

MEMORANDUM

February 23, 2018

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational Presentation on completion and outcomes of the Part 2 Waterfront Land Use Plan Update public process, and initiation of Part 3 of the planning process

DIRECTOR'S RECOMMENDATION: Informational Presentation

Executive Summary

In October 2015, the Port kicked off the public planning process for the update of the Port of San Francisco Waterfront Land Use Plan (Waterfront Plan Update). The Port created a Waterfront Plan Working Group (Working Group), supported by seven Waterfront Plan Advisory Teams, to support a three-part public planning process to update the 1997 Waterfront Plan. An August 5, 2016 Port Commission staff report described the completion of Part 1 of the planning process, which provided the Working Group, Advisory Teams, and public with an extensive orientation to the Port, and included discussion of many topics which will inform amendments to the Waterfront Plan. The August 2016 staff report also outlined the steps for Part 2 of the public process, to develop Port-wide policy guidance recommendations for amendments to the Waterfront Plan.¹

This staff report summarizes the meetings and recommendations generated from Part 2 of the Waterfront Plan Update process, which was completed on December 6, 2017.

THIS PRINT COVERS CALENDAR ITEM NO. 12A

¹Link to August 5, 2016 Port Commission staff report on Waterfront Plan Update Part 1 Process:
<http://sfport.com/sites/default/files/Commission/Documents/Commission%20Meeting%20Staff%20Reports/2016%20Commission%20Meeting%20Items/AUG09/Item%2010A%20WLUP%20Part1%20Briefing%20Final.pdf>

Three Working Group Subcommittees were created –Land Use, Transportation, and Resilience– organized around the policy discussions initiated in Part 1. The Working

Group first developed Guiding Principles to provide a foundation and common goals to guide the Subcommittee meetings and recommendations. The Subcommittees then collectively held 24 public meetings and developed Port-wide recommendations to guide future draft amendments to the Waterfront Land Use Plan. With outstanding leadership provided by Working Group Co-chairs Rudy Nothenberg and Janice Li, and Subcommittee Chairs Alice Rogers (Land Use), Linda Fadeke-Richardson (Transportation) and Pia Hinckle (Resilience), the Working Group unanimously agreed upon 160 of the 161 accepted recommendations. Appendix A provides the [Part 2 Final Report – Working Group Subcommittee Recommendations](#) (Part 2 Final Report) which details the Part 2 process, Working Group Guiding Principles, and the recommendations that each Subcommittee produced, which the full Working Group ultimately accepted.

This staff report summarizes the Part 2 Port-wide recommendations, which will be presented to the Port Commission in an informational presentation to describe the work completed, answer questions, and ensure that the Port Commission understands the scope of recommendations and may flag issues or provide direction. The public hearing is also another opportunity for public comment.

This staff report also outlines the schedule and steps for Part 3, the final leg of the planning process. Part 3 will include walking tours of the Northeast and South Beach subareas of the waterfront and open house workshops to build public understanding of how the Part 2 Guiding Principles and Port-wide Recommendations would guide improvements to Port facilities, and receive public comments. The walking tours and workshops will focus on two distinct but interrelated topics:

- 1) How Waterfront Plan urban design, open space and public access policies will be updated to incorporate “public realm” policies for The Embarcadero; and
- 2) How Waterfront Plan objectives for the South Beach and Northeast Waterfront subareas will be updated consistent with these Embarcadero public realm policies and Part 2 recommendations for Embarcadero Historic District piers and seawall lots.

The Northeast and South Beach subareas contain the majority of the remaining vacant or unimproved finger piers in the Embarcadero Historic District that have been identified as a priority for rehabilitation; they are expected to receive considerable focus in the Port's upcoming Request for Interest (RFI) and subsequent Request for Proposals (RFP) process.

The Part 3 workshops also will include a review of the challenges and opportunities for Piers 30-32 and Seawall Lot 330 in the South Beach waterfront, which will incorporate an earlier Port staff analysis of those facilities that was presented to the Port Commission in June 2016.

The Part 3 tours and open house workshops all will be open to all members of the public with the support and participation of the Working Group and Advisory Team members. The proposed meeting dates are:

- Wednesday, March 28, 4pm-6 pm: South Beach Walking Tour
- TBD: Northeast Waterfront Walking Tour
- Wednesday, April 11, 6pm-8pm: Public Open House Workshop
- April 25 or May 2, 6pm-8pm: Pier 30-32 and SWL 330 Public Workshop
- May 30, 6pm-8 pm: Working Group Meeting – Presentation of Port Staff Report on Part 3 Summary and Conclusions

Port staff will collect and summarize public comments and feedback from these gatherings and present them for review in a Working Group meeting, followed by an informational report to the Port Commission about the outcomes and additional recommendations from Part 3; staff will answer questions and take further comments and direction.

The recommendations and comments from Part 2 and Part 3 of the Waterfront Plan Update public process, along with comments and direction from the Executive Director and Port Commission regarding these recommendations, will guide Port staff in developing draft amendments to the Waterfront Plan, which will be released for public review and comment, anticipated in summer 2018.

