



"To enrich lives through effective and caring service"



Stan Wisniewski
Director

Kerry Silverstrom
Chief Deputy

October 4, 2007

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director *Stan Wisniewski*

SUBJECT: **SMALL CRAFT HARBOR COMMISSION AGENDA FOR OCTOBER 11, 2007 SPECIAL MEETING**

Enclosed is the Agenda for the October 11, 2007 Special Meeting. Also enclosed are reports related to Agenda Items 3a, 3b, 4a, 4b, 4c, 5a, and 6a.

Please feel free to call me at (310) 305-9522 if you have any questions or need additional information.

SW:ms

Enclosures



To enrich lives through effective and caring service



**SMALL CRAFT HARBOR COMMISSION
SPECIAL AGENDA
October 11, 2007
6:00 p.m.**

Stan Wisniewski
Director

Kerry Silverstrom
Chief Deputy

**BURTON W. CHACE PARK COMMUNITY ROOM
13650 MINDANAO WAY
MARINA DEL REY, CA. 90292**

1. Call to Order and Pledge of Allegiance
2. Draft of Minutes: August 8, 2007
3. **REGULAR REPORTS**
 - a. Marina Sheriff (DISCUSS REPORTS)
 - Crime Statistics
 - Enforcement of Seaworthy & Liveaboard Sections of the Harbor Ordinance
 - b. Marina del Rey and Beach Special Events (PRESENTATION BY DUSTY CRANE, CHIEF OF COMMUNITY AND MARKETING SERVICES DIVISION)
 - c. Marina del Rey Convention and Visitors Bureau (PRESENTATION BY BEVERLY MOORE, EXECUTIVE DIRECTOR OF MdR CVB)
4. **OLD BUSINESS**
 - a. County Review of Boat Slip Rental Rates (DISCUSS REPORT)
 - b. Proposed Letter to Board of Supervisors to Express Commissioner Concern Regarding Boat Slip Rental Rate Increases (DISCUSS LETTER)
 - c. Commissioner Landini's Request to Study Potential County Takeover of Private Docks (DISCUSS REPORT)

5. **NEW BUSINESS**

- a. Vice-Chairman Lesser's Response to Slip Rate Concerns and Commissioner Landini's Suggestion that the County Take Over Operation and Maintenance of Private Docks (DISCUSS LETTER)

6. **STAFF REPORTS**

- a. Ongoing Activities (DISCUSS REPORT)
- Traffic Mitigation Measures within Marina del Rey-Quarterly Report from Barry Kurtz, Transportation Engineer Consultant
 - Board Actions on Items Relating to Marina del Rey
 - Local Coastal Program Periodic Review – Update
 - Regional Planning Commission's Calendar
 - Design Control Board Minutes

7. **COMMUNICATION FROM THE PUBLIC**

8. **ADJOURNMENT**

PLEASE NOTE:

1. The Los Angeles County Board of Supervisors adopted Chapter 2.160 of the Los Angeles Code (Ord. 93-0031 § 2 (part), 1993), relating to lobbyists. Any person who seeks support or endorsement from the Small Craft Harbor Commission on any official action must certify that he/she is familiar with the requirements of this ordinance. A copy of the ordinance can be provided prior to the meeting and certification is to be made before or at the meeting.
2. The agenda will be posted on the Internet and displayed at the following locations at least 72 hours preceding the meeting date:

Department of Beaches and Harbors' Website Address: <http://marinadelrey.lacounty.gov>

Department of Beaches and Harbors
Administration Building
13837 Fiji Way
Marina del Rey, CA 90292

MdR Visitors & Information Center
4701 Admiralty Way
Marina del Rey, CA 90292

Burton Chace Park Community Room
13650 Mindanao Way
Marina del Rey, CA 90292

Lloyd Taber-Marina del Rey Library
4533 Admiralty Way
Marina del Rey, CA 90292

Si necesita asistencia para interpretar esta informacion llame al (310) 305-9547.

