

# HARBOR RENTS

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Look Back Review for Residential / Commercial  
Piers and Moorings

City Council Study Session  
November 12, 2013

# The Process

- Since 2010, City Council has reviewed harbor rents for moorings, Balboa Yacht Basin slip tenants and residential/commercial pier permittees.
- Early this year, the Council committed to “look back” at the City’s implementation of the harbor rents, and adjust if necessary.
- Residential pier rents implemented March 1, 2013.

# Look Back Workshops

- Two public workshops held in late summer. Excellent dialogue and feedback from the harbor users.
- All workshop comments summarized in Attachment A in today's staff report.
- Based on comments received, staff is recommending the following changes for 2014:

# Recommended Change #1

## Area defined as:

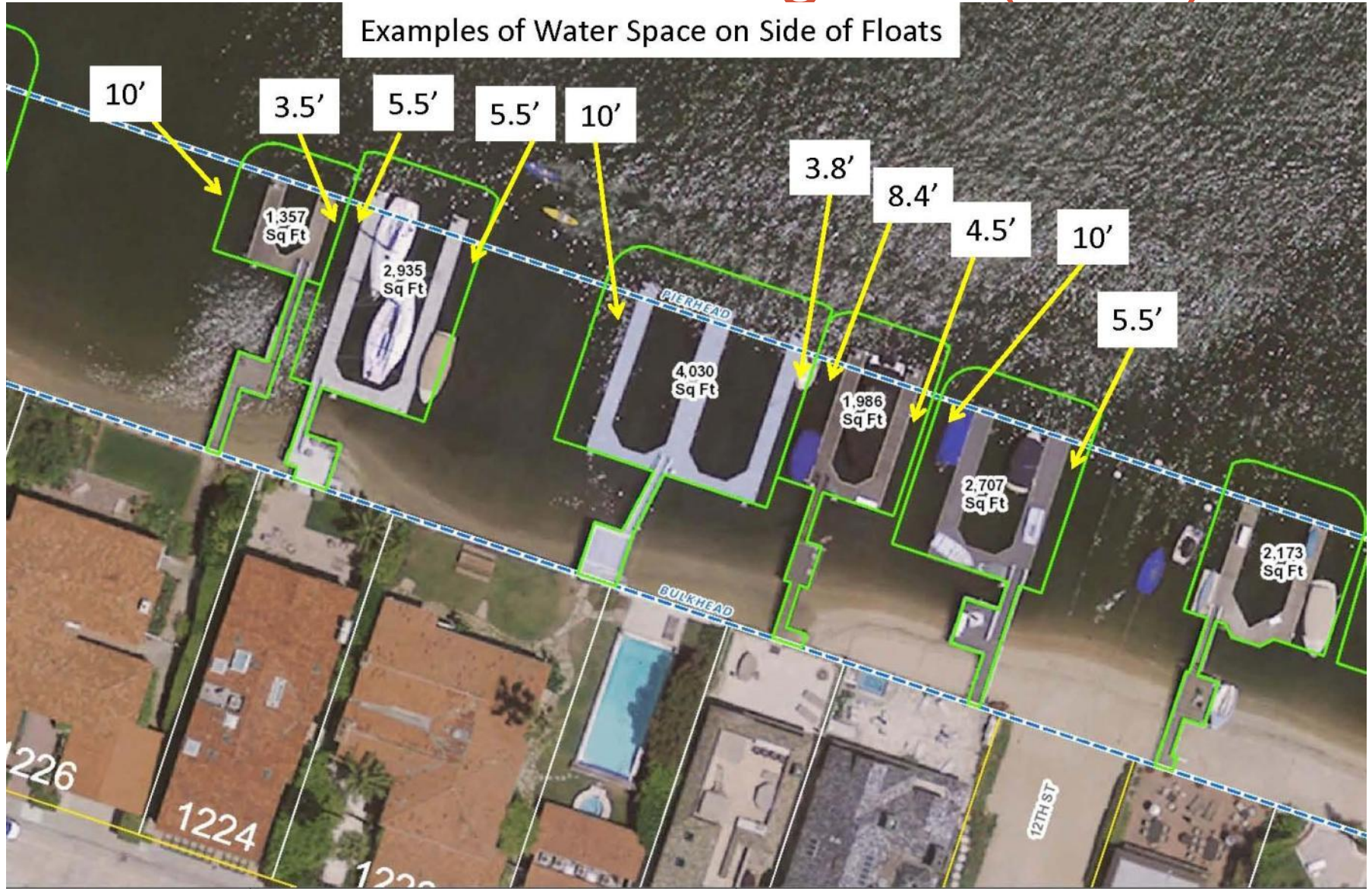
- ✓ Footprint of pier, gangway and float
- ✓ Interior of U-shaped float
- ✓ Buffer area of 10' around float (except backside)
- ✓ If less than 5' of usable space, then do not charge.

