



MEMORANDUM

February 7, 2019

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. Gail Gilman
Hon. Victor Makras
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Request Approval of the Port's 10-Year Capital Plan for Fiscal Year 2019-20 to Fiscal Year 2028-29

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

EXECUTIVE SUMMARY

Under Administrative Code Section 3.20, the City and County of San Francisco ("the City") is required to prepare a 10-year capital plan in odd numbered years that identifies the City's capital needs and proposes actions to fund that work. On January 8, 2019, Port staff presented an informational item to the Port Commission on the proposed 10-Year Capital Plan for Fiscal Year 2019-20 to Fiscal Year 2028-29 ("Capital Plan"). The Port Commission did not request any changes to the Plan. Upon Port Commission approval, staff will submit the final Capital Plan to the City's Capital Planning Committee for inclusion in the Citywide 10-Year Capital Plan which in turn will be submitted to the Board of Supervisors for final approval.

RECOMMENDATION

Port staff believes that the 2019-20 to 2028-29 10-Year Capital Plan will serve the Port well in planning and prioritizing capital investments and recommends that the Port Commission adopt the Plan as proposed.

Except the *underlined and italicized* section, the text below is unchanged from the January 8, 2019 report.

This Print Covers Calendar Item No. 10B

STRATEGIC OBJECTIVES

The Port's 10-Year Capital Plan for FY 2019-20 to 2028-29 is central to meeting crucial *Stability* objectives of the Port's Strategic Plan:

- **Seek traditional and innovative solutions to the Port's capital plan funding gap** – The Capital Plan is essential for understanding the size and nature of the funding gap and lays out a vision for seeking non-Port revenue for resiliency work and public-private partnerships that improve state of good repair, enhance the waterfront, and generate revenue for future capital investments.
- **Step up to, and subsequently exceed, policy to set aside 25% of operating revenue to capital** – The investment of Port revenue in Capital is a key piece of the Port's strategy for addressing its historic backlog of need and has helped the Port achieve many of the accomplishments detailed in the Plan.

BACKGROUND

The Port of San Francisco's 10-Year Capital Plan ("Plan") provides a full inventory of the Port's capital needs and projected funding sources to allow staff to identify and develop strategies for addressing unfunded need. Upon Port Commission approval, staff will submit the final Plan to the City's Capital Planning Committee for inclusion in the Citywide 10-Year Capital Plan.

The Capital Plan continues to provide a solid framework for the Port's investments to maintain and enhance its assets. In addition to spurring capital investments, the Capital Plan allows Port staff to make the case for City engagement on, and investment in, capital needs at the Port that are of citywide-importance, such as the Seawall.

As the following list of highlights illustrates, the Port has had many successes improving its capital assets. Since the last Capital Plan update, the Port has:

- **Completed revitalization of the eight 20th Street Historic Buildings at Pier 70**, some dating back to 1880s, that needed substantial investment to return to active use. The Port selected Orton Development Inc. for a public-private partnership to rehabilitate these buildings for use by office workers, retailers, artists, and manufacturing companies. Orton is completing construction and welcoming tenants into many of the buildings. This project reduced the Port's capital needs by more than \$78 million by addressing SOGR and seismic needs at the eight buildings and further enhancing the structures.
- **Completed entitlement of 68-acres of new mixed income neighborhoods at Mission Rock and Pier 70 and celebrated the start of construction at the Pier 70 Waterfront site.** These projects will build new infrastructure including streets, sidewalks and utilities, rehabilitate historic buildings, create parks and open space to facilitate public access to the waterfront, construct significant affordable and market rate housing, and create space for artists, local manufacturing and commercial uses. These projects will eliminate nearly \$100

million in Port Capital needs. In addition, the Port secured approval for shoreline special taxes from both developments to protect the waterfront portwide.

- **Finalized the agreement with the National Parks Service** to keep the Alcatraz embarkation on Port property for the next 50 years, with an investment of \$34 million to maintain and enhance Port piers.
- **Secured overwhelming 83% voter approval on a General Obligation Bond for \$425 million for the Seawall Program.** Also secured a State grant of \$5 million for the Seawall and the Federal allocation of \$1.5 million for a New Start study of flood risk along the waterfront. This New Start appropriation represents the crucial beginning to a process that will culminate in a recommendation to Congress regarding additional federal funding to support shoreline resilience in San Francisco.
- **Completed the Waterfront Land Use Plan (“WLUP”) update** that clarified the public’s interest in historic rehabilitation of the piers and properties in the historic districts and supplies the Port with more tools to provide for such rehabilitation in lease terms.
- **Renewed the restrooms and utilities and installed an ADA lift at Pier 31 and 29½,** buildings that contribute to the Embarcadero Historic District.
- **Improved life-safety conditions** with the installation of fire standpipes at piers 33 and 28. Standpipe systems create easy access points for the Fire Department to connect hoses along the pier, enhancing their ability to fight fires in the Port’s historic piers.
- **Completed \$1.6 million in maintenance on a float at China Basin.** This float is an essential part of the Port’s public water transportation infrastructure; it enables ferry service to events at AT&T Park.
- **Repaired various pier substructures with Port crews** including wharfs J3 and J8. Port crews also removed dilapidated piles along Islais Creek, reaping ecological and aesthetic benefits.

TEN YEAR CAPITAL NEED

The Port’s 10-Year Capital Plan for FY 2019-20 to 2028-29 identifies \$3.5 billion in total potential capital investments, including \$1.7 billion in state of good repair and \$1.9 billion in enhancements. The enhancements category consists of \$484.1 million for the new Seawall Resiliency Project, \$786.4 million for other enhancements and \$584.2 million for conditional seismic improvements.

Figure 1, below, summarizes adjustments to the Port’s 10-Year investment need for State of Good Repair and Enhancements from the prior plan. Overall, the updated Capital Plan represents a \$185.3 million increase in need for state of good repair investments and an increase of \$66.1 million for enhancements.

Figure 1: Changes between Capital Plans (\$ millions)

	State of Good Repair				Enhancements				Grand total
	Backlog	Renewal	One-time	Total	Seawall Resiliency	Enhancements	Conditional Seismic	Total	
Prior Plan (FY 2018-27)*	\$722.1	\$543.9	\$226.2	\$1,492.2	\$493.5	\$733.3	\$561.7	\$1,788.5	\$3,280.7
Updated project costs estimates and completions	\$ (0.10)	\$ (28.00)	\$ (19.80)	\$ (47.90)	\$ (9.40)	\$ (38.33)	\$ (2.60)	\$ (50.33)	\$ (98.23)
Leased facility improvements by tenants		\$ (31.60)		\$ (31.60)				\$ -	\$ (31.60)
Development project improvements			\$ (36.70)	\$ (36.70)			\$ (37.97)	\$ (37.97)	\$ (74.67)
Missed renewals (FY 2018 & 2019)	\$ 5.34	\$ (56.95)	\$ 51.28	\$ (0.33)				\$ -	\$ (0.33)
New years nine & ten (FY 2028 & 2029)		\$ 120.83		\$ 120.83				\$ -	\$ 120.83
Escalation (5.75% and 6%)	\$ 87.97	\$ 66.30	\$ 26.73	\$ 181.00		\$ 91.41	\$ 63.03	\$ 154.44	\$ 335.44
Current Plan (FY 2020-29)	\$815.3	\$614.5	\$247.7	\$1,677.5	\$484.1	\$786.4	\$584.2	\$1,854.6	\$3,532.1

* Adjusted to correct categorization of \$248.4 million in missed renewals of substructures from one-time to backlog.

These changes are due to the following:

Work Completed – Staff logged completed projects, which removed them from backlog, renewals, or one-time needs. This includes projects undertaken by the Port and by its tenants, where the tenant has responsibility for facility maintenance. For example, the Port completed annual maintenance dredging, repaired the roof on the building at Pier 23, and modernized the elevator in Roundhouse 2.

Updated Cost Estimates – Staff updated project costs and the timing of renewal needs to reflect more recent estimates, where available (e.g., as a result of a more extensive engineering analysis and routine site assessments, design, or third-party cost estimates performed as part of the Capital Improvement Plan and Capital Budget development). Such adjustments result in both increases and decreases to the identified need.

Passage of Time – As each year passes, new systems require renewal and others pass their optimal renewal date and become part of the backlog, if work was not completed. In addition, the plan includes annual escalation of costs at rates agreed upon by the City’s Capital Planning Committee to capture the increasing price of delivering capital projects and reflects the recent upward trend in construction costs in San Francisco.

FUNDING PLAN

The Capital Plan identifies that \$1.8 billion in funds will be available during the ten-year plan period. This is a \$410 million increase over the prior plan. The growth in projected revenue stems largely from the Port's pursuit of external sources, including public-private partnership developments and state, local, and federal dollars for projects such as Mission Bay Ferry Landing and the Seawall Program.

The plan differentiates expenditure of revenue into two categories: 1) capital projects that help maintain the Port's facilities in good repair; and 2) enhancement projects that improve a facility beyond its original condition, or create new public infrastructure.

Figure 2 details the breakdown of planned capital expenditures and funding sources.

Overall, the plan reflects a balanced expenditure of funds that aligns with prior plans, with most of the Port's internally generated funding sources directed towards state of good repair projects, as this is the most flexible source available to the Port and can cover work that is less often a match for external sources. Enhancement projects are funded largely with externally generated revenue.

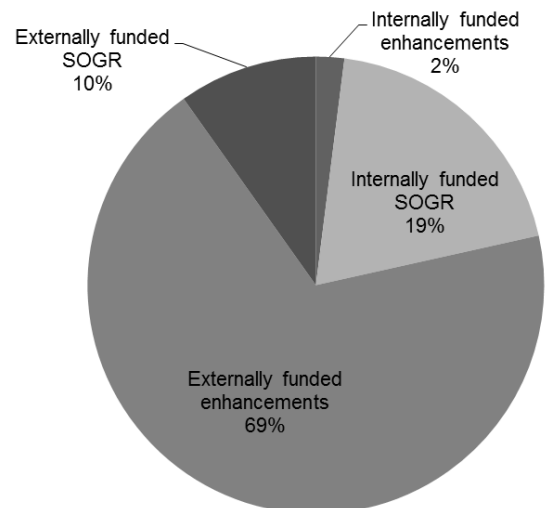
Figure 2: Detailed Sources and Uses of Funds (\$1,000's)

All figures in \$1,000s							
Program / Project	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 - 2029	Plan Total
SPENDING PLAN							
State of Good Repair							
Emergency Facility Repair	100	100	100	100	100	500	1,000
ADA	100	100	100	100	100	500	1,000
Dredging	15,180	5,869	8,008	7,956	8,000	40,000	85,013
Repair / Reinvestment	62,153	49,808	29,891	50,725	63,233	169,775	425,585
State of Good Repair Subtotal	77,533	55,877	38,099	58,881	71,433	210,775	512,598
Enhancements							
Parks and Open Space	9,619	5,550	5,550	5,550	15,725	32,375	74,369
Facility Improvements	4,164	4,187	4,967	5,767	4,289	23,146	46,520
Development Project Areas	155,282	197,978	110,073	57,636	40,824	54,317	616,110
Ferry Terminal Expansion Project	10,320					-	10,320
Seawall Resilience Project	12,500	13,000	73,000	90,400	90,400	150,800	430,100
Mission Bay Ferry Landing	39,100	-				-	39,100
Enhancements Subtotal	230,985	220,715	193,590	159,354	151,238	260,637	1,216,519
TOTAL	308,518	276,592	231,689	218,234	222,671	471,412	1,729,117
REVENUES							
Port Capital	20,200	16,465	22,502	26,453	19,105	104,028	208,753
Port Capital, Seawall	-	-	-	-	2,000	8,000	10,000
Port Tenant Improvements	15,997	7,869	5,634	11,692	37,052	75,023	153,267
Internal Funding Subtotal	36,197	24,334	28,136	38,145	58,157	187,051	372,020
Seawall External Funding	12,500	13,000	73,000	90,400	88,400	142,800	420,100
MBFL External Funding	38,600						38,600
Downtown Ferry Terminal Funding	10,320						10,320
Orton IFD Tax Increment		340	340	340	340	1,700	3,060
Neighborhood Parks and Open Space Bonds	10,399	6,000	6,000	6,000	17,000	35,000	80,399
Federal & State Grants	2,000	2,000	2,000	2,000	2,000	10,000	20,000
US Army Corps of Engineers	8,160	4,540	-	-	-	14,500	27,200
Development Projects (Including developer investments and public financing)	190,342	226,378	122,213	81,349	56,774	80,361	757,417
External Funding Subtotal	272,321	252,258	203,553	180,089	164,514	284,361	1,357,097
TOTAL	308,518	276,592	231,689	218,234	222,671	471,412	1,729,117

STRATEGIC APPROACH TO NARROW THE GAP

The Port is home to many historic resources, including the bulkhead buildings and finger piers along The Embarcadero and the shipyard warehouses and facilities at Pier 70. Caring for the Port's many aging, historic structures, while adhering to the Port's public trust mission, presents a challenge. The Port's need for capital investments has historically outpaced available funding, leaving a substantial backlog and requiring strategic decisions about how to best manage the Port's aging assets. As document in Figure 4, this Plan again forecasts a gap between need and available funding.

Figure 3: Sources and Uses of Funding by Percentage of 10-Year Revenue



The Port has risen to this challenge with a multi-faceted approach entailing dedicating one-time sources and an annual minimum of 25 percent of operating revenues to capital; securing new external sources of funding for capital needs and non-revenue generating projects; and targeting available funds to strategic projects. Details on these strategies follow.

Figure 4: Deferred Needs (\$ millions)

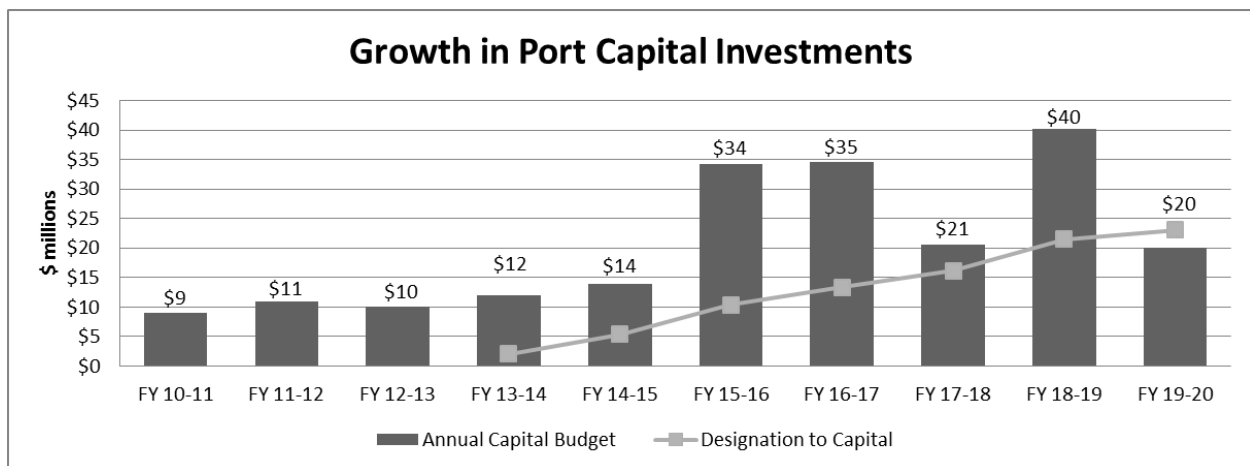
	State of Good Repair	Enhancements*	Total
Need	\$1,677.5	\$1,270.5	\$2,948.0
Revenue	\$512.6	\$1,216.5	\$1,729.1
Unfunded gap	\$1,164.9	\$54.0	\$1,218.9
% need unfunded	69%	4%	41%

*Total Enhancement need is \$1,854.6 million. This chart excludes \$584.2 million in conditional seismic need, as that work is only pursued as facility uses change and revenue becomes available.

