

Mission Bay Open Space Memorandums of Agreement

June 6, 2023



Requested Commission Action

- **Approval of Memorandums of Agreement for the Management of Mission Bay Open Space with:**
 - Recreation and Parks Department (“RPD”) and
 - Port of San Francisco (“Port”)



Overview

- Background on Mission Bay Open Space
- Community Facilities District No. 5 (CFD No.5)
- Dissolution\Property Management Plan
- DOF required Ground Lease Transfer
- Memorandum of Agreement
- Maintenance and Operational Standards
- Community Outreach
- Next Steps
- Questions



MB Open Space Background

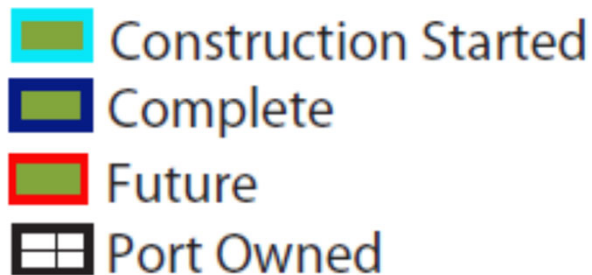
- Mission Bay open space (41.5 acres) is developed under the Redevelopment Plan and Owner Participation Agreement (OPA). Expires in 2028.
- Community Facilities District (CFD) #5 was created to fund maintenance and operations of the Mission Bay open space. Expires in 2044.
- City and Port own Mission Bay open space parcels which are then ground leased to OCII. Expires in 2046 (latest).
- Ground Lease and other land use agreements, created at the inception of the Project Area, anticipated Parks would transition back to the City/Port
- OCII has one year management contract with Parklab Open Space Management. Expires June 30, 2023



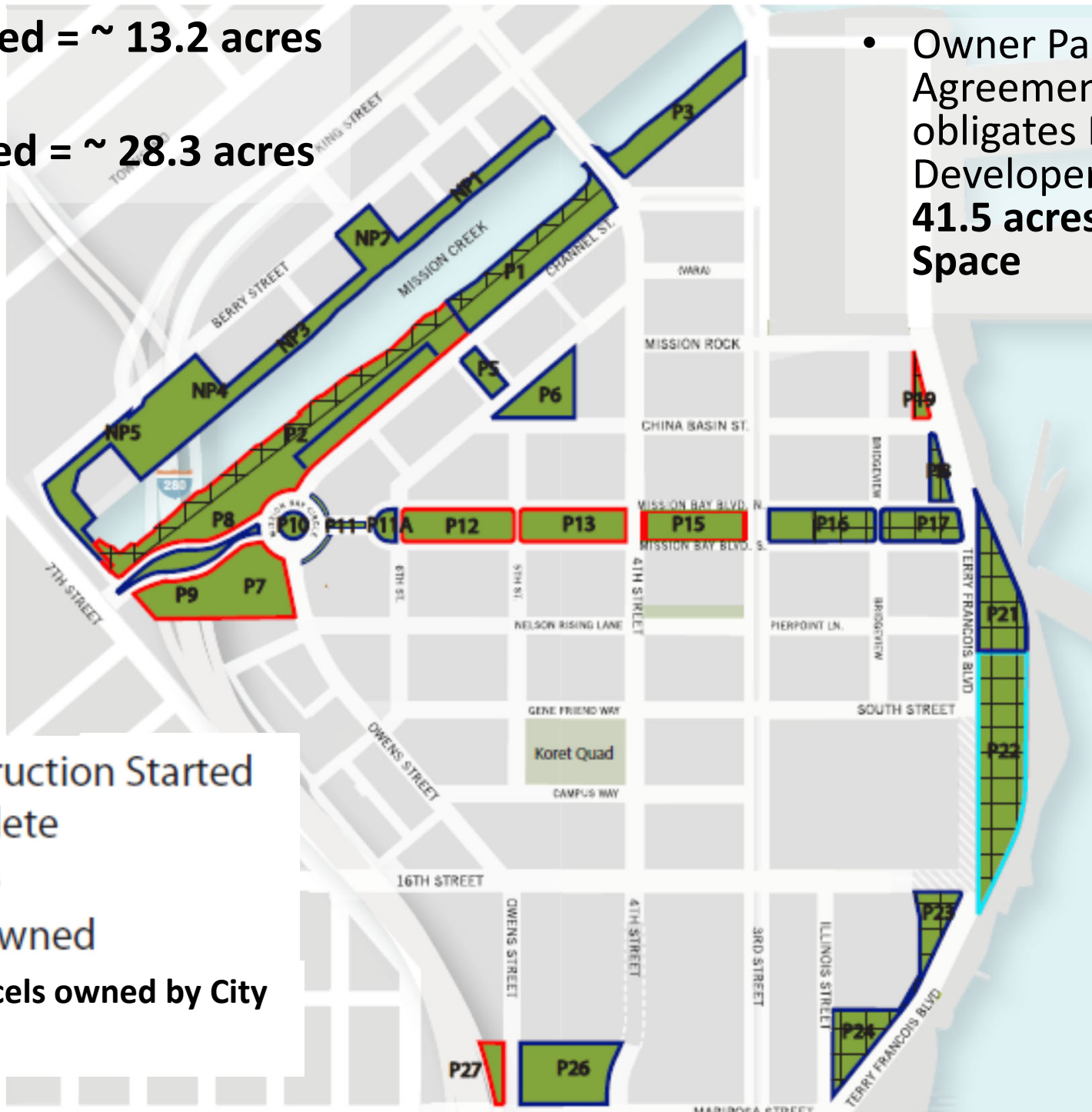
Mission Bay Open Space

- Port owned = ~ 13.2 acres
- City owned = ~ 28.3 acres

- Owner Participation Agreement (“OPA”) obligates Master Developer to provide **41.5 acres of Open Space**



*All other Parcels owned by City



Community Facilities District No. 5 (CFD No. 5)

- One of three Mello-Roos special tax districts in Mission Bay
 - CFD #5 MBN & MBS Open Space Maintenance
 - CFD #4 MBN Infrastructure
 - CFD #6 MBS Infrastructure
- CFD 5# ends 2044
- CFD #5 can be extended past 2044 with 2/3 vote from private development property owners
- CFD funds can only be spent in Mission Bay

CFD No. 5 continued

- The annual assessment amount increases at lesser of CPI or 5.5%
- Annual CFD assessments have covered the cost of operation and maintenance of the completed parks.
 - 24 out of 41.5 acres have been built.
- FY 2023-24 the budget exceeds the annual CFD assessment.
 - Additional Parks
 - City Labor costs
 - General cost inflation
- Fund balance covers shortfalls until 2029.

Dissolution/Property Management Plan

- State mandated Dissolution of the Redevelopment Agency requires OCII to transfer its ground lease with the City and Port.
- Long Range Property Management Plan (“PMP”) created framework and timeline to transfer the ground lease
- PMP Workshops/Approvals
 - CAC 8/8/13 & 10/10/13
 - Commission 8/23/13 and Recommendation 10/18/13
 - Oversight Board Approvals 11/25/13 and 11/23/15
 - DOF Approval 12/7/15



Transfer of the Ground Lease

- Working with RED, RPD, the Port and DPW for 1.5 years
- Public Right of Way overlay on all Open Space
- Requires Street Vacations
- BOS Approval for Ground Lease and Street Vacations

