Rainbow Harbor, Dock 5.
- Permitted Use: Permittee shall provide all vessels to operate overnight boat and bed inn services in Rainbow Harbor. Permittee shall not store any items on Dock



5 nor on any other City of Long Beach (City) property without the advanced written consent of the City.

- Term: One, three-year term, from January 1, 2020 through December 31, 2022.
- Permit Termination: Either party may terminate the Permit for any reason with ninety days (90) advance notice in writing.
- Options to Renew Term: Two, three-year options through August 31, 2028.
- Dock Fee: \$18.25 per linear foot occupied or reserved by Permittee, or Rainbow Harbor Dock Rate as established by City Council or any rate subsequently adopted after execution of the permit.
- Permit Fee: Eight percent (8%) of gross receipts, excluding taxes, for all bookings and sales or an annual minimum guarantee of \$15,000, whichever is greater. The Permittee shall also pay the City's Transient Occupancy Tax. Permit fee is due by the 20th of the month for the prior month.
- Trash Removal and Disposal: The Department shall provide trash receptacles at the end of the Permitted dock for use by Permittee. The Department shall provide all trash collection and disposal services at no charge to Permittee. Permittee understand that Rainbow Harbor is located at the end of the Los Angeles River and that from time to time, especially during rain events, trash may accumulate in Rainbow Harbor. While the City shall make a reasonable effort to remove the trash in the water, the trash removal process may take time and is an on-going process due to the Rainbow Harbor location.
- Utilities: Permittee shall be responsible to provide and pay for all utilities.
- Insurance: Permittee shall purchase and maintain all applicable insurance and endorsements as required and approved by the City's Risk Manager.

SUGGESTED ACTION:

Approve recommendation and submit to City Council for approval on December 3, 2019.

Sincerely,



Elvira Hallinan
Manager, Marinas and Beaches

