

Daniel Lurie, Mayor



Kat Anderson, Commission President  
Philip A. Ginsburg, General Manager

**Date:** January 14, 2025

**From:** San Francisco Recreation & Parks Department

**Subject:** Proposed Marina Improvements and Remediation Project – Fiscal Feasibility Memo

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### **Overview**

San Francisco Administrative Code Chapter 29 requires that City departments submit certain public works projects to the Board of Supervisors before the City begins environmental review, for a determination whether the proposed project is “fiscally feasible and responsible.” The requirement applies to City projects with total project costs of over \$25 million, and including over \$1 million in City funds.

We respectfully request that the Board use the following information as criteria to evaluate the Project’s fiscal feasibility.

### **General Description & Purpose: Historical & Current Day**

- A Pacific Gas & Electric (“PG&E”) predecessor previously owned and operated a coal gasification plant in the vicinity of the Marina Green, the North Beach Manufactured Gas Plant (“MGP”), that produced contaminants found at the East Harbor Marina, including elevated levels of polycyclic aromatic hydrocarbons (“PAHs”) in subsurface soils and sediments.
- In 2021, the City and PG&E agreed on financing and terms to jointly perform the planning, outreach, design, environmental review, permitting, construction, and completion of the project at the site, via a Final Settlement Agreement (“FSA”), which was approved by the Board of Supervisors.
- East Harbor of the Marina was constructed in 1969 with 344 boat slips, currently only has 128 available berths due to lack of improvements and dredging during litigation.
- Features Today:
  - Boat docks
  - Restroom
  - Parking
  - Lawn Area
  - Fitness Plaza

### **General Description & Purpose: Engagement & Proposed Use**

- Outreach & concept design phase – extensive community & stakeholder engagement
  - 5 community meetings (with record turnout)

- Numerous stakeholder interviews
- Surveys and meetings
- Renovations will provide safer, more sustainable marina and park
- Improved facilities to better serve public:
  - Modernized docks and gangways
  - Accessible community dock
  - Shallow water basin for small crafts
  - Improved restroom
  - Improved lawn area
  - Volleyball courts
  - Nature Exploration Area
  - Improved Bay Trail

