

1 [Agreement Amendment - Francisco Park Conservancy - Fund Maintenance of Francisco
2 Park - Credit of \$443,000]

3 **Resolution authorizing the Recreation and Park Department to amend its agreement**
4 **with the Francisco Park Conservancy (FPC), to provide FPC a credit of up to \$443,000**
5 **against its obligation to fund maintenance at Francisco Park over the next five years, to**
6 **account for a portion of project cost increases generated by PG&E construction**
7 **requirements.**

8
9 WHEREAS, A group of Russian Hill neighbors who eventually formed the Francisco
10 Park Conservancy (FPC) advocated for many years that the former Francisco Reservoir
11 should be converted into a public park for San Franciscans and visitors to enjoy; and

12 WHEREAS, The 3.29-acre Francisco Reservoir site was under the jurisdiction of the
13 Public Utilities Commission (PUC) and adjacent to a 0.96-acre open space parcel managed
14 by the Recreation and Park Department (RPD); and

15 WHEREAS, In June 2014 RPD agreed to enter into a transfer agreement with the PUC
16 to purchase the reservoir site for \$9.9 million after the community advocates committed to
17 securing private funding for park construction and maintenance; and

18 WHEREAS, On July 19, 2016, the Board of Supervisors by Ordinance No. 144-16
19 authorized RPD to enter into an agreement with the FPC regarding the funding and
20 stewardship of a new park at the reservoir site, and authorized RPD to accept an in-kind grant
21 of approximately \$25 million in construction services for the park and annual cash grants of
22 approximately \$150,000 to cover park maintenance; and

23 WHEREAS, On July 29, 2016, RPD and FPC entered into this agreement covering the
24 cash and in-kind grants and the working relationship of the parties ("the Agreement"); and

25 WHEREAS, RPD and FPC subsequently finalized the precise amount of annual

1 support for staffing and materials and supplies at \$199,263 for Fiscal Year 22-23 and rising to
2 approximately \$242,434 in Fiscal Year 27-28 based on an estimated 4% annual increases in
3 salary expenses; and

4 WHEREAS, FPC's contractors began construction on the park in 2019 and
5 during park construction PG&E imposed requirements on the project that resulted in
6 unexpected costs of approximately \$1,154,692; and

7 WHEREAS, After subtracting the \$269,100 that FPC owed RPD in project
8 management fees, leaving an outstanding amount of \$885,592, the partners agreed to seek
9 other City funds to cover some part of this overage and to split whatever remains after any
10 additional funding is secured, with each side committing to up to \$443,000 each if no
11 additional funding is secured; and

12 WHEREAS, RPD plans to handle its portion of this commitment by performing park
13 maintenance at its own cost, and providing FPC with a credit of up to \$100,000 per year for
14 four years and \$43,000 in the fifth year, until RPD's total share of the remaining outstanding
15 amounts is accounted for; and

16 WHEREAS, The partners have jointly prepared a draft amendment to the Agreement
17 that memorializes this proposal ("the Amendment"), a copy of which is on file with the Clerk of
18 the Board of Supervisors in File No. 220693; and

19 WHEREAS, The Amendment does not affect the partners' joint commitment to
20 maintain the park at the highest possible standard for many years to come as set forth in the
21 original Agreement; and

22 WHEREAS, In approving the Amendment, the Board of Supervisors is not committing
23 itself at this time to fund the outstanding amount; any future appropriations for the project shall
24 be at the discretion of the Board of Supervisors and subject to the City's budgetary process;

1 RESOLVED, That the Board of Supervisors authorizes the RPD to enter into the
2 Amendment substantially in the form set forth in the Board File; and, be it

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

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8 Recommended:

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11 _____
 /s/
12 General Manager, Recreation and Park Department

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15 Approved:

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19 _____
 /s/
20 Mayor