



December 8, 2023

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

FROM: Elaine Forbes
Executive Director

A handwritten signature in blue ink, appearing to read "Elaine Forbes".

SUBJECT: Informational report related to (1) acceptance of certain Phase 1 horizontal improvements, (2) a proposed amendment to the Disposition and Development Agreement between the Port and FC Pier 70, LLC related to maintenance of those improvements, and (3) the overall status of Phase 1 of the Pier 70 28-Acre site project, roughly bounded by 20th Street to the north, San Francisco Bay to the east, 22nd Street to the south, and Michigan Street to the west (the “28-Acre Site”).

DIRECTOR’S RECOMMENDATION: Information Only – No Action Required

EXECUTIVE SUMMARY

The Port’s development partner for the development of the Pier 70 28-Acre Site is FC Pier 70, LLC, an affiliate of Brookfield Properties (“Developer” or “Brookfield”). The 28-Acre Site project is governed by a Disposition and Development Agreement (“DDA”) and related agreements between the Port and the Developer. Under the DDA, Brookfield is required to construct horizontal improvements, including parks, streets, and utilities. Brookfield commenced construction of Phase 1 (see Exhibit A, Site Map) in 2019.

Brookfield recently completed construction of Phase 1 streets, sidewalks, and associated infrastructure, which are candidates for acceptance by the Port Commission and Board of Supervisors (“BOS”), as applicable. Before these improvements can be accepted, the DDA requires the Chief Harbor Engineer to make a determination that work has been completed as designed within the timeframes specified in the Schedule of Performance (“SOP”) attached to the DDA. Within 30 days after the Chief Harbor Engineer’s

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determination of compliance (the “SOP Compliance Determination”), the Port must calendar a Commission hearing to accept horizontal improvements that will become Port assets.

Brookfield’s request for SOP Compliance Determination was submitted on July 1, 2023. The Port anticipates conditionally approving Brookfield’s SOP Compliance Determination request by the end of the year. The SOP Compliance Determination establishes the Developer’s compliance with the outside date in the SOP for completion of certain Phase 1 horizontal improvements and signals certain of these improvements are ready for acceptance by the Port, and others by the City. BOS consideration of acceptance of City items is anticipated in early 2024.

Improvements built to City standards will be owned, maintained, and permitted by the City (Public Works, SFMTA, SFPUC, DT) whereas non-standard improvements will be owned by the Port (“Port Acceptance Items”). Phase 1 Port Acceptance Items include a one-block segment of Louisiana Street, the frame of former Building 15 that spans 22nd Street, special sidewalk pavers, bike racks, trash cans, bollards, and understory plantings. This framework is memorialized in the jurisdictional memorandum of understanding between the Port and other city departments that was approved by the Port Commission via Resolution No. 20-39 (the “Interjurisdictional MOU”).¹ The Port’s obligations relative to Port Acceptance Items located in City right-of-way (“ROW”) are also memorialized in a Major Master Encroachment Permit (“MMEP”) between the Port and Public Works to be approved by the Port Commission and BOS.

Per the DDA, Brookfield is responsible for the maintenance of Port Acceptance Items until they are accepted by the Port Commission; upon Port Commission acceptance, services special taxes are identified as the funding source for the ongoing maintenance of these items. However, due to a delay in Phase 1 vertical development, there are currently no services special taxes being generated. As a result, the Developer and Port are proposing to enter into a second amendment to the DDA (the “DDA Amendment”) to allow the Developer to perform and fund the ongoing maintenance of the Phase 1 Port Acceptance Items until services special taxes become sufficiently available. Port’s acceptance of the Port Acceptance Items would be contingent on approval of the DDA Amendment by the Port Commission and BOS.

This memorandum also provides an update on Brookfield’s implementation of the balance of Phase 1 of the project. Brookfield completed the rehabilitation of historic Building 12 in January 2022 and has signed several leases that will create a growing community of artists, makers, and innovators over the next year. Brookfield has not exercised an option to lease or purchase any Phase 1 development parcels, citing the ongoing economic impacts of the pandemic and construction costs on the viability of vertical development. Pursuant to the DDA, Brookfield or a third party is required to execute a vertical DDA on all Phase 1 option parcels no later than three years after the completion of Phase 1

¹ Resolution No. 20-39 and related staff report can be found here: https://sfport.com/sites/default/files/Commission/Documents/Item%209D%20Pier%2070%20Jurisdictional%20MOU_final.pdf.

horizontal improvements (excluding parks). However, this deadline is currently tolled because Phase 1 is in a down market delay, which was triggered in June 2021 by the final appraised value of Parcel E2 (as shown in Exhibit A).

