



SAN FRANCISCO PORT COMMISSION

**SEPTEMBER 17, 2024
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

**HON. KIMBERLY BRANDON, PRESIDENT
HON. GAIL GILMAN, VICE PRESIDENT
HON. WILLIE ADAMS, COMMISSIONER
HON. STEPHEN ENGBLOM, COMMISSIONER
HON. STEVEN LEE, COMMISSIONER**

**ELAINE FORBES, EXECUTIVE DIRECTOR
JENICA LIU, COMMISSION AFFAIRS MANAGER**

CITY & COUNTY OF SAN FRANCISCO

PORT COMMISSION

MINUTES OF THE MEETING SEPTEMBER 17, 2024

1. CALL TO ORDER / ROLL CALL

Port Commission President Kimberly Brandon called the meeting to order at 1:30 p.m. The following Commissioners were present: Kimberly Brandon, Gail Gilman, Willie Adams, Stephen Engblom, and Steven Lee.

2. APPROVAL OF MINUTES – AUGUST 13, 2024

ACTION: Vice President Gilman moved approval of the minutes. Commissioner Adams seconded the motion. The minutes were approved unanimously.

3. PUBLIC COMMENT ON EXECUTIVE SESSION

No Public Comment on Executive Session.

4. EXECUTIVE SESSION

A. Vote on whether to hold a closed session and to invoke the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel.

ACTION: Commissioner Adams moved to go into closed session and invoke attorney-client privilege for Conference with Legal Counsel. Vice President Gilman seconded the motion. The motion passed unanimously.

(1) PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Discussion Item)

Elaine Forbes, Port Executive Director. Discussion of Performance Evaluation pursuant to Section 54957(b) of the California Government Code and Section 67.10(b) of the Administrative Code.

Present: President Kimberly Brandon
Vice President Gail Gilman
Commissioner Willie Adams
Commissioner Stephen Engblom
Commissioner Steven Lee

Also present: Elaine Forbes, Port Director

Nate Cruz, Deputy Director Finance and Administration
Suzette Love, Port Human Resources Director
Maksim Zharebin, Senior Waterfront Budget Analyst

- (2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION: CITY AND COUNTY OF SAN FRANCISCO VS. CASTAGNOLA, INC. OF SAN FRANCISCO, A CAL. CORP ET AL, Superior Court of San Francisco County, Case No. CUD24674725; and CITY AND COUNTY OF SAN FRANCISCO VS. LOLMAN ENTERPRISES, INC., ET AL, Superior Court of San Francisco County, Case No. CGC23606678

Discussion of pending litigation matters pursuant to California Government Code Section 54956.9(d)(1) and San Francisco Administrative Code §§ 67.8(a)(3) regarding unlawful detainer (UD) and breach of contract actions regarding Castagnola's restaurant.

Present: President Kimberly Brandon
Vice President Gail Gilman
Commissioner Willie Adams
Commissioner Stephen Engblom
Commissioner Steven Lee

Also present: Elaine Forbes, Port Director
Michael Martin, Assistant Port Director
Jenica Liu, Commission Affairs Manager
Scott Landsittel, Deputy Director, Real Estate & Development
Don Kavanagh, Senior Property Manager
Justin Bigelow, Deputy City Attorney
Richard Robinson, Deputy City Attorney

- (3) CONFERENCE WITH LEGAL COUNSEL AND REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. *This session is closed to any non-City/Port representative: (Discussion Item)

Property: Portions of SWL 300/301 and Pier 45 Sheds A and C
Person Negotiating: Port: Mike Martin, Assistant Port Director, Scott Landsittel, Deputy Director, Real Estate & Development, and Wyatt Donnelly-Landolt, Waterfront Development Manager
Negotiating Parties: Lou Giraudo, Seth Hamalian, and Chris McGarry, Fisherman's Wharf Revitalized, LLC
Under Negotiation: ___ Price ___ Terms of Payment X Both

In this executive session, the Port's negotiators seek direction from the Port Commission on factors affecting the price and terms of payment, including

price structure, financing, and other factors affecting the terms of payment of the proposed Fisherman's Wharf Development project including portions of SWL 300/301 and Pier 45 Sheds A and C. The executive session discussions will enhance the capacity of the Port Commission during the public deliberations and actions to set the price and payment terms that are most likely to maximize the benefits to the Port, the City, and the People of the State of California.

Present: President Kimberly Brandon
Vice President Gail Gilman
Commissioner Willie Adams
Commissioner Stephen Engblom
Commissioner Steven Lee

Also present: Elaine Forbes, Port Director
Michael Martin, Assistant Port Director
Jenica Liu, Commission Affairs Manager
Scott Landsittel, Deputy Director, Real Estate & Development
Wyatt Donnelly-Landolt, Waterfront Development Manager
Carrie Morris, Development Project Manager
Richard Robinson, Deputy City Attorney

5. RECONVENE IN OPEN SESSION

- A. Possible report on actions taken in closed session pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

No Report.

- B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

ACTION: Vice President Gilman moved to reconvene in open session without disclosing closed session discussions. Commissioner Adams seconded the motion. The motion passed unanimously.

6. RAMAYTUSH OHLONE LAND ACKNOWLEDGEMENT

The Commission Affairs Manager read the Ramaytush Ohlone Land Acknowledgment.

7. PLEDGE OF ALLEGIANCE

8. ANNOUNCEMENTS

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones and similar sound-producing electronic devices are prohibited at this meeting. The Chair may order the removal from the meeting room of any person responsible for the ringing of or use of a cell phone or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make public comments on each agenda item unless the Port Commission adopts a shorter period on any item. Public comment must be in respect to the current agenda item. For in-person public comment, please fill out a speaker card and hand it to the Port Commission Affairs Manager. For remote public comment, instructions are on the first page of this agenda. During public comment, dial *3 to be added to the queue. An audio prompt will signal when it is your turn to speak.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction that is not an agenda item. No Port Commission action can be taken on any matter raised other than to schedule the matter for a future agenda, refer the matter to staff for investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

Public Comment on Items Not Listed on the Agenda:

Gary Bauer: Great. Gary Bauer with Bauer's Transportation. First, I want to thank the Port and the commission for the time to speak today. I'll hurry and get back because my staff is upset at me because it's my birthday. And I -- [laughs] they've got cake waiting for me. They're upset I left but [got to get] back there.

I have an issue that I'm working on today with the Port. Mayor Breed and Governor Newsom has asked us to bring electric vehicles into service. As we know, 2035, they want all the combustion engines to go away. We are working with the Port. We need to put about a \$2 million sprinkler system into Pier 50 Shed C.

We have been a tenant for over 25 years, spent almost \$30 million with the Port, one of the top-paying tenants in the Port in the last 25 years. We do all the work for the city, the state, the police, fire department, chamber. We donate transportation for major events, funding, working on stuff for Super Bowls, Olympics.

We do all the work for the bar pilots out of cruise ships, which is the staff and everybody else on the boats, the Moscone Center. Before the pandemic, we were operating about 300 vehicles, moving about six million passengers a year,

starting all the commuter programs in [2002] for Google, Yahoo, Cisco, Facebook, Salesforce, Twitter, Visa, Intuit, Genentech, etcetera, removing over half a billion pounds of carbon monoxide off the roadways a year.

With the pandemic and the shelter-at-home, 2020, '21, '22, we've lost over 40 to 50 percent of our revenues. Commuter went from five days a week down to zero during the pandemic. Now, it's up to two to three days a week. Conventions, as we know, were pretty much nothing. Groups were nothing at this time. Hotels were closed and filled with the homeless.

We were asked to shelter at home. Our staff couldn't come into work. And we couldn't operate, as many of the restaurants and other companies at the Port properties. We've been devastated by the pandemic and now working our way back to get back to where we were.

For over 50 months, we've been trying to wrap this up with the Port. I have three-foot tall of paperwork -- I brought the small file today -- hundreds of emails, over 25 meetings and multiple proposals. We are motivated to get this done. We want to move electric vehicles. We have over 20 today. We want to add -- the entire fleet eventually is the goal is the next few years.

The only way we can do that is getting the chargers in the facilities. To get the chargers in the facilities, we've got to sprinker the building, which is going to cost about \$2 million.

To add insult to injury, our vehicle lender went out of business, went bankrupt during the pandemic. So we had to scour the planet for banks that would finance a challenging transportation company in the worst time ever. After 30-plus lenders, brokers, bankers, we finally got First Citizen Bank to fund us, had to promise my first born plus, plus, plus.

In December, we got that done of '22. We had to provide our AR, our AP and our five-year forecast with them. We used the numbers given to us by the Port, which -- [tone beeps] the projections were going to be going forward. These documents were used to make the bank decision to lend us the money.

The challenge we face -- I'll wrap up real quick -- is that we were given numbers in '21, '22 and '23 that we projected to the bank. The numbers are so different from where we're at today. The Port thinks we owe about \$6.4 million. If you do the math and lay it out, it's anywhere from \$2 million to \$2.5 million depending on any kind of credits.

There's been up to about 80 percent credits given to some of the Port tenants over that time. We're just asking to be treated fairly. We want to wrap this up and move forward. And that's what we're looking for.

President Brandon: Thank you.

Gary Bauer: We're asking for the time to be able to get that done. I've spoke with all the supervisors, the mayor and everybody else. We want to get this done.

President Brandon: Thank you. Thank you -- really appreciate you coming on your birthday, Gary. Thank you.

Gary Bauer: [laughs] Thank you.

President Brandon: And thank you for being such a long-term tenant. Next, Mark Gleason?

Mark Gleason: Good afternoon, commissioners. Mark Gleason. I'm here speaking on behalf of Teamsters 665's executive board. Teamsters 665 represents over 200 workers at Bauer's, drivers and others. Majority of them are also San Francisco residents. They depend on those jobs.