Committing Port Revenues –
In 2012, the Port Commission

adopted a capital policy that designates a minimum amount of operating revenue to support capital projects. Pursuant to this policy, a minimum of 25 percent of Port operating revenue is set aside annually with the goal of providing a stable and growing source to fund capital expenditures. The Port has met or exceeded its capital funding target in its budget every year since the Port adopted the policy and anticipates meeting the target throughout the Capital Plan period. It is also the Port’s practice to allocate one-time and surplus revenues to annual capital expenditures. Thanks to this policy, the Port has experienced several years of record capital budgets, enabling increased investment in state of good repair work, most of which maintains or expands revenue generation. The larger capital budget years charted in Figure 5 are the result of the dedication of one-time revenues and surplus revenue to capital. The surpluses resulted from a mix of growth in revenues and lower-than-budgeted operating expenses.

Figure 5: Port’s Capital Budget and Designation to Capital Over Time¹



¹ Note that revenue designated to capital in one fiscal year is collected that year and available to budget to capital in the subsequent year.

Capital Improvement Program – For more than a decade, the Port of San Francisco has used its Capital Plan to guide capital investments and its biennial Capital Budget to allocate funding to specific projects. To bridge the gap between the distant ten-year time span of the Capital Plan and the immediacy of the two-year Capital Budget and facilitate strategic analysis, the Port developed its first five-year Capital Improvement Program (CIP) for FY 2018-19 through 2022-23. This five-year perspective also allows staff to consider the time span necessary to conceive, design, and deliver capital projects. The CIP lays out the Port’s vision for addressing as many of the needs identified in the Capital Plan as possible, given limited resources.

Pursuing Additional Revenue – Securing outside funding from grant programs, other governmental sources, and public-private partnerships is key to addressing the Port’s capital need and to support non-revenue generating enhancements such as parks and open-space. The Port’s pursuit of such sources is paying off, as external sources make up nearly 80% of the project Capital investment over the next ten years. Also, the diversity of external sources secured by the Port has grown in recent years to include new Special Use Districts, a special tax for shoreline resiliency, and a new \$425 million General Obligation Bond for the Seawall Program.

Highlight: Special Use Districts – To afford necessary public infrastructure and make development projects feasible, the Port and its partners have sought to take full advantage of Special Use District public financing tools, including Infrastructure Financing Districts and Community Facilities Districts. These tools reduce the need for higher-risk and higher-cost developer capital investments and improve Port-developer revenue-sharing potential by controlling financing expenses with lower interest rates. Additionally, these sources are designed to protect the City’s General Fund and the Port’s Harbor Fund; in the event that there is a failure to pay debt service on bonds issued to finance the districts, bondholders will have recourse to lease or public financing revenues from the project rather than from the General Fund or Harbor Fund.

The Port has made great advances in recent years to increase the role Special Use Districts play in Port public-private partnerships. The Port Commission and the Board of Supervisors formed the first Port IFD over the Orton project in 2016, with new sub-areas added in 2018 for the Pier 70 Waterfront Site and the Mission Rock projects.

These tools are critical to the Port’s ability to share in future revenue streams generated through the Orton, Forest City and Mission Rock development projects. By deepening the Port’s revenue base, these development projects are a critical strategy to address the capital backlog in the future.

Highlight: Embarcadero Historic Piers Request for Interest – The Port Commission-adopted policies that guide the WLUP update provide the Port additional tools to rehabilitate finger piers and generate revenue for other capital needs. Key among the new recommendations is direction to deliver public trust objectives – including a newly-defined “public-oriented” type of use- as part of financially feasible projects. In addition, the recommendations provide the Port the ability to lease facilities for longer terms,

subject to enhanced public review, to amortize high pier construction costs, capital improvements, and historic preservation.

Acting on these recommendations, the Port is assessing the viability of financially feasible public-oriented market-based concepts for the 13 remaining under-improved Embarcadero Historic District piers and the Agriculture Building. To gather information about the viability of and range of public-oriented concepts, the Port issued a Request for Interest to invite ideas and response from potential tenants and developers. The Port's desired outcome is to achieve the most pier upgrade and activities that invite the public as is financially feasible. The right approach to maximize public trust values for the restoration of the historic finger piers will vary from facility to facility.

Buildings in the RFI include the bulkhead and sheds at Piers 35, 31, 29, 23, 19 and 26, 28, 38 and 40. The facilities and underlying substructures in the RFI represent approximately \$250 million of the Port's state of good repair needs. While the actual scope of working undertaken for any projects that result from this effort will depend on the lease details, intended use, and portion of the facility being used, developments at any of these piers have the potential to reduce the Port's needs in future Capital Plans and will revitalize historic piers by leveraging external revenue for capital repairs and enhancements.

CONCLUSION

Thanks largely to a strong economy and the Port Commission's commitment to focusing resources on capital projects, this plan projects a \$1.8 billion investment in capital over the next ten years. The Port's Capital Budget for fiscal year 2018-2019 was a record high for the agency and more than double the Port's capital investment of ten years ago. The majority of this investment maintains the Port's existing assets in a state of good repair. At the same time, development projects like those at Pier 70 are leveraging external revenue to renew and enhance some of the Port's most vital historic resources, opening up former industrial areas to the public and breathing new life into the waterfront.

Additionally, other recent successes have put the Port on a strong path to protect and improve capital assets. First, through the Seawall Earthquake Safety Program and shoreline resilience the Port is taking a proactive approach to risk—planning for and addressing earthquake and sea level rise with the support of local, private, state, and federal funding—and using the effort to protect and enhance existing assets. Second, the Port hopes that its assessment of public-oriented concepts at the 13 remaining under-improved Embarcadero Historic District piers and the Agriculture Building will achieve meaningful pier upgrades with activities that invite the public in. Such projects would be a boon to the community, while likely reducing the Port's capital needs through external funding.

NEXT STEPS

Upon Port Commission approval, staff will submit the final Capital Plan to the City's Capital Planning Committee for inclusion in the Citywide 10-Year Capital Plan which in turn will be submitted to the Board of Supervisors for final approval.

Prepared by: Ananda Hirsch, Capital Manager, Finance and Administration Division

and

Meghan Wallace, Finance and Procurement Manager, Finance and Administration Division

For: Katharine Petrucione, Deputy Director
Finance and Administration Division

ATTACHMENT 1: 10-Year Capital Plan for FY 2019-20 to 2028-29

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 19-05

- WHEREAS, In 2006, the Port of San Francisco completed its first 10-Year Capital Plan, assessing the Port's capital needs to support and guide Port Commission capital expenditure and investment decisions; and
- WHEREAS, Port staff updates the 10-Year Capital Plan in odd numbered years to reflect changes in the condition of the Port's facilities, new structure evaluations, completed work, changes to funding sources, and changes in budget and financing assumptions; and
- WHEREAS, The Port's 10-Year Capital Plan for Fiscal Years 2019-20 to 2028-29 identifies \$1.7 billion in required state of good repair work and \$1.8 billion in enhancements, including \$584.2 million in potential conditional seismic upgrade needs, over the next ten years; and
- WHEREAS, Of the \$1.7 billion in proposed funding for this period, \$506.7 million is projected to cover state of good repair needs and \$1,221.7 million is projected to cover enhancements and seismic work; and
- WHEREAS, This funding, if realized, from the Port's annual budget, Port tenants, general obligation bond proceeds, grants, local and state tax increment, and development projects, will leave the Port with an unfunded capital need of \$1.2 billion in Fiscal Year 2028-2029;
- WHEREAS, The Port will continue to work toward addressing that unfunded need with a multi-faceted approach entailing dedicating one-time sources and an annual minimum of 25 percent of operating revenues to capital; securing new external sources of funding for capital needs and non-revenue generating projects; and targeting available funds to strategic projects; now, therefore, be it
- RESOLVED, That the Port Commission hereby adopts the Port's 10-Year Capital Plan for Fiscal Years 2019-20 to 2028-2029 attached to the staff report accompanying this resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of February 12, 2019.

Secretary

Port of San Francisco



10-YEAR CAPITAL PLAN

2020-2029



Architect and landscape architect's rendering of planned Mission Bay Ferry Landing by Surfacedesign, Inc. and Robin Chiang and Company

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Executive Summary

The Port of San Francisco’s 10-Year Capital Plan (Plan) provides a full inventory of capital needs and projected funding sources to allow the Port to identify and develop strategies for addressing unfunded need. This assessment has historically shown that the Port’s need for capital investments outpaces available funding, leaving a substantial backlog and requiring strategic decisions about how to best manage the Port’s aging assets. Caring for the Port’s many aging historic structures, while adhering to the Port’s public trust mission, present a challenge. The Port has risen to this challenge with a multi-pronged approach including dedicating revenue to capital; securing new external sources of funding; and targeting available funds to strategic projects. As this report details, these strategies are succeeding.

In the past two years, the Port’s major Capital Plan accomplishments include:

- Leveraging external funding to revitalize the 20th Street historic buildings, reducing the Port’s Capital need by \$78 million and enhancing Port assets;
- Completing entitlement of 68-acres of new mixed income neighborhoods at Mission Rock and Pier 70 and celebrating the beginning of construction at the Pier 70 Waterfront site—projects which leverage public financing and private capital to renew and enhance Port assets;
- Reaching agreement with the National Parks Service to keep the Alcatraz embarkation on Port property for the next 50 years, with an anticipated investment of \$41.5 million, including \$7.5 million of substructure repairs and \$34 million of enhancements into Port piers;
- Obtaining overwhelming 83% voter approval of a General Obligation Bond for \$425 million for the Seawall Earthquake Safety Program (Seawall Program);
- Securing additional strategic investments in the resilience of the waterfront through a state allocation of \$5 million to the Seawall Program and a Federal allocation of \$1.5 million for a New Start study of flood risk along the waterfront;
- Completing the Waterfront Land Use Plan update that clarified the public’s interest in historic rehabilitation of the piers and properties in the historic districts, and supplies the Port with more tools to provide for such rehabilitation in lease terms;
- Renewing the restrooms and utilities at Pier 29 ½ and Pier 31;
- Repairing the China Basin Float to ensure consistent water transportation access to AT&T Park;
- Repairing various pier substructures with Port crews, including wharfs J3 and J8, and removing dilapidated piles along Islais Creek; and
- Improving life-safety conditions by installing new fire standpipe systems at piers 33 and 28.

The Port’s 10-Year Capital Plan for 2020-2029 identifies \$3.5 billion in total capital improvements, including a need to invest \$1.7 billion to complete routine renewals and tackle deferred maintenance.

	State of Good Repair				Enhancements			Grand total	
	Backlog (millions)	Renewal (millions)	One-time (millions)	Total (millions)	Seawall Resiliency (Millions)	Enhancements (millions)	Conditional Seismic (millions)		Total (millions)
Prior Plan (FY 2018-27)	\$722.1	\$543.9	\$226.2	\$1,492.2	\$493.5	\$733.3	\$561.7	\$1,788.5	\$3,280.7
Change	\$93.2	\$70.6	\$21.5	\$185.3	-\$9.4	\$53.1	\$22.5	\$66.1	\$251.4
Current Plan (FY 2020-29)	\$815.3	\$614.5	\$247.7	\$1,677.5	\$484.1	\$786.4	\$584.2	\$1,854.6	\$3,532.1

Figure A: Summary of changes in need from prior Capital Plan to current plan

This renewal need is a \$185.3 million increase from the prior Plan, due primarily to applying a cost of living factor of 5.7% and 6% for the two years since the prior plan to reflect construction costs in San Francisco.

In addition to keeping facilities in a state of good repair, the Port pursues opportunities for enhancements to increase the value of assets through development of public infrastructure, parks and open space and investment in reuse of historic facilities. The Plan identifies \$1.3 billion in needed enhancements. Such enhancements range from new parks to development projects that revitalize historic buildings. The plan identifies a shortfall of \$54 million in funding for the Seawall Program, for which the Port is seeking State sources. To fund enhancements, the Port looks primarily to outside funding, such as general obligation bonds, public-private partnerships, and grants. As it has in the past, the Plan also captures a potential cost for seismic retrofit which would be required if future plans include an increase occupancy and change the use on the piers.

	State of Good Repair (millions)	Enhancements* (millions)
Need	\$1,677.5	\$1,270.5
Revenue	\$512.6	\$1,216.5
Unfunded gap	\$1,164.9	\$54.0
% need unfunded	69%	4%

*Total Enhancement need is \$1,854.6 million. This chart excludes \$584.2 million in conditional seismic need, as that work is only pursued as facility uses change and revenue becomes available.

Figure B: Unfunded Needs

The chart below reflects the results of the Port’s approach to capital. Compared to the prior plan, it reflects an increase in internal funding through the Port’s commitment to setting aside operating revenue for capital. It also captures substantial growth in the expected value of enhancements from external sources.

10-year Plan Revenue Projections (in \$ millions)		
Funding Source	State of Good Repair	Enhancements
Internal		
Port Capital Budget	\$184.1	\$34.6
Port Tenant Improvements	\$153.3	\$0.0
External		
Development Projects	\$141.3	\$616.1
Parks GO Bonds	\$6.0	\$74.4
Downtown Ferry Terminal	\$0.0	\$10.3
Mission Bay Ferry Landing	\$0.0	\$38.6
Grants	\$20.2	\$31.0
Seawall Earthquake Safety Bond	\$0.0	\$416.1
Local and State Tax Increment	\$2.4	\$0.6
Total	\$506.7	\$1,221.7

Figure C: Sources and uses of revenue identified in 10-Year Capital Plan

The need captured in this plan paints a clear picture: Port assets require substantial investment due to their age and condition and delay in making those improvements comes at a price as construction costs continue to escalate. However, we also see the Port’s multi-faceted approach to capital paying off, as exemplified by a growing capital budget from the dedication of one-time sources and an annual minimum of 25 percent of operating revenues; and the revitalization of the 20th Street Historic Buildings through a public private partnership, which leveraged external resources to reduce the Port’s capital needs by more than \$75 million. We also see success of the approach in the Port’s attainment of local, state, and federal financial support for the Seawall Program, a strategic investment essential to address deferred maintenance and protect many historic Port assets.

