



MEMORANDUM

January 19, 2024

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 

SUBJECT: (1) Acceptance of certain Phase 1 horizontal improvements, (2) approval of 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) an update on 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: Approve the Attached Resolution No. 24-03 and Resolution No. 24-04

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 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 and conditionally approved by the Acting Chief Harbor Engineer on January 3, 2024. ~~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 March/April early 2024.

Improvements built to City standards will be owned, maintained, and permitted by the City (Public Works, SFMTA, SFPUC, DT) (the “City Acceptance Items”). City Acceptance Items also include the power system, streetlights, and light poles in and on Louisiana Street between 20th and 21st Streets. ~~whereas non-~~ Non-standard improvements will generally 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 and in-street paving pavers, bike racks, trash cans, bollards, retaining walls, portions of utility laterals serving Port-owned buildings 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~~ Major Encroachment Permit (“MMEP”) being negotiated 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 as a project cost to be reimbursed from public financing sources. ~~Port’s acceptance of the Port Acceptance Items would be~~ is contingent on a number of items, including approval of the DDA Amendment by the Port Commission and BOS, entry into the DDA Amendment, and entry into the MMEP.

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.

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 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~~ later this year for approval.

On December 12, 2023, Port staff provided the Port Commission with an informational presentation on the various upcoming actions related to the Port Acceptance Items and City Acceptance Items, the DDA Amendment, and an overall project update. Port staff now seeks approval of these acceptance-related items and the DDA Amendment. Note that all changes to this staff report from the December 12, 2023 staff report are shown in underline and strikethrough.

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, Master Lease No. L-16390, dated as of May 2, 2018, between Port and the Developer (as amended, the "Master Lease"), 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~~ later this year for approval.

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 Facilities ~~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

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

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 this 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, light poles, 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, the City Acceptance Items, which include 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 under City ownership owned and maintained by the customary City agencies (Public Works, DT, SFFD, SFMTA, SFPUC). (City Acceptance Items also include the power system, streetlights, and light poles in and on Louisiana Street between 20th and 21st Streets, as noted above.) Accordingly, Public Works was the lead permitting agency for streets and sidewalks constructed at Pier 70. Public Works and will continue in this role pursuant to the Interjurisdictional MOU after the streets are accepted, except for retail activation permits, for which the Port will be the lead permitting agency within both City and Port ROWs. Port-issued permits will include outdoor café seating, sidewalk merchandise displays, and similar retail activations. 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 in March/April early next year. The Port’s acceptance of the Port Acceptance Items will be conditioned on entry into the MMEP or an interim license with the Developer in the event the MMEP is delayed.

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, <u>light poles</u> , 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, <u>including streetlight conduit</u> , 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: <u>streetlights and light poles</u> Port: balance	Public Works
Category 4 Private Assets in Port and Public Works ROW	Utility systems owned by third parties such as PG&E and Comcast; <u>may also be owned by Developer on temporary basis</u>	Third-Party Utility Operator, <u>Developer</u>	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 and Port staff expects this shortfall to continue for the foreseeable future.

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)~~ June 30, 2028, provided however this date will be extended to December 31st 2028 if Port has entered into a parcel lease with a vertical developer affiliate prior to June 30, 2025. 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) public financing sources, once available, would be used to reimburse the maintenance costs so 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) maintenance of the Port Acceptance will help advance the Project; and (4) acceptance of the City Acceptance Items would not be delayed (the benefit of which is the infrastructure will be available to serve the Project, existing Port tenants and the general public). The Port's acceptance of the Port Acceptance Items would be conditioned upon approval of the DDA Amendment by the Port Commission and BOS and entry into the DDA Amendment.

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). Acceptance is also governed by the Public Improvement Agreement between the Port, Public Works, and the Developer, dated as of September 15, 2020 (the "PIA") that is associated with the Phase I Final Subdivision Map.

