

# CITY OF SAN LEANDRO

## MEMORANDUM

**Date:** January 22, 2009

**To:** City Council Shoreline - Marina Committee

**From:** Steve Hollister, City Manager

**Via:** Luke Sims, Community Development Director  
Uche Udemezue, Engineering & Transportation Director

**By:** Cynthia Battenberg, Business Development Manager  
John O'Driscoll, Associate Engineer

**Subject:** DISCUSSION REGARDING CANCELLATION OF THE PROJECT TO  
RELOCATE THE BOAT LAUNCHING FACILITY

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### SUMMARY AND RECOMMENDATION

In 2003, the City received a grant from the California Department of Boating and Waterways (DBW) to relocate the boat launch ramp at the Shoreline. Based upon a request from Cal Coast Development (Cal Coast), the master developer of the 40-acre opportunity site, staff recommends the Shoreline-Marina Committee recommend cancellation of the project to the City Council and budget \$88,000 from the Shoreline Enterprise Fund in FY 2009-10 to repay DBW, if required.

### BACKGROUND

In 2003, the City received a \$1.8 million multi-year grant from DBW. The contract is for the construction of a Boat Launching Facility, and it requires the boat launch to operate for a period of 20 years with limits on direct user fees. Historically and currently the City does not collect user fees. The intention was to relocate the Wes McClure boat launch ramp from its current location near the former Boat Works site in order to make that site more desirable for future development. The site selected for relocation was Mulford Point and, being nearer the mouth of the main access channel, had the added advantage of requiring less inner harbor dredging.

The grant operates on reimbursement of qualified costs basis. To date, the project has expended \$50,000 on in-house and miscellaneous costs, \$150,000 on consultant costs and \$70,000 on an oyster mitigation study (required environmental mitigation) for a total cost of \$270,000. DBW has reimbursed \$88,000 on in-house and consultant costs. The \$70,000 oyster mitigation effort can likely be applied to other, future development projects at the San Leandro Shoreline.

When it was determined in 2007 that the Shoreline Marina opportunity site, which includes the current boat launch ramp and proposed location, was going to be developed by a Master Developer, the project to relocate the ramp was placed on hold. Once approved as the City's master developer in October 2008, Cal Coast immediately began evaluating the proposed relocation of the ramp. Following extensive study of the area, they are recommending that the ramp remain at its current location (on the former Boat Works site) for two main reasons. Its current location works better for traffic and circulation, as it doesn't require vehicles and trailers to drive by the desirable former Blue Dolphin development site to reach the ramp which could be disruptive. Additionally, the current location allows boaters to enter the water in a less hostile environment – as it is more protected.

The grant contained a requirement to complete construction of the new Boat Launch Facility by November 2008. The City received an extension through May 2010. Limitations due to environmental species protection restrictions require the project be completed no later than November 2009. In order to meet this deadline, the plans need to be finalized and the project bid out immediately. Therefore, a decision to proceed or cancel the project is required at this time.

In order to cancel the project, the City would need to notify DBW in writing. Repayment of the \$88,000 may be required within 180 days following the close of the fiscal year in which the demand for repayment is received.

Staff recommends, consistent with Cal Coast's request, that the Shoreline-Marina Committee recommend cancellation of the project to the City Council and budget \$88,000 from the Shoreline Enterprise Fund in FY 2009-10 to repay DBW, if required.