Waterfront Plan amendments must undergo environmental review pursuant to the California Environmental Quality Act (CEQA), prior to being considered for approval by the Port Commission or other decision makers. The San Francisco Planning Department (SF Planning) is the City's lead CEQA agency. The Port intends to hire an environmental consultant to prepare the CEQA document under the direction of the Department's Environmental Planning Division. Port staff will seek Port Commission authorization to advertise a Request for Proposals (RFP) to solicit a CEQA environmental consultant at the March 13, 2018 Port Commission meeting.

This staff report includes discussion about ongoing coordination with staff of the San Francisco Bay Conservation and Development Commission (BCDC) regarding amendments to the BCDC San Francisco Waterfront Special Area Plan, as well as with SF Planning, to align Port, City and BCDC objectives, plans and policies.

Strategic Plan

The Waterfront Plan Update supports the following Strategic Plan goals and objectives:

- Port Renewal - Update the Waterfront Land Use Plan to provide long-term use policy direction, including renewed planning for the Northeast and South Beach waterfront areas.
- Public Engagement – Promote the richness the Port has to offer through education, marketing, and maintaining strong relationships with Port users and

stakeholders.

- Livability – Ensure Port improvements result in advances in the environment, social equity, and quality of life for San Francisco residents and visitors.
- Resiliency - Lead the City’s efforts in addressing threats from earthquakes and flood risks through research and infrastructure improvements to the Seawall and Port property.
- Sustainability – Limit climate change impacts and employ strong environmental stewardship principles through implementation of Port-wide practices that protect the environment and promote ecological balance.
- Stability – Maintain the Port’s financial strength for future generations.
- Economic Vitality – Attract and retain maritime and non-maritime commerce to contribute to the long-term viability of the Port and the City.

Part 2 Planning Process - Port-wide Issues & Recommendations

From November 2015 to July 2016, Part 1 of the planning process provided an extensive orientation to the Port, which led to early Working Group policy discussions that touched on many topics which will inform amendments to the Waterfront Plan: waterfront resilience; Port historic resource stewardship; land use diversity and regulatory environment; Port finances and capital plan; waterfront open space diversity; water recreation; and transportation. With direction from the Port Commission and the Working Group, Port staff organized the Part 2 process to enable the Working Group to more fully address these issues and develop Port-wide policy recommendations. To support more nimble and focused policy discussions, three Working Group Subcommittees were created to hold public meetings: Land Use, Resilience (including Environmental Sustainability), and Transportation. Figure 1 provides a flowchart of the Part 2 process.

Working Group Guiding Principles

The Working Group met in September and October 2016 to establish ground rules and principles, summarized below, that provide a strong foundation and common goals for the Subcommittee meetings.

1. The Waterfront Plan Update should guide the Port while long-range adaptation planning, engineering, and financing studies to respond to sea level rise and strengthen the Seawall are undertaken by the Port, along with the appropriate City, State, Regional and other authorities.
2. The Waterfront Plan Update also should highlight the need for and make recommendations to guide a Plan of Finance to improve waterfront resilience.
3. The Waterfront Plan Update should enhance the Port’s ability to undertake projects that rehabilitate and preserve the Embarcadero Historic District’s iconic finger piers and bulkhead buildings.

4. The Waterfront Plan Update should facilitate desired projects that comply with the Secretary of the Interior Standards for Historic Rehabilitation, bringing them to fruition with greater certainty, efficiency, and transparency.
5. The Waterfront Plan Update should continue to reflect the Port's maritime commitment and the different maritime-related needs. The Update also should include additional focus on maritime services and berthing, water-borne transportation, and water recreation along the entire Port waterfront.
6. The Waterfront Plan Update should continue to include aspirational goals, but also recognize that choices and trade-offs must be considered to determine priority improvements and investments given the many competing needs for limited Port resources. The Working Group should discuss best alternatives for resilience, transportation, and land use, even if they might not seem acceptable within the existing regulatory framework or with current financial resources. The Working Group also should consider the merits of accessing other public and private financing and funding sources, given that the Port waterfront serves as an important City, regional, State and national resource.
7. Waterfront Plan transportation policies should be updated to align with City and regional transportation goals and priorities, including the City-adopted Transit First and Vision Zero policies, among others, to elevate the priority for transportation investments by local and regional transportation agencies to improve access to and along the waterfront.

Part 2 Subcommittee Meetings and Discussions

From November 2016 – July 2017, each Subcommittee met several times to delve deeply into their respective policy topics, often addressing tradeoff issues associated with a range of choices. The full Working Group met on February 22, 2017 for a mid-point check in to bring all parties and the public up to speed on the policy discussions. The Working Group also held a Designing for Resilience public workshop on March 1, 2017 that provided Working Group and Advisory Team members, and other interested citizens the opportunity to articulate public values about key Port functions and cultural, urban design, and environmental features and qualities that should be considered in waterfront resilience improvements and adaptations. The values expressed at this workshop helped inform the policy discussions of each Subcommittee. All Subcommittee meeting materials (e.g. agendas, presentations, meeting notes) and videotape of full Working Group meetings were continuously posted on to the Waterfront Plan Update website (<http://sfport.com/waterfront-plan-update>).

