



450-0042026-002

Agenda Item **No. 5(d)**
Meeting of March 17, 2026

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Approving a Joint Community Facilities Agreement between the Successor Agency, acting in its capacity as Community Facilities District No. 8, and the City and County of San Francisco, acting through its Recreation and Parks Department and the Arts Commission, for the funding of maintenance of the Hunters Point Shipyard Phase One Open Space parcels and public art, subject to appropriation in the annual CFD budget; Hunters Point Shipyard Redevelopment Project Area

EXECUTIVE SUMMARY

The Office of Community Investment and Infrastructure (“OCII”), the San Francisco Recreation and Parks Department (“RPD”), and the San Francisco Arts Commission (“SFAC”) seek approval to enter into a Joint Community Facilities Agreement (“JCFA”). The JCFA will formalize the different agency roles and confirm long-term funding for the maintenance and stewardship of completed parks, open space, and the public art (“Open Space”) within the Hunters Point Shipyard Phase One (“HPSY1”) Project Area. The Open Space was constructed by HPS Development Co., LP (“Lennar” or “Phase 1 Developer”), pursuant to the HPSY1 Development and Disposition Agreement (“Phase 1 DDA”).

Under the 2003 Phase 1 DDA, Lennar is obligated to construct 26 acres of Open Space on Parcel A that was previously owned by the United States Navy (the “Navy”) and later conveyed to the San Francisco Redevelopment Agency (“Former Agency”), now OCII. To date, 767 out of the 1,428 homes slated for Parcel A have been constructed along with 13.5 acres of Open Space that have been opened to the public. OCII administers the Community Facilities District No. 8 (“CFD No. 8”), which funds long-term maintenance of the Open Space.

Daniel Lurie
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

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Following the dissolution of Redevelopment Agencies, OCII became the successor to the Former Agency and was required to dispose of the Former Agency's real property interests. In December 2015, the California Department of Finance ("DOF") approved OCII's Long Range Property Management Plan ("PMP") approved earlier by the Oversight Board by Resolution No. 14-2015 (Nov 23, 2025) and the Department of Finance (Dec. 7, 2025). As the HPSY1 Open Space is completed in phases, the PMP requires the transfer of the Open Spaces to the City and County of San Francisco ("City") for a governmental purpose.

With over half of HPSY1 Open Space already constructed, OCII has coordinated with RPD and SFAC on a long-term maintenance and jurisdictional transfer framework. On May 6, 2025, the Commission approved a short-term Memorandum of Agreement ("MOA") assigning maintenance responsibilities to RPD through May 31, 2026. The proposed 66-year JCFA replaces the interim MOA and establishes the long-term structure for maintenance and funding.

Under the JCFA, RPD will assume stewardship and maintenance of all completed parks and passive open space (see **Exhibit A** of the JCFA); SFAC will oversee conservation and maintenance of eight designated public art installations (see **Exhibit B** of the JCFA); and OCII, as administrator of CFD No. 8, will allocate annual maintenance funding subject to the Commission's annual CFD budget approvals. This agreement incorporated advice from the Hunters Point Shipyard Citizens Advisory Committee ("HPS CAC") on November 21, 2024, and approval for the agreement on March 17, 2025. RPD's Commission approved the agreement on April 17, 2025.

Following Commission approval, OCII, SFAC and RPD will present the JCFA to the San Francisco Board of Supervisors ("BOS") for approval. Concurrently, the BOS will consider a separate Conveyance Agreement (**Attachment 1**) transferring title to the completed Open Space's in HPSY1 from OCII to RPD and the public art to SFAC, consistent with the approved PMP.

The JCFA integrates the completed Open Space into RPD's world-class park system, ensuring high-quality stewardship and public access; supports programming and workforce pathways for Bayview Hunters Point residents; and relies on a dedicated revenue source that is not dependent on the City's General Fund.

Staff recommend that the Commission approve the JCFA to establish long-term HPSY1 Open Space stewardship funded by CFD No. 8.

BACKGROUND

Project Overview

OCII is responsible for managing the implementation of the Candlestick Point and Hunters Point Shipyard ("HPS/CP") redevelopment project (the "Project"). On July 14, 1997, the BOS approved the Hunters Point Shipyard Redevelopment Plan ("Redevelopment Plan") through Ordinance No. 285-97. The Redevelopment Plan defines a mixed-use land use program delivering housing, employment, and open space on land owned by the Navy. To bring this vision to life, OCII executed the Phase 1 DDA with Lennar in 2003 for two areas at the Hunters Point Shipyard known as "Hilltop" and "Hillside". To

date, Lennar has completed most of the Hilltop, but the Hillside is not complete yet. In 2010, OCII executed a separate DDA with CP Development Co., LP, to develop the remainder of the Hunters Point Shipyard (“Phase 2”), currently owned and being remediated by the Navy, along with the Candlestick Point area of Bayview Hunters Point.

