

File No. 260452

Committee Item No. 7

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date May 27, 2026

Board of Supervisors Meeting Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| | | • REC Letter 4/21/2026 |
| | | • REC Memo 4/15/2026 |
| | | • MYR Memo 4/28/2026 |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Notice of Award/Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>CA Assembly Bill No. 104 7/29/2025</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>RPC Resolution No. 2603-003 3/19/2026</u> |
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Completed by: Brent Jalipa Date May 21, 2026

Completed by: Brent Jalipa Date _____

1 [Accept and Expend Grant - California Natural Resources Agency - General Fund Specified
2 Grant - Portsmouth Square Improvement Project - \$1,000,000]

3 **Resolution authorizing the Recreation and Park Department to accept and expend a**
4 **grant from the California Natural Resources Agency in the amount of \$1,000,000 for the**
5 **General Fund Specified Grant for the project of Portsmouth Square Improvement**
6 **Project; approving the associated grant agreement for a term limit that is effective**
7 **upon grant agreement execution through March 1, 2028; and authorizing the**
8 **Recreation and Park Department to enter into amendments or modifications to the**
9 **agreement that do not materially increase the obligations or liabilities of the City and**
10 **are necessary to effectuate the purposes of the Project or this Resolution.**

11
12 WHEREAS, The City and County of San Francisco owns Assessor's Parcel Block
13 No. 0209, Lot No. 017 referred to as Portsmouth Square; and

14 WHEREAS, Portsmouth Square is one of San Francisco's most significant historic,
15 cultural, and civic spaces and is under the jurisdiction of the Recreation and Park Department
16 ("RPD"); and

17 WHEREAS, Through an extensive public planning process, RPD has created a park
18 design that will facilitate park use by residents of all ages, improve park safety and security,
19 improve park aesthetics, and acknowledge the site's historical and cultural significance; and

20 WHEREAS, The California Legislature has delegated responsibility to the California
21 Natural Resources Agency for the administration of the funding through a General Fund
22 Specified Grant ("Grant"); and

23 WHEREAS, On March 19, 2026, the San Francisco Recreation and Park Commission
24 adopted Resolution No. 2603-003 approving RPD's application for Specified Grant funds and
25 recommended that the Board of Supervisors authorize the Recreation and Park Department

1 to accept and expend the grant funds for the project and authorize the General Manager to
2 enter into a grant agreement and negotiate agreements with the State concerning the
3 administration of the grant; and

4 WHEREAS, The 2025/2026 California State Budget appropriated funding in the
5 amount of \$1,000,000 for the Grant; and

6 WHEREAS, As a condition of receiving the Grant, RPD is required to agree to the
7 terms and conditions of the Grant Agreement substantially in the form of the draft
8 agreement which is on file with the Clerk of the Board under File No. 260452 and which is
9 hereby declared to be part of this Resolution as if set forth fully herein; and

10 WHEREAS, The Grant Terms and Conditions prohibit including indirect costs in the
11 grant budget; and

12 WHEREAS, The Grant will not require an amendment to the Annual Salary Ordinance;
13 now, therefore, be it

14 RESOLVED, That the Board of Supervisors authorizes the Recreation and Park
15 Department to accept and expend the Grant; and, be it

16 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
17 indirect costs as part of this Grant Budget; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors approves the Grant Agreement;
19 and, be it

20 FURTHER RESOLVED, That the Board of Supervisors authorizes the RPD General
21 Manager to enter into any modifications and amendments to the Grant Agreement including to
22 any of its exhibits, and authorizes the RPD General Manager to execute further agreements
23 related to the Grant, that the RPD General Manager determines, in consultation with the City
24 Attorney, are in the best interests of the City and do not materially increase the obligations or be
25 it liabilities of the City, are necessary or advisable to effectuate the purposes of the Project or

1 this Resolution, and are in compliance with all applicable laws, including the City's Charter; and,
2 be it

3 FURTHER RESOLVED, That within 30 days of the Grant Agreement being fully
4 executed by all parties, RPD shall provide the final Grant Agreement to the Clerk of the Board
5 for inclusion into the official file.

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8 Recommended:

Approved: /s/ Sophia Kittler for

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Mayor

10 /s/

11 Department Head

Approved: /s/ Jocelyn Quintos for

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Controller

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File Number: 260452
(Provided by Clerk of Board of Supervisors)

Grant Resolution Information Form
(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. Grant Title: General Fund Specified Grant - Portsmouth Square Improvement Project

2. Department: Recreation and Park Department

3. Contact Person: Kaitlin Holl Telephone: 415-609-3685

4. Grant Approval Status (check one):

Approved by funding agency

Not yet approved

5. Amount of Grant Funding Approved or Applied for: \$1,000,000

6a. Matching Funds Required: \$0

b. Source(s) of matching funds (if applicable): Not Required

7a. Grant Source Agency: California Natural Resources Agency

b. Grant Pass-Through Agency (if applicable): Not Applicable

8. Proposed Grant Project Summary:

The Portsmouth Square Improvement Project is a comprehensive renovation of Portsmouth Square, a high use park located in San Francisco's Chinatown. The overall project includes construction of a new consolidated playground, expanded event space, upgraded lighting, accessibility improvements, a new approximately 8,300-square-foot clubhouse, removal of the Kearny Street pedestrian bridge, and infrastructure upgrades to the underground parking garage beneath the park. Grant funds will support major earthwork activities necessary to implement the project, including landscape grading; site excavation and fill; excavation and backfill; installation of polystyrene fill; erosion and sedimentation control measures; and shoring and bracing required to protect adjacent structures and the underlying parking garage during construction.

