

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

**MINUTES OF THE MEETING
MARCH 12, 2019**

1. CALL TO ORDER / ROLL CALL

Port Commission President Kimberly Brandon called the meeting to order at 3:15 p.m. The following Commissioners were present: Kimberly Brandon, Willie Adams, and Doreen Woo Ho. Commissioner Gail Gilman is on sabbatical leave. Commissioner Victor Makras arrived at 5 p.m.

2. APPROVAL OF MINUTES – February 26, 2019

ACTION: Commissioner Woo Ho moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor. The minutes of the February 26, 2019 meeting were adopted.

3. PLEDGE OF ALLEGIANCE

4. ANNOUNCEMENTS - The Port Commission Affairs Manager announced the following:

A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.

B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Port Commission adopts a shorter period on any item.

5. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Nancy Dixon - I'm a 14-year resident of 111 Chestnut Street, Park Telegraph Condominium Association. I would like to talk about the proposed SFMTA changes to the intersection at Chestnut Street, Sansome Street and the Embarcadero. I understand the Port of San Francisco has jurisdiction over many of the intersections in this area. My main reason for being here is to address the negative effects of these proposed changes on traffic and on the residents of this area. The SFMTA is proposing bike lanes on Sansome and Battery Streets. On Sansome Street, which is northbound, it plans to shrink the existing two lanes in the block between Lombard and Chestnut to one lane of travel onto the Embarcadero.

The other lane will be a dedicated left-turn lane onto Chestnut. This will force one half of the heavy northbound Sansome traffic onto Chestnut Street and will cause backup on the already congested one block of Francisco between Montgomery and Kearny. Our neighborhood, heavily occupied by elderly residents, cannot handle this increased pinch of accessible streets with all the business activity nearby at Intel, Levi's, 1725 Montgomery Street where tenants are USCF radiology and Golden Gate OBGYN, 55 Francisco tenants, Costa Brown Architecture and three floors of other businesses, at 1620 Montgomery, Hillstone Restaurant, the child daycare center at 1700 Montgomery Street along with the daily UPS and FedEx trucks, delivery vans, mail trucks and moving vans. Sansome Street will become clogged with Golden Gate transit buses and Financial District afternoon traffic, having to shrink down to one lane on that one block before Chestnut. It will be a traffic nightmare. The residents are sinking to the bottom of the "livable streets list." I ask the Port Commission to please oppose the planned southbound right-turn ban onto Chestnut from the Embarcadero. The SFMTA can work out another way for cyclists to keep the existing Chestnut, Sansome and Embarcadero intersection.

Janet Lawson - I moved to San Francisco in 1995 and have always lived on Rincon Hill even when there was nothing there but the rats and the mud they lived in. Like everyone else in this room, I worked very hard and made a lot of sacrifices and took a chance on that neighborhood, that it would become a nice place to live and it did. We took a chance. It's been like living in the Thunderdome for about 20 years over there. We would all like to see how our neighborhood finally figures out. But the fact of the matter is everyone here not only made the investment but they made a commitment to stay and that is what makes this area what it is. Anybody can invest in these apartments. But if people didn't live here, there would be no neighborhood.

Male Speaker - I live on Delancey Street, the block that's right between Bryant and Brannan. We have a brick street called Federal Street. I have been trying to work with the city in various places to get those bricks maintained. It's a historical neighborhood. There's no information that I can find out whether that street is an historical street or not. Each time I talk to them, sometimes I get threatened that, if I keep complaining about the brick situation, they will pave over it.

Commissioner Brandon - Is this Port property?

Male Speaker - I believe so. It's filled area. It even has a marker that indicates where the tides were back in the 1800s. It should be an historical street if it's not. Nobody can tell me whether it is or not. It needs to be maintained. I don't know how many streets we have in San Francisco similar to this. I know of about four.

6. EXECUTIVE

A. Executive Director's Report

- Seawall Safe Navigation Center Community Meeting – March 12, 2019 at 6 p.m. at Delancey Street Foundation, 600 Embarcadero San Francisco

Elaine Forbes, Executive Director - In addition to having an item on the Port's agenda today to discuss the proposed navigation center on Seawall Lot 330, I want to make everyone aware that there is also a community meeting tonight from 6:00 to 7:30 at the Delancey Street Foundation community room. Our commission secretary is going to recommend to our president that we limit public comment to two minutes on item 7A just so we can get through all the members of the public that have come here hopefully in time for people who would like to attend the Delancey Street community forum this evening.

- Third Annual Contract Open House – March 21, 2019 at Pier 1

We are hosting our third annual contracts open house on March 21st at Pier 1 at 8:00 a.m. These have been excellent networking opportunities to work both with Port staff on upcoming contract opportunities, our CMD office through the city's purchaser. We'll have a time for networking and refreshments. We encourage local small businesses and contractors who work for the Port to attend our networking session.

B. Port Commissioners' Report: None

7. REAL ESTATE & DEVELOPMENT

Commissioner Brandon asked the Commission for a motion to limit public comments to 2 minutes in order to accommodate all the public speakers and to allow Port staff and the audience to attend a 6 p.m. meeting at Delancey Street.

ACTION: Commissioner Woo Ho moved approval to limit public comments to 2 minutes. Commissioner Adams seconded the motion. All of the Commissioners were in favor.

A. Informational presentation on Department of Homelessness and Supportive Housing proposal to build a new temporary Shelter Access for Everyone (SAFE) Navigation Center on Seawall Lot 330.

Randy Quezada, Port Communications Director - This is an informational item on the city's proposal for a temporary SAFE Navigation Center on Seawall Lot 330. Seawall Lot 330 is currently used as a parking lot with approximately 307 spots. The city's proposal is to use about half of the site for a SAFE Navigation with a four-year lease term at a fair market rate rent to be determined. The SAFE Navigation Center would seek to address ongoing homelessness and shelter challenges along the waterfront and in adjacent neighborhoods. SAFE Navigation Center is built on the city's successful Navigation Center model, making it more cost effective and scalable.

We've received numerous letters and emails from neighbors and stakeholders and residents throughout the city. I wanted to thank Amy Quesada for all her help to track those emails and letters and also to respond. I wanted to make

sure that everyone knew that we were taking them in. We do appreciate the public's comments and ongoing feedback.

