



San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission

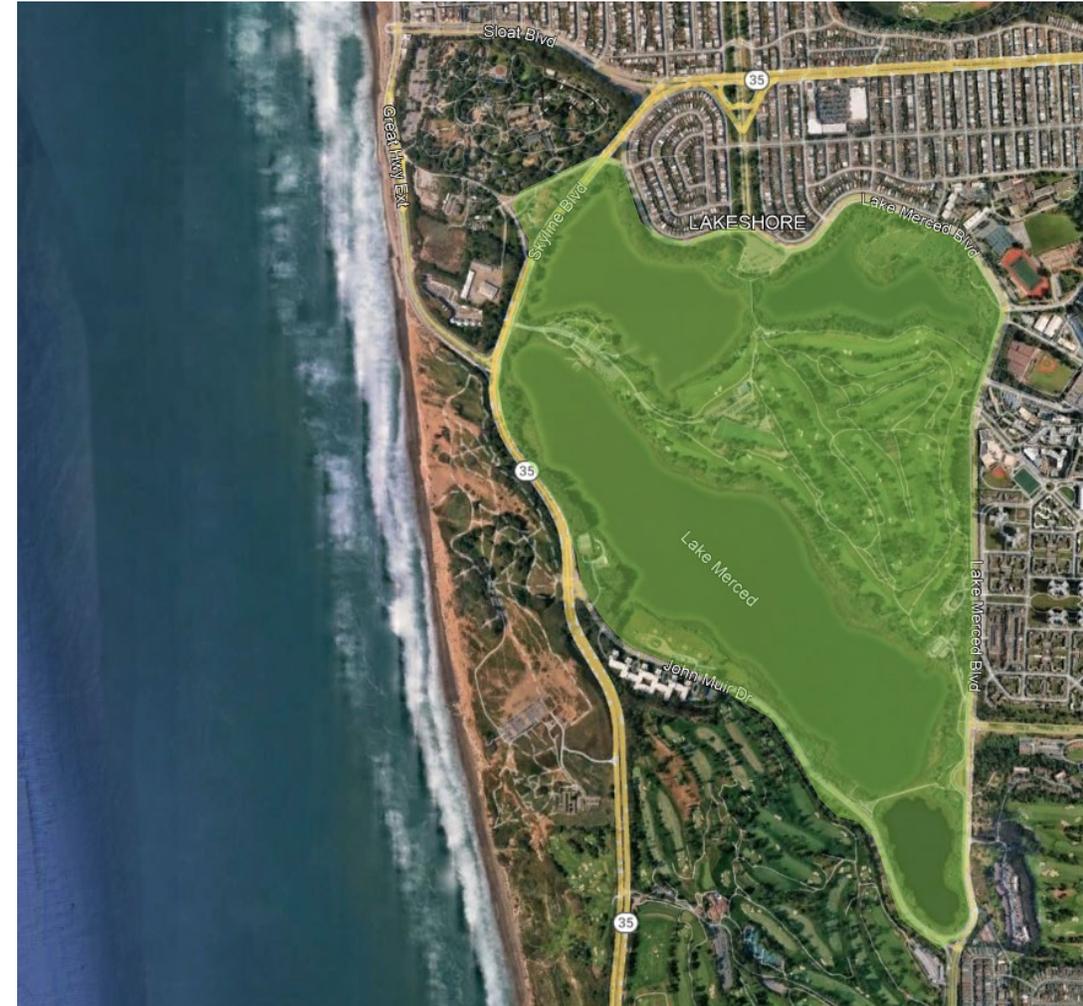
**Long-term Licenses and Sale of Easements to
City of Daly City for
Vista Grande Drainage Basin Improvement Project
San Francisco, California**

