



Legislation Text

File #: 20-0792, **Version:** 1

Recommendation to authorize City Manager, or designee, to extend application of the Public Seawall Lease Program (Lease Program) to all phase areas of the Naples Permanent Seawall Repair Project (Project) in accordance with California Coastal Commission (CCC) Special Condition of Approval No. 10; and

Adopt resolution amending the Master Fee and Charges Schedule and Public Seawall Lease Permit Fee (Fee) to \$0.57 annual per square-foot in accordance with the Consumer Price Index (CPI) and making the Fee subject to future CPI adjustments on an annual basis using the fiscal year. (District 3)

The 11,000-linear-foot Naples seawall system is divided into six prioritized phases (Attachments A and B), with Phase One addressing the area in the most imminent danger of collapse. The Phase One Project consisted of the repair of 1,915 linear feet of public seawalls located in the Rivo Alto Canal, from the Ravenna Bridge to the eastern portion of The Toledo Bridge. Phase One was completed on October 31, 2015.

On June 11, 2019, the City Council awarded a construction contract to Reyes Construction, Inc., to perform the Naples Island Permanent Seawall Repair, Phase Two of the project. The construction activities include the installation of 2,148 linear feet of new steel sheet-pile seawall on the water sides of the existing vertical seawalls at The Colonnade, the south side and eastern end of Treasure Island, and the western end of the Naples Peninsula. Additional scope includes new sidewalks, guardrails, storm drain systems, lighting, new float access platform supports and modifications, temporary storage/relocation of docks, and replacement of approximately 42 palm trees. Phase Two construction is expected to be completed in August/September 2020.

On October 9, 2013, the California Coastal Commission (CCC) approved the City's application to proceed with the Project subject to 17 special conditions of approval, one of which required the City to institute a Lease Program for private docks, floats, and piers located on public waterways in the Project area (Special Condition of Approval No. 10). The condition is based on Section 6 of Article XVI of the California Constitution, which requires the City of Long Beach (City) to charge appropriate prices for the use of State tidelands. On June 16, 2015, the City Council adopted Resolution Nos. RES-15-0072 (Attachment C) and RES-15-0073 (Attachment D) to amend the Master Fee and Charges Schedule approving a new Public Seawall Lease Permit Fee and the Public Seawall Lease Program. The CCC has subsequently required, upon completion of Phase Two, the City to expand application of the Lease Program, including the rental fee, to all future phases of the Project.

The current fee of \$0.50 annual per square-foot was created in 2015, after evaluation of rental

fees for submerged tidelands located adjacent to the residential properties, fees charged in other coastal communities, and extensive analysis of services and the costs reasonably borne by the City in providing those services. The fee has remained unchanged since June 2015. The Parks, Recreation and Marine (PRM) Department is recommending a \$0.07 CPI increase of the Public Seawall Lease Permit Fee and the application of future CPI adjustments. This increase in the lease rate coincides with the completion of Phase Two in August/September 2020, and will assist in recovering costs associated with services provided in addition to reflecting an appropriate price for the use of State tidelands as is required by the CCC.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley and by Revenue Management Officer Geraldine Alejo on August 3, 2020.

Expansion of the Lease Program to cover all six phase areas of the Project satisfying CCC requirements must be approved and implemented before any docks, floats, or piers can be returned to the Phase Two area. City Council action is requested on August 18, 2020, to ensure that docks, floats, or piers can be returned at the conclusion of the construction project.

The recommendation will amend the Master Fee and Charges Schedule and increase the annual Public Seawall Lease Permit Fee from \$0.50 per square-foot to \$0.57 per square-foot for private use of public waterways within the Project area. Due to the Lease Program expansion, the permit fee will be collected from an increased number of properties. During FY 19, the current Lease Program and fee generated \$234,239. The additional revenue from the Program expansion and the fee increase is estimated at \$381,481. The additional revenue will improve cost recovery for the services provided in the area and will be subject to future CPI adjustments. Revenues are deposited in the Tidelands Operating Fund Group in the Parks, Recreation and Marine Department. 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.

Approve recommendation.

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BRENT DENNIS
DIRECTOR, PARKS, RECREATION AND MARINE

APPROVED:

THOMAS B. MODICA
CITY MANAGER