

Harbor Charges: Mooring

Draft Concept

August 2010

City of Newport Beach

Issues – Harbor Charges

- Two types of charges:
 - Charges based on the cost of providing a service
 - Studied in the MGT study
 - Increases may be subject to Proposition 218.
 - Charges for the private use of public property
 - Based on Fair Market Value
 - Could be appraised, could be arrived at via other methods.
 - Increases not subject to Proposition 218.

Fees based on Cost of Service

(examples of existing fees)

Fees Based on Cost of Service	
<i>Description</i>	<i>Amount per Year</i>
Commission Appeal Hearing	varies
Harbor Structures Permit - Dredging	\$500.00
Plan Check Fee - New Construction	\$180.00
Plan Check Fee - Maintenance	\$ 41.80
Non-Commercial Pier Permit - Transfer	\$460.00
Commercial Pier Permit - Transfer	\$500.00
Marine Preserve Tours	\$ 36.10
BYB Wait List	\$ 34.10
Live-Aboard Permits	\$190.00
Live-Aboard Wait List	\$ 60.00

Fees based on Cost of Service

(MGT's preliminary draft fees)

CURRENT

PROPOSED

Service Name	Fee Description	Annual Volume	Per Unit			Per Unit	
			Current Fee	Current Recovery %	Full Cost	Recovery Level	Fee @ Policy Level
1 RGP Dredging	Flat	25	\$500	32%	\$1,573	100%	\$1,573
2 Plan Check - new construction	Flat	30	\$180	32%	\$558	100%	\$558
3 Plan Check - maintenance	Flat	60	\$42	30%	\$139	100%	\$139
4 Tidepool Exploration Program	Flat	300	\$36	9%	\$384	9%	\$36
5 Non-commercial Pier Transfer	Flat	40	\$460	205%	\$224	100%	\$224
6 Commercial Pier Transfer	Flat	5	\$500	223%	\$224	100%	\$224
7 Wait List - BYB	Flat	1040	\$34	110%	\$31	100%	\$31
8 Wait List - Live Aboard	Flat	0	\$60	193%	\$31	100%	\$31
9 Live Aboard Permit	Flat	22	\$190	78%	\$245	100%	\$245
10 Non-commercial Pier Permit	Flat	1200	\$100	140%	\$71	100%	\$71
11 Eelgrass Survey	New fee	15			\$471	100%	\$471
12 Appeal Hearing	Hourly					100%	

Charges for the Private Use of Public Property

(current charges)

Charges Based on Use of Property	
<i>Description</i>	<i>Amount per Year</i>
Non-Commercial Pier Use - Renewal	\$ 100
Commercial Pier - Over City Tidelands	\$0.36/SF
Commercial Pier - Not Over City Tidelands	\$ 26.70
Onshore Moorings	\$10/LF
Offshore Moorings	\$20/LF

Committee Workplan

- Part I
 - Moorings and Balboa Yacht Basin, implement changes incrementally over __ period.
 - Analyze tidelands commercial categories with SLC.
 - Appraisal at Lido Marina Village's tidelands below commercial docks.
 - Establish protected Harbor Fund for any incremental increase in revenue – dedicate for harbor amenities and harbor services.
- Part II
 - Implement LMV changes via lease.
 - Review/appraise Commercial Piers to “percentage of gross” that are now under a per square foot rate (when analysis in).
 - Analyze residential pier fees and rentals of residential piers for commercial purposes.
 - Develop and approve long-term capital plan for harbor amenities and harbor services.

Determining the Fair Market Value of a NH Mooring

- Proposal:
 - Establish relationship between average rental rate of all slip sizes (“All Slip Lengths Average”) in NH commercial marinas and the mooring rate.
 - Assume onshore moorings valued at 50% of offshore.
 - Use San Diego’s current Mooring-to-Slip rate ratio as a model, but:
 - Adjust for private ownership of mooring tackle here.
 - Consider any other factors based on stakeholder input.
 - Attempt to set a rate consistent with a vacancy factor of about 5% in area moorings.

What would this look like (pt 1)?

- “All Slip Lengths Average” slip rate in the San Diego Area (five marinas) is **\$17.63/LF/mo.**
- Typical mooring rate for the SD Mooring Company is **\$3.52/LF/mo.**
 - Because of tackle ownership in NH, adjust SD Mooring Co rate downward to **\$3.00/LF/mo** (assumes tackle costs of \$250/year)
- Therefore, mooring rates (tackle-adjusted) are **17.0%** of the average slip rates using the SD Marina index.

What would this look like (pt 2)?

- Mooring rates (tackle-adjusted) are **17.0%** of the average slip rates using the SD Marina index.
- In Newport Harbor, the “All Slip Lengths Average” slip rate (using 8 marinas – not BYB - for an NH Marina Index) is **\$29.73/LF/mo.**
- **17.0%** of the NH average slip rate =
 - **\$5.05/LF/mo** for offshore moorings
 - **\$2.53/LF/mo** for onshore moorings

Variations on the Mooring : Slip Ratio

- Instead of using All Slip Rates Average, use:
 - The average of all 40' moorings...
 - 40' is most common (181/593), then
 - 45' (115/593)
 - 50' (112/593)
 - Using slip rates and mooring rates, derive an average of all mooring and slip lengths per LF
 - Challenging to re-do every X years.