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's Acting Chief Harbor Engineer approved the Developer's SOP Compliance Determination request on January 3, 2024, with two conditions: (1) provision of a warranty for replacement of a lateral in 20th Street, which is addressed in the DDA Amendment; and (2) final administrative sign-off from SFPUC on the Project's Phase 1 stormwater controls. ~~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~~ BOS approves legislation via ordinance to accept City-owned infrastructure. Port staff anticipates BOS approval in March/April. ~~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
<u>1</u>	The Commission finds the Port Acceptance Items are functional and constructed in conformity with project and regulatory requirements.	X	
<u>2</u>	The Commission accepts <u>the Offers of Improvements</u> from the Master Developer <u>for the Port Acceptance Items</u> .	X	X
<u>3</u>	The Commission accepts the Port and City Acceptance Items <u>and dedicates them</u> for public use.	X	X
<u>4</u>	The Commission designates the <u>applicable</u> Port and City Acceptance Items for street and sidewalk purposes.	X	X
<u>5</u>	The Commission accepts the Port Acceptance Items for maintenance and liability purposes, <u>subject to several items, including approval of and entry into the DDA Amendment and entry into the MMEP or interim license</u> .	X	
<u>6</u>	The Commission acknowledges and accepts the <u>Conditional Assignment of Warranties issued by the Developer on May 9, 2022 pursuant to the PIA</u> .	X	
<u>7</u>	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 and recommends the Board of Supervisors approve the <u>DDA Amendment</u> .	X	
<u>8</u>	The Commission recommends the Board of Supervisors accept the City Acceptance Items, <u>dedicate the City Acceptance Items to public use, and accept the City Acceptance Items for maintenance and liability purposes</u> .		X
<u>9</u>	The Commission recommends the Board of Supervisors approve the DDA Amendment.	X	
<u>10</u>	The Commission approves the MMEP , authorizes the Executive Director to <u>negotiate and</u> execute the MMEP, and recommends Board of Supervisors <u>authorize the Executive Director and Public Works Director to negotiate and execute</u> approve the MMEP.	X	X
<u>11</u>	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 <u>the authority to accept any deferred infrastructure identified in Public Works Order No. 205012 at a later date</u> .	X	

#	Port Commission Actions	Port Acceptance Items	City Acceptance Items
<u>12</u>	The Commission authorizes and directs the Executive Director or her designee to execute and record a Partial Release of Master Lease <u>releasing the Port Acceptance Items and City Acceptance Items from the Master Lease</u> to transfer ownership of accepted Port Accepted or Deferred Infrastructure.	X	<u>X</u>

NEXT STEPS

Subject to the Port Commission’s approval of the attached resolutions, Port staff anticipates BOS consideration of these matters in March/April. Upon BOS approval, and satisfaction of any conditions to acceptance, the Port and City Acceptance Items will transfer to Port and City, respectively, and the streets will be available for public use. ~~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.~~

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Exhibits: Site Map
Port Phase 1 Acceptance Items

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

RESOLUTION NO. 24-03

WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, On September 26, 2017, the Port Commission approved (1) Resolution No. 17-43 authorizing the Executive Director to enter into (a) a Disposition and Development Agreement (as amended, the “DDA”) between Port and FC Pier 70, LLC (“Developer”), an affiliate of Brookfield Properties, for a mixed-use development project on the 28-Acre Site (the “Project”), (b) Master Lease No. L-16390, dated as of May 2, 2018, between Port and Developer (as amended, the “Master Lease”), and (c) other Project-related documents, including an inter-departmental agreement called the Interagency Cooperation Agreement (“ICA”) between the Port, San Francisco Public Works (“Public Works”), San Francisco Public Utilities Commission (“SFPUC”), and San Francisco Municipal Transportation Authority (“SFMTA”), which governs how City departments will cooperate on project implementation, and (2) Resolution No. 17-45, authorizing the creation of the Pier 70 Special Use District, including the 28-Acre Site, Parcel K North, Parcel K South and the Hoedown Yard (the “Pier 70 SUD”); and

WHEREAS, On October 31, 2017, the San Francisco Board of Supervisors approved the Project, the Pier 70 SUD, the Development Agreement by and between Developer and the City, dated as of May 2, 2018, and the ICA; and

WHEREAS, On August 24, 2017, the Planning Commission (1) reviewed and considered the Final Environmental Impact Report for the Pier 70 Mixed-Use Project (“FEIR”) (Case No. 2014-001272ENV); (2) found the FEIR to be adequate, accurate and objective, thus reflecting the independent analysis and judgment of the Planning Department and the Planning Commission; and (3) by Motion No. 19976, certified the FEIR as accurate, complete and in compliance with the California Environmental Quality Act (“CEQA”), the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, At the same hearing, the Planning Commission approved the Pier 70 Mixed-Use District Project and in so doing, adopted approval findings under CEQA by Motion No. 19977, including a Statement of Overriding Considerations (the “CEQA Findings”), and adopted a Mitigation Monitoring and Reporting Program (“MMRP”). A copy of the Planning Commission Motions, the CEQA Findings, and the MMRP are on file with

the Port Commission Secretary and may be found in the records of the Planning Department at 1650 Mission Street, San Francisco, CA, and are incorporated in this resolution by reference as if fully set forth herein; and

WHEREAS, The DDA contemplates development within the Pier 70 SUD to include up to 3,000 units of housing, 1.75 million gross square feet of office space, 500,000 gross square feet of retail, arts, and light industrial space, nine acres of parks and open space, new and upgraded streets and other public ways, and extensive bicycle, pedestrian, and facilities; and

WHEREAS, Under the DDA, the Developer is required to construct public Horizontal Improvements (as defined in the DDA) serving the Project, including parks, streets, and utilities, which the Port or City, as applicable, will accept for ownership, maintenance and liability purposes; and

WHEREAS, The Developer substantially commenced construction of Horizontal Improvements serving Phase 1 of the Project in March of 2019 upon issuance of Street Improvement Permit 19IE-00245 (as modified by Instructional Bulletins #1 through #13, the “Street Improvement Permit”) by the City. The horizontal scope of work under the Street Improvement Permit included 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; and

WHEREAS, The Port, Public Works and Developer entered into a Public Improvement Agreement dated as of September 15, 2020 (the “PIA”) governing the construction of the Horizontal Improvements as part of the final subdivision map process for Phase 1 of the Project; and

WHEREAS, In November of 2022, Public Works granted a Notice of Completion to the Developer signaling that construction of Phase 1 Horizontal Improvements approved under the Street Improvement Permit was substantially complete and the Horizontal Improvements were ready for acceptance; and

WHEREAS, The DDA requires the Port’s Chief Harbor Engineer to make a determination that the Horizontal Improvements have been completed as designed within the timeframes specified in the Schedule of Performance (as defined in the DDA) (the “SOP Compliance Determination”); and

WHEREAS, The Developer’s request for SOP Compliance Determination was submitted on July 1, 2023, and conditionally approved by the Acting Chief Harbor Engineer on January 3, 2024. In issuing the Conditional SOP Compliance Determination the Acting Chief Harbor Engineer determined (1) the Port Acceptance Items exclusive of Port Encroachments (defined below) to be complete and construction of those Horizontal Improvements

to be in accordance with applicable project and regulatory requirements, (2) that the Port Acceptance Items exclusive of Port Encroachments are ready for their intended use, and (3) the Developer's compliance with the outside date set forth in the SOP for the completion of certain Phase 1 Horizontal Improvements. It also signals certain of these improvements are ready for acceptance by the Port, and others by the City; and

WHEREAS, Acceptance of improvements is governed by (i) the ICA, (ii) the jurisdictional memorandum of understanding between the Port, SFPUC, Public Works, SFMTA, and San Francisco Fire Department approved by the Port Commission via Resolution No. 20-39 (the "Interjurisdictional MOU"), (iii) the DDA, and (iv) the PIA; and

WHEREAS, Horizontal Improvements built to City standards will be owned, maintained, and permitted by the City (Public Works, SFMTA, SFPUC, Department of Technology) ("City Acceptance Items"). City Acceptance Items also include the power system, streetlights, and light poles in and on Louisiana Street between 20th and 21st Streets. Non-standard improvements will be owned by the Port ("Port Acceptance Items"). Port Acceptance Items include a one-block segment of Louisiana Street, the frame of former Building 15 that spans 22nd Street, special sidewalk and in-street paving, bike racks, trash cans, bollards, understory plantings, retaining walls and portions of utility laterals serving Port-owned buildings. Once the acceptance process is complete, the Port will release the Port Acceptance Items and City Acceptance from the Master Lease premises. This framework is memorialized in the Interjurisdictional MOU and DDA, and further detailed in the staff report accompanying this resolution; and

WHEREAS, Per the DDA, the Developer is responsible for maintenance of Port Acceptance Items until they are accepted by the Port Commission; upon Port Commission acceptance, services special taxes from the Pier 70 Leased Property Community Facilities District ("CFD") and Pier 70 Condo CFD are identified as the funding source for the ongoing maintenance of these items. The Pier 70 Leased Property CFD and Pier 70 Condo CFD were formed by the Board of Supervisors in 2020 by Resolution Nos. 011-20 and 009-20, respectively; and