Land zoned for parks and open space are defined in the Redevelopment Plan, the HPSY1 Open Space and Streetscape Master Plan, the HPSY1 Open Space and Streetscape Schematic Design, and the CFD No. 8 formation documents. Once complete, OCII inspects the constructed parks and infrastructure with City partners to determine if the improvements adhere to approved designs and specifications. Once confirmed, OCII issues a Certificate of Completion, assumes maintenance obligations of the improvements, and initiates a process to transfer the infrastructure to the appropriate City department.

HPSY1 Open Space System

HPSY1 features 26 acres of parks (**Table 1**), with approximately 13 acres completed or near completion at Hilltop (“**Initial Premises**”) and another ~13 acres planned for Hillside (“**Future Premises**”). Within Hilltop Parks, there are 8 artworks that will be added to the Civic Art Collection.

Table 1. HPSY1 Open Space System

HPSY1 Parks	Description	Acreage
<i>Hilltop Parks (Constructed)</i>		
Galvez Overlook (Complete)	Midblock neighborhood park with a waterfront overlook and seating fronting the streetscape.	0.07
Innes Court Park (Constructed)	Linear park with picnic area, fenced children’s play area, ornamental gardens, lawn and plaza portions, public artwork, and rows of shade trees.	0.49
Hillpoint Park – Coleman Bluff & Pedestrian Path (Constructed)	Open lawn area leading to an overlook with views of the Bay, drydocks, and the Gantry crane with two accessible paths connecting the Hilltop neighborhood to the lower elevations of the Shipyard. Public Artwork is featured at Hillpoint Park and along the pedestrian path.	11.43
Storehouse Plaza (Complete)	Indoor facility and plaza featuring a communal deck and lounge space for residents to socialize, gather, and appreciate the public art installations.	0.69
Pocket Park 9 (Complete)	Midblock park with a waterfront view and an active street edge.	0.07
Pocket Park 10 (Complete)	An overlook lawn with a walkway and seating providing views of Candlestick Point Recreation Area and the South Bay.	0.12
Pocket Park 11 (Complete)	Midblock park with a waterfront view and an active street edge.	0.07
Pocket Park 12 (Complete)	An overlook walk at the end of Jerrold Avenue featuring seating and planting.	0.06
Pocket Park 13 (Complete)	Midblock neighborhood park with a waterfront overlook and seating fronting the streetscape.	0.11
Pocket Park 14 (Complete)	Endblock park with a waterfront view and an active street edge.	0.10
Pocket Park 15 (Complete)	The neighborhood garden provides privacy and a soft buffer to adjacent driveways.	0.06
Pocket Park 16 (Complete)	Residential midblock garden park with public art that links Hilltop to the adjacent and existing neighborhood by connecting Friedell and Donahue Streets.	0.14

Hillside Parks (To Be Constructed)		
Hillside Central Park	A grassy area surrounded by plants and benches with views of the Bay and park below, with a stairway that connects to the tot lot playground under delicate trees.	0.27
Hillside Central Lower Park	A grassy clearing and overlook plaza surrounded by hillside planting.	0.23
Pocket Park 1	Terraced gardens provide a variety of passive uses while maintaining views.	0.08
Pocket Park 2	Terraced gardens provide a variety of passive uses while maintaining views.	0.09
Pocket Park 3	Walk around Garden Court connecting the neighborhood street to the Hillside trail.	0.08
Pocket Park 4	A large picnic table, barbeque, and grassy area.	0.08
Pocket Park 5	A grassy area for picnicking and play under shady trees.	0.08
Pocket Park 6	Garden path that leads to the hillside trail connecting neighbors and park spaces, providing views of Candlestick Point Recreation Area.	0.07
Pocket Park 7	The intimate plaza is surrounded by garden plants and has access to the Upper Trail System at the rear of the park.	0.13
Pocket Park 8	Native garden planting and resting spots that lead to the hillside trail for open views and leisurely walks.	0.11
Hillside Pedestrian Paths	Native plants along the south-facing slope that provide natural character and habitat with walking paths and overlook areas.	6.62

Long Range Property Management Plan

Redevelopment Dissolution Law requires OCII to dispose of the Former Agency's real property interests under the DOF-approved PMP. The Oversight Board approved the PMP by Resolution Nos. 12-2013 and 14-2015 on December 7, 2015. DOF finally and conclusively approved the PMP which established the transfer for Open Space for a governmental purpose, as defined under Redevelopment Dissolution Law.