In Other Areas...

- Mission Bay
 - Mooring rates are 14.1% of slip rates
 - Driscoll and Hyatt are marina comparisons
- Pillar Point
 - Mooring rates are about 15% of slip rates
- Monterey Bay
 - Mooring rates appear to be 24.3% of slip rates
 - Breakwater Cove is marina comparison

SD Marina Index

San Diego Area Marinas							
Berth Length	Shelter Cove	Sunroad Marina	Harbor Is West	Chula Vista	National City - Pier 32	Average/Mo	Ave/Foot/Mo
28	\$ 448	\$ 555	\$ 431	350	\$ 366	\$ 430.00	\$ 15.36
30	\$ 480	\$ 555	\$ 487	390	\$ 393	\$ 461.00	\$ 15.37
32	\$ 512	\$ 592	\$ 520	416	\$ 406	\$ 489.20	\$ 15.29
36	\$ 594	\$ 666	\$ 594	468	\$ 500	\$ 564.40	\$ 15.68
40	\$ 700	\$ 760	\$ 680	560	\$ 542	\$ 648.40	\$ 16.21
45	\$ 897	\$ 855	\$ 765	652	\$ 688	\$ 771.40	\$ 17.14
46	\$ 897	\$ 874	\$ 782	667	\$ 703	\$ 784.60	\$ 17.06
50	\$ 1,215	\$ 1,100	\$ 875	737.5	\$ 837	\$ 952.90	\$ 19.06
54	\$ 1,215	\$ 1,650	\$ 962	837	\$ 869	\$ 1,106.60	\$ 20.49
55	\$ 1,237	\$ 1,650	\$ 962	852	\$ 885	\$ 1,117.20	\$ 20.31
60	\$ 1,722	\$ 1,800	\$ 1,080	990	\$ 1,014	\$ 1,321.20	\$ 22.02

Average of All Slip Lengths = \$17.63/LF/mo

Average of all 40' slips = \$16.21/LF/mo

Newport Harbor Marina Index

Newport Beach Marinas										
Slip Length	BYB	Bayshore Marina	Bayside Marina	Dunes Marina	Harbor Marina	Lido Marina Village	Lido Yacht Anchor.	Swales	Bayside Village Marina	Non BYB Average
	<i>Price per foot per month</i>									
20		\$ 23.80		\$ 23.75	\$ 19.50		\$ 18.75		\$ 20.00	\$ 21.16
22		\$ 23.85		\$ 23.75	\$ 19.50		\$ 18.75		\$ 20.00	\$ 21.17
25	\$ 16.00	\$ 25.45		\$ 23.75	\$ 19.50		\$ 18.75		\$ 20.00	\$ 21.49
28				\$ 23.75	\$ 19.50		\$ 18.75		\$ 20.00	\$ 20.50
29	\$ 17.38			\$ 23.75	\$ 19.50		\$ 18.75		\$ 20.00	\$ 20.50
30	\$ 18.60		\$ 31.65	\$ 29.00	\$ 24.00	\$ 35.00	\$ 18.75	\$ 17.00	\$ 25.00	\$ 25.77
32	\$ 18.00	\$ 31.00		\$ 29.00	\$ 24.00	\$ 35.00	\$ 20.75		\$ 25.00	\$ 27.46
36	\$ 18.00		\$ 33.22	\$ 31.25	\$ 24.00	\$ 35.00	\$ 24.00		\$ 26.00	\$ 28.91
40	\$ 19.00	\$ 32.94	\$ 39.62	\$ 39.50	\$ 37.50	\$ 38.00	\$ 26.50	\$ 18.00	\$ 32.00	\$ 33.01
45	\$ 19.00		\$ 41.84	\$ 39.50	\$ 37.50	\$ 38.00	\$ 26.50	\$ 20.00	\$ 32.00	\$ 33.62
46	\$ 19.00			\$ 42.00	\$ 37.50	\$ 38.00	\$ 26.50		\$ 35.00	\$ 35.80
50	\$ 23.00			\$ 42.00	\$ 41.00	\$ 41.00	\$ 27.75		\$ 35.00	\$ 37.35
54	\$ 25.56			\$ 42.00	\$ 41.00	\$ 41.00	\$ 27.75			\$ 37.94
55	\$ 25.09			\$ 42.00	\$ 41.00	\$ 41.00	\$ 27.75			\$ 37.94
60	\$ 23.00	\$ 50.34	\$ 49.07	\$ 42.00	\$ 45.00	\$ 45.00	\$ 29.00			\$ 43.40

Average of All Slip Lengths = \$29.73/LF/mo
 Average of all 40' slips = \$33.01/LF/mo

NH Marina Index – 8 Marina Locations



NH Mooring Areas - West



NH Mooring Areas - East