The Port and Brookfield are exploring ways to advance the project, both by improving its performance and accelerating vertical development. One key strategy is moving forward with the development of Parcel A (as shown in Exhibit A). Port and a Brookfield affiliate, King Street Properties, have been negotiating a 99-year ground lease and related documents for a life science project on Parcel A and anticipate returning to the Commission early next year for approval.

STRATEGIC OBJECTIVE

Acceptance of completed Phase 1 Horizontal infrastructure will meet the following Port Strategic Objectives by helping to advance the implementation of development within the Pier 70 Special Use District (“Pier 70 SUD”):

- **Productivity:** Attract and retain tenants to build an economically successful and vibrant waterfront.
- **Resilience:** Reduce seismic and climate change risks to protect the waterfront.
- **Sustainability:** Advance environmental stewardship to limit climate change and protect the Bay.
- **Evolution:** Evolve the waterfront to respond to changing public and Port needs.

PROJECT BACKGROUND

In 2017, the City approved the Pier 70 SUD, a 35-acre redevelopment area generally bound by 20th Street to the north, 22nd Street to the south, Illinois Street to the west, and the San Francisco Bay to the east (see Exhibit A). The 35-acre Pier 70 SUD includes (1) the 28-Acre Site; (2) the 20th/Illinois Street parcels known as Parcel K North and Parcel K South; and (3) approximately 3 acres owned by PG&E known as the Hoedown Yard. The Pier 70 SUD provides for a mixed-use project comprised of up to 4.2 million square feet of development including 200,000 square feet of rehabilitated historic buildings (Historic Buildings 2, 12, and 21), 1,500 to 3,000 residential units with 30% provided at below market rates, office, retail, and production, design and repair uses, a new arts facility, mitigations to protect against future sea level rise, and 9-acres of new parks that will create public access to the San Francisco Bay where it has never previously existed.

The Port’s partner for the development of the 28-Acre Site is Brookfield. The 28-Acre Site project, which will be built out in three phases, is governed by the DDA and related agreements between the Port and the Developer. Under the DDA, the Developer is responsible for subdividing and improving the 28-Acre Site and Parcel K South with horizontal improvements to serve vertical development. The Developer also has the

option to lease or purchase designated parcels to develop vertical improvements. In May 2018, the Port approved the Phase 1 Submittal for the project, which includes the development of three acres of parks and backbone infrastructure to support an anticipated 588 residential units, more than 100,000 square feet of maker/PDR/retail space, and up to 460,000 square feet of commercial space.

PHASE 1 IMPLEMENTATION UPDATE

Horizontal Improvements

Brookfield began Phase 1 site preparation and demolition in August 2018 followed by construction in March of 2019 upon issuance of a Street Improvement Permit by the City for utilities and surface improvements along 20th Street, Maryland Street, Louisiana Street, 21st Street, and 22nd Street. These Phase 1 horizontal improvements were substantially complete as of November 2022 with the issuance of a Notice of Completion by the City. The balance of the Phase 1 horizontal improvements, largely comprised of the Phase 1 parks and open space, will be constructed on a schedule that coincides with the delivery of adjacent vertical development.

Local Business Enterprise Participation

The 28-Acre Site project has a 17% Local Business Enterprise (“LBE”) participation goal. Contracts awarded by Brookfield through the end of 2022 were comprised primarily of Phase 1 horizontal improvement construction work, rehabilitation of Historic Building 12, and design consultants for upcoming vertical projects. Through 2022, Pier 70 has awarded \$219.3 million in contracts, of which \$62.1 million or 28.3% has been awarded to LBE firms, including SBA-LBEs. \$54.7 million or 25% has been awarded to small and micro-LBE firms. \$31.3 M or 14.3% of total contract dollars have been awarded to small and micro-LBE firms located in the three zip codes located to the south of the project (94107, 94124, and 94134). There was little construction activity during the first half of 2023, however, construction on Building 12’s tenant improvements began in earnest in the third quarter. Brookfield intends to update its LBE report in early 2024 to include this new information.

