



Statement

January 9, 2018

Port of San Francisco to Re-issue Request for Proposals for Lease and Operation of Pier 70 Shipyard

The Port of San Francisco announced today that it will re-issue a Request for Proposals (RFP) for a new operator of the Pier 70 shipyard early in 2018, with a target date of February 27th for Port Commission consideration.

The Port is fully committed to finding the right ship repair operator and maintaining industrial maritime uses at the Pier 70 shipyard.

On August 15, 2017, the Port issued an RFP for a new operator of the Pier 70 Shipyard and received three responses, but only one proposal from Vigor Industrial, LLC (Vigor) of Portland, Oregon was deemed to be responsive.

Vigor also made a public presentation to the San Francisco Port Commission regarding their interest in operation of the shipyard on November 14, 2017.

After reviewing the information received during the RFP process, the Port concluded that for a new operator to be successful in light of current commercial and facility realities, the Port should re-issue the RFP to broaden its parameters.

The Port intends to propose to the Port Commission a new RFP that will allow the possibility of public investment in the shipyard's infrastructure, as well as consideration of capital equipment ownership transfer to facilitate financing of needed facility improvements. These options were not included in the original RFP.

This broadening of the parameters of the RFP may offer more flexibility in making proposals and is intended to attract a larger bidder pool.

The prior shipyard operator ceased operations in May 2017. Since then, the Port has been paying all expenses for maintaining the Pier 70 shipyard in a safe, secure, and steady-state until the next tenant and shipyard operator is named.

The Pier 70 Shipyard is a strategically located facility on the West Coast that supports the growing passenger cruise industry, government and defense fleets, the domestic oil

refineries business, and regional Bay Area maritime passenger and harbor service support vessels.

The Port of San Francisco manages the waterfront as the gateway to a world-class city, and advances environmentally and financially sustainable maritime, recreational and economic opportunities to serve the City, Bay Area, and California.

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