As Director Forbes mentioned, there will be another opportunity after this meeting tonight to continue to share feedback and offer input down the street at Delancey Street. There will be other opportunities to provide feedback as well. The city will be hosting another community meeting on April 3rd. In addition, they will be joining the Fisherman's Wharf Waterfront Advisory Group meeting next week as well as a joint meeting of the Central Waterfront and Northeast Waterfront Advisory Groups next week. The city will also be joining the South Beach, Rincon, Mission Bay Neighborhood Association meeting on April 8th. There will be other opportunities for the public to provide input and feedback.

This is an informational item. We'll be back before this board on April 23rd for action. Meanwhile, I would like to introduce Jeff Kositsky to go over the city's proposal for a SAFE Navigation Center on Seawall Lot 330.

Jeff Kositsky – Thank you, Director Forbes and Randy and to the staff of the Port. We've appreciated your partnership over the years. We'll spend a little bit of time talking about the proposed Navigation Center at Seawall Lot 330. We all know we have a serious challenge around addressing homelessness here in San Francisco.

In our last point-in-time count, January of 2017, there were 7,500 people experiencing homelessness on any given night. We estimate about 4,300 of those people are living unsheltered on the streets. I should add that's only on one given night. We estimate that there's 20,000 people a year experiencing homelessness in San Francisco.

As many of you know, the Embarcadero has consistently faced challenges of unsheltered homeless people on the streets both during the day and in the evenings and that the waterfront currently doesn't have a nearby shelter or a Navigation Center available to serve that population.

In responding to this challenge, in October of 2018, Mayor Breed announced a plan to open up 1,000 more shelter beds in the city in the next two years. Since she took office, 212 beds have already been opened under this initiative. We are hoping to open 800 more by the end of 2020. We also are adding 300 new units of permanent supportive housing to subsidize housing with services for people experiencing homelessness. That will be opening in the next six months. There's 1,000 more units in the Mayor's Office of Housing Development pipeline. We are working very hard to expand our footprint in order to serve the many people who are still on our streets and in need.

SAFE Navigation Centers -- SAFE stands for shelter access for everyone. They build off of the best aspects of Navigation Centers but make them more scalable and more sustainable. We learned a good deal with the navigation

centers that we have opened up over the years. We want to improve upon those and also make them more efficient, lower the costs and better serve the people who are staying at those sites. Essentially, SAFE Navigation Centers are temporary residential facilities.

They offer on-site support services for people who are staying there. There are no walk-ins or no lines. It's not on like a first-come, first-serve basis. People can either make reservations for the beds that are brought in by a city staff person. There are client-serving amenities on site such as storage, the ability to bring on pets, etc. The idea is to make them more attractive to people experiencing homelessness than the traditional large shelters that we see in many cities and that San Francisco has been moving away from.

We are still in the process of gathering input from the community on the design. please take this as just a very rough proposal. We're talking about 175 to 225-bed facility on Port-owned property opening sometime in the summer of 2019. It says up here to operate for four years but the idea is that it's temporary. We are interested in a dialogue with all of you about the length of time and want to be clear that we'll also be prioritizing unsheltered people who are sleeping in waterfront neighborhoods who will be the ones that get to use this facility.

This is a very rough design but it is sort of a massing study, if you will. It's a work in progress. We're, again, wanting to get input from the community and from you on the design. I know that many of you know this. We appreciate your partnership and the partnership with the community at the Central Waterfront Navigation Center in the Dogpatch neighborhood. As you all know very well, we developed a pretty extensive good-neighbor policy that we signed with the community and that was included in the contract with the providers who are operating the Navigation Center.

Some of the things include regular meetings and working with the neighborhood and city departments to address concerns, participating in any appropriate community meetings that are in the neighborhood that we could be a part of as well as the provider, having onsite staff available by phone 24/7 to address any concerns that a neighbor may have about something happening in or around the site and then also minimizing impact to the neighborhood.

Again, there's no walk-ins. There won't be lines. There'll be security on site 24/7. Some of the other things that are in the good-neighbor agreement that we have with the Dogpatch are actively discouraging loitering in the immediate area, informing the community of all the services that are available, maintaining communications with neighbors, maintaining safety and cleanliness with security but also with cleaning crew, an organization that we generally utilize at the sites that hires people who are homeless into entry-level jobs, keeping the neighborhood safe and clean, also ensuring that the sidewalks and the driveways and all of the adjacent areas are not being blocked and, again, prioritizing clients who are sleeping in the area.

This is an example of the types of things that we would put into a good-neighbor agreement. I know that you all are aware, commissioners, of the success that we've had at the Central Waterfront Navigation Center and also wanted to just provide you with this example of a success story in the Mission District. When we opened up two Navigation Centers in the Mission District, we engaged and began something called MDHOP, or the Mission District Homeless Outreach Project, which was in partnership with the public health department, our department, the police and public works. During that time, we engaged with 700 individuals who were in the Mission District, primarily people who were in tents when we started. There were over 300 tents and structures in the Mission District.

When we finished this project, they're now below 40 on any given night. We've maintained that. We closed the initial Navigation Center we opened up in the Mission but opened one up at the other end of South Van Ness to help maintain the success that we've had in the Mission District. As a resident of that part of the city, I definitely see the improvement. Large encampments that were under Cesar Chavez at 101, the ones that were around Best Buy and the SPCA have all long since gone. 70 percent of them accepted placements into Navigation Centers. This was a good example of how opening something up like this can help improve the neighborhood.

It's important to remember that people experiencing homelessness are no different from any of us. None of them grew up wanting to become homeless. They all are somebody's sons and somebody's daughters. They are on the streets and need our help. The only way that we can provide people with assistance is to get them into a place of safety. People who are suffering from mental health or physical health or substance abuse disorders are not going to get better living on our streets. Having places of safety for them are a critical part of our homelessness response system.

These are just two of the people that, thanks to your support, were able to be helped at the Central Waterfront Navigation Center. The first client had been homeless for over two years, was able to find a job and has now found housing on her own. The second client had been homeless for 15 years and has since moved in to one of our permanent supportive housing sites. We see these kinds of successes every single day at our Navigation Centers and our shelters.