**February 4, 2026
Dina Brasil, Right-of-Way Manager**



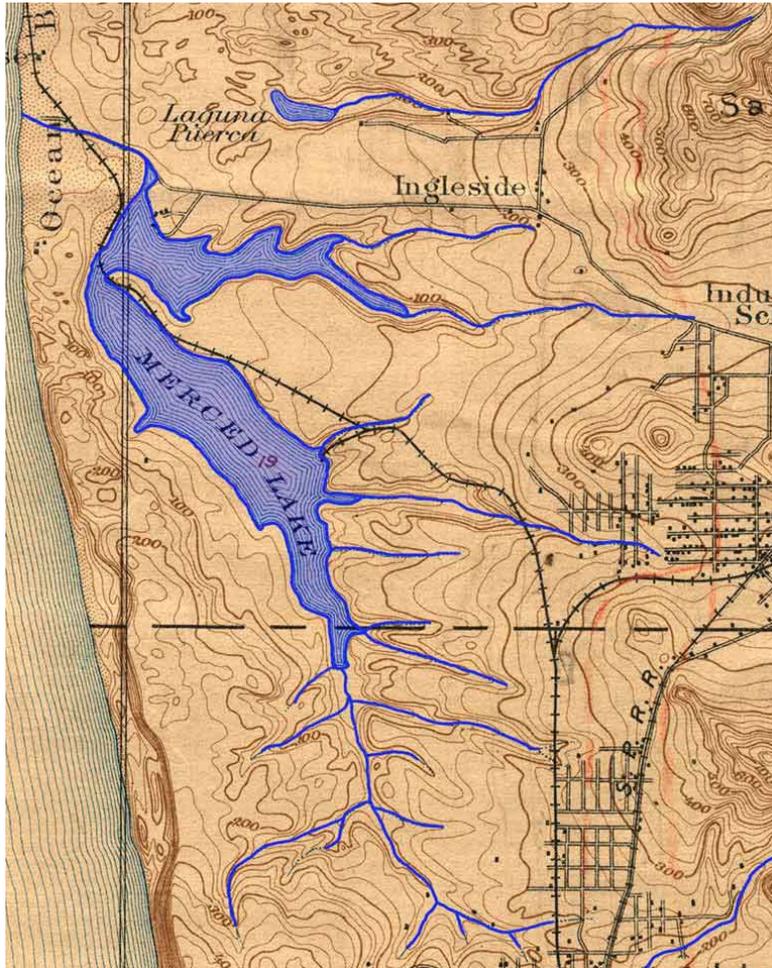
Lake Merced History and Land Use

- The Lake Merced Tract or “SFPUC Parcel 55” was acquired in 1930 through the City’s acquisition of the Spring Valley Water Company.
- The SFPUC maintains Lake Merced for recreation and wildlife habitat and continues to maintain the capability of using surface water from the lake as a non-potable emergency water supply.
- Lake Merced water levels have historically declined, generating concern for its long-term viability.