Vertical Improvements

Building 12:

Under the DDA, Brookfield is obligated to renovate historic Building 12 as part of Phase 1. In January 2020, the Port entered a 66-year lease with a Brookfield affiliate for Building 12. Construction activities commenced immediately thereafter and a Temporary Certificate of Occupancy was issued in January 2022. Since then, Brookfield has been actively working to lease the space, which includes a ground-floor market hall, large-scale production and retail opportunities, second-floor maker and artisan studios, and third-floor office uses. To date, Brookfield has signed several leases that will create a growing community of artists, makers, and innovators over the next year, including local brewer [Standard Deviant](#), baker [Breadbelly](#), arts and education nonprofit [The Plenary, Co.](#), custom sneaker designer

[Studio Duskus](#), florist [Marbled Mint](#), design studio [Prowl Studio](#), 30-year legacy San Francisco business owner and alternative motorcycle dealer [Scuderia](#), paper artist [Zai Divecha](#) and metalsmith and maker [Emi Grannis](#). Five of the initial leases include woman-owned businesses. Brookfield has also been activating the space while leasing efforts are underway, including the highly successful Paint the Void event and Bayview Uncorked.

Affordable Housing Parcels:

Overall, the 28-Acre Site project will result in 30% onsite affordability, through a combination of: 1) 100% affordable housing on three designated affordable housing parcels: Parcel C2A in Phase 1, Parcel K South in Phase 2, and Parcel C1B in Phase 3; and 2) a 20% inclusionary housing requirement for all market-rate rental projects. Identified project-specific gap funding sources for the 100% affordable housing sites include: 1) an in-lieu fee to be paid by developers of market-rate condo projects; 2) an impact fee similar to the City's jobs-housing linkage fee to be paid by developers of commercial projects; and 3) tax increment from an Infrastructure Revitalization Financing District formed over the Hoedown Yard. These funding sources are currently unavailable as market-rate development has yet to occur.

In May 2021, the Mayor's Office of Housing and Community Development ("MOHCD") selected Young Community Developers, Chinatown Community Development Center, and Catholic Charities as the developer team for Parcel C2A in Phase 1 through a competitive solicitation process. MOHCD anticipates being able to provide a predevelopment loan to the developer team upon receipt of impact fees from Parcel A (see discussion below).

Option Parcels:

Under the DDA, Brookfield has an option to purchase or lease all development parcels within the 28-Acre Site except the 100% affordable housing parcels, Parcel C1A, historic buildings 12 and 21, and the arts building parcel.

In February 2020, the Port agreed to transact Parcel E2 (multi-family residential) at an appraised value lower than the threshold value set in the DDA in exchange for Brookfield agreeing to shorten the timeframe for closing on Parcel A². However, in June 2020, citing the impacts of the COVID-19 pandemic, Brookfield elected not to proceed with either transaction. To date, Brookfield has not exercised an option of any Phase 1 option parcels, citing the ongoing economic impacts of the pandemic and construction costs on the viability of vertical development. However, Port and a Brookfield affiliate, King Street Properties, have been negotiating a 99-year ground lease and related documents for Parcel A and anticipate returning to the Commission early next year for approval.

² Click [here](#) for February 11, 2020 memo to Port Commission on proposed transaction.

Down Market Delay

Per the DDA, Brookfield or a third party is required to execute a vertical DDA on all Phase 1 option parcels no later than three years after the completion of Phase 1 horizontal improvements (excluding parks). However, in June 2021, the final appraised value of Parcel E2 triggered an event of down market delay for Phase 1. This is because the final appraised value was lower than the threshold value set for the parcel in the DDA. As a result, the timeframes for Brookfield's performance of time-sensitive matters, including the close of escrow on option parcels, are tolled until a down market no longer exists.

A reappraisal of Parcel E2 completed in June 2023 confirmed Phase 1 is still in a down market. The soonest either party may request a new appraisal to determine if the down market has ended is June 2024. If the down market condition results in a project delay longer than 60 months, the Developer must either: (i) waive the delay; (ii) deliver a change notice with measures intended to allow Phase 1 to proceed; or (iii) submit a revised phasing plan changing the proposed land use mix, reclassifying development parcels, or adjusting delivery of public benefits.

Current Project Performance

For costs expended through June 30, 2023, Developer project costs plus return total approximately \$306.5 million. As anticipated at project approvals, Developer capital, which earns a market rate, risk-adjusted cumulative return of 18 percent annually, has been the primary early source of project funding aside from the Port capital contribution of \$6.5 million made in December 2018 and the \$24.2 million of land proceeds from the sale of Parcel K North in February 2019. Currently, the balance owed to the Developer is approximately \$275.7 million.

