



**Request for City Council Committee Action  
From the Department of Public Works**

**Date:** June 20, 2006  
**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

**Subject:** Lease for City Departments at Hamilton School – 4119 Dupont Avenue North

**Recommendation:** That the proper City officers be authorized to engage in formal discussions, negotiate and execute a new lease for City Departments with the Minneapolis Public Schools at the Hamilton School Facility.

**Prepared by:** Greg Goeke, Facilities Manager – Property Services, 673-2706

**Approved by:**

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Steven A. Kotke, Acting City Engineer, Director of Public Works

**Presenters:** Greg Goeke, Facilities Manager – Property Services  
Stacy Altonen, Captain – Police Administration  
Rocco Forte, Assistant City Coordinator, Emergency Preparedness/Regulatory Svcs

Permanent Review Committee (PRC)      Approval \_\_\_\_\_ Not applicable   X    
Policy review Group (PRG)              Approval \_\_\_\_\_ Not applicable   X  

**Financial Impact** (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan:  Action is within the plan.     Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

**Community Impact**

Neighborhood Notification: Not Applicable  
City Goals: 1) Build communities where all people feel safe and trust the City's public safety professionals and systems. 2) Maintain the physical infrastructure to ensure a healthy, vital and safe city. 3) Deliver consistently high-quality City services at a good value to the taxpayers. 4) Create an environment that maximizes economic development opportunities within Minneapolis by focusing on the City's physical and human aspects. 5) Strengthen City government management and enhance community engagement.  
Comprehensive Plan: Not Applicable  
Zoning Code: Not Applicable

## **Background/Supporting Information**

Public Works, in a coordinated effort with the Police Department and Regulatory Services to address long-term space needs and work space issues that are identified in their current business plans, recommends the City pursue formal discussions on a potential lease with the Minneapolis Public Schools for available space at the Hamilton School located at 4119 Dupont Avenue North. This request is consistent with the Police Department and Regulatory Services 2006-2010 Business Plan, the City's internal strategic space plan, and supports the concept of Geographic Service Delivery.

The Minneapolis Public Schools are furthering a multi-year process to planning for the reuse of several existing school facilities. Currently, there are six facilities that are available for rent as well as one that is being sold. The Minneapolis Public Schools will only entertain a lease proposal of a minimum of three years and a maximum of eight years. The Minneapolis Public Schools are requesting that a sole tenant rent the entire facility and manage any sub-leasing arrangements.

Discussions with representatives of the Minneapolis Facilities Reuse Planning team have identified Hamilton Schools as a suitable choice for the City's needs. Discussions are very preliminary but the school's process requires the City to make a more formal affirmation of interest in order for more formal discussions to proceed. The school is approximately 50,000 square feet. Current staff activities included programming and space planning to determine how much space the City would need to utilize. Preliminary study indicates that the City will not be able to utilize the entire facility and the staff of the City and the Schools are seeking other suitable sub-tenants to defer some of the costs of operating the facility.

Public Works/Property Services has been working with CPED/Planning to ensure that the City's intended use of the facility will receive both neighborhood review and land use approvals. This concept has received preliminary approval from the City's Facilities, Space and Asset Management Committee. Further review and approval of space and tenant improvement plans will be required prior to signing the lease.

## **Police Needs**

Training - The Police Department needs more appropriate and long-term dedicated training space for several departmental needs from recruitment and training of new cadets, training and coordination of Police Reserves, and ongoing training of existing officers. The Police Department currently rents a variety of spaces (when they are available) to meet the needs of professional training and development. Current arrangements included renting space on a daily rate schedule basis at the Northeast Armory, Z Shrine Center, St. Mary's G.O. Church, the Police Federation building, St. Mary's University, and various conference and training centers throughout the metro area. None of the arrangements allow for long-term arrangements or presence needed for a growing program. Multiple locations are inherently inefficient to staff.

Creating the concept of a Police Academy will also improve the image and visibility of training and professionalism for the department. Most major comparable cities have dedicated space for this purpose. Additionally, by renting on a long-term basis, the City will be able to better define long-term needs prior to transitioning to a different facility. Reuse of an existing school is a logical choice to meet the City's current needs.

Police Administration also envisions making their training program highly visible and open to the public. Outreach, recruitment and education programs are more effectively delivered from a public facility.

