

Meeting of the Port Fisherman's Wharf Advisory Committee (FWAC)

March 6, 2024 (9:00 to 11:00 AM)

Virtual Public Meeting via Teams

Meeting Notes

FWAC Attendees

Jenn Brokaw (Swimmers) Joe Burgard (Excursion Operations) Mariann Costello (Restaurants) Taryn Hoppe (Retail) Darlene Plumbtree (Museums), Co-Chair Dante Serafini (Restaurants) Sina von Reitzenstein (Pier 39)

FWAC Members Absent

John Barnett (Crab Boat Owners) Sarah Bates (Fishers), Co-Chair Mike LaRocca (Fish Processing) Mike Rescino (Charter Fishing)

Port Staff

Amy Cohen, Business Generation Manager Scott Landsittel, Deputy Director of Real Estate and Development Eric Young, Director of Communications David Beaupre, Deputy Director, Planning and Environment Meghan Wallace, Economic Recovery Manager Kimberley Beal, Assistant Deputy Director, Real Estate Ming Yeung, Assistant Deputy Director, Planning and Environment Dominic Moreno, Assistant Deputy Director, Maritime Wyatt Donnelly-Landolt, Port Development Kyle Thomas, Security and Emergency Preparedness Manager Uday Prasad, Acting Chief Harbor Engineer Messiah Foster, Public Relations Manager Robert Davis, Port Real Estate Luis Barata, Port Waterfront Resilience Don Kavanagh, Senior Property Manager Wendy McArthur, Maritime Gabe Mikulich, Maritime Wharfinger

Announcements and Introductions

1. FWAC Ground Rules for Meetings

2. Approval of Draft January 10, 2024 Meeting Notes

3. Quick Project Updates

- a. SkyStar Lease Extension, Don Kavanagh, Port Real Estate
- b. Fisherman's Wharf Revitalized, Wyatt Donnelly-Landolt, Port Development
- c. Crab Wheel Plaza and Little Embarcadero Activation, Amy Cohen, Port Real Estate
- 4. Waterfront Resilience Program (WRP) Update USACE Flood Study Draft Plan: Port staff will provide an update on the US Army Corps of Engineers Flood Study Draft Plan Luiz Barata, Port WRP
- 5. Agenda Setting for Future Meetings

Item #1 - FWAC Ground Rules for Meetings

Ming Yeung of the Port provided ground rules and other information to start the meeting.

Item #2 - Approval of Draft Meeting Notes

January 10, 2024, Meeting Notes were accepted by the FWAC Co-Chair without comment.

Item #3 - Quick Project Updates:

a. SkyStar Lease Extension

Don Kavanagh, Senior Property Manager, Fisherman's Wharf

The Port utilized a 6-month special event license to authorize the SkyStar Wheel. That license expires April 30, 2024, and Port Staff proposed extending the term of that license with a new lease for 18 months. That plan requires the Port to seek authority to waive the competitive bidding process from the Port Commission and Board of Supervisors.

Since there are no meaningful competitors for the SkyStar Wheel and ordering a new wheel would take 18-months and cost \$10 million, Port Staff decided a competitive bidding process is impractical if not impossible and likely would not provide a competitive alternative.

On February 27, 2024, we received approval from the Port Commission to waive the competitive bidding process and to present the waiver request to the Board of Supervisors.

There were no questions about this presentation.

b. Fisherman's Wharf Revitalized

Wyatt Donnelly-Landolt, Port Development and Amy Cohen

Over the last few months, the Fisherman's Wharf Revitalized ("FW Revitalized") team has been working on their community outreach, diversity, equity and inclusion plans, which are a necessary part of the project development process.

The community outreach plan identifies potential contacts and a plan for outreach with including process and timelines. There are many stakeholders, including regulatory agencies, city officials, tenants, committees, and community organizations. Port staff hopes to provide regular updates at each FWAC meeting, The developer is working directly with local businesses and the fishing and crabbing industry which includes in person, virtual mailing updates, and hopefully press coverage.

The timeline assumes that during the first three months of the Exclusive Negotiating Agreement ("ENA") period there will be introductory meetings and planning. The early conceptual design phase will start in month four and may take another month to prepare. This will be FW Revitalized first design for the site.

We expect FW Revitalized to present initial designs for feedback, probably in time for the July 2024 FWAC meeting and then there will six to eight months of design iteration. This process could be longer, depending on the number of design iterations and Port staff is hopeful that the FW Revitalized team receives significant feedback to be able to work efficiently.

Environmental review and project approvals may take another 18 months. This is where the project goes through CEQA and the state environmental review processes for the proposed design. Assuming that process is successful, the next step is to negotiate a term sheet and other transaction documents with the Port.

The FW Revitalized team is working on a diversity, equity, and inclusion plan, ("DEI plan"). This includes considering contracting, leasing, and parks and open space elements to create opportunities for local minority owned and women owned businesses, workforce development, and apprenticeships during the construction phase.

Further, the FW Revitalized team is planning to have a variety of sizes and retail spaces, highlighting the seafood industry, and will look for a diverse set of tenants across all food cultures.

The planned "experiential museum" at the site compliments parks and open space, with discounted or waived admissions for targeted groups. This is the same idea for the event space at Shed C, which is intended to help provide regular programming in the public spaces.

Since the plans are not finalized, Port staff expects that the plans will be amended and refined, particularly the DEI plan, over the next two to three years.

Question:

Do you have a feel for what kind of mix of commercial enterprises will work, given all the restaurants closures.

Answer:

Port staff will review the economics of the site and will also look at Fisherman's Wharf broadly. There could be potential demand for a food hall and new businesses there. However, the pandemic shifted retail and business demand and accelerated a shift that was already happening.

The plan is to create an attraction that benefits all nearby businesses and provide a central hub that brings more people to Fisherman's Wharf to linger and patronize nearby businesses.

However, the Port still needs to generate revenue from the closed restaurants, and we hired Maven commercial who is getting interest for Lou's and Pompei. There is not as much interest in Alioto's or 490 Jefferson.

Question:

Boston has a development called Faneuil Hall, which is a seafood marketplace and a seaport in downtown Boston. Has the FW Revitalized team and the Port learned anything from those experiences, including financial metrics? What is the Port going to do differently?

Answer:

We have quietly been studying other ports and hired consultants who did a quick scan of some of these cases. A New York project was a full-scale redevelopment including some historical remnants.

There are many cities dealing with reimagining old retail and restaurants on their waterfront properties. There is a constantly shifting economic situation locally and nationally, and there are many constraints to balance to achieve success.

Comment:

There is a good opportunity to be bold for the redevelopment plans. Pikes Place market and one in Tokyo are great examples of wharf based vibrant retail that should be used as models and to focus a little more on the "hyper-local" at Fisherman's Wharf.

Comment:

The opportunity for Fisherman's Wharf is unbounded. Open space is precious and reimagining open space in a place that could draw people from the city's residents, including people from all over the world, is critical. The Taylor Street block is the Achilles heel of this process as those buildings are beyond their useful life. Creating a world-class vision for that block is important.

c. Crab Wheel Plaza and Little Embarcadero Activation

Amy Cohen, Port Real Estate

The goal for the Crab Wheel Plaza and Little Embarcadero is to implement activation plans in the next few years in conjunction with the Fisherman's Wharf CBD ("FWCBD")

We have been working with the immediately adjacent businesses trying to develop plans for quick activation at Little Embarcadero for this summer. The goal is to improve that public space and create good experiences. This is also part of our economic recovery initiative.

This plan is also intended to be part of the solution to curtail illegal/unpermitted vending and to create a destination feel while we are working to lease vacant restaurants in our portfolio. The project objectives for the Little Embarcadero activation are to create alternative activities for illegal vending and providing free activities for families.

Another objective is to engage with visitors that travel from Pier 39 to Ghirardelli Square and encourage more exploration of Fisherman's Wharf. We think the SkyStar Wheel is an example of an attraction that has already brought more visitors to Fisherman's Wharf, and we need to incorporate that attraction into our planning.