Throughout the Part 2 process, Advisory Team members and staff from several public agencies provided support to each Subcommittee, including background information, subject matter expertise, and answers to questions that arose during the meetings.

The Part 2 meetings were content-rich and stimulated many interesting questions and discussions. The following discussion summarizes the outcomes of each Subcommittee's work. Appendix A, the Part 2 Final Report, provides the details of the Part 2 process, the Working Group's Guiding Principles, and the recommendations produced by each Subcommittee which were ultimately accepted by the full Working Group on December 6, 2017. The Part 2 Final Report includes links to the agendas, background reports/memos, notes, presentations and handouts for each meeting.

Land Use Subcommittee Recommendations

The Land Use Subcommittee, chaired by Alice Rogers, met 14 times between November and July 2017. Because the issues addressed were quite complex, most topics were discussed at two or three well-attended meetings. The public discussions were detailed and interactive, with a healthy exchange of different perspectives that informed the recommendations. In addition to Port staff, the meetings were supported by other public agencies, including SF Planning, BCDC, and Association of Bay Area Governments (ABAG). The Subcommittee's deliberations also were significantly enhanced by State Lands Commission staff during each meeting, including Executive Officer Jennifer Lucchesi who provided briefings and answered questions about how public trust objectives can be met along San Francisco's unique historic waterfront.

In addition, Port staff hired Moffat and Nichol, an engineering firm, and a financial and design consultant team led by Economic Planning Systems Inc., which conducted pier condition, financial modeling, urban design and architectural analysis. This work helped Port staff and the Land Use Subcommittee evaluate different leasing scenarios for piers and bulkheads in the Embarcadero Historic District (Historic District). The Land Use Subcommittee recommendations considered the balance of public trust needs, public values and requirements of Port projects and improvements, which are organized across eight broad topics:

Water Recreation: Public interest in expanding water recreation has grown over the past 20 years. The Land Use recommendations include new policies to support the Bay Area Water Trail, to increase water recreation uses --in the water and in better water/landside access-- and to promote a diversity in the type and users of water recreation, as well as safety and environmental sensitivity.

Maritime/Public Access conflicts: There is strong public support for the Port's diverse maritime industries and associated berthing needs. Where maritime berthing and public access are competing for space on the remaining pier aprons in the northern waterfront, the recommendations aim to balance the needs of both, and call for criteria to define conditions that allow shared or exclusive use. The public feels strongly that maritime work adds invaluable authenticity to our waterfront, and that viewing maritime operations is an important public access benefit that may be enjoyed from properly sited viewing areas if physical public access is not compatible.

Parks and Open Space: The public wants a broader range of activities and uses in parks and open space areas, and the recommendations provide fresh ideas to activate these spaces that are consistent with the public trust, and serve visitors and residents.

Embarcadero Historic District: The collection of historic piers, bulkheads and iconic buildings that comprise the Historic District is unique in California, and reflects San Francisco's rich maritime history and one of a kind built form. Preserving the integrity of the Historic District is a primary public trust purpose, and is reflected in several of the Working Group's Guiding Principles. The Land Use Subcommittee spent considerable time analyzing public trust and financial feasibility requirements necessary to preserve and rehabilitate piers and bulkheads. The EPS financial model was used to analyze various leasing and development scenarios. This analysis led to discussions with Port and State Lands staff and the public that provided the rationale for a unique Public Trust Objective framework for the Historic District. This framework allows more flexibility in lease terms and high revenue-generating uses, and recognizes a broader array of public-oriented uses in leases and developments that preserve and rehabilitate these historic maritime resources. The Port, State Land and public's mutual understanding of these trust values and needs is an important milestone, and will improve clarity and predictability for leasing and rehabilitation of historic piers. The Land Use recommendations:

- Recognize the need for longer lease terms, subject to enhanced public review, to amortize high pier construction costs, allowing "Intermediate-term" leases (10-49 years), in addition to short-term uses (10 years or less) and long-term development (50-66 years), to meet the high cost of pier repairs, capital improvements and historic preservation;
- Recognize and allow high revenue uses in portions of the pier sheds to achieve financially viable intermediate-term leases and long-term developments;
- Prioritize bulkhead buildings for diverse public-oriented uses in intermediate and long-term leases to enhance the pedestrian experience along The Embarcadero Promenade. Public-oriented uses are desirable throughout pier sheds as well, however other sources of funding (e.g. private fundraising, targeted public investment) would likely be required to meet financial feasibility requirements;
- Prioritize pier aprons for maritime berthing and public access.
- Provide that both intermediate- and long-term non-maritime leases be subject to enhanced public engagement procedures that include clear direction for Port Advisory Committee and community comment and input (see Public Engagement, below)

Public-oriented Uses: Expand the definition of Public-oriented Uses to promote a wide diversity of experiences within Historic District projects. The new Public Trust Objectives framework allow arts, museums/cultural facilities, education and academic institutions,

recreational enterprises, assembly and entertainment, in addition to restaurants and retail businesses which previously have been recognized as trust uses. Projects like the Giants Ballpark and Exploratorium provided good examples of projects that helped public trust agencies and the public support this recommendation.

