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Mission Bay Open Space: Property Management Contract

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Office of Community Investment and Infrastructure (OCII)

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Requested Commission Actions

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- Approval of Personal Service Contract with MJM Management Group for the Management of Mission Bay Open Space
- Approval of Operating Budget for FY 2016/17
- Authorization for Executive Director Approval of Subsequent Annual Operating Budgets

Overview

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- Overview of Mission Bay Open Space
- Mello-Roos Community Facilities District #5 (CFD#5)
- Current Park Management Contracts
- Selection Process
- Property Management Contract
- FY 2016-17 Operating Budget
- Mission Bay CAC
- Equal Opportunity Programs Compliance
- Staff Recommendation
- Questions



Mission Bay Open Space

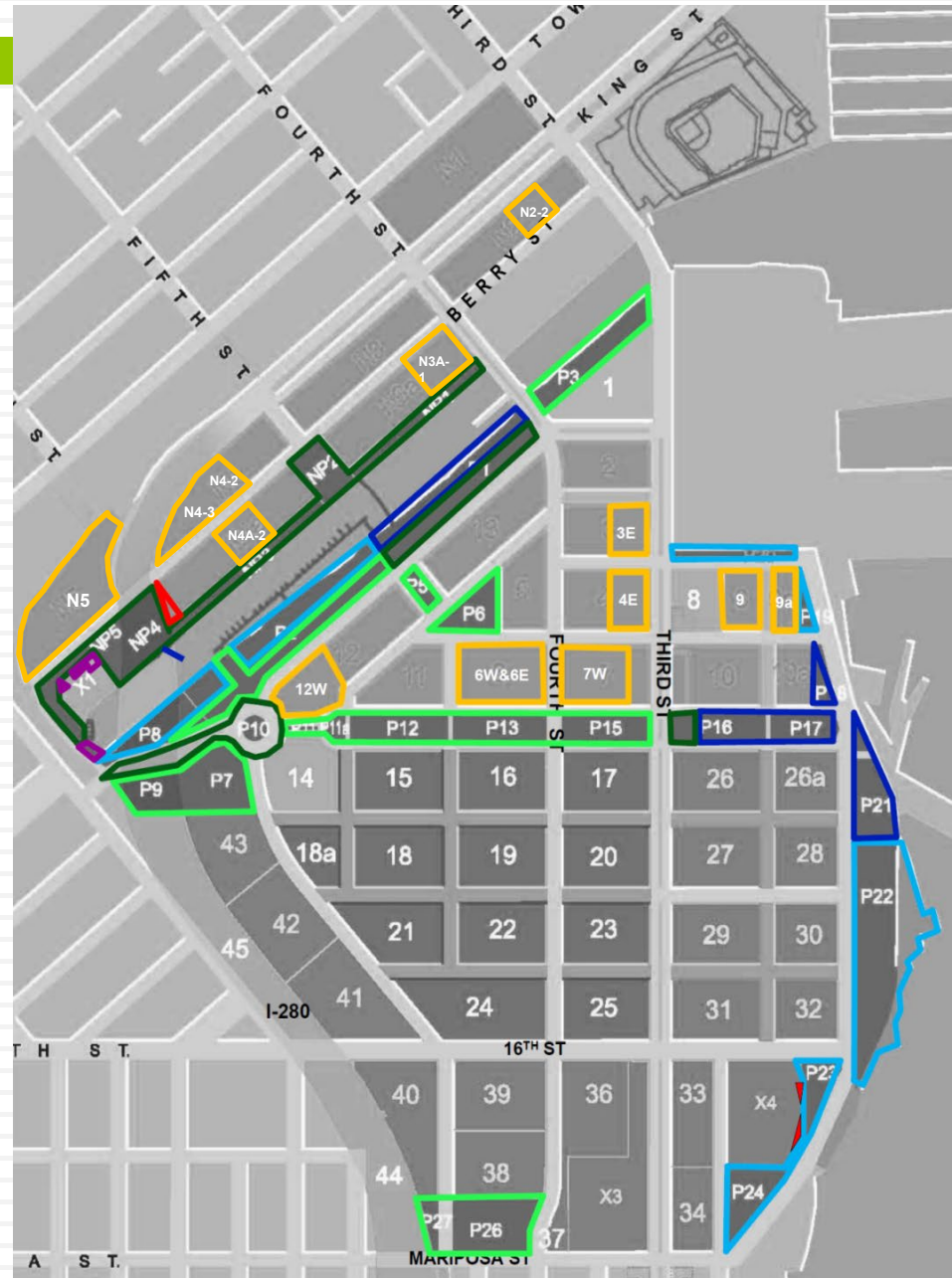
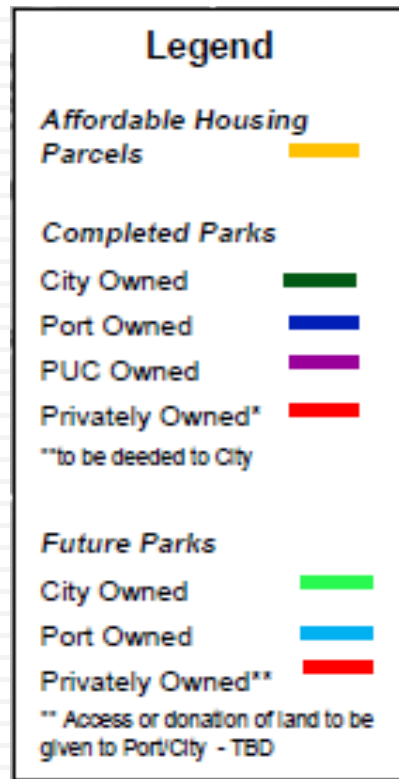
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- Park Maintenance and Operations
 - 41-acres of parkland, developed by Master Developer
 - Parks owned by City (Dept. of Real Estate), Port, and PUC
 - OCII manages parkland until 2043 per
 - Owner Participation Agreements and City/State Land Transfer Agreements
 - Funded through CFD#5
 - OCII conducts RFQ process to select management entity