9. Grant Project Schedule, as allowed in approval documents, or as proposed:

Start-Date: Upon execution of agreement

End-Date: March 1, 2028

10a. Amount budgeted for contractual services: \$1,000,000

b. Will contractual services be put out to bid? Contract was publicly advertised and a contractor has been selected.

c. If so, will contract services help to further the goals of the Local Business Enterprise (LBE) requirements? All contracts will comply with all City LBE requirements.

d. Is this likely to be a one-time or ongoing request for contracting out? One-time

11a. Does the budget include indirect costs? Yes No

b1. If yes, how much? \$ Not applicable
b2. How was the amount calculated? Not applicable

c1. If no, why are indirect costs not included?

Not allowed by granting agency To maximize use of grant funds on direct services
 Other (please explain):

c2. If no indirect costs are included, what would have been the indirect costs? Department and Division Overhead.

12. Any other significant grant requirements or comments: None

****Disability Access Checklist***(Department must forward a copy of all completed Grant Information Forms to the Mayor's Office of Disability)**

13. This Grant is intended for activities at (check all that apply):

Existing Site(s) Existing Structure(s) Existing Program(s) or Service(s)
 Rehabilitated Site(s) Rehabilitated Structure(s) New Program(s) or Service(s)
 New Site(s) New Structure(s)

14. The Departmental ADA Coordinator or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

- 1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
- 2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
- 3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the DPW Access Compliance Officer or the Mayor's Office on Disability Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:

Comments:


Alterations require RPD-DAC review.

Departmental ADA Coordinator:

Arfaraz Khambatta, CASp
(Name)

Disability Access Coordinator, Public Works
(Title)

Date Reviewed: 4/16/2026

DocuSigned by:

E3E8242E5A3D480
(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Sarah Madland
(Name) _____

Interim General Manager, Recreation and Park Department
(Title) _____

Date Reviewed: 4/16/2026

Signed by:
Sarah Madland
55846E553D3B46B

(Signature Required)

**STATE OF CALIFORNIA NATURAL RESOURCES AGENCY
GRANT AGREEMENT**

GRANTEE NAME: San Francisco Recreation and Park Department
PROJECT TITLE: Portsmouth Square Improvement Project
AUTHORITY: Budget Act of 2025 (Chapters 4 and 5, Statutes of 2025)
PROGRAM: General Fund Specified Grant Projects
AGREEMENT NUMBER: YA2521-0
LAND TENURE TERM: 20 years from date of project completion as evidenced by the Certification of Completion Form

PROJECT PERFORMANCE PERIOD: Upon execution of contract to March 1, 2028

Under the terms and conditions of this agreement, the applicant agrees to complete the project as described in the project scope set forth in Exhibit A and any subsequent amendments, and the State of California, acting through the Natural Resources Agency, agrees to fund the project up to the total grant amount indicated pursuant to the Budget Act of 2025 (Chapters 4, 5, 77, & 104, Statutes of 2025).

PROJECT DESCRIPTION: See project description on page 1 and Exhibit A of the Agreement

TOTAL STATE GRANT NOT TO EXCEED: \$1,000,000.00 (or project costs, whichever is less)

The Special and General Provisions attached are made a part of and incorporated into the Agreement.

**SAN FRANCISCO RECREATION AND PARK
DEPARTMENT**

**STATE OF CALIFORNIA
NATURAL RESOURCES AGENCY**

By: _____ By: _____
 Sarah Madland Bryan Cash
 Title: Interim City Manager Title: Assistant Secretary for Administration & Finance
 Date: _____ Date: _____

Approved as to Form:

San Francisco Recreation and Park Department

CERTIFICATION OF FUNDING

AMOUNT OF ESTIMATE FUNDING		AGREEMENT NO.		FUND			
\$1,000,000.00		GF2521-0		0001 – General Fund			
ADJ. INCREASING ENCUMBRANCE				FISCAL PO NO.			
ADJ DECREASING ENCUMBRANCE		FUNCTION					
		Local Assistance					
UNENCUMBERED BALANCE	REF NO.	FUND	ENACTMENT YEAR	ACCOUNT NO.	ALT ACCOUNT		
	103	0001	2025	5432000	5432000000		
PROGRAM	PCBU	PROJECT	ACTIVITY	RPTG STRUCTURE	SVC LOCATION	AGENCY USE	BUDGET PERIOD
0320	0540	0540GF25210	25204	05402001	25204		2025

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance.

SIGNATURE OF ACCOUNTING OFFICER

DATE

**STATE OF CALIFORNIA NATURAL RESOURCES AGENCY
GRANT AGREEMENT**

GRANTEE NAME: San Francisco Recreation and Park Department
PROJECT TITLE: Portsmouth Square Improvement Project
AGREEMENT NUMBER: GF2521-0
AUTHORITY: Budget Act of 2025 (Chapters 4, 5, 77, and 104, Statutes of 2025)
PROGRAM: General Fund Specified Grant Projects

PROJECT DESCRIPTION

This project will fund the renovation of Portsmouth Square, a high-use park located in San Francisco's Chinatown. The construction will include site preparation and earthwork activities, a new consolidated playground, expanded event space, accessibility improvements and a new approximately 8,300 SF club-house, removal of the Kearny Street pedestrian bridge and infrastructure upgrades to the underground parking garage beneath the park.

A detailed project scope and activities, project schedule and project budget are described and attached hereto as Exhibit A.

