

DRAFT

RESOLUTION 20xx-xxx

**ADOPT A RESOLUTION AUTHORIZING
ACCEPTANCE OF A COMMUNITY PROJECT
FUNDING GRANT IN THE AMOUNT OF \$2,000,000
FROM THE DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT (HUD) FOR FREEDOM
PARK AT NAVY PIER PROJECT AND EXECUTION
OF THE ACCOMPANYING GRANT AGREEMENT**

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, on December 23, 2022, the United States Congress passed, and on December 29, 2022 the President signed, the Consolidated Appropriations Act 2023 with the Federal FY23 budget; and

WHEREAS, included in the Federal FY23 budget was \$2,000,000 in funding for Freedom Park at Navy Pier (Freedom Park), and

WHEREAS, the Department of Housing and Urban Development (HUD) is the administrative agency responsible for the distribution of these funds to the District as well as grant administration; and

WHEREAS, on February 9, 2023, the California Coastal Commission voted unanimously to issue a Coastal Development Permit (CDP) to the District and USS Midway Museum, a nonprofit public benefit corporation (Midway) for the Freedom Park project on Navy Pier located directly to the north of the Midway Museum; and

WHEREAS, the CDP allows for the demolition of the headhouse structure at the entrance to the pier, structural repairs/rehabilitation on and under the pier in the vicinity of the demolished headhouse, and then the construction of the park thereon; and

WHEREAS, a structural pile improvement project is currently underway beneath the pier, and

WHEREAS, the District anticipates starting demolition of the headhouse building in early 2024, followed by additional structural improvements on and under the pier, and subsequently construction of Freedom Park; and

WHEREAS, Freedom Park's opening is anticipated for 2028; and

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WHEREAS, other than the structural pile improvement project, which is to be completed at the District's cost, the Midway is obligated to fund the remaining construction costs to complete Freedom Park pursuant to that certain MOU dated April 12, 2022 between the District and the Midway; and

WHEREAS, following satisfaction of the various conditions set forth in the applicable HUD grant agreement (see Attachment A to the corresponding Agenda Sheet to which this Resolution relates), staff intends to provide the \$2,000,000 in grant funds to the Midway for payment of construction costs for which the Midway is responsible; and

WHEREAS, both the Midway's obligation to fund construction costs and the District's obligation to provide the \$2,000,000 in Congressionally Directed Funds to Midway for the Midway to apply to such construction costs will be further memorialized in a three-party construction agreement for the Freedom Park project to be entered into by and among the District, the Midway, and the general contractor to be selected at the completion of the procurement process; and

WHEREAS, to provide additional funding for the Freedom Park project to better ensure its successful completion, District staff recommends that the BPC adopt a resolution authorizing acceptance of a Community Project Funding grant of \$2,000,000 from HUD for Freedom Park at Navy Pier and execution of the accompanying HUD grant agreement.

NOW THEREFORE, BE IT RESOLVED that, on behalf of the District, the Executive Director and/or his designated representative is hereby authorized to accept a Community Project Funding grant of \$2,000,000 from HUD for the Freedom Park at Navy Pier project and to execute the accompanying HUD grant agreement.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy General Counsel

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 9th day of May 2023, by the following vote: