

MEMORANDUM

September 22, 2016

TO: MEMBERS, PORT COMMISSION
Hon. Willie Adams, President
Hon. Kimberly Brandon, Vice President
Hon. Leslie Katz
Hon. Eleni Kounalakis
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Interim Executive Director

SUBJECT: Informational Update on the Expansion of the Downtown Ferry Terminal

DIRECTOR'S RECOMMENDATION: No Action Required

EXECUTIVE SUMMARY

The Downtown San Francisco Ferry Terminal currently accommodates six ferry routes serving more than 10,000 passengers with approximately 130 ferry arrivals and departures daily. The Water Emergency Transportation Authority (WETA) is developing the Downtown San Francisco Ferry Terminal Expansion project ("DFTX") to expand and improve facilities at the existing ferry terminal in downtown San Francisco. The project will add ferry gates, improve pedestrian circulation and ferry patron boarding, enhance emergency response capabilities, and accommodate anticipated increases in ferry ridership as new ferry services from downtown San Francisco to Richmond, Treasure Island, and other locations under study are introduced through 2030.

The project will include construction of two new ferry gates and four new berths, landside pedestrian circulation improvements, installation of amenities such as weather-protected areas for queuing, and covering of the current "lagoon" area south of the Ferry Building. This covered area will enhance emergency response capabilities and serve as a new public plaza in the heart of the Ferry Building Area. The new gates and amenities will support projects currently under development to provide new ferry service to Richmond, Treasure Island, and other locations, as well as efforts to enhance existing services. This memo and associated presentation provide an update on the project, which represents a significant level of investment in a highly visible part of the Port waterfront that has potential to be an exceptional public place.

THIS PRINT COVERS CALENDAR ITEM NO. 10B

STRATEGIC OBJECTIVES

The expansion of the Downtown Ferry Terminal will assist with achieving two Port Strategic Plan goals and objectives:

- Livability: *Work with transportation agency partners to ensure an integrated transportation plan that includes programs to ease traffic congestion along the waterfront and expand public transit – including water taxis and ferries – as well as pedestrian and bicycle access.*
- Resiliency: *Assess all pending and new projects for the effects of rising sea level and ensure appropriate adaptation measures can be implemented.*

BACKGROUND

The Port and WETA have been working closely together for the past 8 years on a coordinated planning project to prepare for the expansion of the Downtown Ferry Terminal. These efforts build on previous planning efforts and projects that the Port has constructed. In the 1990s, the Port initiated a comprehensive land use planning process for the Ferry Building area that resulted in significant improvements to the Ferry Building and the Embarcadero, as well implementation of the Downtown Ferry Terminal project. The Port completed the first phase of the Downtown Ferry Terminal project in 2003, which includes Gates B located in the North Basin and Gate E located in the South Basin.

Currently, the Port owns and maintains the existing Gates B and E, and collects landing fees from the ferry operators for berthing of the ferry vessels. As described in a Memorandum of Understanding (MOU) between the Port and WETA dated May 12, 2015 (and to be further defined in the LDDA and/or Lease which are currently being negotiated) WETA will own, manage and maintain the new waterside berthing facilities built as a part of the DFTX project up to and including the landside portal/access gates primary for WETA use, such as ticketing facilities, signage, and weather protection canopies. WETA will be responsible for all costs associated with operating and maintaining all new berthing facilities, and the Port will not collect any landing fees from WETA. The Port will own and manage all landside facilities beyond the shore side portal gates built as part of the DFTX project upon construction completion. As will be further defined in the Lease, the Port will be responsible for all costs associated with operating and maintaining all landside facilities such as garbage collection, occasional watering of the planter box, and power washing the ground surfaces, while WETA will be responsible for the portion of costs allocated to its primary-use landside facilities, such as the canopy structures.

DISCUSSION

The purpose of the DFTX project is to support and expand ferry service on San Francisco Bay in accordance with city and regional policies to encourage transit use and in furtherance of WETA's Strategic Plan (see Item #1 on this calendar). The Project will also provide expanded and improved passenger waiting and queuing areas that will improve circulation at the Downtown San Francisco Ferry Terminal and enhance both Port and WETA emergency response capabilities.

DTFX Improvements

The DTFX project includes the construction of two new gates in the South Basin - Gates F and G - and the reconstruction of the existing terminal at Gate E. Construction of the proposed improvements will require the demolition of Pier 2 which is currently red-tagged and closed to the public due to its deteriorated and blighted condition.

The project also includes other terminal improvements such as expanded passenger waiting and queuing areas, partial removal and repair of dilapidated pier structures, emergency response staging areas, public access enhancements, and new terminal wayfinding systems.

Specific project components include:

- Demolition and removal of Pier 2;
- Construction of new Gates F and G, and reconfiguration of existing Gate E;
- Installation of boarding area amenities such as weather-protected areas for queuing, ticket machines and fare collection equipment, improved lighting, and ferry boarding and arrival/departure information signs;
- Widening of ferry access pathways along existing pedestrian promenades, and separation of ferry patron queuing from other pedestrian and vehicular movements where possible;
- Wayfinding signage indicating ferry boarding areas and transit connections; and
- Filling in the lagoon to create a new, raised plaza for improved pedestrian circulation, queuing and waiting and for staging for emergency response following a catastrophic event.

Pier demolition and construction activities will be staged and sequenced to allow for the continuity of existing ferry services during construction. Gate E, which is currently being used for Alameda/Oakland and Harbor Bay service, will likely be utilized for the planned Treasure Island service. Gate F will be constructed in advance of taking Gate E out of service temporarily during its reconfiguration so that it can be utilized for the relocation of the Alameda/Oakland and Harbor Bay service on an interim basis. Gate G, which is designated for ferry services not expected to operate until 2020 or later, will serve as a vessel layover location, temporary storage area, and emergency boarding location in the interim.