Phase 1 costs to date have been higher than originally projected due in part to Bay Area-wide construction cost increases. Meanwhile, Phase 1 revenues, which include Community Facility District ("CFD") special taxes, tax increment, bond proceeds paid by special taxes and tax increment, and land proceeds, are coming in later and possibly lower than expected due to market conditions, creating a lower developer return than was projected at project approvals in 2017. While some of the Port's expected revenues from the project are contingent upon Brookfield earning an 18% return, there are many long-term Port revenue streams the Port will receive over the life of the project, irrespective of Developer's return, once vertical development starts to occur. These revenue streams, which include sale proceeds from Parcel C1A in Phase 3, percentage rent from leased option parcels, participation in proceeds from expected lease transfers and refinancings, condominium transfer fees, the Port's share of tax increment, and services, arts building and shoreline special taxes, were estimated at \$259.6 million (net present value terms) in 2017 at project approvals and are still expected once vertical development is complete and buildings are operational.

Port and Brookfield have been exploring ways to advance the project, both by improving its performance and accelerating vertical development. One key strategy is moving forward

with the development of Parcel A. If Port and King Street close escrow on Parcel A next year, the purchase price will go towards the repayment of Brookfield's horizontal costs. Additionally, once construction on Parcel A starts, (1) the Port/City may be in a position to issue bonds by leveraging special tax revenues from Parcel A and Building 12 and (2) impact fees paid by Parcel A to MOHCD would be available for Parcel C2A predevelopment work.

ACCEPTANCE OF PHASE 1 HORIZONTAL IMPROVEMENTS

Improvements to be Accepted

As described above, Brookfield commenced substantial construction in March 2019 upon issuance of a Street Improvement Permit by the City. The horizontal scope of work under the Street Improvement Permit included the installation of utilities, including auxiliary water supply mains, low-pressure water mains, combined sewer mains, combined sewer storage, non-potable water mains, electricity, and gas infrastructure, and surface improvements along 20th Street, Maryland Street, Louisiana Street, 21st Street, and 22nd Street. These Phase 1 horizontal improvements were found to be substantially complete as of November 2022 with the issuance of a Notice of Completion by the City and are now ready to be accepted by the Port and City.

The horizontal improvements proposed for acceptance fall within four broad categories: 1) non-standard Port ROW; 2) Public Works ROW; 3) non-standard items in Public Works ROW; and 4) private assets owned by third-party utility operators. These categories are summarized below and in Table 1.

Port ROW:

As shown in Table 1, the northern block of Louisiana Street between 20th and 21st Street is one of two street segments within the Pier 70 SUD that do not meet Public Works's requirements due to existing physical constraints. Accordingly, with the exception of the power system, streetlights, and private utilities, this segment is a Port Acceptance Item. As such, the Port will retain jurisdictional oversight and ownership, maintenance obligations, and liability of the majority of assets installed within this ROW segment after acceptance.

Public Works ROW:

While the Port will continue to own fee title to the land underneath the newly constructed Phase 1 streets and sidewalks after acceptance due to its public trust obligations, standard infrastructure constructed within ROWs, such as street curbs and gutters, asphalt roadways, traffic signals, and utility systems (collectively, the "City Acceptance Items"), will be owned and maintained by the customary City agencies (Public Works, DT, SFFD, SFMTA, SFPUC). Accordingly, Public Works was the lead permitting agency for streets and sidewalks constructed at Pier 70 and will continue in this role pursuant to the Interjurisdictional MOU after the streets are accepted. The Phase 1 Public Works ROWs are shown in Table 1.

Non-Standard Improvements in Public Works ROW:

As established in the maintenance matrix attached as an exhibit to the Interjurisdictional MOU, most non-standard items within the Public Works ROWs are Port Acceptance Items. As such, the Port will own, maintain, and have liability for these items, which improvements include decorative paving, custom bike racks (some of which will be installed at a later date as deferred infrastructure), custom benches, custom trash cans, landscaping (other than street trees), the Building 15 frame spanning 22nd Street, non-standard signage, bollards, retaining walls, etc. This arrangement will be memorialized via the MMEP between Public Works and the Port upon approval by the BOS, which is anticipated early next year.

