

# Marina Fund / DBW Loan Update

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Budget & Finance Committee  
June 22, 2023

- Marina Fund: FY 24 Fund Balance Gap
- Additional DBW Loan Conditions

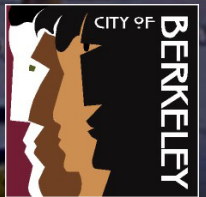
# Marina Fund- FY24 Gap

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1. ARPA Funds in FY22 and FY23
2. June 22 projection of \$1.4M gap in FY24
3. Current projection of \$800K in FY24

# Waves of Improvement

1. Occupancy
2. Capital Projects
3. Safety
4. Marketing



Parks  
Make  
Life  
Better!

# Council Action in May of 2022

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## Recommendations:

1. Cover trash pick-up in 218 process - not possible
2. Exclude costs of street repairs – minimal
3. \$1.5M from GF to MF for FY24 gap

# Possible MF Reductions / Cost Shifts

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- 1. Deferral of South Cove West Parking Project \$450K**
  - Loss of \$900K project
- 2. Deferral of South Cove Dredging Planning (Council Referral and Priority) \$350K**
- 3. Reduction in Vacant FTEs (\$275K, \$137.5K each)**
  - Waterfront office staff already down 1 career employee, cut MA in 2014
  - Closure of the marina office and service implications
- 4. External Options**
  - Using CIP fund for staff- \$310K
  - Using CIP project funds- Cost shifting \$350k
  - Parks Tax – Cost shift 2 Landscape Gardeners (\$267K, \$133.5K each). Only sustainable for 1 year.

# DBW Loan History

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## 4 Previous Loans:

1. 1964 - New docks, roads, parking and building
2. 1971- New docks, restrooms and parking
3. 1985 – Docks, road realignment, utilities
4. 2001 – B&C docks, restroom, dredging

# Current DBW Loan

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## 1. Summary of process

- Application in 2019 for D&E dock replacement
- DBW approves in 2020
- City approves agreement in March 2021

## 2. Status of project and process

- Ready to access loan (90% design)
- DBW staff requiring additional loan conditions, given status of Marina Fund

# New Loan Conditions: 6 Options

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1. DBW Option A – \$2M Marina Subaccount
2. DBW Option B – Restructure Marina Fund
3. DBW Option C – \$2M Escrow Account
4. DBW Option D – Surety Bond on \$5.5M (\$250k-\$375k)
5. DBW Option E – Loan Cancellation
6. City Option – Possible Internal Loan: Marina Fund to pay back



# DBW Loan Next Steps

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DBW [virtual Commission Meeting](#)

1pm on Friday, June 23<sup>rd</sup>

DBW staff to make final decision in several weeks

# Conclusion

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1. Marina Fund is improving
2. Need to fill budget gap for FY24
3. Need direction on DBW loan options