BOARD of SUPERVISORS



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MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller

Todd Rufo, Director, Office of Economic and Workforce Development

LeeAnn Pelham, Executive Director, Ethics Commission

FROM: Erica Major, Assistant Clerk, Public Safety and Neighborhood Services

Committee, Board of Supervisors

DATE: July 6, 2016

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Public Safety and Neighborhood Services Committee has received the following proposed legislation, introduced by Supervisor Kim on June 28, 2016:

File No. 160756

Resolution establishing a new public benefit civic nonprofit entitled the Yerba Buena Gardens Conservancy to assume long-term operating and management responsibility for Yerba Buena Gardens under a master lease with the City of San Francisco.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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Todd Rydstrom, Office of the Controller Ken Rich, Office of Economic and Workforce Development Lisa Pagan, Office of Economic and Workforce Development Shaista Shaikh, Ethics Commission

[Establish Yerba Buena Gardens Conservancy - Yerba Buena Gardens Operations and Management]

Resolution establishing a new public benefit civic nonprofit entitled the Yerba Buena Gardens Conservancy to assume long-term operating and management responsibility for Yerba Buena Gardens under a master lease with the City of San Francisco.

WHEREAS, In 1976 Mayor George Moscone embraced a civic vision to combine the construction of a new Convention Center for the City's vital Visitor Industry with the creation of a "public gardens" for the everyday enjoyment of all the residents and communities of San Francisco; and

WHEREAS, Four decades later, thanks to the determination of the San Francisco Redevelopment Agency, community advocates, committed builders, old and new arts institutions, and many civic stakeholders - and after overcoming obstacles and challenges - the realization of that Vision, Yerba Buena Gardens, is now nearing full completion; and

WHEREAS, The three Blocks of Yerba Buena Gardens are a civic treasure of public parks, community institutions, and urban amenities cherished by the people of San Francisco; and

WHEREAS, Block One of the Gardens bounded by Market, Mission, Third, and Fourth Streets includes St. Patrick's Church, Jessie Square, the Jewish Museum, the Mexican Museum, and Yerba Buena Lane; and

WHEREAS, Block Two of the Gardens bounded by Mission, Howard, Third, and Fourth Streets includes the Esplanade Commons, the Market Luther King Memorial Fountain, the East Garden, the Yerba Buena Center for the Arts Gallery and Theater, and the Sister City Gardens; and

WHEREAS, Block Three of the Gardens bounded by Howard, Folsom, Third, and Fourth Streets includes the Playland at the Beach Carousel, the Children's Playground, the Children's Creativity Center, the Skating/Bowling Center, and the SoMa Childcare Center; and

WHEREAS, The Gardens also include several popular cafes and public art works enjoyed by its visitors, and is adjacent to the busy Metreon Entertainment/Shopping complex; and

WHEREAS, The Gardens host an exceptional range of annual public free events and celebrations, including the Yerba Buena Gardens Festival performances, the Martin Luther King Holiday Civic Celebration, and the annual Pistahan Festival; and

WHEREAS, The Gardens also host a number of well-coordinated Moscone Convention Center events each year for the engagement of convention attendees; and

WHEREAS, Since its opening in 1992 the Gardens and its many attractions have been shared and enjoyed by City residents and visitors from around the world, with over 4,000,000 enjoying its many amenities in 2015 alone; and,

WHEREAS, The finishing touches of Yerba Buena Gardens are now under construction, including a new Tot Lot, a new Howard Street Pedestrian Bridge, and additional improvements that are part of the Moscone Center Expansion Project that will be completed in 2018; and

WHEREAS, As required by State Law, the City will assume ownership of all the Gardens properties and buildings in 2017, and will assume responsibility for the management and maintenance of the Gardens from the San Francisco Office of Community Improvement and Infrastructure that point forward; and

WHEREAS, The former Redevelopment Agency's agreements with the Marriot Hotel, the Metreon, the St. Regis Hotel, and Millennium Partners to fund the Gardens annual

Maintenance, Operating, and Security costs will continue in effect, now totaling about \$8,800,000 per year; and

WHEREAS, The rental income from the Skating/ Bowling Center, B Restaurant, and Samovar Tea Lounge also will continue, adding about \$600,000 per year in operating support; and

WHEREAS, These and other revenues provide over \$7,000,000 per year for the maintenance and operation of the Gardens parks and public amenities; and

WHEREAS, These revenues also provide about \$4,000,000 per year for the maintenance and operation of the Gardens cultural facilities; and

WHEREAS, There is about \$13,000,000 in reserves on hand for future operating and building renovation needs of the Gardens; and

WHEREAS, The annual operating support from the City's Moscone Convention Center of about \$600,000 per year ended in 2015 and needs to be replaced; and

WHEREAS, The Gardens is projected to need about \$30,000,000 in capital funding over the next 30 years for routine renovation of all its building and facilities; now, therefore, be it

RESOLVED, That it is the policy of the City and County of San Francisco that it is now time to establish a new public benefit civic nonprofit entitled the Yerba Buena Gardens

Conservancy to assume long-term operating and management responsibility for Yerba Buena Gardens under a master lease with the City and County of San Francisco; and, be it

FURTHER RESOLVED, That the Yerba Buena Gardens Conservancy will be governed by a Board of Directors made up of Gardens stakeholders along with community and civic leaders, up to half of which will be appointed by the City; and, be it

FURTHER RESOLVED, That Yerba Buena Gardens Conservancy will employ its own small administrative staff and continue to contract for Gardens maintenance, operations,

security services, and public event programming as now, subject to annual audit by the City; and, be it

FURTHER RESOLVED, The Yerba Buena Gardens Conservancy will comply with the Ralph M. Brown Act, the City Sunshine Ordinance, Ethics Commission regulations, the City's contract bidding procedures, and comply with all the City's labor and human rights policies; and, be it

FURTHER RESOLVED, City Departments will continue to provide essential legal and technical services to the Yerba Buena Gardens Conservancy as needed, including enforcing the former Redevelopment Agency's funding agreements for the Gardens annual Maintenance, Operating, and Security costs; and, be it

FURTHER RESOLVED, The Gardens long-range capital improvement funding needs set forth above shall be addressed as part of the intended Community Facilities Funding Program of the City's pending Central SoMa Plan, which Plan Area includes Yerba Buena Gardens; and, be it

FURTHER RESOLVED, The Office of Economic and Workforce Development shall draft such a conceptual Community Facilities Funding Program for public review by December 31, 2016; and, be it

FURTHER RESOLVED, The loss of annual operating support from the Moscone Convention Center shall be made up from civic resources available for such purposes; and, be it

FURTHER RESOLVED, The City Administrator shall identify the civic resources potentially available to replace the annual operating support formerly provided by the Moscone Convention Center by December 31, 2016.