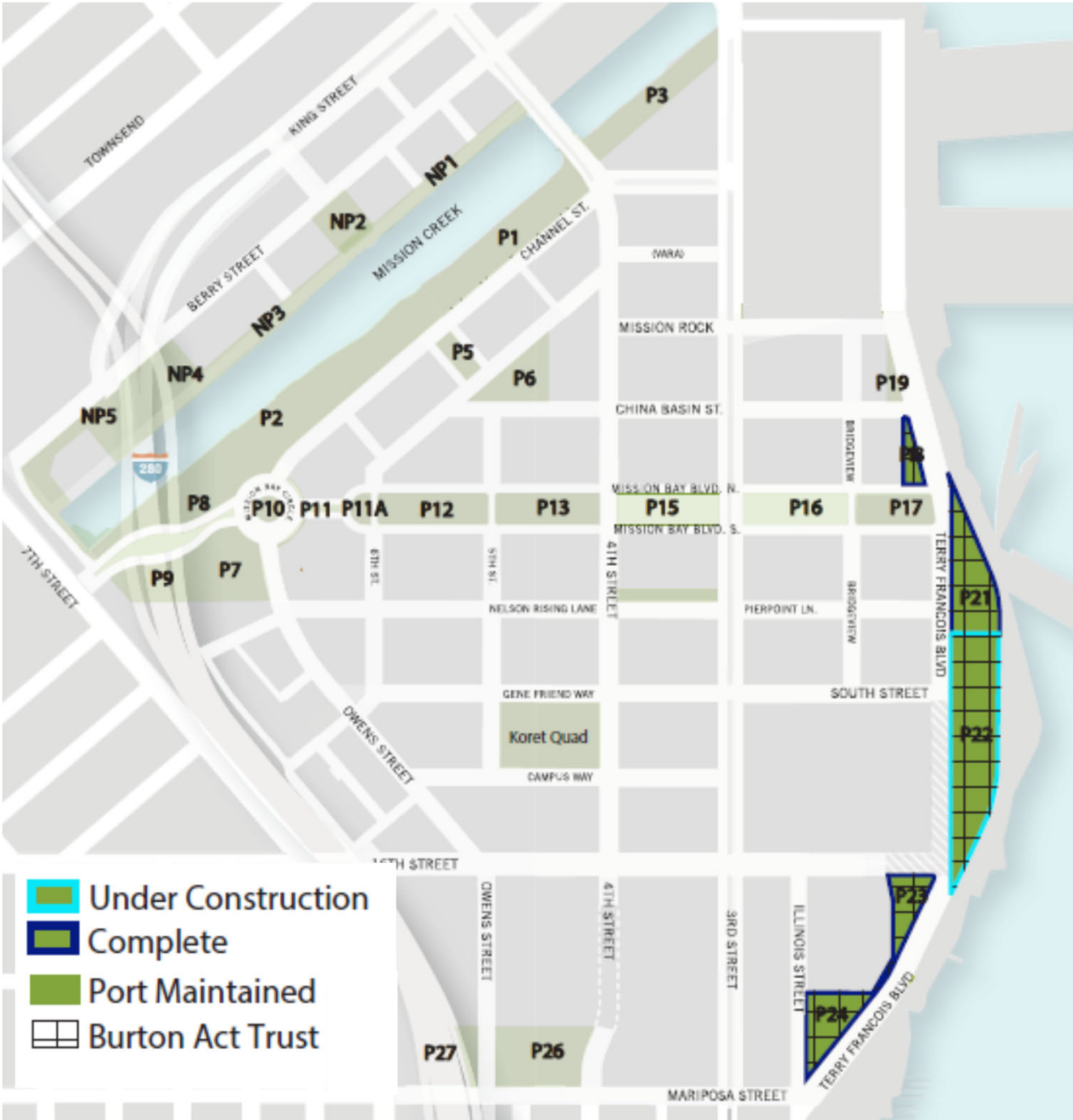


Memorandum of Agreement

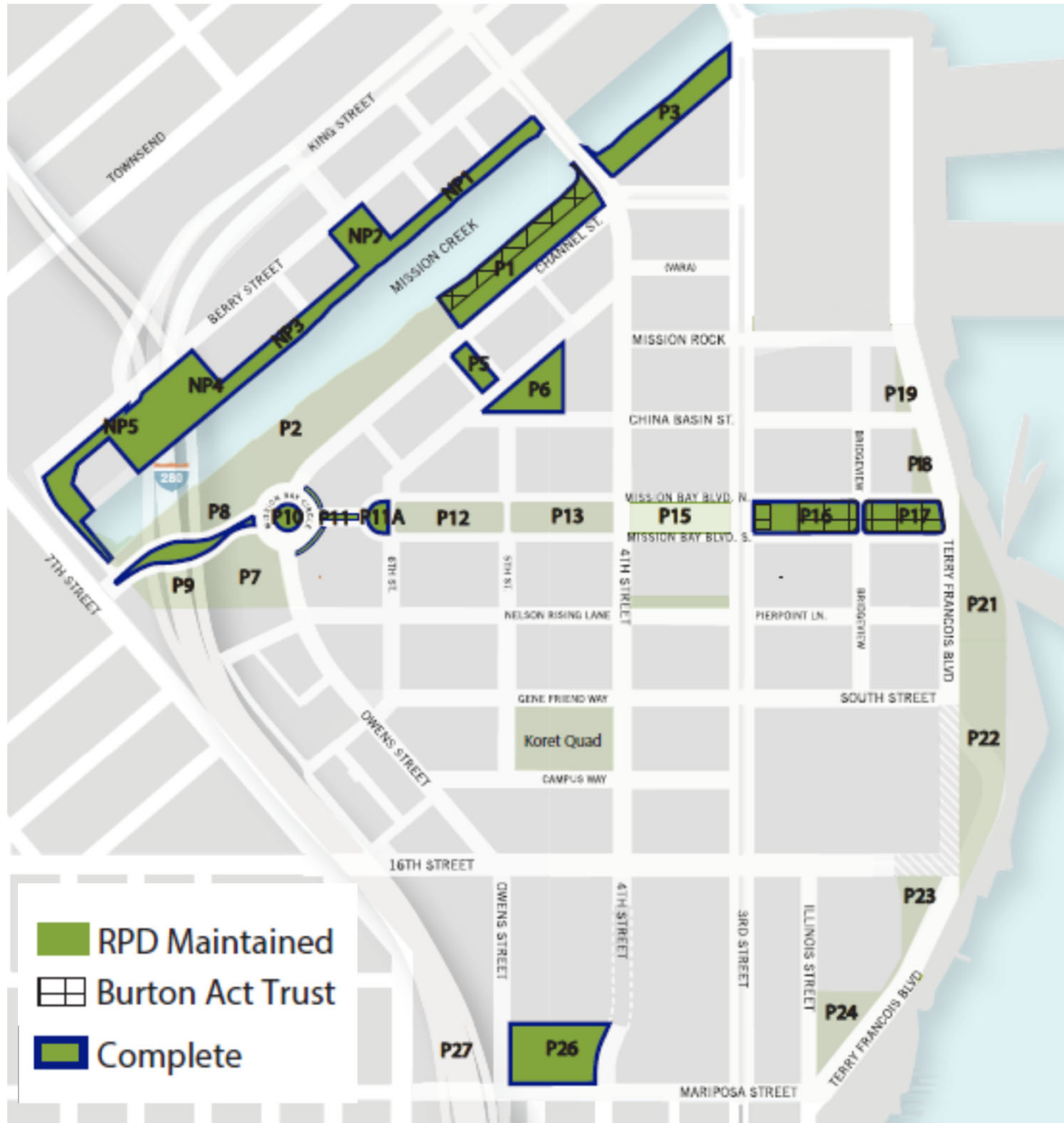
- Interim agreements July 1 until MOU and Lease transfer
- Two MOAs
 - OCII & RPD
 - OCII & Port
- Designates Parks to be managed
- 2 year max term/\$950K RPD 6 mo. budget/\$510K Port 6 mo. budget
 - Annual budgets - \$2.35 RPD/\$1M Port part of CFD #5 approval
 - Budgets greater than a year and/or \$1M require BOS approval
- Maintenance and Operational Standards
- CFD #5 funding administered by OCII