Port of San Francisco

The Port of San Francisco is charged with responsibly managing the seven and one-half miles of San Francisco waterfront property adjacent to San Francisco Bay. The Port's jurisdiction stretches from Hyde Street Pier on the north to Heron's Head Park in the south and includes 205 acres on the waterside and 629 acres upland properties. The Port's operating portfolio is composed of approximately 580 ground, commercial, retail, office, industrial, and maritime leases, including leases for many internationally recognized landmarks such as Fisherman's Wharf, PIER 39, the Ferry Building, and AT&T Park, home of the San Francisco Giants baseball team.

The Port is managed by an executive director who is appointed by the Mayor and serves the Port Commission. The Port Commission provides overall policy direction to the Executive Director and is a five-member body, each of whom is appointed by the Mayor and subject to confirmation by the City's Board of Supervisors. Each commissioner is appointed to a four-year term.

Port lands were owned and managed by the State of California until the State Legislature approved the Burton Act in 1968, granting these lands to the City and County of San Francisco and establishing the San Francisco Harbor Commission (now called the Port Commission). Port lands are intended to further public trust principles for the benefit of all California citizens and to further navigation and maritime commerce, fisheries, public access and recreation, environmental restoration, and commercial activities that attract the public to the waterfront. The Port is subject to a complex regulatory scheme including consultation with the State Lands Commission, and oversight by the Bay Conservation and Development Commission and other federal, state and local agencies. This regulatory framework increases the complexity of all capital project work at the Port and requires detailed coordination and review between the Port and its regulatory partners.

The Port's waterfront has played an important role in San Francisco's development since the 1850's. The bulkhead buildings and finger piers along The Embarcadero, the shipyard warehouses and facilities at Pier 70, and other Port waterfront landmarks served to support a growing City and handled maritime commerce for decades. With changes in cargo and shipping, the historic facilities are no longer needed for cargo and ship building but are defining features of the unique San Francisco urban form and provide a network of important public places. As depicted below, the Port is home to many historic resources.



Figure 1: Map of Port Historic Resources

Caring for the Port’s many aging and historic structures, within a strict regulatory framework is a challenge. The Port’s need for capital investments has historically outpaced available funding, leaving a substantial backlog and requiring strategic decisions about how to best manage the Port’s aging assets. The Port has risen to this challenge with a multi-pronged approach entailing dedicating one-time sources and an annual minimum of 25 percent of operating revenues to capital; securing new external sources of funding for capital needs and non-revenue generating projects; and targeting available funds to strategic projects. As this report details, these strategies are succeeding. For example, the revitalization of the 20th Street Historic Buildings through a public-private partnership leveraged non-Port resources to reduce the Port’s capital needs by more than \$75 million. This past year the Port has secured local, state, and federal support for the Seawall Earthquake Safety Program (Seawall Program) valued at more than \$430 million, with the potential for greater federal funding in the future. These two examples, valued at just over \$500 million, are the kinds of efforts that will enable the Port to tackle its capital backlog.

Capital Planning at the Port

This report presents the Port of San Francisco’s 10-Year Capital Plan for Fiscal Year (FY) 2020–2029. Staff updates the Plan every two years. The Port of San Francisco’s 10-Year Capital Plan (Plan) provides a full inventory of capital needs and projected funding sources to allow the Port to identify and develop strategies for addressing unfunded need. The Port’s Capital Plan is incorporated into the City’s 10-Year Capital Plan to capture a holistic view of capital needs and expenditures across the City. Since publication of the Port’s first report in 2008, the Capital Plan has helped communicate the magnitude of the Port’s capital needs, as well as the limited resources available to address them. The Plan also spurred the Port Commission to focus greater resources on capital projects and to continue to think strategically about how to best use limited resources.

Strategic Approach

The Port’s Capital Plan and capital investments support the seven goals laid out in the Port’s Strategic Plan, particularly the goal of Stability. This goal aims to: “Maintain the Port’s financial strength by addressing

deferred maintenance, maximizing the value of Port property and increasing revenue”. The Capital Plan enables staff and the Port Commission to look at the condition of the Port’s capital assets over time and plan strategically for their renewal, given constrained resources.

The large capital backlog underscores the need for investment in repairs to maintain and renew Port property and support or increase the revenue potential of facilities. At the same time, enhancement projects are key to increasing maritime, recreational, and economic opportunities on the waterfront and can create additional revenue for maintenance of other assets. To balance these needs, the Port uses a deliberate approach focused on: 1) dedicating 25 percent of Port revenues to capital; 2) making strategic investments that support the Port’s mission; 3) seeking outside funding sources to help address the shortfall in funding for upkeep of Port facilities and for enhancement projects, such as parks, that do not generate revenue for the Port.

Capital Policy

In 2012, the Port Commission adopted a capital policy that designates a minimum amount of operating revenue to support capital projects. Pursuant to this policy, staff have controlled operating expenses to invest a minimum of 25 percent of Port operating revenue annually into capital to provide a stable and growing source for capital. The Port also allocates one-time and surplus revenues to capital investment. As detailed in Figure 2, the result has been steady growth in the Port’s capital investments. Port revenue is the Port’s most flexible funding source; it can be used for otherwise hard-to-fund work like basic repair in locations with existing tenants that are not a fit for development projects or eligible for grants. Thanks to this policy, the Port has experienced several years of record capital budgets, enabling increased investment in state of good repair work, most of which maintains or expands revenue generation. The larger capital budget years charted in Figure 1 are the result of the dedication of one-time revenues and surplus revenue to capital. The surpluses resulted from a mix of growth in revenues and lower-than-budgeted operating expenses.

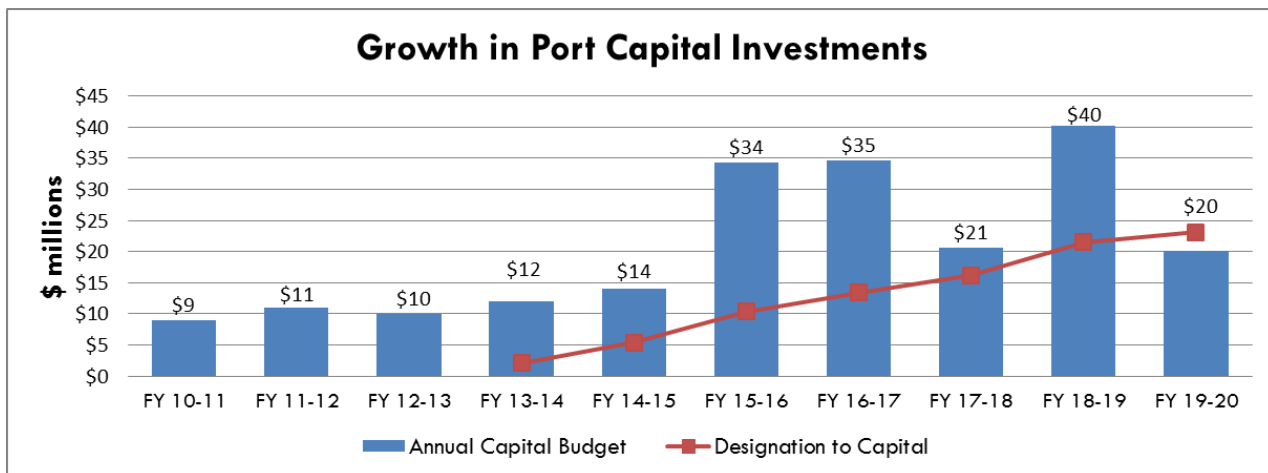


Figure 2: Growth in the Port’s Capital

Capital Improvement Program

For more than a decade, the Port of San Francisco has used its Plan to guide capital investments and its biennial Capital Budget to allocate funding to specific projects. To bridge the gap between the distant ten-year time span of the Plan and the immediacy of the two-year Capital Budget and facilitate strategic analysis, the Port developed its first five-year Capital Improvement Program (CIP) in 2017.

The FY 2018-19 – 2022-23 CIP details the capital projects the Port anticipates funding and initiating over the next five years. This specific work program represents a prioritized subset of the need for capital work identified in this Plan. A Technical Review Committee composed of Port staff prioritized projects for inclusion in the CIP. The Committee scored project funding requests using criteria that weighed a project’s importance in addressing safety, keeping Port assets in good repair, supporting Port revenue, and advancing the Port’s mission.

The Capital Plan provided a starting point and a reference for developing the CIP. Staff used the Capital Plan to identify facilities needing investment and then used data from the CIP process to refine project cost estimates. As the Port completes capital projects funded in the CIP, staff log this work as a reduction to the Port’s total need in the Capital Plan.

External Funding

Securing outside funding from grant programs, other governmental sources, and public-private partnerships is key to addressing the Port’s capital need and to support non-revenue generating enhancements such as parks and open-space. As detailed in the funding plan section below, the Port’s pursuit of such sources is succeeding; external sources compose nearly 80% of the projected capital investment over the next 10-years. Also, the diversity of external sources secured by the Port has grown in recent years to include new Infrastructure Financing Districts (IFDs), a special tax for shoreline resiliency, and a new \$425 million General Obligation Bond for the Seawall Program. As is discussed further in the Funding Plan section of this report, local special use districts have proven an essential financing tool for large public-private development projects, like Pier 70 and Mission Rock, where these tools are making possible approximately \$500 million in renewal and enhancement of public infrastructure over the next ten years.

Opportunities and Challenges

Condition of Port Facilities

The Engineering Division regularly conducts inspections of all Port facilities and categorizes the condition of more than 350 structures, including piers, wharves, and buildings. Since the prior Plan, the Port, its tenants, and development partners completed repairs or initiated construction at 23 facilities that will result in structural rating upgrades and lift previously established restrictions. During the same time period, structural inspections found 11 facilities where conditions worsened significantly, often resulting in new load restrictions and rating downgrades. Overall, the 2018 engineering report lists 21 facilities as red-tagged (facilities with restricted access, unsafe, poor structural condition) and 36 facilities as yellow-tagged (facilities that must be repaired soon to avoid becoming red-tagged and having their use restricted). Consistent with the Port’s capital investment criteria, revenue-generating yellow-tagged facilities will receive priority in future capital planning and allocation decisions. While some of the red-tagged facilities may never be repaired, others may still be brought back into productive use with sufficient capital investment.



Figure 3: Structural condition rating map of substructures along the waterfront between China Basin and Pier 96



Figure 4: Structural condition rating map of substructures along the waterfront between Hyde Street Harbor and China Basin

Economic Uncertainty

The strength of San Francisco’s economy has been pivotal to the Port’s increased investment in capital projects. As the City’s economy continues to grow, Port revenues have increased, leading to higher levels of investment in capital. However, the City forecasts that this period of near-record economic expansion makes a downturn likely in coming years. An economic slowdown could reduce percentage rents (rent the Port collects on some tenant revenue above a fixed minimum) as tenant gross receipts decline, delay new leasing opportunities, and increase vacancy rates. This risk is offset by the Port’s diversity of revenue sources and base rents collected on long-term leases, which provide the Port with a solid economic underpinning to weather a downturn. Another element of economic uncertainty for capital planning is construction costs. In the current market a scarcity of bidders has driven up construction costs. An economic downturn could help stretch Port capital dollars by reducing construction costs, if private development rates slow and more contractors become available for Port projects.

Resiliency

Sea-level rise, flooding, and earthquakes are risks to San Francisco and the 7.5 miles of waterfront the Port of San Francisco manages for the residents of San Francisco and the State of California. The Port of San Francisco has been developing short and long-term resiliency strategies to address all risks along its shoreline.



Figure 5: Seawall and its zone of influence

Port property such as Mission Creek, Islais Creek, and Heron’s Head Park are at low elevations and are subject to flood risk today with a 100-year storm event. Other areas of Port property

including low lying areas of the Embarcadero Promenade currently experience flooding during annual high tides and certain storm conditions. In 2016, the National Historic Trust identified the Embarcadero Historic District as one of the 11 most endangered historic places in the country, due to the threats of rising sea levels and seismic vulnerability.

In recognition of the Port’s critical role in creating a sustainable and resilient waterfront, the Port Commission requires that every project consider current and future flooding. This innovative approach has led to sea-level rise adaptation along the waterfront including: Brannan Street Wharf which has flood protection and the capacity to be raised in the future; Downtown Ferry Terminal Project which was raised three feet in elevation; and Fire Station 35 at Pier 22-1/2, soon to be under construction, which will be the first floating building on the waterfront. The Port is also taking larger-scale action through the San Francisco Seawall Earthquake Safety and Disaster Prevention Program (Seawall Program) and undertaking Portwide shoreline resiliency planning in coordination with local, state, and federal partners. In addition, the United States Army Corps of Engineers (USACE) is working with the Port to study flood risk along the Port’s jurisdiction from Fisherman’s Wharf to Islais Creek.

Under-pier utilities

The Port maintains an under-pier utility inspection and response program to ensure compliance with regulatory requirements of the California State Water Resources Control Board and the Municipal General Storm Water Permit Illicit Discharge Detection and Elimination Program. The program has reduced the number of sewage discharges to the Bay and, importantly, the severity of these events. However, sea level rise poses a new challenge for maintaining under-pier utilities. Opportunities to access under-pier utilities for maintenance are dependent upon tidal windows. Higher sea levels will result in fewer and shorter windows of time in which crews can safely inspect and repair under-pier utilities. The Port has relocated water utilities above deck at almost 20 piers, but most sewer utilities below deck remain to be moved. As part of the Port’s Sustainability objectives, staff committed to document under pier utilities and prepare an implementation plan by 2020, to move to above deck where possible.

Development and Revenue Generating Projects

During the Waterfront Land Use Plan (WLUP) update process, the public and Port staff discussed the difficulty in leveraging public-private partnerships to rehabilitate the historic finger piers and generate revenue. In the 20 years since the WLUP was approved, the Port has fully rehabilitated five of the 20 finger piers. Completing full rehabilitation has proven difficult because of the size of the capital investments required, constraints on facility use, and achieving the right balance of meeting the desire for public uses with the need for revenue generation.

Port Commission-adopted policies guiding the current WLUP update provide the Port additional tools to successfully rehabilitate finger piers and to generate revenue from major rehabilitation projects to support other capital needs. Key among the new recommendations is direction to deliver public trust objectives – including a newly-defined “public-oriented” type of use – as part of financially feasible projects. The recommendations recognize that a project’s financial feasibility may be achieved by leveraging high-revenue generating uses (such as office, retail, and high-tech production, distribution, and repair uses) to achieve the public trust objectives. In addition, the recommendations provide the Port the ability to lease facilities for longer lease terms, subject to enhanced public review, to amortize high pier construction costs, capital improvements, and historic preservation. While these new tools are not a guarantee of success, they broaden the tools available to the Port as it conceives of and pursues projects to revitalize the under-utilized historic piers.

