

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: November 21, 2013
To: Harbor Commission
From: Scott Riedman, Waterfront Director
Subject: **Director's Report**

COUNCIL ACTIONS

Approved Lease Amendment Number One To Lease Number 23,328 With Richones Inc., doing business as Chuck's Waterfront Grill, for office space located at 113 Harbor Way #145 and #150.

WATERFRONT DEBT REFINANCING

One of the impacts of the recent recession is the significant decline in interest rates that has continued well beyond the official end of the recession. While the decline in interest rates has had a material impact on the City's earnings on its investment portfolio, the current interest rate environment offers the City an opportunity to refinance existing long-term debt sold prior to the recession, thereby reducing its interest costs. Refinancing existing debt would generate substantial savings over the remaining life of the debt.

Staff is now working on refinancing the 2002 Waterfront Certificates of Participation (COPs). If approved, the Waterfront Fund would realize savings of \$170,000 in Fiscal Year 2014 and \$60,000 annually for Fiscal Years 2015 through 2028. This equates to \$1.1 million in total savings over the remaining fourteen years of the bonds. No new funds are being drawn as part of the refinance effort.

CALIFORNIA MARINE AFFAIRS AND NAVIGATION CONFERENCE

On November 6th-9th, I attended the fall CMANC meeting in Monterey, California, with representatives from the U.S. Army Corps of Engineers, other Harbor/Port Directors and the City's Washington, D.C. lobbyist, RJ Lyerly of Carpi, Clay & Smith. These meetings are held two to three times a year in order to receive the latest news on the federal budgetary process and to receive presentations on navigational issues and dredging projects statewide. Topics at the meeting included dredge permitting issues associated with new survey permit requirements, water quality issues involving Total Maximum Daily Limit (TMDL) requirements for various contaminants, ocean renewable energy projects, climate change /sea level rise, and a recent dredging project in Monterey Harbor.

MARINA RECREATION ASSOCIATION MEETING

The Marina Recreation Association (MRA), a consortium of private and public marina operators representing boating-industry interests, convened its 42nd annual educational conference and trade show at Fess Parker's Doubletree Resort during the week of November 11th. As an MRA member and host agency, the Waterfront Department provided harbor and anchorage boat tours, plus walking tours of Stearns Wharf and the Marina One reconstruction project. Feedback indicates that the tours were well received, and many MRA members visited our restaurants and retail establishments throughout the week. In addition, Facilities Manager Karl Treiberg, the Department's MRA representative, attended several valuable training sessions, ranging from an update on Americans with Disabilities Act compliance to managing today's workforce.

BOATING AND WATERWAYS COMMISSION MEETING

The Waterfront Department has applied for an additional loan of \$5.4 million from the California Department of Parks and Recreation, Division of Boating and Waterways (DBW), for the final four phases of the Marina 1 Replacement Project. The Boating and Waterways Commission will be providing advice and comment on the loan application at its November 15 meeting at the Hyatt Santa Barbara. Waterfront staff took several of the Commissioners and DBW staff on a tour of the launch ramp, anchorage, and Marina 1 project area on November 14. Additional information will be provided at the Harbor Commission meeting.

TENTATIVE AGENDA ITEMS FOR THE DECEMBER MEETING

- FY 2014 Dredge funding
- Harbor Festival update