

March 2, 2011

**RESOLUTION CONCERNING
MARINA/RENTAL SLIP
LICENSE FEES ASSESSED BY THE TIDELANDS RESOURCE COUNCIL
APRIL 25, 1991
Revised February 5, 1992
Revised February 18, 1993
Revised February 26, 1998
Reaffirmed November 3, 1999**

DEFINITION

“Marina” refers to any dock, pier, bulkhead, mooring piles/poles or similar structure as well as a collection of adjacent structures providing permanent or semi-permanent dockage for rent to five or more vessels.

APPLICABILITY

This latest revised resolution replaces and supersedes all prior marina resolutions.

This Tidelands Resource Council resolution shall apply to any marina situated upon tidal lands owned by the State of New Jersey.

This resolution shall apply to these marinas upon initial licensing or upon the renewal of an existing license.

This resolution does not apply to any portions of a marina located on tidal lands that are covered by a valid tidelands grant previously delivered by the State.

BACKGROUND

This written resolution is a formalization of the Council’s policy of establishing license fees for marinas based on a percentage of their slip rental income. The Council has made several revisions in its efforts to strike a balance between its mandate to obtain a fair return for state tidelands licenses while also recognizing the recession’s effect on the commercial marina industry, a public trust use of tidelands.

For many years, the fee was 10% of gross income from water slip rentals year round. Later, a credit was allowed for vacant slips. The license term for marinas was five years. The April 25, 1991 revision lowered the license fee to 7% of potential gross income, with no credit for vacancies. The license term was reduced to 3 years.

The February 5, 1992 revision maintained the three year term but established a license fee based on 7% of the actual gross income from water slip rentals year round (unrented

slips were not assessed). The Council had also established a minimum yearly license fee set at 7% of the potential gross income that could be derived from the rental of 40% of the total number of authorized slips at the marina. Additionally, payment in two installments per year was approved.

At the October 2009 Council meeting, there was a consensus on the following actions:

- to reduce payments to once a year following the 2009 boating season (Sept 15)
- to remove interim report requirements; reports will now only be required as part of new license applications and renewal applications
- to remove yacht club references from the policy

As part of its review of this policy, the Council revised its policy on February 3, 2010 as follows:

1. Term of License:

The term shall be seven (7) years.

2. Basis for License Fee:

The license fee to be paid to the State shall be 6% (.06) of potential gross income from all water slips available during the full calendar year that are located on natural state-owned waterways. Slips within artificially created lagoons, not benefiting from a lagoon opening grant, shall be charged 10% of 6% (.006) of potential gross income.

The basis for the determination of the potential gross income for each individual marina will be derived from the Tidelands Management Bureau's review of the materials required for application pursuant to item number #4 of this list, *Reporting for New Applications and Renewal Applications* (below).

State license fee charges for occupation of tidelands by docks and/or mooring piles for all available rented, unrented and non-income producing slips will be made on the same basis.

3. Back Rental Charges:

Use and occupancy fees for unauthorized occupation of State tidelands will be calculated on a case-by-case basis. Such fees will be due and payable at the beginning of the license period.

4. Reporting for New Applications and Renewal Applications

New applications shall include an income report (described in item #5 of this list, below) as part of the license application submittal. The income report shall list the potential income from all water slips that will be available for the coming season.

Renewal license applications shall include the previous season's actual slip rental income in addition to the potential income from all water slips that will be available for the coming season. The income report shall be included as part of the license renewal application submittal.

5. Income Report Contents:

On a slip-by-slip basis, the licensee shall list and categorize all water slip rental income for the calendar year.

Licensees must also submit a dockage plan attached to each income report. The dockage plan must show all slips in the licensed area and assign a reference number to each. Slip reference numbers should then be used in the submitted reports for cross-reference. The Bureau encourages that income reports be submitted on an electronic media or an Excel spreadsheet.

The report shall also specify all non-income producing slips and identify them on the dockage plan. Without an explanation for the lack of income from these slips, the Bureau of Tidelands Management will assume all slips are rentable at comparable market values.

6. Effective Date and Payment of License Fee:

The effective date for all marina licenses shall be January 1st. The yearly license fee shall be paid at the end of the boating season on September 15 of each year. Bills will be sent out in August of each year.