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DRAFT

**SMALL CRAFT HARBOR COMMISSION
MINUTES
AUGUST 8, 2007**

Commissioners

Harley Searcy, Chairman; Russ Lesser, Vice-Chairman; Albert Landini, Ed.D; Vanessa Delgado, MPA , Christopher Chuang-Lin, PhD

Department of Beaches and Harbors

Stan Wisniewski, Director

Also Present

Thomas Faughnan, Principal Deputy County Counsel; Beverly Moore, MdR Convention and Visitors Bureau; Dusty Crane, Community and Marketing Division; Lt. Roderick Kusch, Sergeant Michael Carriles and Deputy John Rochford of the Sheriff's Department

1. CALL TO ORDER, ACTION ON ABSENCES AND PLEDGE OF ALLEGIANCE

Chairman Searcy called the meeting to order at 9:37 a.m. The Commissioners, staff and members of the public stood and recited the Pledge of Allegiance.

Chairman Searcy moved and Vice-Chairman Lesser seconded a motion to excuse Commissioner Delgado from the meeting. The motion passed unanimously. Commissioner Delgado arrived later in the meeting.

2. APPROVAL OF MINUTES

Public Comment –

Ms. Marino referenced Page 10 of the minutes, second paragraph down. She stated that the discussion regarding the LCP review and the delays associated with the review, are not accurate. The entire paragraph is not very intelligible. She further commented that she did not receive the mailing on this and had just obtained this information last night.

Chairman Searcy asked Ms. Marino if she would like to spend some time correcting the minutes, which relates directly to that portion of her testimony. Chairman Searcy told Ms. Marino to provide her corrections to staff and staff would then have the minutes appropriately reflect that correction.

Ms. Marino replied that she would like to do that.

Chairman Searcy moved and Vice-Chairman Lesser seconded the motion to approve the July 11, 2007 minutes with Ms. Marino's correction to be given to staff. The motion passed unanimously.

3. REGULAR REPORTS

a. **Marina Sheriff – Crime Statistics**

Lt. Kusch stated that crime in the Marina area has remained fairly static over the last month. He commented that the Sheriff's bicycle team has stayed over the entire summer. The bicycle team has been paying attention to public events and increased patrols in subterranean garages.

Lt. Kusch explained the armed robbery at the Waterside Ralph's fresh faire market. Although this was listed as armed robbery, it was a shoplifting that escalated to a robbery when the staff tried to stop the robber. The robber brandished a knife, threw the items down and ran away. This was coded as a robbery even though it was a petty theft. There is another incident under investigation of a person brandishing a firearm at Dock 44.

Lt. Kusch would like to bring to the public's attention, that there is group(s) that are cutting down the palm trees in the Marina. It is his understanding that this is typically done when people oppose the vegetation that is not native to the area. A fifty foot palm tree is there one moment and gone the next. The Sheriff's Department is asking the public's assistance. If you see work crews hacking down a palm tree, please call the Sheriff's Station with the vehicle license plate number. The palm trees are not being cut up into small pieces and hauled away. This takes heavy equipment to saw down a palm tree in its entirety.

Lt Kusch advised the public that third row seats are being stolen out of Tahoe's, Yukon's and similar expensive vehicles. In case of a theft, the seats are marked. He advised the public that if this happens to one of them, to look on E-Bay or similar sites to see if their seat is being resold. The seats cost approximately three thousand dollars at the dealer.

--- **Enforcement of Seaworthy & Liveaboard Sections of the Harbor Ordinance**

Sgt. Carriles reported there are no significant changes.

Public Comment

Carla Andrus stated she would like to see the year on the reports.

b. **Marina del Rey and Beach Special Events**

Ms. Crane stated that we are almost through summer and advised the public that Fisherman's Village continues to have its concert series. She further spoke about other beach events and mentioned the new Los Angeles County beach guide and the updated Marina del Rey area restaurant guide. These publications are produced by private sponsorship money in which the Arrowhead Company has been a tremendous sponsor to the Department.

c. **Marina del Rey Convention and Visitors Bureau**

Ms. Moore explained that they are in the process of conducting an audit of the Marina del Rey Convention and Bureau Website to increase traffic to the website. The website has approximately fifty thousand visitors to the site each month.

OLD BUSINESS

a. **County Review of Apartment, Boat Slip and Liveaboard Rental Rates**

Mr. Wisniewski stated during the last Commission hearing, the Commission requested that the slip rent survey be standardized to show all rates by lineal foot. Accordingly, the Department has returned with a revised rent survey by lineal foot for Southern California and Marina del Rey. He further explained the rates in the Marina are consistent and in line with the rates charged at other Southern California marinas.

Chairman Searcy asked what the radius is for the Southern California survey.

Mr. Wisniewski replied sixty miles. The survey covers areas from Ventura to Newport Beach.

Commissioner Landini asked if staff could provide a vacancy report for the Marina.

Mr. Wisniewski said that staff would happily provide the report.

Commissioner Chuang-Lin asked if some of the harbors had rent control.

Mr. Wisniewski replied no. The other marinas are under the same price control procedures.

CHAIRMAN SEARCY OPENED THE FLOOR TO PUBLIC COMMENT

John Nahas asked to speak prior to the public comment period.

Chairman Searcy stated he would accommodate Mr. Nahas' request to change the Agenda.

However for the record, (prior to this meeting) Mr. Nahas sent an e-mail to the Commission with his information, requesting to speak and advising them of what the presentation would be. In the bi-line line of the e-mail, there is subject line and then next to it, request to speak. In Mr. Nahas' subsequent e-mail that was sent to the world and the press, it contained the same e-mail message, except the subject line was greater with Chairman Searcy's name next to it. Chairman Searcy advised Mr. Nahas he did not appreciate it especially when he is trying to work with him.

ITEM #7

Mr. Nahas complained to Chairman Searcy that he requested the Commission to provide financial statements and appraisals. Further, he requested the documents at the last meeting.

Vice-Chairman Lesser replied that he asked Mr. Nahas to submit all the documentation that he said that he had in advance so the Commission could review it.

Mr. Nahas said all his information was from Beaches and Harbors, so why would he submit things that the Department already had.

Chairman Searcy replied that when he makes a presentation, he is to furnish the materials. Chairman Searcy further explained that the Commission would accommodate him and have photocopies made of whatever he brought.

Mr. Wisnewski advised the Commission that on the public document table, there is a summary of Mariners Bay gross receipts from 2000 to 2007.

Mr. Nahas said that it was his mistake. He thought the financial documents covering Mariners Bay and the other marinas would have been produced by the County.

Chairman Searcy replied that he had Mr. Nahas e-mail and that Mr. Nahas asked Chairman Searcy to make copies of the Mariners Bay gross receipt summary from 2000 to 2007. Further, Chairman Searcy told Mr. Nahas to begin his presentation.

Mr. Nahas replied that if the Commission is to make recommendations, how could they make those recommendations when they have limited information. If the Commission does not have the original lease agreement and amendments or the amount that Mariners Bay and other marinas are getting in the way of actual gross receipts, how can the Commission really justify the slip rent increases.

Chairman Searcy explained to Mr. Nahas the process of the meetings and recommended that he start with his presentation since this was part of his presentation time.

Mr. Nahas explained that the data in the survey was flawed since it does not include amenities and attributes. The data was not comparable.

Mr. Nahas started his presentation speaking about slip fee increases. He stated Mariner's Bay had fifty percent slip rental rate increases this year and a three point five percent increase every year since 2002. This was unprecedented in Marina del Rey. Mr. Nahas (they) met with Steve Napolitano in which Mr. Napolitano said he was not aware of any increases in his West Los Angeles region. Further, Mr. Nahas stated there have been consistent raises over the last several years at several marinas including Mariners Bay.

Mr. Nahas went to the Department of Beaches and Harbors and found fourteen amendments to the lease. He noted the terminology changed from "fair return on your investment" to "fair market". Mariners Bay Company, last year alone had nine point eight million dollars of gross receipts and one point two million of that went to the County. Mr. Nahas cited how Orange County gave their lessees thirty years leases and they then said goodbye to the lessees when the lease expired. Orange County now has the property and uses a management company.

He explained how fair market value is an oxymoron. If there is no supply then there is no market. With no supply, the marinas have created a leapfrog effect with slip rates. This becomes a very slippery slope between the have's against the have not's. If he cannot afford his boat slip anymore then he cannot afford his boat. Mr. Nahas went over the Mariners Bay gross receipts summary with the public using the projector.