# Recommended Change #1 (cont.)



# Recommended Change #1 (cont.)

Examples of Water Space on Side of Floats



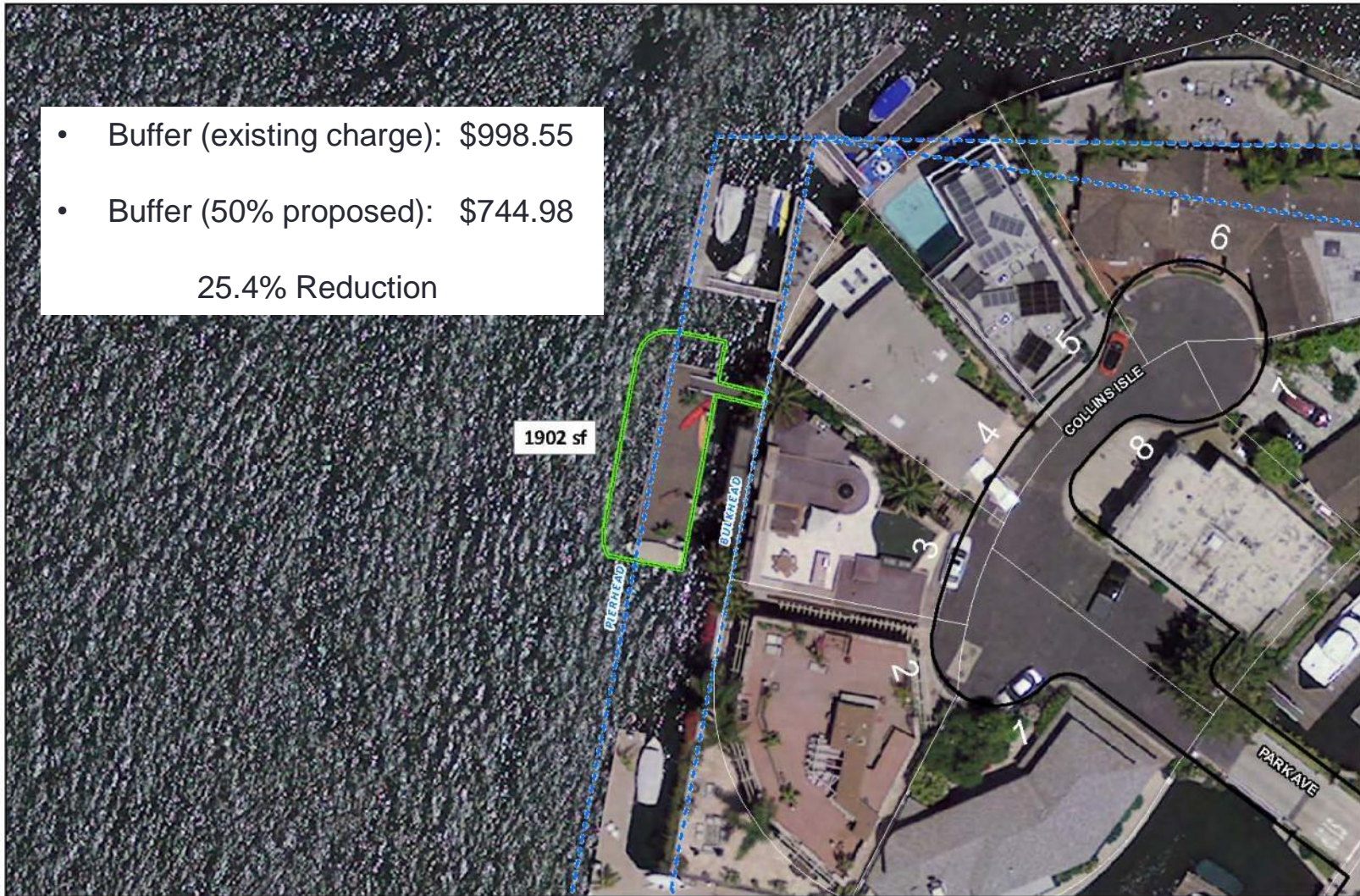
# Recommended Changes #2

## Charges:

- Footprint of pier, gangway and float over City tidelands
- 50% of the rate for interior of U-shaped float and 10' buffer area.
  - (Currently charging full rate for buffer area and interior U)

# Recommended Changes #2 (cont.)

- Buffer (existing charge): \$998.55
  - Buffer (50% proposed): \$744.98
- 25.4% Reduction



## 3 COLLINS ISLE

Total Permit Area = 1,902 sq. ft.

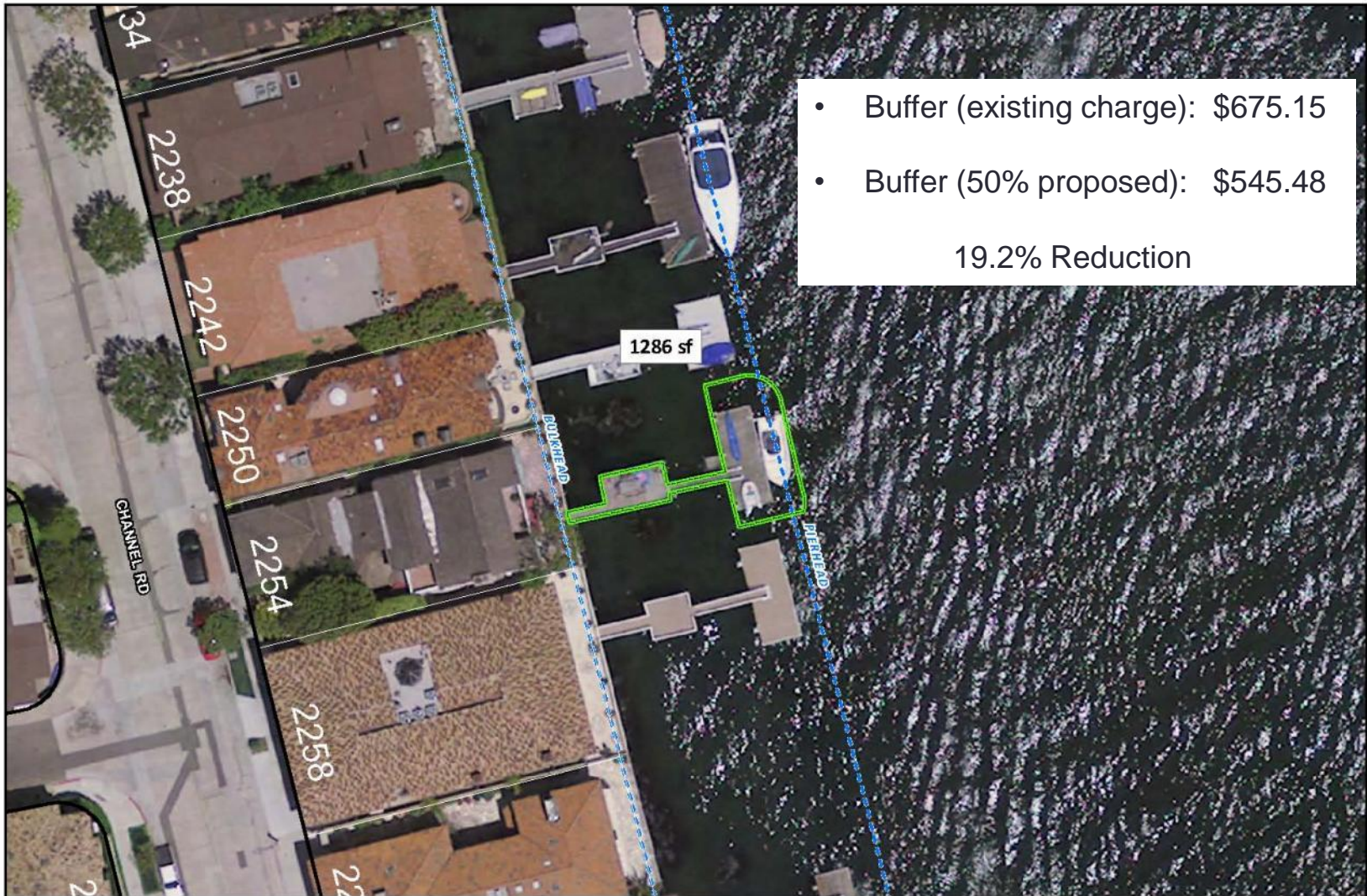
\* Aerial Imagery taken  
May 27-30, 2011  
\* Pier Exhibit created  
03/18/2013  
\* Shared Piers split area  
cost by 25%, 33.3%, or 50%  
\* Rental Piers charged by  
area (sq. ft.)