Pier Hotel Use: The EPS team found that hotels are a physically and financially feasible trust use that can support pier rehabilitation, including seismic upgrade. The Land Use Subcommittee recognized that hotels are prohibited in the Waterfront Plan and by Proposition H. While the majority of Land Use Subcommittee members were open to “further consideration” of this use by the Port for one or two locations, there was no recommendation to reverse the hotel ban. Ultimately, the Working Group did not reach consensus on recommending that the Port Commission pursue any efforts to change the voter-passed initiative that prohibits hotels on piers.

Seawall Lots: For the Port’s remaining undeveloped seawall lots, the Subcommittee recognized their value for generating Port revenue -- both in the short and intermediate terms and as long-term development prospects -- as well as their importance in supporting Port waterside businesses with surface parking. The recommendations promote uses on seawall lots that serve diverse populations, enliven the pedestrian experience, and integrate with surrounding neighborhoods. To that end, the recommendations also include allowing State legislation on a case-by-case basis, as needed, to lift trust use restrictions, allowing a wider range of uses on the cityside of The Embarcadero.

Public Engagement: The public wants more meaningful public engagement in the review process for Port improvements, particularly Intermediate and Long-term leases and development proposals. As described above, the Working Group understands the need and basis for longer lease terms and high revenue uses for Embarcadero Historic District projects; at the same time, the Working Group recommendations also include clear direction for Port Advisory Committee and community comment and input, particularly for intermediate and long-term non-maritime lease proposals. The recommendations suggest ways to improve the Port Advisory Committee process, and transparent processes with defined steps for public comment and review of proposals that emerge through Competitive Solicitations for developers, or unsolicited, Sole Source projects. The Subcommittee also recommended refinements to public process and review guidelines for Southern Waterfront project proposals. The recommendations highlight the interest of finding more ways to improve information exchange between Port Advisory Groups, Port staff and the Port Commission, to increase public understanding and collaboration on Port improvements.

Resilience Subcommittee Recommendations

The Resilience Subcommittee, chaired by Pia Hinckle, focused on developing two new goals and related policies for the Waterfront Plan Update: Environmental Sustainability and Resilience. Unlike the work of the other two subcommittees, the Resilience Subcommittee focused almost exclusively on guiding development of entirely new Waterfront Plan content. Attendees discussed policy ideas that affect a broad range of

Port activities (operations, maintenance, development, leasing, procurement, etc.), with the expectation that some recommendations would be referred to other Port plans and policy documents, such as the Port Strategic Plan and the Emergency Operations Plan.

Environmental Sustainability: The Resilience Subcommittee began by discussing Environmental Sustainability. Staff produced an Environmental Sustainability Background Report summarizing San Francisco's exceptionally progressive environmental policies, as well as the many policies and practices that the Port has implemented since the Waterfront Plan was approved in 1997. The Subcommittee recommended elevating environmental stewardship to a key "value" and goal of the Waterfront Plan, and developed recommendations to address: 1) Climate Change and Air Quality; 2) Water Quality and Conservation; 3) Natural Resources; and 4) Green Building, Leasing and Development. The recommendations promote:

- Pushing beyond minimum requirements
- Better data collection
- More Bay-wide/regional collaborations
- Cleaner fuels, greener infrastructure and technology, waste reduction, multi-benefit projects
- Improvements to habitat, biodiversity and ecosystem function
- Education and partnerships to expedite action

Resilience: Resilience is an entirely new subject for the Waterfront Plan Update; the 1997 Waterfront Land Use Plan preceded current understandings about the nature and extent of the Port's climate change, seismic, and public safety challenges. Rather than starting from scratch, staff first reviewed and shared with the Subcommittee and the public information culled from resilience plans & policies of other Bay area and US cities, ports, and regional agencies, as well as from the City's Resilient SF Plan which was discussed during the Working Group Part 1 meetings. The Subcommittee also hosted presentations from and asked questions of a range of professionals and Advisory Team members working in the fields of resilience planning, homeland security, and disaster response and recovery, including staff from the Bay Area Water Emergency Transportation Agency (WETA), BCDC, the Port, SF Planning, SF Department of the Environment, SF Department of Emergency Management, and SF Office of Resilience and Recovery.

The takeaway from this deep dive into resilience planning, was that although resilience plans vary depending on the unique challenges, responsibilities and priorities of different jurisdictions, common themes include how to prevent and recover from sudden threats (like earthquakes and terrorism) as well as slower moving or evolving threats (like sea level rise and more frequent and severe storms). Recognizing that the City's Office of Resilience and Recovery oversees City-wide resilience planning (and the wide range of housing, social services, public works, communications, and other functions required to bounce back from disasters), the Subcommittee narrowed in on how the Waterfront Plan's new resilience policies should address the Port's unique challenges, public trust mission, and geography. For this purpose, the Subcommittee defined "resilience" as "the

capacity of the Port to maintain its function and vitality in the face of natural or human caused disruptions”.