Grant funds are to be used to support capital asset projects in accordance with the provisions contained in the Procedural Guide for General Fund Specified Grants and this Agreement.

TERMS AND CONDITIONS OF GRANT

Special Provisions

1. Insert if project includes improvement to Historic Structures: Projects must follow the Secretary of the Interior's Standards for the Treatment of Historic Properties, where applicable, to ensure the historical integrity of the project. In addition, any local, state, and federal ordinances and laws (such as the National Historic Preservation Act and the Native American Graves Protection and Repatriation Act) must be followed to ensure the historical integrity of the project. Grant funds may NOT be used for demolition or non-historic treatment of historic structures or resources that are determined eligible for listing on the National Register of Historic Places or the California Register of Historical Resources.

General Provisions

A. Definitions

1. The term "Act" means the Budget Act of 2025 (Chapters 4, 5, 77, and 104, Statutes of 2025).
2. The term "Acquisition" means obtaining a fee interest or any other interest, including easements, leases, and development rights.
3. The term "Agreement" means this Grant Agreement

4. The term "Application" means the Project Information Package and any applicable materials supplied by grantee to the State pursuant to the Application Guidelines.
5. The term "Application Guidelines" means the Procedural Guide for General Fund Specified Grants, FY 2025-2026, Development & Acquisition.
6. The term "Development" means improvement, rehabilitation, restoration, enhancement, preservation, protection and interpretation or other similar activities.
7. The term "Fair Market Value" means the value placed upon the property as supported by an appraisal that has been reviewed and approved by the California Department of General Services (DGS).
8. The term "Grant" or "Grant Funds" means the money provided by the State to the Grantee in this Agreement.
9. The term "Grant Agreement" means a contractual arrangement between the State and Grantee specifying the payment of funds by the State for the performance of specific project objectives within a specific project performance period by the Grantee.
10. The term "Grantee" means an entity who has a signed agreement for Grant Funds.
11. The term "Interpretation" means visitor-serving amenities that communicate the significance and value of natural, historical, and cultural resources in a manner that increases the understanding and enjoyment of these resources, or other similar activities.
12. The term "Other Sources of Funds" means cash or in-kind contributions that are required or used to complete the project beyond the Grant Funds provided by this Agreement.
13. The term "Payment Request Form" means a Reimbursement Request Form (CNRA BG 001), an Advance to Escrow Form (CNRA BG 002), or an Advance Payment Request Form (CNRA BG 003).
14. The term "Project" means the acquisition or development activity described in the Application as modified by Exhibit A to be accomplished with Grant Funds.
15. The term "Project Budget" means the State approved cost estimate included as Exhibit A-1 to this Agreement.
16. The term "Project Property" means the property being developed or acquired with Grant Funds.
17. The term "Project Scope" means the description or activity for work to be accomplished by the Project.
18. The term "Public Agency" means any State of California department or agency, a county, city, public district, or public agency formed under California law.
19. The term "State" means the Secretary for California Natural Resources or his/her representatives, or other political subdivision of the State.

B. Project Execution

1. Subject to the availability of funds in the Act, the State hereby grants to the Grantee a sum of money (Grant Funds) not to exceed the amount stated on the signature page in consideration of and on condition that the sum be expended in carrying out the purposes as set forth in the description of project in this Agreement and its attachments and under the Terms and Conditions set forth in this Agreement.
2. Grantee shall furnish any and all additional funds that may be necessary to complete the project.
3. Grantee shall complete the project in accordance with the Project Performance Period set forth on the signature page unless an extension has been formally granted by the State and under the Terms and Conditions of this Agreement. Extensions may be requested in advance and will be considered by the State, at its sole discretion, in the event of circumstances beyond the control of the Grantee, but in no event beyond **March 1, 2028**.
4. Grantee shall at all times ensure that project complies with all environmental laws, including but not limited to obtaining all necessary permits.

Changes to the scope resulting from CEQA compliance are permitted provided the State determines that the project continues to meet all objectives of the General Fund Specified Grant Project and is consistent with the intent cited in the original Application.

5. Projects must comply with any applicable laws pertaining to prevailing wage and labor compliance.
6. Grantee certifies that the project does and will continue to comply with all current laws and regulations which apply to the project, including, but not limited to, legal requirements for construction contracts, building codes, environmental laws, health and safety codes, and disabled access laws. Grantee certifies that prior to commencement of construction all applicable permits and licenses (e.g., state contractor's license) will have been obtained.
7. Grantee shall provide access by the State upon 24-hours' notice to determine if project work is in accordance with the approved project scope, including a final inspection upon project completion.
8. Prior to the commencement of any work, Grantee agrees to submit in writing to the State for prior approval any deviation from the original project scope per Exhibit A and the Application. Changes in project scope must continue to meet the need cited in the original Application or they will not be approved. Any modification or alteration in the project as set forth in the Application on file with the State must be submitted to the State for approval. Any modification or alteration in the project must also comply with all current laws and regulations, including, but not limited to, CEQA.
9. Grantee shall provide for public access and/or educational features where feasible.
10. Grantee must have (1) fee title, (2) leasehold, or (3) other interest in project lands and demonstrate to the satisfaction of the State the proposed project will provide public benefits that are commensurate with the type and duration of the interest in land.