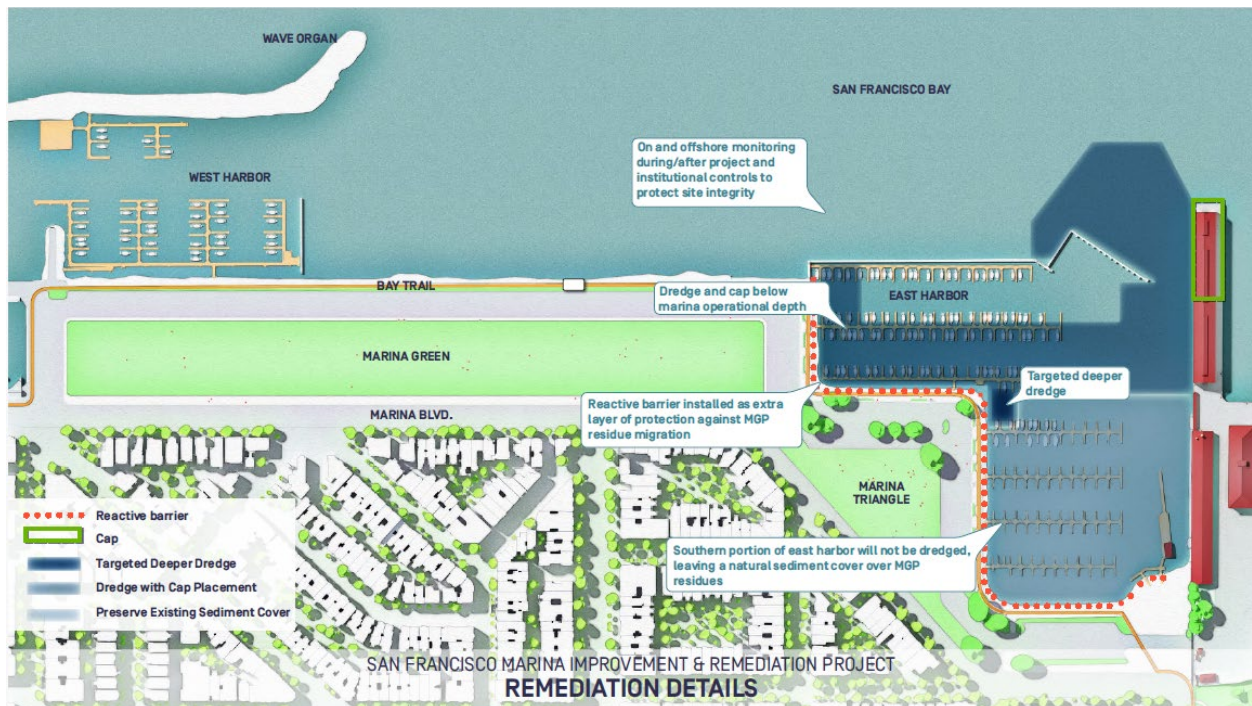


Figure 1: Remediation Plan



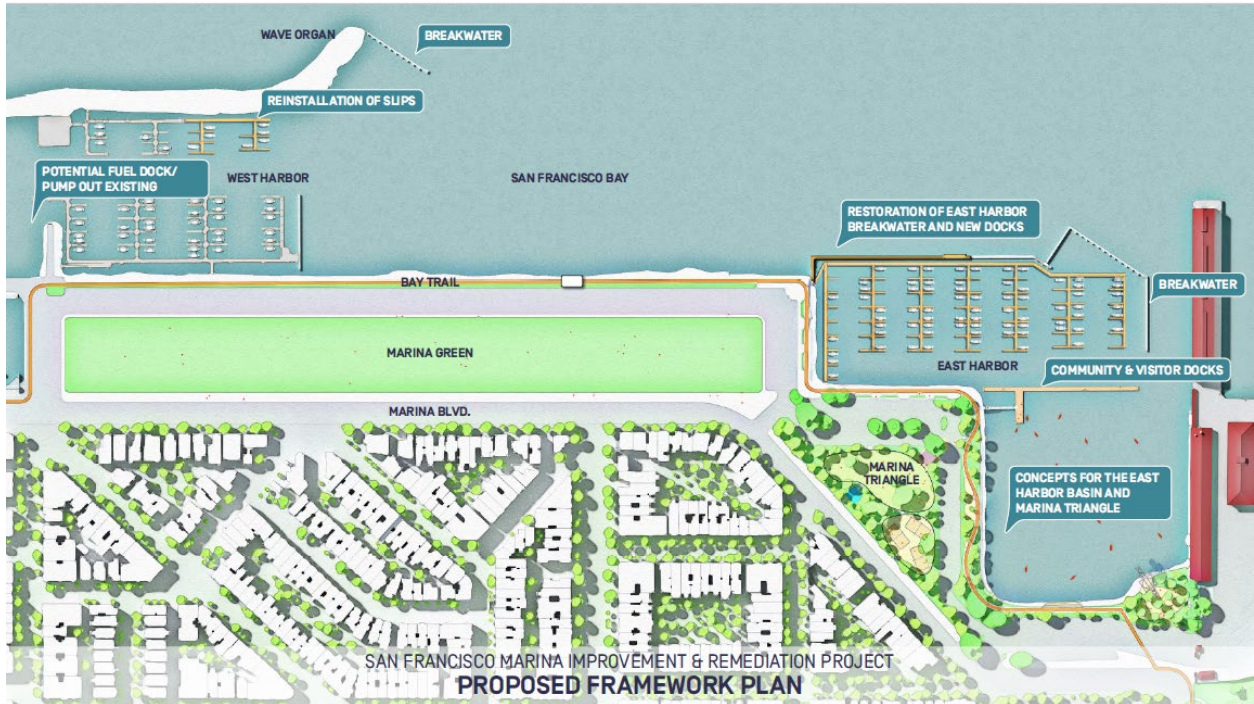


Figure 2: Marina Improvements Concept Plan



Figure 3: Marina Improvements-Public Recreation Elements Concept Plan

### **Direct and Indirect Benefits**

- Increased property values for surrounding businesses and residential buildings
- Increase in commerce for local merchants
- Decrease in health spending by having accessible open space that leads to improved physical and mental health
- Decreased operations and maintenance costs through updated facilities and infrastructure

### **Fiscal Analysis**

- Estimated Project Cost

Remediation	\$ 89,000,000
Marina/Park Improvements	\$ 68,000,000
Soft Costs	\$ 31,000,000
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Total Uses	\$188,000,000
- Funding source: \$190,000,000 PG&E
- Rec Park Marina Revenues to repay \$29,400,000 to PG&E over 30 year period starting 3 years after construction completion
- Approx. \$7.9 million spent to date on concept development and community outreach: PM labor, EIR consultant, design consultant (concept & schematic phases), surveys

### **Next Steps**

- Conduct environmental review to complete multi-agency permitting
- Design to continue
- Construction cannot commence until environmental review is complete