

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

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City Clerk

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When making inquiries relative to
this matter, please refer to the
Council File No.

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SHANNON HOPPE
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Division

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June 27, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 13-0744, at
its meeting held June 26, 2013.



City Clerk
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TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your **TRADE, COMMERCE, AND TOURISM** Committee

reports as follows:

CATEGORICAL EXEMPTION and TRADE, COMMERCE AND TOURISM COMMITTEE REPORT relative to the operating agreement with Westrec Marina Management, Inc. to operate the Cabrillo Way Marina.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article III Class 1(14) of the Los Angeles City CEQA Guidelines.
2. APPROVE Operating Agreement No. 13-3125 with Westrec Marina Management, Inc. to operate the Cabrillo Way Marina.

Fiscal Impact Statement: The Board of Harbor Commissioners (Board) reports that, consistent with the RFP criteria and the proposal submitted by Westrec, a five-year snapshot is provided to demonstrate increased overall revenue to the Harbor Department, assuming an estimated 85 percent - 90 percent occupancy, by year five; dry boat storage revenue; completion of phased rate increases for under-market slips; and cost efficiencies of fixed operational and maintenance expenses realized through economy of scale from increased tenancy. The Department estimates the net income of this operating agreement to be: \$271,512 in FY 2013-14; \$1,653,459 in FY 2014-15; \$2,546,495 in FY 2015-16; \$3,385,921 in FY 2016-17; and \$4,272,097 in FY 2017-18.

Community Impact Statement: None submitted.

TIME LIMIT FILE - JULY 12, 2013

(LAST DAY FOR COUNCIL ACTION – JULY 3, 2013)

SUMMARY

At a regular meeting held on June 24, 2013, your Trade, Commerce and Tourism Committee considered a Board transmittal relative to the operating agreement with Westrec Marina Management, Inc. to operate the Cabrillo Way Marina. The Board reports that the Cabrillo Way Marina, located within the West Channel Basin in San Pedro, consists of 64.14 acres of water and land area and encompasses 697 recreational berthing slips, a 400 dry boat storage area, two crane hoists, a promenade walkway, and related boater and public facilities.

In August 2010, the Harbor Department released a Request for Proposal (RFP) for an operator of the Marina. Six proposals were received by the submittal deadline of November 16, 2010. In February 2012, the review panel selected and recommended Westrec Marina Management, Inc. to operate the Marina under a five-year agreement, with two, five-year options for renewal. Staff is proposing to enter a five-year Operating Agreement with Westrec, with two, five-year options to renew for the operation, management and maintenance of the Marina. The renewal options, at the direction of the Harbor Department, will be based on operational performance evaluations to be conducted annually, as well as monthly and annual monitoring of submitted financial reports and documentation.

An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal.

This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

TRADE, COMMERCE, AND TOURISM COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
LABONGE:	YES
ROSENDAHL:	YES
BUSCAINO:	YES

ME
13-0744_rpt_tct_6-24-13

ADOPTED

JUN 26 2013

LOS ANGELES CITY COUNCIL

Not Official Until Council Acts

FORTHWITH