11. If a nonprofit organization, Grantee certifies the corporation is qualified under Section 501(c)(3) of the Internal Revenue Service Code, has an active status with the Secretary of State, and is current with the Attorney General's Registry of Charities and Fundraisers. Failure by the Grantee to remain in compliance with these nonprofit requirements may be cause for suspension of all obligations of the State hereunder and termination of this Agreement.
12. Grantee shall promptly provide photographs of the site during and after implementation of the project at the request of the State.

C. Project Costs

1. Unless otherwise agreed upon, Grant Funds provided to Grantee under this Agreement for Development will be disbursed for eligible costs, on a reimbursement basis, as follows, but shall not exceed in any event the amount set forth on the signature page of this Agreement:
 - a. Approved direct management costs or construction and development costs. Up to ten percent (10%) of the reimbursement amount will be held back and issued as a final payment upon completion of the project.
 - b. Remaining Grant Funds shall be paid up to the total amount of the Grant Funds or the actual Project cost, whichever is less, upon completion of the Project, receipt of a detailed summary of Project costs from the Grantee found to be satisfactory by the State, and the satisfactory completion of a site inspection by the State.
 - c. Advance payments may be made at the discretion of the State.
 - d. Grantee agrees to use any Grant Funds advanced by the State under the terms of this Agreement solely for the Project herein described.
 - e. Indirect costs are generally limited to a maximum of 15% of total direct costs.
2. Payment Documentation:
 - a. All payment requests must be submitted using a completed Payment Request Form. This form must be accompanied by an itemized list of all expenditures that clearly documents the check numbers, dates, recipients, line-item description as described in the project budget approved by the State and amounts. Grantee should retain for audit proof of payment of expenditures, such as receipts, paid invoices, canceled checks, or other forms of documentation demonstrating payment has been made.
 - b. Any payment request that is submitted without the required itemization and documentation will not be authorized. If the payment request package is incomplete, inadequate, or inaccurate, the State will inform the Grantee and hold the payment request until all required information is received or corrected. Any penalties imposed on the Grantee by a contractor, or other consequence, because of delays in payment will be paid by the Grantee and is not reimbursable under this Agreement.
3. Grant funds in this award have a limited period in which they must be expended. Grantee expenditures funded by the State must occur within the time frame of the Project Performance Period as indicated in this Agreement.

4. The State reserves the right to request reimbursement of any funds spent on the project, even funds deemed eligible costs, if the project is not completed in accordance with the Grant Agreement and the guidelines.
5. Except as otherwise provided herein, the Grantee shall expend grant funds in the manner described in the Exhibit A approved by the State. The total dollars of a category in the project budget may be increased by up to ten percent (10%) through a reallocation of funds from another category, without approval by the State. However, the Grantee shall notify the State in writing when any such reallocation is made and shall identify both the item(s) being increased and those being decreased. Any cumulative increase or decrease of more than ten percent (10%) from the original budget in the amount of a category must be approved by the State. In any event, the total amount of the grant funds may not be increased, nor may any adjustments exceed the limits for management costs as described in the Application Guidelines.

D. Project Administration

1. Grantee shall promptly provide project reports and/or photographs upon request by the State. In any event Grantee shall provide the State a report showing total final project expenditures with the final payment request and required closing documents.
2. Grantee shall make property and facilities developed pursuant to this Agreement available for inspection upon request by the State.
3. If Grant Funds are advanced, the Grantee shall place these Funds in a separate interest-bearing account, setting up and identifying such account prior to the advance. Interest earned on Grant Funds shall be used on the Project, as approved by the State. Any overpayment of Grant Funds in excess of final project costs shall be returned to the State within sixty (60) days of completion of the Project or the end of the Project performance period as shown on the signature page, whichever is earlier.
4. Grantee agrees that failure to use advance funds in a manner that is consistent with this Agreement or any authorized amendment to it, shall be prima facie evidence of an intent to deceive or defraud pursuant to Penal Code section 484 and 487, and shall work with or otherwise cooperate with the State to prosecute parties who improperly misappropriate advanced funds, or otherwise recover those funds so misapplied or misappropriated.
5. Grantee shall submit all documentation for project completion, including a notice of completion as applicable and final reimbursement within ninety (90) days of project completion, but in no event any later than **March 1, 2028**.
6. Final payment is contingent upon State verification that the Project is consistent with the Project scope as described in Exhibit A, together with any State-approved amendments.
7. This Agreement may be amended by mutual agreement in writing between the Grantee and the State. Any request by the Grantee for amendments must be in writing stating the amendment request and reason for the request. The Grantee shall make requests in a timely manner, preferably no less than sixty (60) days before the effective date of the proposed amendment.
8. Grantee must report to the State all sources of other funds for the project.