WHEREAS, Due to delayed vertical development in Phase 1 of the Project, there are currently no developed properties subject to services special taxes. As a result, there will be a period when services special taxes are unavailable or insufficient to cover ongoing maintenance costs of the Port Acceptance Items. Subject to Port Commission approval pursuant to Port Commission Resolution No. 24-04 and Board of Supervisor's approval, Developer and Port anticipate entering into a second amendment to the DDA (the "DDA Amendment") to allow Developer to perform and fund the ongoing maintenance of the Phase 1 Port Acceptance Items until such time as services special taxes become sufficiently available; and

WHEREAS, The Port and Public Works are negotiating a Master Major Encroachment Permit (“Port Encroachment MMEP”), to be approved by the Port Commission and Board of Supervisors, pursuant to which Port will accept maintenance and liability responsibility of the Port Acceptance Items in City rights-of-ways (the “Port Encroachments”), subject to assignment during the Phase 1 Maintenance Term (as defined in the DDA Amendment) of maintenance responsibility and liability to Developer; and

WHEREAS, Pursuant to the PIA, the Developer provided an irrevocable offer of improvements for both Port Acceptance Items and City Acceptance Items to the Port and City (the “Offer of Improvements”). The Developer will also provide a quit claim deed, subject to the Conditional Assignment of Warranties (defined below) to the Port for Port Acceptance Items located outside of City rights-of-way on Port jurisdictional property; and

WHEREAS, Public Works has prepared a Public Works Order (the “Public Works Order”), confirming that Public Works: (1) inspected the Port Encroachments and the City Acceptance Items, and the City Engineer, by issuing a series of Conditional Notices of Completion, determined them to be complete in substantial conformity with the approved plans, specifications, and applicable City regulations governing the applicable infrastructure improvements; and (2) determined that the City Acceptance Items and the Port Encroachments are ready for their intended use; and

WHEREAS, Pursuant to the PIA, the Developer conditionally assigned all warranties and guarantees to the City and Port, as applicable, related to the construction of Horizontal Improvements pursuant to that certain Conditional Assignment of Warranties and Guarantees dated May 9, 2022 (the “Conditional Assignment of Warranties”). With respect to any warranties and guarantees that by their term expired prior to acceptance of the Port and City Acceptance Items, the Developer has assumed performance of those warranties pursuant to the DDA (the “Self-Warranties”). A copy of the Conditional Assignment of Warranties, the Self-Warranties, and the draft Public Works Order are on file with the Commission Secretary and are incorporated herein by reference; and

WHEREAS, Port acceptance of the Port Acceptance Items is consistent with the FEIR and does not alter the maximum development capacity of the site or alter the Project from what was previously analyzed in the FEIR; now, therefore be it

RESOLVED, The Port Commission has reviewed and considered the FEIR, the CEQA Findings, and the record as a whole, and finds that the FEIR is adequate for its use for the action taken by this resolution, and incorporates the CEQA Findings into this resolution; and, be it further

- RESOLVED, The Port Commission further finds that since the FEIR was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require revisions to the FEIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the FEIR; and be it further
- RESOLVED, That the acceptance, operation, and maintenance of the Port Acceptance Items would not lead to additional or substantially more severe environmental impacts beyond those shown in the FEIR; and, be it further
- RESOLVED, That the Port Commission finds that the Port Acceptance Items described in the accompanying staff memorandum are functional and constructed in conformity with the Project Requirements and Regulatory Requirements, each as defined in the DDA; and, be it further
- RESOLVED, That the Port Commission accepts the Offer of Improvements for the Port Acceptance Items; and, be it further
- RESOLVED, That the Port Commission, subject to (i) the Acquisition Agreement by and between Port and the Developer, dated for reference purposes as of May 2, 2018 (the "Acquisition Agreement"), (ii) the DDA, (iii) the Conditional Assignment of Warranties, (iv) the Self-Warranties, (v) execution of the Public Works Order, (vi) approval of the DDA Amendment by the Board of Supervisors, (vii) entry into the DDA Amendment, (viii) entry into the Port Encroachment MMEP or an interim license with the Developer in the event the MMEP is delayed, and (ix) entry into a license with Developer for private utilities in the portion of Louisiana Street to be accepted by the Port, (w) accepts the Port and City Acceptance Items, (x) dedicates the applicable Port and City Acceptance Items for public use, (y) designates the Port and City Acceptance Items on all City and Port public rights-of-way for street and roadway purposes, and (z) accepts the Port Acceptance Items for maintenance and liability purposes; and, be it further
- RESOLVED, That the Port Commission acknowledges and accepts the Conditional Assignment of Warranties related to the construction of the Port Acceptance Items, substantially in the form on file with the Commission Secretary and incorporated herein by reference; and, be it further
- RESOLVED, That the Port Commission recommends that the Board of Supervisors accept ownership of the City Acceptance Items, (ii) dedicate such City Acceptance Items to public use, (iii) designate the City Acceptance Items in the City public right-of-way for street and roadway purposes; and (iv) accept City Acceptance Items for maintenance and liability purposes, including the power supply, streetlights, and light poles in Louisiana Street

(a Port Street) subject to the Conditional Assignment of Warranties and Self-Warranties; and, be it further

RESOLVED, That the Port Commission authorizes Port Director to negotiate the Port Encroachment MMEP with Public Works and recommends that the Board of Supervisors delegate authority to the Port Director and the Public Works Director to (1) negotiate and enter into the Port Encroachment MMEP, including its exhibits and (2) annex improvements in future phases into the Port Encroachment MMEP; and, be it further

RESOLVED, That the Commission delegates the Port Director or her designee the authority to accept any Port Acceptance Items identified as deferred infrastructure in Public Works Director's Order No. 205012 (Conditionally Approving Certain Requests for Exceptions to the Subdivision Code and 2015 Subdivision Regulations, Including Conditionally Approving Deferral of Materials to be Submitted); and, be it further

RESOLVED, That the Commission authorizes and directs the Port Director, or her designee, to record a signed, acknowledged Partial Release from the Master Lease releasing the Port Acceptance Items and City Acceptance Items from the Master Lease, upon acceptance of the City Acceptance Items by the Board of Supervisors and contingent upon approval by the Board of Supervisors, in their sole discretion, of the DDA Amendment; and, be it further

RESOLVED, That the Port Commission authorizes the Executive Director, in consultation with the City Attorney, to take any and all actions (including (1) amending the Conditional Assignment of Warranties, (2) entering into and/or amending the Port Encroachment MMEP, (3) entering into additional master major encroachment permits, (4) accepting exhibits to the Port Encroachment MMEP, (5) accepting deferred infrastructure, and (6) executing and recording a signed, acknowledged Partial Release from the Master Lease releasing Port Acceptance Items and City Acceptance Items from the Master Lease upon acceptance by the City of the City Acceptance Items) which may be necessary or advisable to effectuate the purpose and intent of this resolution, are in the best interests of the Commission, and that do not materially increase the obligations or liabilities of the Port or materially reduce the rights of the Port, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of the documents.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of January 23, 2024.

Secretary

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

RESOLUTION NO. 24-04

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and
- WHEREAS, On September 26, 2017, the Port Commission approved (1) Resolution No. 17-43 authorizing (i) the Executive Director to enter into (a) a Development Disposition Agreement (the “Original DDA”) between Port and FC Pier 70, LLC (“Developer”), an affiliate of Brookfield Properties, for a mixed-use development project on the 28-Acre Site (the “Project”) and (b) other Project-related documents, and (ii) Resolution No. 17-45 authorizing the creation of the Pier 70 Special Use District, including the 28-Acre Site, Parcel K North, Parcel K South and the Hoedown Yard; and
- WHEREAS, Port and Developer entered into the Original DDA, dated as of May 2, 2018, recorded in the Official Records on May 25, 2018, as Instrument No. 2018-K619435-00, which was amended by that certain First Amendment to Pier 70 DDA (Self-Warranty) dated July 7, 2022 and recorded in the Official Records as Document 2022-083565 (as amended, the “DDA”); and
- WHEREAS, Under the DDA, the Developer is required to construct public horizontal improvements serving the Project, including parks, streets, and utilities, which the Port or City, as applicable, will accept for ownership, maintenance and liability purposes; and
- WHEREAS, The Developer substantially commenced construction of horizontal improvements for Phase 1 of the Project in March of 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; and
- WHEREAS, In November of 2022, Public Works granted a Notice of Completion to the Developer signaling the substantial completion of Phase 1 horizontal improvements constructed pursuant to the Street Improvement Permit; and
- WHEREAS, The DDA requires the Port’s Chief Harbor Engineer to make a determination that the horizontal improvements have been completed as designed within the timeframes specified in the Schedule of Performance (as defined in the DDA) (the “SOP Compliance Determination”); and