And Gary Bauer and his company have been a very good employer for us. We have three contracts there. They're in place. And they're valid. And they're functioning very well. We're here to support his request for some kind of break. As we all know, during the pandemic and all the things that have gone on in recent years, it's been very difficult in the hospitality industry.

The bus industry that Gary has here is an integral part of the hospitality industry. And many other parts of that service industry have been given breaks in one form or another in recognition of the difficulties in the last few years. And we're asking the same consideration for Bauer's Transportation as well. So we hope that can be something considered as that is deliberated. Thank you for your time.

President Brandon: Thank you. Evan McLaughlin?

Evan McLaughlin: Good afternoon, commissioners. Thank you for your time today. My name is Evan McLaughlin. I am the northern California organizer for the International Longshore and Warehouse Union. I'd like to recognize our brother, President Willie Adams, for being here as well.

We are here to update the commission about what has been happening at Alcatraz Cruises. People may be aware that workers at Alcatraz Cruises, two years ago, decided to organize with the Inlandboatmen's Union of the Pacific, which is the marine division of the ILWU.

I've had the privilege of getting to work alongside those workers in their fight to get better conditions, better pay, better benefits. And their central goal throughout this entire process has been to raise their working conditions, wages, everything else up to the standards that have already been established -- the high standards that have already been established on the San Francisco Bay

with companies like Blue and Gold Ferries, Red and White Fleet and Golden Gate Ferries and others.

Over the past few months, we have been trying to work in good faith with the company to conclude negotiations to get to a satisfactory agreement. Unfortunately, we haven't seen the same level of cooperation from the company. Over the past few months, workers have filed six separate unfair-labor-practice charges against the company with the National Labor Relations Board.

One of these involved the company hiring armed security to kick workers off the premises. Another involved a supervisor making an explicit threat of violence against a union supporter. There's no action that was taken against that supervisor to ensure people's safety.

Workers have been on strike four times in response to these unfair labor practices over the past few months. We are just trying to get to a satisfactory conclusion. We are just trying to make sure that these workers get what they deserve.

One of the biggest issues we have right now is the company has delayed significantly in setting up bargaining sessions. Our last session was in July. They declined to schedule another negotiation session until October 2nd. It's a very long time when we have a lot of things to work out.

So we are here to ask for the Port Commission's continued support of these workers in their efforts to get what they deserve, to ask this company to follow the law. And just -- we're not asking for a new standard. We're asking for these workers to get the standard that's already been established.

In addition, we're going to have two brothers from the Inlandboatmen's Union of the Pacific, Mike Mendez and [David Provost]. We'd like to read a letter from Congresswoman and Speaker Emerita Nancy Pelosi that was just written to the director of the National Parks Service letting the Parks Service know her position on it and asking them to take action in support as well.

So I thank you for your time. And then, I'll let brothers, Mike and David, let you know the rest. Thank you very much.

President Brandon: Thank you. David Provost?

Evan McLaughlin: Sorry. Mike.

President Brandon: Mike first? Okay. Mike?

Mike Mendez: Good afternoon. Thank you. So Dear Director Sams, thank you for your lifetime of effort to foster strong stewardship and preservation of our national lands and cultural resources for this and future generations. I am writing

in regard to an ongoing labor dispute between a concessionaire of the National Parks Service, Alcatraz City Cruises via the Hornblower Group and the Inlandboatmen's Union of the Pacific, [otherwise] IBU.

Tourists come from all over the United States and around the world to visit Alcatraz Island, one of the top tourist destinations in the National Park System. Visitors learn about the island's rich history as a fort and infamous federal penitentiary and as the site of an historic protest by Native Americans calling for self-determination and shining an important light on the plight of the First Americans.

As you know, the National Park Service awarded a 15-year contract with Hornblower Group's Alcatraz City Cruises in 2019. And we appreciate Hornblower and Alcatraz City Cruises providing excellent maritime hospitality to visitors of San Francisco Bay during the time.

However, it is my understanding that Hornblower Group has yet to reach a resolution to its ongoing labor dispute with the IBU since negotiations began in 2022, nearly two years ago. I'm going to hand it over to David Provost for the second part.

President Brandon: Thank you.

Mike Mendez: Thank you.

David Provost: Hello, everybody. For all the work we do to demonstrate our unwavering commitment to the National Park Service of Golden Gate National Recreation Area and help our national parks flourish, it cannot be done at the expense of the workers.

I have fought on behalf of the rights of our working middle class to empower every American to have just wages, fair benefits and fundamental dignity that they have earned. In light of the reports, [it says that] Hornblower Group, via Alcatraz City Cruises, have been remiss in meeting regularly and negotiating in good faith.

I respectfully request that the NPS ensure our concessionaire is working diligently in good faith to negotiate a fair and equitable deal in a timely manner with the workers of the IBU. It is essential that Alcatraz City Cruises continue to operate fully providing their trademark enchanting adventures with fairly paid benefitted workers.

Our nation's middle class was built with a union label on it. The skill, devotion and solidarity of our hardworking Americans make up the heart of San Francisco's economy and the federation of our communities and our nation's strength. Thank you again, Director Sams, for the full and fair consideration of

our concern and request according to all applicable laws and guidelines. I look forward to your response.

President Brandon: Thank you.

David Provost: Thank you.

President Brandon: Is there any other public comment? Seeing none in the room. Do we have anyone on the phone?

Operator: There are no callers for public comment at this time.

President Brandon: Thank you. Public comment is closed. Thank you to all of our speakers. Because it is not on the agenda, we cannot discuss these issues. But Gary, I would like to ask Director Forbes to please update the commission on the negotiations and where we are and how we can settle this.

And we always support the longshoremen and all our union brothers and sisters. So Director Forbes, whatever we can do to help, please let Mike know. Yes, please.

Commissioner Adams: Yes. And to the IBU, who is trying to get a contract with Hornblower, just know that this commission -- we stand in solidarity and support with you as working people. San Francisco is a working-class town. And there always seems to be in these negotiations -- I know negotiations kind of go back and forth.

And I've learned in 46 years, when both parties walk away unhappy, you usually have a good agreement. So we've got to get there. Director Forbes, would you please reach out to Hornblower and let them know that they need to get this thing done?

The men and women of the IBU -- they've got to take care of their families. And they need -- deserve to be treated with dignity and respect. Thank you.

President Brandon: Thank you. Next item, please.

10. EXECUTIVE

A. Executive Director's Report

- **Economic Recovery**
- **Equity**
- **Key Project Updates**

Director Forbes: Thank you so much. Can we get the overhead working? I have slides this time. Thank you. I decided to put slides together because I always have so much content that I read. So let's see if this is helpful to people.

Good afternoon, President Brandon, Vice President Gilman, commissioners, Port staff, members of the public. I am Elaine Forbes, the Port's executive director.

And today, I'll give an update on equity, economic recovery, resilience and key project updates, as I always do. So first, to equity, the Foodwise fall Pop-ups on the Plaza is happening September 28, 9:00 to 2:00. The Port is a sponsor of this event. It's at the Ferry Building Plaza farmer's market.

It's a celebration of locally owned black businesses and kicks off the harvest season with a day of delicious foods, crafts and community. Entry is free to this event. Of course, food and drinks will be available for purchase. This year, they will be highlighting a variety of foods. We really encourage you to come. It's a wonderful event. And you can go to Foodwise.org for more information.

To economic recovery, Amador Street -- the Port's engineering division received three bids for Amador Street infrastructure improvement project. And we're evaluating the bids now. We anticipate that, in October, we will be coming forward for a request for award.

This street desperately needs work. It's a critical east-west thoroughfare serving the southern waterfront. And it's continuously in need of emergency repairs and other improvements from damaged pavement, deteriorated sewer infrastructure.

And the tenants along Amador Street actually have to drive very slowly to avoid damaging their vehicles. So we're really excited to get this project done. The project will replace the existing pump station to upgrade capacity. It will replace the sewer and water lines under the roadway, reconstruct the roadway and install new landscaping. And this is federal infrastructure funding, PIDP.

Onto Fisherman's Wharf, the first phase of the Fisherman's Wharf J9 replacement project is underway. Dredging of the outer lagoon is nearly complete. With the fabrication of a float, it has begun. The Wharf J9 replacement project will replace the deteriorating wharf and seawall with a resilient shoreline structure.

And that will serve today's fishing industry and will also maintain Fisherman's Wharf unique character. We're really excited to get this going. And the major benefit in addition to resilience is how much it will help off-the-boat fish-and-crab sales.

Fleet Week -- we're preparing -- this is a very busy time of year for the Port. We're preparing to welcome thousands of people to our safe, clean and vibrant waterfront for Fleet Week, which is being held October 7-14. This is an incredibly exciting annual event.

It includes the parade of ships, the air show over the Bay and ship tours. Please visit FleetWeek.org for more information. And we look forward to seeing you on the waterfront. There's Fleet Week. [laughs]

Onto resilience, we have -- tomorrow at 6:00 p.m., the Port staff will be part of a panel at a 21st annual Architecture and City Festival. Alongside representatives from the Ferry Building and Exploratorium, our staff will discuss how public engagement is key to transforming San Francisco's waterfront and addressing challenges like sea-level rise, flooding and seismic risk.

Visit the Port's social media for more details about how you can join this free event at the Ferry Building. Separately, on September 25th, the Port's waterfront resilience program will lead a walking tour of the Embarcadero from 1:00 to 3:00 as part of our ongoing engagement around our resilience work.

Here is the living seawall. Last month, staff from the Port and Smithsonian Environmental Research Center collected data as part of this work. It's their fifth found of monitoring the living seawall. They're testing and evaluating engineering-with-nature concepts from around the world to learn how we can make San Francisco's new seawall more ecologically friendly in the future.

And you can see the monitoring shows the growth of native seaweeds, oysters, barnacles, snails and sponges. This pilot will inform how we deploy and rebuild our seawall. So we look forward to more from the living-seawall work.