Funding for Open Space Management

On May 6, 2025, the Commission approved, by Resolution No. 15-2025, a MOA assigning maintenance responsibilities of completed HPSY1 Open Space to RPD through May 31, 2026. On September 2, 2008, the Former Agency formed, by Resolution No. 81-2008, CFD No. 8 to collect special taxes for the purpose of operating, maintaining, and repairing the Open Space. All funding for maintenance of the Open Space is derived from special taxes paid by HPSY1 property owners, including affordable housing sites. No redevelopment property tax revenues (tax increment) are permitted to be used for the Open Space maintenance. OCII is the administrator of CFD No. 8 and annually adjusts the level of special taxes collected from CFD No. 8 according to the formula articulated in the Commission-approved Rate and Method of Apportionment. OCII will continue as the CFD administrator and funder of the maintenance of the HPSY1 Open Space. OCII has no obligation to provide any funding other than CFD No. 8 for the maintenance and operations of the Open Space.

DISCUSSION

Interagency Partners

RPD

RPD manages over 4,000 acres of recreational land, which includes 181 playgrounds and play areas, 82 recreation centers and club houses, 230 neighborhood parks, and serves over 880,000 San Francisco residents. RPD's long-term commitment, values, mission, ties with community partners, and broad reach make it the ideal party to operate the HPSY1 Open Space.

SFAC

SFAC is responsible for promoting and supporting the arts and advancing the role of artists in civic life. SFAC oversees the City's public art program, including the commissioning, conservation, and long-term stewardship of publicly owned artworks. The eight art pieces will join SFAC's Civic Art Collection, which comprises of over 4,000 pieces of artwork, including historic monuments, memorials, gifts to the City, and contemporary works commissioned through the City's Public Art Program.

Hunters Point Shipyard Phase 1 Open Space Joint Community Facilities Agreement

Term

66 years from date of Mayoral execution

Roles and Responsibilities

RPD

- Stewardship and maintenance of all completed parks and open space
- Maintenance of the nautical swing at Hillpoint Park
- Maintenance of the Gigantry play structure at Innes Court Park
- Requests budget allocation from CFD 8 on annual basis

SFAC

- Conservation and maintenance of 8 designated public art installations (see exhibit B)
- Requests budget allocation from CFD 8 on annual basis

OCII

- Administrator of Community Facilities District (CFD) No. 8
- Reviews, authorizes, and allocates annual funding to RPD and SFAC

Budget

Long-term maintenance will be funded by CFD 8, which is administered by OCII.

Conveyance Agreement

A Conveyance Agreement between OCII, RPD, and SFAC will transfer title of the open space parcels from OCII to RPD and SFAC. Because portions of the site are subject to the State's Public Trust, approval from the California State Lands Commission is required at their upcoming June 2026 meeting. As the designated local trustee, the Port of San Francisco will provide consent as a signatory to the agreement to authorize the designation of RPD as trustee for those parcels.

On behalf of the affected City departments, the BOS will act on the Conveyance Agreement concurrently with the JCFA. The JCFA establishes long-term maintenance and funding responsibilities for HPSY1 Open Space, while the Conveyance Agreement transfers legal title of completed Hilltop Park parcels from OCII to RPD and the associated public artwork to SFAC. This action:

- Makes the City the official owner of the parks
- Adds artwork to the SF Civic Art Collection
- Fulfills OCII's state-mandated obligation to transfer completed improvements
- Integrates the parks into the City's permanent park system

CITIZENS ADVISORY COMMITTEE

In November 2024 and March 2025, OCII and RPD presented information on the Open Space jurisdictional transfers to the HPSCAC. The feedback was positive and questions from the HPSCAC and members of the public focused on RPD programming relating to seniors, youth and workforce development, and funding. At the March 2025 HPSCAC meeting, the members voted unanimously in support of the JCFA.

SMALL BUSINESS ENTERPRISE PROGRAM COMPLIANCE

The City generally employs staff that are members of Local 261 to staff the HPSY1 Open Space portfolio. If any outside contract is utilized in the future, both entities will adhere to City public and local business enterprise contracting and workforce goals and requirements.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

Approval of the Agreement is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15301 and 15304 because it authorizes the operation, repair, maintenance or minor alteration of existing open space facilities or features with negligible or no expansion of existing uses and minor alterations to land.

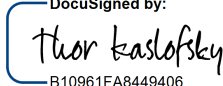
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NEXT STEPS

If approved, the JCFA will be introduced to BOS on April 7, 2026, with approval anticipated for May 19, 2026, and Mayoral execution on May 29, 2026. In April, the CFD No. 8 FY 2026-2027 budget will be presented to the Commission for approval.

