ITEM XX
Treasure Island Development Authority
City and County of San Francisco
Meeting of February 12, 2025

Subject: Resolution to recommend to the Board of Supervisors that it: **(a)** Approve the grant deed for the real property located on a portion of Yerba Buena Island upon which the Macalla Sanitary Sewer Pump Station on Macalla Road has been built; **(b)** Approve the Developer's irrevocable offers for four sanitary sewer pump stations with two located on Yerba Buena Island, known as Macalla Sanitary Sewer Pump Station on Macalla Road, and North Gate Sanitary Sewer Pump Station on North Gate Road, and two on Treasure Island known as the Bruton Sanitary Sewer Pump Station on Bruton Street and Cravath Sanitary Sewer Pump Station on Cravath Street; **(c)** Dedicate the aforementioned pump stations for public use; **(d)** Designate the aforementioned pump stations for utility purposes; and **(e)** Accept the aforementioned pump stations for City maintenance and liability purposes, subject to certain conditions; and Adopt Environmental Findings for purposes of the Authority's action.

Contact: Robert Beck, Treasure Island Director

SUMMARY

Recommending, that the San Francisco Board of Supervisors ("**BOS**") approve and accept a grant deed for a portion of the real property located on a portion of Yerba Buena Island upon which the Macalla Sanitary Sewer Pump Station has been built, and approve the developer's irrevocable offers for four sanitary pump stations, two of which are known as the Macalla Sanitary Sewer Pump Station on Macalla Road, and North Gate Sanitary Sewer Pump Station on North Gate Road are located on Yerba Buena Island, and the remaining two, which are known as the Bruton Sanitary Sewer Pump Station on Bruton Street and Cravath Sanitary Sewer Pump Station on Cravath Street, are located on Treasure Island, and together with all associated power generators and all pertinent utilities that support the functions of the said pump stations (the "**Sanitary Sewer Pump Stations**"), subject to the Public Works Director's Order No. 211345 recommending acceptance of the aforementioned Pump Stations ("**PW Order on Pump Stations**"), attached to this report as **Exhibit A,** and the delivery of Developer's assignment of warranties, and that the BOS dedicate the aforementioned pump stations for public use, designate them for utility purposes, and accept on behalf of the City and County of San Francisco ("**City**") for maintenance and liability purposes.

BACKGROUND

On June 28, 2011, the Treasure Island Development Authority (the "**Authority**") and Treasure Island Community Development, LLC (the "**Developer**") entered into the Disposition and Development Agreement ("**Treasure Island/Yerba Buena Island DDA**" or "**DDA**"). The

DDA contemplates the redevelopment of Treasure Island and Yerba Buena Island (the "**Project**"), including up to 8,000 units of housing, 140,000 square feet of commercial and retail space, 100,000 square feet of office space, and up to approximately 300 acres of parks and open space, a ferry terminal, new and upgraded streets and other public ways, and extensive bicycle, pedestrian, and transit facilities. As part of the Project, the Developer is obligated to construct a wide range of public facilities including new parks, a ferry terminal, new utilities, roadways and more (collectively, the "**Public Improvements**"). The Sanitary Sewer Pump Stations are a part of the Public Improvements.

As part of the implementation of the Project, the Authority has entered several Public Improvement Agreements ("**PIAs**") by which Developer or its assigns agreed to construct the Public Improvements required by the DDA, such as roads and park and open space facilities, and to offer those improvements to the Authority and/or the City, as appropriate, for acceptance.

In addition, the Authority has entered in to a Memorandum of Agreement regarding ownership and maintenance of public improvements on Treasure Island and Yerba Buena Island ("**MOA**") with the City. This MOA sets out a framework for the ownership, maintenance and regulations of the Public Improvements and the land underlying them and outlines the procedures for dedication and acceptance by the Authority and/or the City.

Pursuant to the MOA, for City Improvement to be owned, operated, and maintained by various City Agencies, actions of both the Authority Board and BOS are required. Those actions are the following:

Actions for the Authority Board

Review TIDA staff recommendation as well as findings in the PW Order on Pump Stations, and consider and take action to recommend that the BOS (i) accept and approve the grant deed for the real property at the site of the Macalla Sanitary Sewer Pump Station located on Macalla Road, (ii) accept the developer's irrevocable offers of Sanitary Sewer Pump Stations; (iii) dedicate the Sanitary Sewer Pump Stations for public use; (iv) designate the Sanitary Sewer Pump Stations for utility purposes; (v) accept the Sanitary Sewer Pump Stations for City maintenance and liability purposes, subject to certain conditions; and (vi) adopt environmental findings for purposes of the Authority's action.

Actions for BOS

Review findings and recommendations in the PW Order on Pump Stations and recommendation by the Authority Board, and consider and take action to (i) approve and accept the grant deed for the real property at the site of the Macalla Sanitary Sewer Pump Station located on Macalla Road, (ii) accept the Developer's irrevocable offers of Sanitary Sewer Pump Stations; (iii) dedicate the Sanitary Sewer Pump Stations for public use; (iv) designate the Sanitary Sewer Pump Stations for utility purposes; and (v) accept the Sanitary Sewer Pump Stations for City maintenance and liability purposes, subject to certain conditions.