Now, to project updates, Mission Verde -- the Port, earlier this month, joined Mayor London Breed and State Senator Scott Wiener, Assemblymember Matt Haney, City Attorney David Chiu, Mission Rock developers and others to celebrate the opening of Verde, a 23-story residential building -- and it's very beautiful -- located at 1070 Bridgeview Way, just steps from China Basin Park.

This features 254 apartments, of which 59 are available at below-market rates for middle-income households. This is a really beautiful addition to this incredibly growing and diverse, vibrant area of town. So we're excited to open that new building.

To offshore wind, our engineering team continues to build relationships and work with our stakeholders to figure out how to bring offshore wind and manufacturing to our southern waterfront. Over the past few months, we've engaged -- we've led tours and engaged with several agencies including the regulatory agencies, the technology providers.

In August, a FEMA hazard mitigation grant was awarded for investigation and improvements at 94/96. So this initial work is very important to this endeavor. And we look to bring an accept and expend in October to the Port Commission on this item. So we continue to advance this incredibly promising opportunity for San Francisco.

And to Crane Cove Park construction, we received four bids last month for Crane Cove Park playgrounds and dog park project. And we're evaluating those bids. And again, we hope to be back in October for award. This effort is to construct designated children and dog play areas.

Specifically, the project will create a rigger yard, which is a natural play area with plantings and a tot lot and also a dog area on the east side of the park. We hope the project will be completed in September '25.

And finally, to ocean cleanup, earlier this month the ocean cleanup vessel, [Maersk Launcher] -- I know I'm not saying that correctly -- returned to the Port of San Francisco with tons of trash on board sharing the exciting news of eradicating the Great Pacific Garbage Patch.

Over the past three years, the ocean cleanup has removed more than one million pounds of trash. Both vessels berthed at the Exploratorium. And event was held to celebrate the success of the ocean cleanup. And that concludes my report. I'm available to answer any questions.

President Brandon: Thank you very much. We will now take public comment. Is there any public comment in the room? Seeing none. Do we have anyone on the phone?

No Public Comment on the Executive Director's Report.

Commissioners' Discussion on the Executive Director's Report:

Commissioner Lee: Well, no comments really other than we're doing really well. That's a great summer. Just keep it up. Thank you, Elaine. Short and sweet today.

President Brandon: Okay. Thank you. Commissioner Engblom?

Commissioner Engblom: Very impressive range of activities. I think that diversity is, in addition to all the physical resilience work that you described, I think that sort of economic resilience is emblematic -- or sort of demonstrated by that diversity. So thank you.

President Brandon: Thank you. Commissioner Adams?

Commissioner Adams: Stellar report, Director Forbes, from racial, eth -- everything that -- was great with the numbers. I also want to say I'm really looking forward to Fleet Week, which I think is going to be good and all the work that you've done.

I think it's really going to be good, this offshore wind. And I want to thank the maritime because, for the IBU, ILWU and even the building trades, offshore

wind is big. And it's going to hit a lot of the ports on the West Coast up in Eureka, like \$400 million in Eureka, Long Beach and -- we've got to stay out front on this. And it's good that we've got the land to do the offshore wind.

And I also want to mention -- I know you didn't have a chance to mention it today. But it's important to mention that October 4th, the James Herman Cruise Terminal -- and Jimmy Herman was the second president of our organization. And to have a cruise terminal named after a union leader -- but also, what's also more important is that Jimmy was one of the founders with Mimi up Delancey Street.

And this work of commitment and social justice in San Francisco -- and I want to congratulate you and the staff. I know Andre has it. But 10 years of having that cruise terminal down there at 27 -- and I think that's so important because it's something that a lightning rod that people from all over the world can see that on our waterfront to have -- to have that beautiful terminal down there.

We've had concerts down there. And this is just magnificent that we have something so beautiful. And I still hope that one day we will get over a million passengers a year that will come to our great city as we're back on the recovery path of people wanting to come back to San Francisco because we need to get back up at that 30-million mark again so thank you.

President Brandon: Thank you. Vice President Gilman?

Vice President Gilman: Thank you, Director Forbes, for a great report. And I know it was at the end, looking to the future. But I did want to uplift that on the economic recovery and how important it is for us to support. And things are definitely, definitely improving. But our businesses are still struggling.

I had an opportunity to spend time between Pier 39 and the Hyde Street Pier. And the improvements we are making from the gazebos to -- I'm not even sure what they're called -- the spinning top blue chairs made a world of difference, made a world of difference for the families that were sitting and eating and using the public space, made a world of difference in us uplifting and promoting licensed permitted vending that was beautifully set up and had an array of customers.

And it really -- those improvements from the gazebos onward are really helping our brick and mortars. Chowder Hut was hopping. Nick's Lighthouse had not one empty seat available. So I really want to say this investment in Fisherman's Wharf is, I think, beginning to pay off.

And leading into Fleet Week, hopefully it will really help improve both the atmosphere for visitors and for locals alike for our waterfront. And I also did want to also just say, you know, we have a lot of events taking place. And I really wanted to thank the staff.

It wasn't mentioned in your report. But I was super impressed with Diplo's run and concert on the southeast waterfront that they put on for both showing that you can be physically active and party at the same time. We were one of two cities that Diplo chose to do this, us and Seattle.

And I really think it's important to highlight that we have a bulk of activity both on the northeast and southeast end so the waterfront. So thank you so much. And I want to thank the staff for everything they're doing for our economic recovery.

President Brandon: Thank you. Director Forbes, thank you so much. It seems like every month your report gets longer and longer. And I love the slides. But that's just a testament to all the work that's -- and all the activity that's going on here at the waterfront. And the economic recovery throughout the waterfront is just absolutely wonderful.

Absolutely looking forward to Fleet Week. We have many festivals coming. I think it's wonderful. The resilience team is doing a phenomenal job and really getting out there. And I think there is probably not anybody in San Francisco that doesn't know about the resilience work that's going on here at the Port of San Francisco because we're doing such a great job in outreach and discussing all the efforts that we're working on.

I think it's absolutely exciting the new housing at Mission Rock, Mission Verde. I think that will be wonderful and really help a lot of families. How much was the offshore wind grant?

Director Forbes: Four million? Brad says it was \$4 million.

President Brandon: Congratulations.

Director Forbes: Brad -- yeah.

President Brandon: That is phenomenal.

Director Forbes: Four million -- that's fantastic.

President Brandon: Congratulations. [applause] Well, we get a grant to just study if it's the right spot. And hopefully, it is. And we will also get that business in the southern waterfront. And the new improvements at Crane Cove Park are going to be wonderful. I'm so happy that we'll be able to build the children's playground and the dog run so wonderful report. Thank you. So much wonderful activity here at the Port of San Francisco. Thank you. Next item, please.

11. CONSENT

- A. Request Authorization to Advertise for Competitive Bids for Construction Contract No. 2871, Pier 80 Mooring and Berthing Improvements. (Resolution 24-38)**
- B. Request approval of Consent to Transfer Port Leases L-12839 (Pier 92) and L-13002 (Pier 94) from HBMA Holdings, LLC to Martin Marietta Northern California Aggregates, LLC. (Resolution 24-39)**
- C. Request approval of a resolution amending the Lease with Exploratorium at Piers 15 and 17 to, among other things, extend date by an additional 10 years to commence rehabilitation of Pier 17. (Resolution 24-40)**

ACTION: Vice President Gilman moved approval of the consent calendar. Commissioner Adams seconded the motion.

No Public Comment on the Consent Calendar.

President Brandon: We have a motion and a second. All in favor?

All Commissioners were in favor.

Motion passed unanimously. Resolutions 24-38, 24-39 and 24-40 were adopted.

12. REAL ESTATE & DEVELOPMENT

- A. Informational presentation to consider and possible action to find that it is impractical to bid retail space at 360 Jefferson Street in Fisherman's Wharf currently leased to Portco, Inc, dba Safe Harbor lease L-14564 and authorize Port staff to enter direct negotiations with Portco, Inc. for a 5-year lease renewal for such space. (Resolution 24-41)**

Don Kavanagh: Are we ready? Okay. Good afternoon, commissioners. I'm Don Kavanagh, the senior property manager for Fisherman's Wharf. And I bring to you today a proposal to renew the Safe Harbor lease, which is owned by Portco. This is a relatively small retail opportunity in Fisherman's Wharf which is right next to -- between Frank's Fisherman and Pompei.

And they sell t-shirts and other curios that people find attractive in that area. So for the background, Portco has been a tenant for 16-and-a-half years. Their lease expired on April 30. They requested a lease renewal. And I looked at the Port Commission Resolution 11-15, which does allow a renewal of a retail tenant under certain conditions.

Portco had to meet some preliminary conditions, meaning they were in good standing. They had to provide documentation, which was like their organizational information and some certain financial information. And we also think they're the most suitable tenant for reasons that I will get into next.

So one of the requirements under the resolution is that the Bay Area commercial real estate market needs to be in a downturn. And if you narrow that down to the San Francisco area, you can obviously see that in the increasing office-vacancy rate, which is now approaching 40 percent, which eliminates certain customers that other businesses depended on.

And we're also seeing an increase in retail vacancy with a reduction in rent. So I think it's pretty clear that there's an economic downturn going on right now. We did consider a competitive bidding process. There's no guarantee that Portco would stay for the duration of that process.

We're trying to avoid another vacant space in Fisherman's Wharf. And we don't want to pay significant landlord improvements or tenant improvements or possibly commissions if we use a broker to lease this space. We think that leasing process could take 18 months for an RFP process not including the lease-negotiation process.

And the broker process for leasing the restaurants, Lou's and Pompei, started in November. And we're getting very close to finalizing leases. So that process doesn't take quite as long. But we might still be exposed to vacancy and downtime.

The other thing to consider is that Resolution 11-15 calls for a market rent for the renewal. So even if we go out and bid the lease or use a broker, we're not likely to get more base rent than the renewal lease. So there's that.

