



DATE: June 20, 2023

TO: Mayor and City Council

FROM: Assistant City Manager

SUBJECT: Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a Master Agreement and Lease with the Hayward Area Recreation and Park District for Operations and Maintenance of City Lands

RECOMMENDATION

That the Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute the proposed Master Agreement and Lease (Attachment III; “Master Lease”) with the Hayward Area Recreation and Park District (HARD).

SUMMARY

The City and HARD first entered into a Master Agreement and Lease in 1970 for City-owned parks. Through the agreement, HARD assumes the responsibility of operating and maintaining the park sites for a nominal rent of \$1.00 per year. The agreement was renewed approximately every 10 years through 2021. On June 22, 2021, Council authorized the City Manager to execute a one-year Master Lease with HARD for City-owned parks.¹ Due to staffing vacancies and competing priorities related to the COVID-19 pandemic response, additional time was needed to negotiate a new agreement. On July 5, 2022, Council authorized an extension through October 15, 2022, and on October 18, 2022, Council authorized another extension through June 30, 2023.^{2,3} These extensions provided City and HARD staff with additional time to negotiate and finalize the Master Lease, as well as facilitate a Joint Session of the HARD Board and Hayward City Council on April 24, 2023.⁴ The Joint Session allowed both bodies to 1) discuss shared vision and opportunities for collaboration, 2) lay the

¹ June 22, 2021, City Council Agenda and Staff Report:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=4992606&GUID=630F9475-5B89-4B4E-B89F-80A2AA6536C7&Options=&Search=>

² July 5, 2022, City Council Agenda and Staff Report:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=5714866&GUID=B56EFAED-E4A6-4A0F-9433-A15EA4D9EBD8&Options=&Search=>

³ October 18, 2022, City Council Agenda and Staff Report:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=5886384&GUID=2C9DD678-106B-4A9F-941A-4E390CECAE5D&Options=&Search=>

⁴ April 24, 2023, City Council and HARD Board Joint Session Materials:

<https://hayward.legistar.com/MeetingDetail.aspx?ID=1098422&GUID=D9B57B8A-EC27-4076-A972-8D895A48C668&Options=info|&Search=>

groundwork for frequent interagency collaboration, and 3) gain clarity around how to best serve the Hayward public. Following the Joint Session, HARD and City staff finalized the Master Lease (Attachment III), which is for ten years with three optional five-year extensions. Staff recommends Council adopt the Resolution authorizing the City Manager to execute the proposed Master Lease.

BACKGROUND

The Hayward Area Recreation and Park District (HARD) was created in 1944 as an independent special district under California law. HARD maintains and operates parks in the communities of Hayward, Castro Valley, San Lorenzo, Ashland, Cherryland, and Fairview. HARD receives a portion of local property tax for its operations and capital improvements. In addition, voters passed Measure F1 in 2016, a \$250,000,000 bond measure that authorizes funding for repairs, upgrades, and new construction projects to the District's parks and facilities.

The City and HARD first entered into a Master Agreement and Lease in 1970 for City-owned parks. Through that agreement, HARD assumes the responsibility of operating and maintaining the park sites for a nominal rent of \$1.00 per year. That agreement was renewed approximately every 10 years through 2021. Council authorized a one-year Master Lease in 2021 at the end of the last 10-year term, which was extended through June 30, 2023.

There are currently 33 City-owned parks covered in the lease agreement. City-owned parks are a combination of legacy properties that the City has owned for decades, as well as parks that were established as part of development agreements when the developer agreed to dedicate a portion of a project to a community park.

DISCUSSION

On June 22, 2021, Council authorized the City Manager to execute a one-year Master Lease with HARD for City-owned parks. Previous agreements had not included operational standards for care and use of park premises. Because of this, staff proposed the agreement be for a one-year term and include a timeline and process to create operational standards that can be included in a future lease agreement. Due to ongoing staff vacancies and competing priorities due to COVID-19, staff from both agencies required an extension to the one-year lease, which Council authorized on July 5, 2022.

Since that extension, HARD developed maintenance standards for all parks that serve as a consistent and objective way for HARD staff to track the condition of parks and make plans for improvements as necessary. Additionally, staff from HARD and the City worked with CivicMakers, a consultant agency, to facilitate a Joint Session between the HARD Board and Hayward City Council on April 24, 2023. Key themes discussed at the Joint Session included: communication and collaboration; ensuring equitable access to parks and resources; and determining shared priorities and how to measure progress.

Following the Joint Session, HARD and City of Hayward staff worked closely to finalize the Master Lease (Attachment III). Staff recommends that Council adopt a resolution (Attachment II) authorizing the City Manager to execute the Master Lease.

FISCAL IMPACT

There is no fiscal impact as a result of this item.

NEXT STEPS

Once authorized by Council, staff will execute the Master Lease, which will begin on July 1, 2023. The term will be for ten years, with three subsequent optional five-year extensions. Staff will return to Council in the fall for another joint work session with the HARD Board.

Prepared by: Amy Cole-Bloom, Acting Community Services Manager

Recommended by: Mary Thomas, Assistant to the City Manager
Regina Youngblood, Assistant City Manager

Approved by:



Kelly McAdoo, City Manager