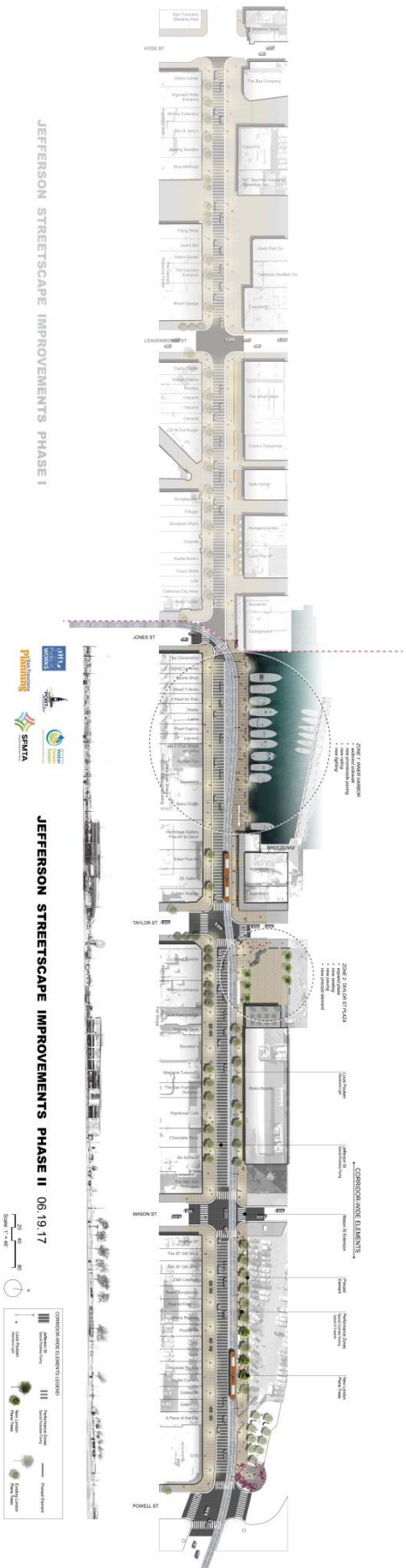
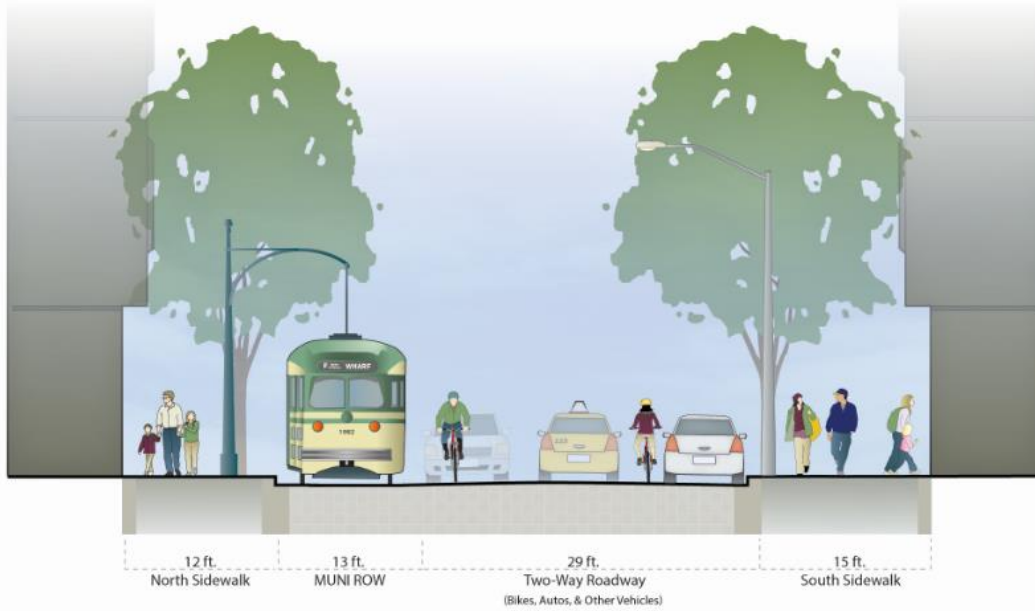


# Attachment A



# Attachment B



**JEFFERSON STREET EXISTING**  
TYPICAL STREET SECTION - LOOKING EAST FROM TAYLOR STREET



**JEFFERSON STREET PROPOSED DESIGN**  
TYPICAL STREET SECTION - LOOKING EAST FROM TAYLOR STREET



## Attachment C

### DRAFT Memorandum

**Date** September 21, 18  
**To:** Jay Edwards, Port of San Francisco  
**From:** Seifel Consulting Inc.  
**Re:** Jefferson Street Phase II Improvements

At the request of Port of San Francisco staff, Seifel Consulting (Seifel) reviewed the proposed plans for the second phase of the Jefferson Street improvements in Fisherman's Wharf. As further described in this memorandum, Seifel concludes that the proposed Jefferson Street Phase II improvements are important to the long term economic sustainability of Fisherman's Wharf and the Port's properties within the Wharf.