Also, the tenant may not have the same vested interest as Portco does because they have other operations along Jefferson Street including Frank's Fisherman, The Wharf Store. Behind The Wharf Store is Coast Marine Chandlery, which they operate to provide fishing supplies for the fishing fleet. They report that they operate that at a loss.

And then, finally, a five-year renewal is better than a longer-term lease because we have plans for that area in the future. And a longer-term lease may impact those plans. So we concluded that engaging in a competitive bidding process is unlikely to timely produce a better economic result than the renewal of Portco.

Approving the waiver of the competitive bidding process helps maintain the vibrancy of Fisherman's Wharf, provides an uninterrupted revenue stream for five more years and avoids the expense of expensive improvements to the premises. So with that, I welcome questions on this item. And we'll go from there.

President Brandon: Thank you very much. Can I have a motion?

ACTION: Vice President Gilman moved approval of the resolution. Commissioner Lee seconded the motion.

No Public Comment on Item 12A.

Commissioners' Discussion on Item 12A:

Commissioner Engblom: No questions.

President Brandon: Commissioner Adams?

Commissioner Adams: No questions.

President Brandon: Commissioner Lee?

Commissioner Lee: No questions. But I want to applaud them for wanting to stay because, in this time for us -- you know, for anybody at Fisherman's Wharf that want to extend their lease, I want to give the full support. And it seems that they've been in good standings. I know what it's like to move a business. And it's not fun. So I'm just happy that I'm here to support them 100 percent.

Don Kavanagh: Thank you.

President Brandon: Thank you. Vice President Gilman?

Vice President Gilman: I completely support the item. No questions.

Don Kavanagh: Thank you.

President Brandon: Thank you. So besides five years, what are the terms of this lease?

Don Kavanagh: We haven't engaged in any direct negotiations with the tenant because we haven't been authorized by the Port Commission to do so. So I have a sense of what market rents will be. And I can mention that now if you like. I think the base rent -- market rent is about \$3 a square foot. Percentage rent is negotiable for each retail lease. But we're thinking 8.75 percent percentage rent, which is higher than market. But that's what Portco proposed.

President Brandon: Okay. And the \$3 is what they're paying now? Or more or less?

Don Kavanagh: They're paying -- for the sale space, they're paying \$5.75 a square foot. If you include the storage space, it's about \$4.50 overall.

President Brandon: Okay. And do they plan to do any improvements?

Don Kavanagh: No. They've actually kept the building up. I was looking at the front to see if I needed to require any sort of upgrades or improvements. And it's pretty clean and crisp. So there are no improvements proposed. If they wanted a longer-term lease, they would have had to make improvements.

President Brandon: Thank you.

Don Kavanagh: Okay.

President Brandon: Okay. We have a motion and a second. All in favor?

Resolution 24-41 passed unanimously.

13. WATERFRONT RESILIENCE PROGRAM

A. Informational presentation on the Draft 2025 Hazards and Climate Resilience Plan.

Brad Benson: President Brandon, Vice President Gilman, commissioners, Director Forbes, Brad Benson, the Port's waterfront resilience program director just here to introduce this item today. We have colleagues from the Office of Resilience and Capital Planning here today: Brian Strong, the city's chief resilience officer; Alex Morrison. And Melissa Higbee will be giving the presentation today.

Melissa is the resilience manager for the Office of Resilience and Capital Planning. In that role, she oversees programs that make San Francisco more resilient to shocks and stressors including the topic of today's meeting, the hazards and climate resilience plan, the heat and air quality resilience plan, the earthquake safety implementation program and the resilient SF strategy. So Melissa, please take it away. Thank you.

Melissa Higbee: Thank you for that introduction, Brad. And thank you, commissioners, for your time today. I also want to thank Director Forbes for your support for having this on the agenda today. So getting right into it, the hazards and climate resilience plan is a citywide action plan to improve resilience to natural hazards and climate-change impacts.

It includes priority actions like projects, plans and programs for strategic funding, whether that be grants or capital budget funding. And we have this plan. And we keep it updated because it helps us be eligible for FEMA grants like the hazard mitigation grant program that Director Forbes was mentioning before and the BRIC program, Building Resilient Infrastructure and Communities.

So those are really important sources for the Port and for other departments in the city. So we have a 2020 plan that we came and presented to you back in 2019. We've been working on updating it to get it ready to be adopted by the Board of Supervisors and the mayor by July 2025.

It also helps with state compliance, with SB379, which requires climate adaptation planning, and connecting that to our general plan. And then, at the local level, it's really a strategic plan for the city. It's a companion to the climate action plan, the safety and resilient element. It also helps kind of update our resilient SF strategy in our office as well.

So the draft of this update is currently available for public comment this month. And that's part of why I'm here today. So just a little bit more about the scope -- you know, it covers 13 different natural hazards that we can have here in San Francisco and how they're changing in their frequency or severity because of climate change. So obviously, the Port is a really critical partner for our seismic hazards and flooding hazards, among others.

We also worked to make this hazard data more accessible to the public. We have story maps up on our website where folks can kind of toggle on and off different hazards, explore down their neighborhood or their block to see what they could be potentially exposed to.

So for this update approach, like I mentioned, we've been working on it for a little while now. We started meeting with an interdepartmental team back in July 2023. The Port has had a couple staff partnering with us on that along with many other departments.

And we really did a targeted update considering how comprehensive we were back in 2019, 2020 and how much ongoing resilience engagement has been happening around the city including led by the Port. But we did incorporate new science that has come out like findings on extreme precipitation, how groundwater is changing in response to sea-level rise and some of the new risk assessments and plans that have been created like the heat and air quality resilience plan and, of course, the flood study.

And we've also focused on prioritizing a bit more in this plan. Our 2020 plan had 96 different actions. We worked to get that down to about 74. So it's still a lot. But we're being a little bit more targeted and prioritizing.

So for our community-engagement approach, we've really been focusing on environmental justice communities and meeting community groups where they already are. When we did our last update, we did stand-alone workshops. And this time, we got the feedback, can you come where we're already meeting instead of calling us out to stand-alone meetings?

Some of the priorities and themes that we heard -- you know, a lot about the waterfront resilience, the importance of that particularly around concerns around contamination and wanting to use nature-based solutions where feasible. But energy resilience, earthquake, transportation and neighborhood capacity building also stood out as top themes from the community.

So we used that information to help draft these new resilience pillars and objectives. So it's organized around buildings, communities and infrastructure. There are 17 different objectives. I will not read them all for you but just want to highlight kind of the bright yellow are where the Port is in kind of a leadership position on leading some of the actions in the plan.

The light yellow arrows is where the Port is a partner on some of the actions in the plan. So I'm going to kind of highlight for you all the actions that we have with the Port as the lead agency.

So around using nature-based solutions and adapting the shoreline to sea-level rise, we have the Port in a lead role there protecting the waterfront with the Embarcadero early projects, working on underdeck pier structures and making those more resilience and also moving forward some of the projects and strategies that were a part of the Islais Creek adaptation strategy --

-- and then, looking at kind of longer-term adaptation, you know, clearly a leader there with the waterfront resilience program and the flood study and also with developing and supporting major development projects on the waterfront that help delivery resilient infrastructure.

So this is just a sample action to let you know like what an action looks like in the plan. You know, we provide about a paragraph explaining what it is, who the partners are, the cost, the funding sources, the timeline. And we do a status update on this every single year and do an annual report on it.

And then again, just highlighting for you where the Port is listed as a partner in the plan -- so in the building sector, helping to assess and seismically retrofit buildings; in the communities area, a partner around how sea-level rise -- connecting studies to better understand how sea-level rise may interact with contaminated lands; neighborhood capacity building; resilience engagement; looking at different structures for governance around flood resilience; and then, in the infrastructure pillar, working on resilience in the transportation sector.

We're also working towards a new requirement from the state called SB272 to create a shoreline resiliency plan by 2034. So the Port is working along with us, ORCP, and planning towards accomplishing meeting that requirement and, of course, the Yosemite Slough neighborhood adaptation plan down to the south of the Port jurisdiction and then partnering with the PUC to do more comprehensive combined flood-risk analysis in each watershed.

So that is a mouthful. This plan is very comprehensive so just want to highlight for you our next steps. This plan has been out for public comment in August and September. We're going to commissions like this one to help make sure decision makers and the public are aware of it and have an opportunity to provide feedback. We're doing briefings to the Board of Supervisors.

In October, we're going to take all the feedback that we've been hearing, create a final draft of the plan and submit it to CalOES and FEMA for their review. They can take up to about six months to do that review. And then, next spring, we'll be submitting it to the Board of Supervisors. So with that, I want to thank you. And I'm available to answer any questions or hear your feedback.

President Brandon: Thank you, Melissa. I will now open it up to public comment. Is there any public comment in the room? Seeing none. Do we have anyone on the phone?

No Public Comment on Item 13A.

Commissioners' Discussion on Item 13A:

Commissioner Adams: Great report. I think this is the first time I think I might have seen you present here. You did a really, really good job, thorough. I have no questions. And I'm looking forward to when you come back. Thank you.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: No questions. Good layout. Cool. Thank you.

President Brandon: Thank you. Commissioner Engblom?

Commissioner Engblom: Great to see you, Melissa.

Melissa Higbee: Nice to see you.

Commissioner Engblom: Great report. I guess I have a couple questions -- two questions really. One is about -- you mentioned a lot of attention to funding and funding resources. I wonder if you could talk a little bit about financial -- like how are you -- on the team, how are you supported with financial innovation? Because this is such a huge economic challenge.

And I know there's a lot of physical resilience. You talked about all of the 17 natural hazards. I just wonder how you feel your -- how are you feeling in terms of support for financial innovation for this project?

And then, my second question is -- you spent a lot of time talking about interagency collaboration within the city family. I wonder if you feel like we're

doing a good job in terms of looking to peer studies at other cities around the world. I know this is a pilot program from the Army Corps.