A New Plaza on the Embarcadero

As part of the project, a new public plaza will be created through the covering of the lagoon for improved pedestrian circulation, queuing and waiting areas and emergency response. This space would also provide for a better linkage between activities in the Ferry Building and those in a future renovated Agriculture Building. The Plaza area could also accommodate an extension of the farmer's market, or a variety of informal and formal activities that would further the identity of the Ferry Building area as a major public destination in the region. The plaza area provides for a visual connection between the Ferry Building and the Agriculture Building as well as between the Embarcadero and the Bay. This area has great potential to become a great public space. It has excellent sun exposure and could become an iconic destination complementing the historic character of the area and bringing a civic quality to the open

spaces between the Ferry Building and Agriculture Building. It could also extend the market activities of the Ferry Plaza to the Embarcadero, giving them greater visibility and allowing for a better distribution and organization of functions.

Sea Level Rise

For the 50-year life span of the ferry terminal facility, approximately through year 2070, the high end of the mean projected sea level rise is estimated at approximately 38 inches, based on the best available science that the National Research Council Sea-Level Rise for the Coasts of California issued. WETA's design concept is to build all of the new facilities at a higher elevation than the existing gates. Currently, Gate E is at an elevation of around 11.8 feet above mean lower low water (MLLW). In order to meet the projected 50-year sea level rise, WETA's concept is to build all of the new facilities and to rebuild Gate E at 14.5 feet above MLLW. The proposed elevation of the new facilities would also be adaptable to address projected sea-level rise impacts beyond year 2070.

Funding

WETA is funding the project through a combination of State and Federal sources. The current construction budget is approximately \$65 million and the total project budget including soft costs is approximately \$75 million.

Stakeholder Outreach

Prior to the initiation of the environmental review process, Port and WETA staff conducted a series of stakeholder interviews in late 2010 to inform interested parties about the project. Individual meetings were held with a wide variety of stakeholders in the project area, including nearby businesses, management and tenants of the Ferry Building, regulatory agencies, transit agencies, vessel crews and operators, and advocacy groups representing pedestrian, transit, bicycle, and historic preservation interests. Input obtained from each of the stakeholder groups was documented and considered in the development of the preliminary project design.

Following the completion of the environmental review process, the Port and WETA have continued outreach efforts to involve stakeholders throughout design development of the project. Staff has presented updates on the project to several organizations, including the Port's Northeastern Waterfront Advisory Group (NEWAG), Maritime Commerce Advisory Committee (MCAC) and Waterfront Design Advisory Committee (WDAC), the San Francisco Historical Preservation Commission and the BCDC Design Review Board (DRB) and Engineering Criteria Review Board (ECRB). Additionally, regular project updates have been posted to both the Port's website and the WETA website.

Regulatory Approvals

As with most Port projects, a great deal of complexity is involved in not only designing the project but in securing the required regulatory approvals. In addition to undergoing a full EIR/EIS for the project as required by the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA), which was completed in October 2014, the project has successfully completed the following:

- **National Marine Fisheries Service/Fish and Wildlife Service** – Section 7 and Essential Fish Habitat Biological Opinion
- **California Department of Fish and Wildlife** – Incidental Take Permit
- **State Historic Preservation Office** – Section 106 NHPA Consultation
- **City of San Francisco** – Historic Resource Commission
- **Port of San Francisco** – Waterfront Design Advisory Committee and Engineering Peer Review
- **Bay Conservation and Development Commission** – DRB and ECRB
- **Dredge Material Management Office** – Suitability Determination

As noted in the table below, a number of permits are still in the process of being finalized and are expected to be issued by the end of this year by: the Regional Water Quality Control Board, the Army Corps of Engineers, and BCDC. BCDC is a key partner in the development of this project, and the BCDC Commission is scheduled to consider approval of a major permit for the project at its October 20, 2016 meeting.

Schedule

Port and WETA Staff has developed a plan that would allow WETA to start construction of the DTFX project next year and open the new facilities for use as early as 2019. The plan includes the following actions and activities.

2016
Award Contract for Construction Management Support Services
Release Construction Manager at Risk (CMAR) Request for Proposals (RFP)
Execute Project Labor Agreement
Execute Disposition and Development Agreement (DDA) and Construction Lease*
Finalize Project Permits (DMMO, RWQCB, BCDC, USACOE)
2017
Award CMAR Contract for Pre-Construction Services
Amend Contract with ROMA Design to provide Final Design Services
Award CMAR Contract for Construction Services
Approve Long Term Lease Agreement*
Issuance of Building Permit for Early Construction Work
Groundbreaking Ceremony/Start Construction

**Indicates Port Commission Approval Required*

CONCLUSION AND NEXT STEPS

After several years of planning and design development for an expanded Downtown San Francisco Ferry Terminal, the DTFX project is approaching the implementation phase.

Port and WETA staff are currently in the process of negotiating and drafting a Lease Disposition and Development Agreement (LDDA) as well as a construction Lease agreement, both of which will need Port Commission and the WETA Board review and approval. Concurrently, WETA is issuing an RFQ for construction services. That

approval action is scheduled to be presented to the Port Commission at its October 11, 2016 meeting. Subsequently, the Port and WETA will finalize negotiations on a long term Lease with WETA for ferry operations at the Downtown Ferry Terminal, which staff expects to bring to the Port Commission for approval in early 2017, prior to construction commencement which is estimated to begin in mid-2017.

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Attachment: Preliminary Design