Expanding Ferry Transportation

In accordance with City and regional policies to encourage transit use, the Port and its partners are pursuing two projects to support and expand ferry service on the San Francisco Bay: expansion of the Downtown Ferry Terminal and construction of a Mission Bay Ferry Landing. This new ferry infrastructure will more than double the number of passengers served every day to over 20,000; alleviate current land transportation overcrowding; provide transportation resiliency in the event of an earthquake, BART or Bay Bridge failure or other unplanned event; and provide transportation choices for people traveling to and growing neighborhoods, including Mission Bay and Treasure Island. Further detail on these projects may be found in the Capital Expenditures section.

Capital Accomplishments

Since the last Capital Plan update, the Port has improved its capital assets and capital future in many ways. The following are highlights from the last two years.

Revitalized the 20th Street Historic Buildings

The 20th Street Historic Buildings are eight buildings, some dating back to the 1880s, on or near 20th Street at Pier 70 that required substantial investment to return to active use. The Port selected Orton Development Inc. for a public-private partnership to rehabilitate these buildings for use by office workers, retailers, artists, and manufacturing companies. Orton is completing construction and welcoming tenants into many of the buildings. This project reduced the Port’s capital needs by \$78 million by addressing SOGR and seismic needs at the eight buildings and further enhancing the structures.

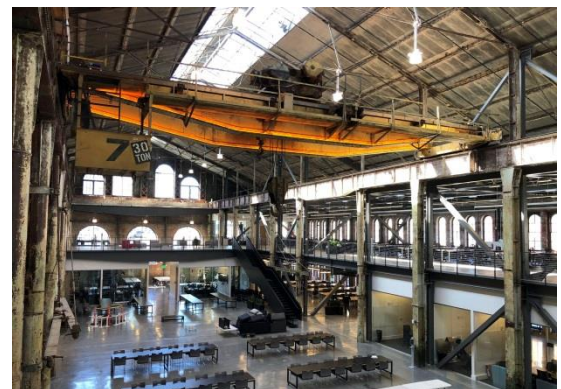


Figure 6: Restored interior of Building 113

Completed Entitlement of 68-acres of New Mixed-Income Neighborhoods

The Port recently completed the entitlement process for new neighborhoods at Mission Rock and Pier 70 and began construction at Pier 70. These projects will build new infrastructure including streets, sidewalks and utilities, rehabilitate historic buildings, create parks and open space to facilitate public access to the waterfront, construct significant affordable and market rate housing, and create space for artists, local manufacturing and commercial uses. As detailed in Figure 7, these projects represent another Port success in addressing capital needs and eliminating a portion of its capital backlog. In addition, the Port has secured approvals of shoreline special taxes from both developments. Subsequent to reaching certain milestones for each project, funds generated by this tax will be dedicated solely to addressing sea level rise and flood risk on Port property, including outside of these project areas. The Port estimates the net present value of this tax to be approximately \$135 million in net present value terms over a 100 year period, a significant source of funds for the Seawall Program beyond this Plan window.

Capital Need in Port's Plan That Project Has or Will Eliminate	
Project	Value in \$ millions
Orton	\$78
Forest City	\$76
Mission Rock	\$15
Total	\$169

Figure 7: Benefit of Public Private Partnerships to Port's Capital Need

Finalized Agreement with the National Parks Service to Keep the Alcatraz Embarkation on Port Property

The Port Commission approved the new Alcatraz Ferry Embarkation Project located at Piers 31-33, keeping the Alcatraz embarkation at the Port for the next 50 years. The project will result in \$41.5 million of investment which includes \$7.5 million to repair the substructure and \$34 million in enhancements at Piers 31-33, will activate the Pier 31 bulkhead with a plaza, café, and improved public restrooms, and transform the Pier 33 bulkhead into a visitor-contact station.

Secured \$430 million for the Seawall Program and Flooding Resiliency

In November 2018, voters overwhelmingly approved a General Obligation Bond of \$425 million for the Seawall Program. 84% of San Franciscan voters who cast a ballot for Measure A said “yes” to the bond. Since the last Capital Plan, the Port also secured a state allocation of \$5 million to the Seawall Program and a Federal allocation of \$1.5 million for a New Start study of flood risk along the waterfront. This New Start appropriation represents the crucial beginning to a process that will culminate in a recommendation to Congress regarding additional federal funding to support the Seawall Program and address flood risk beyond the bounds of the Seawall. The Port is seeking \$54 million in state money to complete the funding plan for the \$500 million first phase of the Seawall . The New Start investment paves the way for Federal investment in later phases of work.

Gained Clarity and Flexibility on Management of Historic District

During the process of updating the Waterfront Land Use Plan (WLUP), the Port obtained clarity on what “public-oriented use” means to the public. The expanded definition provides the Port the opportunity to promote a diversity of experiences within the Embarcadero Historic District, including allowing arts, museums and cultural facilities, education and academic institutions, recreational enterprises, and assembly and entertainment.

The WLUP process also facilitated conversations with the public and State Lands Commission staff that resulted in a unique Public Trust Objective framework for the Port’s 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 Lands, and public’s shared understanding of these trust values and needs is an important milestone, and will improve clarity and predictability for leasing and rehabilitation of historic piers.

Renewed Restrooms and Utilities at Pier 31 and 29½

This project included utility service repairs, installation of an ADA lift, and code upgrades to restrooms and egress doors in Pier 31 and 29½. Piers 31 and 29½ are located in the Northern Waterfront, between Sansom and Bay Streets and are contributors to the Embarcadero Historic District. The work helped ready the space for new revenue-generating tenants and support existing revenue from the facilities.



Figure 8: New ADA lift at Pier 31

Repaired China Basin Float

This \$1.6 million project completed maintenance and repairs on the East float at China Basin, one of two floats at that location. The China Basin floats are an essential part of the Port’s public water transportation infrastructure enabling ferry service to events at AT&T Park. The work included taking the float into dry-dock to sandblast the surface, repair damaged structural elements, and apply new corrosion protection to increase the longevity of the float.

Improved Life-Safety Conditions with Installation of Fire Standpipes

The Port completed the installation of fire standpipe systems at piers 33 and 28. Standpipe systems create easy access points for the Fire Department to connect hoses along the pier, enhancing their ability to fight fires in the Port’s historic piers.

Utilized Port Crews to Remove Dilapidated Piles and Repair Pier Substructures

Port crews repaired various pier substructures, including wharfs J3 and J8. Port crews also removed dilapidated piles along Islais Creek, reaping ecological and aesthetic benefits.

Ten Year Capital Need

This Capital Plan identifies an overall potential investment need of up to \$3.5 billion, including \$1.7 billion for state of good repair (SOGR) and \$1.9 billion for enhancements. This summary figure represents the maximum the Port would need to spend to bring all elements of all facilities into full repair, complete all anticipated enhancements, and upgrade the seismic strength of all piers so that any use, including those that require the highest degree of seismic safety, could be pursued on the piers. For SOGR, there is an estimated \$815.3 million backlog for deferred maintenance, \$614.5 million need for renewal investments, and \$247.7 million in one-time work to renew Port facilities and keep them in good repair. Enhancement needs include \$484.1 million for the Seawall Program, \$786.4 million for enhancement projects ranging from development projects, parks and open space improvements, to new maritime facilities, and an additional potential \$584.2 million for seismic repairs that represents a most-expensive-case scenario for the cost of code compliance for a change in use when rehabilitating a pier.

Ultimately, the Port’s intended use of each facility determines what subset of these total potential needs will be prioritized and pursued. Such work is then included in the Port’s Capital Improvement Program.

	State of Good Repair				Enhancements				Grand total
	Backlog (millions)	Renewal (millions)	One-time (millions)	Total (millions)	Seawall Resiliency (Millions)	Enhancements (millions)	Conditional Seismic (millions)	Total (millions)	
Prior Plan (FY 2018-27)*	\$722.1	\$543.9	\$226.2	\$1,492.2	\$493.5	\$733.3	\$561.7	\$1,788.5	\$3,280.7
Updated project costs estimates and completions	-\$0.1	-\$28.0	-\$19.8	-\$47.9	-\$9.40	-\$38.3	-\$2.60	-\$50.3	-\$98.2
Leased Facility Improvements by Tenants		-\$31.6		-\$31.6				\$0.0	-\$31.6
Development project improvements			-\$36.7	-\$36.7			-\$38.0	-\$38.0	-\$74.7
Missed renewals (FY 2018 & 2019)	\$5.3	-\$56.9	\$51.3	-\$0.3				\$0.0	-\$0.3
New years nine and ten (FY 2028 & 2029)		\$120.8		\$120.8				\$0.0	\$120.8
Escalation (5.75% and 6%)	\$88.0	\$66.3	\$26.7	\$181.0		\$91.4	\$63.0	\$154.4	\$335.4
Current Plan (FY 2020-29)	\$815.3	\$614.5	\$247.7	\$1,677.5	\$484.1	\$786.4	\$584.2	\$1,854.6	\$3,532.1

* Adjusted to correct categorization of \$248.4 million in missed renewals of substructures from one-time to backlog.

Figure 9: Summary of changes in this Capital Plan from prior plan

Figure 9 summarizes adjustments to the Port’s 10-year investment need for state of good repair and enhancements from the prior plan. This plan reflects a \$185.3 million increase in need for state of good repair investments and an increase of \$66.1 million for enhancements. These changes are due to the following factors:

- Work completed—Staff logged completed projects, which removed them from backlog, renewals, or one-time needs. This includes projects undertaken by the Port and by its tenants, where the tenant has responsibility for facility maintenance. For example, the Port completed annual maintenance dredging, repaired the roof on the building at Pier 23, and modernized the elevator in Roundhouse 2.
- Updated cost estimates—Staff updated project costs and the timing of renewal needs to reflect more recent estimates, where available (e.g., as a result of a more extensive engineering analysis and routine site assessments, design, or third-party cost estimates performed as part of the Capital Improvement Plan development). Such adjustments result in both increases and decreases to the identified need.
- Passage of time—As each year passes, new systems require renewal and others pass their optimal renewal date and become part of the backlog, if work was not completed. In addition, the plan includes annual escalation of costs to capture the increasing price of delivering capital projects and reflects the recent upward trend in construction costs in San Francisco

Driven by the need illustrated in the summary table, this plan proposes investments in renewal projects to keep Port assets in a state of good repair and enhancement projects to expand or improve the uses of facilities.

State of Good Repair

State of good repair projects needed to keep Port assets in good working condition. Ideally, repair work happens on a regular cycle, renewing each subsystem of a facility, like the roof on a building, as soon as it reaches the end of its useful life. The cost for such repairs in the future is classified as the renewal need. Due to insufficient capital investments in the past, some pier facilities or elements of facilities were not renewed at the optimal time. Systems that are now beyond their useful life are captured in the backlog. The final element

of SOGR is one-time costs for necessary investments that do not require routine renewal. Figure 9 illustrates how the need for SOGR investments are divided among the major categories of Port capital investment.

Backlog and Renewals

Consistent with the Port Commission’s commitment to invest Port assets, the Port allocates at least 25 percent of its annual revenues to its capital program. This work maintains existing resources and, when possible, makes vacant properties fit for leasing to increase the Port’s revenue generating capacity. A substantial portion of the Port’s facility renewal budget supports pier structure repairs to ensure: 1) the continued safe operation of pier superstructures and buildings; 2) the preservation of lease revenues; and 3) the extension of the economic life of the Port’s pier and marginal wharf assets. Additionally, the Port’s renewal program supports a maintenance dredging program that ensures the proper depth of berths at the Port’s piers so that they remain suitable for water traffic.

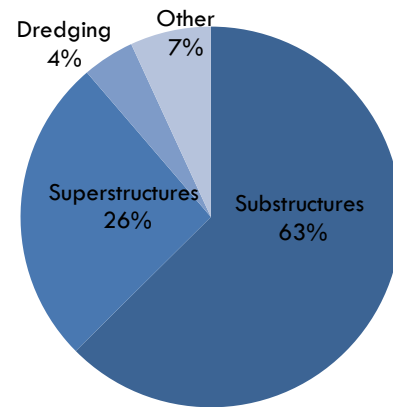


Figure 10: Categorization of SOGR needs

One-Time

The one-time cost category primarily captures non-cyclical improvements, typically driven by changes in code requirements. It also includes the cost of demolition, when a facility, such as the Pier 90 grain silos, has been deemed no longer necessary to the Port and is removed from the renewal cycle. One-time work includes moving under-pier utilities above the pier, as well as rehabilitating a large number of the structures at Pier 70. Many of the Pier 70 facilities are condemned and entirely in a state of deferred maintenance. For these structures, partial rehabilitation is not a viable option and any rehabilitation will trigger substantial seismic work. As a result, the plan reflects these facilities as one-time costs for rehabilitation or demolition until they are fully improved, and a capital maintenance cycle commences. As described in the Planned Enhancements section of this report, the Port is addressing much of the Pier 70 renewal need through a public-private partnership and approximately \$75 million will be removed from the one-time need when the work at the waterfront site is completed.

Enhancements

Enhancement projects play a vital role in advancing the Port’s mission. These projects construct new parks to increase recreational opportunities; fortify the Seawall to protect economic interests and ensure financial stability; and bring new life (including maritime, recreational, and commercial activities) to otherwise vacant piers. In some cases, enhancement projects include elements of state of good repair in their scope. When that happens, the capital need the projects address is eliminated from the backlog upon project completion. The Plan identifies \$1,854.6 million in enhancement needs, including up to estimated \$584.2 million in possible need for potential seismic upgrades.

Seawall Earthquake Safety Program

The Embarcadero Seawall was constructed more than a century ago and is the foundation of over three miles of the city’s northeastern waterfront stretching from Fisherman’s Wharf in the north to Mission Creek in the south. The Seawall was built before engineers understood how to build infrastructure to survive earthquakes. Over the last 100 years, the Seawall has aged and settled and no longer offers the same level of flood protection. With San Francisco’s iconic waterfront at risk, the City stands ready to save it. The Port of San

San Francisco is leading the Seawall Program, a citywide effort to create a more sustainable and resilient waterfront by addressing immediate life safety upgrades and identifying the funding to implement a larger, long-term project. Phase I of the Seawall Program is a major City and Port effort to significantly improve earthquake safety and performance of the Embarcadero Seawall, provide near-term flood protection improvements, and plan for additional long-term resilience and adaptation. The \$500 million Phase I will develop and complete the most immediate life safety and flood risk improvements to the Seawall at key locations by approximately 2026. Full infrastructure improvements will cost up to \$5 billion and are estimated to take up to three decades to complete.



Figure 11: Community members learn about the importance of the Seawall on a tour led by Port staff

The Seawall underpins the historic Embarcadero Promenade, many of the city's iconic destinations, parks, and local businesses which attract more than 24 million people to the waterfront each year. All told, the Seawall supports over \$100 billion in annual economic activity and assets along the waterfront. The Seawall Program is a central piece of the Port's capital strategy as it is essential for protecting critical Port and City assets including regional transportation, utility, and emergency response networks and more. The Program will be funded largely by external revenue, because the Seawall is of such great importance to the broader economic health and emergency preparedness of San Francisco and the Bay Area.

