



## REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

Consent  
May 13, 2008

Honorable Mayor and  
Members of the City Council

**Title: Amendment: State Department of Boating and Waterways Loan Agreement for the Sacramento Marina South Basin Renovation (M17500300, IA66)**

**Location/Council District:** Sacramento Marina, 2710 Ramp Way / District 4

**Recommendation:** Adopt a **Resolution:** 1) accepting State Department of Boating and Waterways Phase V loan funding for the Sacramento Marina South Basin renovation in the amount of \$1.475 million; 2) authorizing the City Manager to execute Amendment Number 5 to City Manager Agreement 2005-0307 accepting the funding; 3) and amend the revenue project budget to properly reflect the loan.

**Contact:** Rebecca Bitter, Program Manager, 808-5047

**Presenters:** Not applicable

**Department:** Convention, Culture and Leisure

### **Description/Analysis**

**Issue:** On February 22, 2005, the City Council authorized the City Manager to execute an agreement with the State Department of Boating and Waterways to accept loan funds in the amount of \$6.5 million, (\$0.85 million in Phase I, \$5.15 million in Phase II, and \$0.5 million in Phase III). On February 27, 2007, City Council authorized the City Manager to execute Amendment Number 4 for an additional \$1.025 million in Phase IV funding, bringing the total loan amount to \$7.525 million and approved an additional loan application of \$1.475 million for Phase V of the renovation.

The State Department of Boating and Waterways approved the City's application for Phase V funding at their February 25, 2008, Boating and Waterways Commission meeting. The Phase V funding is the final installment for the South Basin renovation (M17500300: IA66) totaling \$9 million. This staff report requests that the City Council authorize the City Manager to execute Amendment Number 5 of City Manager Agreement 2005-0307 to receive the additional Phase V funding amount of \$1.475 million.

Currently, the South Basin renovation project (M17500300:IA66) includes a revenue budget. No revenue budgets are required to correctly account for the loan. Staff recommends Council approve the removal of these revenue budgets to correctly account for the funding.



**Policy Considerations:** This recommendation is in keeping with the City's Strategic Plan goal of preserving the City's assets and invests in infrastructure development that optimizes economic growth.

**Committee/Commission Action:** Not applicable

**Environmental Considerations:** On February 22, 2005, the City Council approved the Mitigated Negative Declaration and adopted the Mitigation Monitoring Plan for the Marina South Basin Improvements project (M17500300: IA66), Resolution 2005-108.

Potentially significant environmental issues regarding water, biological resources, and cultural resources were discussed and mitigated in this document. No new issues or new information is known that would trigger additional environmental analysis.

Section 15162 of the California Environmental Quality Act (CEQA) Guidelines provides that an additional Negative Declaration need not be prepared unless substantial changes are proposed in the project, substantial changes occur with respect to the project circumstances, or new information of substantial importance to the project becomes known or available. Since none of the conditions listed above relating to Section 15162 exist, additional environmental review is not required.

**Rationale for Recommendation:** The South Basin renovation is approximately fifty percent complete. Full occupancy of the South Basin is expected to resume by July 2008. Executing the Phase V amendment to the State Department of Boating and Waterways loan agreement will allow the Sacramento Marina to complete the renovation of the South Basin.

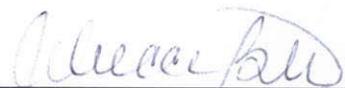
**Financial Considerations:** The attached resolution authorizes the City Manager to execute Amendment Number 5 to the City Manager Agreement 2005-0307 with the State Department of Boating and Waterways, to accept \$1.475 million in Phase V for a total amount of \$9 million for the South Basin renovation. In addition, the Resolution authorizes the City Manager to adjust revenue budgets to properly account for this loan.

The annual debt payment for the \$9,000,000 loan would be approximately \$561,000 commencing August 8, 2008, with full payment, to be paid by the Marina Fund. All other terms and conditions of the loan document remain the same.

The total cost for this project is estimated at \$10.7 million, and includes a \$1.5 million loan from Banc of America Public Capital Corp approved by Council on November 6, 2007. The annual debt payment for the \$1.5 million loan will be approximately \$139,600, with full payment to be paid by the Marina Fund.

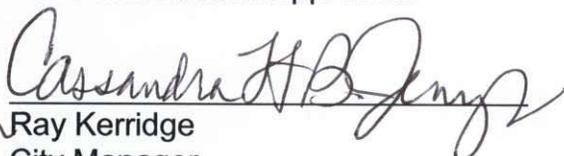


**Emerging Small Business Development (ESBD):** Not applicable.

Respectfully Submitted by:   
Rebecca Bitter, Program Manager

Approved by:   
Barbara E. Bonebrake, Director  
Department of Convention, Culture and Leisure

Recommendation Approved:

  
for Ray Kerridge  
City Manager

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**RESOLUTION NO. 2008-**

Adopted by the Sacramento City Council

**AMENDMENT NUMBER 5 TO CITY AGREEMENT WITH THE STATE DEPARTMENT OF BOATING AND WATERWAYS FOR \$1.475 MILLION IN ADDITIONAL LOAN FUNDING FOR THE SACRAMENTO MARINA SOUTH BASIN RENOVATION (M17500300, IA66)**

**BACKGROUND**

- A. On February 1, 2005, the City Council authorized the City Manager to execute an agreement with the State Department of Boating and Waterways to accept loan funds in the amount of \$6.5 million (\$0.85 million in Phase I, \$5.15 million in Phase II, and \$0.5 million in Phase III) for renovation of the South Basin at the Sacramento Marina.
- B. On February 27, 2007, City Council authorized the City Manager to execute Amendment Number 4 for an additional \$1.025 million in Phase IV, bringing the total loan amount to \$7.525 million and approved an additional loan application of \$1.475 million for Phase V of the renovation. The State allocated Phase V funds of \$1.475 million fiscal year 2007/08 for this project.
- C. The State Department of Boating and Waterways approved the City's application for Phase V funding at their February 25, 2008, Boating and Waterways Commission meeting. The Phase V funding is the final installment for the South Basin renovation project (M17500300, IA66) totaling \$9 million.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or his designee is authorized to execute Amendment Number. 5 to City Manager Agreement number 2005-0307 between the City of Sacramento and the State Department of Boating and Waterways for the acquisition of a \$1.475 million loan for Phase V of the Sacramento Marina South Basin Renovation.
- Section 2. The City Manager is authorized to amend revenue budgets for the South Basin project (M17500300, IA66) to properly reflect the State Department of Boating and Waterways loan.