

# John Pritzker Family Fund

## GRANT AGREEMENT

This Grant Agreement (this "Agreement") is entered into as of the 21<sup>st</sup> day of March, 2019 by and among the John Pritzker Family Fund (the "Fund") and the San Francisco Parks Alliance ("SFPA"), the City and County of San Francisco acting by and through its Recreation and Park Department ("RPD"), and The Trust for Public Land ("TPL") (each of SFPA, RPD, and TPL hereinafter referred to as a "Grantee" and collectively as the "Grantees").

The Fund is pleased to award the Grantees a grant in the amount of \$25 million for the India Basin Park Project, payable as follows and subject to the Grantees' acceptance of the terms and conditions herein.

Each of the Grantees hereby agree that:

1. The Grantees shall expend grant funds exclusively for the India Basin Park Project. Any material change in the use of this grant or any material change to the contemplated scope of the India Basin Park Project will need to be approved in writing by the Fund prior to the expenditure of the related funds and the Fund may refuse to consent to any such change in the Fund's sole discretion.
2. The Grantees will not withhold any portion of this grant as a grant administration fee or otherwise for any purpose unrelated to the execution of the India Basin Park Project.
3. The grant will be payable over five years. The Fund will pay the grant on the timeline, and subject to the conditions, outlined below:
  - a. \$6,025,000 to enable site remediation (including remediation of the Shipwrights Cottage), full project design (including design for the renovation of the Shipwrights Cottage), interim activation, and community engagement and stewardship. This grant installation will be payable in April 2019 as follows:
    - i. \$5,205,000 to TPL.
    - ii. \$820,000 to SFPA.
  - b. \$5,725,000 after Recreation and Park Commission approval of the construction contract for remediation of the 900 Innes site of the India Basin Park Project. (Anticipated date of grant: January 2020). This grant installation will be payable as follows:
    - i. \$3,625,000 to TPL.
    - ii. \$2,100,000 to RPD.

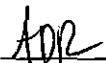
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- c. \$5,000,000 upon Recreation and Park Commission approval of the construction contract to enable construction on Phase 1 (900 Innes) of the India Basin Park Project. (Anticipated date of grant: Spring-Summer 2021.) This grant installation will be payable as follows:
      - i. \$3,940,000 to RPD.
      - ii. \$1,060,000 to TPL.
    - d. \$5,000,000 upon the Grantees securing a combined total of \$10,000,000 for the India Basin Park Project in additional pledges or contributions from private philanthropic sources other than the Fund. (Anticipated date of grant: January 2022.) This grant installation will be payable as follows:
      - i. \$3,475,000 to RPD.
      - ii. \$1,525,000 to TPL.
    - e. \$3,250,000 to RPD after Recreation and Park Commission approval of the construction contract for Phase 2 (India Basin Shoreline Park) of the India Basin Park Project. (Anticipated date of grant: no earlier than January 2023).
4. The parties acknowledge that RPD's execution of this Agreement is conditioned on approval of this Agreement and acceptance of the Grant by the San Francisco Board of Supervisors. The parties further acknowledge that RPD will enter into separate follow-up agreement(s) with the other Grantees, as applicable, to ensure the proper use of the Grant funds and compliance with City requirements on matters such as project delivery, contracting requirements, approvals, insurance, and indemnity.
5. The Fund acknowledges that funds provided may be flexibly allocated by the Grantees in combination with other sources of funding for the purposes of interim activation, community engagement, remediation, project design, and construction as Grantees determine most appropriate. Grantees shall retain full discretion and control over the selection of any sub-grantees, contractors, or other parties to carry out the purposes of the Grant and shall act completely independently of the Fund. The Fund may review Grant expenditures in accordance with Paragraph 15, below.
6. The Grantees agree to notify the Fund of any material changes to the scope or timeline for the India Basin Park Project outlined in Exhibit A. The Grantees acknowledge that the Fund will be under no obligation to make any further payments if the scope of the project is materially diminished. The Grantees further agree that if any of the relevant conditions set forth in Paragraph 3

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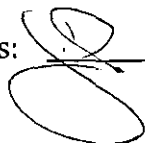
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above shall not have been met within two years of the anticipated date, the Fund shall have no obligation to make any further grant payments hereunder.