Mr. Nahas (they) discovered Michigan State University as a source for research. The University referred him to Professor Ed Mahoney who came to their assistance. Professor Mahoney gave him

data on public recreation boating and economics. This data showed that fair market value and waterfront property is going to be the highest in the land.

Mr. Nahas then produced a movie that contained boater's comments regarding slip increases. These boaters could not attend the meeting. The movie ran approximately five minutes. (parts of the movie inaudible for transcribing)

Mr. Nahas spoke how the Department of Beaches and Harbors is two months behind in their vacancy reports. He spoke of long ADA compliant gangways at Basin A that could be changed and spoke of the use of hydraulics instead. In addition, four hundred slips from Deauville have been taken off the market for seven years and yet we have more citizens coming in to the Los Angeles area who want boat slips.

Mr. Nahas then spoke about the manipulation at Mariners Bay by increases in the thirds. He felt that didn't make sense and Mariners Bay could have easily raised all the slips at once. Further, he spoke of live-aboard status for all and doctored maintenance reports,

Mr. Nahas spoke about how the Department of Beaches and Harbors Mission Statement does not mention anything about boating. He said it's hard to be put in the position of landlord where you are getting all these increases and the other side where the Department is saying the harbor is all about recreational boating and we will protect the boaters. Further, the Department has allowed the Lessees to have too much power by allowing live-aboard limitations, raising rents and no enforcement of compliance.

Mr. Nahas concluded by commenting that the County should let the leases expire and take the land back from the Lessees. The Marina should remain recreational boating.

Mr. Jim Oates read a letter from Professor Mahoney regarding issues such as public marinas, recreation and fair market value. In the letter, Professor Mahoney explained there is no way to calculate fair market price when it comes to marina slip pricing.

Mr. Oates stated he has a boat at Villa del Mar what he considers is a nice marina, however the condition and rates and some of the other docks are horrendous.

CHAIRMAN SEARCY OPENED THE FLOOR TO PUBLIC COMMENT

Dorothy Franklin, a slip renter at Bar Harbor had her rent go up from December 2002 to January 2004. The overall increase was \$293 a month. She spoke about Basin B and C being out of commission for almost seven years. She said the County forsakes its management responsibilities, which in turn curtails the public's right to the use and enjoyment of our coastal resources. Further, she spoke of the lack of public outreach on the County's part.

Buzz Cook, is a slip renter at Mariners Bay who is very much stressed at the rent increases at his facility and that the facilities have not been brought up to standard, citing the bathrooms were shameful.

Nancy Vernon Marino thanked Mr. Nahas for a wonderful presentation and a good investigation. She did not get the mailing and was very upset to find out last that Item #4a was listed as a County review of apartment boat slip and liveaboard rental rates. She stated they do not want a review but an investigation and they want the county to do it. Further, she wants this Commission to do an investigation. Ms. Marino stated to the Commission that Mr. Nahas has brought them a tremendous amount of evidence.

Nancy Marino said the Marina del Rey slip rent survey was not defined. These numbers are not defined. There are two numbers for each one and Mr. Wisniewski thinks that is the range. She said five of the twenty marinas in the survey do not have small slips. That is twenty five percent and that is pretty shameful. She stated Neptune, Marina del Rey Hotel and Marina City Club have not been renovated and asked why are these small boat slips at twenty one dollars, twenty three fifty and twenty seven fifty a foot. Further, the Commission needs to ensure that Beaches and Harbors enforces appropriate rental rates in the Marina to encourage small craft boating and affordability for the average boater.

Nancy Marino asked if the averages on the slip survey had been calculated based on the number of slips per Marina or only on the rates. She questioned why Dock 77 was not on the survey, since they have affordable rates. She stated, the survey is incomplete, has poor information and needs to be improved.

Vice-Chairman Lesser said that Nancy makes an interesting point. The three rents are so out of line compared to everything else and their bottom number, whatever the bottom number means. Vice-Chairman Lesser then asked Mr. Wisniewski if he could try and get an explanation.

Chairman Searcy replied that other wise it seems to be spiking the averages.

Vice-Chairman Lesser replied that those three numbers are so out of line with everything else in the Marina.

Chairman Searcy added that while staff is looking at that, to also look at the methodology question.

Vice-Chairman Lesser added he would also like to know what the top and bottom top numbers represents.

Mr. Wisniewski replied that it does indicate the range, but we will be happy to report back.

Jun Yang is the Marina organizer for the People Organized for Westside Renewal. He wanted to see some oversight in regulations. Mr. Yang also added that we don't understand why it is so difficult for the people in the County of Los Angeles, who live, breath and die here to get any movement in and around the County of Los Angeles. We are asking for a little more transparency and a little more support for the community that we live in and work in.

Carla Andrus spoke about the manipulation of the Marina. She just received a copy of Deauville's lease and notice that Deauville has not been paying their ground rent of thirty two thousand dollars a month for the last seven years. She would like to sit down a write a number of questions and submit those questions to Chairman Searcy regarding the manipulation of Deauville Marina. Deauville Marina has all these slips out of commission. Bar Harbor is getting ready to send out their eviction notices so they may do their renovation. She feels it is only right that these boaters have a first come, first serve opportunity to be invited to the new marina at the same rent that they are paying at Bar Harbor.

Gerald Sobel is a boater who shares a slip at Pier 44. He spoke about his rent increase. He started paying \$135 a month and is now paying \$235 a month. This increase is over a eight-year period. He complained the high-rise buildings are blocking the wind for boaters.

Eric Kupris is a boat owner who rents a slip at Pier 44. He says that he cannot afford a fifty percent increase and asked for the County to buy his boat.

Rick Horner said this is not private real estate where the goal is the highest and best use of your property. This is almost a public park, where the highest is service for the community, not the highest

value that you can achieve on a square foot of property. He then asked how someone could be a member of the Commission.

Chairman Searcy asked Mr. Faughnan to respond.

Mr. Faughnan replied that the positions of the Small Craft Harbor Commission are filled by the Board Offices and there are certain qualifications for each one of these seats.

Chairman Searcy replied that if someone wished to be considered for sitting on this Commission, they should contact the Board of Supervisors.

Mr. Faughnan replied that Chairman Searcy was correct.

Mr. Horner replied that needed to be changed and he felt the Commission needs to have some balance.

Ronnie is a liveaboard at the Bay Club who is unhappy that he had a one hundred and fifty dollar rent increase this year. He said after the rent increase, the Bay Club changed the toilet paper in the bathrooms from two-ply to one ply.

Scott Ganary is a boat slip renter at the Bay Club who complained that things are not being repaired. He mentioned that he arrived one weekend and found no parking but noticed twenty-three unauthorized vehicles with no stickers. He mentioned the Harbormaster at his marina does not work on the weekends. Mr. Ganary presented pictures of the restrooms to the Commission. He also stated the mail drop on the weekend is behind a locked gate. He further mentioned that he has experienced the electricity go out four times. Afterwards, he received a letter from the office that he will be evicted if he is within five hundred feet of the office. The owner will not return his calls.

Howard Minkin is a licensed general contractor and a Marina resident and liveaboard. When he first lived in the Marina, his boat payment, insurance and rent was \$1,010.00 and now with no boat payment his rent alone is \$1,116.00. He spoke about the need for democracy and balance.

Rudi Pel has been a boater for the last forty years. He said he is afraid he is going to have to sell his boat because of slip increases.

John Rizzo asked why the questions he submitted early to staff were never answered.

Mr. Wisniewski replied that this was the first time that he has ever seen these questions.

Mr. Rizzo replied that he came into the office and gave the questions to Donna.

Mr. Wisniewski asked when he handed the questions in and advised him that he would have the response within a week.

Mr. Rizzo said he has seen this dog and pony show for 32 years. The Commission listened to us in 1975 and they jockey us around. We went to the Board of Supervisors, had three meetings and then came Policy Statement 27. Further, the only way to control the Marina is to look at the return on the investment. The cost to build plus the improvements. He said in his humble opinion, the Lessees are running the Marina by running the Supervisor. They own Don Knabe. Further, Don Knabe gets fifty thousand dollars campaign contributions from Jerry Epstein and Archstone. He also stated the County is losing over one hundred million dollars a year and that is why I don't have my questions answered. He ended by complimenting Chairman Searcy on doing a good job.

