



CITY OF SACRAMENTO

DEPARTMENT OF PARKS AND COMMUNITY SERVICES

ROBERT P. THOMAS
Director

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Assistant Director

CROCKER ART MUSEUM DIVISION
GOLF DIVISION
METROPOLITAN ARTS DIVISION
MUSEUM AND HISTORY DIVISION
RECREATION DIVISION
PARKS DIVISION
ZOO DIVISION

May 5, 1986

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Haggin Oaks Restaurant and Clubhouse Feasibility Study - Budget
Amendment

SUMMARY

Development of the proposed Haggin Oaks Restaurant and Clubhouse requires conducting a feasibility study. This report recommends 1) transferring \$40,000 from the Unappropriated Golf Fund to the Fiscal Year 1985-86 Golf Operating Budget to conduct this feasibility study; 2) amending the FY 1986-87 CIP budget, Golf Division, to reduce funding for Hansen Golf Course Project from \$300,000 to \$250,000; and 3) transferring \$50,000 from the Hansen Golf Course CIP to the FY 1985-86 Unappropriated Golf Fund.

BACKGROUND INFORMATION

Development of a clubhouse and restaurant on 10+ acres within Haggin Oaks South Golf Course is part of the 10-year master plan for the Golf Division. In February 1983, the City Council approved a contract with Economic Research Associates and the Department of Parks and Community Services to determine the potential for generating new sources of revenue for the Department. The Golf Division potential for generating additional income focused on 10+ acres of undeveloped land near the entrance to Haggin Oaks Golf Course. Specific goals of the study were to:

1. Increase revenue for the Golf Enterprise Fund by expanding revenue generating capabilities of the concessions at the site; and
2. Provide expanded services to golf course visitors.

The study determined that the site is a very desirable area for the major clubhouse facility for banquets as well as food and beverage services. The study also found that due to the unique nature and location of the land, the site may also be desirable for other low density uses. The complexity of determining the best and most cost effective method for developing this site makes it necessary to conduct a Haggin Oaks Restaurant and Clubhouse Feasibility Study. The study would provide information on the best alternatives available to the City for the development of the clubhouse complex, including:

1. Options available to the City for financing;
2. Scenarios on private/public development;
3. Development cost analysis; and
4. Long-term revenue projections.

Staff will prepare a Request for Proposal (RFP) for the Haggin Oaks Restaurant and Clubhouse Feasibility Study following City Council authorization to proceed on this project. It is anticipated that Council authorization to call for proposals will be sought in June 1986, and Council authorization to enter into a consultant services contract will be requested in July 1986. It is estimated that the Haggin Oaks Restaurant and Clubhouse Feasibility Study will be presented to the Council in the fall of 1986.

FINANCIAL DATA

A transfer of appropriations in the amount of \$40,000 from the Unappropriated Golf Fund to the FY 1985-86 Golf Division Operating Budget is necessary to conduct the Haggin Oaks Restaurant and Clubhouse Feasibility Study. In order to maintain a minimum fund balance for FY 1986-87, it is necessary to revise the Golf Division's CIP Program. It is requested that the Hansen Golf Course Project (GLF 84-002) be reduced from \$300,000 in 1986-87 to \$250,000. This will provide adequate funds to complete the requested study.


RECOMMENDATION

It is recommended that the Budget and Finance Committee approve this report for referral to the full City Council for action. Further, it is recommended that the City Council, by resolution, transfer \$40,000 from the Unappropriated Golf

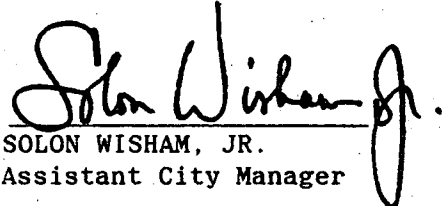
Budget and Finance Committee
May 5, 1986
Page Three

Fund to the FY 1985-86 Golf Division Operating Budget to conduct the Haggin Oaks Golf Course Feasibility Study. It is also recommended that the Golf Division's 1986-87 CIP Program for Hansen Ranch Golf Course be reduced from \$300,000 to \$250,000.

Respectfully submitted,


ROBERT P. THOMAS, Director
Parks and Community Services

Recommendation Approved:


SOLON WISHAM, JR.
Assistant City Manager

RPT:ja

May 20, 1986
District 2

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

A RESOLUTION AMENDING THE CITY BUDGET FOR FY 1985-86 AND THE CITY CAPITAL IMPROVEMENT BUDGET FOR FY 1986-87 FOR THE HAGGIN OAKS RESTAURANT AND CLUBHOUSE FEASIBILITY STUDY

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. The City has determined that a Feasibility Study be conducted for the development of the Haggin Oaks Clubhouse and Restaurant.
2. The City Budget for Fiscal Year 1985-86 is hereby amended by transferring \$40,000 from the Unappropriated Golf Fund 4-18-7012-0000-4599 to the Golf Operating Budget 4-18-4610-8219-4258 for the purpose stated in Paragraph One above.
3. The City Capital Improvement Budget, Golf Division, for Fiscal Year 1986-87 is hereby amended:
 - a. by reducing funding for the Hansen Golf Course project (GLF 84-002) from \$300,000 to \$250,000, for the purpose stated in Paragraph One above.
 - b. by transferring \$50,000 from the Hansen Golf Course project (GLF 84-002) to the Fiscal Year 1985-86 Unappropriated Golf Fund 4-18-7012-0000-4599, for the purpose stated in Paragraph One above.

MAYOR

ATTEST:

CITY CLERK