WHEREAS, The Developer's request for SOP Compliance Determination was submitted on July 1, 2023, and conditionally approved by the Acting Chief Harbor Engineer on January 3, 2024. The conditional SOP Compliance Determination establishes the Developer's compliance with the outside date set forth in the SOP for the completion of certain Phase 1 horizontal improvements and construction of those horizontal improvements in accordance with applicable project and regulatory requirements. It also signals certain of these improvements are ready for acceptance by the Port, and others by the City; and

WHEREAS, Acceptance of horizontal improvements is governed by (i) the Interagency Cooperation Agreement between the Port, San Francisco Public Works ("Public Works"), San Francisco Public Utilities Commission ("SFPUC"), and San Francisco Municipal Transportation Authority ("SFMTA") dated as of May 2, 2018, (ii) that certain jurisdiction and maintenance memorandum of understanding between the Port and other city departments that was approved by the Port Commission via Resolution No. 20-39 ("Interjurisdictional MOU"), (iii) the DDA, and (iv) the Public Improvement Agreement between Port, Public Works and Developer dated as of September 15, 2020; and

WHEREAS, Improvements built to City standards will be owned, maintained, and permitted by the City (Public Works, SFMTA, SFPUC, Department of Technology) whereas non-standard improvements will be owned by the Port ("Port Acceptance Items"). 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 Interjurisdictional MOU; and

WHEREAS, Per the DDA, the Developer is responsible for maintenance of Port Acceptance Items until they are accepted by the Port Commission pursuant to Resolution No. 24-03; upon Port Commission acceptance, services special taxes from the Pier 70 Leased Property Community Facilities District ("CFD") and Pier 70 Condo CFD are identified as the funding source for the ongoing maintenance of these items; and

WHEREAS, The Pier 70 Leased Property CFD and Pier 70 Condo CFD were formed by the Board of Supervisors in 2020 by Resolution Nos. 011-20 and 009-20, respectively. However, due to delayed vertical development in Phase 1 of the Project, there are currently no developed properties subject to services special taxes. As a result, there will be a period when services special taxes are unavailable or insufficient to cover ongoing maintenance costs of the Port Acceptance Items; and

WHEREAS, Developer and Port are proposing to enter into a second amendment to the DDA (the “DDA Amendment”) to allow Developer to perform and fund the ongoing maintenance of the Phase 1 Port Acceptance Items until such time as services special taxes become sufficiently available. Developer’s payments will be considered Project costs earning an 18% return pursuant to the DDA but will only accrue a return until the earlier of: (1) one year after issuance of a temporary certificate of occupancy for the first new vertical project or (2) June 30, 2028, provided however this date will be December 31st 2028 if Port has entered into a Parcel Lease (as defined in the DDA) with a Vertical Developer Affiliate (as defined in the DDA) prior to June 30, 2025. Costs incurred after that date will be eligible for reimbursement but will not accrue a return; and

WHEREAS, The parties wish to enter into the DDA Amendment substantially in the form on file with the Commission Secretary and incorporated in this resolution by reference; and

WHEREAS, The DDA Amendment is consistent with the Pier 70 Mixed Use District Final Environmental Impact Report (“FEIR”) (2014-001272ENV) and does not alter the maximum development capacity of the site or alter the Project from what was previously analyzed in the FEIR; now, therefore be it

RESOLVED, That 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; and, be it further

RESOLVED, That the Port Commission authorizes the Executive Director of the Port, or her designee, to execute the DDA Amendment, upon Board of Supervisors’ approval, and recommends to the Board of Supervisors approval of the DDA Amendment; and, be it further

RESOLVED, That the Port Commission authorizes and urges all officers, employees, and agents of the Port and the City to take all steps that they deem necessary or appropriate, to the extent permitted by applicable law, in order to implement the DDA Amendment in accordance with this resolution, including preparation and attachment of exhibits, execution of subsequent documents, or to otherwise effectuate the purpose and intent of this resolution and the DDA Amendment as described in the staff memorandum accompanying this resolution; and, be it further

RESOLVED, That the Port Commission authorizes the Executive Director of the Port, or her designee, to enter into any amendments or modifications to the DDA Amendment that the Executive Director determines, in consultation with the City Attorney, are in the best interest of the Port, do not materially decrease the benefits to or materially increase the obligations or liabilities of the Port, and are in compliance with all applicable laws.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of January 23, 2024.

Secretary

EXHIBIT A Site Map



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