Parks Managed by the Port



Parks Managed by Rec Park



Maintenance and Operation Standards

- Management and General Operations
- Landscape Maintenance
- Janitorial
- Security
- Special Events Management
- Applicability:
 - All existing parks
 - New park (P22) as completed
 - Other future parks



Community Discussions

1. CAC meeting 1/13/22: Announcement of retirement of MJM (POSM predecessor) and the need to work on transfer; CAC forms subcommittee
 1. CAC Subcommittee Meeting 1/25/22: OCII Meeting with subcommittee members regarding Conservancy
 2. CAC Subcommittee Meeting 2/7/22: OCII Meeting with subcommittee members regarding Conservancy
2. CAC Meeting 2/10/22: Mission Bay CAC meeting overview of necessity of transfer
 1. CAC Subcommittee Meeting 3/7/22: OCII-RPD-Port Meeting with subcommittee members regarding Conservancy
3. CAC Meeting 4/14/2022: Revised transfer schedule + update

Community Discussions

5. CAC Meeting 2/09/2023: Update on division of parks system between RPD and Port and MOU content
6. CAC Meeting 3/9/2023: Detail on RPD and Port management plan for MB parks
7. CAC Meeting 4/13/2023: Park hours and MOA presentation and recommendation.
8. CAC Meeting 5/11/23: Park event reservations

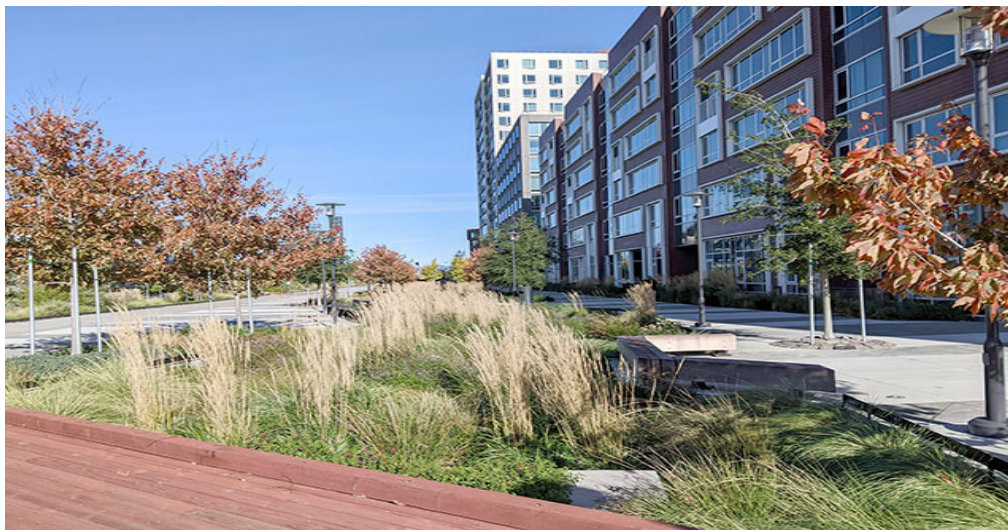
Next Steps – Work Plan

- Long Term, Post Lease transfer agreement -MOU
 - OCII, RPD, Port and Public Works
 - Designates Parks to be managed
 - Funding splits
 - CFD funding administered by OCII
 - Annual Budget Approval
- Street Vacations



Next Steps

- **July 1, 2023 – RPD and Port Assumes Management of the Mission Bay Open Spaces**
- **November 2023 – Lease transfer documents and MOU presented to the Commission.**
- **December 2023 – BOS lease transfer; street vacations & MOU**



**Thank you
&
Questions**

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