




MEMORANDUM

January 20, 2023

TO: MEMBERS, PORT COMMISSION
Hon. Willie Adams, President
Hon. Kimberly Brandon, Vice President
Hon. John Burton
Hon. Gail Gilman
Hon. Steven Lee

FROM: Elaine Forbes 
Executive Director

SUBJECT: Request authorization to execute a Grant Agreement with the San Francisco Parks Alliance to accept \$3,250,000 for proposed Crane Cove Park enhancements.

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution No. 23-03

EXECUTIVE SUMMARY

Crane Cove Park is an approximately 7-acre park along the Blue Greenway and is the Port's newest park, which opened in September of 2020. Since the park opening it has been hugely successful. The park offerings draw from the diverse population of the City and Region. When the park opened, there were three park components that the Port was not able to deliver because of budget constraints, including: the children's play areas, the dog run and restoration of the crane cabs. The San Francisco Parks Alliance (SFPA) was aware of the funding shortfall and approached the Port about undertaking a fundraising campaign to help deliver the last remaining components.

On November 12, 2019 the Port Commission approved Resolution 19-45 authorizing the Port's Executive Director to enter into a Memorandum of Understanding (MOU) with the SFPA to fundraise for the remaining components of the Crane Cove Park Project,

THIS PRINT COVERS CALENDAR ITEM NO. 10C

including the children's playground, the dog run and the crane cabs¹. Under the City's rules for the acceptance of gifts, approval of the MOU was conditioned on the Board of Supervisors' approval. The MOU contemplated that SFPA would raise up to \$7 million of grant funds which would be accepted by the Port Commission through a series of grant agreements without further action by the Board of Supervisors.

Because of the COVID pandemic and other new City policies, the Board of Supervisors did not act on the proposed gift to the Port until June 2022. At that time, SFPA had already raised approximately \$3.25 million. The Board of Supervisors ultimately approved a modified version of the MOU on June 7, 2022 (Resolution 280-22)², which authorized the Port to accept and expend a grant in the amount of the funds already raised (\$3,250,000), subject to the Port Commission approval of a grant agreement for use of such funds.

Today, consistent with the Board of Supervisor's approval, we seek Port Commission approval of a grant agreement to accept the \$3,250,000 in grant funds which will be used to pay for the children's play areas and a dog run.

Because of the differences between the Commission-approved MOU and the action of the Board of Supervisors, the original draft Port/SFPA MOU will not be executed. Any future fundraising for the crane cabs or other unfunded amenities will be subject to acceptance by the Port Commission and/or Board of Supervisors, as applicable, on a grant-by-grant basis.

The Parks Alliance's extensive experience and long-standing commitment to leveraging private investment for public parks is an asset to the Port in raising these critical dollars and realizing the full scope of the Crane Cove Park project.

This staff report provides a summary of the following:

1. Project Background and Status
2. Strategic Plan Alignment
3. Partner History and Experience
4. Regulatory Approvals
5. Key Terms of the Grant Agreement
6. Recommendation and Next Steps

PROJECT BACKGROUND & STATUS

The Crane Cove Park site is located within the Pier 70 area generally bound by 19th, Illinois and Mariposa Streets and the Bay. Since its opening in September 2020, it has been a huge success and is a signature new park of the Blue Greenway and within the City's park system.

The Crane Cove Park project went through a significant and comprehensive planning and design process that included extensive community and partner agency review. The

¹ See November 12, 2019 Port Commission Staff Report and Resolution - [San Francisco Port Commission - November 12, 2019 | SF Port](#)

² See Board of Supervisors Resolution: [210877 - Leg Final \(legistar.com\)](#)

park was originally conceived in the Port's 1997 Waterfront Land Use Plan and subsequently in the Pier 70 Preferred Master Plan and Blue Greenway Planning and Design Guidelines. Outreach included the Port's Central Waterfront Advisory Group, Southern Waterfront Advisory Committee, Waterfront Design Advisory Committee, Bay Conservation Development Commission, Design Review Board, Dogpatch Neighborhood Association, Potrero Boosters, Eastern Neighborhoods CAC, Hunters Point Shipyard CAC, Mission Bay CAC, Bay Trail and Bay Area Water Trail CACs, Port and City Planning Commissions, and the San Francisco Bay Conservation and Development Commission. In total, the project has benefited from more than 80 public meetings or hearings.

Three components of the project could not be delivered within the Port's Crane Cove Park project budget and the SFPA offered to help the Port raise the additional funds necessary to deliver the additional components. The proposed Grant agreement outlines how the SFPA will grant funds to the Port for delivery of the children's' play area and dog run and how the Port and SFPA will coordinate on the project delivery.

