

### Civic Center Master Plan Background

In July, 2015 the City Council adopted the Civic Center Master Plan (CCMP), with a preferred alternative that included a new 40,000 square foot City Hall with an Emergency Operations Center and basement level parking to accommodate approximately 118 vehicles. The City Council also adopted a Mitigated Negative Declaration and the Initial Study.

In August 2015, Council considered whether to fund an architectural services agreement. Council did not approve the architectural services agreement in the amount of \$5.5 million (included the “perch” addition to the library) and directed staff to provide more information on financing options for implementing the master plan. In October, 2015 Council received the Report on Lease Financing which was considered and discussed by Council in November 2015. Council directed staff to 1) explore options for a maximum cost of \$40 million (financed plus cash). 2) explore options of leasing 40,000 square feet, and 3) explore possibility of building the proposed project for half the cost. In December 2015, staff reported to Council that it was not possible to build the project for a maximum of \$40 million.

At the Work Program study session on February 20, 2018, the City Council indicated that they were not in favor of moving forward with the design of a new city hall at that time, and instead directed staff to continue to evaluate alternative construction and finance mechanisms to reduce the overall cost of the Civic Center Master Plan implementation. The total cost estimate of \$69,150,000, was all inclusive of construction costs, demolition and removal of existing building, design, City staff cost, testing and inspection, construction management, community outreach, relocation, lease, and furniture, fixtures and equipment. This compares to a total project cost, as currently proposed, of approximately \$57-62 million, of which the Developer is responsible for \$31 million, leaving the City’s total cost at \$26-31 million.

Total, all-inclusive estimate with contingencies, as presented to the City Council in February 2018, was \$69,150,000. So roughly, the Developer’s construction of the core and warm shell has reduced the estimate by \$8-13 million, on top of the \$31 million construction that will be funded and constructed by the Developer.

On April 3, 2018, the City Council considered a major renovation of City Hall, however did not pursue that option and directed staff to spend 5-7 months to explore other designs/general concepts for a New City Hall and to look at other potential cost saving solutions, still preserving the new 40,000 square foot building as the preferred alternative.

The CCMP called for the design to meet the following criteria:

- Complement that of the Library and Community Hall and to project the Cupertino Civic Center as a locus of civic pride with enhanced civic identity and public interface that greatly improves the experience of the place; the architectural expression will represent the City's contemporary civic identity and express the community's civic values of open engagement with the government.
- Accommodate staff of up to 102;
- Include an Emergency Operations Center function;
- Include a public service center for permits, licenses and other business transactions;
- Provide adequate meeting space for staff to conduct city business, and allow for flexible scheduling for evening and weekend use by the public;
- Provide larger meeting and program space for public activities and events during mid-week and weekend days and evenings;
- Design the building with high sustainability goals including to meet at least the LEED Silver standard and the Cupertino Climate Action Plan, with resource efficient systems that reduce consumption and minimize building maintenance costs.

The current city hall building, as indicated to the City Council in April of this year, has the following deficiencies that would require approximately \$21 million just for the remodel:

- Building does not meet existing Life Safety building codes, much less Essential Facility code to support EOC.
- Building can be braced to meet seismic requirements.
- Heavy tile roof
- Electrical Service and distribution systems are at end of useful life, at capacity and need full replacement. Parts not available.
- 1960's era boiler and emergency generator need replacement.
- Generator should not be within building. Parts not available.
- Air handler, boiler, chiller equipment needs replacement. HVAC controls out-dated and do not work properly. Parts not available.
- Communication and data systems will be difficult to maintain over time due to age and capacities.
- Building configuration is inefficient and non-compliant
- ADA accessibility issues with toilet rooms and elevator
- Employees lack work and meeting space
- EOC and Lobby spaces inefficient
- Interior doors and finishes need updates and replacements

- Abundant walled offices create inefficiencies and reduce natural lighting
- Building is energy inefficient
- Building envelop needs insulation and better energy windows.
- Building is space inefficient
- Building space remodel likely to gain 10-15% in usable office space.

A study session to discuss the Citywide building condition assessment project is scheduled for November 5<sup>th</sup>. At this study session, City Hall will be described as requiring up to \$13 million of expenditures over the next 10 years. These expenditures will be necessary to keep the building from failing.