



# Agenda Item

## City Council

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**Item #:** 3.6.

**7/13/2021**

**File #:** 21-0364

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**TO:** Honorable Mayor and Members of the City Council

**THRU:** Rick Otto, City Manager

**FROM:** Gary A. Sheatz, City Attorney

### 1. SUBJECT

First Amendment to Amended and Restated North Net Joint Powers Training Agreement with Anaheim to amend the definition of Property to add approximately 21,500 square feet to the fire training center site.

### 2. SUMMARY

The First Amendment to the Agreement adds the newly acquired property to the eastern boundary of the training center property that is owned by the JPA. It also provides a formula for the division of proceeds, commensurate with the funding percentages Anaheim and Orange contribute on an annual basis, in the event the training center site is ever sold.

### 3. RECOMMENDED ACTION

Approve a First Amendment to Amended and Restated North Net Joint Powers Training Agreement; and authorize the Mayor and City Clerk to execute on behalf of the City.

### 4. FISCAL IMPACT

None. The purchase of the additional property was funded through the North Net Joint Powers General Fund.

### 5. STRATEGIC PLAN GOALS

Goal 2: Be a fiscally healthy community

- a. Expend fiscal resources responsibly.
- b. Effectively manage and develop City assets.

### 6. DISCUSSION AND BACKGROUND

In 1976 the cities of Anaheim, Garden Grove and Orange formed the North Net Joint Powers Authority (North Net) to provide fire training to their respective fire departments in a cost-effective and cooperative manner. Garden Grove withdrew from North Net in 2019 when it contracted out its fire services to the Orange County Fire Authority leaving Anaheim and Orange as the sole members of North Net. The North Net facility is located at 2400 E. Orangewood Avenue in the City of Anaheim.

Pursuant to an agreement between Anaheim and North Net, Anaheim purchased approximately 21,500 square feet of surplus property belonging to the Orange County Flood Control District which property borders the eastern boundary of the training center site (the "District Parcel"). Pursuant to

the agreement, North Net reimbursed Anaheim the \$30,000 it paid to the Flood Control District for the District Parcel. In exchange, Anaheim agreed that the District Parcel would be added to the fire training center site for use by North Net, and North Net would acquire a tenancy interest in the District Parcel similar to the tenancy interest it has on the current fire training site. Anaheim is the underlying fee owner of the current fire training site and will remain the underlying fee owner of the District Parcel.

The First Amendment would add the District Parcel to the definition of Property as same is defined in the Joint Powers Authority (JPA). Upon the District Parcel being added, North Net has plans to expand the training center site onto the District Parcel to enhance fire training for both the Anaheim and Orange Fire Departments, as well as for third-party users that sometimes rent North Net facilities for fire training purposes. The First Amendment also provides a formula for the division of proceeds attributable to the District Parcel in the event the training center site is ever sold. 64.51% of the proceeds would go to Anaheim and 35.49% of the proceeds would go to Orange, which matches the funding percentages the two cities contribute to North Net on an annual basis. Those proceeds attributable to the sale of the remaining training center site would be divided in accordance with the existing formula in the JPA.

A portion of the District Parcel is within the jurisdiction limits of the City of Orange. Anaheim and Orange are undertaking efforts with LAFCO to process a boundary change so that the District Parcel will be wholly within Anaheim. Should that be successful, Anaheim would process a lot line adjustment to add the District Parcel to the training center site. The North Net Board, consisting of Councilmember Steven Faessel of Anaheim and Councilmember Jon Dumitru of Orange, authorized bringing forward this First Amendment, which must be approved by both the Anaheim and Orange city councils.

Once executed the Amended JPA would be recorded and notices thereof provided to the Secretary of State and Orange County's Local Agency Formation Commission as required by the Joint Powers Act, Government Code sections 6500 et seq.

## **7. ATTACHMENTS**

- First Amendment to Amended and Restated North Net Joint Powers Training Agreement.