See Exhibit B for a visual guide summarizing the Port Acceptance Items.

Table 1

	Improvements Included	Entity that Owns, Maintains, & Holds Liability	Master Permitting Agency
Category 1 Port ROW	All streetscape components except streetlights and power systems of the non-standard northern block of Louisiana Street between 20 th and 21 st Streets	Port: All assets constructed within this block of Louisiana Street except for streetlights and power systems	Port
Category 2 Public Works ROW	Standard streetscape components of all other blocks constructed within the Phase	Public Works: Standard Paving, curbs, road base, etc. SFMTA: Traffic Signals, signage, striping, etc. SFPUC: Streetlights, electrical infrastructure, wet utilities, etc.	Public Works
Category 3 Non-Standard Items in Public Works ROW	Non-standard items within Public Works ROW (e.g. custom paving, trash cans, bike racks, and benches; understory plantings; Building 15 frame, etc.	PUC: light poles Port: balance	Public Works
Category 4 Private Assets in Public Works ROW	Utility systems owned by third parties such as PG&E and Comcast	Third-Party Utility Operator	Public Works

Maintenance of Port Acceptance Items

Per the DDA, the Developer is responsible for maintenance of the Port Acceptance Items until Port Commission acceptance; upon Port Commission acceptance, services special taxes from the Pier 70 Leased Property CFD and Pier 70 Condo CFD are identified as the funding source for the ongoing maintenance of these items, which will ultimately include parks and open space. Both CFDs were formed in 2020. However, due to the delay in Phase 1 vertical development, there are currently no developed properties subject to the tax. As a result, there will be a period when services special taxes are unavailable or insufficient to cover ongoing maintenance costs.

There are three potential options to address this shortfall:

- 1) Delay acceptance of the Phase 1 Port Acceptance Items until services special taxes are available, which could also delay the acceptance of City Acceptance Items. Under this scenario, the Developer would continue to maintain and have liability for potentially all of the improvements and be reimbursed as a project cost earning an 18% return, with no outside date by which the maintenance costs would stop accruing return.
- 2) Accept the Phase 1 Port Acceptance Items and use Port Harbor Funds as the maintenance funding source, subject to a supplemental budget appropriation. This option is counter to the approved structure of the project, under which no Harbor Funds are obligated, and the Port's position at project approvals that it would not have entered into the transaction without ensuring there was an ongoing funding source for maintenance.
- 3) Accept the Phase 1 Port Acceptance Items and allow the Developer to perform and fund the ongoing maintenance as a project cost. Under this approach, the Developer would maintain the Port Acceptance Items until the earliest of (1) the date services special taxes are sufficiently available; (2) two years after the Phase 2 rights-of-way are completed; (3) expiration or termination of the DDA; or (4) Port's election to terminate Developer's obligation to maintain. While the Developer's costs will be considered project costs subject to an 18% return, the costs will only accrue a return until the earlier of: (1) one year after issuance of a temporary certificate of occupancy for the first vertical project construction on an option parcel or (2) a to be determined date (expected to be sometime within calendar year 2028). Maintenance costs incurred after that date will be eligible for reimbursement but will not accrue a return.

Of the available options, Port staff believes the third option, which will be memorialized in the DDA Amendment, is in the best interest of the Port because (1) the Port would not have to appropriate and expend Harbor Funds; (2) the timeframe within which Brookfield would be entitled to an 18% return on the maintenance costs would be limited; and (3) acceptance of the City Acceptance Items would not be delayed. The Port's acceptance of

the Port Acceptance Items would be conditioned upon approval of the DDA by the Port Commission and BOS.

Acceptance Process

Acceptance of the improvements is governed by three documents previously approved by the Port Commission. These include (1) the project's Interagency Cooperation Agreement approved by the Port Commission on September 26, 2017 by Resolution No. 17-48, which outlines the acceptance process for City-owned infrastructure in the public right-of-way; (2) the DDA approved by the Commission on September 26, 2017 by Resolution No. 17-43 which outlines the City and Port's respective acceptance process; and (3) the Interjurisdictional MOU, which details obligations regarding permitting, ownership, and maintenance of public infrastructure constructed at Pier 70 for the Port and other City agencies (SFMTA, Public Works, SFPUC, DT).