I just wanted to point these out and thank you again for your support at the Central Waterfront Navigation Center. I'm sure, if these two clients were here, they would thank you as well.

Heidy Braverman - I live in the neighborhood. I live at 200 Brannan Street. I understand the need for facilities like this but I'm concerned that it's so much larger than any of the previous Navigation Centers. I feel like the city doesn't have any experience with a group this large and what the impact would be on the community when you have that many people who are going to be

wandering the neighborhood during the day. Yes, they live there. They sleep there but it's going to be their neighborhood too. I would like to hear from the city if they've considered the impact of a facility that's double the size of the previous ones.

Robert Arns - I've been an attorney in San Francisco for 40 years. I represent families. I'm also a resident of The Brannan, 229 Brannan. The Navigation Center at Seawall Lot 3030 will affect me. I would like to point out that Delancey Street is right around there. Delancey Street is fantastic. It's an organization that has helped so many addicted people. It is wonderful, and it's fully organized. My building in San Francisco on 515 Folsom. The city wanted to build a transitional housing center there. I was the one that could have held that up and I didn't because it was a permanent building that would greatly help people. But there were a lot of ramifications from that, which I totally support. That is a lot of drug-addicted people came around and homeless that were dangerous to my employees. But we took care of that. I'm still happy that I supported that. I am currently prosecuting two wrongful death cases where homeless people killed family members. I want you to know that I'm not heartless. I told you I support Delancey Street 100 percent philanthropically also. I support that transitional housing. This will be a disaster. I ask you this question, will you take legal responsibility for the ramifications that will occur from this? I represent people who have been injured and killed on BART because the homeless go into BART, as we know. None of us want to be heartless. None of us want to say, we're not homeless. You are. We don't want to support you. We want to support you. When you talk about the homeless that are in this neighborhood, if I were homeless, let me tell you, I'd want to be in this neighborhood because that's where I'm going to be able to panhandle and get the most money. That is where my grandchildren, when they're here in the city, see people defecate in front of them. My wife and my daughter and my granddaughters feel unsafe in the city. This will be a magnet. Let me tell you my experience when I have more time.

Sabrina Riddle - I have been a proud resident of District 6 for almost 20 years. I have seen a lot of changes. I've stuck through them, in particular the development of the Embarcadero waterfront into a scenic and thriving location in the city for residents all across the socioeconomic spectrum to enjoy. I see families and children walking the promenade all the time with strollers and dogs, enjoying the parks, joggers, people from all over the city enjoying the farmer's market, people from all over the Bay Area walking to baseball games and other events at Oracle Park, tourists from all over the world enjoying the outdoors, a natural beauty that has become the South Beach waterfront. It's a residential and tourist destination, a jewel of the city. I am very worried that the beautiful and use of this area will change with a large Navigation Center in the heart of the area and pathway and discourage residents and visitors alike from accessing one of the highlights of San Francisco. When I think of other natural treasures in this city such as Golden Gate Park or the marina promenade at Crissy Field or notable city destinations such as the square at Union Square, places where people from across the city and beyond come to relax, enjoy and

experience the beauty of San Francisco and its people, I wouldn't support placing a Navigation Center there either let alone experiment with locating one of the largest ever tried. It just makes no sense. In addition, I also feel that District 6 in our community has a proud tradition of supporting those in need. We are delighted to have the Delancey Street Foundation as neighbors. We know each other by name. They even feed my dog chopped up carrots when they see her and give her a little pet.

Rebecca Weinroth - I'm going to get right to the point. If it seems completely outrageous to put a Navigation Center in the rectangular open space that we call Union Square or the big open space along the marina promenade or Golden Gate Park or Crissy Field, then it should follow that it is likewise and for the same reasons that creating a Navigation Center along the comparably similarly trafficked, touristy, busy and bustling and beautiful Embarcadero. The following are reasons why there should not be a Navigation Center at Lot 330. While Navigation Centers have been around since 2015, the proposed Embarcadero site is over twice the size of existing Navigation Centers. In evaluation of the first Navigation Center, the city services auditor found that a key feature of the Navigation Center was its small size, which allowed clients to thrive in a shelter environment with relatively few rigid rules that would otherwise be required at a large-scale Navigation Center like they're proposing at the Embarcadero. Applying the Navigation Center concept at a large scale is an experiment. It should not be done in an area where the failure would cause major spillover effects affecting tens of thousands of residents, workers and visitors daily. This is actually an environment different from your Dogpatch site. The Port's previous experience with Navigation Centers has been its lease of the Dogpatch site. That site is an entirely different environment. It is at the end of a cul-de-sac surrounded by construction equipment, storage site, a muni depot, an industrial gas supplier. It appears to be several blocks from the nearest resident. The claimed success that you guys have of that site says nothing about how the Navigation Center will perform at Lot 330, which is surrounded by residents and commercial businesses and the whole entire Embarcadero.

Marsha Spence - I echo the folks before me in saying that this is one of the most beautiful used prominent locations in our city. The fast push to get this through seems unusual to me. I don't know if I'm the only one that feels that way but I just got a letter the day before yesterday. I start to wonder what the reason for that is. I don't know but I'd like to hear from the city about that. It is a very high concentration of locations in our district for Navigation Centers compared with others. We think that it would be proper to consider other districts before we start here or finish here. But beyond that, I echo what the prior people have said about our neighborhood. It is densely populated residential with the highest concentration of children and childcare facilities and families in our city. If you want to see what this is going to look at, look at what exists now. However, they are in wildly different locations than this or anything like this. This is a unique pick and a bad one, not a place for a Navigation Center. It's a place to recreate. It's a place for families. It's a high tourist

destination. Do we really want this in the heart of this wonderful jewel, as someone put it, of our city? I believe the answer is no. I also am concerned with the -- and would like to know -- we've heard -- and I want to believe what's real, not what's heard all the time -- but that drugs are okay as long as they're outside the front door of this facility. Imagine that in our home.