STRATEGIC PLAN ALIGNMENT

This proposed Grant Agreement supports the goals of the Port's Strategic Plan as follows:

Evolution: *Evolve the waterfront to respond to changing public and Port needs.*

- Improve Port open spaces to provide publicly desired amenities and activities.
Crane Cove Park - Improve services and amenities within the park
 - Raise philanthropic funds to renovate historic crane cabs and construct the children's playground

Engagement: *Engage constituents and public on Port functions and activities.*

- Involve People - Engage advisory groups, communities, and stakeholders
 - Inform and seek feedback through Port Commission meeting

PARTNER HISTORY AND EXPERIENCE

Since 1972, San Francisco Parks Alliance has leveraged public and private resources to improve parks and public spaces throughout the City. The Parks Alliance champions, transforms, and activates parks and public spaces throughout our city through innovative partnerships with community groups, city government and local business. The Parks Alliance believes that building these partnerships to support parks and open spaces leads to stronger, more cohesive communities, greater physical and mental wellness, and a more sustainable, equitable urban environment. The Parks Alliance is a nonprofit organization (under Internal Revenue Code Section 501(c)(3)) that for 50 years has supported parks and open space in San Francisco.

The Parks Alliance expertise has afforded them an illustrious reputation among the donor community, which has allowed the organization to successfully raise over \$100 million dedicated to rehabilitating and developing parks and open spaces throughout

San Francisco. The organization has worked with more than 200 community groups improving their local spaces through beautification, community driven programming, and special events. They are often showcased as a model for successful public private partnerships.

The Parks Alliance initiated and continues to lead the advocacy for the Blue Greenway project. Additionally, the Parks Alliance led the campaigns in support of both the 2008 and 2012 Parks General Obligation Bonds, which have provided significant funding for both the Blue Greenway and other waterfront parks.

Through the Let'sPlaySF! Initiative, launched in 2016 with the San Francisco Recreation and Parks Department, the Parks Alliance is supporting the renovation of the City's 13 playgrounds most in need of investment, and to date has raised over \$15 million.

REGULATORY APPROVALS

The Project has been reviewed for compliance with CEQA by the San Francisco Planning Department and was issued a Community Plan Exemption (2015-001314ENV) to the *Eastern Neighborhoods Rezoning and Area Plans Final EIR* (Planning Department Case No. 2004.0160E) approved by Planning Department on October 5, 2015 and adopted by Port Commission on October 13, 2015.

PROPOSED GRANT AGREEMENT

The proposed Grant Agreement with the SFPA is designed to serve as a roadmap of general terms for the SFPA to grant the Port funds necessary to complete the children's play area and the dog run through funding they secured from various donors. The Grant Agreement also contains commitments by the Port and SFPA on how the parties will collaborate on and communicate during the expenditure of the Grant Agreement. Below is a summary of the Key Terms of the Grant Agreement.

Budget

SFPA has raised \$3.25 million for the Port to fund the completion of the children's playground and the dog run, including design, construction management and contingency costs. The anticipated amounts under the proposed Grant Agreement are as follows:

| <u>Description</u> | <u>Budget</u> |
|-----------------------|---------------|
| Children's Play Areas | |
| Tot Lot | 1,120,000 |
| Riggers Yard | \$225,000 |
| Dog Run | \$1,100,000 |

| | |
|--------------------|--------------------|
| Project Management | \$75,000 |
| Contingency | \$1,165,000 |
| Total | \$3,250,000 |

Preliminary Schedule

Port staff have developed the following preliminary schedule. This schedule identifies the number of weeks required to perform each task, once the Grant Agreement is executed.

| Phase | Task | Children's Play Areas | Dog Run |
|--------------------|-------------------------------|-----------------------|-----------|
| | | Duration/Weeks | |
| Design | Hire Consultants | 4 | 4 |
| | Design | 15 | 19 |
| Advertise/Award | Port Commission Authorization | 4 | 4 |
| | Advertise | 4 | 4 |
| | Port Commission Award | 6 | 6 |
| | Construction | 16 | 16 |
| <u>Total Weeks</u> | | <u>49</u> | <u>53</u> |