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# Recommended Changes #2 (cont.)



- Buffer (existing charge): \$675.15
  - Buffer (50% proposed): \$545.48
- 19.2% Reduction



## 2254 CHANNEL RD

Total Permit Area = 1,286 sq. ft.

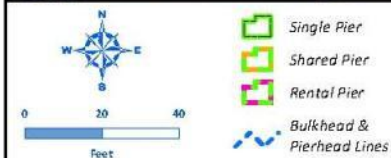
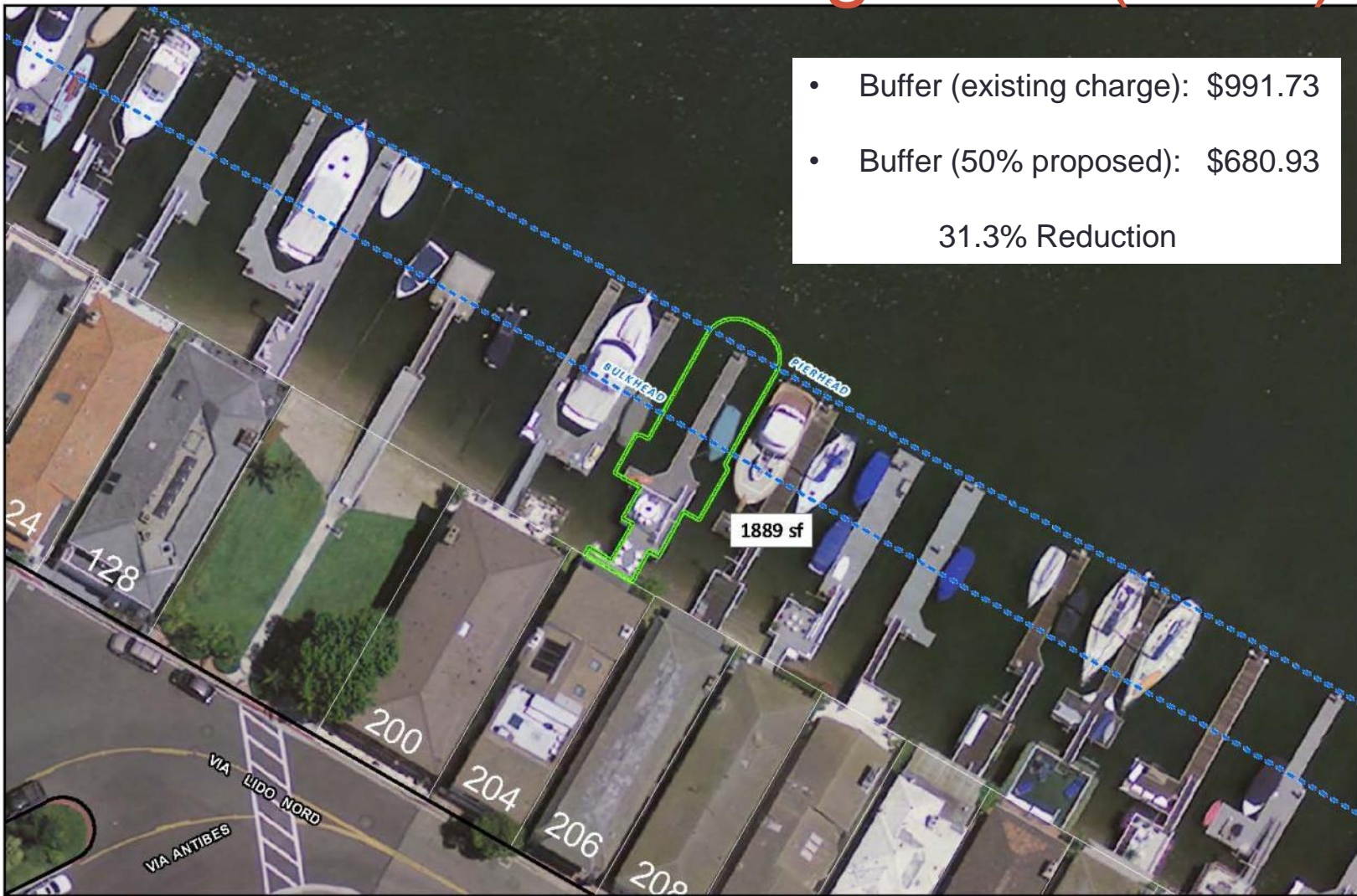
\* Aerial Imagery taken May 27-30, 2011  
\* Pier Exhibit created 03/18/2013  
\* Shared Piers split area cost by 25%, 33.3%, or 50%  
\* Rental Piers charged by



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# Recommended Changes #2 (cont.)

- Buffer (existing charge): \$991.73
  - Buffer (50% proposed): \$680.93
- 31.3% Reduction