Bob Spence - My issues are many but I think the biggest issue is this is just the wrong place, simply the wrong place. There are many places in the city in industrial areas and things like that that make much more sense. My wife talked about and other people talked about walking their dogs. How many times have you seen homeless people carrying a little bag with them, so they can pick up the waste? It doesn't happen. My grandkids come here and play down on the street. They play down on the parking lot next to it because it's so beautiful. We play on the grass areas. If you put 250 people or whatever that are wandering around during the day panhandling, looking for whatever, it just doesn't make sense. The current location, when you go down and look at those, they're not nice. They're not clean. There are extra tents all over the place. It's just not fit for where we're looking at. I'm thinking of this all wrong. But if I could have a show of hands of how many people are opposed to this, that would be great. I think that explains how we feel about it, how our tax dollars, how our efforts, how our houses, everything that we've done over our lifetime to find a place to live that we love be destroyed.

Vesta L. - I own a place in the area but I don't live in the area yet. I bought so that I can look forward to living here but I used to live in San Francisco for over 25 years. To this day, we go to Delancey Street for every Mother's Day because, to me, it's important that my boys see it's not always doom and gloom. I would hate to see Delancey Street overshadowed per this plan. If I'm not mistaken, the architecture won best award for the architecture of the Delancey Street as well.

Sharon Lowe - I live at Bridgeview. I have a couple of different comments. I don't know whenever the AC/DC concert was a few years ago, we were eating at Hi Dive. Some people who were going to the concert were from Des Moines. They asked, "Is it going to be safe for us to walk back to the wharf area?" to their hotel. My husband and I said, "Yes. You know, there's lots of people always out and everything like that." "Will the homeless people bother us?" "No. They generally won't bother you if you just go on your way." We walk that area all the time. Other people have said, there's families. There are dogs. There are little kids. We lived in Michigan. My kids went to a Catholic school that took care of the homeless periodically during the winter for three weeks. They would come, and they would live at our school at night. They don't leave during the day. They're around the area. We found syringes and everything on our playground. We had to do a sweep in the morning before the kids came to school. We'd find bottles of booze and a couple syringes, vomit, all sorts of things around our school. That's not going to change here. These people congregate. They come around during the day. They don't leave and go someplace else.

Margaret Chui - I live in The Watermark. I'm going to be adjacent to the Navigation Center. I am a native of San Francisco. I was born and raised in San Francisco. I've seen it changed. I have a family in The Watermark, which is very rare in the neighborhood. A lot of families come to the Ferry Building, to the ballpark. They play, and they do recreation activities but we actually go into the parking lot. My kids learn how to ride a bike there. They play baseball there. I feel like having the Navigation Center would make them scared. There are dogs. Sometimes, they bark at them. There are feces. There are needles. I had to call public works to pick up the needles. It's just very overwhelming to allow this and with very minimal notice. I very oppose the Navigation Center.

Andrew Zacks - I'm an attorney representing The Watermark HOA. I'm here in opposition to this project at this point. We have great concerns about the process to date. I wonder why we are here first before we're at Delancey Street this evening. It seems to me that the outreach to the community should have happened first before the matter is brought before you folks. Obviously, we haven't had a substantial amount of time to study the legal questions involved in this project. It appears to be some substantial legal concerns about placing a Navigation Center at this location. You will obviously be looking at CEQA questions, the California Environmental Quality Act. We believe, based upon what we know, that this conversion of a parking lot to a residential homeless shelter or a Navigation Center will require full environmental review including an environmental impact report. We don't yet know what is going to happen with CEQA. We trust that you will give that every consideration at the appropriate time. In addition, there is a significant question as to the value of this land, which is substantial as you know, and whether or not there will in fact be a fair market rent paid. We have heard that there will be a negotiation for fair market rent. But it seems that that negotiation should be happening before the matter is brought before you and before the community is being pulled into a hearing like this so that we all understand those issues because the law does require fair value be paid by whoever the occupant and user of this property is. We trust that you will give those issues every consideration at the appropriate time. In addition, there are concerns about the soil at the property and whether or not the cost of actually preparing this site for safe habitation by anyone including the homeless. Almost certainly, we have toxic soils in this location.

Commissioner Brandon - I would just like to note that this is an informational presentation just as the presentation at the Navigation Center will be this evening so that the community can get the most information that is possible out of this discussion.

Maryanne Spinner - My spouse and I live at 239 Brannan Street, which is roughly 700 yards from the proposed Navigation Center. As a former advertising copywriter, I understand the difference between features and benefits. Benefits are what matter. We have been told that there'll be benefits to the homeless population by opening Navigation Centers in San Francisco and that's great. But those benefits can be provided anywhere in the city. Why in this community? Why here? Most of you are familiar with the acronym

NIMBY. For the benefit of those who are not, it's stands for not in my backyard. I understand there may be some folks in here today who are also proponents of something called YIMBY, yes in my backyard. However, I have an opposition. I believe the community does too. It has nothing to do with NIMBY or with YIMBY but with NIMFY, not in my front yard. The embarkation is San Francisco's front yard. It's the face of the city. It's the face of the city from Oracle Park to the Bay Bridge to the Golden Gate. As other speakers have noted, it's where residents from all over the Bay Area come to stroll and bike and run, walk with their dogs and push their baby carriages. The Embarcadero is what potential tourists and potential conventioners -- and that's an issue -- envision when they consider visiting this beautiful city. It is not where they or we want to see a large aggregate of homeless individuals. I'm a certified master gardener. As such, I give back 200 to 300 hours of volunteer work to my community. As such, I know a thing or two about yards, both front and back. One thing I know there are a number of garden structures that belong only in your backyard, like recycling bins, compost piles and bee hives. They do not belong in your front yard where your neighbors sit on their porches and teach their babies to walk and where they play Frisbee with their dogs. This Navigation Center does not belong on the Embarcadero, San Francisco's front yard.

