



DATE: November 10, 2020
TO: Mayor and Members of the City Council
FROM: Paul Kelley, Economic Development Director
SUBJECT: AUTHORIZE THE CITY MANAGER TO EXECUTE A LICENSE AGREEMENT WITH THE NIMITZ GROUP, LLC FOR CERTAIN REAL PROPERTY LOCATED AT APN 0066-020-110, 0066-020-140 and 0066-020-150.

RECOMMENDATION

Authorize the City Manager to execute a license with The Nimitz Group, LLC to provide security and install security improvements over property on North Mare Island.

REASONS FOR RECOMMENDATION

The security license is part of the City's good faith negotiations with The Nimitz Group, LLC. The license will better protect North Mare Island and all of Mare Island from illegal dumping, trespassing, and other crimes that occur on the Island. The security license will also allow the City to not extend its current security contract for North Mare Island as the Nimitz Group, LLC will provide security to North Mare Island.

BACKGROUND AND DISCUSSION

On or about 2017, the City issued an RFQ seeking a master developer for North Mare Island. The City received a number of proposals and selected The Nimitz Group, LLC (Nimitz) as its preferred master developer. In July 2018 City and Nimitz entered into an Exclusive Negotiating Agreement (ENA) setting forth the terms under which Nimitz and City would negotiate a potential Disposition and Development Agreement whereby the City would convey the Property to Nimitz for development. Since entering into the ENA, Nimitz and City have negotiated in good faith various potential structures for conveyance and development of the Property.

As part of these good faith negotiations, Nimitz desires to provide security to North Mare Island. Nimitz anticipates installing fences and lights and other security improvements to better protect North Mare Island. North Mare Island has been a source of numerous crimes that cost the City time and resources. This area is the source of numerous illegal dumpings, side shows, trespassing, and other related crimes. As an example, in the past two years, it is believed that two fires have started on the Island as a result of individuals illegally cutting down utility poles to steal copper.

FISCAL IMPACT

The Nimitz Group, LLC will pay the City \$1.00 a month for the license fee. The License will financially benefit the City's General Fund as it will no longer need to pay for security of North Mare Island, which is approximately \$50,000 a year. Additionally, the security license should save the City time and resources in not having to address as many illegal dumpings and other crimes.

ENVIRONMENTAL REVIEW

Subject: AUTHORIZE THE CITY MANAGER TO EXECUTE A LICENSE AGREEMENT WITH THE NIMITZ GROUP, LLC FOR CERTAIN REAL PROPERTY LOCATED AT APN 0066-020-110, 0066-020-140 AND 0066-020-150.

This action is exempt from California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1.	REDLINE - Security License Agreement Nimitz - North Island_.docx clean stamped
----	--

CONTACT

Paul Kelley, Economic Development Director

Paul.Kelley@cityofvallejo.net

Erin Hanford, Project Manager (707) 648-5406

Erin.Hanford@cityofvallejo.net