



Date: May 18, 2009
To: Members of the Marine Advisory Commission
From: Mark A. Sandoval, Manager of Marinas and Beaches
Subject: MEETING MINUTES OF MAY 14, 2009
MARINE ADVISORY COMMISSION (MAC)

Commissioners Present

Bradley Whyte, Chairman
Harry Hutton, Vice Chairman
Darlene Gidley
Scott Schaidle
Peter Hogenson
Randy Crawford

Marine Bureau Personnel

Mark Sandoval, Manager
Beverly Glavas, Special Projects Officer
Vivian Crook, Secretary

City Staff

Sandra Gonzalez, Manager, Plan. & Devel. Bureau
Grant Jefferies, Captain, Marine Safety/LBFD
Dennis Sullivan, Sergeant, Marine Patrol/LBPD
Hurley Owens, Interim Superintendent, MOB
Richard Dana, Interim Supervisor, MOB
Julie Maleki, Field Deputy, 3rd Dist.

Commissioners Absent

Guests

Cliff Ratkovich, Seaport Marina Hotel Devel. Team
Carl Kemp, Seaport Marina Hotel Development Team
John Van Blom, LBRA
Ben Goldberg
Melinda Cotton
Ted Kuhn
Sandy Van Horn
Joe Segura, Press Telegram
Andrea Stoker

Chairman Whyte convened the meeting at 2:30 p.m., at the Long Beach Yacht Club.

ROLL CALL

Mark Sandoval called the roll of commissioners, and introduced City staff.

CONSENT CALENDAR

The April 9, 2009, MAC minutes were reviewed and approved as submitted.

PUBLIC COMMENT

- None.

OLD BUSINESS

- Mark Sandoval spoke regarding the marina slip fees and said that the last three years have seen significant change as a pricing policy and cost recovery policy were adopted. Two years ago, LBSM slip fees were brought in line with ABM slip fee rates. Last year, the square foot pricing system was implemented and resulted in fee increases for some slip sizes. He said that due to the economic downturn vacancies are being seen in marinas throughout the region. He commented that other marinas are not increasing slip fees. However, the City of Long Beach has a marina to rebuild. He said the Marine Bureau will stay the course and make sure that slip fees are set to cover operating costs, debt, and generate a surplus for the rebuild. Mark Sandoval said he recommended to the budget office that operating expenses be reduced by \$600,000; a symbolic cut to show that the City is attempting to do its part to keep rates reasonable.

Commissioner Hutton stated that any surplus coming in now and in the future should be exclusively used for marina construction. He recommended that the 2010 slip fee schedule be based on the 2009 rate, to continue to produce a surplus. He reported that the Finance Committee recommended that the MAC support the following resolution; "Resolve that the 2010 slip fee schedule be continued at the 2009 level of \$.91 per square foot per month."

Commissioner Crawford added that any surplus should be used for maintenance or the marina rebuild.

Mark Sandoval indicated that the resolution could include that any surplus would be used for the rebuild only. The commissioners agreed.

Mark Sandoval noted costly problems encountered with the ABM rebuild. He stated that it is estimated to cost \$5.5 million to remove 25,000 cubic meters of mercury found in Basin 1, and \$1.7 million to deal with the eelgrass mitigation area. He said it is imperative that a fund balance be created that can be used for unbudgeted or non-DBW portions of the project and if at some point in the future it is not possible to borrow, he would recommend using the monies set aside (fund balance) instead of pursuing additional bonds. Mark said he will not be the ultimate decision maker, but agrees that supporting the same rates and reducing operating expenses would be the right thing to do.

It was moved by Commissioner Gidley and seconded by Commissioner Hogenson that the MAC accept the resolution as stated: Resolve that the 2010 slip fee schedule be continued at the 2009 level of \$.91 per square foot per month, and that any surplus generated be used for the rebuild project. The motion passed unanimously.

Commissioner Schaidle asked how much of the \$600,000 reduction will hurt current services.

Mark Sandoval explained that the breakdown of the \$600,000 would be \$350,00 Parks/Rec./Marine, \$150,000 LBPD/Marine Patrol, and \$100,000 LBFD/Marine Safety. He said customers should not see reductions in staff or services in the marinas. However, monies for items like refurbishing the restrooms will not be available next year. He said he is trying to keep impact on Marine Patrol and Lifeguards low enough so as not to have an impact on staff or services.

Mark Sandoval commented that the City furlough will affect the PRM Department. Marine Bureau staff will participate, however, Marine Bureau offices will not be closed.

NEW BUSINESS

- Mark Sandoval introduced Carl Kemp and Cliff Ratkovich of the Seaport Marina Hotel (SMH) development team who gave a presentation on the newly revised project for the Seaport Marina Hotel.

Carl Kemp, stated that many of the development team members have experience with Long Beach as former or current residents, and as former or current employees of the City. He said the goal is to bring something to Long Beach and the community that the SMH development team could be proud of.

Cliff Ratkovich talked about a vision for Long Beach to revitalize the 11-acre property, which is the Seaport Marina Hotel. The vision is to build a casually elegant seaside village that brings together high-end retail shops, open-air cafes, fine dining, a boutique hotel, community spaces, and cultural activities; and to do it in such a way that would create a pedestrian link, bringing together the waterfront and the various uses surrounding the property with architecture that will stand the test of time. The water is Long Beach's greatest natural resource and the SMH development team wants to create something that will feel uniquely Long Beach, and create an iconic eastern gateway to the City.