The resilience recommendations first addressed 3 primary topics: 1) Emergency Preparedness and Disaster Recovery; 2) Seismic Safety, including recommendations that have been forwarded for consideration as part of the Port’s Seawall Program; and 3) Sea-level rise and flood protection. Collectively, the recommendations promote:

- Maintaining flexible areas for staging disaster response and recovery operations;
- Improving the capacity and flexibility of ferry and other vessel landing facilities;
- Integrating the latest climate change projections into the design of critical facilities;
- Planning and funding partnerships with tenants, emergency managers and transportation providers;
- Improving earthquake safety of the historic seawall, vulnerable buildings and historic structures;
- An agile, adaptive management approach to planning and implementing resilience projects; varying strategies to reflect each area’s unique character;
- A multi-benefit approach to each resilience project. For example, whenever possible, Port resilience projects should incorporate historic and cultural resource preservation, green building, habitat protection, and improvements to ecological functioning, mobility, design and access; and
- Education and partnerships to expedite resilience planning and projects.

The final resilience topic addressed, “Social Equity and Cohesion”, emerged from discussions among Subcommittee members, agency staff and the public, and was among the hardest topic to define for the Waterfront Plan. Resilience research shows that the ability of a community to withstand and recover from disasters and other challenges is linked to the community’s access to jobs, transportation, education and resources, including participation in planning, as well as to the strength of the community’s cultural life and sense of identity and meaning. Port staff recommends that the existing Port Advisory Groups be provided citywide information on disaster recovery plans to enhance information sharing and to strengthen these groups so they provide community cohesion to better recover.

Again, the Subcommittee looked at how best to further City-wide efforts to boost community resilience, in this case through improvements to social equity and cohesion, given the Port’s relatively narrow geographic jurisdiction and specific public trust responsibilities. The recommendations that emerged promote:

- Identification and protection of the maritime, historic and cultural assets that are most critical to the Waterfront’s sense of place and meaning;
- Improved connections and participation in resilience planning among the Port, its tenants, stakeholders and neighbors, especially with more vulnerable communities; and

- Continuing to meet or exceed City/Port goals for more equitable access to Port jobs and business opportunities, as well as recreational opportunities for underserved areas or populations.

Transportation Subcommittee Recommendations

The Transportation Subcommittee, chaired by Linda Fadeke-Richardson, approached their work in a manner similar to the Resilience Subcommittee. Transportation, like Resilience, was given a relatively light touch in the 1997 Waterfront Plan. The Transportation Subcommittee therefore focused on how best to elevate transportation as a key Waterfront Plan goal and to support this new goal through policies that address the wide range of mobility and access issues that have arisen over the past two decades. These mobility issues have been exacerbated by the ever-growing popularity of the waterfront and its neighborhoods, and the resulting competition for space among transportation modes.

Like for resiliency, the Subcommittee also acknowledged throughout their deliberations that Port transportation policies must fit within a policy framework and system largely planned, funded and controlled by or with other City, County and regional partners. For this reason, the Subcommittee was aided in their efforts by agency staff from SFMTA, WETA, and Golden Gate Highway and Transportation District. The Subcommittee also had critical support from Nelson Nygaard, a highly respected transportation consultant firm specializing in transit and mobility planning. All meetings were well attended and provided opportunities for informal discussions between Subcommittee and Advisory Team members, agency staff, and the public. The Transportation Subcommittee Recommendations support:

Integrated Transportation Systems: Establish a multi-modal transportation system with easy connections between modes to serve the City and waterfront.

Walking and Bicycling: Coordination with other City and regional agencies to establish a safe and accessible pedestrian and bicycle environment that encourages and supports increased pedestrian and bicycle use to, from, and along the waterfront.

Public Transit: Continued Port partnerships with the SFMTA and other public transit agencies to increase transit service levels and ridership, and capacity improvements during specific times and in specific areas that lack capacity. The goal is to discourage single-occupancy vehicles and to reduce environmental degradation and the other societal costs associated with their use.

Water Transit: An expanded water transportation system, with improved passenger amenities, landing facilities, intermodal connections, and emergency response and recovery.

Goods Movement and Commercial /Industrial Access in the City: Improved mobility and access for the transport of goods for maritime cargo operations and production,

distribution and commercial services to, from and along the waterfront.

Curb Space: Improve access and traffic flow by identifying curb use priorities for specific Port areas, based on predominant land uses.

Parking and Automobile Access: Manage the Port's on- and off-street parking supply to reduce single-occupancy vehicle trips, improve pedestrian and bicycle safety, and further the Port's other land use and environmental policies and objectives.

Transportation Demand Management: New strategies that promote sustainable transportation choices and reduce single occupancy vehicle use along the waterfront.