Seawall Program Funding Plan

In 2017 the City convened a Seawall Finance Working Group to analyze local, state and federal sources and recommend a funding plan for the Port and City to pursue to support the Seawall Program. The Port has since made great strides to advance this funding plan, including approval of a \$425 million General Obligation Bond for the Seawall. Additionally, the Port secured a \$5 million appropriation from the State in FY 2018-2019. The Port is continuing to pursue a significant state contribution to the Seawall Program.

On the federal front, the United States Army Corps of Engineers recently committed \$1.5 million to study flood risk along San Francisco's waterfront, with a focus on the Embarcadero Seawall. This New Start appropriation represents the beginning of the USACE General Investigation process that may culminate in a recommendation to Congress regarding additional federal funding to support the Seawall Program.

As the final piece of the funding plan, the Port is pursuing private contributions toward the program through special taxes. To date, the Port has secured approvals of shoreline special taxes for the Pier 70 and Mission Rock projects. Subsequent to reaching certain milestones for each project, funds generated by this tax will be dedicated solely to addressing sea level rise and flood risk on Port property, including outside of these project areas. The Port estimates the net present value of these taxes to be \$135 million over a roughly 100 year period, which will serve as a significant source of funds for the Seawall Program beyond this Capital Plan window. In addition, the Port and City are evaluating the potential to create a Community Facilities District (CFD) dedicated to sea-level rise adaptation and resilience that would cover areas of the City that will be most affected by sea level rise. The Port has not included revenue from this potential new CFD in its funding plan.

Mission Bay Ferry Landing

The Mission Bay Ferry Landing will provide critical transbay and regional ferry service to and from the fastest growing southern waterfront neighborhoods of San Francisco, the financial district and the East and North Bay. The landing will include capability to berth two ferries simultaneously to provide regional access to UCSF Mission Bay, the Golden State Warriors arena, and the surrounding neighborhoods. These amenities are essential to alleviate current regional transportation overcrowding and to provide transportation resiliency in the event of an earthquake, BART or Bay Bridge failure, or other unplanned event.



Figure 12: Proposed vicinity for Mission Bay Ferry Landing

The estimated project cost is \$45.7 million and includes design and permitting, funded in the prior Capital Plan at \$7.0 million. The City has committed \$9.6 million toward the \$38.7 million construction phase and anticipates funding the remaining construction cost from external sources.

Development Projects

Pier 70 Waterfront Site

Brookfield Asset Management Inc., through its recent acquisition of Forest City Realty Trust, Inc., is the Port’s development partner for the Waterfront Site at Pier 70. Project construction started in 2018, with full build-out completion estimated in 10-15 years. In this \$300 million, 10-year plan period, development will include nine acres of waterfront parks, playgrounds and recreation opportunities; new housing units (including 30 percent below market-rate homes); restoration and reuse of currently deteriorating historic structures; new and renovated space for arts, cultural, small-scale manufacturing, local retail, and neighborhood services; up to 2 million square feet of new commercial and office space; and parking facilities and other transportation infrastructure.

Mission Rock

The vision for this project, led by Seawall Lot 337 Associates, LLC (an affiliate of the San Francisco Giants), is a flexible development balancing residential, office, retail, exhibition, and parking space in a combination of uses that meet market demands and reflect community and regulatory concerns, and ensure mixed-use diversity. The Port anticipates that this project will generate new revenues through leases and the formation of an Infrastructure Financing District. In this 10-year Plan period, the developer will complete \$200 million in



Figure 13: Rendering of a park in the planned Mission Rock development

infrastructure enhancements including streets, sidewalks and utilities.

National Park Service Alcatraz Embarkation Site

In June 2018, the Port Commission approved the new Alcatraz Ferry Embarkation Project located at Piers 31-33 on The Embarcadero at Bay Street. The project is anticipated to result in \$34 million of investment in these piers. The Alcatraz Project will activate the Pier 31 bulkhead with a plaza, café, and improved public restrooms, and transform the Pier 33 bulkhead into a visitor-contact station. The improvements will enhance the visitor experience on the wharf and the waterfront. Improvements to the site will be made through a lease with a new tenant, the Golden Gate National Parks Conservancy and through a lease with a new ferry concessioner, to be selected by the National Park Service through its competitive-bid process. The Alcatraz Embarkation Project improvements are projected to be complete by 2024. To prepare the site for the new tenants, the Port is currently undertaking a \$7.5 million repair to the facility’s substructure.

Seawall Lots 323 and 324

In 2015, the Port Commission approved an exclusive negotiation agreement with Teatro ZinZanni and its financial partner, operating together as TZK Broadway, LLC, for the lease and development of Seawall Lots 323 and 324. The proposed development will include: a single, four-story building with a 180-200 room hotel, restaurant/bar, an approximate 280-seat theater featuring Teatro’s historic “Spiegeltent”, and an approximate 14,000-square-foot privately-financed public park. The projected total development cost is estimated at \$135 million, to be funded with private funds. The project is anticipated to be constructed and operational by 2021.



Figure 11: Rendering of the proposed hotel-dinner-theater development on SWLs 323 & 324

Seawall Lot 322-1 Development for Affordable Housing

In 2014, the Port Commission approved a memorandum of understanding between the Port and the Mayor’s Office of Housing and Community Development (MOHCD) regarding a joint effort to pursue the feasibility of improving Seawall Lot 322-1 with an affordable housing development. MOHCD selected Bridge Housing and the John Stewart Company as its private partners to develop the site with 125 family housing rental units, a childcare center, and restaurant space at a projected cost of \$90.7 million. The project is scheduled to start construction in 2019.

Downtown San Francisco Ferry Terminal Expansion Project

The Bay Area Water Emergency Transportation Authority (WETA) is implementing the Downtown San Francisco Ferry Terminal Expansion project to expand and improve facilities at the ferry terminal. The expansion will accommodate anticipated increases in ferry ridership as new services from downtown San Francisco to Richmond, Treasure Island, and other locations, are introduced through 2030. The project includes construction of two new ferry gates and four new berths, landside pedestrian circulation improvements, installation of amenities such as weather-protected areas for queuing and covering of the current “lagoon” area south of the Ferry Building. This covered area will enhance emergency response capabilities and serve as a new public plaza in the heart of the Ferry Building area. Construction on the \$95 million project began in 2017 and will be complete by 2020.

General Obligation Bond Waterfront Park Projects

During this Capital Plan period, the Port will complete work on projects funded substantially with 2008 and 2012 Clean and Safe Neighborhood Parks General Obligation Bonds. The projects listed below are the ongoing projects funded with the existing bonds. The Plan also anticipates Parks General Obligation Bond authorization in 2019 and 2025. The Port’s priorities for use of future Bond funds are Islais Creek, Warm Water Cove Park, Ferry Building Plaza, and Blue Greenway enhancements to continue to expand the necklace of waterfront parks throughout Port property.

Agua Vista Park

Agua Vista is a waterfront park at the southern edge of Mission Bay, located on Terry Francois Boulevard at 16th Street, which was originally improved in the 1970s. The \$2 million project will renovate and connect Agua Vista Park to the recently improved edge of Bayfront Park and the new Mission Bay Ferry Landing. When completed, Agua Vista Park and the future Bayfront Park, combined, are expected to include 2,000 linear feet of new shoreline access, continuous walking and bike paths, and dramatic views. Improvements may include new pathways, seating areas, interpretation, and fishing facility improvements. The Port expects to complete the project in 2020.

Islais Creek Improvements

This project will complete the pathway along the northern shore of Islais Creek from I-280 to Illinois Street. New public access would connect the Islais Creek Promenade at Tennessee Street to the historic Third Street Bridge. Improvements are expected to include a new waterfront walkway and scenic look out points and would close a gap in the Islais Creek system of open spaces, the Blue Greenway, and Bay Trail. Due to several projects underway by other City agencies including the repair of the bridge and new Public Utilities infrastructure in the project area, the Port reprioritized \$1.5 million of these funds towards park improvements at Heron’s Head Park. The remaining \$0.5 million for this project will be utilized to finalize the design, develop construction drawings and secure necessary permits, so the project is ready for construction with a future General Obligation Bond.

Heron’s Head Park Improvements

Heron’s Head Park is the Port’s largest open space and park. Building on the success of the park’s expansion made possible by 2008 Waterfront Parks General Obligation Bond funds and the increased use of the park, the Port proposes to make further improvements to the original Heron’s Head Park area (outside of the expansion area improved with 2008 Bond funds). The Port will make the following improvements with 2012 Waterfront Parks General Obligation Bond funds: an ADA compliant secondary pathway to improve the connection from Heron’s Head Park to the adjacent PG&E shoreline area; improvement to the Eco-Center electrical system to ensure reliable electricity; a comprehensive signage program for the park, including entry signs, regulatory signs and interpretive signage; and habitat protection fence along the secondary pathway.

Crane Cove Park

Crane Cove Park is a new, approximately 6-acre, Blue Greenway waterfront park located in the Central Waterfront between 19th and Mariposa Streets east of Illinois Street. When complete, the park will include shoreline cleanup and stabilization, restoration of historic cranes, historic interpretation, bay access, green space with shade trees and seating, a waterfront walkway, bicycle



Figure 15: Site preparation work at future Crane Cove Park

parking and a facility for human powered boats.

The total cost for the entire project is \$33 million dollars and is funded by \$25.9 million from the 2008 and 2012 Parks Bonds and \$7.1 million in grants and Port sources.

Conditional seismic costs

Over the next ten years, up to \$589.7 million may be needed for conditional seismic work on Port facilities.¹ Consistent with the approach used by the rest of the City in the 10-Year Capital Plan, seismic costs are categorized as enhancements. Seismic costs, like one-time costs, may be required for code compliance when performing work on piers for a project that seeks to change the use, substantially increase the occupancy, or significantly expand the size of a facility. The seismic costs essentially represent a worst-case scenario for below deck costs for pier projects. This figure is captured in the Plan because there will be some instances when the scope of work undertaken by the Port could trigger the need for full seismic upgrades of a substructure.

Funding Plan

The Capital Plan identifies an estimated \$1.7 billion in funds that will be available during the Plan period. The Plan differentiates expenditure of those funds into two categories: 1) capital projects that help maintain the Port's facilities in a state of good repair; and 2) enhancement projects that add value to the Port property. Figure 15 details the breakdown of planned capital expenditures and funding sources by expenditure type.

¹ This number excludes many facilities at Pier 70, where the costs for seismic work are rolled into "full rehabilitation" estimates because seismic-only costs cannot be separated.

All figures in \$1,000s							
Program / Project	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 - 2029	Plan Total
SPENDING PLAN							
State of Good Repair							
Emergency Facility Repair	100	100	100	100	100	500	1,000
ADA	100	100	100	100	100	500	1,000
Dredging	15,180	5,869	8,008	7,956	8,000	40,000	85,013
Repair / Reinvestment	62,153	49,808	29,891	50,725	63,233	169,775	425,585
State of Good Repair Subtotal	77,533	55,877	38,099	58,881	71,433	210,775	512,598
Enhancements							
Parks and Open Space	9,619	5,550	5,550	5,550	15,725	32,375	74,369
Facility Improvements	4,164	4,187	4,967	5,767	4,289	23,146	46,520
Development Project Areas	155,282	197,978	110,073	57,636	40,824	54,317	616,110
Ferry Terminal Expansion Project	10,320					-	10,320
Seawall Resilience Project	12,500	13,000	73,000	90,400	90,400	150,800	430,100
Mission Bay Ferry Landing	39,100	-				-	39,100
Enhancements Subtotal	230,985	220,715	193,590	159,354	151,238	260,637	1,216,519
TOTAL	308,518	276,592	231,689	218,234	222,671	471,412	1,729,117
REVENUES							
Port Capital	20,200	16,465	22,502	26,453	19,105	104,028	208,753
Port Capital, Seawall	-	-	-	-	2,000	8,000	10,000
Port Tenant Improvements	15,997	7,869	5,634	11,692	37,052	75,023	153,267
Internal Funding Subtotal	36,197	24,334	28,136	38,145	58,157	187,051	372,020
Capital Planning Fund, MBFL	1,240					-	1,240
Orton IFD Tax Increment		340	340	340	340	1,700	3,060
Neighborhood Parks and Open Space	10,399	6,000	6,000	6,000	17,000	35,000	80,399
Federal & State Grants	2,000	2,000	2,000	2,000	2,000	10,000	20,000
US Army Corps of Engineers	8,160	4,540	-	-	-	14,500	27,200
Seawall Earthquake Safety Bond	10,500	11,000	73,000	90,400	88,400	142,800	416,100
Seawall State Grant	2,000	2,000					4,000
DTFT - State Proposition 1B	10,100					-	10,100
DTFT - Local Sources (RM2 and Prop K)	220					-	220
Regional Measure 3, MBFL	25,000	-				-	25,000
Anticipated Private Contributions, MBFL	4,000	-				-	4,000
Successor to Redevelopment Agency Tax Exempt Bond Proceeds	8,360					-	8,360
Development Projects (Including developer investments and public financing)	190,342	226,378	122,213	81,349	56,774	80,361	757,417
External Funding Subtotal	272,321	252,258	203,553	180,089	164,514	284,361	1,357,097
TOTAL	308,518	276,592	231,689	218,234	222,671	471,412	1,729,117

Figure 16: Detailed sources and uses of funds

Overall, the plan reflects a balanced expenditure of funds, with most of the Port’s internally generated funding sources directed towards SOGR projects because they are the most flexible funding source, whereas enhancement projects are more dependent on externally generated funds, as described in the next section and illustrated in Figure 17.

Despite these investments in capital improvements, the Port faces a \$1,165 million unfunded need for SOGR and up to \$589.7 million for conditional seismic costs. To reduce this gap, the Port will continue to use its multi-pronged approach of dedicating operating revenues and one-time sources to capital; securing new external sources of funding; and targeting available funds to strategic projects.

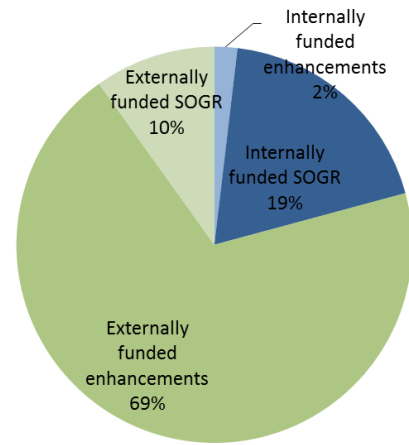


Figure 17: Sources and uses of funds, by percentage of total 10-year revenue

	State of Good Repair (millions)	Enhancements* (millions)
Need	\$1,677.5	\$1,270.5
Revenue	\$512.6	\$1,216.5
Unfunded gap	\$1,164.9	\$54.0
% need unfunded	69%	4%

*Total Enhancement need is \$1,854.6 million. This chart excludes \$584.2 million in conditional seismic need, as that work is only pursued as facility uses change and revenue becomes available.

Figure 18: Unfunded Need

Internal Funding Sources

Internally-generated funding sources include those sources that are primarily within the Port’s control, utilizing existing assets, with a fairly high degree of confidence in their projected value. The charts below provide detail on the internally-generated sources assumed in the plan and their uses.

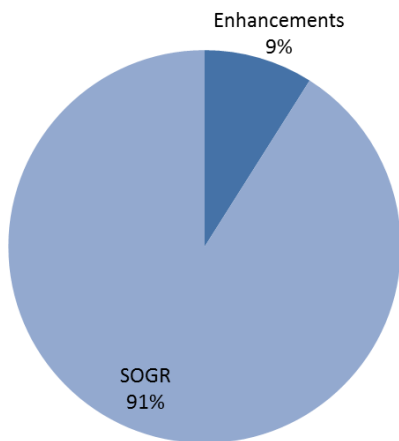


Figure 19: Uses of internal funds

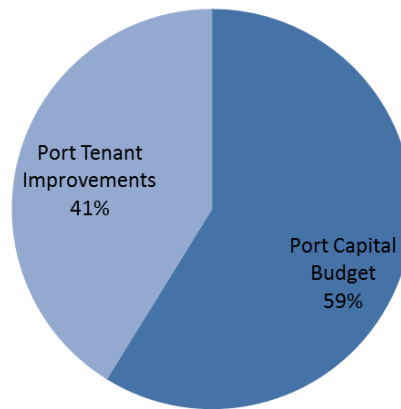


Figure 20: Sources of internal funds

Port Capital

The Port is a self-sustaining enterprise operation, and generates funds for capital improvements by earning more revenue than is required to support operating costs and reserves (referred to as net revenues). The Port actively designates net revenue within its budget to ensure that funds are available for capital spending. Additionally, at the end of each fiscal year surplus revenues are deposited in the Port’s Fund Balance. It is also the Port’s practice to dedicate one-time funding sources, such as those derived from prepaid leases, to capital investments.

Port Revenue Bonds and Certificates of Participation (COPs)

Port revenue bonds are long-term debt obligations that are secured by the Harbor Fund. The Port Commission may issue Port revenue bonds to fund capital improvement projects, purchases of large-scale capital equipment, and other nonoperational Port costs. COPs are lease-financing arrangements between the City and a for-profit lessor. The Port does not have any revenue bond or COP issuances planned in the 10-year window of this Capital Plan.

Port Tenant Improvements

The Port enters into lease agreements that may include obligations on the tenants to complete capital improvements and maintain the facility in a state of good repair. The Capital Plan captures the amount and timing of those improvements that would otherwise be completed by the Port.

External Funding Sources

Externally-generated funding sources represent those sources that require some form of partnership with an external party to be realized. Those partners may include developers, federal or state agencies, or other departments within the City and County of San Francisco. While partnerships often require considerable effort to build and maintain, and are not entirely within the Port’s control, ultimately they have far greater potential to deliver significant capital improvements in the long-term than traditional internally-generated sources.

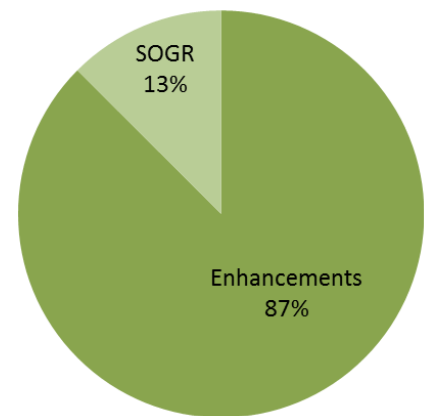


Figure 21: Uses of external sources

10-year Plan External Revenue Projections (in \$ millions)		
Funding Source	State of Good Repair	Enhancements
External		
Development Projects	\$141.3	\$616.1
Parks GO Bonds	\$6.0	\$74.4
Downtown Ferry Terminal	\$0.0	\$10.3
Mission Bay Ferry Landing	\$0.0	\$38.6
Grants	\$20.2	\$31.0
Seawall Earthquake Safety Bond	\$0.0	\$416.1
Local and State Tax Increment	\$2.4	\$0.6
Total	\$170.0	\$1,187.1

Figure 22: Detailed breakdown of sources and types of uses of external funds

Private Investments

Since the 1970s, the Port has used public-private partnerships to address major renewal needs while supporting the land use vision reflected in the Waterfront Land Use Plan. In exchange for long-term leases (usually between 50-66 years) and other financial consideration including rent credits, land value, and access to public sources and financing tools, external investors assume much of the responsibility for rehabilitating and improving Port property for designated uses. Additionally, by engaging a development partner and allowing them to make a reasonable return on their investment, the Port can attract substantially more resources to address the Port's backlog of capital investment needs than the Port can afford on its own. For example, the Port and Exploratorium entered into a public-private partnership that resulted in approximately \$200 million in private and philanthropic investment for renewals and enhancements at Piers 15 and 17 and the ongoing use of the facility by a world-renowned science and culture center with more than 800,000 visitors annually.

As noted in Figure 21, the Port forecasts development projects to be the largest financial tool to address both state of good repair (\$141.3 million) and enhancement (\$616.1 million). The vast majority of contemplated enhancements that are investments in new, publicly owned parks and infrastructure, largely to support new neighborhoods planned at Seawall Lot 337 and Pier 70. Funding for these projects typically comes from private and project generated public tax sources; however, for purposes of this plan, all development project-generated funds are shown as a single line item.

General Obligation Bonds and City Capital Funding

General Obligation (GO) Bonds are bonds secured by the taxing authority of the City and County of San Francisco. GO Bond proceeds are used to pay for projects that benefit citizens, but that do not raise revenue, such as parks or essential earthquake safety upgrades.

Parks Bonds

With \$69 million from the 2008 and 2012 voter approved Clean and Safe Waterfront Parks General Obligation Bonds the Port has completed nine waterfront open space projects, and has five more in progress. The Port also intends to participate in future GO Bond measures for parks; Islais Creek, Ferry Plaza, Warm Water Cove, and remaining Blue-Greenway parks are top priorities. Details on the active projects can be found in the prior Enhancements section.

Seawall Earthquake Safety Bond

In November 2018, voters approved a bond to support Phase 1 of the Seawall Program and address the most immediate life-safety and flood risks. These funds are an important down-payment for a larger program, estimated at \$5 billion, and will allow the City to address the most urgent risks and to plan a longer-term program to strengthen the entire three-mile seawall and adapt to flood risk along the waterfront.

Local Special Use Districts

To afford necessary public infrastructure and make development projects feasible, the Port and its partners seek to take full advantage of public financing tools through Special Use Districts, such as Infrastructure Financing Districts (IFDs) and Community Facilities Districts (CFDs). These tools reduce the need for higher-risk and higher-cost developer capital investments and improve Port-developer revenue-sharing potential by controlling financing expenses with lower interest rates. Additionally, these sources are designed to protect the City's General Fund and the Port's Harbor Fund; in the event that there is a failure to pay debt service on bonds issued to finance the districts, bondholders will have recourse to lease or public financing revenues from the Project rather than from the General Fund or Harbor Fund.

Specifically, IFDs establish a geographical district within which all growth in property and possessory interest tax above an established base year (typically Referred to as “tax increment”) are captured to service debt on bonds issued to fund capital improvements of communitywide significance or are captured on a pay-go basis. CFDs, as established through California’s Mello Roos Act, assess new special taxes through a Rate and Method of Apportionment. After a vote by either property owners or registered voters in a proposed district approving the formation of IFDs and CFDs, the San Francisco Board of Supervisors may vote to form IFDs and CFDs. In the case of the Port of San Francisco, the Port Commission is the single property owner of the Port area, and there are no registered voters living on Port property. As discussed earlier in this report, the Port Commission and the Board of Supervisors formed the first Port IFD over the Orton project in 2016, with new sub-areas added in 2018 for the Pier 70 Waterfront Site and the Mission Rock projects.

These tools are critical to the Port’s ability to share in future revenue streams generated through the Orton, Pier 70 and Mission Rock development projects. By deepening the Port’s revenue base, these development projects are a critical strategy to address the capital backlog in the future. Special use districts are making possible approximately \$500 million in renewal and enhancement of public infrastructure at Pier 70 and Mission Rock during this plan period. This builds public value and improves Port capital at an accelerated rate, far exceeding what the Port could achieve through expenditure of internal funds.

Federal and State Sources

Port staff pursues grants and other awards from local, state, and federal governments and organizations to help leverage Port revenue. Grants often require matching Port dollars. Many Port activities are potentially grant-eligible, ranging from security improvements to street repaving and environmental protection projects.

United States Army Corps of Engineers

The United States Army Corps of Engineers oversees the nation’s water management infrastructure and federal funding for navigation, flood control, ecosystem restoration and other water-related projects authorized under the Water Resources Development Act. The Port is proceeding with several initiatives with the USACE that significantly impact the Capital Plan.

Department of Homeland Security, Port Security Grant Program (PSGP)

Since 2007, the Port’s Homeland Security Division has applied for and been awarded over \$31 million in federal PSGP funding provided by FEMA. Over the next five years, the Port plans to apply for an additional \$10 million in funding. PSGP funding will enhance security capabilities, establish boundaries, and provide controlled access where required and authorized, as well as enhance threat detection and prevention, and increase security measures for berth and passenger terminals. It is expected that FEMA will continue to require a 25 percent match, which the Port will provide from the capital budget. Individual security projects may include emergency preparedness, lighting, high security fencing, closed-circuit television (CCTV) cameras, intrusion detection systems, and vessels.

USACE, Continuing Authorities Program Section 107, Central Basin Dredging

The Central Basin is the approach to the Pier 70 Shipyard’s primary drydock facility. Dredging of this area is critical to operations of the shipyard. While the drydock itself is the second largest privately operated repair facility of its kind on the west coast of the Americas, the increasingly restrictive siltation in the Central Basin is limiting the number and type of vessels that can access it. In September 2009, the Port requested dredging assistance from the Army Corps under Continuing Authorities Program Section 107. The Army Corps approved a 35’ depth Central Basin dredge project and construction is anticipated in the year following the Port signing a new shipyard tenant. The Army Corps will provide up to \$10 million in federal funding to the project, which

is 63 percent of the original \$15.8 million estimated cost. After this initial dredge, the Army Corps will then assume all costs for future dredging of the Central Basin, which will require several million dollars of federal funding every decade.

USACE, Water Resources Development Act of 2007 (WRDA07)

WRDA07 authorizes USACE, in cooperation with the Port of San Francisco, to seek appropriation of \$25 million for "...repair and removal, as appropriate, of Piers 30-32, 35, 36, 70 (including Wharves 7 and 8), and 80 in San Francisco, California, substantially in accordance with the Port's redevelopment plan." In 2011, Congress appropriated \$4.8 million of this authorization for removal of Pier 36, leaving \$20.2 million in authorization remaining. As a second project under the Port's WRDA07 authority, the Port has a request in with USACE for project funding to remove Pier 70, Wharfs 6-8 at a total cost of \$8.5 million (\$5.7 million federal contribution). All funding from this source requires a two to one match from the Port. The Port has traditionally been the only City department with projects eligible for funding from the Army Corps.

USACE, General Investigation

On June 7, 2018, USACE awarded the City and County of San Francisco a New Start study appropriation to commence a General Investigation (GI) feasibility study to examine the Federal interest of possible improvements to reduce flood risk along the San Francisco waterfront (the San Francisco Waterfront Storm Risk Management Project, or Project). This study includes a \$1.5 million funding commitment over three years, including \$0.5 million annually, which the Port is matching with Seawall Earthquake Safety Bond funding and in-kind work delivered through the Seawall Program. This New Start appropriation represents the crucial beginning to the USACE General Investigation process to study the San Francisco waterfront that will culminate in a recommendation to Congress regarding additional federal funding to protect the San Francisco waterfront from flood risk.

Miscellaneous agencies, Downtown Ferry Terminal

The Water Emergency Transit Authority (WETA) is funding the Downtown Ferry Terminal Expansion Project through a mix of local, state, and federal sources, including funds awarded by the Federal Transit Administration, State Proposition 1B (Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006), Regional Measure 2 (bridge tolls), and the local Proposition K sales tax.

Emerging Needs and Opportunities

The following emerging needs are potential future capital projects, which require further analysis by Port staff. Once additional planning is completed to develop greater understanding of these projects' scopes, costs, and funding options, staff will add them to the Plan, if needed.

Embarcadero Historic Piers Request for Interest

In addition to the development projects currently in motion, the Port is assessing the viability of public-oriented market-based concepts that are financially feasible for the 13 remaining under-improved Embarcadero Historic District piers and the Agriculture Building. To gather information about the viability of and range of public-oriented concepts, the Port issued a Request for Interest (RFI) to invite ideas and response from potential tenants and developers. The RFI is to be the first of a two-step process to select one or more development partners to negotiate terms for major investment in the piers and eventually enter into long-term leases. The Port's desired outcome is to achieve the most pier upgrade and activities that invite the public in as

is financially feasible. Finding the right approach to maximize public trust values for the restoration of the historic finger piers will vary from facility to facility.

Buildings in the RFI include the bulkhead and sheds at Piers 35, 31, 29, 23, 19 and 26, 28, 38 and 40. The facilities and underlying substructures in the RFI represent approximately \$250 million of the Port's state of good repair needs. While the actual scope of work undertaken for any projects that result from this effort will depend on the lease details, intended use, and portion of the facility being used, developments at any of these piers have the potential to reduce the Port's capital needs and will bring new life to historic piers by leveraging external revenue for capital repairs and enhancements.



Figure 23: Pier 19 Bulkhead Building

Seawall Stabilization and Adaptation for Sea-Level Rise

The Port estimates that it will need up to \$5 billion 30 years to rebuild the Seawall with adaptation measures to meet sea-level rise predicted by the end of the century. The Port will also need significant funding to protect the Southern Waterfront. The Capital Plan does not incorporate the need for these long-term investments, as the City must first define the scope, budget, and schedule for work beyond Phase I of the Seawall Program. Nonetheless, the Port is working diligently to evaluate and secure funding sources that will support the program in the long run, as detailed in the Seawall section under Enhancements.

Pier 70 Shipyard

The Pier 70 Shipyard area consists of approximately 13.7 acres of land and piers, including 16 buildings and two drydocks on the northeastern edge of Piers 68 and 70. Operations by the prior tenant at the Shipyard ended in March 2017. Despite making capital investments and issuing two requests for proposals, the Port has not found a new operator for the Shipyard. The Port must now evaluate other potential uses for the facility and chart its course. Once the Port has planned the future use, any associated capital needs will be reflected in the plan.

