



DATE: June 2, 2026

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a First Amendment to the Master Agreement and Lease with the Hayward Area Recreation and Park District for the Inclusion of the Matt Jimenez Gymnasium

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute the proposed First Amendment to the Master Agreement and Lease to incorporate the Matt Jimenez Gymnasium (Attachment III) with the Hayward Area Recreation and Park District (HARD).

SUMMARY

The City and HARD entered into a Master Agreement and Lease (MLA) effective July 1, 2023, for the operation and maintenance of City-owned park sites. Under the MLA, HARD assumes responsibility for operating and maintaining designated facilities in exchange for nominal rent of \$1.00 per year.

Since execution of the MLA, the City and HARD have identified an opportunity to clarify the roles and responsibilities for the Matt Jimenez Gymnasium (MJG), located within the Stack Center facility. The City and HARD staff both recommend the terms for an exhibit outlining roles, responsibilities, and cost-sharing for the MJCC gymnasium. The proposed First Amendment incorporates the exhibit into the MLA, ensuring consistency with the overarching lease framework while establishing facility-specific operational terms.

FISCAL IMPACT

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

The Amendment establishes a proportional cost-recovery mechanism for utilities and shared systems at the MJCC, ensuring that operational costs are equitably distributed between the parties.

BACKGROUND

HARD was created in 1944 as an independent special district under California law. HARD maintains and operates parks in Hayward and surrounding unincorporated communities and receives property tax revenue and voter-approved bond funding (Measure F1) to support its operations and capital improvements.

The City and HARD have maintained a long-standing partnership since 1970 through successive master agreements governing City-owned parkland. The current MLA, effective July 1, 2023, established a ten-year term with three optional five-year extensions and formalized responsibilities related to park operations, maintenance standards, and collaboration.

DISCUSSION

When the MLA was executed, the former Matt Jimenez Community Center (now the Stack Center) was under construction, including the Gymnasium. Now that the Stack Center Phase I and MJG are operational, staff is proposing an amendment to the MLA that incorporates the MJG into the existing agreement framework.

The Amendment adds the MJCC as a new exhibit to the MLA, establishing facility-specific provisions for operations, maintenance, cost-sharing, and programming, while maintaining consistency with the broader lease terms. HARD will be responsible for operating, maintaining, and programming designated portions of the MJCC, while the City or the Stack Center operator will retain responsibility for exterior elements and shared systems. HARD will reimburse its proportional share of utilities and shared facility costs.

The Amendment also provides a coordinated operational framework for the multi-use facility and reinforces shared goals of equitable community access. HARD will retain primary scheduling authority, provide a minimum of seven weekly hours to the Police Athletic League (PAL) at no cost, and accommodate limited City use annually, subject to availability. All other provisions of the MLA remain unchanged, with the Amendment controlling in the event of any conflict.

NEXT STEPS

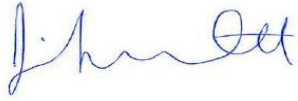
Upon Council approval, the City Manager will execute the First Amendment. Staff will coordinate with HARD and the Stack Center operator to implement the operational, maintenance, and programming provisions for the MJG.

Staff will continue to monitor performance and coordination under the MLA and may return to Council with future updates or amendments as needed.

Prepared by: Tracy Irvin, Real Property Manager

Recommended by: Mary Thomas, Assistant to the City Manager

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott". The signature is fluid and cursive, with the first name "Jennifer" and the last name "Ott" clearly distinguishable.

Jennifer Ott, City Manager