Port Streets and Street Maintenance: The Port and City should prioritize the rebuild of Port streets that are at the end of their useful lives and maintain streets consistent with the City's accepted pavement condition index. The City should accept Port street infrastructure for long-term maintenance.

Working Group Meetings to Accept Recommendations

The recommendations produced by the Land Use, Transportation and Resilience Subcommittees were incorporated into a Draft Part 2 Summary of Subcommittee Recommendations that was published for review on September 12, 2017. From September 19 to December 6, 2017, the Working Group held four public meetings to review and discuss the Subcommittee Recommendations, and revisions to address Working Group and public comments and tradeoff issues. At its meeting on December 6, 2017, the Working Group unanimously accepted 160 of the 161 Part 2 Port-wide Recommendations as presented in this Part 2 Final Report. There was one alternative recommendation (to Land Use #51) regarding sole-source proposals that was introduced at the December 6 meeting and debated, but not accepted unanimously. The Working Group asked that this alternative recommendation also be included in the Part 2 Final Report.²

The breadth of knowledge and expertise that Working Group and Advisory Team members honed during Part 1 orientation meetings was instrumental to the success of Part 2. The questions, discussion and exchanges were sophisticated and forward-looking, and continued to elevate public understanding of the Port, its relationship to the City, State Lands Commission and BCDC, and waterfront issues, needs and opportunities. Port staff expresses its deep appreciation to the Co-chairs, Subcommittee Chairs, Working Group and Advisory Team members, and to the many expert guest speakers and public participants who supported this effort.

² See Part 2 Final Report, page 32. The alternative recommendation proposes that commercial development teams for Port property be selected only through a competitive bid process, prohibiting sole source proposals. The Board of Supervisors' current bidding policies for leasing opportunities permits direct negotiations under certain circumstances. While some members expressed support for the alternative recommendation, the Working Group ultimately chose to endorse Recommendation #51 as the Land Use Subcommittee originally proposed.

Financial Report

The Working Group discussed from the outset of its meetings that policy recommendations to update the Waterfront Plan have financial consequences and requirements that should not be ignored. During Part 2, Port staff therefore supplemented the work of the Subcommittees by preparing a Financial Table of likely financial requirements and resources for each recommendation. Although attached in the Part 2 Final Report, this staff-generated analysis is separate from the recommendations produced by the Working Group. The Financial Table is provided for informational purposes; it is intended to illustrate the types of funding resources that typically would be necessary to implement improvements promoted in the Part 2 recommendations and neither guarantees nor constrains the funding requirements and resources that may be necessary in actual future implementation projects.

Next Steps

1) Part 3 of the Public Planning Process

The Part 2 Working Group Recommendations are an impressive achievement, reflecting the breadth and depth of analysis and discourse of the Working Group and Subcommittee public discussions. They provide excellent direction for Port staff to draft amendments to update Port-wide policies covered in Chapter 3 of the Waterfront Plan. Part 3 of the public planning process will hone in on how those recommendations would apply and update policies affecting specific waterfront subareas, which are addressed in Chapter 4 of the Waterfront Plan.

Walking Tours and Workshops: Part 3 will include walking tours of the Northeast and South Beach waterfront subareas, and open house workshops to build public understanding of how the Part 2 Guiding Principles and Port-wide Recommendations would guide improvements of Port facilities and receive public comments. The walking tours and workshops will be open to all members of the public and focus on two distinct but interrelated topics:

- How Waterfront Plan urban design, open space and public access policies will be updated to incorporate “public realm” policies for The Embarcadero; and
- How Waterfront Plan objectives for the South Beach and Northeast Waterfront subareas will be updated consistent with these Embarcadero public realm policies, and Part 2 recommendations for Embarcadero Historic District piers and seawall lots.

Over the last 10 years, the Port, BCDC, SF Planning and SFMTA have developed planning and design criteria to improve and enhance the “public realm” -- the quality of public access, sidewalks, parks and public spaces along the waterfront, and connections with upland neighborhoods. Port staff intends to incorporate this work into the Waterfront Plan’s urban design and access policies, which reinforce many Part 2 recommendations.

The Northeast and South Beach subareas are worthy of attention in Part 3 because they contain the majority of the remaining vacant or unimproved finger piers in the Embarcadero Historic District that have been identified as a priority for rehabilitation in Working Group Guiding Principles. The historic piers and bulkheads in these areas also are expected to receive considerable focus in the Port's upcoming Request for Interest (RFI) and subsequent Request for Proposals (RFP) process. The RFI concept was presented in a November 2017 Port Commission meeting.³ The walking tours and workshops will be interactive and include opportunities to provide written comments on topics of interest.

Piers 30-32 and Seawall Lot 330: One public workshop will focus on Piers 30-32 and Seawall Lot 330 in the South Beach subarea. Since adoption of the 1997 Waterfront Plan, development proposals for Piers 30-32 have failed, in large part due to high repair costs associated with deteriorated pier conditions that rendered proposed projects financially infeasible. In 2016, Port staff prepared an analysis of options for Piers 30-32 and implications for Seawall Lot 330, which will be the focus for this public workshop. Workshop comments may ultimately inform the update of Waterfront Plan policy options for Piers 30-32 and Seawall Lot 330.