7. The Grantees acknowledge that the Fund is awarding this grant with the understanding that Grantees will make good faith efforts to secure the appropriate level of funding needed to complete the India Basin Park Project in a timely and high-quality manner. Any intentional diversion by one or more Grantees of public funding previously allocated to the India Basin Park Project as of the effective date of this Agreement will release the Fund of its obligation to make further payments on the grant to any Grantee under this Agreement.
8. The Grantees acknowledge that the Fund is awarding this grant with the understanding that RPD will maintain responsibility for all aspects of the India Basin Park, including accountability for the overall operations, and shall be responsible for maintaining the Park in good day-to-day operating condition and repair and shall perform structural repairs and regularly scheduled replacements or improvements to the extent not handled by the day-to-day Operator. RPD shall also be responsible for long-term maintenance of the site.
  - a. The Fund is aware of the City's intention to form a community facilities district (CFD) as part of its Development Agreement with Build Inc for the adjacent 700 Innes site. The CFD will yield approximately \$1.5 million annually (to increase with inflation), to support RPD park maintenance of 900 Innes, India Basin Shoreline Park, India Basin Open Space, and the Big Green at 700 Innes (to be donated to the City), as well as City maintenance of non-standard infrastructure. CFD funding will also fund storm water infrastructure and site-wide public realm maintenance, as well as Bayview Hunters Point-based, park-related workforce development grants. The City will levy CFD assessments on property as it is developed. As a result, the annual budget/revenue stream of the CFD will grow in direct proportion to the number of buildings that are completed as part of the development.
  - b. The Fund is aware that the Development Agreement calls upon the City and Build Inc to jointly prepare and approve a Park Maintenance Standards and the Landscape Management Plan for the City parks and open spaces. And the Fund is aware that this agreement further commits RPD to fund a baseline level of services, including gardening, landscaping, routine maintenance, and routine custodial services for these properties through the annual General Fund budget process. The Fund is aware that RPD's baseline contribution and the CFD supplemental funding together will provide the level of services described in the Park Maintenance Standards and the Landscape Management Plan. In addition, the CFD shall set aside in a separate account a Capital Maintenance Payment to be used for Major Structural

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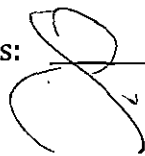
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Repairs and Replacement for the Park Properties, subject to the CFD formation process and as permitted by law.

9. The grant period will begin as of the date of this Agreement and will end upon completion of the India Basin Park Project.
10. Grantees agree to annually submit one combined narrative report on the use of the grant funds during the previous 12 months. Reports are due to the Fund on the annual anniversary of the beginning of the grant period.
11. The Fund and the Grantees acknowledge and agree that a condition to the Fund making the grant is that the Fund is entitled to recognition in a manner consistent with RPD's donor recognition policies and in a manner consistent with any such specific donor recognition program developed for the India Basin Park Project that is approved by the Recreation and Park Commission. The Fund and the Grantees agree to work in good faith to develop signage and donor recognition that is acceptable to the Fund. The Fund and the Grantees acknowledge and understand that signage (including, without limitation, form, size, design and material) at the Project, being located on City property, is subject to approval by the San Francisco Recreation and Park Department, and shall include appropriate recognition for the Fund and the Grantees.
12. SFPA and TPL each warrant and represent that it is a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or an organization described in Section 170(c)(1) or Section 511(a)(2)(B) of the Code, and is not a private foundation as defined in Section 509(a) of the Code. For these purposes, an organization is described in Section 170(c)(1) of the Code only if it is a State of the United States, a possession of the United States, or any political subdivision of any of the foregoing (for example, a city or county), the United States or the District of Columbia, and is an organization described in Section 511(a)(2)(B) of the Code only if it is a college or university which is an agency or instrumentality of any government or any political subdivision thereof, or which is owned or operated by any government or political subdivision thereof, or by any agency or instrumentality of one or more governments or political subdivisions. As used in Section 511(a)(2)(B) of the Code, the term "government" includes all domestic governments (the United States and any of its Territories or possessions, any State and the District of Columbia). The City represents and warrants that it is a municipal corporation, consolidated as a charter city and county under Article 11 of the California Constitution.
13. Prior to the completion of the pledges hereunder (or the termination of the Grantees' obligations hereunder), SFPA and TPL will notify the Fund immediately of any actual or proposed change to its tax status under the Code. SFPA and TPL each warrant and represent that this grant shall not change its tax status under Section 509(a) of the Code. Should the IRS tax status of either