In summary, this memorandum presents the following findings and recommendations:

- Retail is intensely competitive, and public improvements like those proposed as part of Jefferson Street Phase II are critical to upgrade the appearance and walkability of Fisherman's Wharf so it can continue to attract a growing number of tourists, as well as local residents and workers.
- The Jefferson/Taylor intersection is a key anchor retail corner of the Wharf that would be significantly strengthened with a well designed, upgraded public plaza at Taylor Street.
- As anticipated in the Fisherman's Wharf Public Realm Plan, the new Taylor plaza will serve as a central "heart" of the Wharf, creating a compelling opportunity for visitors to enjoy its scenery and entertainment, as well as provide picturesque photo opportunities next to the iconic Fisherman's Wharf crab sign, which will reinforce the Wharf's brand internationally.
- These types of public realm investments also catalyze private investment, which has been demonstrated by the \$300 million in public and private investments in retail, attractions and hotels that have occurred over the past decade in Fisherman's Wharf.
- Recent and planned private investments along the eastern blocks of Jefferson Street have already anticipated that Phase II improvements will occur, and the Wharf's eating and drinking establishments, many of which are on Port property, will benefit from the expanded sidewalks, improved lighting, upgraded Taylor plaza and enhanced Harbor environment.
- The Port should continue to work collaboratively with its tenants and landside property owners to invest in outdoor cafe/restaurant improvements to leverage the new walkways and open space as occurred with the Jefferson Street Phase 1 improvements.
- While the Port will lose parking revenues in the short term, particularly from the loss of two blocks of meter parking along the south side of Jefferson Street, the planned improvements will strengthen the Port's long term lease revenue generation by making the Wharf more attractive and improving its

competitiveness with other retail destinations worldwide who are increasingly making similar public realm investments.

- The Port, Department of Public Works and other City agencies need to continue to work with businesses and private owners to develop a Phase II implementation plan that minimizes the economic impact of the Phase II improvements on Wharf businesses, particularly in the high season, by staging the improvements strategically.
- To mitigate the loss of metered parking along the southeastern most blocks of Jefferson Street, the Port may want to consider accelerating the use of parking technologies at the Port's parking facilities (particularly at the Triangle Lot and Pier 45). A broad variety of parking technology tools can be used to help patrons find and pay for parking more quickly, allow operators to manage parking facilities more efficiently and provide real-time information to better manage scarce parking resources. Deploying parking technology will benefit Wharf patrons and businesses by streamlining the process to access and pay for parking, while enabling the Port and its parking operators to more efficiently generate revenues from its parking resources in Fisherman's Wharf.

## **A. Steps Performed to Reach These Findings**

To reach these findings and recommendations, we performed the following steps:

- Reviewed the proposed plans provided by the Department of Public Works regarding the Jefferson Street Phase II improvements.
- Reviewed the economic analysis that we recently performed as part of the recent Fisherman's Wharf Retail Strategy and summarized relevant findings from this analysis.
- Reviewed historical Port parking revenues from meters along Jefferson Street that would be removed as part of the Phase II improvements as well as from the Triangle Lot and Pier 45 parking, which may be able to help meet some of the future parking demand from the removal of on-street parking.
- Discussed potential opportunities to mitigate the potential impact on Port tenants from the proposed improvements with Port staff.

## **B. Overview of Jefferson Street Improvements**

For more than a decade, the City of San Francisco has been working with local property owners (including the Port of San Francisco), businesses, residents and the Fisherman's Wharf Community Benefit District (FWCBD) to create a better walking and biking environment for the millions of visitors that enjoy Fisherman's Wharf each year. The first phase of the plan included the following:

- Changed Jefferson Street from a one-way to a two-way street.
- Created new sidewalks along the north side of Jefferson Street (on the two western blocks located between Jones and Hyde Streets where no sidewalks previously existed).
- Added pedestrian scale lighting.
- Removed parking on both sides of Jefferson Street between Jones to Hyde Streets.

These initial improvements created an opportunity for the Port's restaurant tenants along the northwestern side of Jefferson Street to extend outdoor restaurant seating, and several restaurants leased by the Port were significantly upgraded.

The proposed Phase II improvements will upgrade the street and public realm of the three easternmost blocks of Jefferson Street from Jones Street to Powell Street, as envisioned in the Fisherman's Wharf

Public Realm Plan that was approved by the Port Commission. In addition, a small portion of the Port's Triangle Lot parking spaces, next to the iconic Fisherman's Wharf crab sign at the northeastern corner of Taylor and Jefferson Streets, will be transformed into a public plaza that could host small performances and events, while also being used as overflow parking during special events.