Meeting Schedule: The Part 3 tours and open house workshops all will be open to the public with the support and participation of the Working Group and Advisory Team members. The proposed meeting dates are:

- Wednesday, March 28th, 4pm-6 pm: South Beach Walking Tour
- TBD: Northeast Waterfront Walking Tour
- Wednesday, April 11th, 6-8pm: Public Open House Workshop
- April 25 or May 2, 6-8pm: Pier 30-32 and SWL 330 Public Workshop
- May 30, 6-8 pm: Working Group Meeting – Presentation of Port Staff Report Re: Part 3 Summary and Conclusions

Port staff will collect and summarize public comments and feedback from these gatherings and present them for review in a Working Group meeting, followed by an informational report to the Port Commission for further comment and direction.

2) Draft Waterfront Plan Update

The recommendations and comments from Part 2 and Part 3 of the Waterfront Plan Update public process, along with comments and direction from the Executive Director and Port Commission regarding these recommendations, will guide Port staff in developing draft amendments to the Waterfront Plan which will then be released for public review and comment, anticipated in Summer 2018.

³ Links to November 2017 Port Commission RFI staff report:
<http://sfport.com/sites/default/files/Commission/Item%2013B%20RFI%20staff%20report.pdf>;
<http://sfport.com/sites/default/files/Commission/Item%2013B%20All%20Attachments.pdf>

Port staff is committed to continuing public outreach and, with the assistance of Waterfront Plan Working Group and Advisory Team members, and educating the community about the recommendations and outcomes from this planning process. Public comment opportunities will continue when draft amendments to the Waterfront Plan are completed and released for public review and comment. We anticipate multiple opportunities for public input during and after Part 3, including:

- Informational meetings with Port Commission and advisory groups
- Informational meetings with other City-wide neighborhood and stakeholder organizations
- Meetings with Port tenants
- Presentations to City and regional agency partners, based on continued staff-level work to align waterfront planning policies
- Public comment through the California Environmental Quality Act (CEQA) environmental review process

3) CEQA Environmental Review

Waterfront Plan amendments must undergo environmental review pursuant to the California Environmental Quality Act (CEQA), prior to being approved by the Port Commission or other decision makers. The San Francisco Planning Department (SF Planning) is the City's lead CEQA agency. The Port intends to hire an environmental consultant to prepare the CEQA document under the direction of the SF Planning's Environmental Planning Division. Port staff will seek Port Commission authorization to advertise a Request for Proposals to solicit a CEQA environmental consultant at the March 13, 2018 Port Commission meeting.

4) BCDC Special Area Plan

Port staff will continue working with State Lands, BCDC, and SF Planning to solicit input and resolve policy issues, with the intent of aligning City, Port, and BCDC plans and policies affecting the Port waterfront. The Port already has submitted an application to amend the BCDC San Francisco Waterfront Special Area Plan (SAP) to align Port and BCDC policies, thereby initiating discussions of how best to work together towards amendments to the SAP. The Port also will continue working with SF Planning to review the Part 2 and Part 3 policy issues and ensure consistency with the City's General Plan.

5) San Francisco Seawall Earthquake Safety and Disaster Prevention Program

Before breaking into Subcommittees, the Working Group addressed the extent to which their policy recommendations should address specific Port projects, such as the San Francisco Seawall Earthquake Safety and Disaster Prevention Program (Seawall Program). The Working Group's first Guiding Principle reflects the consensus that:

The Waterfront Plan Update should guide the Port while long-range adaptation planning, engineering, and financing studies to respond to sea level rise and

strengthen the Seawall are undertaken by the Port, along with the appropriate City, State, Regional and other authorities.

This Guiding Principle reflects the Working Group's recognition that City and regional studies required for the Port to successfully adapt to long-term sea level rise and repair the historic Seawall will extend beyond the timeframe for the Waterfront Plan Update process. The Working Group also recognized the Port's need to prioritize Seawall seismic improvements, including implementation of the first phase of these improvements within 10 years. The Working Group thus focused on defining public values, design criteria and/or other policy guidance that should underlie and support the Port's longer term resiliency planning efforts, without prescribing specific solutions. In addition to their policy recommendations discussed earlier in this staff report, the Resilience Subcommittee also developed the following recommendations specifically for the Seawall Program which have been forwarded for consideration to the Seawall Program team:

- Improve earthquake safety of the historic Embarcadero Seawall and reduce the potential for seismic damage and disruption to Port facilities, and City transportation and utilities within The Embarcadero and upland properties, without delay.
- Develop a planning framework so that near-term Seawall seismic improvements are informed by an outlook and strategy for short-, mid-, and long-term sea level rise adaptation.
- Implement feasible near-term measures that can improve life safety, protect critical infrastructure and assets, and control damage of historic structures.
- Recognize and support the public commitment to maintenance and rehabilitation of structures in the Embarcadero Historic District (including the Seawall), which is a defining feature of San Francisco.
- Include opportunities for ecological and environmental enhancements to the Bay in the Seawall Program
- Limit disruption during construction, especially to business and transportation, and especially to legacy and maritime tenants.
- Seek a wide variety of local, state, federal and private funding sources.
- Ensure transparency and accountability to the public and all stakeholders.