And it's getting a lot of attention in some circles. And I wonder, are you feeling like you're getting a chance to talk with other cities and maybe lessons learned from other cities that could help us? Because this is a cutting-edge project. I think we're doing a really great job. But it's always a good thing to do to just try and learn from others as well. Those are my two questions. So -- thanks.

Melissa Higbee: Yeah. I mean, on financial innovation, I'll definitely invite Brian or Brad if they want to chime in on it. One thing we do is, you know, every year, we do check in with departments to what extent they've been able to include these projects in their budgets.

So we are trying to be kind of advocates for resilience within city departments. We also work really closely with the capital planning team to try to bring these needs into the 10-year capital plan and also better understand the scale of the need.

You know, with sea-level rise, there's like just such a range of uncertainty. And the costs are so big. So we're really trying to nail down, what are the costs? And how can we better include them in our 10-year capital plan? And then, what are the sources?

And our local sources, you know, are limited. You know, we do look at the GO bond program. And are there ways to do more of this resilience work in our GO bond schedule? And it is going to take state and federal resources as well. We've been looking at a state resilience bond.

We've been looking at how to better take advantage of these FEMA sources. They've recently made changes to the cost-benefit analysis that has been kind of a factor in our eligibility. So we're working on that and trying to take as much advantage of kind of the current IRA sources that are out there.

To the extent that there's going to be available in the next administration, we don't know. So we're really trying to take advantage of that source while it's available. But if Brad or Brian want to say anything else about financial innovation, please. Okay.

Brad Benson: Just to add, you know, we just released the draft plan with that \$13.5 billion price tag. We're hopeful that, if it's authorized by Congress, we get a 65 percent contribution from the federal government. But that still leaves a 35 percent local match.

And we're going to be really innovative to come up with a strategy to develop those resources. We've done some very preliminary work with Nate Cruz

out of finance and administration in answering some of Director Forbes's initial questions about this.

We're ultimately going to have to come up with a strategy for that local match. And we'll really have to collaborate with ORCP, Brian Strong, thinking about what are the different tools that are available both private sources, public sources at the local, state, regional level. So stay tuned on that question. And it really is going to be a team effort to come up with that strategy.

Melissa Higbee: And then, your second question around learning from other cities -- I mean, Brian and I are part of the resilient cities network, which kind of grew out of 100 resilient cities. So we are connected with other cities across North America that are working on resilience.

And we're often, you know, sharing our projects, working on troubleshooting with each other. So that's been a really great network. We're particularly connected with Berkeley and Oakland through that effort. And then, with a lot of our work, we do do case studies reaching out to other cities.

We're currently in partnership with the SFPUC researching how other cities are approaching flood-resilience policies and governance and learning from them. But I'm very frequently in touch with other cities, just last week on the phone with L.A. County, this week going to talk to the Port of Seattle as well about this work in our office.

So yeah. Working with other cities is a really important tool that we have to try to kind of learn from each other and be innovative.

Commissioner Engblom: Thanks.

President Brandon: Thank you. Vice President Gilman?

Vice President Gilman: Melissa, thank you so much for the report. I just want to make sure -- one assumption from the staff report and from your report -- I just want to make sure I'm getting it right that all of your objectives here like using -- as an example, that we're a lead on -- under infrastructure, [four], promote, design and use natural-based solutions.

All of this is in lockstep and intertwined with our Army Corps work and all the other resiliency work. Nothing is additive or outside that box in anything that you're recommending that we lead on.

Melissa Higbee: No. Nothing is additive. It is all -- this is like an umbrella that kind of captures the work that the Port is doing on WRP and related efforts.

Vice President Gilman: No. That's great. And you're a resource for us and an advocate. So I really appreciate all of that because the work is so critical [for the] Army Corps. So thank you so much.

Melissa Higbee: Yeah.

President Brandon: Thank you. Melissa, thank you so much for the report. This is great information. I really think it's wonderful that there's a centralized planning effort that's including all city agencies and being able to collectively source funding opportunities. So I think this is wonderful and very proactive. So thank you.

Melissa Higbee: Thank you.

President Brandon: Next item, please.

14. MARITIME

A. Informational presentation on the Port's Maritime Portfolio FY24.

Andre Coleman: Good afternoon, President Brandon, Vice President Gilman, commissioners, Director Forbes and members of the public. My name is Andre Coleman, deputy director maritime. I'm joined by some of my -- the maritime team here, specifically Assistant Director -- Deputy Director Dominic Moreno, some of the South Beach Harbor staff and also some folks from the business development side of the division.

So before I jump into the presentation, just kind of piggybacking off of Commissioner Adams -- his comments regarding the James R. Herman Cruise Terminal -- this is a photo from opening day. And tomorrow is the 10-year anniversary of the first ship that called the Pier 27 cruise terminal.

So 10 years later, we have achieved approximately 26 percent higher volumes in passenger counts at the facility. Events have been going strong. And I'll be touching on both of those items as I work through the presentation.

Moving to the next slide -- so strategic plan -- as guided by the strategic plan, the following provides a general outline of the divisions areas of focus so: cargo, cruise, our Pier 68 shipyard, our 80 through 96 and backlands, commercial fishing industry and water transportation.

As noted in the staff report, these are subcomponent -- there are subcomponents to each of these areas of focus, which I will speak to throughout the presentation. This slide shows the previous fiscal year's total maritime revenue by industry.

We are a very diverse waterfront. Our business portfolio includes South Beach Harbor recreational marina, cargo, cruise, excursion operations, commercial fishing, harbor services, layberthing and other maritime. Happy to report that, in comparison to fiscal year '23, that we were up around approximately 12 percent in revenues.

The biggest driver of that is the excursion category was moved from the real estate portfolio to the maritime portfolio. But despite that addition, we were still ahead of the previous year. As you can see, cruise and cargo -- they account for over 50 percent of our maritime revenues.

Our maritime revenues are comprised of tariff rates, parameter rates, revenue sharing, as negotiated through our terminal management agreements, and percentage rents as well. And then, additionally, event revenue generated at our maritime facilities are also captured in these revenues.

Looking at the cruise year for fiscal year '24, it was another strong cruise year for us where we achieved not record numbers but just shy of the previous year's record. So -- a correction here -- we hosted a total of 95 cruise ship calls this past fiscal year. The previous record was 110 calls.

And we finished out with approximately 363,000 passengers, which is the second highest fiscal year on record. That equated to approximately \$6.9 million in passenger revenue. In addition to that, we do receive revenues for dockage and wharfage at the cruise terminal.

We did experience some challenges this past cruise year just due to some dredging challenges that we're currently in the process of performing dredging work. So that's good to see. But despite those challenges, we accommodated all of our scheduled cruise calls.

And we did that at four different facilities across the Port. So this past fiscal year, we exercised Pier 35, Pier 27, Pier 30-32 and Pier 80, which I will speak to in the next slide, so, again, another strong year. And a lot of that is achieved with the collaboration of Port staff, our cruise terminal operator Metro Cruise, ILWU and other key stakeholders.

In addition to cruise, I mentioned events. So for -- at Pier 27 and Pier 35, it was a solid year for events. We were at about 50 percent of revenue of where we were pre-pandemic so not back to pre-pandemic levels but turning in the right direction.

Some of our near-term objectives for cruise: continue our analysis of a viable secondary electrified cruise berth in the southern waterfront -- this is a phot of the operation at Pier 80; implement capital improvements at the Pier 27 James R. Cruise Terminal. This is 10 years. So we're currently in the process of

working with Metro Cruise. They will be performing engineering analysis of the facility and will return their findings to the Port.

And then, we continue to identify and implement operational efficiencies at those non-electrified berths, specifically Pier 35 and Piers 30-32. Just kind of speaking to the Pier 80 operation -- so here are a few photos from the Pier 80 operation, which was, again, a success. We stood up the facility in, I believe, within 90 days, if I'm not mistaken, of getting the green light to move forward.

But it was a full-turn operation. So those were passengers that disembarked and then passengers that embarked -- successful operation, approximately eight to 10 hours, if I'm not mistaken. A lot of advantages to the Pier 80 site: the ample passenger pick-up/drop-off space; the direct connections to I80 and 101. You're about half a mile to the freeway so, of course, proximity; the Third Street muni line; proximity to SFO.

And then, we had supplemental shuttle service that was able to provide transit to central and northern waterfronts. And being on the ground on the day of the operation, we were able to engage with passengers. And they raved over how efficient the process was for arriving at SFO or driving to the facility or other methods of transportation that they took to get to Pier 80.

Not captured on the screen but we did utilize Shed D for security screening and processing of passengers. And Metro Cruise did a great job in transforming that facility.

And again, kudos to labor because they showed up. And it was a flawless operation so excited about the opportunity ahead in Pier 80. And we'll continue to work with our cruise partners to bring more cruise ships there in the future hopefully and hopefully surpass that one-million-passenger mark.

Moving to the next slide focusing on cargo -- so cargo for the previous year at Pier 80 increased approximately about 2.3 percent. The primary cargo category at that facility is railroad. So cars will be the primary -- primarily the export of cars at Pier 80. We also accommodated a couple import ships at the site as well.

Revenues did increase slightly. And that is achieved by us activating the site with other uses. So we had the SailGP event for the third year at Pier 80. And then, we also had the Portola Music Festival, which generates good revenues to the Port.

The challenges at Pier 80 are shore power. So come effective January 1, 2025, railroad vessels are now required by the California Air Resource Board to plug in while at berth unless you are considered a low-activity facility. Pier 80 falls into that low-activity-facility category in that it can only receive 19 calls or less annually.

So we are working with our terminal operator, Pasha, to coordinate how we can stay under that 19-call threshold as we continue to explore electrification of the berth. And we're also looking at other sites in our southern waterfront to accommodate railroad vessels.

So specifically, Pier 94, you may recall the aggregate operation that winded down last year. And we're in the process of restoring that site. So that may be an alternate site for railroad.

Again, near-term objectives -- market the facility for other cargo opportunities. Staff will be attending the Breakbulk conference, which I believe is next month. Our terminal operator, Pasha, will be in attendance as well as well as others.