STOPS – The STOPS unit currently is housed in the Haaf parking facility (secured parking area with no offices, roll call, conference, or locker room space) in downtown as a temporary measure until a more appropriate facility was identified. The majority of the space program needs can be met at the

Hamilton School, the exception being specialized storage of vehicles and equipment that are associated with specialty services such as the bomb unit. Public Works is currently working with the Police Department to meet these needs at other locations.

By relocating the STOPS unit the City will provide needed presence and police resources in the northern portion of the City.

Homeland Security – The Hamilton School provides an opportunity to have dedicated space for staff associated with Homeland Security planning and response as well as providing for a temporary facility to support emergency response and recovery activities identified in the current Continuity of Operations Plan (COOP) being developed by Emergency Preparedness. The classrooms are excellent resources for coordination and support activities associated with recovery activities including support from other government agencies such as FEMA. This need is significant until the new Joint Training and Emergency Operations Center facility construction is completed (currently planned in 2009).

The Hamilton School's gymnasium, commercial kitchen facilities, grounds and parking make it a very suitable multi-purpose facility to meet the City's needs for training, STOPS and Homeland Security.

## **Regulatory Services**

(from the 2006-2010 Regulatory Services Business Plan)

### **Space Plan**

The most significant space issue with Regulatory Services is remote office space. Under the new management system, in order to reach maximum efficiencies, it is imperative that housing, construction, and environmental Inspectors are decentralized to provide better service. The Department will be evaluating sharing resources with other City departments (Police, Fire, Public Works) that will provide office space for 80 inspectors in the communities.

Moving some housing and construction inspectors to remote sites will open up space in the Public Service Center for the One Stop staff and customers. The Department will continue to analyze workspace assignments to assure that staff are situated in work sites close to those whom they have the most day-to-day contact for improved communication and efficiency and effectiveness.

### **Current workspace issues for office and field personnel:**

- The current system of having field staff constantly going back from the field to the office for paperwork and meetings is inefficient.
- Several field inspectors and stationary personnel have inadequate spaces, with inefficient equipment (access to computers, etc.).
- Inadequate space for One Stop Expansion
- Inefficient parking at Haaf Ramp for the fleet
- Some employees feeling separated or left out of the organization

The overall department goal in the context of Geographic Service Delivery is to create three offices for field inspectors (North, Central, and South). The Hamilton School will service as the north office. The space will provide accommodations for supervisors, inspector work stations, and a conference/break room. Daytime (6:00 AM to 6:00 PM) short-term parking will be on-site.

The Public Works process included the following: 1) meet with Regulatory Services to review the department's five-year business plan, 2) determine space programming requirements by interviewing appropriate staff and applying the adopted City Space Allocation Standards, 3) review available space within the City buildings and contact the Park Board, Library Board, and School Board to identify other available space/locations, 4) meet and confer with customer and FSAM committee on options, and 5) provide conceptual design and cost estimates for consideration.

### **Lease Costs and Tenant Improvements**

The Minneapolis Public Schools is proposing a base rent rate of \$2.50 per square foot plus a reimbursement for all operating costs. Reimbursement for operating costs would include all costs associated with maintenance, cleaning, utilities, and property management overheads. Total costs (if the entire facility is rented and utilized) would be approximately \$350,000. The MPD currently spends a minimum of \$150,000 annually on daily and short-term leasing for training. Comparable space for Regulatory Services has a market rate of \$35,000 yearly. Staff's current position with the schools is that the City will pay for the space it utilizes. Both the City and Schools staffs are seeking other users and/or sub-lease tenants. The Minneapolis Public Schools will only entertain a lease proposal of a minimum of three years and a maximum of eight years.

The City would be responsible for tenant improvements, furniture, equipment, and moving expenses. Estimates will be developed after the space plan has been reviewed and approved by the Police and Regulatory Services.

All costs associated with the lease and tenant improvements will be paid for by the Police Department, Fund 0100 Agency 400 Organization 4000 and by Regulatory Services Fund 0100 Agency 835 Organization 8510. If space is occupied during 2006, costs will be managed within current departmental operating budgets. Estimated costs for year 2007 and beyond have been included in the operating budget projections for both departments as part of the year 2007 operating budget process. If other tenants and sub-lease opportunities develop, cost allocation will be adjusted appropriately.