



CONSENT AGENDA
ITEM # 6

MEMORANDUM

TO: Rob Fix **DATE:** January 8, 2019
FROM: Alan Birdsall *ARB* **COPIES:** Kyle Randolph
Brady Scott
SUBJECT: Esplanade Dock License – NW Explorations LLC and Pacific Northwest Cruises, LLC

ACTION REQUESTED

- A. A motion by the Port Commission to approve an Esplanade Dock License between the Port of Bellingham (“Port”) and NW Explorations LLC (“NW Explorations”) for approximately 80 linear feet of moorage on the west side of the Esplanade Dock located in Squalicum Harbor.
- B. A motion by the Port Commission to approve an Esplanade Dock License between the Port of Bellingham (“Port”) and Pacific Northwest Cruises, LLC (“Pacific Northwest Cruises”) for approximately 110 linear feet of moorage on the east side of the Esplanade Dock and approximately 32 square feet of upland area located in Squalicum Harbor.

BACKGROUND

The Esplanade Dock (formerly known as the Island Mariner Dock) was the moorage dock for the Island Mariner excursion vessel(s) for over three decades. The dock became available when the business was closed and the Island Capers was sold. Other businesses had expressed an interest in using the dock and because the Esplanade Dock provides a unique moorage opportunity within Bellingham Bay, Marinas issued a Request For Proposals (RFP) in 2018. Four proposals were received in response to the RFP and were reviewed by a team consisting of Marina and Real Estate staff. NW Explorations and Pacific Northwest Cruises were selected based on the benefits their intended use will provide to the community, direct and indirect job retention/creation, and strength of their business plan.

The terms and conditions of the proposed Esplanade Dock License are as follows:

- Term:
 - NW Explorations: Initial 2-year term with up to three 1-year renewals.
 - Pacific Northwest Cruises: Initial 3-year term with up to two 1-year renewals.
- Use:
 - NW Explorations: Various water reliant activities related to maintenance and outfitting of luxury yachts, sailing vessels and commercial vessels used in conjunction with NW Explorations’ charter and brokerage operations.
 - Pacific Northwest Cruises: Lunch/dinner cruises, whale watch cruises, charter operations, and an upland ticket booth.
- Other: Other terms and conditions are based on the Moorage Agreement and the current Harbor Rules Regulations, and Rates Handbook and which may from time to time be modified by action of the Commission.
- Moorage Fees: Moorage fees are per the Harbor Rules, Regulations, and Rates Handbook, currently \$11.98 per lineal foot per month or \$139.45 per lineal foot per year, and which may from time to time be modified by action of the Commission.

FISCAL IMPACT

Total annual moorage revenue for the Esplanade Dock for the two tenants is approximately \$27,300 and annual revenue for Pacific Northwest Cruises upland area is approximately \$150, as well as PFC revenue of \$1.25 per ticketed passenger. Consistent with other moorage facilities, the Port is responsible for regular maintenance and repairs of the Esplanade Dock for normal wear and tear.

STRATEGIC PURPOSE

In concert with Marinas Objectives, and in support of the Corporate Goals, to: (1) support marine-related businesses, and (2) retain existing jobs, stimulate private investment, and enhance economic development and job creation.

RECOMMENDATION

Staff Recommends Approval

Attached: Esplanade Dock License – NW Explorations LLC
 Esplanade Dock License – Pacific Northwest Cruises, LLC