Shore Power

The California Air Resources Board is expected to adopt a new regulation that will require cruise terminals that receive more than five cruise visits annually to provide shore power for all visiting vessels by 2021. Shore power significantly reduces the emissions of air pollutants from cruise ships at berth. The Port currently receives cruise vessels at two locations; the James R. Herman Cruise Terminal and Pier 35 Cruise Terminal. The James R. Herman Cruise Terminal is equipped with shore power. Pier 35 is not. For the Port to remain a viable cruise port and continue to receive the expected number of cruise calls in coming years, the Port requires a second berth equipped with shore power to meet anticipated California Air Resource Board requirements. The Port is evaluating various berthing options and assessing the cost for shore power and any other needed capital improvements.

Conclusion

This 10-Year Capital Plan provides a snapshot of the Port's maintenance and enhancement needs and the capital improvements it may achieve in coming years, given resource constraints. The Port's need for capital investments has historically outpaced available funding, leaving a substantial backlog and requiring strategic decisions about how to best manage the Port's many aging assets. The Port continues to meet this challenge with a multipart approach that includes setting aside a significant portion of Port revenue for capital; securing new external sources of funding for public benefit work and enhancement projects; and targeting investment of available funds to strategic projects that protect its most valuable assets and increase revenue.

Thanks largely to a strong economy and the Port Commission's commitment to focusing resources on capital projects, this plan projects a \$1.7 billion investment in capital over the next ten years. The Port's Capital Budget for fiscal year 2018-2019 was a record high for the agency and more than double the Port's capital investment of ten years ago. The majority of this investment maintains the Port's existing assets in a state of good repair. At the same time, development projects like those at Pier 70, are leveraging external revenue to renew and enhance some of the Port's most vital historic resources, opening up former industrial areas to the public and breathing new life into the waterfront.

Additionally, other recent successes have put the Port on a strong path to protect and improve capital assets. First, through the Seawall Program and shoreline resilience planning the Port is taking a proactive approach to risk—planning for and addressing earthquake, flood, and sea-level rise with the support of local, private, state, and federal funding—and using the effort to protect and enhance existing assets. Second, the Port hopes that its assessment of public-oriented and market-based development opportunities of the 13 remaining under-improved Embarcadero Historic District piers and the Agriculture Building will lead to financially-viable projects that upgrade piers and add activities that engage the public. Such projects would be a boon to the community, while likely reducing the Port's capital needs through external funding.

Appendix A

Bldg No.	Building Name	In \$1,000s			
		Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
1001	Downtown Ferry Terminal	\$939	\$0	\$3,100	\$4,039
1010	Pier 1	\$0	\$0	\$0	\$0
1010	Pier 1 - Office Building	\$0	\$5,637	\$0	\$5,637
1015	Pier 1 1/2	\$0	\$0	\$0	\$0
1015	Pier 1 1/2 - Bulkhead/Shed Building	\$0	\$577	\$0	\$577
1020	Pier 2	\$5,723	\$0	\$2,731	\$8,455
1030	Pier 3	\$0	\$0	\$8,104	\$8,104
1030	Pier 3 - Bulkhead/Shed Building	\$0	\$932	\$0	\$932
1050	Pier 5	\$0	\$0	\$0	\$0
1055	Pier 5 1/2 - Bulkhead Building	\$0	\$684	\$0	\$684
1070	Pier 7 Public Pier	\$0	\$0	\$0	\$0
1075	Pier 7 - The Waterfront Restaurant	\$643	\$139	\$220	\$1,003
1075	Pier 7 1/2	\$0	\$0	\$0	\$0
1090	Pier 9	\$15,725	\$0	\$13,088	\$28,813
1090	Pier 9 Bulkhead/Shed Building	\$16,219	\$7,495	\$4,672	\$28,386
1095	Pier 9 1/2	\$1,032	\$0	\$849	\$1,881
1140	Pier 14 (Public Pier)	\$0	\$0	\$0	\$0
1150	Pier 15	\$0	\$175	\$0	\$175
1150	Pier 15 - Bulkhead/Shed Building (contains trailer)	\$0	\$1,909	\$5,065	\$6,974
1155	Pier 15/17 - Office on Marginal Wharf	\$0	\$0	\$0	\$0
1170	Pier 17	\$0	\$130	\$0	\$130
1170	Pier 17 - Shed Building	\$4,140	\$740	\$4,250	\$9,131
1175	Pier 17 1/2	\$1,918	\$0	\$630	\$2,548
1190	Pier 19	\$8,198	\$0	\$8,466	\$16,664
1190	Pier 19 - Bulkhead/Shed Building	\$1,690	\$0	\$3,561	\$5,252
1195	Pier 19 1/2	\$6,824	\$0	\$3,768	\$10,592
1195	Pier 19 1/2 - Bulkhead/Shed	\$1,377	\$102	\$1,593	\$3,071
1225	Pier 22 1/2	\$3,068	\$11	\$1,328	\$4,407
1225	Pier 22 1/2 - Fire Station	\$883	\$47	\$181	\$1,111
1225	Pier 22 1/2 - Maintenance / Recreation	\$0	\$0	\$0	\$0
1230	Pier 23	\$4,693	\$0	\$13,434	\$18,127
1230	Pier 23 - Bulkhead/Shed Building	\$0	\$339	\$3,653	\$3,992
1235	Pier 23 1/2	\$3,791	\$0	\$623	\$4,415
1235	Pier 23 1/2 Pier 23 Cafe	\$0	\$0	\$0	\$0
1245	Pier 24 1/2	\$5,836	\$0	\$3,272	\$9,108
1245	Pier 24 1/2 -Bulkhead/Shed Building	\$799	\$0	\$1,018	\$1,817
1260	Pier 26	\$18,876	\$0	\$19,649	\$38,525

Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
1260	Pier 26 - Bulkhead/Shed	\$7,138	\$0	\$7,533	\$14,670
1265	Pier 26 1/2	\$4,398	\$0	\$3,546	\$7,943
1265	Pier 26 1/2 - Bulkhead	\$2,880	\$1,176	\$0	\$4,056
1270	Pier 27	\$0	\$578	\$0	\$578
1270	Pier 27 - Office Annex	\$1,308	\$0	\$0	\$1,308
1280	Pier 28	\$12,107	\$0	\$18,468	\$30,576
1280	Pier 28 - Bulkhead/Shed Building	\$5,578	\$354	\$2,800	\$8,733
1285	Pier 28 1/2	\$630	\$0	\$479	\$1,109
1285	Pier 28 1/2 - Hivive Restaurant	\$267	\$0	\$0	\$267
1290	Pier 29	\$12,614	\$0	\$0	\$12,614
1290	Pier 29 - Bulkhead/Shed Building	\$0	\$524	\$5,640	\$6,164
1295	Pier 29 1/2	\$0	\$0	\$0	\$0
1295	Pier 29 1/2 - Bulkhead Building	\$1,308	\$124	\$1,912	\$3,344
1310	Pier 31	\$5,822	\$0	\$21,514	\$27,336
1310	Pier 31 - Bulkhead/Shed Building	\$2,225	\$224	\$3,461	\$5,911
1315	Pier 31 1/2	\$4,738	\$0	\$3,895	\$8,634
1320	Pier 30 and 32	\$54,154	\$467	\$71,163	\$125,784
1325	Pier 32 1/2 Marginal Wharf (Brannon St)	\$0	\$0	\$0	\$0
1330	Pier 33	\$8,405	\$0	\$13,825	\$22,230
1330	Pier 33 - Bulkhead/Shed Building	\$3,885	\$799	\$3,238	\$7,922
1335	Pier 33 1/2	\$0	\$0	\$611	\$611
1335	Pier 33 1/2 - Bulkhead Building	\$141	\$370	\$0	\$512
1345	Pier 34 1/2 Marginal Wharf	\$0	\$0	\$0	\$0
1350	Pier 35	\$15,022	\$159	\$10,848	\$26,029
1350	Pier 35 - Bulkhead/Shed Building	\$13,669	\$12,229	\$6,174	\$32,072
1355	Pier 35 1/2	\$0	\$0	\$6,677	\$6,677
1380	Pier 38	\$13,930	\$0	\$20,927	\$34,857
1380	Pier 38 - Bulkhead/Shed Building	\$2,640	\$1,529	\$7,650	\$11,820
1385	Pier 38 1/2	\$811	\$0	\$666	\$1,478
1390	Pier 39	\$0	\$0	\$0	\$0
1390	Pier 39 - Retail Shops	\$5,360	\$5,788	\$9,515	\$20,662
1390	Pier 39 - Underwater World	\$387	\$1,228	\$0	\$1,614
1395	Pier 39 1/2 Marginal Wharf	\$0	\$0	\$0	\$0
1400	Pier 40	\$6,781	\$0	\$13,455	\$20,236
1400	Pier 40- North Guest Dock	\$0	\$0	\$2,777	\$2,777
1400	Pier 40 - Shed Building	\$339	\$900	\$1,672	\$2,911
1400	Pier 40 Restaurant & Robert Steck Chandelry	\$69	\$297	\$291	\$656
1405	Pier 40 1/2 - Java House	\$0	\$0	\$0	\$0
1405	Pier 40 1/2 (S Beach Harbor Wharf)	\$3,582	\$0	\$589	\$4,171
1410	Pier 41	\$0	\$0	\$4,173	\$4,173
1415	Pier 41 1/2	\$2,713	\$0	\$0	\$2,713

Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
1415	Pier 41 1/2 - Blue&Gold Bldg.	\$0	\$1,680	\$537	\$2,217
1430	Pier 43	\$0	\$0	\$391	\$391
1430	Pier 43 - Arch	\$307	\$0	\$0	\$307
1435	Pier 43 1/2	\$0	\$0	\$0	\$0
1435	Pier 43 1/2 - Franciscan Restaurant	\$815	\$330	\$520	\$1,665
1435	Pier 43 1/2 - Red & White Tours	\$0	\$43	\$0	\$43
1450	Pier 45	\$2,672	\$1,676	\$0	\$4,348
1450	Pier 45 - Shed A	\$2,441	\$524	\$2,637	\$5,602
1450	Pier 45 - Shed B	\$2,454	\$612	\$2,650	\$5,717
1450	Pier 45 - Shed C	\$1,495	\$1,643	\$2,699	\$5,836
1450	Pier 45 - Shed D	\$2,295	\$476	\$2,394	\$5,165
1461	Pier 46B China Basin Ferry Terminal	\$1,184	\$0	\$1,855	\$3,039
1470	Pier 47 - Guardinos Storage Bldg	\$0	\$79	\$0	\$79
1470	Pier 47 - Scoma / Fish Prep Bldg	\$0	\$0	\$0	\$0
1470	Pier 47 - Scoma Storage Bldg	\$0	\$128	\$0	\$128
1470	Pier 47 - Scomas Restaurant	\$478	\$1,509	\$451	\$2,438
1470	Pier 47 - Scomas Storage Shed	\$0	\$0	\$0	\$0
1470	Pier 47 - Wharf J6, J7, J8	\$1,619	\$0	\$5,642	\$7,260
1480	Pier 48	\$12,928	\$0	\$1,789	\$14,718
1480	Pier 48 - Shed A	\$3,174	\$647	\$0	\$3,821
1480	Pier 48 - Shed B	\$3,202	\$665	\$0	\$3,867
1485	Pier 48 1/2 - Jellys restaurant	\$0	\$748	\$0	\$748
1490	Pier 49 - Aliotos Restaurant (Wharf J-1)	\$0	\$787	\$439	\$1,226
1490	Pier 49 - Fishermans Grotto No. 9 (Wharf J-1)	\$0	\$1,223	\$682	\$1,905
1490	Pier 49 - Fishermans Memorial Chapel	\$205	\$0	\$0	\$205
1490	Pier 49 - Guardinos (Wharf J-1)	\$0	\$0	\$0	\$0
1490	Pier 49 - Sabella & Latorre (Wharf J-1)	\$0	\$0	\$0	\$0
1490	Pier 49 - Tarantinos Restaurant (Wharf J-1)	\$0	\$662	\$260	\$922
1490	Pier 49 - The Crab Station (Wharf J-1)	\$0	\$0	\$0	\$0
1490	Pier 49 Nicks Lighthouse (Wharf J-1)	\$0	\$229	\$0	\$229
1490	Wharfs J-1 and J-3 (Pier 49)	\$0	\$0	\$4,307	\$4,307
1500	Pier 50	\$33,263	\$0	\$25,266	\$58,530
1500	Pier 50 - Shed A	\$2,936	\$1,007	\$2,707	\$6,649
1500	Pier 50 - Shed B	\$1,523	\$1,525	\$2,745	\$5,794
1500	Pier 50 - Shed C	\$2,283	\$1,781	\$3,298	\$7,362
1500	Pier 50 - Shed D	\$2,181	\$1,467	\$3,808	\$7,455
1500	Pier 50 - Small Covered Shed	\$0	\$0	\$0	\$0
1505	Pier 50 1/2	\$0	\$2,069	\$486	\$2,555
1520	Pier 52	\$0	\$0	\$5,580	\$5,580
1540	Pier 54	\$16,192	\$0	\$11,584	\$27,777

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Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
1540	Pier 54 - Office Bldg	\$684	\$0	\$0	\$684
1540	Pier 54 - Oil Shed	\$163	\$0	\$0	\$163
1540	Pier 54 - Shed Building	\$536	\$432	\$895	\$1,863
1540	Pier 54 - Storage Shed	\$0	\$0	\$0	\$0
1600	Pier 60 - Wharf - wood piles	\$1,505	\$0	\$651	\$2,156
1620	Third Street Bridge House	\$0	\$33	\$0	\$33
1640	Pier 64	\$0	\$0	\$0	\$0
1645	Pier 64 1/2 Kelly Mission Rock Resort Restnt	\$0	\$547	\$0	\$547
1680	Pier 68	\$9,787	\$0	\$9,707	\$19,494
1680	Pier 70 - Pier 68 - Bathrooms Bldg. #141	\$0	\$82	\$0	\$82
1680	Pier 70 - Pier 68 - Beth Street Substation #2, Bldg. #50	\$0	\$0	\$59	\$59
1680	Pier 70 - Pier 68 - Beth Street Warehouse Bldg. #30	\$0	\$0	\$87	\$87
1680	Pier 70 - Pier 68 - Blast Shed Bldg. #150	\$0	\$61	\$0	\$61
1680	Pier 70 - Pier 68 - Boiler/Steam Power House - #103	\$381	\$0	\$297	\$678
1680	Pier 70 - Pier 68 - Building #149	\$0	\$0	\$0	\$0
1680	Pier 70 - Pier 68 - Cable/Electric Shop - Bldg.#38	\$0	\$0	\$556	\$556
1680	Pier 70 - Pier 68 - Checkhouse #1, Bldg. #122	\$0	\$0	\$243	\$243
1680	Pier 70 - Pier 68 - Checkhouse #2, Bldg. #123	\$0	\$0	\$118	\$118
1680	Pier 70 - Pier 68 - Equipment Building #36	\$494	\$0	\$3,377	\$3,871
1680	Pier 70 - Pier 68 - Machine Shop - Bldg. #105	\$726	\$99	\$5,441	\$6,266
1680	Pier 70 - Pier 68 - near checkhouse #2, Building #51	\$82	\$0	\$0	\$82
1680	Pier 70 - Pier 68 - Office Bldg (#127)	\$0	\$471	\$0	\$471
1680	Pier 70 - Pier 68 - Office Bldg Annex to #101, Bldg. #40	\$0	\$0	\$219	\$219
1680	Pier 70 - Pier 68 - Office Building #101	\$0	\$0	\$0	\$0
1680	Pier 70 - Pier 68 - Office Building #104	\$0	\$0	\$0	\$0
1680	Pier 70 - Pier 68 - Office/Warehouse Bldg.- Bldg #111	\$9,693	\$0	\$14,453	\$24,147
1680	Pier 70 - Pier 68 - Ops. Bldg #102	\$0	\$0	\$0	\$0
1680	Pier 70 - Pier 68 - Pipe Rack, Bldg. #120	\$0	\$0	\$63	\$63
1680	Pier 70 - Pier 68 - Pipe Storage Bldg #107	\$0	\$0	\$0	\$0
1680	Pier 70 - Pier 68 - Sheet Metal/Tools Bldg #109	\$1,838	\$246	\$2,731	\$4,815