E. Project Termination

1. All funding is contingent upon appropriation. Prior to the completion of project construction, either party may terminate this Agreement by providing the other party with thirty (30) days' written notice of such termination. The State may also terminate this Grant Agreement for any reason at any time if it learns of or otherwise discovers that there is a violation of any state or federal law or policy by the Grantee which affects performance of this, or any other grant agreement or contract entered into with the State.
2. If the State terminates without cause the Agreement prior to the end of the Project Performance Period, the Grantee shall take all reasonable measures to prevent further costs to the State under this Agreement. The State shall be responsible for any reasonable and non-cancelable obligations incurred by the Grantee in the performance of the Agreement prior to the date of the notice to terminate, but only up to the undisbursed balance of funding authorized in this Agreement.
3. If the Grantee fails to complete the project in accordance with this Agreement or fails to fulfill any other obligations of this Agreement prior to the termination date, the Grantee shall be liable for immediate repayment to the State of all amounts disbursed by the State under this Agreement, plus accrued interest and any further costs related to the project. The State may, at its sole discretion, consider extenuating circumstances and not require repayment for work partially completed provided that the State determines it is in the State's best interest to do so. This paragraph shall not be deemed to limit any other remedies available to the State for breach of this Agreement.
4. Failure by the Grantee to comply with the terms of this Agreement or any other agreement under the Act may be cause for suspension of all obligations of the State hereunder.
5. Failure of the Grantee to comply with the terms of this Agreement shall not be cause for suspending all obligations of the State hereunder if, in the judgment of the State, such failure was due to no fault of the Grantee. At the discretion of the State, any amount required to settle at minimum cost any irrevocable obligations properly incurred shall be eligible for reimbursement under this Agreement.
6. Because the benefit to be derived by the State, from the full compliance by the Grantee with the terms of this Agreement, is the for the purposes as stated in the Application for the people of the State of California, and because such benefit exceeds to an immeasurable and unascertainable extent the amount of money furnished by the State by way of grant funds under the provisions of this Agreement, the Grantee agrees that payment by the Grantee to the State of an amount equal to the amount of the grant funds disbursed under this Agreement by the State would be inadequate compensation to the State for any breach by the Grantee of this Agreement. The Grantee further agrees therefore, that the appropriate remedy in the event of a breach by the Grantee of this Agreement shall be the specific performance of this Agreement, unless otherwise agreed to by the State.

F. Hold Harmless

1. Grantee shall waive all claims and recourses against the State, including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Agreement, except claims arising from the gross negligence of State, its officers, agents, and employees.

2. Grantee shall indemnify, hold harmless and defend State, its officers, agents and employees in perpetuity against any and all claims, demands, damages, costs, expenses or liability costs arising out of the project, including development, construction, operation or maintenance of the property described in the project description which claims, demands or causes of action arise under Government Code Section 895.2 or otherwise, including but not limited to items to which the Grantee has certified, except for liability arising out of the gross negligence of State, its officers, agents or employees. Grantee acknowledges that it is solely responsible for compliance with items to which it has certified.
3. Grantee and State agree that in the event of judgment entered against the State and the Grantee because of the gross negligence of the State and the Grantee, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither party shall request a jury apportionment.

G. Financial Records

1. Grantee shall maintain satisfactory financial accounts, documents, and records for the Project and to make them available to the State for auditing at reasonable times. Grantee shall also retain such financial accounts, documents, and records for three (3) years after final payment and one (1) year following an audit.
2. Grantee agrees that during regular office hours, the State and its duly authorized representatives shall have the right to inspect and make copies of any books, records or reports of the Grantee pertaining to this Agreement or matters related thereto. Grantee shall maintain and make available for inspection by the State accurate records of all of its costs, disbursements, and receipts with respect to its activities under this Agreement.
3. Grantee shall use applicable Generally Accepted Accounting Principles, unless otherwise agreed to by the State.

H. Use of Facilities

1. If Grantee owns the Project Property, Grantee shall not sell or transfer the Project Property (including any portion of it or any interest in it) during the Land Tenure Term defined in paragraph H.2. below without the written approval of the State of California, acting through the Natural Resources Agency, or its successor. Such approval shall not be unreasonably withheld as long as the purposes for which the grant was awarded are maintained. If Grantee does not own the Project Property, Grantee shall notify the State within 30 days of any sale or transfer of the property, at which time the State may seek any and all remedies available under Section E of this Agreement.
2. Grantee shall maintain, operate, and use (or shall ensure via written agreement with the landowner that the project is maintained, operated, and used) in fulfillment of the purpose funded pursuant to this Grant for a minimum of TWENTY (20) years, consistent with the Land Tenure/Site Control requirements included in the Application Guidelines (the "Land Tenure Term"). Grantee, Grantee's successor in interest, or the Assignee of this Agreement, may assign without novation the responsibility to maintain and operate the property in accordance with this requirement only with the written approval of the State. Grantee may be excused from its obligations for operation and maintenance of the Project site only upon the written approval of the State for good cause. "Good cause" includes, but is not limited

to, natural disasters that destroy the Project improvements and render the Project obsolete or impracticable to rebuild.

3. Grantee agrees to use the Project Property (or shall ensure via written agreement with the landowner that the property will be used) solely for the purposes for which the Grant was made and no other use or sale or other disposition of the property shall be made during the Land Tenure Term. This Agreement shall not prevent the transfer of the property from the Grantee to a Public Agency, if the successor Public Agency assumes the obligations imposed by this Agreement.
 4. Reimbursement of Grant with interest: At the State's sole discretion, if the Grantee owns the Project Property and the use of the property is changed to a use that is not permitted by the Agreement or if the property is sold or otherwise disposed of by Grantee, the State may seek an amount equal to: (1) the amount of the Grant plus accrued interest at the prime interest rate at the time of disposition, and (2) the amount of any increase in property value attributed to grant-funded improvements to the Project Property. If the Grantee does not own the Project Property, and the use of the Project Property is changed to a use that is not permitted by this Agreement or is sold or otherwise disposed of within the Land Tenure Term, at the State's sole discretion, the Grantee shall be liable for immediate repayment to the State of all amounts disbursed by the State under this Agreement, plus accrued interest at the prime interest rate at the time of disposition.
 5. Grantee shall not use or allow the use of any portion of the Project Property as security for any debt during the Land Tenure Term. If the grantee does not own the Project Property, written approval of the State must be obtained for use of the Project Property (including any portion of it or any interest in it) to be used as security for any debt, provided such approval by the State shall not be unreasonable withheld as long as the purposes for which the Grant was awarded are maintained and does not make the State a guarantor or a surety for any debt, nor waive the State's rights to enforce performance under this Agreement.
 6. Grantee shall not use or allow the use of any portion of the Project Property for mitigation without the written approval of the State. If the grantee does not own the Project Property, the grantee shall ensure via written agreement with the landowner that the landowner shall not use or allow the use of any portion of the Project Property for mitigation without the written approval of the State.
- I. Nondiscrimination
1. During the performance of this grant, grantee and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any person because of sex, sexual orientation, race, color, religious creed, marital status, denial of family and medical care leave, ancestry, national origin, medical condition (cancer/genetic characteristics), age (40 and above), disability (mental and physical) including HIV and AIDS, denial of pregnancy disability leave or reasonable accommodation. Grantee and subcontractors shall ensure that the evaluation and treatment of all persons, and particularly their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, §12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code Regs, tit. 2, §7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12990