Conclusion

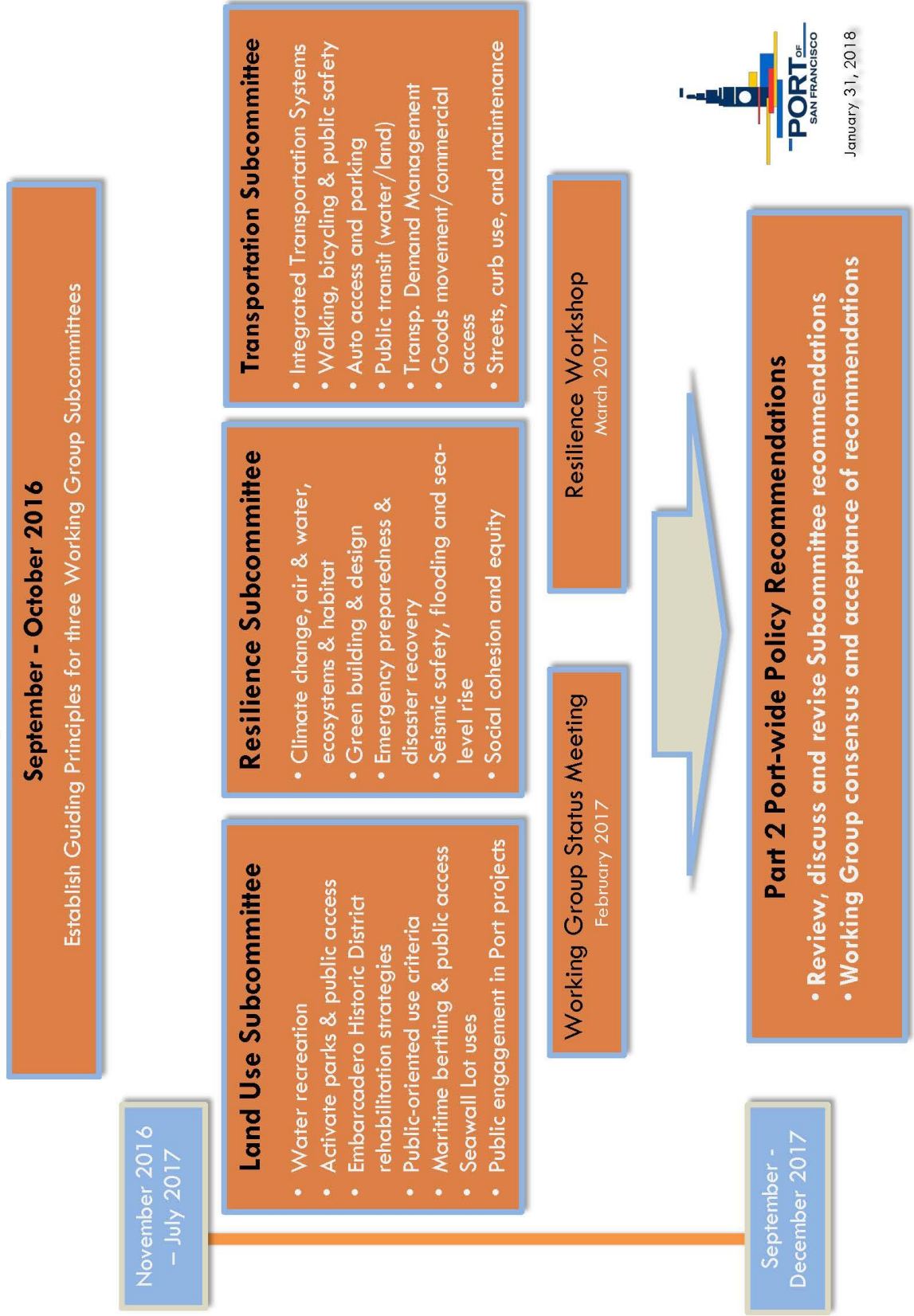
With support and further Port Commission direction, Port staff will carry out Part 3 of the Waterfront Plan Update process. Upon completion of those meetings, Port staff will report on Part 3 outcomes to the Port Commission, which is anticipated to occur in summer 2018.

Port staff will continue public outreach efforts to advance understanding of the Waterfront Plan Update process, recommendations and outcomes, and the relationship of this work with other projects, including the Seawall Program, Embarcadero Historic District RFI, and City and regional resilience planning efforts.

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Appendix A: Part 2 Final Report – Working Group Subcommittee
Recommendations

**Figure 1 Waterfront Land Use Plan Update
Part 2 Process: Port-wide Policy Discussions & Recommendations**



January 31, 2018