Saurabh Rai - I'm going to make this very brief. I just have two points. The first, I'm going to illustrate an anecdote where me and my friend were walking in Dogpatch. He was in his flip flops and he happened to get pricked by a needle. According to the doctor, the injury by the needle wasn't serious. I mean, it was just a prick. But he had to go through a test for AIDS, for hepatitis C and numerous other diseases. It took one week for those tests to come back. That was the worst one week of his life, not knowing what the tests are going to come back. The second is we are not against this homeless shelter. Everybody wants it but not at the current proposed location. There have been good stats about the Navigation Center, about 70 percent success rate. There was an article in the Chronicle about a month or two about 12 percent of the people at the Mission Navigation Center didn't complete due to violent behavior. If you extrapolate that to 225, and that's almost 30 people at any given time in Seawall Lot 330 who have violent behaviors. As a resident on the ground floor of Watermark, that's really scary to me. A lot of other buildings will still be safe because they have units on different floors. Watermark, as a building adjacent to the proposed site, has ground floor units which have access right on the street, even not through a lobby.

Stephen Zocchi - I'm a resident at Portside Condominium. I've also been living in this neighborhood for almost 20 years, South Beach and Rincon Hill. This community could do a better job of coming up with a plan for the waterfront homeless than the mayor's proposal. You said it's an interim plan but it sure feels like the mayor announced a 200-bed Navigation Center for this location. Now, we're hearing that there's going to be community outreach. That's kind of backwards. Hopefully, it will change. My concerns about this plan are the following: (1) the size, which has been mentioned, and it really breaks the

model of a successful Navigation Center; (2) the location, which has also been mentioned. In my opinion, this is the crossroads of the South Beach and Rincon Hill neighborhoods. We need this area to continue to build a neighborhood that's survival, that is livable, that we can raise our kids and our families in. It breaks our connection with the waterfront, which is completely the reverse of what the waterfront development plan tries to accomplish. But in my mind, the third and most important part of this is that is prize property. We need permanent solutions for our homeless. We could be and should be developing that property for mixed use that could benefit the community including more affordable housing. It also delays repairs that Piers 30 and 32 need. You know they really need those repairs quickly. I'm asking you to give us the opportunity as a community to work with the mayor to create a better plan for the waterfront homeless. I have here a petition with over 200 signatures on it already. It's an electronic petition, so it's growing every hour. These people believe we can do a better job for the waterfront homeless. Give us that chance.

William Glasgow - I live at The Brannan. I had more detailed prepared remarks. But in light of time constraints and comments already made, I'm going to cut to the chase. As a policy matter in the way decisions get made, I cannot support this because I don't think there's been a balancing of whatever the benefits the city believes will accrue to the homeless against the cost to the people directly affected in the neighborhoods and even the public at large, given what's been said about the use of the Embarcadero and how it functions as the front yard for the city. The size of this proposed facility ensures that it'll have a material impact on the community for all the reasons that have been cited. All the things that are normally associated with homelessness in terms of criminal activity, drug usage, even environmental pollution, both the physical kind and the visual kind all come into play and will come into play. The burden of proof is on the city for this kind of thing to show that the benefits that accrue from this particular site versus wherever else they might do this or whatever other programs they might employ to help the homeless, those benefits exceed the very significant costs that will inevitably accrue to the affected neighborhoods, the people that live there, the tourists that use the adjacent area. What's remarkable about this is, for 25 years, the city has had policies and taken actions to build SoMa, South Beach, adjoining areas up as a highly desirable place to live and work. As a result, more than 10,000 people live there. Thousands of people work there. Thousands of people walk along the Embarcadero for recreation or to go to Giants games and soon to go to the Chase Center with its 200 events per year. It's crazy to import these potential problems to that area. Somebody's got to make the case that the benefits that they expect to result will exceed the very serious costs that will accrue.

Suzanne El Gamal - I live in The Watermark. I own a unit in The Watermark, which has the wall right up against this parking lot. I am not against homeless people or non-empathetic or callous about the plea of the homeless people. However, I have several major concerns about having the space there. One is I heard that this shelter will have, for the first time unlike other shelters, deal with

mentally ill people. Mentally ill people sometimes have trouble with big crowds. Now, we have the Giants, and we're going to have the Warriors in this area. If you are ever in the area at any commute times, we have access to the bridge as well. If I ever wanted to use my car at the commute times, I can't get out. There are crowds and crowds and crowds of people. If you have mentally ill people who get irritated from these crowds, I'm concerned about safety as well, safety of the mentally ill as well as safety of the residents. As a resident of the Port, the Port owes it to me as well and the people whom they house in this area and invested a lot of their savings in these units to be concerned about safety. The other issue I have to do with that with this location is that this location is highly residential. There are no hospitals, no churches. If this is a referral area, there is no hospitals and no churches. When the area is completely clogged up by traffic, let's say there is a medical emergency by someone who OD'd or something like that, then they're not going to have access to the ambulances taking them where they need to go. These are big planning concerns that I have.

Alice Tseng - I am a resident and neighbor but most importantly, I'm a mother. I have a 20-month-old daughter. I'm here to oppose violently the proposal of this Navigation Center. The size is a mega shelter. It is three times of a successful Navigation Center that the city has deemed in its reports. The success has not been repeated. We know in business you have to have repeated success in order to gain more budget, in order to gain more approval in order to continue a plan. This has not been a repeated success. Moreover, there are 12 percent that were violent crimes, violent behaviors at the proposed centers in the past. What's the city's plan to address those? I have a young child. She's walking. She sees people defecate on the streets. She sees needles on the streets. This is nothing new to anyone who is a resident of SoMa, of District 6. If this proposed center is to be erected, what are the city's plan to channel more funding for civil services for cleaning crews to help us clean up the area to maintain its safety? Finally, for location, I've heard from people who are proponents that ease of access is important. If so, go where the communities are densely populated with the homeless shelters. Go where the population is densely populated with the homeless communities. That's in the Civic Center area. That's in the Mid-Market where I used to live. What about the great lawn outside of City Hall? There is a large lawn that is far larger than this proposed site. What about the old SF General Hospital? Since the Zuckerbergs have built this new hospital, that old hospital is not currently in service. There's infrastructure there and there's currently no infrastructure on the lot.