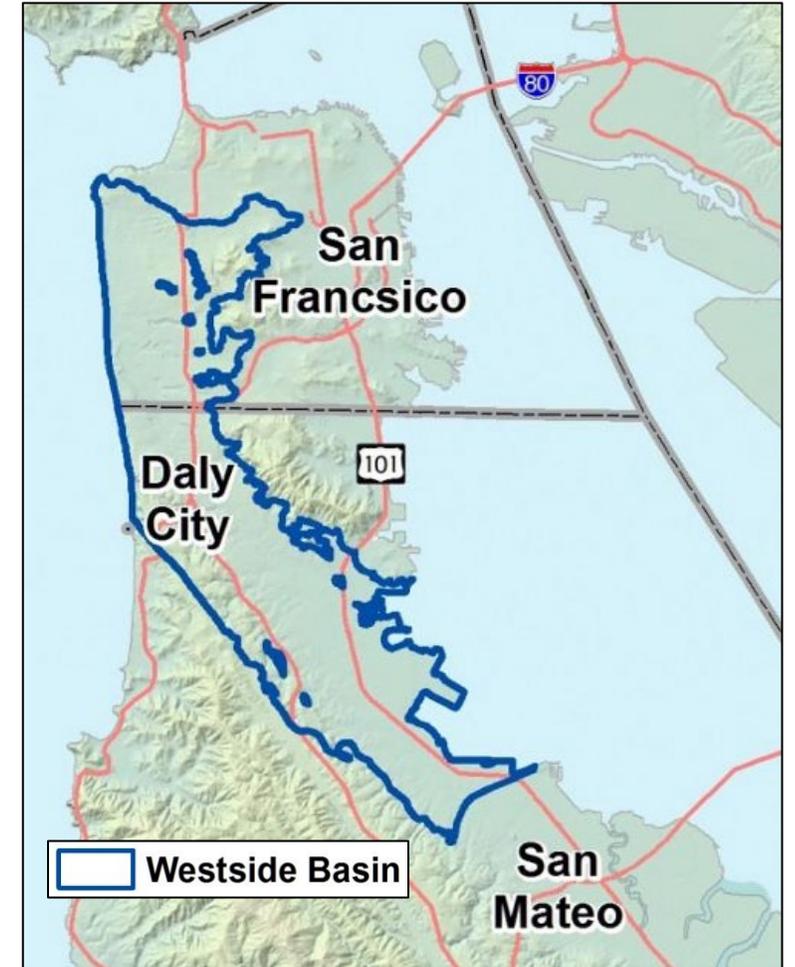


Lake Merced History



Lake Merced (1899) USGS Topographic Map

- 20th Century Issues
 - Stormwater Diversion
 - Groundwater pumping (Westside Basin)
 - Droughts



Vista Grande Canal and Tunnel

Through the Spring Valley Water Company acquisition, the City also acquired the Lake Merced Drainage Canal, also known as the Vista Grande Canal, and the Lake Merced Drainage Tunnel, also known as the Vista Grande Tunnel.

- Constructed in 1897.
- Carry stormwater for both San Francisco and Daly City.
- Operated exclusively by Daly City.





Flooding and Overflows

Vista Grande Canal Overflow at John Muir Boulevard



Sheet flow from Vista Grande Canal Overflows

Upstream Flooding in the Vista Grande Watershed



Photos sourced from Vista Grande Watershed Study, 2006



Vista Grande Canal and Tunnel (continued)

- The Vista Grande Canal is located on property owned by the Olympic Club.
 - San Francisco retained easements to operate the Canal.
 - In 1993, San Francisco quitclaimed its easement rights for the Vista Grande Canal to Daly City.
- The Vista Grande Tunnel is located on property owned by the Olympic Club and the National Park Service.
 - San Francisco, through the SFPUC, still owns the tunnel and tunnel easements.
 - Daly City operates the tunnel under a lease agreement with the SFPUC.