Open Space Property Ownership

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Existing and Future Open Space

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Existing: Open to the Public, Currently Managed by MJM

- Portions of Mission Creek Park, incl. sports courts (P1 & NP1-NP5)
- Two parks along Terry François Boulevard (P18 & P21)
- Two segments of the Mission Bay Commons Park (P16 & P17)
- Open space at Mission Bay's western gateway at Mission Bay Drive (P10)
- Mission Bay Kids' Park (P6) – Opened July 1, 2016

Future: Near-Term (approx. 3 yrs)

- Mariposa Park (P26) near the UCSF children's hospital
- Dog park (P5) at El Dorado and Channel Streets
- Stormwater retention and buffer park along Owens Street (P11/11a).
- Mission Creek parks (P2/P8 & P3)
- Several smaller parks (P19 & P27)
- Parks along the Bay (P22 & P23/24)

Mission Bay Open Space Map

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MISSION BAY PARKS

- COMPLETE
- FUTURE



Community Facilities District #5

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- One of three Mello-Roos special tax districts in Mission Bay
- Formed by SFRA in 1999, funds OCII's obligation for maintenance and repair for Mission Bay open space
- Controlled by Rate and Method of Apportionment (RMA)
- Mission Bay Enforceable Obligations require special taxes to pay for park maintenance while property taxes not flowing to General Fund, ends 2043
- Applies to all private development in Mission Bay except Block X3
- UCSF pays in-lieu fee for campus property
- Affordable housing, other governmental property, and rights-of-way do not pay park maintenance special taxes or fees

Current Park Management Contract

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- MJM selected through an RFQ process
- Previous contract awarded December 2009 to MJM by former SFRA to provide overall management of the Mission Bay parks
- Three-year initial term with option for Executive Director to renew for an additional three years
- Option was exercised due to good performance and fulfillment of Contract requirements, including OCII's policies regarding small business enterprise contracting
- Amendments
 1. SFRA in January 2012 to include Park P10
 2. OCII Commission in March 2015 to include several park parcels nearing completion
 3. OCII Commission in December 2015 extending term by six months to allow completion of RFQ process
- MJM's Contract expired on June 30, 2016

Selection Process

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RFQ for Open Space Management

- Property management, landscape maintenance, janitorial, general maintenance, security, and other services for the operations of the Mission Bay open space system
- Additional open space parcels to be added as completed
- Services reimbursed at cost, with fixed management fee
- Costs funded by CFD#5
- Draft RFQ presented to Commission 10/6/15

Responses

- Released 10/13/15
- Due 12/14/15
- One response received from MJM Management Group
- Reviewed by selection panel
 - CAC
 - Master Developer
 - Public Works
 - Dept. of Real Estate
 - Port
 - OCII Staff