Frank Goodman - I've lived in the neighborhood for three years. I'm here today because, based on what I've heard about this shelter, if this was there three years ago, I'm not sure I would have picked this neighborhood to live in. I have the same concerns here that everyone else does. I don't need to repeat those but I gathered over 100 signatures from members of the Greater Rincon Hill community in the past day who are all opposed and share these concerns. And I would also like to ask everyone to consider neighborhoods in a city give to the city, and they take from the city. Let's think about what this neighborhood has

given the city. We've given San Francisco the highest concentration of new housing in the entire Bay Area. All of us know the Bay Area needs housing. We've also built hundreds of units of BMR construction. We could walk outside and see the Mirror SF building being built today with one-third BMR units. This neighborhood has done a tremendous amount to help home prices in the city and to help house people in the city. I think that it's asking a bit much of District 6 with one Navigation Center already to build a second Navigation Center while the majority of the city's districts have no Navigation Centers.

Alice Rogers - I live up the street, up Bryant Street from the project. I've served on some of your commissions. I'm on the board of my neighborhood association. Perhaps most importantly to this discussion, my next-door neighbors are formerly homeless people. We have about 100 in our neighborhood. I know that there is life after Navigation Centers. I'm basically supportive of the mayor's initiative but I take great exception to the way the process is coming down. Once again, you, the Port, are put in this intermediate position with a top-down proposal landing on you that you have to field without the kind of process that you have built after the last time we had one of these top-down processes land on us. I guess that happens in the city family and we have to deal with it. I do hope that the neighbors don't conflate this proposal with the efforts the Port is making for community outreach. I do also want to commend the Port staff for trying to do a little bit of outreach to the extent that they could before the proposal landed as a rude news release in our neighborhood. I do want to commend the city HSOC triage group. They've cleared the catacombs in our neighborhood. They've cleaned up Brannan Street Wharf. They've cleaned up Bryant Street for us. So that's good news. These kudos aside, this process is all wrong. The city knows people live in this neighborhood. We have been working for more than 10 years with the city in partnership on infrastructure issues. The city should have contacted the neighborhood and built this proposal. It's not too late.

Barbara Inaba - I've lived at Portside condominiums as a homeowner and resident since 1994. Who can remember way back then? That's 25 years, a quarter century. This is my husband. We are directly across the street from Seawall Lot 330. I oppose the proposed Navigation Center on seawall lot. Navigation Centers are proven to be magnets for street people outside the center. Areas that border on homeless shelters have recorded more problems with assault, vandalism, violence, drug use, human waste, unsanitary public spaces, trash and health issues. Portside is home to many families and seniors. I'm a senior whose physical safety and health will be threatened by those homeless who are mentally ill, intoxicated, high or with violent histories. To place children, families and seniors directly in the path of a large homeless population is dangerous, irresponsible and wrong. This is not about placing Navigation Centers where homeless are because admittance to these centers is by referral only. Locating a Navigation Center on the lot in a residential neighborhood will bring abundant homeless who were not there before. If the Port's goal is to reduce homelessness on Port property, the proposed Navigation Center will do the exact opposite. Navigation Centers should be

located in areas where they will not pose a threat to the health and safety of residential communities and families. No one would consider locating such a center in the middle of Sea Cliff or Pacific Heights. Why place it at Seawall Lot 330 in the middle of our thriving residential community? I'm going to have some political opinions here so forewarning you. The city is imposing its political agenda on the Port, the community, residents, businesses, friends, families, children, senior, visitors, joggers, cyclists, pedestrians, sports fans, maritime users and everyone else. This is merely a prop-up temporary Navigation Center but a prop-up for four years. The city should look into permanent Navigation Center solutions, program and investments instead of just creating temporary pop-up Navigation Centers primarily in our District 6.

Tom Prlain - So many smart people here. Almost everything I had to say has been said already. I'm just going to bullet point it. This center will be a magnet for homeless. It fails to integrate with the community. There is risk to the public safety. I should not have to walk out my door and fear for my personal safety on a daily basis. This is not what our residential neighborhood needs, wants or represents. I respectfully request that you oppose the location of the proposed Navigation Center on Seawall Lot 330. It's time the city started caring more about the residents that pay the taxes and stop forcing mismanaged social programs on neighborhoods that will suffer as a result.

Nancy Floyd - I live at The Brannan. I also own Clean Technology Companies, whose offices are at 555 Mission Street. I strongly believe that the Navigation Center at Lot 330 is a flawed proposal and will exact a huge price for both the South Beach SoMa community as well as the city at large. There are two reasons that I'll focus on. First is location. We've heard a lot about it. This is a densely populated neighborhood with lots of families and with seniors. There's no Navigation Center in the city that sits in a residential setting, never mind one as densely populated as this. There are more schools and childcare centers in this neighborhood than in any other neighborhood in the city. Every day, thousands of city residents bike, walk and navigate the Embarcadero to get to work here in South Beach in SoMa. This is our immediate neighborhood but there's a larger constituency or community, tourists and sports and entertainment fans. Obviously, thousands of tourists walk the South Beach marina west to the Ferry Building each month. It's an iconic walk. There are thousands of Giants fans that make their way from public transportation to AT&T Park and that number is obviously going to increase as the Chase Center is complete. I visited the Navigation Center at Fifth and Bryant. What I observed is homeless camped outside the Navigation Center, homeless roaming the area. The data I've reviewed related to the Navigation Centers in our district corroborates that these centers attract more homeless than reside in the centers. There's an increase in crime, increase in open drug use, increase in trash. The Chronicle this morning said today that the city has looked at more than 100 sites and eliminated many because they were too expensive. But let me ask you, what is the cost to the city to place a Navigation Center at the major thoroughfare for tourists and sports fans? What is the cost to the city to take waterfront property and highlight the homeless issue for all to

see? What is the impact to a residential neighborhood brimming with families and seniors and not a hub of homelessness to introduce the drug and safety issues attendant with these centers?

