



MEMORANDUM

June 7, 2024

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

FROM: Elaine Forbes
Executive Director 

SUBJECT: Request authorization for the Port Commission to receive a delegation of authority from the Board of Supervisors for the Port Commission to accept Mission Bay Parks improvements for Parks P19 and P22 (Bayfront Park) along Terry Francois Boulevard into the Port's Park system. Port Commission acceptance for maintenance and liability would be contingent upon the issuance of a Notice of Completion by the San Francisco Department of Public Works for the improvements, among other findings and prerequisites and approval of delegation for certain authority related to acceptance by the Board of Supervisors.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 24-30

EXECUTIVE SUMMARY

On October 10, 2023, the Port Commission authorized an agreement between the Office of Community Investment and Infrastructure (OCII) and the Recreation and Parks Department (RPD) to transfer the operations and maintenance of certain parks on Port lands within the Mission Bay South Redevelopment Plan Area¹. Within the Mission Bay South Redevelopment Plan Area ("Mission Bay") there are two remaining parks currently being constructed entirely on Port lands (P19 and P22). Parks within Mission Bay are

¹ [Port OCII RPD Mission Bay Parks \(sfport.com\)](https://sfport.com)

constructed by the master developer of Mission Bay, FOCIL-MB, and eventually accepted by the City into the City's (and Port's) parks open space system.

The acceptance process for park improvements is an action by the City or Port that: 1) accepts ownership of assets that are constructed consistent with approved plans; 2) dedicates the land for use as a park and 3) accepts maintenance and liabilities for the City or Port. The Board of Supervisors acceptance of previously completed parks was subject to OCII maintenance and operations of the facilities under a ground lease and acceptance was required for the facilities to be opened for public use. Now that the Port will be the party operating and maintaining Mission Bay Parks on Port lands, acceptance of Port parks can be authorized by the Port Commission subject to compliance with required steps under the Mission Bay South Owner Participation Agreement, in a manner similar to other recent parks completed on Port property such as China Basin Park.

The Port Commission's acceptance of Mission Bay Parks (P19 and P22) is dependent on the Board of Supervisors' delegation of authority to the Port Commission to accept the improvements to satisfy the Mission Bay Owner Participation Agreement procedures.

STRATEGIC OBJECTIVE

Acceptance of Mission Bay Parks on Port lands supports the Port's Strategic Plan goals:

Sustainability:

Advance environmental stewardship to limit climate change and protect the Bay.

Equity:

Create a diverse, equitable, and inclusive organization and waterfront, and empower Black, Indigenous, and other People of Color (BIPOC) in Port operations and opportunities through equitable policies and practices.

Evolution:

Evolve the waterfront to respond to changing public and Port needs.

Engagement:

Engage constituents and the public on Port functions and activities.

BACKGROUND

In 1998, the Port Commission and Board of Supervisors approved the Redevelopment Plans for Mission Bay North and South² which provide for, among other things, the development of parks on City lands, including both Port and non-Port lands. The parks were constructed on City and Port lands under the direction of the former San Francisco Redevelopment Agency ("Former Agency"), which has been dissolved, and the lands are now managed by OCII. Parklands are leased to the master developer during construction until they are completed and accepted by the City or the Port, or as the case may be, the

² See Board of Supervisors Ordinance No. 327-98 (Oct. 26, 1998) and Ordinance No. 335-98 (Nov. 2, 1998); as well as Port Commission Resolutions 98-86 through 98-98.

ground lease with the master developer is terminated.

State Assembly Bills x1 26, 1484, 471, and Senate Bill 107 (collectively, “California Redevelopment Dissolution Law”) require OCII to dispose of the Former Agency’s real property interests. The California Department of Finance has approved a long-range property management plan for OCII that requires, among other things, OCII to terminate its leasehold interests in the Mission Bay Parks but acknowledges OCII’s continuing administration of CFD #5 maintenance funds, which are authorized under state authority (Mello-Roos Community Facilities Act of 1982, Gov’t Code § 53311 et seq.) separate from the Redevelopment Dissolution Law to be used for Mission Bay park maintenance and operations, which OCII will work order to the Port for use through the life of CFD #5.

PARK ACCEPTANCE PROCESS

The Plans for each of the Mission Bay Parks on Port lands were developed in close coordination with the Port, the Department of Public Works (SFPW), OCII, and the San Francisco Public Utilities Commission (SFPUC). SFPW reviewed and approved the actual park construction permits making certain that the park improvement plans met the necessary specifications required by each City agency. During construction, SFPW managed the oversight of improvements with each agency providing oversight for respective details unique to each agency. Ultimately SFPW will issue a Notice of Completion that is the authority to recognize the park improvements were completed in accordance with the approved permits and have met City agencies’ specifications. The Port Commission will not take action to accept a park until the SFPW has issued the Notice of Completion. Park P22 also contains two linear parcels along the eastern side of Terry Francois Boulevard that the City will approve for ownership at the time the Park P22 acceptance occurs. The Port Commission’s action to recommend that the Board of Supervisors delegate certain authority to the Port Commission related to park acceptance for a three year period and to accept Mission Bay Parks P19 or P22 relies on findings under the California Environmental Quality Act, and findings of consistency with the General Plan, the eight priority policies of the Planning Code, Section 101.1, and the Mission Bay South Redevelopment Plan.

NEXT STEPS

The Port is working with OCII, and SFPW to seek the Board of Supervisors authority to delegate Mission Bay Parks P19 and P22 Acceptance to the Port Commission later in June 2024. Upon approval of the Port Commission of the Resolution and the Board of Supervisors delegation of authority, it is anticipated that acceptance of Mission Bay Park P22 could occur in late summer or early fall later this year and that acceptance of P19 will occur in either 2025 or 2026. Port staff intend to return to the Commission to provide a further informational update as the park openings approach.

Prepared by: David Beaupre,
Deputy Director for Planning and Environment

Attachment: Mission Bay Parks - Port Maintenance

ATTACHMENT MISSION BAY PARKS - PORT MAINTENANCE



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

RESOLUTION NO. 24-30

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate, and control the Port area of the City and County of San Francisco; and
- WHEREAS, The San Francisco Office of Community Investment and Infrastructure (OCII) is required to divest its assets and management of public assets including parks within the Mission Bay South Redevelopment Area ("Mission Bay") consistent with the State of California's requirement of redevelopment dissolution; and
- WHEREAS, In 1998 the San Francisco Board of Supervisors, and many other agencies including the Port, approved the Mission Bay Redevelopment Plans North and South, which included agreements between the San Francisco Redevelopment Agency and certain City agencies; and
- WHEREAS, The Mission Bay South Redevelopment Plan Area and associated agreements, required that certain lands within Mission Bay South under the jurisdiction of the Port be improved and maintained by OCII using Tax Increment and Mello Roos funds and maintenance funds through a Community Facilities District (CFD #5); and
- WHEREAS, The Mission Bay Redevelopment Plans anticipated that the parks on Port lands would return to the Port for maintenance and operations; and
- WHEREAS, Now that OCII no longer manages parks within Mission Bay, acceptance of park improvements on Port lands may be undertaken by the Port Commission; and
- WHEREAS, The Port and San Francisco Department of Public Works ("SFPW") is seeking authority from the San Francisco Board of Supervisors to delegate to the Port Commission certain acceptance authority related to Mission Bay Parks P19 and P22; and
- WHEREAS, The acceptance process for park improvements is an action by the Port that: 1) accepts ownership of assets that are constructed consistent with approved plans; 2) dedicates the land for use as a park and 3) accepts Port maintenance and liability for the parks; and
- WHEREAS, Park P22 also contains two linear parcels on the eastern edge of the park adjacent to Terry Francois Boulevard, which are identified as Assessor Parcel Block Numbers 8721-014 ("Lot 14") and 8722-020 ("Parcel C"); and

WHEREAS, The City will acquire these parcels at the time Park P22 is accepted and eventually these parcels will be merged into the park and be subject to Port jurisdiction; and

WHEREAS, OCII, in a letter dated May 6, 2024, found that the City actions related to acceptance of Parks P22 and P19 are consistent with the Mission Bay South Redevelopment Plan; and

WHEREAS, The Planning Department, in a letter dated June 3, 2024, found that the City actions related to acceptance of Parks P22 and P19 are within the scope of the CEQA analysis for the Mission Bay South Redevelopment Plan and, on balance, consistent with the City General Plan and the eight priority policies of Planning Code Section 101.1; and

WHEREAS, The Port Commission will not take action to accept a park until which time the SFPW has issued the Notice of Completion; now therefore be it

RESOLVED, The Port Commission relies on the Planning Department letter for CEQA purposes and adopts the environmental findings as its own; and be it further

RESOLVED, The Port Commission recommends that the Board of Supervisors acknowledge that the Port Commission will (1) accept ownership of the Park Improvements as acquisition facilities on behalf of the City when Public Works determines that such improvements have been constructed in accordance with the approved plans and specifications under the applicable permits and all applicable City codes, regulations, and standards, and such improvements are ready for their intended use; (2) dedicate the Park Improvements to public use; (3) designate the property on which the Park Improvements are located for park and/or open space purposes; and (4) upon their completion, accept Park Improvements for Port Commission maintenance and liability; and be it further

RESOLVED, The Port Commission recommends that the Board of Supervisors delegate to the Port Commission for a period of three years the Board's power to: (1) accept ownership of the Park Improvements as acquisition facilities on behalf of the City; (2) dedicate such Park Improvements to public use; (3) designate the property on which the Park Improvements are located for park and/or open space purposes; and (4) take all other official acts necessary for, or related to, acceptance of the Park Improvements, including without limitation, accepting the Park Improvements for Port Commission maintenance and liability and accepting conditional assignment of all warranties and guaranties related to the construction of Park Improvements; and be it further

RESOLVED, The Port Commission acceptance actions for Parks P22 and P19 shall specifically exclude assets in those parks that the San Francisco Public Utilities Commission will own and maintain; and be it further

RESOLVED, That upon completion of the steps as described in this Resolution and Board of Supervisors delegation to the Port Commission of certain authority related to park acceptance, the Port Commission will take necessary actions to accept Mission Bay Parks P19 and P22, including the assumption of maintenance and liability; and be it further

RESOLVED, The Port Commission agrees to accept Lot 14 and Parcel C as part of Park P22 and under Port jurisdiction after the Board of Supervisors approves grant deed for Lot 14 and the City's Real Estate Director approves the grant deed for Parcel C after the Port Commission accepts Park P22; and be it further

RESOLVED, The Port Commission directs the Executive Director to work with the San Francisco Public Works Director to ensure that all findings, decisions, and procedures associated with acceptance of parks in Mission Bay that would be followed as part of the Board of Supervisors acceptance action are taken in regard to the Port Commission's acceptance of Parks P22 and P19; and be it further

RESOLVED, The Port will continue to receive CFD #5 funds from OCII to pay for the park maintenance and operations until its expiration in fiscal year 2043-44.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 11, 2024.

Secretary