(Originated Inder Grewal, Development Specialist)

DocuSigned by:

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Thor Kaslofsky
Executive Director

Attachment 1: Conveyance Agreement between OCII and the City and County of San Francisco (for reference only)

ATTACHMENT 1

CONVEYANCE AND TRUSTEESHIP AGREEMENT FOR PUBLIC TRUST AND OTHER PARKS AND OPEN SPACES IN HUNTERS POINT SHIPYARD PHASE ONE BY AND BETWEEN SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO AND THE CITY AND COUNTY OF SAN FRANCISCO

THIS CONVEYANCE AGREEMENT FOR HUNTERS POINT SHIPYARD PHASE ONE PARKS AND OPEN SPACES (“**Agreement**”) dated for reference purposes only as of [DATE], is entered into by the City and County of San Francisco (“**the City**”), acting by and through its San Francisco Arts Commission (“**SFAC**”) and its Recreation and Park Department (“**RPD**”); the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California (commonly known as the Office of Community Investment and Infrastructure or “**OCII**”) in its ordinary capacity and its capacity as trustee of the public trust for commerce, navigation and fisheries (“**the Public Trust**”) (each a “**Party**” and collectively the “**Parties**”); the City’s Port Commission (“**the Port**”) is not a party to the Agreement but consents thereto pursuant to SB 792 (as defined below).

A. The Redevelopment Agency of the City and County of San Francisco (“**the Former Agency**”), the City, the Port, the California State Lands Commission (“**the Commission**”), and the California Department of Parks and Recreation are the original parties to the Hunters Point Shipyard/Candlestick Point Title Settlement, Public Trust and Boundary Line Agreement (“**the Trust Agreement**”) dated April 6, 2011, authorized by Chapter 203 of the Statutes of 2009, as amended by Chapter 429 of the Statutes of 2011 (“**SB 792**”).

B. Pursuant to the Trust Agreement and SB 792, the Former Agency was designated the trustee for the Public Trust.

C. On February 1, 2012, the State of California dissolved the Former Agency. Under the Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34170 et seq., OCII, as successor to the Former Agency, has assumed the Former Agency’s rights and obligations under the Redevelopment Plan for the Hunters Point Shipyard Phase One (“**the Redevelopment Plan**”); Plan Documents (as defined in the Redevelopment Plans); the Trust Agreement; and SB 792 (including without limitation the trusteeship of the Public Trust for those lands covered by the statute), subject to certain state requirements to complete and dispose of redevelopment assets as set out in Health & Safety Code § 34191.5. Under Ordinance No. 215-12, the City’s Board of Supervisors established the **Successor Agency Commission** and delegated to it the state authority to implement and complete surviving redevelopment projects. The Successor Agency Commission is OCII’s governing body.

D. Pursuant to the Disposition and Development Agreement Hunters Point Shipyard Phase 1, dated as of December 2, 2003, as amended (“**the DDA**”), between the Former Agency and Lennar/BVHP LLC (the “**Master Developer**”), Master Developer has constructed and continues

to construct park improvements within the area known as Hunters Point Shipyard Phase 1 (the “**HPSY1 Parks**”).

E. Pursuant to its authority under the Public Works Code, the City’s Department of Public Works (“**Public Works**”) issues permits for Master Developer’s construction of park improvements in the HPSY1 Parks. At the completion of construction of a given HPSY1 Park, Public Works inspects the improvements and advises OCII as to whether the improvements meet the standards for OCII’s issuance of a Certificate of Completion under section 4.4(a) of the DDA.

F. OCII owns the fee interest in the real property for all the HPSY1 Parks and leases the land to the Master Developer pursuant to the “**Interim Lease.**” Under the Interim Lease, Master Developer is responsible for maintaining and managing all improvements until it completes the improvement process for a given park area. Once OCII determines, with input from the City’s Public Works Department, that Master Developer has completed any subset of HPSY1 Parks improvements, OCII issues a Certificate of Completion pursuant to the DDA, then accepts, manages and maintains the subject improvements.

G. This Agreement will govern the transfer of those HPSY1 Parks on which the improvements have been issued a Certificate of Completion as of the date of execution and during the Term as defined below. Those HPSY1 Parks that have been issued a Certificate of Completion as of the date of execution (the “**Initial HPSY1 Parks**”) are identified in Exhibit A along with the other HPSY1 Parks, which are planned to subsequently receive Certificates of Completion (the “**Future HPSY1 Parks**”).

H. The Redevelopment Dissolution Law requires OCII to dispose of its real property interests, which it holds as the Former Agency’s successor. The Oversight Board of the City and County of San Francisco (“**the Oversight Board**”) approved, by Resolution No. 14-2015 (Nov. 23, 2015), a long range property management plan (the “**PMP**”) for OCII that requires OCII to transfer its real property interests in the HPSY1 Parks and its improvements, including public art, to the City for a governmental purpose. On December 7, 2015, the California Department of Finance approved the Oversight Board’s action.

I. RPD manages over 4,000 acres of recreational land, which includes 181 playgrounds and play areas, 82 recreation centers and club houses, 230 neighborhood parks, and serves over 840,000 San Francisco residents. RPD’s long-term commitment, values, mission, ties with community partners, and broad reach make it the ideal party to operate the HPSY1 Parks.

J. SFAC, established by City Charter in 1932, is responsible for San Francisco’s Civic Art Collection, which includes over 4,000 artworks. As the agency with jurisdiction over all art belonging to the City and charged with the preservation and care of artwork in the Civic Art Collection (“**the Collection**”), SFAC is the appropriate party to assume responsibility for the eight public artworks in the HPSY1 Parks that are to be accessioned into the Collection (as specified in Exhibit B (“**the SFAC Public Artworks**”).

K. On June, 17, 2025, OCII and RPD entered a Memorandum of Agreement providing, among other things, that RPD will operate and maintain HPSY1 Parks that have received Certificate of Completion but have not yet been conveyed to the City pursuant to this Agreement.

L. Certain HPSY1 Parks (“**the HPSY1 Trust Parks**”), identified on Exhibit A, are subject to the Public Trust, imposed through transactions pursuant to the Trust Agreement. The balance of the HPSY1 Parks, also shown on Exhibit A, are the “**HPSY1 Non-Trust Parks**.” SB 792 provides that “Upon written agreement between [OCII] and [the Port], OCII may transfer to the [C]ity some or all of the trust lands in which [OCII] holds fee title, provided that the [State Lands]’ Commission has approved the transfer.”

M. The parties now wish to enter into this Agreement, with the Port’s consent, to implement the mandatory transfer of the HPSY1 Parks and two of the public artworks therein to RPD, subject to the public trust as appropriate, and the SFAC Public Artworks to SFAC to be accessioned into the Collection, and to transfer the duties of trustee of the Public Trust to RPD.

N. Simultaneous to approving this Conveyance Agreement, the Board of Supervisors adopted Resolution **XX-XXX** (the “**Acceptance Resolution**”) dedicating the Initial HPSY1 Parks to public use, designating them for park and open space purposes only, and accepting such lands for City maintenance and liability, subject to this Agreement and the Public Trust. Conveyances of Future HPSY1 Parks will also be subject to City acceptance. The Acceptance Resolution additionally confirms that City, acting by and through RPD, will be the trustee for the Public Trust as to all HPSY Trust Parks.

O. In conjunction with executing this Agreement, the City and OCII will execute a Joint Community Facilities Agreement for Maintenance and Operations of Hunters Point Shipyard Phase 1 Parks and Open Spaces (“**the Joint Facilities Agreement**”). The Joint Facilities Agreement governs how funds will be distributed from Community Facilities District No. 8, a financing district formed under the Mello-Roos Community Facilities Act of 1982, Gov’t Code § 53311 et seq. of which OCII is the governing body, for the funding of operations, maintenance, and repair of the HPSY1 Parks, and allows RPD to operate and maintain the HPSY1 Parks and SFAC to maintain and conserve the SFAC Public Artworks therein in a coordinated and integrated manner

1. RECITALS

The foregoing recitals are true and correct and are incorporated herein by this reference.

2. STATE APPROVAL; EFFECTIVE DATE

2.1 State Approval. Following execution of this Agreement, the parties will submit it to the State Lands Commission for approval pursuant to Section 18 of SB 792 and will cooperate to advocate for such approval.

2.2 Effective date.

- a. As to the completed and accepted HPSY Non-Trust Parks and the SFAC Public Artworks, this Agreement shall become effective on the date it is executed by the last Party.
- b. As to the HPSY Trust Parks and the City's assumption of the role and obligations of trustee of Public Trust, this Agreement shall become effective on the date approved by the State Lands Commission and shall not be effective absent such approval.