Carl Kemp explained that this last year the SMH development team held 110 meetings with residents. They advertised the meetings in some local newspapers, put information on their extensive website, and established a presentation room onsite at the Seaport Marina Hotel. He said they gathered from the meetings held, that some of the main concerns are traffic, building height and density, and that a setback between the street and the development is preferred.

Cliff Ratkovich further explained the power-point presentation, which showed a 100-room boutique hotel, 85 hotel residential units, 240 residential condos, 1700 parking spaces, and a crossover footbridge. He gave a projection of economic benefit of \$2.1 million of net revenue, and \$2.75 million of gross revenues. Construction employment and new jobs will also be a benefit from this project.

Carl Kemp talked about other shops, such as a serious cycling center that would hold workshops and conferences, a coastal science center in conjunction with Cal State Long Beach for wetlands and marina education for students, a 99-seat (Cal State Long Beach) black box theatre, and high-end retail such as the Pottery Barn and William Sonoma.

Cliff Ratkovich said that they want the location to take advantage of the ocean breezes and abundant sunlight and are looking at a sort of nautical type of contemporary architecture. He said that all parking would be provided on-site. They hired a national firm to look at what the traffic impacts are, and what could realistically be done to mitigate those impacts. Some benefits of this project will be the transformation of the existing hotel property, significant revenues generated for the City, permanent jobs, 5 acres of public open space for the enhancement and enjoyment of the waterfront, help to expand Cal State Long Beach with their community outreach programs, a state of the art cycling center, and improved traffic.

Commissioner Gidley remarked that it did not appear there would be enough parking for residents, shoppers and workers.

Cliff Ratkovich responded that a parking consultant was hired for the project, and that residents would have shared parking opportunities with the retail parking spaces. Also, smart cars will be provided to the residents, and an additional fee for use of more than one parking space will be charged.

Cliff Ratkovich said that they were looking to create a place that could be viewed as an amenity to the boatowners that currently does not exist. He suggested that the marina could put together a task force to work with them to engage the boating community with the project. He said they want to be good neighbors to the boating community.

Carl Kemp stated that they are at the beginning of this process, and that if what they submit to the City is not appropriate and requires something different, then they will make changes.

Commissioner Crawford commented that the presentation was well done. He said he appreciated that they were willing to listen and to modify.

Chairman Whyte said that these renderings showed more thought and originality than were seen in the past.

A woman in the audience expressed her concern that some of the buildings in their renderings were over three stories high.

BUREAU MANAGER'S REPORT

Marina Operations Report

Mark Sandoval gave the report of the Marine Bureau Major Accomplishments, the Monthly Fund Budget Report for ABM/LBSM/RBH, the Total Vessels In and Out by Marina, and the Slip Status Report for the month of April.

- Mark Sandoval stated that people are still applying to the waiting list, which is good news.
- Mark Sandoval informed the MAC that on Thursday, May 28 at 6:30 p.m. at Khoury's Restaurant at the Alamitos Bay Landing, there will be an open house forum for the Scoping Meeting for the EIR for ABM. There will not be a presentation, however questions and input will be taken.

Maintenance Operations Report

Interim Superintendent Hurley Owens gave the Marine Maintenance status report for the month of April.

- Hurley Owens introduced Richard Dana, Interim Supervisor for Marine Maintenance.

Marine Safety Report

Captain Grant Jefferies gave the Marine Safety status report for the month of April.

- The LBLG Rookie Academy began last Saturday. It will continue (weekends) until May 31. Marine Safety is hoping for 19 graduates.
- Marine Safety will be conducting a Live Burn Drill in ABM. Once the location for the drill is determined, Marine Safety will notify Mark Sandoval. June 2 – 4, a burn exercise for summertime non-career deckhands will take place to re-acustom them to the risk factors of their part of the job. Also, on that same day, Marine Safety will be producing a Public Safety Announcement (PSA) on boating safety in the open channels. Also, a PSA is scheduled for later in June for beach and water safety.

LBPD MP Unit Report

Sergeant Dennis Sullivan reported on Marine Patrol stats for the month of March and activities for the month of April.

- Explained the new Marine Patrol report format.

Executive MAC

- All items covered.

Operations Committee

- All items covered.

Facilities Committee

- Commissioner Hogenson asked about the cost for removal of the mercury in Basin 1.

Mark Sandoval responded that the cost to remove mercury in Basin 1 would be high, but that there is flexibility with the rebuild in that Basin 1 reconstruction can be done later if it would reduce the cost. Commissioner Hutton remarked that the old plant across the street may have burned coal and created the mercury problem. Mark Sandoval questioned why the mercury is only in Basin 1, and wondered if it had been dumped there.

- The Breakwater Feasibility Study will go to the City Council in July.

Finance Committee

- Commissioner Hutton distributed the Finance Report and commented that the bottom line is that everything is under control and within budget at this time.

COMMENTS FROM COMMISSIONERS

- None

COMMENTS FROM THE AUDIENCE

- None

ADJOURNMENT

Meeting adjourned at 4:15 p.m. The next meeting is set for June 11, 2009, at 2:30 p.m. at the Long Beach Yacht Club.

cc: Phil T. Hester, Director of Parks, Recreation and Marine
City Clerk