Capital improvements -- install a new fender system -- so that was the item that was on the consent calendar along with repair the subsidence. We're very excited about that. And then, Pier 92 negotiated a new long-term lease with their dry-bulk operator, Martin Marietta, so another item that was on the consent calendar, which brings that tenant to one in good standing. And I believe we -- I've already somewhat briefed the commission on that Pier 92 lease.

For the Pier 68 shipyard, we continue to stay active in trying to sell and/or dispose of the dry docks. Unfortunately, we had two failed RFOs to where we did not receive satisfactory response to -- for sale of those dry docks. However, since those RFOs, we have been approached by an interested party who we stay engaged with. And I believe that group is -- they're foreign, from Turkey.

They intend to fly out within the next month or so to come make their assessment of the dry docks so continue to work with them and possibly negotiate a transaction for sale of those dry docks.

Concurrently, we are also working towards a disposal plan should that transaction -- should we not arrive at agreement on a transaction. We recognize that the dry docks continue to deteriorate and are a liability. So we want to focus on ensuring that we have a disposal plan. We should be coming to the commission the next month or the month after seeking -- or with a request to appropriate funds for disposal of the dry docks.

In addition to focusing on the dry docks, we continue to create leasing opportunities that attract light maritime industrial activity. I believe we have a forthcoming lease proposal for a maritime operator at the shipyard, which we'll bring to the commission for consideration. We have layberthing that is ongoing and other uses at the site.

We'll highlight the SeaChange, which is the zero-emission ferry. It is berthed at Pier 9. But fuel transfers occur at the shipyard. So those are always exciting. We continue to support that zero-emission ferry.

Fisherman's Wharf, Hyde Street Harbor -- I believe Director Forbes spoke to the J9 project. But other capital -- and I'll come back to that. But other capital improvements include the procurement of a new ice machine that is active an ongoing. And we're hoping that we can catch the spring-to-summer window in 2025 for demo and installation of the new ice machine.

The reactivation of the fuel dock is still under consideration as we work through some legal issues there. And then, we have the reactivation of Wharf J9. So we'll have a J9 float that will be installed at the wharf hopefully right in time for crab season. And we will hopefully have a successful retain crab season with the new float at the wharf.

So the team has been developing our operations plan and signage plan for an arrival or the anticipation of the J9 float. So that's exciting. And we currently have dredging that is occurring at the wharf. So that started last week. We hope to wrap up by next week. I believe this is at least the first time in over 20 years that dredging has occurred at the wharf so excited about that.

Other improvements in central harbor infrastructure and amenities -- we have construction work that's being performed at Hyde Street Harbor as we speak so excited to see that and to ensure that those amenities are there for the commercial fishing fleet.

Excursion and near-water transit -- these continue -- this continues to be a focus of the team. So we do have Pier 1 1/2 that is still down so continue to monitor that with the master tenant, who is responsible for that repair. Our signage -- that is ongoing as far as improving signage for our Port-operated landing locations and water taxi and excursion operators and then ongoing engagement with WETA to expand ferry to the southern waterfront for both the 48 1/2 interim ferry and then, of course, the larger project, the Mission Bay Ferry Landing.

I am happy to report that, for fiscal year '24, [WETA, both] aligned with our fiscal year, reported a 19 percent increase in ridership. And Golden Gate Ferry reported a 23 percent increase in ridership from the previous year -- still not to pre-pandemic levels but an increase nonetheless.

South Beach Harbor continues to do a lot. There's a lot of activity. And I can't capture it all on this screen. But they do a lot from just being good partners with the Giants. A lot of events are hosted at that facility where th -- outside of the ball games. And the South Beach Harbor team continues to step up and ensure that it is a flawless operation at that harbor.

Some of the capital-improvement projects that are currently active: dredging, hopefully scheduled to take place next week or shortly thereafter. We also have some dock improvements that are occurring as we speak at the harbor as well. Just highlighting some of the recreational activities -- we still -- the

excursion operations are strong and ongoing. SpinOut fitness -- that operation continues to grow. And the SF Brew Boat has been very popular.

Other things that we continue to look at is reactivation of the north guest dock. Alvin and his team -- they are always approaching me with ideas for generating more revenue so look forward to getting some of those ideas underway. But revenues have been strong in South Beach Harbor. I think this year we were at around \$5.4 million, so it was good to see.

Equity -- so South Beach Harbor youth sailing program -- that continues. And that is one where the Pasha Automotive Services works with the Boys and Girls Club and sponsors students to participate in the South Beach Harbor youth sailing program.

We also have the SailGP Inspire program. So that's the competitive event that takes place on the Bay. There is the base camp that is held at Pier 80. And students from the District 10 are brought to the site for a weeklong -- or the educational period is a week long. But it's a day field trip for students to that site.

Additionally, the Rising T.I.D.E.S. mentor and internship program -- so this year was the third year of that program. It included a partnership with Opportunities for All, Enterprise for Youth, Project Pull and SF YouthWorks. The program provided high school and transitional youth with a six-week paid internship with the Port.

The program included an in-depth look at the maritime industry through project analysis and educational and experiential visits along the waterfront. I'd like to highlight that one of our interns -- or then interns and now employee, [Jasani] Jackson is here.

Jasani recently joined the Port team as a public service aide. And he's been working out of South Beach Harbor with the South Beach Harbor team. Jasani is a San Francisco native and has a fondness for the water. However, he didn't have access to the water until participating in the Rising T.I.D.E.S. internship program. So he's been a great asset to the team.

South Beach Harbor team, again, brought him in and showed him so much as well as other folks within our maritime division in the Port. And you know, Jasani -- he's a perfect example of the internship program, of it working as it is intended to do. So we're excited to have him. Thank you to Tiffany Tatum for year three in this Rising T.I.D.E.S. mentorship program. She does a great job putting that together.

And then, our Pacific Northwest ports tour -- Tiffany Tatum -- last month, Tiffany Tatum and I -- we took a road trip up to the Pacific Northwest starting in Portland. We met with the Port of Portland, their office of small business,

economic development. We then toured Port of Astoria, saw their cruise operations and other operations.

But I got to visit Tongue Point. And we were able to engage with the students and the faculty and better understand their curriculum and see how we can implement their curriculum and ideas into the programs that we currently have underway.

From Oregon, we then went to the State of Washington, visited the Port of Seattle, again their small business economic development team. I did a side tour of their cruise operation. And then, Tiffany and I headed to the Maritime High School, which is a very impressive four-year program, which provides students an opportunity to direct employment into the maritime industry or four-year program during the -- four-year program by way of a college program.

And then, we also visited the Divers Institute as well so a lot of things that we were able to take away from that trip. And we look forward to pulling some of those nuggets away from that trip and implementing them into our programs locally.

And with that, just want to again thank the maritime team, also the other divisions who have supported all the work that we continue to do. We ask a lot of our Pier 50 team, our engineering team and our real estate team. They definitely step up and step in for us in driving our maritime leasing and also Director Forbes and Mike for the Pier 80 operation. Again, it's impressive how we were able to get that done. So with that, I will take any questions.

President Brandon: Thank you. Great report -- a lot going on in maritime. Is there any public comment in the room? Seeing none. Do we have anyone on the phone?

No Public Comment on Item 14A.

Commissioners' Discussion on Item 14A:

Commissioner Lee: Great report, Andre. I have a few questions. When you guys have your cruise ships embark on Pier 80, do you guys bring all of them down to Pier 39? Is that usually the course? Or how do we get to other parts of North Beach, Chinatown? How do they determine where they go after that?

Andre Coleman: So for the Pier 80 operation -- this was a one-time -- I won't call it --

Commissioner Lee: Hopefully, it's more than one time.

Andre Coleman: -- one time. But this was the first time.

Commissioner Lee: Okay.

Andre Coleman: This was a first-time home-port operation. So these were folks who [are there]. For those disembarking, their itinerary was terminating here in San Francisco. And they were either going home within the region or flying out of the region. And then those who were embarking either flew in -- I think, on average for those who embarked, the arrival date for fly ins is two days prior to sailing. Or they drove to the facility.

So I can't speak to those fly-ins as far as how they were guided while they were in the city. But what I can tell you for the -- those transit calls that arrived, for example, at Pier 30-32, we will have greeters on ground who are handing out maps for points of interest along the waterfront and in the city.

And we also supplied shuttle services to Pier 39. Or they may, through the cruise line, have arranged for shore-side excursions that are offered through the cruise lines. And those may vary depending on the cruise line. So whether it's as far as Napa or it's within the city to Union Square, Chinatown, that could vary. I'm not in the weeds there but can get back to you with that info.

Commissioner Lee: Okay. And since you're doing a lot of activities there, the water taxi seems to be very popular in Oakland. You know, how they're doing these little short trips. And with the parking situation in San Francisco, have we ever thought about having a parking lot with water taxis to go from maybe southern waterfront around Pier 80 and going up to Ferry Building and then, from there, maybe going up to Aquatic Park as kind of a -- you know, something for the locals or people that come from the peninsula don't want to drive in?

They might want to park near Pier 80, I mean since we're -- if -- hopefully in the future, we expand to do more cruise ships there. You can have some facility. I'm just wondering if any conversations or thoughts about that.

Andre Coleman: Conversations and thoughts internally? Another reason why I like Pier 80, yeah --

Commissioner Lee: Yeah.

Andre Coleman: -- because it offers that or allows for that opportunity. But currently, as far south as we go for water taxi service is to Pier 52, Mission Bay. And there is a parking lot adjacent to that ramp.

Commissioner Lee: So that's something that we should be promoting, you know, to get more people to use, you know, waterfront maritime things because I didn't know about that. That would be great if people knew that you could actually park and then take a water taxi, which is quite fun actually, you know, on a little boat and stop here at the Ferry Building in the back and have lunch.

I think that's something that we can expand on to get more participation into the Port. And on the fishermen -- you know, and I'm going to be always on the fishermen -- so the expansion at Pier 45, we know that's going to be some improvements. But I mean, Fisherman's Wharf is fishermen.

You don't see with the development -- we don't want to over-expand sometimes to push these guys out. I mean, are we -- we still have some built-in protections for them, you know?

Andre Coleman: Yeah. That's definitely the plan is to preserve commercial fishing at the wharf. I think the Port staff internally -- you know, we've continued to have discussions on how exactly we do that by continuing to achieve the goal of that project but, at the same time, preserving commercial fishing.

Commissioner Lee: Right.

Andre Coleman: So ongoing discussions, but I think we can achieve both.

Commissioner Lee: I'm just worried that the fishing season is getting shorter and shorter. And they don't have any way to make money.

Andre Coleman: Yeah.

Commissioner Lee: So I don't know if some of the improvements include a little bit more retail off the boats, you know, where they can actually help sustain themselves a little bit better. I mean, it's probably in the future plans so something to discuss. But that's kind of all I have.

But it's amazing how much potential that this Port has to make money and share with the locals. So I'm happy about that. So thanks. Thanks. Good report and great staff.

Andre Coleman: Thank you.

Vice President Gilman: Incredible staff.

President Brandon: Thank you. Commissioner Engblom?

Commissioner Engblom: Thanks, Andre. Great presentation. Especially after hearing earlier about some of the real estate downturns, it's very heartening to realize that we have sort of an intersectionality of this -- or your upswing with some of the other challenges. And rent on land-based tenants are challenged.

And it's really good for me, being a new member to the commission, hearing about the strategic plan. I guess I have a kind of general question. Do you have -- and I've heard you -- you know, you gave me a good briefing when I first came on about the strategic plan.

But I'm just imagining -- do you have sort of like a water plan or sort of your wish list, your free-dreaming plan of what would happen to activate all the water side of our Port? I'm so used to -- as an urban designer, I'm so used to thinking about land activation.

But what's striking me is like the potential for us -- and I was really glad one of the last comments you made was, you know, talking about how much you're interacting with the real estate team. So I'm just curious what's coming from that intersectionality. Is it just sort of -- are we being proactive enough with the potential of our waterside activities?

Andre Coleman: I think -- I mean, yes. I have a lot of dreams about all that we can do. [laughter] I think, for me and the team, you know, we like to focus in and kind of keep the list short. So for right now, those four -- in my mind, those four items are the commercial fishing, cruise and the shipyard. Right.

And then, underneath that, there's a lot that goes into that so prioritizing dredging, the capital infrastructure improvements that we're currently making. And those are necessary for us to get to a place to where we could start focusing on building out those activities.

This -- currently, to see all of that happening has been exciting. Again, I mentioned the improvements at South Beach Harbor, Hyde Street Harbor, dredging that's happening not only at Fisherman's Wharf but South Beach Harbor and then the potential for expanding cruise to the southern waterfront and expanding opportunities at the shipyard.

If there was an area of focus of where new activation for waterside activities, I would say that focus would be at the shipyard but first offloading those assets or dry docks, liabilities, that's the priority.

Commissioner Engblom: I have two maybe small follow-up questions. One is, considering that the excursion is now in your portfolio, I've heard that Alcatraz is going to be under renovations. Do you anticipate any impact on the excursion?

Andre Coleman: At this time, no. I assume that, you know, that may require new paths for queuing for passengers. But from their assets, I think we have facilities that are nearby to where we can accommodate any improvements that they need to make.

Director Forbes: That's right. They do plan to complete that project without adverse impacts to the passengers.

Commissioner Engblom: Okay. And then, I guess my last question is kind of the scale of the four pillars of your plan are also ginormous. I guess that's the nature of maritime. But I just wonder. We get a lot of our downtown revitalization, some of the things we've heard about, these sort of pop-ups on land side.

I was kind of freethinking while you were talking about South Harbor and see all these sort of small-scale human activities that sort of can create energy on the w -- I wonder if there's any sort of small business, you know, maybe an innovation challenge for waterside pop-up ideas that could be a way to engage sort of an equity kind of program like small business waterside.

We're so used to thinking about that on the land. But I was inspired by some of your comments and slides.

Andre Coleman: We do receive inquiries for activations -- waterside activations. Some fit into the Port's maritime portfolio and what we're permitted to do. Others don't. So as we receive them, we vet them. And where there's opportunities for us to move forward with them, we will. But I think, recently, we received a waterside activation proposal that we're still currently vetting. So yes. We do receive those.

Commissioner Engblom: That might be something we could be more on the front foot of with like, you know, a good PR story. Let's have a pop-up challenge on the waterside. So thanks for the presentation, Andre.

Andre Coleman: [Good point]. Thank you.

President Brandon: Thank you. Commissioner Adams?

Commissioner Adams: Very, very thorough report. First of all, I was going to say I thought it was great that you and Tiffany took a road trip. I thought that was really great to -- you know, my grandmother said you've got to open your mind. She said it's like a parachute. If you don't open it, it doesn't work. So I think that that was good.

I think, to the two Stephens -- I don't know if they've been out. But one of the things I did when I got on this commission, I actually went on a tour of the water and saw the Port from the water side in. You don't know the depth and the magnitude of this Port unless you go out on the water and look inside.

Vice President Gilman: Mm-hmm.

Commissioner Adams: Most people haven't really seen it. I would recommend that the commissioners that haven't taken that to take that because that's so important to get a really full-depth understanding of how big this Port really is looking from the inside in. So you're going to the Breakbulk conference. Are you taking Commissioner Lee with you?

Andre Coleman: [laughs] Sure. Sure.

Commissioner Adams: [crosstalk] President Brandon [unintelligible] that. Okay. The one thing I really didn't hear about -- and I'll save it for later. But one of

the things -- Pier 27, you know, one thing we got the shore power. And I know we don't have that at Pier 35 or Pier 80. Right?

Andre Coleman: Correct.

Vice President Gilman: Yeah.

Commissioner Adams: And that costs millions of dollars to get that. Right?

Andre Coleman: Correct.

Commissioner Adams: How much is that?

Andre Coleman: So for Pier 35, it's \$100-plus million to trench up the Embarcadero. And that's just for shore power alone. That doesn't include improvements to the facility itself. So that's why 80 has been identified as a good candidate for shore power.

The analysis of -- we're in the first stage of the analysis. It was just completed in -- I believe we were looking around someone t -- somewhere close to \$40 million for trenching from around half a mile away, a substation, to get it out to the berth. And that does include the hardware as well so the [data currents] that you would need on the facility.

And how we've envisioned it, it would be for both cargo or railroad vessels and for cruise. But -- yeah. It's expensive. I believe Seattle just added shore power to their second cruise berth. And it was -- cost was similar.

Commissioner Adams: Okay. I like that you and Tiffany went to Tongue Point. I think you saw the difference between that and Cal Maritime where it costs so much money to go to Cal Maritime and where Tongue Point, through Job Corps, you go there. And it's free to go there. They take care of your accommodations. They give you a stipend.

And then, once you get out of school, they will get you on with a maritime union and stuff like that. And did you see culturally the difference? I would like to know, what was your take-away from that? Because you can spend a hundred grand going to Cal Maritime.

And a lot of families can't afford to send their kids, you know, like up to where the Beverly Hillbillies stay. But some people can go to Job Corps. And it was through Lyndon B. Johnson in the '60s that this was established. So can you talk about that?

Andre Coleman: Yeah. So the demographic of students -- there were some folks who probably came from the same origins as Jethro Bodine -- Hillbillies

reference right there. [laughter] But surprisingly -- I believe it was maybe around 30 percent of the students were from Hawaii.

Commissioner Adams: Yes.

Andre Coleman: So there was a big group from Hawaii. There -- folks from the Gulf and then from the Southeast, not one student from the Bay Area. And one interesting point as far as recruitment or applications for Job Corps -- it is by your zip code, if I'm not mistaken.

So for where you reside as far as zip code is kind of how you're assigned to the Job Corps program unless you seek out a Job Corps program that has a maritime curriculum like Tongue Point. So Tongue Point pre-pandemic, they had a waiting list. They currently don't.

But that's how they've been able to source students from the states to Tongue Point. But it is by zip code. So Tiffany and I have some next steps for engaging Job Corps here on Treasure Island to see, you know, what opportunities might be there. But that was our takeaway.

Commissioner Adams: Well, I appreciate the direction that you've went with the maritime department. And I appreciate the energy and the staff that you hire. And I want to hear from that young man, the one that was hired. I want to hear [unintelligible] say something because I remember the first time you talked your mouth was real dry. [laughter]

Andre Coleman: [crosstalk] [up].

Jasani Jackson: I just want to say thank you to the commissioners today and that I am very blessed, you know, to officially be a part of the Port and to have the experience to be exposed to the South Beach Harbor to the internship that I never have. I was born and raised in the Bayview District.

And to be a part of the internship and to get the environment experience there -- and I just loved it. So I just wanted to, you know, make it official and be a part of the South Beach Harbor team.

Commissioner Adams: Thank you.

President Brandon: Welcome.

Vice President Gilman: Welcome. Yes.

Commissioner Adams: Andre, can you go on a little bit more about the [four-point-million] dollars that we're going to have for offshore wind? And how many acres? And how many jobs do you think this can create? And what is the Port's

vision? Okay. Say if you had it your way -- and I know Mike's g -- I see Mike's heading over there too.

But [laughter] -- I mean, it sounds like the Port is all in on this, that this is going to be something really big for maritime and can take things to another level. It sounds like it's going to be a game changer if things work out the way they're supposed to. So can you or Mike tell me what's the [unintelligible]?

Mike Martin: So I just wanted to lean in to say absolutely we're leaning in. And absolutely, it's a game changer. I don't think -- I mean, I'm not a maritime expert. But I don't think there's been a maritime opportunity like this to come along in quite some time.

