



AGENDA REPORT

City Council Meeting

TODAY'S DATE: February 25, 2026

MEETING DATE: March 4, 2026

TO: Mayor Grimm, members of the City Council

FROM: Jason Welker, Planning & Community Development Director

SUBJECT: Sandpoint Sailing Association Memorandum of Understanding (MOU) Renewal and Requested Term Extension

PURPOSE OF THE REQUEST

The Sandpoint Sailing Association (SSA) is requesting City Council direction regarding renewal of its Memorandum of Understanding (MOU) for use of publicly owned boat slips at the Windbag Marina, specifically at the 100 Dock. In addition to renewal, SSA has requested that the City consider extending the term of the agreement to **ten (10) years**, which exceeds the City's typical maximum agreement term of three (3) years.

Staff is bringing this matter forward to obtain explicit Council guidance on whether a longer-term agreement is appropriate prior to finalizing the MOU.



Figure 1: Leased slips by SSA on the 100 dock

BACKGROUND

The Sandpoint Sailing Association is a local nonprofit organization that has utilized City-owned moorage at the 100 Dock for approximately a decade. Under the existing MOU, SSA occupies:

- Two (2) full-size boat slips, and
- Four (4) small sailboat slips

These slips are used to moor SSA-owned vessels, which currently include four small sailboats, one keel sailboat, and one instructor powerboat.

SSA makes these vessels available to its members and uses them extensively for summer youth sailing programs, which are offered in partnership with the City's Recreation Division. These programs have served hundreds of local youth over multiple years and are co-sponsored by



Figure 2: "Fred's Deck," a public space built and maintained by SSA volunteers

the City and SSA, including shared support for instructional staffing. The program provides a low-cost, skill-based recreational opportunity that supports youth development, water safety, and access to Lake Pend Oreille.

CURRENT REQUEST AND RATIONALE

SSA is actively fundraising and planning capital investments to:

- Replace its aging keel sailboat, which is in need of significant repair, and
- Acquire slightly larger training boats to support advanced youth sailing instruction.

SSA leadership has indicated that long-term certainty of moorage access is critical to successful fundraising and capital investment. As such, the organization has requested that the City extend its MOU to a 10-year term, rather than continuing with the current annually renewed agreement or a shorter 1–3 year horizon.

The requested term exceeds the City’s typical practice of limiting agreements of this type to a maximum of three years. Given the policy implications and precedent associated with granting long-term exclusive use of public dock space, staff determined that Council direction is appropriate before proceeding.



Figure 3: SSA instructors prepare to send Sandpoint youth off as part of the City's summer sailing program, a partnership between Sandpoint Recreation and SSA

POLICY CONSIDERATIONS

Granting a 10-year MOU for use of public moorage has both benefits and potential drawbacks. Key considerations for Council include:

Potential Benefits

- Provides long-term certainty that supports SSA’s fundraising and capital investment efforts.
- Helps sustain and expand a well-established youth sailing program that benefits local families and aligns with City recreation goals.
- Reinforces a long-standing public-private partnership with a locally rooted nonprofit organization.
- Encourages reinvestment in program assets that directly support public recreational programming.

Potential Concerns

- Limits City flexibility to reallocate public dock space in response to future needs, policy changes, or operational priorities.
- Establishes a precedent for long-term exclusive use of public facilities by private or nonprofit entities.
- Reduces the City’s ability to periodically reevaluate use, performance, and public benefit through shorter renewal cycles.
- May constrain future marina planning or redevelopment options.



Figure 4: Spud Cup 2024 pre-race skippers meeting

Council may also wish to consider whether conditions, performance benchmarks, periodic reviews, or termination clauses should accompany any extended agreement to protect the City's long-term interests.

STAFF ANALYSIS

Staff recognizes the substantial public benefit provided by SSA's programming, particularly its youth sailing partnership with the City's Recreation Division. At the same time, staff is mindful of the City's responsibility to manage public assets in a manner that preserves flexibility and equity of access.

Rather than unilaterally approving an extended term, staff believes Council direction is necessary to balance these interests and to determine whether a longer-term agreement is appropriate, and if so, under what conditions.

COUNCIL ACTION OPTIONS

Council may wish to consider one of the following actions:

1. **Authorize Staff to Proceed with a 10-Year MOU**
Direct staff to finalize an MOU with SSA for a 10-year term, subject to appropriate conditions and termination provisions.
2. **Authorize a Modified Extended Term**
Direct staff to negotiate an MOU with a term longer than three years but shorter than ten years (e.g., five years), potentially with mid-term performance review requirements.
3. **Maintain Standard Term Limits**
Direct staff to renew the MOU consistent with existing City practice, limiting the agreement term to three years or less.
4. **Provide Alternative Direction**
Provide additional policy guidance or conditions to inform staff's preparation of a revised MOU for future Council consideration.