

MEMORANDUM

September 7, 2018

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. Gail Gilman
Hon. Victor Makras
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational presentation on the status of the Pier 70 Crane Cove Park project.

DIRECTOR'S RECOMMENDATION: Informational only

EXECUTIVE SUMMARY

This staff report is intended to provide the Port Commission with an overview of the evolution of the park planning and design, funding and steps required to complete Crane Cove Park. The Park is located within the Pier 70 area and, upon completion, will be one of the signature new parks within the Port's portion of the Blue Greenway and within the City's park system (see Exhibit 1 - Site Location and Setting). The park has long been envisioned by the Port and was recognized initially in the adoption of the Port's Waterfront Land Use Plan in 1997 and was also identified in the Port's 2010 Pier 70 Preferred Master Plan and 2012 Blue Greenway Planning and Design Guidelines. Since 2011, the project has gone through a significant community planning process, design review and has received all of its necessary permits. Crane Cove Park is being funded primarily through the 2008 and 2012 Park General Obligation Bonds, Port Capital and grants.

The Port Commission has approved the Park Master Plan and Schematic Design (see *Exhibit 2, Site Plan*), a contract with AECOM for design and construction support services, and a construction contract for site preparation. Phase I of the Park is proposed to be completed with four additional bid packages. To date, the Port has spent \$9.3 million on the Park, and has a total budget of \$36.6 million to complete the Park, and surrounding roadways and parking lot. The Port proposes that any additional

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work beyond Phase I in the park be completed with Port Commission review and approval using infrastructure financing district proceeds. Development of this potential future phase would include a tradeoff discussion with the Port Commission on the best allocation of resources to Port needs consistent with the city adopted infrastructure financing plans for the Pier 70 area.

Also included with the Park project are the following additional elements: a) preparations for the 19th and Georgia Street expansions and improvements, b) a 19th Street parking lot, and c) a sediment cap along the shoreline.

The project as proposed will be delivered through five construction bid packages, including 1) Bid Package 1: site preparation (completed)¹; 2) hazardous material remediation of Building 49 and park historic features; 3) landscape improvements, paving, park features, furnishings, shoreline improvements and the 19th Street parking lot; 4) 19th and Georgia Street; and 5) Building 49 for the park restrooms, an aquatic center and park concessions (*see: Exhibit 3, Project bid packages*) for a total estimated cost of \$36.6 million.

STRATEGIC OBJECTIVE

This project supports the goals of the Port's Strategic Plan as follows:

Renewal:

Prioritize three projects for 2020 – Pier 70, Seawall Lot 337/Pier 48 and the Blue Greenway – to create vibrant new neighborhoods for residents, commercial and industrial/PDR businesses and employees. Incorporate major new waterfront parks and public access while maintaining the integrity of industrial maritime berthing and ship repair operations.

Expand the Port's necklace of public open spaces and provide a broad array of recreational amenities and activities.

Livability:

Promote living wage jobs at Port businesses, increase the proportion of funds spent by the Port with Local Business Enterprises (LBEs) and micro-LBEs and meet mandates for Local Hire in all current and future construction projects.

BACKGROUND

The Pier 70 Crane Cove Park Project is located on an approximately eight acre site generally east of Illinois Street between 19th and Mariposa Streets along the Bay shoreline. The City's 2008 and 2012 Parks General Obligation Bond funds, Port Capital and a Grant fund the overall project. The Project is a long standing goal of the Port, the

¹<https://sfport.com/sites/default/files/Commission/Item%2011A%202740%20Crane%20Cove%20Park%20Construction%20Modification.pdf>

City and a variety of stakeholder groups, and has tremendous local and regional support and excitement.

Crane Cove Park has been envisioned since the original adoption of the Waterfront Land Use Plan in 1997. Between 1997 and 2011, the project was studied and considered in a variety of planning and development processes, including:

- 2001 Pier 70 Mixed Use Development Project
- 2005 Port/SPUR/EDAW Summer program Pier 70 Plan
- 2006 Mayor Newsom Blue Greenway Task Force
- 2008 Eastern Neighborhoods - Central Waterfront Plan
- 2010 Port Pier 70 Preferred Master Plan
- Bay Trail Plan
- Bay Area Water Trail Plan

Each of these plans was used as a basis for the Port when in 2011 it initiated the development of the Crane Cove Park Master Plan, Phasing Plan, Cost Estimate, Schematic Plan and ultimately Detail Design for construction.

When the Port initiated the Park Planning and Design in 2011, it was estimated that the total park cost would be approximately \$30 million. The Port's \$30 million estimate was a preliminary initial estimate based upon comparable projects and without the benefit of understanding existing site conditions and detailed due-diligence. The Port recognized that it would likely not deliver the entire park project at one time and developed a work scope for AECOM (the planning and design consultant which was selected through a competitive solicitation process) that would develop a park master plan, cost estimate and identify an initial phase of the park. The AECOM contract was structured to allow services to scale up if additional funds were secured. In 2011, the Port had secured \$10 million for the Park from the 2008 Parks GO Bond and was preparing for and expecting additional funds from a 2012 Parks GO Bond.

Once AECOM team completed site due-diligence and prepared a draft Park Master Plan, a refined cost estimate was prepared by a cost estimator on the AECOM team. The total project cost estimate increased to \$45 million, this increase was due to a better understanding of the site conditions, detailed planning and the addition of 19th and Georgia Street, which enhanced the greater Pier 70 projects. Based upon the \$45 million cost, the Port and consultant team, working through a community planning process, identified the Phase I park scope. Park phase design was adjusted to define phased park improvements to fit within the funding in hand and allowed for rational future park phases, if additional funding and Port Commission approval was secured. Port staff also sought grants and additional park funding opportunities to supplement the GO Bond funds, including provisions for private fundraising for certain park elements.

Table 1 provides a timeline of the projects evolution, including key points in time when the Port Commission was updated on the project or took actions to approve contracts for design services, GO bond sales, the park design, funding and construction.

Table 1: Project Planning and Funding Evolution

Milestone/ Design Phase Date	Scope	Park Cost Estimate (\$ millions)	Funding (\$ millions)	Funding Source	Notes
2008 Planning	GO Bond Planning		0	GO Bond Anticipated	Bond Passed with \$22.5 million for Blue Greenway, Port to conduct Blue Greenway Planning to identify funding source to be distributed to various projects
2011 Master Plan	Blue Greenway Planning	30	10	2008 GO Bond	The Port retained AECOM ² to prepare Park Master Plan, Cost Estimate and Phasing Plan. Scope was written to be expanded if additional funds were secured and to allow SFPW to conduct detail design at SFPW's option
2013 Master Plan ID of Initial Phase (to match funding)	Park Master Plan 19 th and Georgia Streets added	<u>+15</u> 45 total	<u>+ 11.5</u> 21.5 total	2012 GO Bond	2012 GO Bond successful, budget increases to \$21.5 million. Total park cost increased to \$45 million due to addition of streets and site due-diligence
2014 Schematic Design Phase 1	<ul style="list-style-type: none"> • Add northern shoreline and sediment cap to initial phase • Remove development parcels on Illinois Street • Removed Building 109 	Phase 1: 24.5	<u>+ 3.0</u> 24.5 total	Transbay Cable Park benefit funds	Community stakeholder and City and BCDC Design review bodies push back on Port's proposed initial phase; conditions approval on delivery of northern shoreline early, adds \$3 million to cost; Port removes other areas from Phase 1, Port Commission approves AECOM Contract amendment 1 for additional scope ³

² <https://sfport.com/ftp/meetingarchive/commission/38.106.4.220/modules/Item%2010A%20Crane%20Cove%20Prof%20Services-documentid=1783.pdf>

³ [https://sfport.com/ftp/meetingarchive/commission/38.106.4.220/modules/Item%2013B%20Amend%20AECOM%20contract%20\(2\)-documentid=7839.pdf](https://sfport.com/ftp/meetingarchive/commission/38.106.4.220/modules/Item%2013B%20Amend%20AECOM%20contract%20(2)-documentid=7839.pdf)

Milestone/ Design Phase Date	Scope	Park Cost Estimate (\$ millions)	Funding (\$ millions)	Funding Source	Notes
2014	Playground site preparation	Phase 1: 25.5	<u>+1.0</u> 25.5 total	MTC Ped Bike Grant	Grant secured for roadway funding allows more site prep for children's play areas, Port Commission approved grant ⁴
2015 Schematic Design Approval	Building 49 added; permit delay escalated cost	Phase 1: 31.5	<u>+ 6.0</u> 31.5 total	2012 Bond, GO Bond Interest	Building 49 added for park restrooms, utilities and concession and park security(+ \$3 million) Army Corps Permit delay, delays park delivery, escalation and bidding climate +\$3 million Port Commission approves Park Design and GO Bond sale ⁵
2016 Detail Design Construction Documents	19 th Street Parking lot added	Phase 1: 33.6	<u>+ 2.1</u> 33.6 total	Port Capital	Port Commission approves Capital Plan to construct parking lot, parking lot included for project delivery efficiencies, Port Commission approves AECOM amendment 2 for additional work related to parking lot, building 49 and sediment cap ⁶
2017 Detail Design Construction Documents	Divide bid packages to address need to spend Bond funds, propose 3 bid packages				Army Corps permit delayed, need to spend GO Bond funds and try to keep project on schedule, in water work restrictions drives schedule

⁴ https://sfport.com/ftp/meetingarchive/commission/38.106.4.220/modules/Item%2010A%20Crane%20Cove%20MTC_CCC%20grant%20with%20em%20comments-documentid=7944.pdf

⁵ <https://sfport.com/sites/default/files/FileCenter/Documents/10531-Item%20%2010C%20Crane%20Cove%20Park%20Project%20approvalF%20%28clean%20copy%29.pdf>

⁶ <https://sfport.com/sites/default/files/Commission/Documents/Commission%20Meeting%20Staff%20Reports/2016%20Commission%20Meeting%20Items/AUG09/Item%207A%20Amend%20AECOM%20Contract.pdf>

Milestone/ Design Phase Date	Scope	Park Cost Estimate (\$ millions)	Funding (\$ millions)	Funding Source	Notes
2017 Bid Package 1	Releases and award Bid Package 1 - site preparation				Engineer Estimate \$5.6 million ⁷ Low Bid \$4.1 million Final Contract \$4.8 million ⁸
2017 Bid Package 2	Release Bid Package 2 Park improvements, sediment cap, parking lot				Engineer Estimate \$20.1 million ⁹ Low Bid \$27.3 million Bids rejected
2018 Value Engineer Repackage Bid documents	No scope added - Project descope and value engineered	Phase 1: 36.6	<u>+ 3.0 million</u> 36.6 million	EDA Funds Defund Phase 2 sediment cap	High bids indicated more funds needed, cost cannot be aligned solely through value engineering, value engineering required and bid repackaged, Commission Authorizes AECOM Contract Amendment 3 ¹⁰
2018 Rebid Revised Package 2	Value Engineering Remove Alternate Bid Items Remove Building 49	Phase 1: 36.6			Building 49 separated as standalone bid package Engineers Estimate \$17.5 million Low Bid \$17.8 million

⁷ <https://sfport.com/sites/default/files/Commission/Documents/Commission%20Meeting%20Staff%20Reports/2016%20Commission%20Meeting%20Items/MAY10/Item%2012B%20Contract%202740%20CCP%20Adv%20for%20Construction%20Bid%20Sitework%20R5%20%282%29.pdf>

⁸ <https://sfport.com/sites/default/files/Commission/Item%2011A%202740%20Crane%20Cove%20Park%20Construction%20Modification.pdf>

⁹ <https://sfport.com/sites/default/files/Commission/Item%2011B%20Crane%20Cove%20and%20Attachment.pdf>

¹⁰ https://sfport.com/sites/default/files/Documents/Item%2010C%20AECOM%20contract%20mod_R%20FINAL.pdf

In total the Port has secured \$36.6 million for the Park, the roadways, the parking lot and the sediment cap. Table 2 identifies the funding sources.

Table 2: Project Funding Sources

Source	Funding
2008 & 2012 Parks GO Bonds	\$25.8 million
Transbay Cable Park Community Benefit (Port Capital- to be used for parks)	\$ 4.9 million
Bond Interest	\$ 1.3 million
Port Capital (sediment cap)	\$ 1.0 million
EDA grant (only can be used on Pier 70)	\$.5 million
Port Capital (19 th Street Parking Lot)	\$ 2.1 million
MTC Grant	\$ 1.0 million
Total	\$36.6 million

Table shading = Port capital funds, that can be used for non-park projects at the Port's discretion

To date the Port has spent \$9.3 million on project management, planning, design, cost estimating and construction of site improvements.

There are two components of the project that are currently not budgeted for, that the San Francisco Parks Alliance (Parks Alliance) and Dogpatch Community have agreed to assist fund raising for which include the Children's play equipment and the crane cabs with an estimated cost of \$4 million. The Port, Parks Alliance and the community believe these items are strongly supported elements of the park and that a fundraising campaign being led by the community and Park Alliance would be successful.

Table 3, Park Cost By Bid Package, below describes the total park cost broken up by the five proposed bid packages, cost are divided by a) design and planning cost; b) estimated or completed bids; c) construction management and d) a total. The table does not include the \$4 million dollars that the community and Parks Alliance are raising to add the children's playground or crane cabs. In total these expenditures will deliver the final park for the public enjoyment.

Table 3- Project Cost per Bid Package

Contract Number	Description	Planning and Design Cost \$	Construction* Cost \$	Construction Management Cost \$	Total Package \$
2740	Site Prep	526,042	4,901,359	839,297	6,266,698
2812	Park and Parking Lot	2,106,753	19,629,500	3,361,307	25,097,560
2810	Hazmat Abatement	31,226	290,950	49,822	371,998
2813	Roadway 19th St and Georgia St	128,404	1,196,394	204,867	1,529,665
2814	Building 49	285,625	2,661,290	455,712	3,402,627
		3,078,050	28,679,493	4,911,005	36,668,548

*Includes 10% construction contingency for future bids

The Port has researched comparable park cost within the San Francisco area, including Recreation and Park facilities and Port parks, Table 4, illustrates those cost.

Comparatively, the cost of Crane Cove Park with its complexity including historic resources, a sediment cap, site contamination and major infrastructure are well within the range of other park projects.

Table 4 - Comparable Park Cost

Project	Size acres	Total Cost (millions)	Soft Cost	Cost Per Acre (millions)	Notes
Bayview Gateway	1.1	4.7	15%	4.2	New park, shoreline work
Brannan St Wharf	1.3	26.2	24%	20.2	New Park on new pier, demolish existing pier
Cruise Terminal Plaza	2.5	17.0	20%	6.8	New Park on existing pier
Dolores Park	13.7	20.2	31%	1.5	Existing park rehabilitated
Joe Dimaggio	2	7.0	30%	3.5	Existing park rehabilitated
Crane Cove	8.5	36.7 budget	19% est.	4.3	Includes roadway, parking lot and sediment cap

PARK MAINTENANCE AND MANAGEMENT

Port staff has prepared a budget for maintenance cost and a staffing plan for the park once it is completed. Maintenance will be funded through the Pier 70 Community Benefits District funding generated from the Historic Core, Parcel K and future development opportunities along 19th Street. The Port has been exploring with the Office of Economic Development and Workforce Development (OEWD) and the San Francisco Parks Alliance on a collaboration to see if a partnership between the Parks Alliance or another newly formed non-profit entity can assist the Port in park management for a number of Blue Greenway parks. The non-profit entity may assist in a range of management operations including establishment of a community stewardship and volunteer programs, park security, management of special events or arts within the park and potentially some light maintenance.

NEXT STEPS

Port staff seeks to work with the Port Commission and the public to deliver Crane Cove Park, and the surrounding roadway and parking in the most efficient and effective manner within the total secured budget of \$36.6 million. Port staff wishes to build upon the prior investment and achieve the park improvements in alignment with 10 plus years of prior planning and community engagement, the Port’s planning documents, and in accordance with the General Obligation Bond and grant funding requirements.

Prepared by: David Beaupre
Senior Waterfront Planner
Planning and Environment

Erica Peterson
Project Manager
Engineering

Prepared for: Rod Iwashita
Chief Harbor Engineer
Engineering

Exhibits:
Exhibit 1 Project Location and Setting
Exhibit 2 Master Plan
Exhibit 3 Bid Packages