The acceptance process, which takes several months to complete, broadly includes the following steps:

1. City Notice of Completion ("NOC") Process. The NOC process is a multi-step process led by the City that takes several months to complete. When the Developer believes it has substantially completed construction of improvements under a Street Improvement Permit, the Developer must submit documentation to the City that all permits have been closed out, infrastructure has been certified, and relevant warranties have been assigned. Upon concurrence by the City, Public Works will issue an NOC. For the Pier 70 Phase 1 improvements, Public Works issued two NOCs to Brookfield for the Phase 1 improvements. The first, which covered a portion of 22nd Street, was issued on March 4, 2022. The second, which covered the remaining Phase 1 ROWs, was issued on November 22, 2022.
2. Operations and Management Documents Finalized. Documents memorializing operations, management ownership, and liability of City-owned and Port-owned infrastructure are finalized by the Port, City, and Developer. Primary documents included in this grouping are the Interjurisdictional MOU and the MMEP.
3. Port SOP Compliance Process. The SOP Compliance Determination process is similar to the City's NOC process, except it is a determination that the Developer has completed the infrastructure within the timeframes specified in the DDA and in accordance with applicable project and regulatory requirements. The Developer submitted an SOP Compliance Determination request to the Port on July 21, 2023. The request (outlined in DDA Exhibit B9) included documentation that all Port permits have been closed out, warranties have been assigned, and required access rights have been granted. The Developer also submitted statements by key project stakeholders such as the Engineer and Landscape Architect of Record, and third-party utility operators that work has been installed as designed and permitted. The Port anticipates conditionally approving the Developer's SOP Compliance Determination Request by the end of the year.

4. Port Commission Resolution Accepting Port Acceptance Items Within 30 days after the SOP Compliance Determination is approved, staff must calendar a Port Commission hearing for acceptance of the Port Acceptance Items.
5. Board of Supervisors Legislation Accepting City-Owned Infrastructure The Board of Supervisors holds a series of hearings approving legislation to accept City-owned infrastructure. Port staff anticipates BOS approval early next year.

Anticipated Port Commission Actions

There are various actions the Port Commission must take related to the Phase 1 Port Acceptance Items and to facilitate the City’s acceptance process. Some actions solely apply to Port ROWs, whereas other actions will apply to all streets and sidewalks constructed in Phase 1 regardless of whether they will fall under Port or City jurisdiction. (The Port Commission needs to take actions related to Public Works ROWs because fee ownership of the underlying land remains with the Port). The Commission must also take actions related to the MMEP and the DDA Amendment. These actions are outlined in the Table 2 below:

Table 2

#	Port Commission Actions	Port Acceptance Items	City Acceptance Items
1	The Commission finds the Port Acceptance Items are functional and constructed in conformity with project and regulatory requirements.	X	
2	The Commission accepts Offers of Improvement from the Master Developer.	X	X
3	The Commission accepts the Port and City Acceptance Items for public use.	X	X
4	The Commission dedicates the Port and City Acceptance Items for street and sidewalk purposes.	X	X
5	The Commission accepts the Port Acceptance Items for maintenance and liability purposes.	X	
6	The Commission approves the DDA Amendment to allow the Developer to maintain the Port Acceptance Items as a project cost in the absence of Services Special Taxes.	X	
7	The Commission recommends the Board of Supervisors accept the City Acceptance Items.		X
8	The Commission recommends the Board of Supervisors approve the DDA Amendment.	X	
9	The Commission approves the MMEP, authorizes the Executive Director to execute the MMEP, and recommends Board of Supervisors approve the MMEP.	X	X

#	Port Commission Actions	Port Acceptance Items	City Acceptance Items
10	The Commission accepts the Port Acceptance Items for maintenance and liability purposes, subject to the approval of the DDA Amendment, and delegates to the Executive Director or her designee to accept any deferred infrastructure at a later date.	X	
11	The Commission authorizes and directs the Executive Director or her designee to execute and record a Partial Release of Master Lease to transfer ownership of accepted Port Accepted or Deferred Infrastructure.	X	

NEXT STEPS

Port staff anticipates returning to the Port Commission as soon as January for consideration of the actions described above, followed by any necessary Board of Supervisors actions.

Prepared by: Paul Chasan
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Exhibits: Site Map
Port Phase 1 Acceptance Items

EXHIBIT A Site Map



- | | | |
|---|---|---|
|  Residential |  Open Space |  Phase 1 |
|  Office |  Retail, Arts,
Light Industrial |  Pier 70 SUD |