Proposed Property Management Contract

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Term

- Initial term three years
- Executive Director option to extend the contract for additional three-year term
- Total contract term not to exceed six years
- Effective as of July 1, 2016

Scope of Work

- Management and General Operations
- Landscape Maintenance
- Janitorial
- Security
- Applicability:
 - All existing parks
 - New parks (“Phase-In Parcels”) as completed

Management Fee

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Park Parcels	Start Date (Estimated)	Initial Monthly Fee	FY 2016/17	Total Three Year Fee	Extension Monthly Fee	Total Six Year Fee
<u>Completed</u> NP1-5, P1, P10, P16-18, P21	7/1/2016	\$ 8,927	\$107,124	\$ 321,372	\$ 9,195	\$ 652,385
<u>Phase-In</u>						
P6	7/1/2016	1,548	18,576	55,728	1,594	113,128
P26/27	7/1/2016	1,197	14,364	43,092	1,233	87,477
P11/11A	1/1/2017	184	2,208	6,624	190	13,447
P19	1/1/2017	182	2,184	6,552	187	13,301
P5	1/1/2017	190	2,280	6,840	196	13,885
P23/24	1/1/2017	950	11,400	34,200	979	69,426
P2/8	10/1/2017	200	-	4,200	206	11,616
P3	10/1/2017	580	-	12,180	597	33,686
P22	1/1/2019	4,800	-	<u>28,800</u>	4,944	<u>206,784</u>
Total Fees			\$158,136	\$ 519,588		\$ 1,215,135

Operating Budget

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- Initial Contract scope includes Completed Parcels under the Contract immediately
- Phase-in Parcels will come under the Contract as they are completed and added to the OCII lease
 - Specific Phase-In Parcels budgeted in 2016/17 based on anticipated park opening dates
- Fee revenues estimated from permitting and services reimbursement fees for private events
 - Consistent with Former Agency Commission Resolutions No. 49-2004 and No. 182-95, which adopted park rules and regulations for the Mission Bay Open Space System, and permit and reservation regulations for parks under OCII jurisdiction

Proposed FY 2016-17 Operating Budget

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Operating costs	\$ 1,651,159	Direct personnel; janitorial, landscaping and security subcontracts; utility costs; site office expenses; and maintenance materials/ supplies.
Capital costs	\$ 26,500	Maintenance, site furnishings, and site office equipment purchases
Special events	\$ 95,140	Budget for costs of private permitted events and special free public programming funded from private event permit fees. (Not funded from CFD #5)
Management fee	\$ 158,136	Approx. 8.1% of annual budget; covers all management, overhead, and profit.
Total	\$ 1,930,935	

Mission Bay CAC

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- Selection panel included representative from CAC
- Panel recommendation to select MJM discussed at April 2016 CAC
- Strong support of past management of Mission Bay Parks by MJM



Equal Opportunity Programs Compliance

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- MJM will perform this contract with 100% SBE participation, exceeding the OCII SBE goal of 50%
- MJM team meets OCII's equal opportunity program goals for Mission Bay
- MJM and its subcontractors are in compliance with all of the OCII's purchasing and contracting policies, including:
 - Non-discrimination in benefits
 - Minimum compensation
 - Healthcare accountability
 - Prevailing wages



Biographical Info on MJM Team

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- **Management: MJM Management Group**
 - Woman-Owned, San Francisco firm established in 1991

Subcontractors

- **Landscaping: Robert W. Poyas, Inc.**
 - Minority-Owned, San Francisco firm established in 1984
- **Janitorial: Aim to Please Janitorial Service**
 - Minority-Owned, San Francisco firm established in 1994
- **Security: A1 Protective Services**
 - Woman-Owned, Minority-Owned, San Francisco firm established in 1998

Staff Recommendation

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- Approve and authorize the Executive Director to execute a Personal Services Contract with MJM Management Group, a California Corporation
 - Property management of the Mission Bay Open Space System in the Mission Bay North and South Redevelopment Project Areas
 - Initial term of three years with one three-year option to extend the contract
 - Total aggregate management fee amount not to exceed \$1,215,135
 - Initial FY 2016-17 operating budget in the amount of \$1,930,935
 - Allow the Executive Director to approve subsequent annual operating budgets for the term of the contract, with annual reports to Commission

THANK YOU