New lighting and upgraded pedestrian walkways will be undertaken along the Port's Commercial Fishing Harbor, which will significantly enhance the public realm. Sidewalks along Jefferson Street will also be improved in some areas, with new street trees, enhanced lighting, and other bicycle and transportation safety improvements to enhance the visitor experience and provide better business access. Phase II will also create a direct connection from Mason Street into the Triangle Lot. [NEED TO EXPAND?]

## **C. Relevant Findings from the 2018 Fisherman's Wharf Retail Strategy Regarding the Potential Economic Impact from the Phase II Improvements**

Seifel Consulting and lowercase productions were retained by the FWCBD and the Office of Economic and Workforce Development (OEWD) to prepare a retail strategy for Fisherman's Wharf. Working with the CBD, OEWD, Port and numerous other stakeholders for more than a year, Seifel Consulting gathered and analyzed numerous retail and economic data to inform the retail strategy. The final strategy was released in April 2018, and the following presents key findings that are most relevant to our view regarding the potential economic impact from the proposed Jefferson Street Phase II improvements.<sup>1</sup>

With the changing retail landscape and competitive nature of international travel, even the most popular travel destinations must evolve and embrace change. While Fisherman's Wharf has numerous retail strengths and opportunities, this is an especially challenging time for retail districts like the Wharf with an international draw. As evidenced by news reports of store closures throughout the United States, many retailers continue to experience significant financial challenges because their customers are choosing to shop online and/or patronize "category killer" competitors. Today's retail must continually reinvent itself to stay relevant now that technology and evolving consumer preferences are changing the way many people shop, and retail destinations across the globe are competing for many of the same customers.

Increasingly, customers are seeking authentic retail destinations that combine shopping with entertainment, recreational and educational experiences—sometimes referred to as "retail-tainment." To engage shoppers, retailers must not only build strong relationships but must also provide compelling offerings that draw customers into their store, entice them to make a purchase and encourage them to return in-person or online to shop.

This is particularly true for retail districts like the Wharf that feature a large amount of specialty stores because consumers make "specialty consumer good" purchases using discretionary funds, typically spent during their free time. As discretionary funds represent a small amount of a household's retail spending, specialty shopping districts must draw customers from a large retail trade area to generate sufficient sales volumes, particularly in the off-season. To be most successful, specialty retail districts must offer unique shopping experiences coupled with an attractive environment that makes both visitors and local residents feel happy with their overall shopping experience, which will encourage them to return again and again.

Successful retailers today must sell more than just products. They must also provide high-quality customer experiences that encourage interaction, stimulate the senses and promote brand loyalty. The

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<sup>1</sup> Some of these findings are presented precisely as written in the published retail strategy while others are summarized to streamline the presentation in this memorandum.



Wharf's retail experience begins on the street, where an ever-changing array of outdoor performances and artistic displays create unforgettable experiences for customers and non-stop opportunities to people watch. The proposed Jefferson Street Phase II improvements will enhance "retail-tainment" opportunities throughout the heart of Fisherman's Wharf.

As described in the Investments Chapter of the Fisherman's Wharf Retail Strategy (attached as Appendix 1 of this memorandum), more than \$300 million in private and public investments have occurred or been committed in Fisherman's Wharf, which was catalyzed by the Port's and City's investments in the Jefferson Street Phase I improvements, Seawall Promenade between Piers 43 and 45 and the widening of the sidewalk along Taylor Street adjacent to the Port's iconic restaurants. Many of the private investments have occurred and are continuing to occur on Port property through significant upgrades to restaurants, specialty retail businesses and attractions. The Jefferson Street Phase II improvements are likewise anticipated to reinforce and catalyze additional private investments.

## **D. Implementation Strategies to Minimize Impact on Businesses**

Discuss recommended strategies to minimize impact [Get from Dan Hodapp]

- *[Prior Summary Text For Reference: The Port, Department of Public Works and other City agencies need to continue to work with businesses and private owners to develop a Phase II implementation plan that minimizes the economic impact of the Phase II improvements on Wharf businesses, particularly in the high season, by staging the improvements strategically.]*

## **E. Parking Revenues**

Discuss data provided by Port staff regarding historical parking revenues. [Get from Demetri?]

Present recommendations regarding the use of parking technology to help mitigate the impacts.

- *[Prior Summary Text For Reference: To mitigate the loss of metered parking along the southeastern most blocks of Jefferson Street, the Port may want to consider accelerating the use of parking technologies at the Port's parking facilities (particularly at the Triangle Lot and Pier 45). A broad variety of parking technology tools can be used to help patrons ....]*

## **F. Conclusion**

In conclusion, we believe that the proposed Jefferson Street Phase II improvements are important to the long-term economic sustainability of Fisherman's Wharf and the Port's properties within the Wharf. With these investments in the public realm and the potential use of parking technology, future lease revenues to the Port will be strengthened, and Fisherman's Wharf will continue to attract a growing number of tourists, as well as local residents and workers.

## Appendix 1:

### Fisherman's Wharf Retail Strategy Investment Chapter