The money that we're seeing in this grant is actually for design of effectively the berth to make it seismically resilient. But that is only one part of what we need to do to get to that picture that we saw during Director Forbes's director's report. And it's truly hundreds of millions of dollars, into the billions.

So it's not just going to be public sources. I think we're going to have to have a private partner. And we're going to have to have more certainty for that private partner to have sort of their return at the end of the process for them to come and invest that kind of money.

So what I'm proud of the Port doing is we're showing that we're in the game. And we're showing that we're going to get out there and sort of design what our facility can be and have our partners come in and say we've got a partner that's seeing this opportunity with us.

And we can get into it in a way that creates business certainty because I think that's what they're going to need. We still feel like we're pretty early in this. And I think this federal election will show a lot of the opportunity and where it's going to go. But if it goes in the direction of opportunity, I think Andre's team as well as our engineering team and our resilience team are really setting us up for a really good chance at doing some good things.

Commissioner Adams: President Brandon, I've got one more thing. Then, I'll - you didn't say anything about it. But can you -- and maybe next time -- can you give us an update on what's going on with the port pilots?

Andre Coleman: Yes. As far as their recruitment and --

Commissioner Adams: Just what they're up to. And what's going to happen with them?

Andre Coleman: Will do.

President Brandon: All done?

Commissioner Adams: No. He's supposed to give me an update.

President Brandon: Right now?

Andre Coleman: Update right now. Sorry. [crosstalk] I thought you meant in the future. [crosstalk] [laughter]

Commissioner Adams: I want you to do it now. Yeah. If you don't have anything, you need to get back to me.

Andre Coleman: Yes, please.

Commissioner Adams: Okay.

Andre Coleman: Yeah. No significant updates.

Commissioner Adams: President Brandon. [laughs]

President Brandon: Are you finished?

Commissioner Adams: Yes, President Brandon.

President Brandon: Okay. Thank you. Vice President Gilman?

Vice President Gilman: Well, first of all, I just wanted to say -- can you rem -- how many people do you have in your department?

Andre Coleman: I believe we're at -- full-time employees, 26.

Vice President Gilman: Okay. So about 21 percent of overall Port staff, as we just found out today -- so I just want to say you are doing so much work. And I just really, really want to commend you and your leadership and your staff and your team.

Andre Coleman: Thank you.

Vice President Gilman: From the work at Pier 80, which I am so excited about making that a permanent place where we can see cruise and more activity -- I think geographically it serves such a great point. And I understand why we provide both the, you know, tour guides and sort of the bus shuttle service to Pier 39. But I could envision a time where we have smaller shuttle services to other communities including Dogpatch and the Bayview and to other parts of the city.

But I just think it could be such -- for folks coming in, such a game changer versus having to do all the traffic. As someone who lives on the northeast side of the waterfront, when we have a cruise at Pier 27, I could probably like slow walk

faster than I can get on the Embarcadero. So I just think it could be such a game changer for us.

But just overall, this work and particularly since maritime is part of the public trust and part of the Burton Act -- and I think it -- presentations like this really remind the public that we have a rich -- outside of just a fishing boat or some boats docked at South Beach Harbor, we have such a rich maritime activity.

So I just really wanted to say how much I appreciate it. And then, you know, not to give you and Tiffany more work, but a comment off the young gentleman who just spoke, I wonder if there is some way we could negotiate with SFUSD that, just like I'm sure they h -- I don't know what their curriculum is.

But you know, in every urban city, you grow up as this child going like to the Natural History Museum or going to the Exploratorium. In New York City, that was my access to art in my community. I wonder if there's a way we could do some sort of mandatory field trip for every middle school class like at sixth grade to come to the waterfront or go to South Beach Harbor and to have that experience because, to me, one of the greatest blessings of living in the city is our seven-and-a-half miles of waterfront and the Bay.

It's what's so iconic and I think makes our city so beautiful. And to think that there are young people or individuals who are born and raised in this city who don't have access to it, I just -- if there's anything we can do to help that partnership or talk to SFUSD to make that a mandatory component, I'm super supportive of that.

And anything we can do also to bolster water taxi service besides just signage -- it's hard to navigate or figure out when they're running. And I will say too, if there's any way if it's coupled with parking to lower the price point, also to go from -- I think one t -- to go here from the Ferry Building I think it was to Pier 39 -- I think it was like \$25 a passenger. Or I can't remember what the person, you know, [bustering] was telling us in front of the Ferry Building.

If there's any way to make it more affordable maybe as a breakeven to drive up more passengers, I just think it's such a missed opportunity that we don't have a more robust operations in that. But overall, you guys are doing such a phenomenal job. And thank you so much. This is so important for what we do.

Andre Coleman: Thank you, VP Gilman.

President Brandon: Thank you. I'm thinking it's more like 10 percent of the staff.

Vice President Gilman: Sorry, 10 percent. You're right, 10 percent. [laughter]

Andre Coleman: With a lot of support though from those other divisions.

President Brandon: Doing a lot of work with 10 percent. Andre, thank you so much. Great report, and it's just wonderful to see all the activation across the waterfront but really excited about the Pier 80 through 96 opportunities and what could happen out there but really exciting, you know, what's going on throughout the waterfront.

And soon, we'll be celebrating the 10th anniversary of the cruise terminal. It's so hard to believe it's been 10 years. That is so phenomenal. But thank you and your team for all the great work you're doing.

Andre Coleman: Thank you.

Commissioner Lee: President -- I've got one more question. Sorry. Sorry. Andre, you know, we --

President Brandon: [Could there actually be] another question? [laughter]

Commissioner Lee: Maybe a comment. But you know, we're talking about powering up the pier and e -- how come there's no conversation about solar? Is it something that's totally -- the batteries are too big to store all that power? Or I'm just curious, with all the mandates going around that we need to do more solar power, how come we don't have solar on the Port?

Andre Coleman: Exactly that. So we do have solar deployed throughout the Port. And we actually are participants or we're enrolled with -- in the -- [in cars] -- I forget the title of it now -- but where we generate power either by way of solar or through shore power for those who don't have shore power, solar or are noncompliant. We sell credits and, in turn, generate funds to invest back into the Port for other green opportunities.

But capacity for cruise is the reason why, to date, solar or other methods of providing power to a cruise ship -- they haven't been able to scale it up. So --

Commissioner Lee: Okay.

Andre Coleman: -- by comparison, I believe a container vessel is probably somewhere around two to three megawatts on demand whereas a cruise ship, on average, is around 10 megawatts on demand. So --

Commissioner Lee: So we don't have the technology yet basically.

Andre Coleman: The industry has not produced --

Commissioner Lee: Yeah.

Andre Coleman: -- the technology yet. Correct.

Commissioner Lee: Okay. And about Commissioner Gilman's -- I came to the Port as a high school tour on the Balclutha way back in the day. Right. And it really got me into the waterfront. So I'm totally supportive about doing some kind of coop with the San Francisco Unified District. So hopefully, we can do that. Okay. Sorry. Your turn. [laughter]

Commissioner Adams: I was just going to tell you we've got hydrogen, but we don't have the -- yeah.

Commissioner Lee: Okay. Anyway, thank you.

President Brandon: Any other comments or questions?

Commissioner Engblom: I have one quick question. With all this talk about energy, I just wonder, are we partnering with any of the big energy labs for research and grant potential --

Female Voice: Interesting.

Commissioner Engblom: -- like Lawrence Berkeley Lab or something like this like for energy research?

Andre Coleman: So for the purposes of shore power, we have not. But we have been supporters with [I believe it's Sandia] labs on other projects associated with zero emissions for harbor craft. But that is something that I will take note of and see if there are opportunities out there for collaboration.

President Brandon: Vice President Gilman?

Vice President Gilman: I'm sorry. I forgot. There was one other thing I was going to say. It was a rip off of Commissioner Engblom's thought about the sort of innovation pop-up water side. I wonder if there's any way we could partner -- it just opened. I might be getting the name slightly wrong. So forgive me because I just read about it.

But the World Economic Forum partnered with the chamber in San Francisco. There's a Yes on SF downtown innovation lab where they're supposed to be taking on city projects and innovations for economic development. Maybe we could connect with our friends at OEWD and see if we could issue that challenge through that lab since it's already set up.

Commissioner Engblom: Great idea.

Vice President Gilman: And they just did the ribbon cutting this week. And I think it's like maybe 220 Montgomery. It's one of the storefronts downtown. So I just wanted to put that out there as research, so we don't have to reinvent the wheel. Maybe we could be a pet project of that. And with the World Economic

Forum as part of the partnership, maybe we could see what's something fun we could come up with.

Andre Coleman: Thank you for that recommendation.

President Brandon: I'm scared to ask. [laughter]

Vice President Gilman: It's such a great topic. [crosstalk]

President Brandon: It really is. It really is. [crosstalk]

Vice President Gilman: Look how excited we all are.

President Brandon: Are there any other comments? Questions? Nothing? Andre, thank you so much. Great presentation.

Andre Coleman: Thank you.

President Brandon: Thank you. Next item, please.

15. NEW BUSINESS

Director Forbes: I have recorded some things for new business. One thing I wanted to do first is give a clarification on the amount of the FEMA hazard mitigation grant. It's a \$2.7 million grant with a \$900,000 match. So the total of the project is \$3.6 million. We were close.

President Brandon: Close enough to four.

Director Forbes: We were close, rounded correctly. I also have recorded that we are to give an update on where we are with Gary Bauer and that negotiation. I will also be working with Hornblower to see whatever the Port can do to resolve the labor dispute.

We will be considering a pop-up challenge on the water side and thinking more about what we can do about that. And we will be coming in some format to give an update on bar pilots. Is there any other new business?

President Brandon: I think you have it all.

Director Forbes: Excellent.

President Brandon: Thank you. If there's no other new business, can I have a motion to adjourn?

16. ADJOURNMENT

ACTION: Vice President Gilman moved to adjourn the meeting. Commissioner Adams seconded the motion. All commissioners were in favor.

The meeting was adjourned at 5:20 p.m.