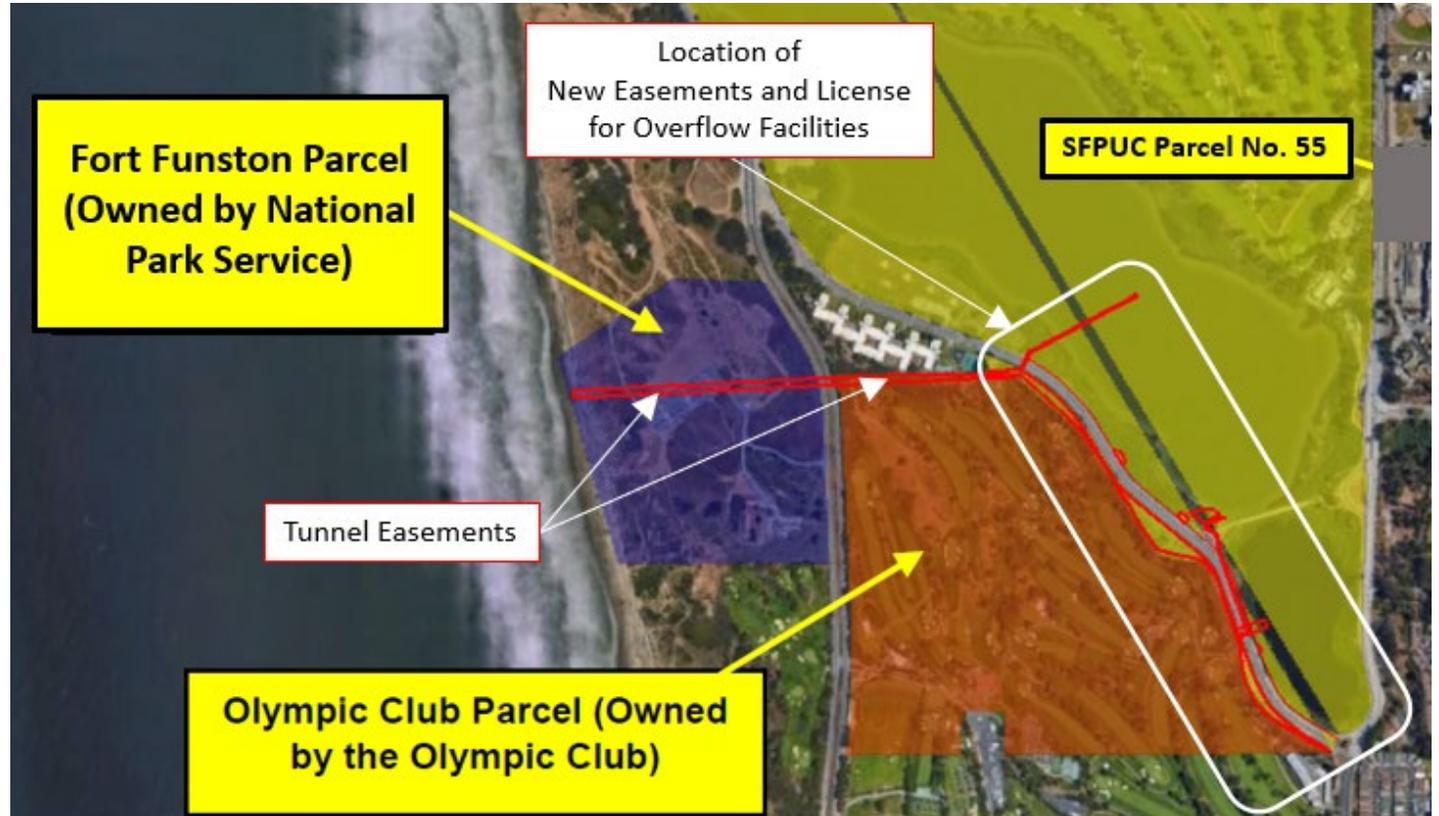
Vista Grande Drainage Basin Improvement Project

- Vista Grande Project
 - Project Proponent: City of Daly City
 - Collaborative effort with the SFPUC
 - Project Purpose:
 - Address storm-related flooding that periodically occurs as a result of inadequate storm drainage capacity in the Vista Grande Canal and Tunnel.
 - Augment water surface levels and manage water quality in San Francisco's Lake Merced.



Easements and 50-Year License

- Existing Tunnel Easements
 - Quitclaim of existing SFPUC easements on National Park Service and Olympic Club properties.
- New Easements for Project Improvements
 - Wetland and Stormwater Facilities,
 - Box Culvert and Stormwater Outlet,
 - Wetland Force Main,
 - Armored Spillways, and
 - Floating Pipeline.
- 50-year License for Overflow Facilities



License Amendment for Habitat Mitigation Sites

License Area:

- Twelve (12) sites on SFPUC Parcel No. 55.

Purpose of License:

- Required for Daly City to satisfy conditions of the California Coastal Commission's Coastal Development Permit No. 2-23-0862 for the Project.