3. CONVEYANCE TO CITY

3.1 Transfer of Initial HPSY1 Parks. Pursuant to the Acceptance Resolution, upon execution of this Agreement and approval by the State Lands Commission, OCII shall convey those Initial HPSY1 Parks that are also HPSY1 Trust Parks (the “**Initial HPSY1 Trust Parks**”), along with all artworks and other fixtures thereon (except as may be excepted from the conveyance by the Parties' mutual consent), to the City in its capacity as trustee of the Public Trust pursuant to a quitclaim deed substantially similar to the deed attached hereto as Exhibit C (“**a Trust Quitclaim**”) and the balance of the Initial HPSY1 Parks (“**the Initial HPSY1 Non-Trust Parks**”) to the City in its ordinary capacity pursuant to a quitclaim deed substantially similar to the deed attached hereto as Exhibit D (“**a Non-Trust Quitclaim**”).

3.2 Transfer of Future HPSY1 Parks.

- a. Upon Master Developer's request for an “Engineer/Architect Certificate” for a Future HPSY1 Park pursuant to Section 4.4(a) of the DDA, RPD shall cooperate with Public Works to ensure that no Certificate of Completion is issued until the subject Future HPSY1 Park meets all applicable City standards, including without limitation RPD's applicable standards, and both Public Works and RPD are prepared to recommend that the Board of Supervisors (or the Board's designee) accept that Future HPSY1 Park for City maintenance and liability. For Innes Court Park (parcel 4591C083), applicable RPD standards necessary for conveyance shall include the execution of a separate MOU executed by RPD, SFPUC and Public Works (“**Innes Court MOU**” as defined in Exhibit A), documenting each agency's responsibilities for operating and maintaining the park and the existing SFPUC facilities within the park. If this Agreement is executed at such time before the Innes Court MOU is executed, RPD shall be responsible for the operations and maintenance of Innes Court Park, according to the terms outlined in the Joint Facilities Agreement, entered into by RPD and OCII.
- b. RPD and OCII shall cooperate with each other and with Public Works to ensure that inspections and Public Works' recommendation regarding the Certificate of Completion are completed as expeditiously as possible and to

minimize the period between OCII's issuance of a Certificate of Completion and the City's acceptance of the subject land and improvements.

c. As early as possible in the process of inspecting improvements and issuing a Certificate of Completion for a Future HPSY1 Park, and in no event later than one week after OCII's issuance of the Certificate of Completion OCII and RPD shall either 1) jointly submit to the City Attorney's Office ("CAO") a draft resolution for Board of Supervisors adoption of an acceptance resolution dedicating the park to public use, designating it for park and open space purposes only, and accepting it for City maintenance and liability, and request that CAO expeditiously review the draft legislation and initiate the process for its adoption or 2) or if authorized jointly initiate expeditious administrative processes for City acceptance. Such resolutions and processes may include more than one HPSY1 Park.

d. Upon adoption of an acceptance resolution, OCII shall convey the subject HPSY1 Park or Parks, along with all artworks and other fixtures thereon (except as may be excepted from the conveyance by the Parties' mutual consent), to the City pursuant to a Trust Quitclaim and/or a Non-Trust Quitclaim, as appropriate.

3.3 City's Real Property Records. RPD will request the City's Director of Property to update the City's Real Property Records upon the recordation of any quitclaim deed conveying HPSY1 Parks, to reflect the jurisdiction of RPD and/or SFAC, as appropriate.

3.4 Public Art. OCII will convey the Nautical Swing and Gigantry public art pieces to RPD at the same time the HPSY1 Parks in which the art pieces reside are conveyed to RPD. OCII will convey the SFAC Public Artworks, as identified in Exhibit B, to SFAC at the same time the HPSY1 Parks in which the SFAC Public Artworks reside are conveyed to RPD.

4. SFPUC Facilities. All water, wastewater, and stormwater systems, lines and related facilities within HPSY1 Parks that have been accepted by the City on behalf of the San Francisco Public Utilities Commission ("SFPUC") will remain under the jurisdiction of the SFPUC. RPD will provide access as needed to the SFPUC to maintain and repair the SFPUC facilities consistent with other SFPUC facilities on RPD property. The SFPUC will be responsible for any damage done in connection with its use of any HPSY1 Parks. For Innes Court Park, RPD, Public Works and SFPUC will enter into the Innes Court MOU to document each agency's responsibilities for operating and maintaining the park and the SFPUC utilities within the park.

RPD DUTIES AS TRUSTEE.