Port of San Francisco 10-Year Capital Plan

Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
1680	Pier 70 - Pier 68 - Shipwright Building -#108	\$8,322	\$0	\$14,752	\$23,074
1680	Pier 70 - Pier 68 - Steel Shop Office (bldg #121)	\$0	\$0	\$29	\$29
1680	Pier 70 - Pier 68 - Substation #4 (bldg #58)	\$0	\$0	\$194	\$194
1680	Pier 70 - Pier 68 - Substation #6, Bldg. #64	\$0	\$0	\$0	\$0
1680	Pier 70 - Pier 68 - Substation #7 (bldg #68)	\$0	\$0	\$108	\$108
1680	Pier 70 - Pier 68 - Warehouse & 6-ton crane, Bldg. #49	\$0	\$0	\$618	\$618
1680	Pier 70 - Pier 68 - Yard Washroom, Bldg. #110	\$0	\$0	\$1,236	\$1,236
1680	Pier 70 - Pier 68 - Yard Washroom, Bldg. #119	\$0	\$0	\$31	\$31
1700	Pier 70	\$0	\$0	\$10,122	\$10,122
1800	Pier 80	\$15,139	\$893	\$43,115	\$59,147
1800	Pier 80 - Entry Canopy	\$333	\$0	\$401	\$734
1800	Pier 80 - Gear & Maintenance Building	\$2,134	\$0	\$1,417	\$3,552
1800	Pier 80 - Office Bldg #2	\$144	\$0	\$0	\$144
1800	Pier 80 - Service Building	\$1,657	\$0	\$1,126	\$2,783
1800	Pier 80 - Shed A	\$2,524	\$0	\$31,236	\$33,760
1800	Pier 80 - Shed D	\$2,681	\$0	\$6,143	\$8,824
1800	Pier 80 - Terminal Office	\$1,090	\$0	\$0	\$1,090
1800	Pier 80 Office Bldg #1	\$288	\$0	\$0	\$288
1840	Copra Crane	\$1,108	\$0	\$0	\$1,108
1900	Pier 90	\$4,781	\$0	\$14,914	\$19,696
1900	Pier 90 - Fire Department Building	\$0	\$36	\$227	\$263
1900	Pier 90 - Maintenance Bldg	\$0	\$0	\$0	\$0
1900	Pier 90 - Old Powerhouse	\$0	\$0	\$0	\$0
1900	Pier 90 - Storage Bldg	\$0	\$0	\$0	\$0
1900	Pier 90 - Truck Pits	\$0	\$0	\$0	\$0
1920	Pier 92	\$3,282	\$0	\$0	\$3,282
1940	Pier 94 - 96 wharf area	\$6,056	\$843	\$1,646	\$8,545
1940	Pier 94 - Wharfside Building	\$0	\$82	\$0	\$82
1960	Pier 96 - Administration Building	\$1,417	\$981	\$565	\$2,963
1960	Pier 96 - Entry Canopy	\$302	\$0	\$363	\$665
1960	Pier 96 - Exit Canopy	\$180	\$0	\$215	\$395
1960	Pier 96 - Gatehouse Bldg	\$0	\$297	\$0	\$297
1960	Pier 96 - Maintenance Building	\$2,577	\$715	\$1,100	\$4,392
1960	Pier 96 - Office/Restroom	\$176	\$0	\$0	\$176

Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
1960	Pier 96 - Recycling/LASH Terminal	\$3,245	\$6,013	\$6,776	\$16,034
1960	Pier 96 - Storage	\$197	\$0	\$0	\$197
1960	Pier 96 - Truck Scales	\$51	\$0	\$0	\$51
1980	Hérons Head Park	\$1,265	\$0	\$3,857	\$5,122
2000	Fac. 2000 - Ferry Plaza	\$1,404	\$0	\$0	\$1,404
2500	Hyde Street Harbor - Floats	\$0	\$0	\$0	\$0
2500	Hyde Street Pier	\$0	\$0	\$0	\$0
2500	Hyde Street Pier - Storage Buildings (3)	\$0	\$205	\$0	\$205
2505	Pier 50 Administration Building	\$2,495	\$1,153	\$568	\$4,216
2740	Fac. 200 - World Trade Club Restaurant	\$418	\$246	\$1,092	\$1,756
2750	Fac. 274-175 - Ferry Building Clock Tower	\$0	\$994	\$444	\$1,438
2750	Fac. 274-275 Ferry Building	\$0	\$25,693	\$10,841	\$36,534
2750	Ferry Building: Fac. 274 - 275	\$0	\$0	\$0	\$0
2780	Fac. 278 Agriculture Bldg Substructure	\$7,005	\$0	\$3,840	\$10,846
2780	Fac. 278 Agriculture Building	\$4,609	\$356	\$806	\$5,770
2800	Pier 80 Administration Building	\$7,194	\$621	\$1,738	\$9,552
3010	SWL 301 - Andre Boudin Pavilion	\$0	\$301	\$0	\$301
3010	SWL 301 - Andre Boudin Restaurant	\$0	\$804	\$0	\$804
3020	Street - Pier 47, Fish Alley, Al Scoma Way	\$515	\$0	\$0	\$515
3020	SWL 302 - Alioto Fish Co.	\$0	\$1,821	\$575	\$2,396
3020	SWL 302 - Castagnola/Storage Bldg	\$0	\$176	\$0	\$176
3020	SWL 302 - Crab Boat Owners Asso.	\$500	\$0	\$98	\$598
3020	SWL 302 - Firewood Cafe	\$0	\$423	\$145	\$568
3020	SWL 302 - Pompeis Grotto	\$0	\$432	\$150	\$582
3020	SWL 302 - Port Harbor Office	\$0	\$78	\$0	\$78
3020	SWL 302 - Scomas (Smoke House)	\$0	\$219	\$174	\$393
3020	SWL 302 - United Shellfish Warehouse	\$0	\$0	\$0	\$0
3020	SWL 302 Castagnola Rest.	\$0	\$963	\$537	\$1,501
3020	SWL 302 Coast Marine Supply Mat. Storage Bldg	\$64	\$535	\$759	\$1,358
3020	SWL 302 Costal Marine Retail Space	\$0	\$372	\$0	\$372
3020	SWL 302 D&G Co. d.b.a. Lou Blues	\$0	\$754	\$0	\$754
3020	SWL 302 Franks Fisherman Supply	\$126	\$866	\$298	\$1,290
3020	SWL 302 Substructure (Wharf J-9)	\$4,804	\$0	\$2,540	\$7,344
3020	SWL 302 United Shellfish Processing	\$0	\$50	\$62	\$112
3030	Street - Hyde Alley, Fish Alley	\$382	\$0	\$0	\$382
3030	SWL 302 Cal Shell Fish Shed	\$0	\$150	\$0	\$150
3030	SWL 303 - Alioto Fish Co,	\$328	\$727	\$267	\$1,322
3030	SWL 303 - Cal Shell Fish	\$405	\$218	\$177	\$800
3030	SWL 303 - Cioppinos/(Hoppe)	\$0	\$497	\$415	\$912
3030	SWL 303 - Franceschis Restaurant	\$0	\$450	\$134	\$584

Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
3030	SWL 303 - GP Resources	\$43	\$0	\$0	\$43
3030	SWL 303 - SP Trantino/Martell Ins	\$0	\$309	\$0	\$309
3030	SWL 303 - The Bay Company, Hoppe, Arthur N.	\$372	\$1,011	\$303	\$1,686
3110	SWL 311 Pier 39 Garage	\$0	\$3,395	\$8,800	\$12,195
3130	SWL 313 Embarcadero Triangle Lot Assn.	\$0	\$882	\$4,173	\$5,054
3150	SWL 315 Office Building (HHC Investment limited)	\$0	\$5,752	\$4,806	\$10,559
3160	SWL 316 Houstons Restaurant	\$0	\$1,104	\$458	\$1,562
3170	SWL 317 Office Building	\$0	\$6,315	\$5,275	\$11,589
3180	SWL 318 Roundhouse One	\$752	\$1,164	\$732	\$2,648
3180	SWL 318 Roundhouse Two	\$6,343	\$224	\$994	\$7,560
3180	SWL 318 Sandhouse	\$0	\$295	\$0	\$295
3190	SWL 319 Fog City Diner	\$0	\$103	\$169	\$271
3220	SWL 322 ABC TV	\$0	\$4,210	\$6,160	\$10,370
3270	Epic Roasthouse	\$0	\$309	\$0	\$309
3270	Waterbar Restaurant	\$0	\$309	\$0	\$309
3310	SWL 331 & 332 Delancey Street Foundation	\$0	\$12,419	\$5,957	\$18,376
3450	Pier 70 - SWL 345 - Kneass Boatworks, Main Office/boat storage	\$0	\$0	\$2,302	\$2,302
3450	Pier 70 - SWL 345 - Kneass, Pier 66 Boatyard Office	\$409	\$0	\$0	\$409
3450	SWL 345 - SF Boat Works Office/Shop	\$254	\$340	\$281	\$875
3450	SWL 345 - SF Boat Works Storage/The Ramp	\$216	\$29	\$232	\$478
3490	Pier 70 - SWL 349 - Auto Yard Shop Bldg #19	\$0	\$0	\$88	\$88
3490	Pier 70 - SWL 349 - Beth Street Stress Relieving, Bldg. #16	\$0	\$0	\$545	\$545
3490	Pier 70 - SWL 349 - Beth Street Warehouse, Bldg. #32	\$0	\$0	\$88	\$88
3490	Pier 70 - SWL 349 - Beth Street Washroom & Locker, Bldg. #25	\$0	\$0	\$59	\$59
3490	Pier 70 - SWL 349 - Beth Street Washroom & Locker, Bldg. #29	\$756	\$0	\$1,159	\$1,915
3490	Pier 70 - SWL 349 - Brass Foundry, Bldg. #115	\$0	\$0	\$0	\$0
3490	Pier 70 - SWL 349 - Foundry, Bldg. #116	\$0	\$0	\$0	\$0
3490	Pier 70 - SWL 349 - UIW Machine Shop, Bldg. #114	\$0	\$0	\$0	\$0
3490	Pier 70 - SWL 349 Building #6 (condemned)	\$1,525	\$0	\$9,457	\$10,982

Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
3490	Pier 70 - SWL 349 Equipment Bldg - Bldg #14	\$0	\$0	\$0	\$0
3490	Pier 70 - SWL 349 Heavy Machine Shop - Bldg #113	\$0	\$0	\$0	\$0
3490	Pier 70 - SWL 349 Office Building - Bldg. #11 Noonan	\$0	\$0	\$656	\$656
3490	Pier 70 - SWL 349 SF Shipyard Training Bldg 117	\$0	\$0	\$573	\$573
3490	Pier 70 - SWL 349 Shop Building - Bldg #21	\$0	\$0	\$5,021	\$5,021
3490	Pier 70 - SWL 349 Traffic Department Bldg. #12 & #15	\$0	\$0	\$41,179	\$41,179
3490	Pier 70 - SWL 349 Traffic Dept. Shed - Bldg #66	\$0	\$0	\$118	\$118
3490	Pier 70 - SWL 349 Warehouse - Bldg.2	\$0	\$0	\$22,733	\$22,733
3520	SWL 352 - Backlands Redevelopment	\$3,396	\$0	\$0	\$3,396
4001	Street - Hyde N of Jefferson to Hyde St Pier	\$309	\$0	\$0	\$309
4002	Street - Jefferson from Leavenworth to Hyde	\$167	\$0	\$0	\$167
4003	Street - R.H. Dana Dr. (Leavenworth) N of Jefferso	\$190	\$0	\$0	\$190
4004	Street - Jefferson btw Jones and Leavenworth	\$161	\$0	\$0	\$161
4006	Street - Taylor Street btw. Jefferson and Embarcadero	\$394	\$0	\$0	\$394
4008	Street - Embarcadero from Taylor to Powell	\$0	\$724	\$0	\$724
4017	Street - Lombard btw Sansome and Embarcadero	\$231	\$0	\$0	\$231
4020	Street - Green between Davis and Front	\$217	\$0	\$0	\$217
4022	Street - Broadway btw Embarcadero & Vallejo	\$651	\$0	\$0	\$651
4033	Street - T. Francois along China Basin	\$649	\$0	\$0	\$649
4034	Street - T. Francois btw China Basin and Mission R	\$6,790	\$0	\$0	\$6,790
4036	Street - 20th east of Illinois	\$592	\$0	\$0	\$592
4038	Street - 24th from Michigan to Maryland	\$824	\$507	\$737	\$2,068
4040	Street - Marin east of Michigan	\$216	\$0	\$0	\$216
4041	Street - TN, IN, MN btw Tulare and Marin	\$1,135	\$0	\$0	\$1,135
4043	Street - Amador and extension	\$1,328	\$0	\$0	\$1,328
5470	Wharf J-4	\$0	\$0	\$0	\$0

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Bldg No.	Building Name	Backlog	10 Year Renewal Need	One-time & Conditional Seismic	Backlog & 10 Year Total
6020	Freight Yard - Intermodal Container Transfer Facility	\$4,947	\$14,507	\$0	\$19,454
5470H	Joint Operations Center / Hyde Harbor Office	\$0	\$15	\$0	\$15
5470H	Wharf J-11	\$0	\$0	\$0	\$0
0000	Equipment	\$0	\$0	\$15,614	\$15,614
000	Leased Piers Substructure	\$0	\$57,670	\$0	\$57,670
0000	Port-wide Projects	\$278,444	\$384,771	\$59,051	\$722,266
PORT TOTAL		\$815,324	\$614,474	\$831,949	\$2,261,747