Purpose of Amendment:

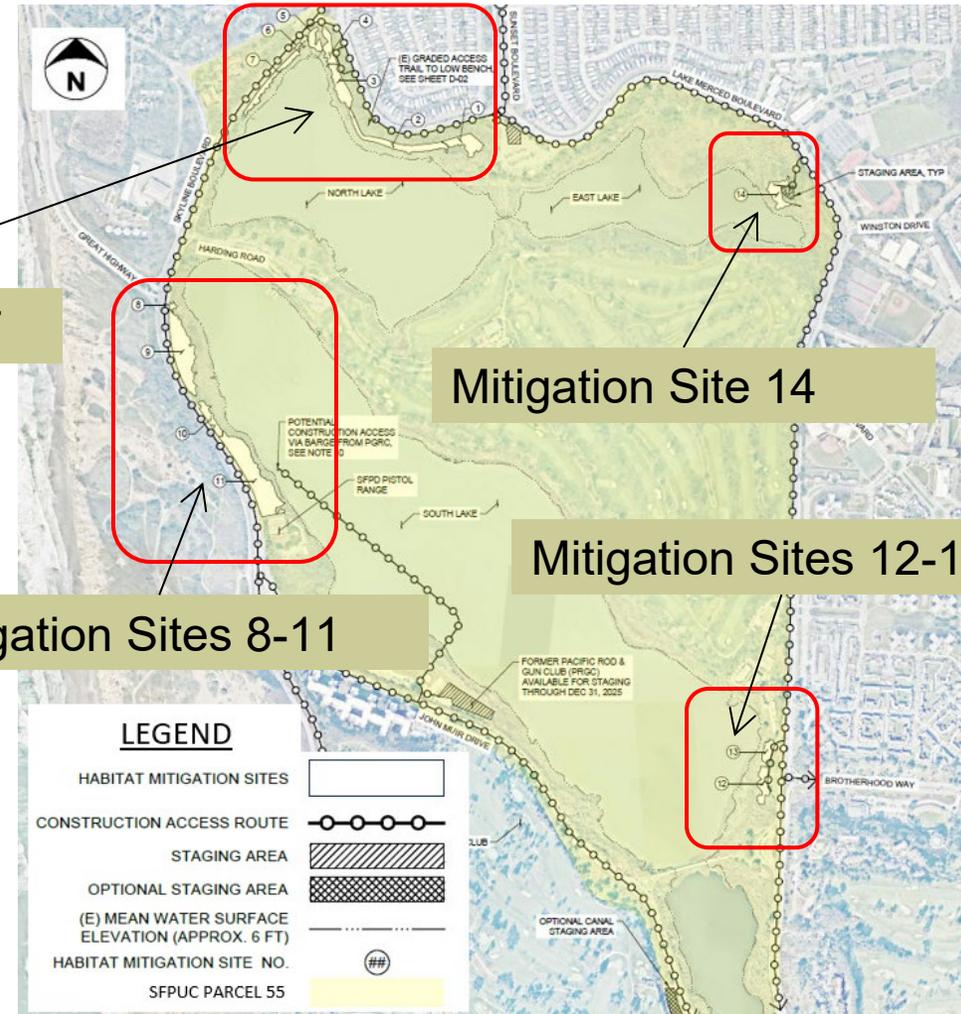
- Extend license term by five years.

Mitigation Sites 1-7

Mitigation Site 14

Mitigation Sites 12-13

Mitigation Sites 8-11



Financial Consideration

- Daly City will pay fair market value, as determined by an independent third-party appraisal performed on July 23, 2025, by Erik Woodhouse, MAI, of Associated Right-of-Way Services.
 - Tunnel Easements: \$5,688
 - Wetland and Stormwater Facilities Easement: \$60,224
 - Box Culvert and Stormwater Outlet Easement: \$832
 - Wetland Force Main Easement: \$262
 - Armored Spillways Easement: \$2,542
 - Floating Pipeline Easement: \$1,177
 - License for Overflow Facilities: \$2,278
 - Mitigation License Amendment: Additional \$23,503, total \$51,015



Questions?



Image: George H. Goddard, Library of Congress (1868)