4.1 The Public Trust Requirements. Upon transfer to the City, each HPSY1 Trust Park will be subject to (1) the Public Trust; (2) Sections 13 and 15 of SB 792, (3) the statutory trust imposed by the Burton Act (Chapter 133, Statutes of 1968, as amended), and any additional restrictions on use and alienability created by the Agreement Relating to Transfer of the State of California to the City and County of San Francisco dated

January 24th 1969 and recorded at Book B308, Page 686 of the Official Records, except that they will not be subject to Section 12 of the Burton Act; and (4) statutes applying generally to all political subdivisions of the state that have been granted Public Trust lands by the State including without limitation Public Resources Code section 6306 (together, “**the Public Trust Requirements**”). RPD agrees to hold the HPSY1 Trust Parks as trustee for the people of the State of California and in compliance with the Public Trust Requirements. RPD hereby acknowledges and agrees that the The Public Trust Requirements apply to the HPSY1 Trust Parks independently of this Agreement and will continue to apply following any termination of this Agreement.

4.2 Trust Revenues. RPD hereby acknowledges and agrees that the Public Trust Requirements include restrictions and requirements relating to revenues arising from the HPSY1 Trust Parks. While RPD anticipates that the cost of operating and maintaining the Initial HPSY1 Trust Parks will significantly exceed any revenues received from the HPSY1 Trust Parks, RPD shall comply with such restrictions and requirements, including without limitation:

- a. All revenues received from the HPSY1 Trust Parks administered or collected by RPD will be expended only for those uses and purposes consistent with the Public Trust Requirements.
- b. All funds received or generated from the HPSY1 Trust Parks will be segregated in separate accounts from non-trust received or generated funds.
- c. As required by the State Lands Commission, RPD will file with the State Lands Commission a detailed statement of all revenues and expenditures relating to its management of the HPSY1 Trust Parks, including obligations incurred but not yet paid, covering the fiscal year preceding submission of the statement.

5. TERM

5.1 Term. The term of this Agreement begins on the Effective Date and continues until all HPSY1 Parks are conveyed to the City, unless earlier terminated under this Agreement.

6. OCII REPRESENTATIONS.

OCII represents and warrants to City that, except as disclosed to City in writing

6.1 OCII is required to convey the HPSY1 Parks for a governmental purpose to the City under Redevelopment Dissolution Law and the Long Range Property Management Plan approved by the Oversight Board of the City and County of San Francisco in Resolution No. 142015 (Nov. 23, 2015), which was also approved by the California Department of Finance;

6.2 OCII has not heretofore assigned, sublet, conveyed or transferred, without City consent, all or any portion of its interest in the HPSY1 Parks;

6.3 No other person, firm or entity (other than City and, as to the HPSY1 Trust Parks, the State of California, which holds certain reserved rights pursuant to SB 792) has any right, title or interest in the HPSY1 Parks; and

6.4 OCII has no knowledge of any existing or threatened Claim arising from or in any manner connected with the HPSY1 Parks by any other party.

7. INDEMNITY

7.1 City will indemnify, defend, and hold harmless from (“Indemnify”), and, if requested, shall defend OCII and its Agents from and against any and all claims, losses, damages, costs, and expenses, including reasonable attorneys’ fees (collectively, “Claims”), incurred as a result of any of the following occurring from and after the Effective Date: (a) any injury to or death of any person including City employees, or damage to or destruction of any property occurring in, on or about HPSY1 Parks, or any part thereof, from any cause whatsoever, (b) City’s or the public’s use of the HPSY1 Parks that City before or after conveyance to the City, (c) any acts or omissions of City or its Agents in, on, or about the HPSY1 Parks; or (d) any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Substance, into the environment (“**Release**”) or threatened Release of a Hazardous Substance provided, however, that this indemnity shall exclude claims, liability, damage or loss resulting from the sole negligence or willful misconduct of OCII or its Agents, but only to the extent not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on, City, its Agents or invitees. “**Hazardous Substance**” shall have the meaning defined in the DDA.

7.2 In addition to City’s obligation to indemnify OCII, City specifically acknowledges and agrees that it has an immediate and independent obligation to defend OCII from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent. The City’s obligation to defend shall arise at the time such claim is tendered to City by OCII and shall continue at all times thereafter. The foregoing indemnity obligation of the City shall include without limitation, indemnification from all loss and liability, including attorney’s fees, court costs and all other litigation expenses. This indemnification by City shall begin from the first notice that any claim or demand is or may be made.

7.3 The term “**Agents**” when used with respect to either party includes the agents, employees, officers, and contractors of the party.

7.4 In any action or proceeding brought against OCII or its Agents because of a Claim Indemnified by City under this Section, at its sole option, City may elect to defend the Claim by attorneys in City’s Office of the City Attorney, by other attorneys selected by City, or both. City will have the right to control the defense and to determine the settlement or compromise of any action or proceeding, provided that OCII will have the right, but not the obligation, to participate in the defense of the Claim at its sole cost.

