

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION AUTHORIZING A MEMORANDUM OF UNDERSTANDING, A PAYMENT AGREEMENT, AND A PARK MAINTENANCE AGREEMENT BETWEEN THE DISTRICT AND USS MIDWAY MUSEUM FOR THE CONVERSION AND DEVELOPMENT OF A PUBLIC PARK WITH ANCILLARY PARKING ON NAVY PIER**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1; and

WHEREAS, the Board of Port Commissioners (BPC) adopted BPC Policy No. 110 to establish a policy governing the processing and administration of public projects, consulting and service agreements, the purchasing of supplies, materials, and equipment, and grants; and

WHEREAS, after many years of collaborative effort, the District and USS Midway Museum (Midway) have agreed on a plan to fully implement the conversion of Navy Pier (see Location Map included as Attachment A to the corresponding agenda sheet to which this Resolution relates) to a public park as envisioned in the Port Master Plan (PMP); and

WHEREAS, this plan to build “Freedom Park” on Navy Pier is made possible by the allocation of \$11.7 million of District Economic Recovery Program funding made available through the American Rescue Plan Act, as well as Midway’s commitment of not less than \$30 million to the project; and

WHEREAS, this project aims to not only create a new world class park on the North Embarcadero waterfront but also to address critical infrastructure repairs to Navy Pier as well as the demolition of the unsightly headhouse – all within five years of the issuance of a Coastal Development Permit (CDP) from the California Coastal Commission (Coastal), which is anticipated to be issued in early 2024; and

WHEREAS, staff has memorialized these commitments in a Memorandum of Understanding (MOU) in the form of Attachment B to the corresponding agenda sheet to which this Resolution relates with Midway that outlines the project and planning features, financial commitments and timeline for the planned conversion and development of a public park on Navy Pier; and

WHEREAS, the project contemplated by the MOU will include the demolition of the headhouse on Navy Pier, structural and pile improvements to Navy Pier and a park with associated amenities such as parking, pedestrian

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pathways, around the perimeter and through the park, landscaping, benches, signage and restrooms; and

WHEREAS, also incorporated into the MOU are two separate agreements to be executed concurrently with the MOU: one that obligates Midway to reimburse the District for certain third-party costs incurred in connection with the project (see Phase II Payment Agreement attached as Exhibit E to the MOU) and one that provides for the sharing of the costs to maintain the completed Freedom Park between the District and Midway (see Park Maintenance Agreement attached as Exhibit F to MOU); and

WHEREAS, this project is made possible by the District's strong partnership with Midway, which has exceeded expectations since its arrival on the waterfront; and

WHEREAS, approval of this agenda item will obligate the District to perform maintenance and construct improvements and reinforce the pilings supporting Navy Pier at an estimated cost of \$11.7 million; and

WHEREAS, \$11.7 million of District Economic Recovery Program funds made available through the American Rescue Plan Act have been allocated for this project; and

WHEREAS, upon completion of the public park on Navy Pier, the District will be responsible for one half of the cost of maintaining the new public park and parking lot on Navy Pier, and this expense will be budgeted as needed in future budgets, subject to Board approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That the Executive Director or his designated representative is hereby authorized on behalf of the San Diego Unified Port District to enter into the Memorandum of Understanding, the Phase II Payment Agreement attached as Exhibit E to the Memorandum of Understanding, and a Park Maintenance Agreement attached as Exhibit F to the Memorandum of Understanding, all between the District and USS Midway Museum for the planned conversion and development of a public park with ancillary parking on Navy Pier.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

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PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 12th day of April 2022, by the following vote: