

Huntington Beach **DBFOM City Facility Upgrade Status Update**

City Council Meeting
June 15, 2021



DBFOM Option Presented For Council Review On March 15

- On March 15, staff presented an overview of the Design-Build-Finance-Operate-Maintain (DBFOM) option for addressing major facility capital improvements

- City currently operates and maintains 1.75 million sq. ft. of facilities
- Average age of our City facility buildings is between 30 – 40 years old

- The City has identified several major facility capital improvement needs

- New Police Station
- City Hall Improvements
- Lake Fire Station
- Public Works Corporate Yard
- Lifeguard Headquarters



**SUPPLEMENTAL
COMMUNICATION**

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Meeting Date: 6/15/2021

Agenda Item No.: 9 (21-476)

DBFOM Project Model Overview

- **One reason that DBFOM project model could work in HB is because of existing City real-property assets**
 - Civic Center facility is large enough to accommodate possible private development
 - > If parking structure is developed at the Civic Center, additional housing / retail development could be feasible
 - > Lake Fire station located at the Civic Center as part of planned upgrades?
 - > Develop existing Lake Fire Station Property
 - The City's Public Works Yard is a sizable property that could also be developed
- **DBFOM project model opportunities**
 - Capitalize on private developer expertise
 - Leverage value from existing City assets
 - Maintenance of new facilities is guaranteed through the project term
 - Required City capital outlays are minimal
- **DBFOM project challenges**
 - City loses some flexibility with the facilities through the term of the agreement
 - Developer is involved in all future facility upgrades through the agreement term

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DBFOM Process Next Steps

- **Based on prior City Council review, staff issued an RFQ on April 7, 2021, to identify a development partner for this overall venture**
 - Responses were due May 13, 2021
 - Interviews are being scheduled for late-June 2021
 - Consider approval of an Exclusive Negotiating Agreement to select the identified partner anticipated for August 2021

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Questions?

