



City Marina Commercial Operations License Agreement

City Council Public Hearing - March 17, 2018
Department of Recreation, Parks & Cultural Activities

Commercial Operations License Agreement

- **Timeline**

- Pre-2015
 - City Council directs staff to realign termination dates on all commercial boat license agreements.
- 2015
 - City Council approves three-year license agreement with the Potomac Riverboat Company and L.A Yachts without an option to renew.
- Fall 2016
 - City issues a Request for Information (RFI)
- Spring 2017
 - City Issues Request for Proposal (RFP) to obtain Proposals from licensed Commercial Passenger Boat operators for use of the commercial dock space at the City Marina.

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- **Time Line**

- Fall 2017

- City issues Notice of Intent to Award to three commercial boat operators
- Two commercial boat operators withdrew from consideration for insurance coverage purposes.

- January 2018

- City of Alexandria developed a contract to provide taxi service, sight seeing tours and private charters utilizing the six commercial berths at the City Marina

- March 2018

- City Council consideration of a License Agreement between the City of Alexandria and Spirit Cruises, LLC

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- City Council requested clarifying language on Commuter Service - Paragraph 9(a)

Revised 9 (a) - Commuter Service: The parties expressly agree that this condition is intended to prevent use of the Licensed Vessels for commuting purposes from the Alexandria Marina. Water Taxi Service as provided in paragraph 7(e) shall not commence before 9:30 a.m. on Monday through Friday of any week (with the exception of holidays). However, the Licensee may provide Water Taxi Service with Licensed Vessels prior to 9:30 a.m. for special event activities. This prohibition shall not preclude Licensee from undertaking new services utilizing the Licensed Vessels and the Berths with the prior written consent of the City Manager.

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- **Highlights**

- Initial period of 5 years and with the intention that there shall be one mutually agreeable license extension for a period of 5 years.
- Spirit Cruises, LLC will participate with VisitAlexandria, AEDP and City staff to establish a cooperative events and marketing agreement with one or more regional waterfront destinations.
- The City will receive a guaranteed annual payment of \$175,000 in year one and the guaranteed payment increases by 3% annually.
- The City will receive an additional payment equal to 5% of Net Revenue in excess of \$5,000,000.
- The City may use the Cherry Blossom up to four times per year at no cost (excluding food & beverage).
- Maintains No Commuter Service status, but allows special event service.

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Questions