



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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CONSENT
December 9, 2008

**Honorable Mayor and
Members of the City Council**

**Title: AGREEMENT: MOU WITH SACRAMENTO ZOOLOGICAL SOCIETY FOR
COMMUNITY REINVESTMENT CAPITAL IMPROVEMENT PROGRAM ("CRCIP")
FUNDING OF THE CONSTRUCTION OF A GIRAFFE HABITAT AT THE
SACRAMENTO ZOO**

Location/Council District: Sacramento Zoo, District 4

Recommendation: Adopt a Resolution: (1) approving and authorizing the City Manager or his designee to execute a Memorandum of Understanding ("MOU") with the Sacramento Zoological Society ("Zoo") for the grant of CRCIP bond proceeds to the Zoo for the construction of a new giraffe habitat at the Sacramento Zoo, and (2) approving the disbursement of \$200,000 in District Improvement CRCIP bond proceeds to the Zoo in accordance with the terms of the MOU.

Contact: Barbara Bonebrake, CCL Director, 808-7733

Presenters: N/A

Department: Convention, Culture & Leisure

Division: Administration

Organization No: 17000

Description/Analysis

Issue: On April 18, 2006, the City Council approved the Community Reinvestment Capital Improvement Program (CRCIP) project list which included funding for Tier 1 projects. The list included \$4.2 million for District Improvement projects. The CRCIP appropriation (Resolution 2006-367) authorized staff to establish capital improvement projects (CIPs) for Tier 1 projects and establish budgets. The original authority did not anticipate that Councilmembers may want to provide grants to the non-profit partners included in the Tier 1 project list. District 4 is requesting approval to grant \$200,000 of \$466,667 CRCIP District Improvement funding to the Sacramento Zoo to be used toward the construction of the Giraffe Habitat.

The Giraffe Habitat project includes a new giraffe barn that would allow for a breeding group of giraffe and supervised public feeding. The existing wooden barn built in the 1960's is in disrepair and has significant pest infestation. The new facility will be designed to improve temperature control in the winter and have a chute mechanism to allow for medical treatments. It will also include stalls and separate holding pens to support a breeding program. The exhibit space for the giraffes will be enlarged and an elevated walkway and deck will be built for the zoo visitors. The elevated deck will provide an opportunity for eye-to eye encounters with the giraffe and supervised feeding.

The Sacramento Zoo maintains accreditation status with the Association of Zoos and Aquariums. The last inspection in 2007 identified the improvements to the giraffe habitat as a top priority for the zoo.

Plans have been submitted to the City for permits and the first review is complete. The approximate cost to build the habitat is \$1.5 million. Construction is expected to start in January 2009 and the project is expected to be complete in nine months.

The Zoological Society has raised \$1.1 million to date. With the additional \$200,000 from the City's CRCIP and the balance from an existing line of credit, the project is positioned to move forward immediately.

The terms of the MOU include: 1) dispersing funds within 30 days of the Sacramento Zoological Society signing the construction contract, 2) requiring the construction contract to be executed by December 31, 2009 (or as extended by City Manager) and 3) completing the giraffe exhibit.

Policy Considerations: This furthers the City's strategic goal of promoting cultural and entertainment facilities and activities.

Environmental Considerations:

California Environmental Quality Act (CEQA):

Under the California Environmental Quality Act (CEQA) guidelines, the administrative activities being considered in this report do not constitute a project and are therefore exempt from review.

Under CEQA guidelines, Section 15302, replacement of existing facilities and structures is exempt.

Sustainability Considerations: Not Applicable.

Commission/Committee Action: Not Applicable

Rationale for Recommendation: Implementation of this resolution supports the City's goal to reinvest in projects within the community. In addition, it addresses the Zoological Society's accreditation issue of improving the giraffe habitat.

Financial Considerations: This report authorizes a \$200,000 grant from District CRCIP funding to the Sacramento Zoological Society for the Giraffe Habitat project. The anticipated cost of the project is \$1.5 million. The Zoological Society has raised \$1.1 million to date. The addition of the City's CRCIP \$200,000 together with an existing line of credit will fund the entire project. As a condition to receive these funds, the Zoological Society must have issued a construction contract by the end of 2009.

Emerging Small Business Development (ESBD): Not Applicable.

Respectfully Submitted by: 
Barbara E. Bonebrake, Director
Convention, Culture and Leisure Department

Recommendation Approved:


for Ray Kerridge
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

MEMORANDUM OF UNDERSTANDING WITH THE SACRAMENTO ZOOLOGICAL SOCIETY FOR COMMUNITY REINVESTMENT CAPITAL IMPROVEMENT PROGRAM (CRCIP) FUNDING OF THE CONSTRUCTION OF A GIRAFFE HABITAT AT THE SACRAMENTO ZOO

BACKGROUND

- A. On October 11, 2005, City Council authorized the City Manager to identify projects for a Community Reinvestment Capital Improvement (CRCIP) bond issuance.
- B. On April 18, 2006, City Council approved the Final Tier 1 project list which included funding for District Improvements (\$466,667 for each district) and bridge financing.
- C. On May 23, 2006, City Council authorized the issuance of approximately \$150 million in 2006 bonds (Resolution 2006-367), authorized funding for the Tier 1 CRCIP projects, and adopted policy directives (Resolution 2006-366). Policy directive number three requires that agreements or MOUs with grantee organizations be put in place to ensure project objectives will be met before funding is awarded.
- D. The Sacramento Zoo received a grant for a veterinary hospital as part of the City's Tier 1 CRCIP project list. In addition to the hospital the Sacramento Zoological Society had also requested funding for a Giraffe Habitat as part of the Tier 2 project list which was not approved due to the limited funding available.

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

- Section 1. The Memorandum of Understanding ("MOU") with the Sacramento Zoological Society for the grant of \$200,000 in CRCIP bond proceeds to construct a giraffe habitat at the Sacramento Zoo is approved and the City Manager or his designee is authorized to execute the MOU.
- Section 2. Staff are authorized to disburse \$200,000 in District Improvement CRCIP bond proceeds (from the District 4 allocation) to the Sacramento Zoological Society in accordance with the terms of the MOU.