## 204 VIA LIDO NORD

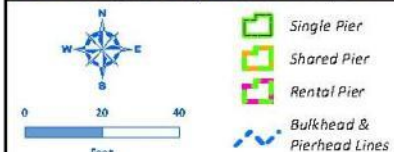
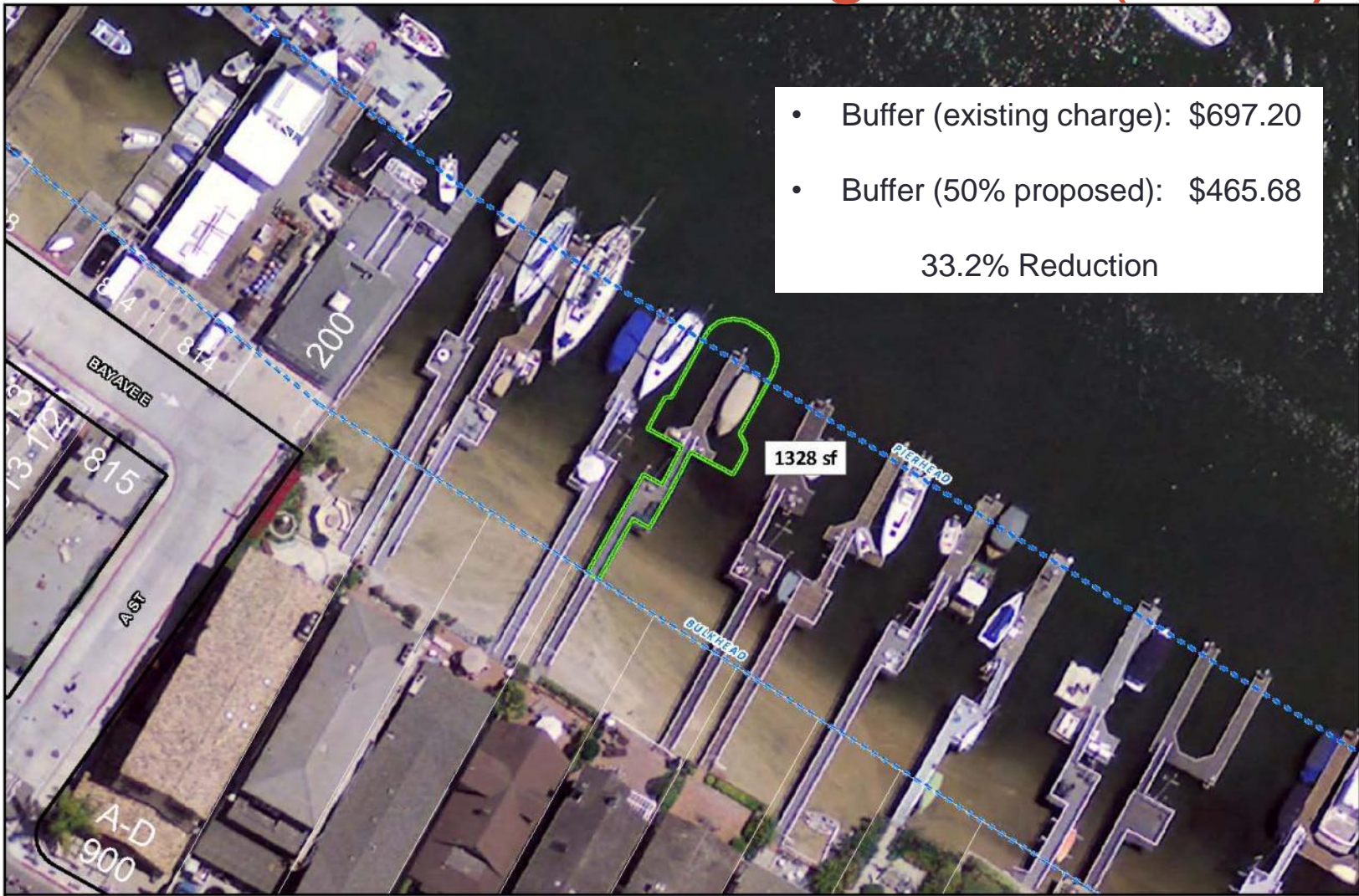
Total Permit Area = 1,889 sq. ft.

\* Aerial Imagery taken May 27-30, 2011  
\* Pier Exhibit created 03/18/2013  
\* Shared Piers split area cost by 25%, 33.3%, or 50%  
\* Rental Piers charged by area (sq. ft.)



# Recommended Changes #2 (cont.)

- Buffer (existing charge): \$697.20
  - Buffer (50% proposed): \$465.68
- 33.2% Reduction



## 908 BALBOA BLVD E

Total Permit Area = 1,328 sq. ft.

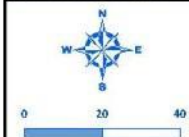
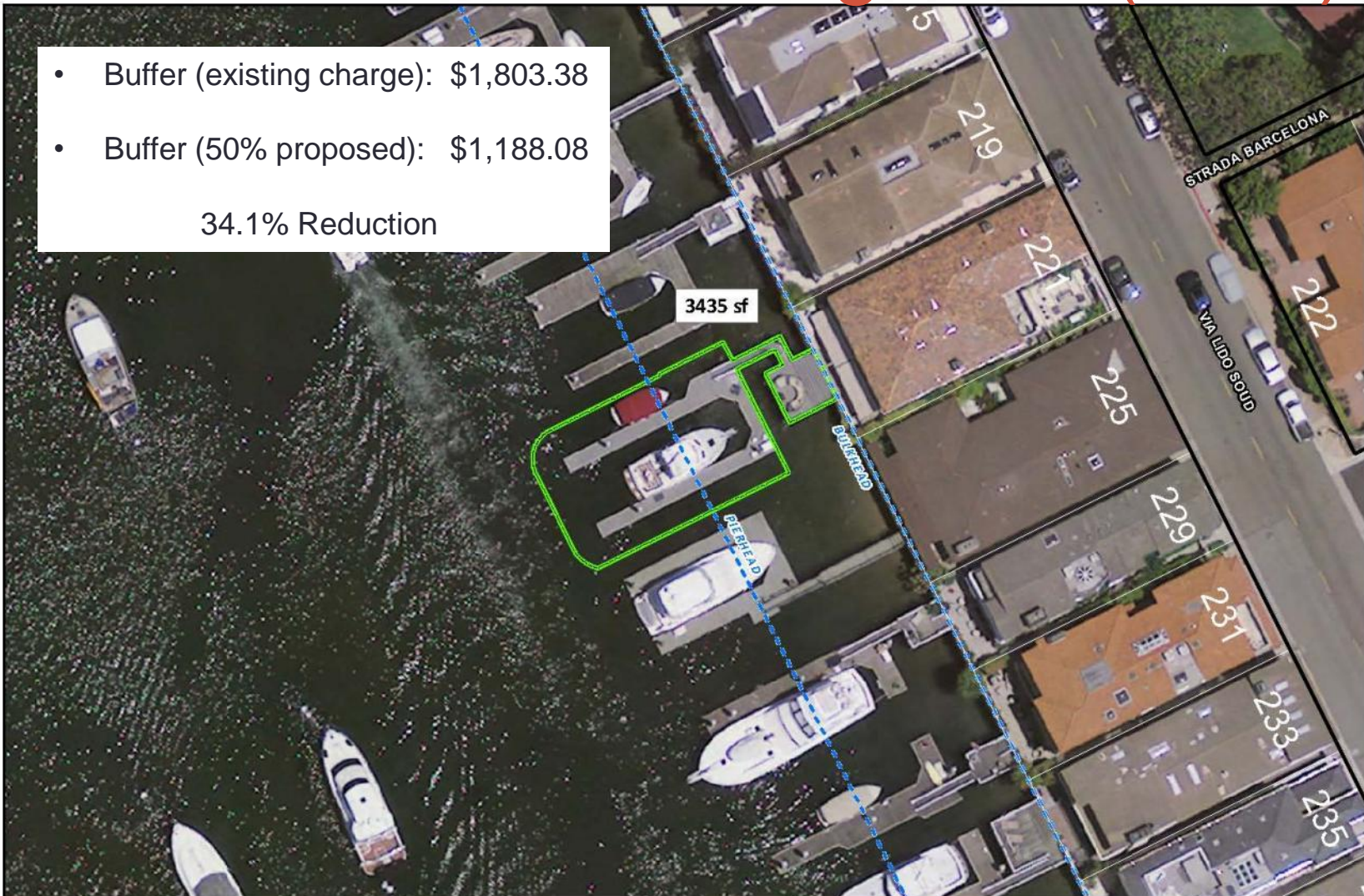
\* Aerial imagery taken May 27-30, 2011  
\* Pier Exhibit created 03/18/2013  
\* Shared Piers split area cost by 25%, 33.3%, or 50%  
\* Rental Piers charged by area (sq. ft.)



