

STAFF REPORT*CITY OF OCEANSIDE*

DATE: March 14, 2012

TO: Honorable Mayor and City Councilmembers

FROM: Department of Public Works, Harbor and Beaches

SUBJECT: **ADOPTION OF A RESOLUTION LOWERING OFF-PEAK SEASON GUEST SLIP FEES AND COMMERCIAL FISHING SLIP RENTS FOR THE OCEANSIDE HARBOR**

SYNOPSIS

Staff recommends that the City Council and the Harbor Board of Directors adopt a resolution amending Resolution Number 11-R0407-1, lowering off-peak-season guest boater slip fees and adjusting commercial fishing slip rents in the City of Oceanside Harbor, specifically, the Oceanside Harbor Slip Rental Fee Schedule, and the Oceanside Harbor Miscellaneous Fee Schedule, including decreases to certain fees.

BACKGROUND

On May 18, 2011, the City Council and the Harbor Board of Directors approved Resolution Number No. 11-R0407-1 setting slip rents and miscellaneous fees for the Oceanside Harbor.

Guest Dock Fees

At the January 26, 2012, Harbor and Beaches Advisory Committee meeting, committee members requested that staff look into lowering the guest boater fee during the non-peak (October 1 to March 31) season to attract more travelling boaters. The majority of the Harbor's guest slips are empty during that season and committee members feel that a lower rate will attract more boaters to the Harbor.

Since the slips are under-utilized in the off-peak season, the Harbor will not lose revenue by lowering the fee. Harbor revenues may not be affected appreciably by the rate change, however, Harbor businesses may see some positive effects if the lower rate attracts additional boats.

Current and proposed rates are in Table 1 below.

TABLE 1		
Current Rate	Proposed April 1 – September 30 Rate	Proposed October 1 – March 31 Rate
\$1.20/ft. per day	\$1.20/ft. per day	\$0.80/ft. per day

Commercial Fishing Slip Rents

Staff surveyed commercial fishing areas in San Diego Bay and Dana Point Harbor and found that Oceanside's per-foot rent considerably higher than other marinas.

Oceanside's commercial fishing fleet is currently comprised of seventeen owner-operated small businesses. Each boat employs between two and four employees. According to a 2009 report from the San Diego Unified Port District, Oceanside's commercial fleet accounted for 22 per cent or \$1.6 million dollars of the San Diego region's commercial landing activity.

It is important to keep the fleet in Oceanside, for the businesses and the service they provide to the community. The demand for local, sustainable seafood is growing. The Port District report revealed increasing consumer interest in access to fresh locally caught seafood. Staff recommends that the slip rent be lowered to \$8.00 per foot per month and held at that level until the scheduled January 2013 Consumer Price Index adjustment.

To qualify for a commercial fishing rate, the boats must be commercially registered; the slip-renters must have a commercial fishing license and provide proof of over \$5,000 in annual fish sales for boats with overall lengths of 25 feet and under and \$10,000 in annual fish sales for boats with overall lengths over 25 feet.

Current and proposed rates are in Table 2 below.

Table 2		
Current Rent	July 1, 2012 Rent	Proposed Rent
\$10.60/ft. per month	\$11.60/ft. per month	\$8/ft. per month with no July 1, 2012 increase.

FISCAL IMPACT

The decrease in the Guest Boater Rate will have a minimal impact on Harbor revenues. Decreasing the Commercial Fishing rent will reduce Harbor revenues (Account 1751.4491.100332) by approximately \$25,000 annually.

COMMISSION OR COMMITTEE REPORT

At their January 26, 2012 meeting, the Harbor and Beaches Advisory Committee requested that staff lower the guest rate during the off-peak season. The guest rate and commercial fishing slip rent will be discussed at the next regularly scheduled meeting.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

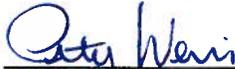
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PREPARED BY:

SUBMITTED BY:



Frank Quan
Harbor and Beaches Coordinator



Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Teri Ferro, Financial Services Director





Attachments:

Attachment 1: Guest Slip Rate Survey

Attachment 2: Commercial Fishing Slip Rent Survey

Attachment 3: Resolution

Guest Slip Survey
February 1, 2012

Marina Name	Location	Cost Per Foot Per Day	Maximum # of Days in 30-Day Period	Restrooms (Y/N)	Showers (Y/N)	Water (Y/N)	Electricity (Y/N)
Chula Vista Marina	San Diego Bay	\$1.00	30-day maximum	Y	Y	Y	Y
Sun Harbor	San Diego Bay	\$2.00	30, then have to apply for permanent slip	Y	Y	Y	Y (metered)
Harbor Island West	San Diego Bay	\$35.00 per night for 35 and under; \$45.00 per night for over 35 ft; \$60.00 for end ties	No maximum	Y	Y	Y	Y
SD Harbor Police Dock	San Diego Bay	< 55' boat - \$10 per day for first 5 days, \$20 per day for second >55' boat - double fees.	10	Y	N	Y	Y
Pier 32	San Diego Bay	\$1.50	none	Y	Y	Y	Y
Point Loma Marina	San Diego Bay	≤ 59' - \$1.75; ≥ 60' - \$2.25	none	Y	Y	Y	Y (deposit taken if over 60')
San Diego Mooring Co.	San Diego Bay	\$7.50/Day	30-day minimum, no maximum	N	N	N	N
The Waterfront, San Diego's Mega-Yacht Basin (100-foot and over)	San Diego Bay	\$0.75	one-week minimum, 6-month maximum	N	N	N	N
Half Moon Bay	San Diego Bay	\$1.50	5-days	Y	Y	Y	Y
San Diego Yacht Club	San Diego Bay	\$1.50 (Must be a current member of a bona fide yacht club or sailing association.)	10-days	Y	Y	Y	Y
Sheraton Marina	San Diego Bay	\$1.00	unlimited	Y	Y	Y	Y
Dana Point Harbor	Dana Point	\$1.00	30-days in peak season, 90-days in off-season, longer if available	Y	Y	Y	Y
Oceanside Harbor (current)	Oceanside	\$1.20	30-days, longer with approval	Y	Y	Y	Y
Oceanside Harbor (proposed)	Oceanside	Oct 1 to Mar 31 - \$0.8; Apr 1 to Sep 30 - \$1.20	30-days, longer with approval	Y	Y	Y	Y

ATTACHMENT 2

Commercial Fishing Slip Rent Survey February 1, 2012

Marina	Location	Rent (per month, per foot)
Tuna Harbor	San Diego Bay	\$3.15
Driscoll's Wharf	San Diego Bay	\$3.15
Dana Point Harbor	Dana Point	\$5.40
Oceanside Harbor (current)	Oceanside	\$10.60
Oceanside Harbor (July 1, 2012)	Oceanside	\$11.60
Oceanside Harbor (proposed)	Oceanside	\$8.00

1 RESOLUTION NO. _____

2 A RESOLUTION OF THE OCEANSIDE HARBOR
3 DISTRICT BOARD OF DIRECTORS LOWERING
4 COMMERCIAL SLIP RENTS AND LOWERING
5 SEASONAL TRANSIENT VESSEL RATES

6 WHEREAS, the Oceanside Harbor District Board of Directors has reviewed rents and
7 fees assessed for various activities and services provided in the District; and

8 WHEREAS, the Board desires to adjust certain rents and assessed fees as established in
9 Harbor Resolution No. 11-R0407-11 (“Master Fee Resolution”) in order to maintain a balance
10 with a market competitive fee-based marina operation with a financially sound operational
11 organization.

12 NOW, THEREFORE, BE IT RESOLVED by the Oceanside Harbor District Board of
13 Directors that Harbor Resolution No. 11-R0407-1 be amended as follows.

14 GENERAL PROVISIONS.

- 15 a. Rent for Berthing. Effective July 1, 2012 berthing rents for
16 Commercial Fishing Vessels (due and payable on the first day of
17 each month) shall be at the rate per linear foot of the vessel’s hull
18 length or the slip length, whichever is greater, at the rate of \$8.00
19 per foot per month provided that they are berthed at docks U
20 through X, inclusive.

21 B. FEE SCHEDULE.

22 1. Transient Vessel Rates.

- 23 a. Any transient vessel which requires a double space, such as multi-
24 hull craft, shall be required to pay the existing transient rate for
25 two slips.
- 26 b. Between April 1 and September 30, the transient vessel daily rate
27 shall be \$1.20 per linear foot.
- 28 c. Between October 1 and March 31, the transient vessel daily rate
shall be \$.80 per linear foot.

1 d. The following areas are hereby designated as transient mooring
2 facilities:

- 3 I) Jolly Roger (JR) Dock
- 4 II) Harbor Village (HV) Dock
- 5 III) Transient (TR) Dock
- 6 IV) Dolphin Dock and Coast Guard Dock

7 e. District reserves the right to use temporarily unoccupied slips
8 other than those set forth above for transient vessels if needed, to
9 accommodate visiting vessels. However, the owners of transient
10 vessels shall agree to move their vessel to another slip or to the
11 transient dock any time the permanent renter returns to their slip.

12 2. Date and Formula for Implementation.

13 The Commercial Fishing Slip Rent and Transient Boater Rate adjustments
14 shall be effective April 1, 2012. Commercial Fishing Slip rents and
15 Transient Slip rents will be adjusted, based upon the San Diego Area
16 Consumer Price Index, every other year thereafter, beginning January,
17 2013.

18 The adjustment shall be for the period subsequent to the previous
19 adjustment. Slip rents shall not be decreased. Any fee adjustment shall be
20 rounded to the nearest tenth of a dollar. In such case as the overall slip
21 occupancy falls below 90%, no slip rate adjustment shall be effective until
22 90% occupancy is attained.

23 The District will reserve the right to make future adjustments as
24 appropriate.

1 PASSED AND ADOPTED by the City Council of the City of Oceanside, California,
2 this _____ day of _____, 2012, by the following vote:

3 AYES:

4 NAYS:

5 ABSENT:

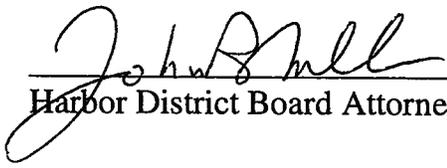
6 ABSTAIN:

7
8 _____
President, Harbor Board of Directors

9 ATTEST:

APPROVED AS TO FORM:

10 _____
11 Harbor District Board Secretary

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13 _____
14 Harbor District Board Attorney

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23 A RESOLUTION OF THE OCEANSIDE HARBOR DISTRICT BOARD OF
24 DIRECTORS LOWERING COMMERCIAL SLIP RENTS AND LOWERING
25 SEASONAL TRANSIENT VESSEL RATES
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