Ed White has been a boater in the Marina for ten years. His boat slip rent has doubled at the Bay Club. He stated the working class people are getting squeaked out of the Marina.

Deborah Tallent is a resident of the Bay Club. She said that the tenants were forced into a lease since they would have to pay one hundred dollars more per month if they didn't sign a lease. Eight years ago, her slip fee was \$135 a month and as of September, her slip fee will be over \$600 a month. She stated the bathrooms are as bad as the pictures that were submitted earlier by another tenant

T. Gray is a longtime Marina del Rey resident who was in the same situation as the last speaker who felt that she was forced into signing a lease. She stated her slip fees have almost doubled at the Bay Club. She asked Mr. Faughnan to see the requirements for becoming a member of the Commission and cited how Santa Monica College has students on their Education Board.

Louis Scaduto said he would appreciate if the survey were broken out to show the private marina versus the yacht clubs and also the management companies in place. He would also like to see the

averages based on how many slips are in the area. In regards to the Southern California survey, he noticed that a majority of the slips are in a much lower rent profile.

Staff Comment

Mr. Wisniewski advised the public that there is a Marina del Rey slip vacancy chart for May and June 2007 available to the public at the public information table. He explained in the categories of 18 to 25 foot slips, there were 125 vacancies for the month of June. In the categories for 26 to 35 foot slips there were 39 vacancies. It is when you get into the 36 to 50 and 50 and over categories that there were only 6 vacancies.

He felt that there is a statewide if not a national trend for marinas that when they build new slips, the marinas go from a large number of small slips to a fewer number of larger slips, though they do maintain a balance in all of the categories. They do stress the larger slips. It's a matter of economics because the demand that we are not currently meeting is in the 36 and above category. The requirement that we have with the Lessees when they rebuild their slips is that they maintain a ratio that is consistent with the State Department of Boating and Waterways. They have done a study on this very issue and they have recommended ranges of percentages that an anchorage should have in each slip size catalog. The California Coastal Commission is aware of that standard and he believes they are using that when they are evaluating the number of slips that are different sizes.

Mr. Wisniewski stated this place is not run by contributions to the Supervisors. He is a paid executive and he makes recommendations to the Board. He has not seen a Supervisor give him direction on a deal point. Every deal that is made in Marina del Rey is verified as being a market pursuant to an appraisal and we are least achieving market and in many cases, we over achieved. We have some of the toughest leases in the Country.

Mr. Wisniewski stated that in our slip rental rate survey, we survey ten thousand boat slips in Southern California and Marina del Rey falls in line with the rental rates of ten thousand other boats in Southern California. He stated that all of the proponents today would like to see investment defined as original cost. The Board of Supervisors has defined the term investment, as what is the market value is of that leasehold. Mr. Wisniewski said he does not support fifty percent increase as Mariners Bay has done and he has talked to that Lessee. Their fifty percent increase did not bring their rents above what is consider market. He felt that it was unfortunate that the Lessee did fifty percent and he has encouraged all the Lessees to increase slip rental rates in a balance manner rather than try to

catch up with the market all at one time. Further, he is taking full responsibility for the Mariners Bay increase and it is compliant with the Lease and pursuant to Policy Statement 27.

Chairman Searcy asked how long is left on their lease.

Mr. Wisniewski replied he thought they had asked for a lease extension and the Department came back to them with terms. He thought that Mariners Bay has about twelve years left. The Department explained to Mariners Bay that the Department needed higher percentage rents from them in order to keep the County whole because the County can get this leasehold back in twelve years. Mariners Bay declined to date.

Vice-Chairman Lesser said he was looking at the schedule that the Commission was given and if you add May and June 07 compared to May and June 06, in May and June 06 it shows one million six seventy two and in May and June 07 it shows one million six ninety nine, which is a two percent increase in gross receipts.

Mr. Wisniewski replied that he believed Mr. Nahas prepared the summary. Further, he was not sure if that summary was the total gross receipts of the leasehold or just boat slip rentals.

Chairman Searcy said Mr. Wisniewski could look into it.