PUBLIC IMPROVEMENTS

Exhibit B illustrates generally the Sanitary Sewer Pump Stations on Yerba Buena Island and Treasure Island that Authority staff is recommending that the Authority Board accept. More specifically, the Pump Stations are depicted by following Final Maps:

1. North Gate Pump Station - Portion of North Gate Road on Yerba Buena Island in Lots M and N and public easement that covers the pump station, on Final Map No. 9228 recorded on April 19, 2018 as Document No. 2018-K602992

2. Macalla Road Pump Station – Lot G on Final Map No. 9228 recorded on April 19, 2018 as Document No. 2018-K602992

3. Bruton Street Pump Station - Lot R and public easement that covers the pump station on Final Map No. 9235 recorded on September 13, 2018 as Document No. 2018-K672373

4. Carvath Street Pump Station – Lot S and public easement that covers the pump station on Final Map No. 9235 recorded on September 13, 2018 as Document No. 2018-K672373

In addition, the City has issued the following permits to the developers to construct the Public Improvements:

1. Street Improvement Permit (Public Works Permit 19IE-00636) – TI Pump Stations

2. Street Improvement Permit (Public Works Permit 18IE-00680) – YBI Pump Stations

3. Department of Building Inspection ("**DBI**") Permits No. 202211297332, 202211297342, 202211307357

Public Works has issued the PW Order on Pump Stations (1) confirming that Public Works has inspected the Sanitary Sewer Pump Stations, and the City Engineer, by a series of Notices of Completions ("**NOCs**"), has determined the Sanitary Sewer Pump Statins to be complete in substantial conformity with the approved plans, specifications, and applicable City regulations governing the Sanitary Sewer Pump Stations, and (2) determining that the Sanitary Sewer Pump Stations are ready for their intended use. The NOCs are attached to this report as **Exhibit C**.

The Developer, Authority, and Public Works staff have been working towards the final close out of the work and are bringing the grant deed, the offers of Sanitary Sewer Pump Stations forward for acknowledgement and acceptance by the Authority Board, as applicable, and/or the Board of Supervisors. In accordance with the PIAs, Treasure Island Series 1, LLC, and Treasure Island 2, LLC, affiliates of the Developer and partial assignees of the Developer's rights and obligations under the DDA, are responsible for the public improvements on Yerba Buena Island and Treasure Island, have drafted the irrevocable offers of the Sanitary Sewer Pump Stations, which

are attached to this report as **Exhibit D**, offering the completed work for acceptance. In addition, consistent with relevant City and State laws and regulations, San Francisco Planning Department has drafted a General Plan Consistency Determination and CEQA Findings letter **Exhibit E** for the Sanitary Sewer Pump Stations. In addition, Public Works has issued Public Works Order No. 211345 Exhibit A that makes certain findings and recommendations regarding the completion and City acceptance of the Sanitary Sewer Pump Stations. Those Public Works recommendations include conditions to the City's acceptance of the Pump Stations for maintenance and liability purposes, including the assignment of warranties. The Authority's actions rely on the determinations of the Planning Department and Public Works.

BOARD OF SUPERVISORS LEGISLATIVE PACKAGES AND SCHEDULE

Based on the above and in coordination with Public Works, City's Attorney's Office, Mayor's Office and BOS clerk, TIDA staff anticipates the following legislative packages to be prepared, subject to issuance of the PW Order on Pump Stations, as described in this report:

1. Legislative package(s) for an Ordinance or Ordinances to (i) approve and accept the grant deed for the real property at the site of the Macalla Sanitary Sewer Pump Station located on Macalla Road, (ii) accept the Developer's irrevocable offers of Sanitary Sewer Pump Stations; (iii) dedicate the Sanitary Sewer Pump Stations for public use; (iv) designate the Sanitary Sewer Pump Stations for utility purposes; and (v) accept the Sanitary Sewer Pump Stations for City maintenance and liability purposes, subject to certain conditions.

We anticipate the following schedule for the legislative package(s) for Board of Supervisors:

Milestone	Date (Tentative)
Tuesday, January 28, 2025	BOS Introduction
Wednesday, February 12, 2025	*TIDA Board Hearing To Recommend BOS Acceptance
Monday, March 3, 2025	BOS Land Use Committee Hearing
Monday, March 11, 2024	BOS 1st Reading
Monday, March 18, 2024	BOS 2nd Reading
Thursday, March 28, 2024	Mayor Signs Ordinance 10 days later
Saturday, April 27, 2024	Acceptance Effective 30 Days Later

COST AND OPERATION

As we anticipate BOS to accept the Pump Stations for City maintenance and liability, TIDA staff does not anticipate any maintenance and operation costs related to the Pump Stations to TIDA. The costs of operating and maintenance of the Pump Stations will be entirely borne by the City, specifically the San Francisco Public Utilities Commission (SFPUC).

RECOMMENDATION

Staff recommends the Authority Board:

Review TIDA staff recommendation as well as findings in the PW Order on Pump Stations, and consider and take action to recommend that the BOS (i) accept and approve the grant deed for the real property at the site of the Macalla Sanitary Sewer Pump Station located on Macalla Road, (ii) accept the developer's irrevocable offers of Sanitary Sewer Pump Stations; (iii) dedicate the Sanitary Sewer Pump Stations for public use; (iv) designate the Sanitary Sewer Pump Stations for utility purposes; (v) accept the Sanitary Sewer Pump Stations for City maintenance and liability purposes, subject to certain conditions; and (vi) adopt environmental findings.

EXHIBITS

A Public Works Order on Acceptance of the Pump Stations (PW Director's Order No. 211345)

B a) Map of Pump Stations on Yerba Buena Island (North Gate Pump Station and Macalla Pump Station)

b) Map of Pump Stations on Treasure Island (Bruton Pump Stations and Cravath Pump Stations)

C a) Conditional Notice of Completion for Street Improvement Permit 19IE-00636
b) Conditional Notice of Completion for Street Improvement Permit 18IE-00680

D Developer's Acceptance Request Letters and associated Offers (sent via links) to TIDA and City

E SF Planning General Plan Consistency Determination and CEQA Finding Letter for Yerba Buena Island and Treasure Island Pump Stations