Wallace Lee - I heard Director Kositsky's comments at the beginning about a safe-neighbor policy. Rather than listen to his words, we should be looking at actions. I want to explore the good-neighbor policy from the Dogpatch center. The executive director's March 7th memorandum on the current project starts by saying that homeless disproportionately impacts the waterfront. If you turn to page two to the background section, it says encampments are visible on Port property at Warm Water Cove and along Islais Creek. I hadn't heard of those places before so I decided to look them up. I was surprised to find that these encampments at Warm Water Cover are just 500 feet away from the Dogpatch center. Islais Creek is just half a mile away. I took the opportunity to visit those places and talk to half a dozen small business owners, which is where I found it's pronounced Islais, I-S-L-A-I-S. There were on Davidson Street and Custer Avenue right next to the creek. These businesses all said that encampments in the last three years have gotten worse, not better. If the Dogpatch center can't clear its nearby encampments, what assurance do we have that this new center is going to help achieve that goal? I then took a look at the interagency good-neighbor agreement from the Dogpatch center. There are seven items. Item two says, "Removal of existing encampments along Islais Creek. HSH, HOT, SFPD and the Port will collaborate to keep the area clear of encampments. Obviously, that agreement wasn't kept. In fact, of the seven items in the agreement, at least five are broken promises. Item one, in an effort to inform the public about safety and crime, SFPD will provide crime data for the neighborhood upon request. I've spent a week now asking the SFPD for this data and no one knows what I'm talking about. Item four, collaboration between Dogpatch and HSH Navigation Center on training and employment opportunities. Last week, I made two trips to the Dogpatch center to talk to residents and they were homeless residents of the center. They complained about not getting job training. The people I spoke to were eager for training but were not getting it.

Dale McConnell - I am a resident of 200 Brannan. I own my home here. I'm really opposed to this. Rather than repeat all the arguments you've heard before, let me try to put three numbers in context. Admittedly, they're going to be anecdotal but I think you're all going to agree they're true. I'm a dog owner, so I walk frequently in the neighborhood. I get a general sense of the homeless population in the general area, at least the area where the dog likes to go. On Sunday, we went from 200 Brannan. I went down Bryant Street to get the highest number possible. We went down by the stadium, over by Terry Francois, had brunch at The Ramp, came back. I counted nine homeless. Let's suppose I was off by half, and there's 20. That means the immediate impact on this area is going to be 10 times the amount of homeless. It's not 20. It's 50. Then, it's four times. That's anecdote number one. Anecdote number two is during the affirmative presentation, the city says there's approximately 4,300 people living on the street each night. That means the city's proposal is to bring

one out of every 20 of those to this neighborhood. Item number three, I've never been to a Port Commission meeting before. I am guessing that this is not a normal-sized audience. In the past couple of days, this is the amount of grassroots energy that is surrounding this topic. Unless the tide of opinion changes really dramatically, it's almost 100 percent negative. This is not the right place for this project.

James Dorsch - I live at 200 Brannan. I'm actually his neighbor. I've been in South Beach for 20 years, lived at 200 Brannan for 14 years. Recently, the homeless population has increased in the area. If memory serves back to one critical event was when the Super Bowl came. The city moved all the homeless down from just in the Ferry Building plaza area and moved them down to our neighborhood. It's a very nice neighborhood and they stopped there rather than going to Pier 70. Two areas I'd like to talk about are safety, crime and the tourism. Personally, I've been attacked by two homeless people in my own building. We have front door security, but they still break into the building. This was in the garage. I have been harassed a countless number of times. I have run through dog fighting in the catacombs there along the Bryant kind of onramp to the bridge. In recent memory, a person named Dustin Hamilton, if that name sounds familiar, he is a homeless mentally ill person who stole his parents' guns and threatened to shoot up our buildings. All of these, the police did nothing. They wouldn't even respond to reports of attacks. They responded to Dustin Hamilton because he threatened in his manifesto to actually kill police officers. They finally acted. The magnet effect of this proposed SAFE Navigation Center will only multiply these issues to everyone. Lastly, if these encampments were a blight for the Super Bowl where they had to be moved, how is it appropriate now to throw this on our front doorsteps? The impact needs to be assessed. We need to have impact studies. I ask the Port Commission to reject this site and revisit opening other sites such as Pier 70 or SF General Hospital.

David Horwitz - I stand behind everything my neighbors have said so far. I'd also like to point out the opportunity cost of this area. If you take a look at what New York has done with some of their piers such as Chelsea Piers, this would be a wonderful site for recreation, for the extension of the recreation that we have along the Embarcadero waterfront. If we put homeless services here in the middle of this residential community where we have thousands of residents and tourists and sports fans walking by every day, we lose that opportunity to extend the recreational facilities that are needed in this city. This is not the pre-1989 earthquake Embarcadero. This is the new and improved waterfront. I think we need to continue to support that.

John Pachtner - I've lived in the city all my life. I currently live at 239 Brannan Street, about a block and a half from the proposed site. I think everyone here is very aware that there is no pretty solution to an ugly problem. These homeless services locations come with burdens. I would urge you to reconsider how you spread those burdens throughout the greater geographic city. Just in my small neighborhood of South Beach, while it is true as went up on the screen that

there is no service center on the waterfront, within half a mile perhaps less. There are two centers for the homeless, one run by the city, the other run by St. Vincent de Paul. If we expand that geographic area only a little bit to our entire supervisorial district, we also have the Navigation Center at Dogpatch. Again, I urge you, adopt a principle. Acknowledge the burdens and spread those burdens as evenly as you can throughout the city.

Jehana Jalil - I live in Portside at 38 Bryant Street right across from the site where new Navigation Center is proposed. An incident happened to me when I was coming home, going toward the bus from Costco. I had to walk a block. There were two homeless people had their camp out there. As I walked through the walkway, a huge dog just from nowhere came out and attacked me. Luckily, I didn't fall down. I don't know what would have happened. I ran. That dog started to follow me but the owner somehow contained it. I feel like I'm going through that incident. I'm very concerned about my own safety when this Navigation Center is opened, not just me but other residents with families, with small children and the tourists as well who walk on the Embarcadero. My request is that the size of this Navigation Center is going to hugely impact our community, my neighborhood. I request that the location be reconsidered to be put some other place. There are good locations available in San Francisco.