General Terms:

| Provision | Terms |
|----------------------------|--|
| Term | This Agreement shall become effective upon execution by the Parties (the " Effective Date ") and shall terminate once the Grant has been expended and the Project is complete (the " Term ") |
| Maximum Grant Amount | \$3,250,000 |
| Roles and Responsibilities | Port <ul style="list-style-type: none"> • Port shall ensure that all funds granted are spent only on Crane Cove Park expenditures SFPA <ul style="list-style-type: none"> • will provide Port with 30% of grant funding at execution of Grant Agreement • will reimburse Port upon receipt of Port's quarterly billings • will pay final 10% to Port upon project completion |

| | |
|------------------------------------|--|
| | <p>Joint Responsibilities Both Port and Parks Alliance (the “Parties”) shall maintain regular communication with each other. Parties shall regularly review the assignment of roles and responsibilities for the Grant Agreement shall ensure timely submittal and review of all necessary reporting as detailed in Section C of the Grant Agreement</p> |
| Default and Cure Provisions | <ul style="list-style-type: none"> • Either Party must provide written notice of alleged default and provide a 30-day period for party to cure • If dispute is not resolved it would go to non-binding arbitration • Party claiming default shall then be entitled to exercise any right or remedy available at law or in equity including termination of agreement |
| Communications; Recognition | Parties shall use all good faith efforts to cooperate on the matters of public relations and media responses related to the grant. Either Party may hold events at the Park upon Port authorization and permitting or elsewhere, and the Parties shall make good faith efforts to participate on equal basis at such events. Donor recognition is subject to future Port Commission approval. |
| Controller Requirements for Grants | Each party must comply with certain disclosure obligations, recordkeeping and auditing requirements |

RECOMMENDATION AND NEXT STEPS:

Staff now requests that the Port Commission adopt the attached resolution authorizing staff to enter into the Grant Agreement with San Francisco Parks Alliance to fund the Crane Cove Park enhancements in an amount of \$3,250,000 million in the form of cash contributions.

Upon execution of the Grant Agreement, the Port will retain the necessary consultants to complete the design of the two components, then seek Port Commission approval to bid the work out and contract for a construction contract.

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Planning and Environment

Erica Peterson, Project Manager
Engineering

Prepared for: Elaine Forbes, Executive Director

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 23-03

- WHEREAS, The Port manages the San Francisco waterfront within its jurisdictional boundaries as the gateway to a world-class city, and advances environmentally and financially sustainable maritime, recreational and economic opportunities to serve the City, Bay Area, and California; and
- WHEREAS, The Port delivers vibrant and diverse waterfront experiences that enrich the City and San Francisco Bay Area; and
- WHEREAS, The Port is completed the construction of Crane Cove Park, which is a new 7-acre park on Port property, located in the Central Waterfront generally between 19th Street and Mariposa Streets east of Illinois Street, and is slated for opening in the Spring of 2021; and
- WHEREAS, Crane Cove Park is a major new public open space that preserves historic maritime resources, provides public access to and recreation opportunities along the Bay, and contributes to a vibrant new Pier 70 neighborhood, and expands the Port's necklace of public open spaces; and
- WHEREAS, The Crane Cove Park Project (Project) is a long-standing project of the Port, and was first identified as a project in the Port's Waterfront Land Use Plan adopted in 1997, and further articulated in the Port's Pier 70 Preferred Master Plan, which was endorsed by the Port Commission in 2010; and
- WHEREAS, The Port released the 2021-2025 Strategic Plan and set objectives to improve Port open spaces to provide publicly desired amenities and activities; and specifically set objectives to raise private funds for historic the children's play areas and dog run; and
- WHEREAS, The San Francisco Parks Alliance, approached the Port and offered to conduct fundraising to help complete the park by raising funds for the unfunded components; and
- WHEREAS, The Crane Cove Park Project has been reviewed for compliance with CEQA by the San Francisco Planning Department and was issued a Community Plan Exemption (2015-001314ENV) to the *Eastern Neighborhoods Rezoning and Area Plans Final EIR* (Planning Department Case No. 2004.0160E) approved by Planning Department on October 5, 2015 and adopted by Port Commission on October 13, 2015; and

WHEREAS, On June 7, 2022, the Board of Supervisors approved the Port of San Francisco's acceptance and expenditure of a grant from the San Francisco Parks Alliance not to exceed \$3,250,000 (Resolution 280-22) subject to approval of a grant agreement by the Port Commission; and

WHEREAS, That the Port Commission has reviewed the essential terms of the Grant Agreement as summarized in the Memorandum to the Port Commission dated January 24, 2023; now therefore be it resolved that

RESOLVED, The Port Commission authorizes the Executive Director or her designee to execute the Grant Agreement and all other agreements and instruments necessary to obtain and expend the grant monies on behalf of Port, in such form approved by the City Attorney.

I hereby certify that the Port Commission at its meeting of January 24, 2023 adopted the foregoing Resolution.

Secretary