(a)–(f), are incorporated into this grant by reference and made a part hereof as if set forth in full (Cal. Code Regs, tit. 2, §7285.0 et seq.). Grantee shall include this non-discrimination and compliance provisions of this clause in all subcontracts to perform work under the grant.

2. The Grantee shall not discriminate against any person on the basis of residence except to the extent that reasonable difference in admission or other fees may be maintained on the basis of residence and pursuant to law.
3. The completed project and all related facilities shall be open to members of the public generally, except as noted under the special provisions of this Agreement or under provisions of the Act.

J. Application Incorporation

The Grant Guidelines and the Application and any subsequent changes or additions to the Application approved in writing by the State are hereby incorporated by reference into this Agreement as though set forth in full in this Agreement.

K. Severability

If any provision of this Agreement or the Application thereof is held invalid, that invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are severable.

L. Waiver

No term or provision hereof will be considered waived by either party, and no breach excused by either party, unless such waiver or consent is in writing and signed on behalf of the party against whom the waiver is asserted. No consent by either party to, or waiver of, a breach by either party, whether expressed or implied, will constitute consent to, waiver of or excuse of any other, different, or subsequent breach by either party.

M. Assignment

Except as expressly provided otherwise, this Agreement is not assignable by the Grantee either in whole or in part.

N. Disputes

If the Grantee believes that there is a dispute or grievance between Grantee and the State arising out of or relating to this Agreement, the Grantee shall first discuss and attempt to resolve the issue informally with the Agency Grants Administrator. If the issue cannot be resolved at this level, the Grantee shall follow the following procedures:

1. If the issue cannot be resolved informally with the Agency Grants Administrator, the Grantee shall submit, in writing, a grievance report together with any evidence to the Deputy Assistant Secretary for Bonds and Grants for the California Natural Resources Agency. The grievance report must state the issues in the dispute, the legal authority, or other basis for the Grantee's position and the remedy sought. Within ten (10) working days of receipt of the written grievance report from the Grantee, the Deputy Assistant Secretary shall make a determination on the issue(s) and shall respond in writing to the Grantee indicating the decision and reasons therefore. Should the Grantee disagree with the Deputy Assistant

Secretary's decision, the Grantee may appeal to the Assistant Secretary for Administration and Finance for the Natural Resources Agency.

2. The Grantee must submit a letter of appeal to the Assistant Secretary explaining why the Deputy Assistant Secretary's decision is unacceptable. The letter must include, as an attachment, copies of the Grantee's original grievance report, evidence originally submitted, and response from the Deputy Assistant Secretary. The Grantee's letter of appeal must be submitted within ten (10) working days of the receipt of the Deputy Assistant Secretary's written decision. The Assistant Secretary or designee shall, within twenty (20) working days of receipt of Grantee's letter of appeal, review the issues raised and shall render a written decision to the Grantee. The decision of the Assistant Secretary or designee shall be final.

O. Audit Requirements

Grant projects are subject to audit by the State annually and for three (3) years following the final payment of grant funds. The audit shall include all books, papers, accounts, documents, or other records of the Grantee, as they relate to the project for which the grant funds were granted.

EXHIBIT A

**STATE OF CALIFORNIA NATURAL RESOURCES AGENCY
GRANT AGREEMENT**

**General Fund Specified Grant Projects
FY 2025-2026**

GRANTEE NAME: San Francisco Recreation and Park Department

PROJECT TITLE: Portsmouth Square Improvement Project

AGREEMENT NUMBER: GF2521-0

PROJECT SCOPE:

Project to fund a capital renovation of Portsmouth Square, a high-use urban park located in the Chinatown neighborhood of San Francisco. The terrace park will be constructed above the Portsmouth Square parking garage, which will create unique structural and waterproof constraints and includes removal of the Kearny Street pedestrian bridge. Improvements include site preparation and earthwork activities, installation of recreational amenities and fitness equipment, expanded plaza space, upgraded lighting, landscaping, improved signage, enhanced accessibility, perimeter fencing, and construction of a new approximately 8,300-square-foot clubhouse to support community services.

Project elements funded by General Fund grant:

- Plaza and Site Construction includes:
 - Site preparation and earthwork activities:
 - Landscape grading
 - Site excavation and fill
 - Structural excavation and backfill
 - Installation of XX lightweight polystyrene to reduce structural loads over the garage
 - Erosion and sedimentation control measures
 - Shoring and bracing systems to protect underlying garage

Include here a sentence about how the public will access the project site and provide address or briefly describe location.

PROJECT SCHEDULE:

ACTIVITY DESCRIPTION	TIMELINE
Begin construction	June 2026-March 2028
Submit final payment request to State	March 2028
Submit project closeout documents to State	March 2028

COST ESTIMATE: See Exhibit A-1

Portsmouth Square Improvement Project Budget

Funding Sources		Project Budget	
2020 Health & Recovery Bond	\$ 54,000,000.00	Construction Contract	\$ 48,095,000.00
Transit Center CFD Revenue	\$ 9,000,000.00	Construction Contract Contingency (10%)	\$ 4,809,500.00
Transit Center Impact Fees	\$ 1,865,000.00	Construction Phase Costs	\$ 3,060,425.00
State of CA funding from Asm. Ting	\$ 6,000,000.00	Construction Management - SF Public Works	\$ 4,342,941.00
Downtown Park Fund (Pending)	\$ 1,150,000.00	Project Soft Costs including RPD PM Fees	\$ 10,475,924.00
Sustainable Chinatown Grant	\$ 8,400.00	Permitting and Public Agency Regulatory fees	\$ 2,239,610.00
State Specified Grant	\$ 1,000,000.00		
Total Funding Sources	\$ 73,023,400.00	Total Project Budget	\$ 73,023,400.00



California

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AB-104 Budget Act of 2025. (2025-2026)

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Date Published: 07/29/2025 09:00 PM

Assembly Bill No. 104

CHAPTER 77

An act to amend the Budget Act of 2025 (Chapters 4 and 5 of the Statutes of 2025) by amending Items 0540-103-0001, 0690-301-0001, 0977-401, 1700-001-0001, 3125-301-0140, 3125-301-6088, 3540-001-0001, 3790-111-0577, 3825-002-6088, 3970-492, 5180-101-0890, 5180-151-0001, 5180-151-0890, 6100-107-0001, 6440-001-0001, 6610-001-0001, 6870-101-0001, 6870-194-0001, and 7760-101-0001 of, adding Items 3340-490, 5225-493, 5225-494, 6100-492, and 6870-403 to, repealing Item 3125-301-0720 of, Section 2.00 of, amending Sections 8.50, 13.30, 39.00, and 99.50 of, adding Section 39.10 to, and repealing Section 37.00 of, that act, relating to the state budget, and making an appropriation therefor, to take effect immediately, budget bill.

[Approved by Governor July 29 , 2025. Filed with Secretary of State July 29 , 2025.]

LEGISLATIVE COUNSEL'S DIGEST

AB104, Gabriel . Budget Act of 2025.

The Budget Act of 2025 made appropriations for the support of state government for the 2025–26 fiscal year.

This bill would amend the Budget Act of 2025 by amending, adding, and repealing items of appropriation and making other changes.

This bill would declare that it is to take effect immediately as a Budget Bill.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Item 0540-103-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

0540-103-0001—For local assistance, Secretary of the Natural Resources Agency	34,715,000
--	------------

Schedule:

(1) 0320-Administration of Natural Resources Agency	34,715,000
---	------------

Provisions:

1. Of the amount appropriated in this item,
\$13,620,000 shall be available for Clear Lake
Restoration.
2. Of the amount appropriated in this item,
\$5,400,000 shall be available to the Jewish
Community Center of the East Bay for
security and infrastructure.

- 3. Of the amount appropriated in this item, \$5,000,000 shall be available for the Los Angeles Holocaust Memorial.
- 4. Of the amount appropriated in this item, \$3,095,000 shall be available to the Child and Family Center for facility purchase, infrastructure improvements, vehicle purchases, and services.
- 5. Of the amount appropriated in this item, \$2,500,000 shall be available to the City of San Diego for the Rancho Bernardo Community Park.
- 6. Of the amount appropriated in this item, \$1,500,000 shall be available to the City of San Diego for vegetation management.
- 7. Of the amount appropriated in this item, \$1,500,000 shall be available to the Escondido YMCA for infrastructure improvements and repairs.
- 8. Of the amount appropriated in this item, \$1,100,000 shall be available to the City of Santa Clarita for oil well capping.
- 9. Of the amount appropriated in this item, \$1,000,000 shall be available to the San Francisco Parks and Recreation Department for Portsmouth Square.

SEC. 2. Item 0690-301-0001 of Section 2.00 of the Budget Act of 2025 is amended to read:

0690-301-0001—For capital outlay, Office of Emergency Services	43,312,000
--	------------

Schedule:

RECREATION AND PARK COMMISSION
City and County of San Francisco
Resolution Number 2603-003

**APPROVING THE ACCEPTANCE OF GENERAL FUND GRANT FUNDS
FOR PORTSMOUTH SQUARE IMPROVEMENT PROJECT**

WHEREAS, the Legislature and Governor of the State of California have approved a grant for the project shown above; and

WHEREAS, the California Natural Resources Agency has been delegated the responsibility for the administration of the grant project, setting up necessary procedures; and

WHEREAS, said procedures established by the California Natural Resources Agency require the Grantee to certify by resolution the approval of a Project Information Package before submission of said package to the State; and

WHEREAS, the Grantee will enter into an agreement with the State of California for the above project: now, therefore, be it

RESOLVED, that the San Francisco Recreation and Park Commission hereby:

1. Approves the acceptance of a general fund allocation for local assistance for the above project(s); and
2. Certifies the grantee understands the assurances and certification in the Project Information Form; and
3. Certifies the grantee will have sufficient funds to acquire and/or develop, operate and maintain the project consistent with the land tenure requirements of the Grant Agreement; or will secure the resources to do so; and
4. Certifies the grantee will comply with the prevailing wage provisions of the California Labor Code.
5. If applicable, certifies the project will comply with any laws and regulation including, but not limited to, the California Environmental Quality Act (CEQA), legal requirements for building codes, health and safety codes, disabled access laws, environmental laws and, that prior to commencement of construction, all applicable licenses and permits will have been obtained.
6. Appoints the General Manager or their designee as agent submit all documents including, but not limited to the Project Information Form, agreements, payment requests and so on, which may be necessary for the completion of the aforementioned project(s).

Adopted by the following vote:

Ayes	7
Noes	0
Absent	0

I hereby certify that the foregoing resolution was adopted at the Recreation and Park Commission meeting held on March 19, 2026.



Ashley Summers, Commission Liaison



Daniel Lurie, Mayor

Kat Anderson, Commission President
Sarah Madland, Interim General Manager

TO: Adam Thongsavat, Mayor's Liaison to the Board of Supervisors
FROM: Kaitlin Holl, Partnerships and Capital Associate, Recreation and Park Department
DATE: April 21, 2026

RE: Portsmouth Square Improvement Project - California Natural Resources Agency General Fund Specified Grant Accept and Expend

The San Francisco Recreation and Park Department (RPD) respectfully requests the support of the Mayor's Office to introduce a resolution authorizing the Recreation and Park Department to accept and expend a grant from the California Natural Resources Agency in the amount of \$1,000,000 for the Portsmouth Square Improvement Project; approving the associated grant agreement for a term limit that is effective upon grant contract execution through March 1, 2028; and authorizing the Recreation and Park Department to enter into amendments or modifications to the agreement that do not materially increase the obligations or liabilities of the City and are necessary to effectuate the purposes of the Project or this Resolution.

Attached are the following documents to support the Resolution:

1. Clerk of the BOS Memo
2. Grant Resolution w/ Signatures PDF
3. Portsmouth Grant Information Form
4. Portsmouth Project Budget
5. Grant Commission Resolution
5. Grant Award Bill
6. Draft Grant Agreement
7. MBO Approval

BACKGROUND

The 2025/2026 California State Budget appropriated funding in the amount of \$1,000,000 for the Portsmouth Square Improvement Project ("the Project"). The Project is a comprehensive renovation of Portsmouth Square, a high use park located in San Francisco's Chinatown. The overall project includes construction of a new consolidated playground, expanded event space, upgraded lighting, accessibility improvements, a new approximately 8,300-square-foot clubhouse, removal of the Kearny Street pedestrian bridge, and infrastructure upgrades to the underground parking garage beneath the park. Grant funds will support major earthwork activities necessary to implement the project, including landscape grading; site excavation and fill; excavation and backfill; installation of polystyrene fill; erosion and sedimentation control measures; and shoring and bracing required to protect adjacent structures and the underlying parking garage during construction. The Portsmouth Square Project completed an extensive public planning process that resulted in the creation of a park design that will facilitate park use by residents of all ages, improve park safety and security, improve park aesthetics, and acknowledge the site's historical and cultural significance.



Preferred Legislative Timeline

- April 28 - Introduction to Board of Supervisors
- May 6 - Budget and Finance
- May 12 - Full Board Approval
- May 22 - Mayor's Review/Signature

Attached for your reference are supporting materials including the Board of Supervisors Accept and Expend Resolution, Grant Resolution Information Form, Grant Budget, and Draft Grant Agreement.

RPD respectfully requests the Mayor's Office's assistance in sponsoring and introducing the accompanying resolution so that the City may pursue this important funding opportunity to advance the renovation of the Portsmouth Square Improvement Project.

Please let us know if you need any additional information.



Daniel Lurie, Mayor

Kat Anderson, Commission President
Sarah Madland, Interim General Manager

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Sarah Madland, Interim General Manager, San Francisco Recreation and Parks Department
Kaitlin Holl, San Francisco Recreation and Parks Department

DATE: April 15, 2026

SUBJECT: Accept and Expend Resolution for Subject Grant

GRANT TITLE: Portsmouth Square Improvement Project Specified Grant

Attached please find the original of each of the following:

- Proposed grant resolution; original signed by Department, Mayor, Controller
- Grant information form, including disability checklist
- Grant budget
- Recreation and Park Commission Resolution
- Grant award listing from funding agency
- Other (Explain): Draft Grant Agreement

Special Timeline Requirements: Board approval needed by May 15, 2026, so that agreement can be executed by May 31, 2026.

Departmental representative to receive a copy of the adopted resolution:

Name: Kaitlin Holl Phone: 415-609-3685

Interoffice Mail Address: 49 South Van Ness Ave, Suite 1220, San Francisco, CA

Certified copy required: Yes No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).



OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Dexter Darmali, Legislative & Ethics Secretary
RE: Accept and Expend Grant - California Natural Resources Agency General Fund Specified Grant -
Portsmouth Square Improvement Project - \$1,000,000
DATE: April 28, 2026

Resolution authorizing the Recreation and Park Department to accept and expend a grant from the California Natural Resources Agency in the amount of \$1,000,000 for Portsmouth Square Improvement Project; approving the associated grant agreement for a term limit that is effective upon grant agreement execution through March 1, 2028; and authorizing the Recreation and Park Department to enter into amendments or modifications to the agreement that do not materially increase the obligations or liabilities of the City and are necessary to effectuate the purposes of the Project or this Resolution.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org