



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: August 9, 2016
TO: Ordinance Committee
FROM: Operations Division, Waterfront Department
SUBJECT: Proposal To Amend Harbor Slip Assignment Policy

RECOMMENDATION:

That the Ordinance Committee review and forward to Council for introduction ordinance amendments to Section 17.20.005 of the Santa Barbara Municipal Code related to the Slip Assignment Policy that extend the time allowed for a slip permittee to replace a vessel that is donated, stolen, destroyed or otherwise permanently removed from the slip from 120 days to 180 days and eliminate the Lottery List Assignment Fee for slips assigned from the Lottery Waiting List.

BACKGROUND:

Waterfront Department staff annually reviews Title 17 of the Santa Barbara Municipal Code to identify Sections requiring amendments that will help provide a clear legal framework for administering and implementing Department policies and programs. This year, staff focused on two items in MC 17.20.005 (Slip Assignment Policy).

DISCUSSION:

A. MC 17.20.005 B.3. Replacement Vessel

This Section currently provides a slip permittee 120 days to replace a vessel that is sold, donated, stolen, destroyed or otherwise permanently removed from a slip. This limited time frame presents two related problems. First, after a boater settles affairs related to the sale of his/her vessel, at least 30 days have typically passed, leaving only 90 days to place another boat in their slip. Second, unless the permittee is already negotiating to buy another boat, shopping (often internationally) for their vessel of choice can take time. In order to meet the time requirements placed by the Municipal Code, a slip permittee will often find it necessary to place a "filler" boat in the slip, often an illegal sub-rental on whose title the slip permittee must remain until he/she locates a boat they wish to buy. The Department seeks to take steps to eliminate this practice.

Extending the time for replacing a sold, donated, stolen or destroyed boat from 120 to 180 days would allow more time for a slip permittee to shop for a new vessel and reduce the need to place a temporary, substitute boat in the permittee's slip. It would also provide more berthing opportunities for visiting boats during the 180-day period.

B. MC 17.20.005 C.4. (b) 3 Lottery List Assignment Fee

Since the 1970s, the Waterfront Department has maintained a waiting list for assigning slip permits that revert to the City, either by voluntary relinquishment or permit termination. In 2005, City Council adopted a new waiting-list structure with three categories: Master Waiting List, Sub-Master Waiting List and Lottery Waiting List.

The Master Waiting List includes applications by slip-size category, ranked by date of application. It has been closed to new applicants since 2000. If a slip permit of a certain size is available for assignment, but that slip-size category on the Master Waiting List has been exhausted, the Department defers to the Sub-Master Waiting List.

The Sub-Master Waiting List ranks all Master Waiting List applicants by application date, regardless of slip-size category. An applicant who has been on the Sub-Master Waiting List the longest may accept or decline a slip permit offer from the exhausted slip-size category. If they decline the offer, the offer is repeated down the Sub-Master Waiting List. If no one on the Sub-Master Waiting List accepts the offer, the Department defers to the Lottery Waiting List.

The Lottery Waiting List, limited to 50 individuals, is utilized if an offered slip permit is not accepted by applicants on the Sub-Master Waiting List.

When City Council adopted this new waiting-list structure, it included a requirement that (unlike assignments from the Master or Sub-Master lists) anyone assigned a slip permit from the Lottery Waiting List must pay an "Assignment Fee" equal to the Department's slip transfer fee at the time. The intention was to dissuade people from transferring Lottery List permits for profit instead of using them for boating. The unintended effect has been to make assignments from the lottery list prohibitively expensive.

Only the smallest slips, typically 20-footers, have been available to Lottery List applicants as applicants on the Sub-Master List are typically waiting for larger slips. Due to the high cost of the "Assignment Fee" (\$4,000 for a 20-foot slip), slips often go unassigned and the Department has, at times, ended up with several unassigned 20-foot slips. Elimination of the Lottery List Assignment Fee would expedite assignment of these permits.

CONCLUSION

The proposed recommendations will help accommodate slip permittees wishing to purchase replacement boats for their slips, eliminate burdensome financial requirements for Lottery Waiting List applicants and increase boating opportunities for the public. On May 19, 2016, the Harbor Commission voted to support these recommendations.

PREPARED BY: Mick Kronman, Harbor Operations Manager

SUBMITTED BY: Scott Riedman, Waterfront Director

APPROVED BY: City Administrator's Office

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE
CITY OF SANTA BARBARA AMENDING THE
MUNICIPAL CODE BY AMENDING SECTION
17.20.005 OF CHAPTER 17.20 OF TITLE 17
PERTAINING TO HARBOR SLIP ASSIGNMENTS.

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS
FOLLOWS:

SECTION 1. Section 17.20.005 of Chapter 17.20 of Title 17 of the Santa Barbara
Municipal Code is amended to read as follows:

17.20.005 Slip Assignment Policy.

B. SLIP RENTAL AGREEMENT.

3. Replacement Vessel. If the vessel assigned to the Slip Permit is sold,
donated, stolen, destroyed or otherwise permanently removed from its Slip, its owner
must notify the Waterfront Department within 15 days of such event. The slip permittee
must place a replacement vessel in the Slip assigned to the slip permittee within 180
days after the occurrence of the event causing the removal of the vessel assigned to the
Slip Permit, unless granted a written exemption from the Waterfront Director. Failure of
timely reporting of a sold, donated, stolen, destroyed or otherwise permanently removed
vessel, or timely assignment of a replacement vessel, shall be grounds for termination
of the Slip Permit.

C. SLIP WAITING LISTS.

3. Lottery List.

b. Procedure for Slip Assignment to Lottery List Applicants. A slip that becomes available for assignment to the Lottery List shall be offered for assignment to applicants on the Lottery List according to their rank on the Lottery List. If a slip assignment offer is declined by all applicants on the Lottery List, the slip shall be held in the Waterfront Department's visitor slip inventory for a period of six (6) months. After six (6) months, the slip assignment shall be re-offered individually to applicants on the Lottery List in the same order as the slip assignment was initially offered. If the slip remains unassigned after the re-offer, the procedure shall be repeated every six (6) months until the slip assignment offer is accepted.

c. Procedure for Accepting or Declining a Slip Assignment Offer from the Lottery List.

(1) Acceptance of Slip Assignment Offer.

(a) Notification of slip availability shall be mailed by the Waterfront Department to the applicant at the applicant's most recent address on file in the Waterfront Department. Acceptance of the slip assignment offer must be submitted by the applicant in writing to the Waterfront Department within fourteen (14) days of the date of mailing the notice of slip availability. Acceptance must be submitted to the Waterfront Department in writing.

(2) Declined Lottery List Assignment Offer. Failure of an applicant to accept a slip assignment offer in writing within fourteen (14) days of the date of mailing of such offer by the Waterfront Department shall be considered a declined offer. Declining a slip assignment offer will not result in removal of the

applicant's name from the Lottery List, loss of the applicant's Lottery List Placement Fee, Lottery List Renewal Fee, or change in the applicant's position on the Lottery List.

4. Slip Waiting Lists Fees.

- b. Lottery List Placement Fee and Renewal Fee.