# Recommended Changes #2 (cont.)

- Buffer (existing charge): \$1,803.38
- Buffer (50% proposed): \$1,188.08

34.1% Reduction



-  Single Pier
-  Shared Pier
-  Rental Pier
-  Bulkhead & Pierhead Lines

## 221 VIA LIDO SOUD

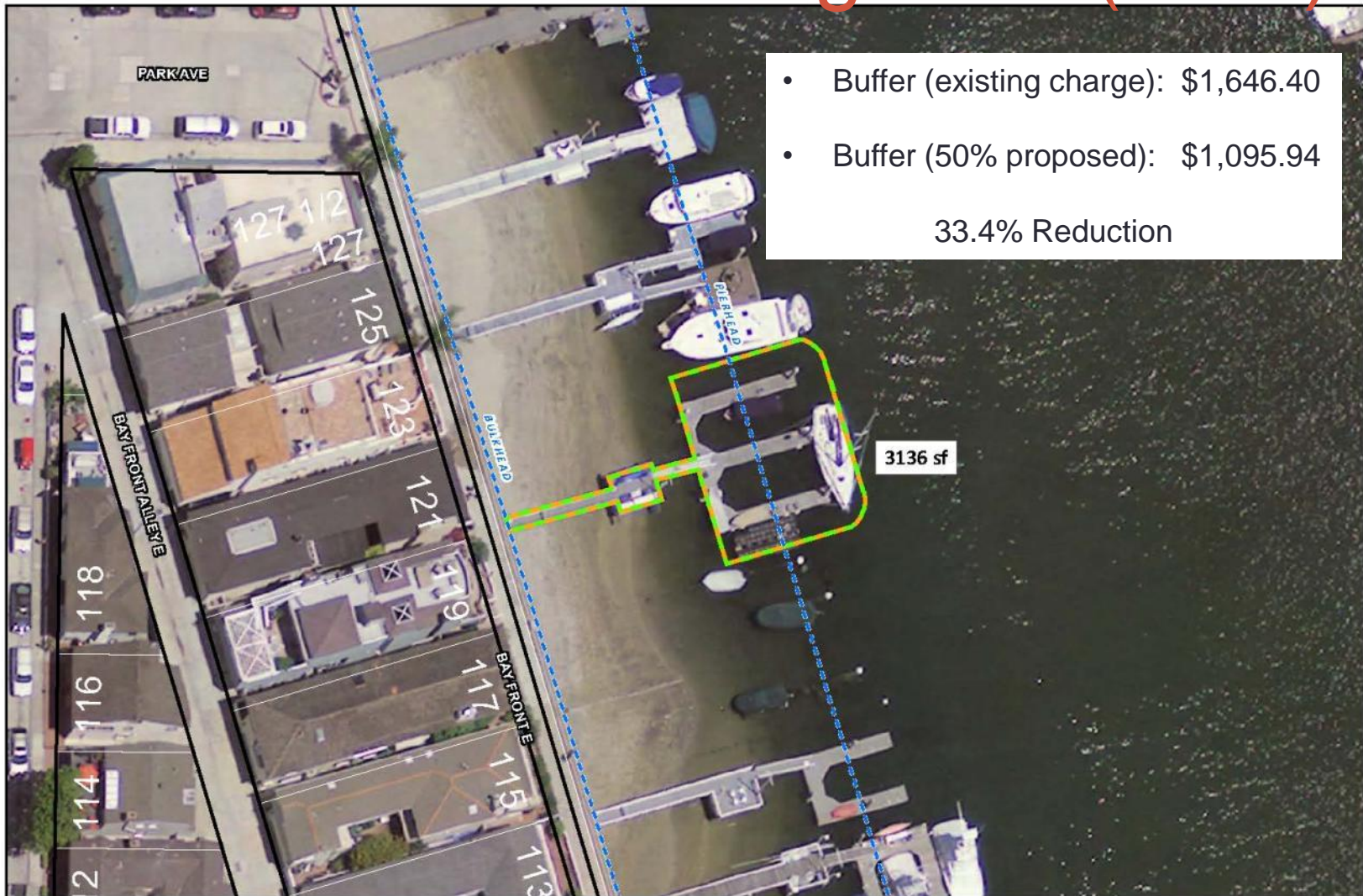
Total Permit Area = 3,435 sq. ft.

- \* Aerial Imagery taken May 27-30, 2011
- \* Pier Exhibit created 03/18/2013
- \* Shared Piers split area cost by 25%, 33.3%, or 50%
- \* Rental Piers charged by

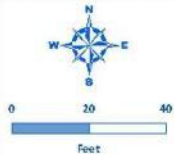


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# Recommended Changes #2 (cont.)