We are working to reorganize the street performers and permitted vendor relationships and use those in a way that works for the neighborhood.

Our biggest challenge is how do we make this promenade more appealing for strolling while creating design elements that will help prevent the illegal vendors from setting up.

The FWCBD, with funding from the Port, worked with muralist Joey Rose to develop a temporary mural that was installed last week on the blank wall next to 490 Jefferson Street. The large 25' (wide) x 8' (high) mural depicts a crabber covered in San Francisco-inspired tattoos, paying tribute to those who put their lives at risk to protect the health of our oceans and marine life. This is in addition to Rose's mural painted on the concrete surrounding Crab Wheel Plaza.

We will be gathering additional feedback from the immediate businesses, and we'll come back to FWAC with more of a plan May 1st and phasing of improvements/beautification. Expect early phases of the plan to come online in early summer 2024 and unfold over the next few months.

Question:

What is the difference between the Crab Wheel Plaza and Little Embarcadero?

Answer:

The Crab Wheel Plaza is the parking area behind the Crab Wheel sign that was redesigned as part of the Jefferson Street improvements. It is typically used for parking, but its design elements are better suited for a public plaza.

Little Embarcadero is the roadway that runs approximately from Pier 41 to Pier 45, including the Franciscan restaurant.

Question:

Are the street performers being considered as part of the revitalization plan and how is that going to be integrated? As the plan is developed, Red & White would like to participate.

Answer:

We have the power to assign these slots to people who are complimentary to the atmosphere of Fisherman's Wharf but a small number of the performers present challenges.

We are cognizant of the issues of noise, and we are trying to address that consistently and comprehensively. We certainly hear the concerns and are trying to address them while working with the street performers.

Comment:

When we were looking at the images that Amy was showing of how peaceful and beautiful the waterfront is, it became apparent how damaged and broken the area is. Further, we need support enforcing the laws to recover that peace and beauty so the visitors to San Francisco can appreciate the waterfront the way it is intended to be.

Item #4 Waterfront Resilience Program (WRP) Update – USACE Flood Study Draft Plan: Luiz Barata, Port WRP

Luiz Barata presented an extensive update about the Waterfront Resilience Program ("WRP"), including the San Francisco Waterfront Flood Study draft that was recently released. Since Luiz's presentation was extensive only the high points are presented here. For more information and details go to this link: https://sfport.com/wrp. The WRP and the Flood Study is being developed in conjunction with the Army Corps of Engineers with a goal of addressing the waterfront's seismic, sea rise, and flooding risks for the next 100 years. At this point, the estimated cost of the first phase is \$13.5 billion. If Congress approves the expenditure in 2026, the federal government will cover 65% of the costs with the City responsible for the remaining 35%.

We solicited community input on the plan and the Army Corps of Engineers is doing a more in-depth analysis, including feedback from other agencies, and is slated to provide a refined plan by the end of 2025 and have some of the first phases in place by 2040. The Port has ongoing Early Projects that will address seismic retrofits and low areas at risk for flooding during that gap period.

The Army Corps of Engineers has historically been involved in issues that address national economic development but are now considering other metrics in evaluating alternatives such as regional economic impacts, including maintaining jobs. They also looked at Environmental Quality issues, the consequences and compliance, but also other social effects including the disproportional effects on vulnerable populations.

One of the primary concerns from the public comments is construction work that disrupts individual tenant operations on the waterfront. These concerns should be addressed in the refined plan due at the end of 2025.

Question:

What was the methodology used to determine which phase has priority? Is this plan going to be used for other cities with similar issues such as Miami?

Answer:

The phasing part of the project has not been formally defined and is subject to further work.

We are working with the Army Corps of Engineers, which brought what they considered their "A" team for large projects such as the WRP. It is not clear how applicable the WRP will be for other cities and locations. For example, on the East Coast, risks are more related to hurricanes which we don't have here.

Local risks are primarily sea level rise and managing storm water so the planning is taking that into consideration.

Item #5 Agenda Setting for Future Meetings

The meeting was adjourned at 10:14 AM.