Mr. Wisniewski said he would be happy and then Vice Chairman Lesser replied that he wanted to know where was the rest of the money.

Mr. Wisniewski can verify that there was a fifty percent increase at Mariners Bay.

Mr. Wisniewski said that the Department conducts a premises maintenance inspection on the water every six weeks and on the land every eight weeks. He added that if the Lessee is not responsive to correcting the deficiency, the Department issues default notices. He guesses that the Department has issued six to ten notices in the four to five months. In the new leases, we require the Lessees to pay us one hundred dollars per day per violation that they go past the deadline that the Department sets.

Commissioner Delgado said the two situations that were most prevalent were the Bay Club and Mariners Bay. He asked if the Department has done have done everything that they can.

Vice-Chairman Lesser commented that the picture of the Bay Club bathroom was disgusting. He asked Mr. Wisniewski if the Lessee does not correct the deficiency and cannot be charged money though the lease, then what can the Department do.

Mr. Wisniewski replied that once the lease default notice goes out, then the lender can enter the game and insist that the violations be corrected.

Vice-Chairman Lesser asked if default notices have gone out to these Lessees.

Mr. Wisniewski replied that he didn't know when those pictures had been taken.

Commissioner Delgado asked that the Commission get some follow up on the bathroom item in the picture.

Mr. Wisniewski said that the Department would be happy to follow up on that specific item, and asked if that item was at the Bay Club?

Commissioner Delgado replied yes.

Commissioner Landini said while there was a great deal said, there was not a lot of focus as to what was said in terms of a call to action. He has summarized what he has heard and has put them into two motions that he would place before this Commission to act on.

1) The County Board of Supervisors call for an independent investigation and audit of boat slip rental rates within Marina del Rey and that the results of that investigation and audit be made Public.

Vice-Chairman Lesser replied that audits cost a lot of money and if we already know the rental rates in Marina del Rey, then why do we have to spend money to have an audit.

Mr. Wisniewski replied that the numbers are correct. What are you going to want to use as an investment base. Do you want a Santa Monica style rent control here? He further added the Board of Supervisors decided that Marina del Rey was going to be a market driven structure.

Mr. Faughnan explained the County of Los Angeles does not have rent control provisions for the unincorporated areas. We did have rent control back in the eighties, when the Board determined there was a housing shortage but those provisions expired around 1985 and since then, there has been no rent control in Marina del Rey or anywhere else in the unincorporated areas. What we do have in Marina del Rey is a price control provision in the leases which provides the County, specifically the Director the right to determine if the prices are fair and reasonable under the lease given the factors that are set forth in that provision and the Lessees have the right to appeal a determination of the Director to the Board of Supervisors. Your Board only has the right to make recommendations to the Board regarding prices if the Board has actually requested you to do so. You can certainly make recommendations to the Board as we have talked about before. You are an advisory commission to the Board of Supervisors. You can make a motion or recommendation that the Board follows some particular action but the Commission does not have any independent right to review prices or undertake an investigation of price review.

Chairman Searcy thanked Mr. Faughnan and said that he understood. He continued to explain that Deauville was tied up in litigation for several years, which was one of the reasons for the cause of the delay. Some slips were out of commission, some were being refurbished, some had spent the money and they wanted to get their money back, some renters did not receive rent increase for a long time and when they did, they got it all at once. This is creating an issue and a problem and this is something that the Board of Supervisors needs to be aware of. This is part of the Commission's responsibility and asked how do we make them aware of this problem.

Commissioner Landini replied that with the comments that the Director has made, he could withdraw this motion if the Director would be so good as to create something as a motion that the Commission could do.

Mr. Faughnan said that this Commission is a advisory commission to the Board and that the Commission can approve a memo or communication to the Board of Supervisors, which raises the concerns that have been raised from the public; which you believe have validity and should be further investigated.

Chairman Searcy replied that the Commission couldn't just sit and let this pass. We have got to let them know there is a problem. The Commission wants to see something at the next meeting.

Mr. Wisniewski replied that we will draft a report from your Commission to the Board of Supervisors and we will have it at the next meeting.

Commissioner Landini gave his Motion Number #2