- Buffer (existing charge): \$1,646.40
  - Buffer (50% proposed): \$1,095.94
- 33.4% Reduction



-  Single Pier
-  Shared Pier
-  Rental Pier
-  Bulkhead & Pierhead Lines

## 119 BAY FRONT E

Total Permit Area = 3,136 sq. ft.

\* Aerial Imagery taken May 27-30, 2011  
 \* Pier Exhibit created 03/18/2013  
 \* Shared Piers split area cost by 25%, 33.3%, or 50%  
 \* Rental Piers charged by area (sq. ft.)



# Recommended Changes #2 (cont.)

- Buffer (existing charge): \$5,451.60
- Buffer (50% proposed): \$3,394.13

37.7% Reduction



- Single Pier
- Shared Pier
- Rental Pier
- Bulkhead & Pierhead Lines

## 3344 VIA LIDO

Total Permit Area = 10,383 sq. ft.

\* Aerial Imagery taken May 27-30, 2011  
\* Pier Exhibit created 04/16/2013  
\* Shared Piers split area cost by 25%, 33.3%, or 50%  
\* Rental Piers charged by separate fee



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# Recommended Changes #3

## **Simplified Permit for Residential Piers:**

- Remove some provisions
- Add language regarding the City's intent to renew the permit.
- Offer a 5 or 10 year permit

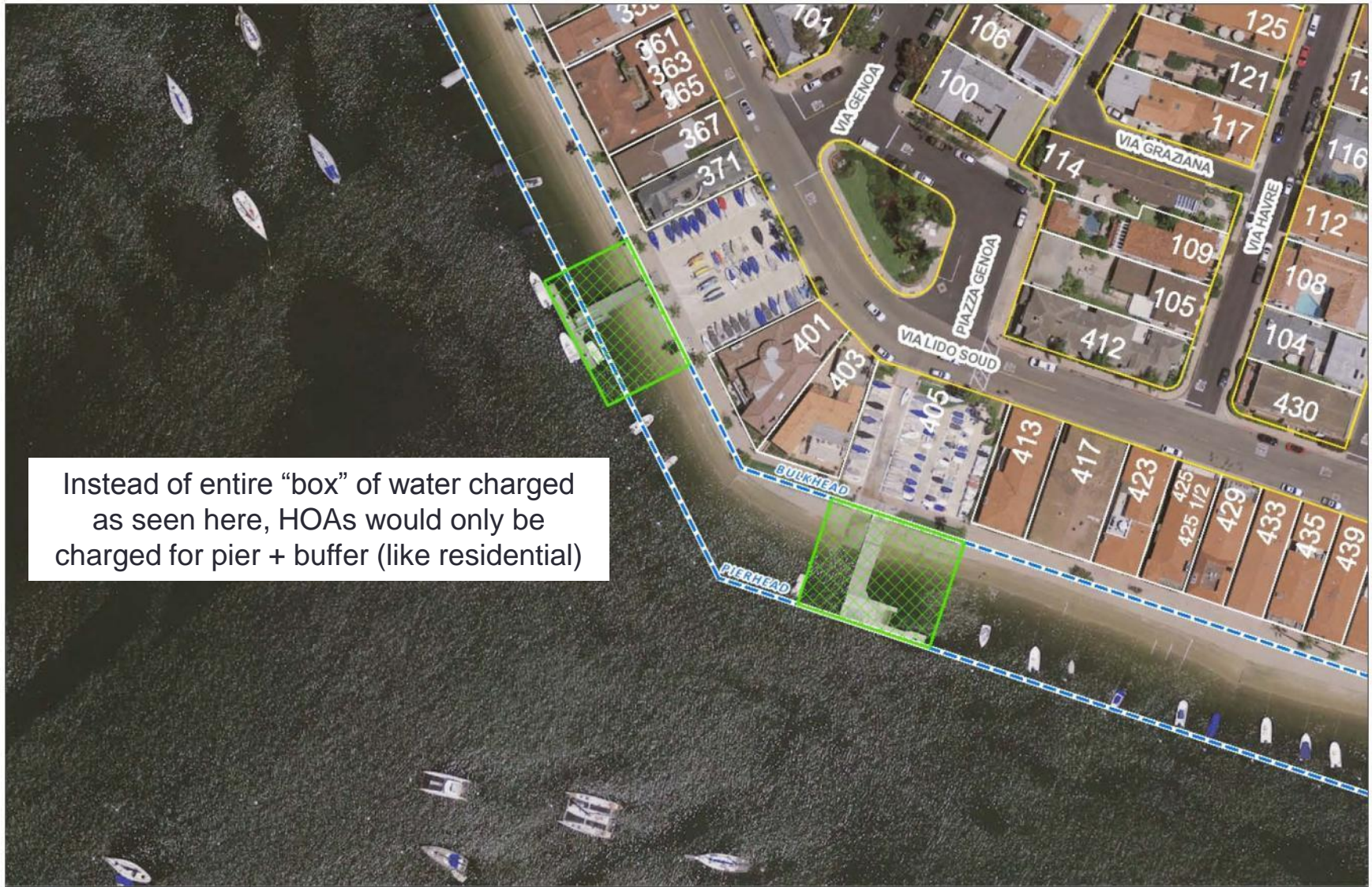
# Recommended Changes #4

## **HOA's Re-Designated at Residential (from commercial):**

- Provided slips are used for HOA members only
- If rented to the public, then commercial rates apply
- Favorably affected piers:
  - Beacon Bay
  - Lido Isle Community Association
  - Other HOAs