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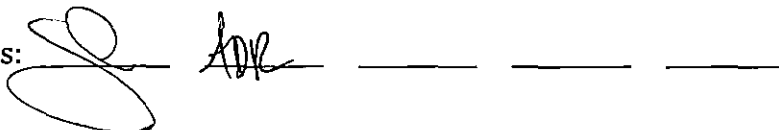
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SFPA or TPL change, such Grantee acknowledges that it may be required to return any unexpended funds to the Fund.

14. The Grantees shall not, under any circumstances, transfer, assign or encumber any portion of the grant without the express written consent of the Fund. Furthermore, the Grantees agree that the grant funds will not be expended, transferred, or used for any purpose or in any fashion that is prohibited by an applicable law of the United States or of any domestic or foreign jurisdiction, including without limitation, applicable laws proscribing the support of terrorism or terrorist organizations.
15. The Grantees shall maintain accurate accounting records related to the expenditure of grant funds and will keep such accounting records for at least two years after the end of the grant period. The Fund may, at its expense and on reasonable notice to the Grantees, inspect, audit, or copy the Grantees' records pertaining to this grant.
16. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

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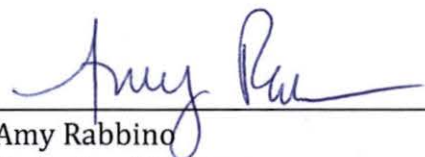
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John Pritzker  
Chair  
John Pritzker Family Fund

March 21, 2019

Dated



Amy Rabbino  
Executive Director  
John Pritzker Family Fund

3/21/19

Dated

Phil Ginsburg  
General Manager  
San Francisco Recreation and Park Department

Dated

Approved as to form:  
Office of the City Attorney

By: \_\_\_\_\_  
Deputy City Attorney

Drew Becher  
Chief Executive Officer  
San Francisco Parks Alliance

Dated

Guillermo Rodriguez  
California State Director  
Trust for Public Land

Dated

CC:  
London N. Breed, Mayor

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## EXHIBIT A – INDIA BASIN PROJECT SCOPE: BUDGET, TIMING, DESIGN

### INDIA BASIN PARK PROJECT BUDGET

The overall India Basin project budget -- including acquisition, community engagement, planning, design, environmental land and water remediation work and two phases of park construction -- is currently estimated at approximately \$120 million. The project is proposed to be funded through a mix of local, regional, state, federal and private sources. We are modeling that the City's local public investment in this project would cover approximately 25% of the overall project cost and regional, state, federal and miscellaneous sources covering an additional 25%. Private philanthropy would cover approximately 50%.

### PROJECT TIMING

Upcoming project milestones include the following:

- EPDP Planning 2019-2020
- Interim Activation 2019-2021
- Design 2019-2021
- 900 Innes Remediation 2020-2021
- Phase I Construction 2021-2023
- Phase 2 Construction 2023-2025

### INDIA BASIN PARK CONCEPT DESIGN



The following vision for the project that was developed with the community over that last four years. This vision includes the following elements.

#### The Neighborhood Edge/Historic Shorewalk

India Basin's steep banks and corridor-like street system closes India Basin off and discourages walking between the shoreline and the public housing on the surrounding hills. By creating vital connections between



the hills and the water, the Neighborhood Edge design encourages the surrounding hillsides to become walkable, coastal “hilltowns.” The Shorewalk connects the new park to the neighborhood edge by a garden walk that uses California native, drought tolerant plantings and that follows the original, pre-filled, 1938 shoreline. It will be lined with benches, porch swings, and areas for picnic tables and gathering.

### **The Marineway**

The Marine Way will accommodate casual recreational activities and events and terminates in a gravel beach from where park users can access in the water and launch kayaks, canoes and paddleboards. Nearby, visitors can rent canoes and kayaks from the “Outrigger Building,” which will also house RPD waterfront programming equipment for area youth.