7.5 In the event of a Claim for which City Indemnifies OCII pursuant to Section 7.1, the SFAC and RPD will cooperate in defending such action. If the Claim is caused by the negligence of a particular City department, then that City department will be responsible for any City liability. If the injury is not caused by the negligence of a City department, then the City department with management responsibilities for the HPSY1 Park where the Claim arose will have responsibility for any resulting City liability.

7.6 City's obligations under this Section will survive the conveyance to the City of each HPSY1 Park and the end of the Term.

8. DISPUTE RESOLUTION

8.1 If a dispute between or among OCII, RPD, and the SFAC arises under this Agreement, the contact person for the affected agency shall in good faith meet with the others to resolve the dispute. If the contact persons are not able to resolve the dispute, resolution of the matter will be referred to the head of each affected agency. If the agency heads are unable to resolve the dispute, the matter will be referred to the Mayor's Office for resolution by the Mayor or his or her designee.

8.2 Neither this Section 8 nor compliance therewith shall waive any party's right, upon completion of the process set out in Section 8.1, to seek any remedy available at law or equity.

9. NOTICE

Any notice given under this Agreement shall be effective only if in writing and given by delivering the notice in person or by sending it first-class mail or certified mail with a return receipt requested or by overnight courier return receipt requested, with postage prepaid, at the following addresses, or at such other addresses as the agencies listed below may designate by notice as their new address:

Address for SFAC: Director of Cultural Affairs
San Francisco Arts Commission
401 Van Ness Avenue
San Francisco, CA 94102
Telephone No:(415) 252-2266

Address for RPD: General Manager
San Francisco Recreation and Park Department McLaren Lodge
San Francisco, CA 94117
Telephone No:(415) 831-2700

Address for OCII: Executive Director
1 South Van Ness, 5th Floor
San Francisco, CA 94103
Telephone No: (628) 652-8500

Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first-class or certified mail, one day after the date it is mailed, if sent by overnight courier, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by email or telephone to the address or numbers set forth above or such other address or number as may be provided from time to time; however, no party may give official or binding notice by email, telephone or facsimile.

10. MINERAL RESERVATION

The City acknowledges that State of California, pursuant to Section 11 of SB 792, as amended, has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying the HPSY1 Trust Parks.

11. MISCELLANEOUS

11.1 This Agreement (including attached exhibits) contains the entire understanding between the parties with respect to the subject matter hereof.

11.2 The provisions of this Agreement are for the exclusive benefit of the City departments and OCII, and not for the benefit of, nor give rise to any claim or cause of action by, any other person. This Agreement shall not be deemed to have conferred any rights upon any person except the signatories to this Agreement.

11.3 All approvals under this Agreement and any agreements contemplated hereby may be given by the OCII Executive Director, RPD General Manager, and the SFAC Director of Cultural Affairs, or their respective designees, except as otherwise specified herein or in the City Charter, the City's Municipal Code, or other applicable law.

11.4 This Agreement may be amended only by a signed writing of OCII, RPD, the Port, and SFAC, which must be approved by the City's Board of Supervisors, the Successor Agency Commission, and any City department's commission, as applicable.

11.5 Any failure or delay by any Party in asserting any of its rights or remedies, including specific performance, as to any claim arising from this Agreement shall not operate as a waiver of any default or of any such rights or remedies or deprive that Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date written below.

CITY AND COUNTY OF SAN

FRANCISCO, a municipal corporation operating by and through the SAN FRANCISCO ARTS
COMMISSION CITY AND COUNTY OF SAN

FRANCISCO, a municipal corporation operating by and through the SAN FRANCISCO
RECREATION AND PARK DEPARTMENT

By:

RALPH REMINGTON
Director of Cultural Affairs PHIL GINSBURG
General Manager

San Francisco Arts Commission San Francisco Recreation and Park Department

Date Signed: Date Signed:

San Francisco Arts Commission
Resolution No. _____

San Francisco Recreation and Park Department
Resolution No. _____

Approved by San Francisco Board of Supervisors
Resolution No. _____

CONSENT

ELAINE FORBES
Executive Director

Port of San Francisco
Date Signed: _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN
FRANCISCO, commonly known as
the OFFICE OF COMMUNITY
INVESTMENT AND
INFRASTRUCTURE, a public body
organized and existing under the laws
of the State of California

By: _____

Thurston (Thor) Kaslofsky
Executive Director
Office of Community
Investment and Infrastructure

Date Signed: _____

[Successor Agency Commission
Resolution No. _____]

Approved as to form for the Office of Community Investment and Infrastructure:

By: _____
James B. Morales
OCII General Counsel