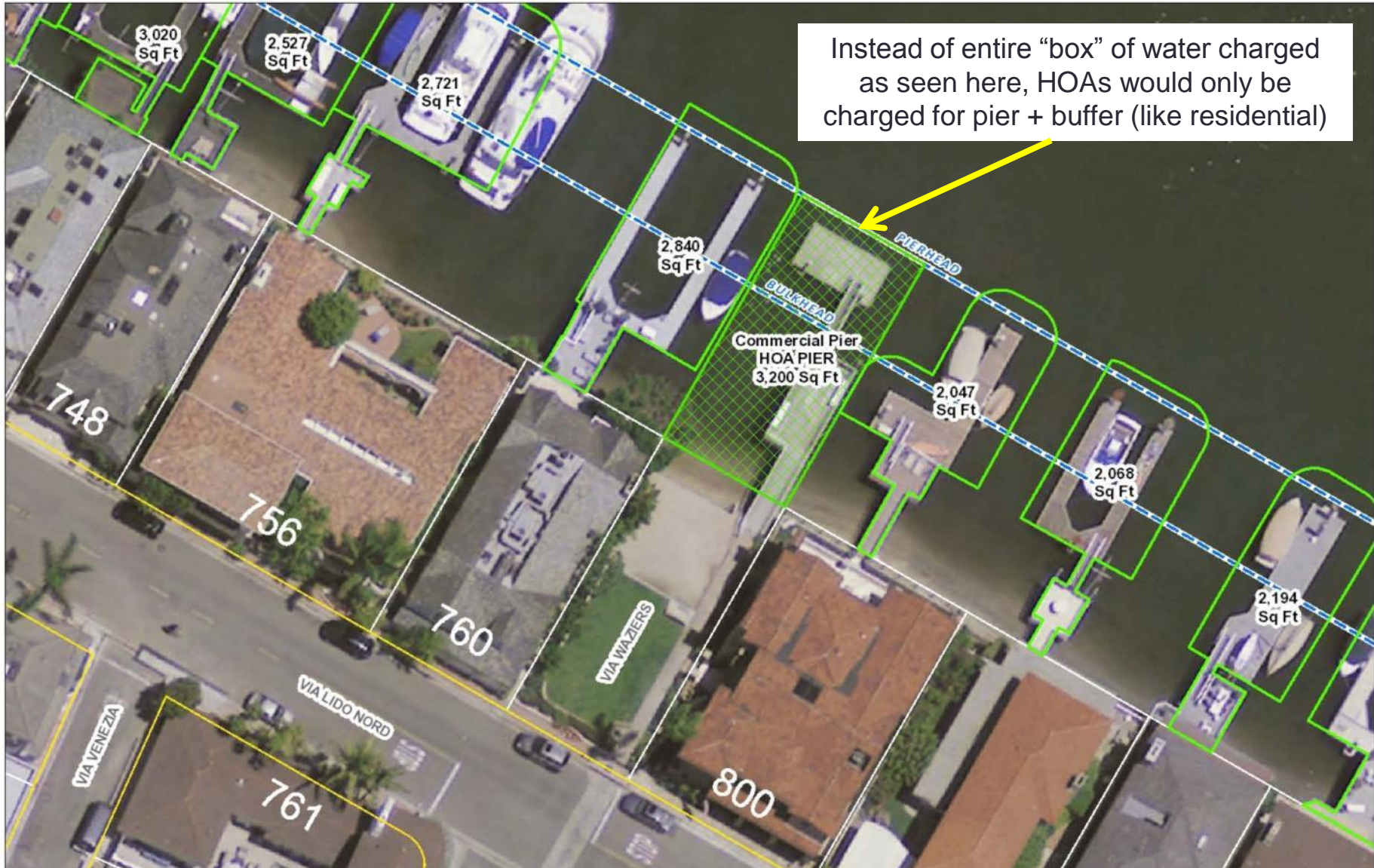


# Recommended Changes #4 (cont.)



Instead of entire “box” of water charged as seen here, HOAs would only be charged for pier + buffer (like residential)

# Recommended Changes #4 (cont.)



# Recommended Changes #4 (cont.)



# Recommended Changes #4 (cont.)

How to classify LICA Clubhouse / Yacht Club?  
(residential or commercial?)