The Marineway features a 600 foot-long pier and dock, with an ADA-accessible human-powered launch. An excellent place to observe the Bay, the dock will also serve as an outdoor classroom and a place for bird-watching. Along the Bay Trail, as it traverses the Marineway, visitors can stop at the Shipwreck Overlook Deck, whose dimensions mirror the Bay City shipwreck buried below and from the edge of which there is seating to gaze at the ship’s visible remnants.

### **The Sage Slope/Marsh Edge**

On either side of the Marineway are the Sage Slopes and the Marsh Edge. Nestled within the Sage Slopes are native California sage scrub planting, a large adventure play area, adult fitness stations, a quarter-mile recreational loop, skate trails, basketball courts, walking trails, and smaller hiking trails for marsh-life observation. The Sage Slopes transition to a restored marsh edge that replaces the hard riprap edge along India Basin Shoreline Park to create a soft, vegetated buffer providing habitat for birds and animals and allowing the park to better adapt to sea level rise and storm surges.

### **The Boatyard**

At the center of the India Basin Shoreline, the Boatyard is reached by the Historic Shorewalk, the Bay Trail running through the Sage Slopes, or from Innes Avenue. At the Innes Avenue entrance, visitors are welcomed to the park by the Shipwrights Cottage. A San Francisco City Landmark, it was the first Victorian-era workers cottage in the area. It will be used as a welcome and education center and will have a casual café on the lower level looking out at the water.

Honoring many BVHP residents’ Southern roots, a set of porch swings hanging from a trellis structure look out onto the boatyard below, reinforcing community connections and strengthening the neighborhood edge. A light and airy Overlook Pavilion both opens onto Innes Avenue and overlooks the Boatyard and provides space for BVHP-based food vendors to operate, providing economic opportunities and concessions to a neighborhood lacking access to fresh, healthy food options.

Between the Shipwrights Cottage and Overlook Pavilion, the ADA-accessible entry garden path as well as a grand timber stairwell bring visitors into the Boatyard as well as join a landing where a Class I bikeway and the Bay Trail converge and connect to the adjacent parks. From there, the Boatyard extends toward the water. Much of the existing boatyard concrete surface will be refurbished, and the remainder will be transformed into tidal marsh wetlands.

The boatyard’s former Paint Shop will be repurposed into the “Shop,” which will offer boat building workshops and other maker- and life-skills classes for area youth. The Boatyard will also feature shoreline plantings, a small water feature, areas for seating and picnic tables, and restored boatyard artifacts such as the historic marineway rails.



### Shipwrights Cottage

Built in 1875, the Shipwright's Cottage is the oldest known residence in the India Basin neighborhood, which was a working-class settlement of shipbuilders. Standing sentry at a main entrance to the India Basin Park Project and across the street from public housing, it will be adaptively re-used as a welcome and education center, with a permanent exhibition about the important role that Boatyard played in the Bay Area's maritime and economic history. It will also have a casual café on the lower level looking out at the water. The addition of the cafe area will increase the square footage of the building from 850 square feet to 1,700 square feet. Currently, the cottage is in poor condition, and all elements require some form of repair or replacement. The project scope includes full restoration of the building's exterior to its 1920's appearance. The building requires a new foundation, excavation of the lower level to increase the ceiling height by approximately 18", and structural strengthening of the walls and roof framing for improved seismic performance. An existing addition at the north-west corner is to be converted to a single accommodation restroom on each level. All new utilities are required, including electrical, plumbing, heating, and a fire sprinkler system. Cooling and rooftop photovoltaic panels may also be included in the project. The Shipwrights Cottage has been designated as a San Francisco City Landmark. It is also eligible for listing on the California and National Registers of Historic Places and will be restored to the Secretary of the Interior's Standards. The National Trust for Historic Preservation considers the adaptive reuse of vacant historic structures to be a catalyst for attracting new investment in the neighborhoods that need it most. The decrepit state of the Shipwrights cottage creates blight in the community, and has led to trespassers, encampments, and vandalism. Its restoration as part of the Initial Stages of the India Basin Park Project will provide an immediate amenity to an underserved community whose historic resources have been neglected.