



Request for City Council Committee Action From the Department of Finance and Property Services

Date: February 26, 2014

To: Honorable Blong Yang, Chair Public Safety, Civil Rights & Emergency Mgmt.

Referral: Honorable John Quincy, Chair Ways & Means Committee

Subject: **Lease of portion of Fire Station 15 and 22 to Hennepin Healthcare Systems, Inc. as a site for ambulance services**

Recommendation:

That the proper City Officers be authorized to negotiate and execute a new lease with Hennepin Healthcare Systems, Inc. (HHS) for use of space within Fire Station 15 (2701 Johnson St. NE) and Fire Station 22 (3025 Market Place) for the purpose of ambulance storage. Previously these were separate leases for each location.

The revenue received by the City from HHS for the use of a portion of the two Fire Stations will be deposited into Fund 06200, Department 8201 and credited against the overall operating costs of the facilities.

Previous Directives:

- February 2, 2008- City Council authorized a lease with Hennepin Healthcare Systems for use of an ambulance bay at Fire Station 22
- February 2, 2008- City Council authorized a lease with Hennepin Healthcare Systems for use of an ambulance bay at Fire Station 15
- November 22, 1991- City Council authorized a lease with Hennepin Healthcare Systems for use of an ambulance bay at Fire Station 22
- Informal agreement with Hennepin Healthcare Systems upon relocation from Second Precinct (1911 Central Ave. NE)

Prepared by: Greg Goeke, Director of Property Services 673-2706

Approved by:

Kevin Carpenter, Chief Financial Officer, Finance and Property Services Dept.

Paul Aasen, City Coordinator

Presenters: Greg Goeke, Director Property Services

Reviews

Permanent Review Committee (PRC): Approval NA Date _____

Civil Rights Approval

Approval _NA Date

Policy Review Group (PRG):

Approval _NA Date _____

Financial Impact

No financial impact- Action is within the Business Plan

Community Impact

Neighborhood Notification: NA
City Goals: A Safe Place to Call Home
Comprehensive Plan: NA
Zoning Code: NA

Background/Supporting Information

Fire Station 15 had been used on an informal basis by Hennepin County as a storage site for an ambulance. In 2006, Hennepin County delegated its health care responsibilities to Hennepin Healthcare Systems, Inc. (HHS). In 2008 the City formalized the arrangement with HHS in a lease.

Fire Station 22 was constructed in 1993 and was designed to contain an ambulance bay to accommodate emergency response providers. That bay was immediately leased to Hennepin County. In 2006 that lease was assigned to HHS. In 2008 the City renewed that lease.

Both leases expired January 31, 2013. In order to streamline administration of these leases, City staff is recommending consolidating the two leases into one. In addition to leasing space at the two Fire stations, Hennepin Healthcare Systems, Inc. has requested to utilize driveways at other fire station locations to improve their emergency response times. HHS identified Fire Station 27 (5410 Nicollet Avenue), Fire Station 21 (3209 E 38th Street) and Fire Station 8 (2749 Blaisdell Avenue S) as meeting their need, and the Fire Department has agreed to accommodate this request.

Hennepin Healthcare Systems, Inc. pays its share of operating expenses at both Fire Stations 15 and 22. The accommodation at additional driveway locations is incorporated into this lease at no additional expense. The lease agreement will also provide the City the opportunity to cancel the lease if emergency or fire protection needs arise.

Funds paid by HHS for use of a portion of the two Fire Stations will be deposited into Fund 06200, Department 8201 and credited against the overall operating costs of the facilities.

Cc:

Chief John Fruetel, MFD

Luke Scardigli, MFD