



DATE: July 24, 2018

TO: Mayor and City Council

FROM: Fire Chief

SUBJECT: Authorization for the City Manager to Negotiate and Execute a Memorandum of Understanding with the Chabot-Las Positas Community College District to Establish the Basis for a Ground Lease, Design, and Construction of the Fire Training Center

RECOMMENDATION

That Council authorizes the City Manager to: 1) Negotiate and execute a Memorandum of Understanding (MOU) with the Chabot-Las Positas Community College District (District) to establish the basis for a ground lease of a portion of the Fire Training Center and for the design and construction of the classrooms and other Fire Training Center facilities; and (2) Accept up to \$20 million dollars from the District for the design, construction, and furnishing of the District's Facilities at the Fire Training Center.

SUMMARY

Over the past few years, staff has worked on the design of the new Fire Station No. 6 and Fire Training Center. Design will continue into early 2019, with construction anticipated to begin in fall 2019. As part of this effort, staff has been meeting with the Chabot-Las Positas Community College District (District) to explore a potential partnership on the Fire Training Center. On October 24, 2017, the District's Board of Trustees passed a motion directing the Chancellor to create a Memorandum of Understanding (MOU) with the City of Hayward. Over the past several months staff has worked with the District to draft an MOU. Staff recommends that City Council adopts the resolution (Attachment II) to authorize the City Manager to negotiate and execute the MOU with the District.

BACKGROUND

On June 3, 2014, voters approved Measure C, which authorized the City of Hayward to increase the sales tax rate in the City by one-half cent for twenty years to restore and maintain City services and facilities, including firefighting/emergency medical services. On October 10, 2014, the City's consultant RossDrulisCusenbery (RDC) completed a facility needs assessment for Fire Stations 1-6 and the Fire Training Center, which determined that substantial upgrades were needed.

On May 26, 2015, Council authorized the City Manager to negotiate and execute an agreement with RDC for design services for Fire Stations 1-6 and the Fire Training Center Improvement project. In April 2016, staff and the City consultant visited the Fort Worth Public Safety Complex, designed by RDC's consultant team, to see firsthand which elements could or should be incorporated into Hayward's Fire Training Center. One of the key observations was creating a layout designed to allow for multiple groups to use the facility simultaneously. The proposed layout of the City's new Fire Training Center will allow multiple classes to be conducted concurrently while maintaining the day-to-day operations of Fire Station 6 and the ARFF unit.

Staff provided an update on this project to Council on [October 18, 2016](#). On March 21, 2017, Council authorized the City Manager to execute an amendment with RDC to provide schematic design services for the full build out design of Fire Station 6 and the Fire Training Center. Design of the new Fire Station No. 6 and Fire Training Center will continue into early 2019, with construction anticipated to begin in fall 2019. The current version of the site plan is provided as Attachment III.

DISCUSSION

Staff from the Chabot-Las Positas Community College District (District) and the City have been meeting since June of 2016 to explore a potential partnership on the Fire Training Center. Chabot College's Fire Technology Program became an Accredited Regional Fire Academy in 1998 and continues to offer training opportunities for entry-level and active duty fire service professionals.

Both the City and the District recognize the mutual benefits of expanding the Hayward Fire Training Center to a be joint center and training program with dedicated classroom space, offices, and shared use of the grounds. The City has included District staff in the design meetings for the new Training Center. On October 24, 2017, the District's Board of Trustees passed a motion directing staff to return with a proposed MOU with the City.

Over the past several months, City staff have worked with District staff and consultants to draft an MOU. Key provisions of the MOU are:

- The District and the City will create a ground lease with an annual rent of \$1. The Ground Lease Term will be thirty years, with the option to extend for up to two consecutive ten-year terms.
- The District will contribute funds for design, construction and furnishing of the District Facilities up to \$20 million dollars.
- The City will serve as the Lead Agency for design and construction of the District Facilities, which will include indoor and outdoor classroom spaces, parking spaces, and Apparatus Building space.

- The City and District will create a Joint-Use agreement establishing terms for the City's use of District's Facilities and the District's right to use City-occupied Fire Training Center facilities as part of its fire science curriculum.
- During the Term of the ground lease, the District shall be the sole owner of and have exclusive rights to occupy the District Facilities. Upon expiration of the Ground Lease, the District will convey the title of the District Facilities and furnishings to the City.
- The District will establish Facilities Use Charges for third party classroom use. The District will transfer revenue from these charges to the City to cover routine maintenance and repair costs. The City will be responsible for utilities, security, custodial service, and building maintenance.

Staff recommends that City Council adopt the resolution (Attachment II) to authorize the City Manager to execute an MOU with the District. In addition, the resolution would authorize the City Manager to accept revenue from the District up to \$20 million dollars for the design, construction, and furnishing of the District's Facilities at the Fire Training Center.

FISCAL IMPACT

The contribution of these funds will provide funding for a portion of the cost of the design, construction, and furnishings of the District's Facilities at the Fire Training Center. The District will contribute up to \$20 million dollars towards these costs.

The adopted Capital Improvement Program includes \$25,187,000 in FY 2019 for Project 07482 – New Fire Training Center in Fund 406-Measure C, as well as \$23.5 million dollars for FY 2020. These funds coupled with the contribution from Chabot are sufficient to cover the estimated cost of the full build out costs for the Fire Training Center.

There is the possibility of a short-term deficit in the Measure C Fund as expenditures may outpace revenues in an effort to finish the project in a timely and cost-effective manner. Given this fact, staff is exploring the possibility of short-term financing and will bring options back to Council later this calendar year for consideration.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities initiative is to create and support structures, services and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This item supports the following goal and objectives:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.

Objective 1: Increase neighborhood safety and cohesion, and

Objective 4: Create resilient and sustainable neighborhoods

SUSTAINABILITY FEATURES

The Fire Training Center Improvement Project will include sustainability features such as minimum LEED Silver Certification, or better, and zero net energy.

NEXT STEPS

If the Council authorizes this action, staff will finalize and execute the MOU with the District. Staff will then continue to work with the District to draft the supporting agreements necessary to implement the design, construction, and ground lease of the Fire Training Center. Staff will return to Council with a final draft of the Ground Lease and Joint-Use Agreement. In addition, staff will create a project website with status updates and will provide an informational report to Council at least annually.

Prepared by: Mary Thomas, Management Analyst

Recommended by: Garrett Contreras, Fire Chief

Approved by:



Kelly McAdoo, City Manager