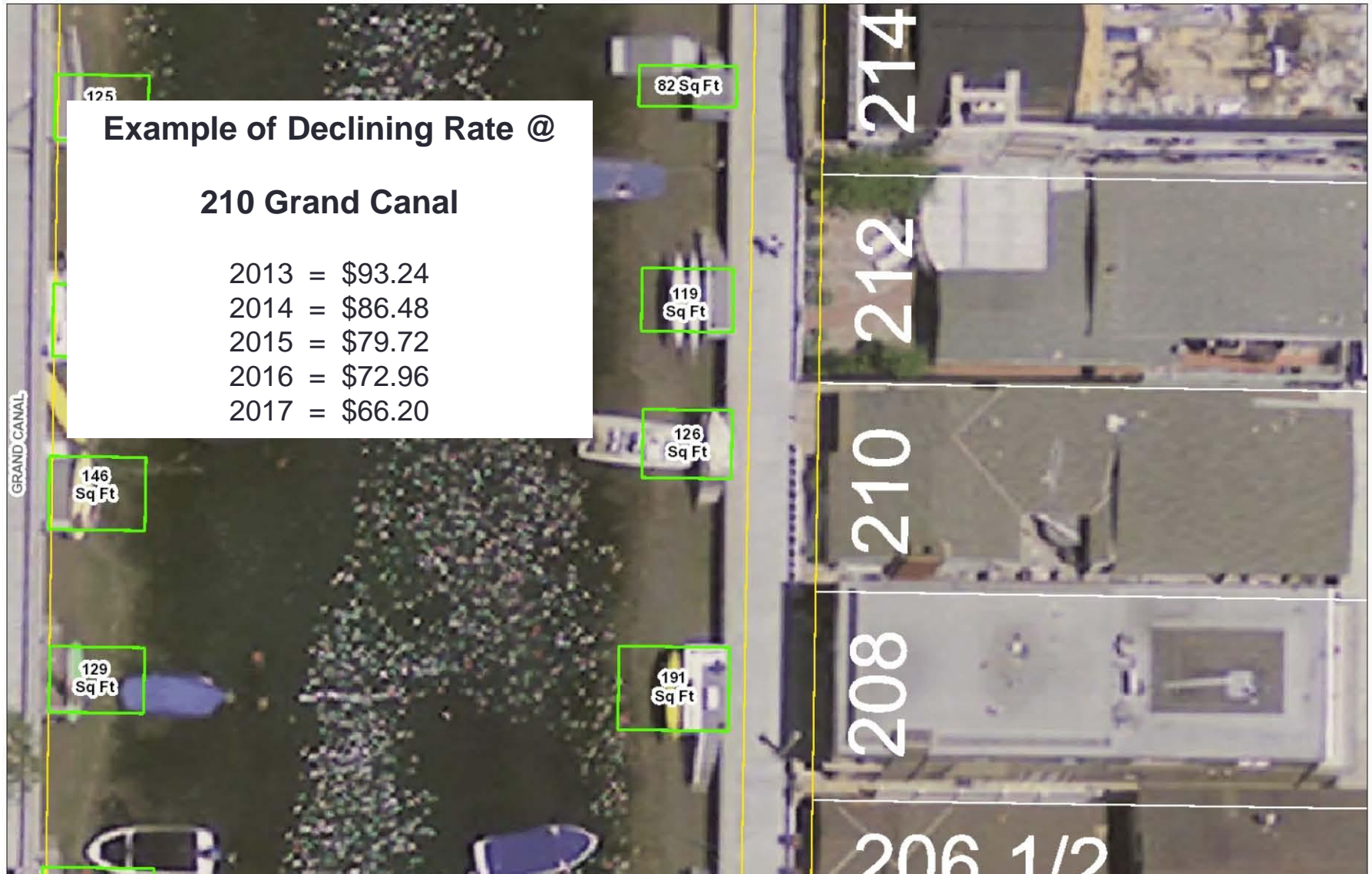


# Recommended Changes #5

**For very small piers, step down to 2018 rent immediately:**

- Anomaly in formula causing rate to decrease every year
- Approximately 136 piers in this category
  - Grand Canal
  - West Newport
  - Peninsula

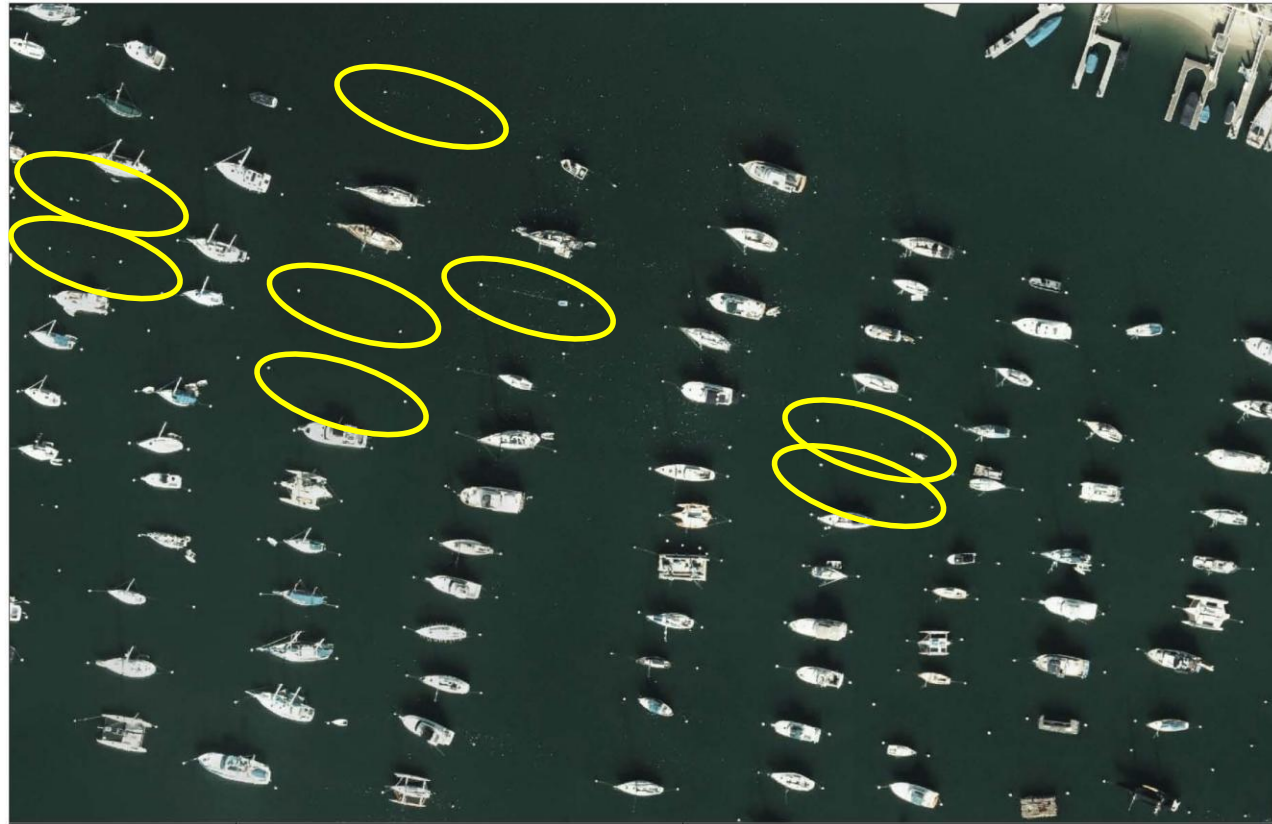
# Recommended Changes #5 (cont.)



# Recommended Changes #6

## Use of rental revenue collected from rental of vacant moorings by Harbor Patrol for mooring amenities or other beneficial harbor programs:

- Mooring permittees do not have a boat, but they still pay mooring fee.
- Mooring declared “vacant”.
- May be rented by Harbor Patrol to other visiting boaters. Approximately \$80k/year.



# State Lands Comparison

Location	Rate	Notes
Lake Tahoe	<ul style="list-style-type: none"> <li>• \$0.79 sq/ft for actual pier + 50% of \$0.79 for “impact area” around pier (typically 10’ around pier)</li> </ul>	<ul style="list-style-type: none"> <li>• Supposed to update benchmark rate every 5 years.</li> <li>• Large increase in 2007. Last review was 1992. (Did not follow every 5 year plan during this time.)</li> <li>• 2011 State law to charge for residential piers.</li> <li>• 2012 residential pier rent began. Public hearings to explain rental rate appraisal amounts.</li> </ul>
Huntington Harbor	<ul style="list-style-type: none"> <li>• \$0.33 sq/ft for entire water area</li> <li>• 2005 rate: \$0.22 sq/ft</li> </ul>	<ul style="list-style-type: none"> <li>• Entire water area = bulkhead to pierhead and across property width regardless of size of dock.</li> </ul>
Sacramento River	<ul style="list-style-type: none"> <li>• \$0.19 sq/ft for dock footprint + 10’ impact area on “river side”. If “bank side” can accommodate a boat, then charge for that as well.</li> </ul>	
San Joaquin River Delta	<ul style="list-style-type: none"> <li>• \$0.15 sq/ft for dock footprint + 10’ impact area on “river side”. If “bank side” can accommodate a boat, then charge for that as well.</li> </ul>	

**Note:** State Lands typically has 10 year leases with staggered renewal dates. New rental rates take affect when the lease expires.



# Questions?

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