Linda Wei - I'm a resident. I am opposing the Navigation Center at seawall lot. I walk to work walking past that lot every single day. If I see three or four homeless people gathering, I take a detour because I'm scared, let alone thinking about over 200 beds it's going to be offered in that Navigation Center. Putting over 200 beds in a densely populated neighborhood, this is not about putting a checkmark, saying mission accomplished, so we can put a checkmark there. This is really about exposing drugs, needles, crimes, people with mental illness to kids, elderly men and women. People affected includes residents, people who work there, anyone who enjoy a walk on Embarcadero through the Oracle Park. I think it's very irresponsible to make a decision without thinking about the consequences. If the project gets the green light despite the concerns of the residents, we need to hold our officials accountable. We should set up all the criteria for the Navigation Center to meet. If any one of the criteria is not met, for example increasing assault cases, increases crime rate or car break-in rate, the Navigation Center should be shut down right away because we should not tolerate the negative consequences of an experiment, especially the experiment is conducted when tens of thousands of people are affected.

Robert Arnie – At the Mission Street Navigation Center, I have a friend who has a restaurant there, immigrant, put all his money into it. He's losing it all. There are bodies everywhere. It doesn't work. The county is going to provide the city 24-hour security both inside and outside to reduce any violence. Here's the question I ask you. Will you take legal responsibility for the damage that will occur here. Can you answer that?

Christy Scrivano, a resident at 38 Bryant Street - I object to the proposal. Seawall Lot 330 is directly across from the building that has been my home for the last eight years. It is 20 yards from the bedroom of my three-year-old son. I am gravely concerned about the impact this will have on health and safety of families, particularly my son, who I have been planning to raise in the city and send to San Francisco schools. I am a working mother who walks to and from work each day, usually in the dark. The risk to public safety, particularly women and children in the area, is what I am most concerned about. Over the last eight years, I have observed the number of families in my neighborhood skyrocket to over 200 percent with at least 25 schools and daycare providers within walking distance of the proposed center. I recently visited the Civic Center Navigation Center to wonder what it would be like for my son to grow up with a homeless shelter on our doorstep. What I saw confirms that, if this proposal is approved, I will be forced to move out of the city. It was obvious during my visit that the entire area is a containment zone. We are now seeking to import those behaviors into my own neighborhood. I will not risk living in an environment that exposes my child to what I saw on Hyde Street, unsheltered drug users camped along sidewalks shooting up in plain sight, drug dealers peddling cocaine and heroin, used needles on the streets. Can you imagine your child picking one up and harming their life by touching it? To place children directly in the path of a large homeless population is unethical. I urge you to reflect on the impact that this proposal will have on children, forcing families to leave the city and losing the contributions that hard-working parents like myself have made to San Francisco. As an entity of the State of California, your first goal should be to protect your own tax-paying, voting residents.

Paul Scrivano - I live at Portside. I strongly oppose the Navigation Center, which is more honestly referred to as a mega homeless center. As a longtime resident of the area, I have grave health and safety concerns. The city and the Port seem to be racing ahead to force the center on our neighborhood without any sort of due process. South Beach and SoMa is a densely populated area, 10,000 residents, several thousand families, thousands of small children. We already have 25 preschools and daycare centers. Small children are uniquely vulnerable to homeless, many of whom have substance abuse problems, severe mental issues and are violent parolees. Unfortunately, South Beach and SoMa have some experience with homeless already due to the unofficial homeless camp on the Embarcadero. One of our neighbors recently was the victim of a violent home invasion by a homeless person. Another neighbor has a toddler who was stuck by hypodermic needle on the playground. She's coming up on her six-month HIV test. A woman was nearly raped by a homeless person. San Francisco Police was nowhere around. Several good Samaritans pulled the homeless person off of her until the police arrived 25 minutes later or so. District 6 already has a homeless center at Fifth and Bryant. We've already borne more than our fair share. This center will act as a magnet. If the Port proceeds with the mega homeless shelter, as it should be called, it is putting the life and health of the residents of SoMa and South Beach at great risk.

Robert Scripp - I'm a resident of Portside at 38 Bryant and also a member of our homeowner's association board. What I wanted to talk to you today is a little bit about the aspects of this. We've heard a lot related to the site location and the size of the shelter. I'd like to take that in terms of the Port itself. Many of us here, as you can see, are your neighbors. We're your children in many respects because the Port made it possible to make this an actual residential community in the city, although the city doesn't always look at it that way or treat us that way. What we see here is an example of the Port being put in a very difficult position. We know that that property, Seawall 330 Lot is essential for development of the Piers 30-32, which are crumbling and falling into the bay at this point. In fact, at your last meeting, there was a great discussion about that, that the lot itself, the Seawall Lot 330 brings in about \$800,000 a year in revenue. Every bit of that revenue and every bit of its value needs to be addressed in terms of addressing the combined issues of the crumbling piers and the Port property itself. Putting it in terms of the Port, I'd also like to point out that I used to work for FEMA. I did disaster response, earthquake response for many years. We have a seawall that is crumbling underneath the Embarcadero. Fixing Piers 30-32, which is tied to the Seawall Lot 330 as a developmental incentive, is essential to doing a number of things: getting affordable housing, getting housing on that lot, which is its only approved use, by the way, for Seawall Lot 330. It's not approved for this particular use and then addressing the issue of crumbling piers with a maritime use, which is what we all want to see for those of us who live along the Port, that includes retail and an environment that is conducive to the community that we're trying to build there. If the city is successful in doing this end-around on the Port's plans for that property, I think we will all suffer. It'll put this project back at least five to 10 years.

Marcus Da Cunha - I am a resident of Brannan Street now for 10 years, also with experience volunteering at the shelter on Fifth and Bryant. My wife and I oppose the Navigation Center. Our neighborhood already has problems, constant petty robberies, cars and garage break-ins, dirty streets, heavy traffic, noise, pollution, etc. Our neighborhood already has a large well-established, well-run shelter in a brand-new Navigation Center and still home to hundreds homeless. While my wife and I acknowledge the homeless situation and we pitch in with money and volunteering work and we believe homelessness ought to be solved with kindness and dignity, this proposed center -- the largest in the city -- is an unfair burden on us. There is nothing temporary about it. It will be there for a long time, far beyond four years. I walk daily in the neighborhood, and I get accosted and harassed routinely. I am a tall, large man used to dealing with homeless folk. As I go from my early to mid-50s, I feel unsafe so does my wife, who is much smaller than me. Promises of safety aren't sufficient. The center will exacerbate the homeless problems of our neighborhood. The center will not solve the homeless problem of the city. This problem ought to be shared throughout the city, not dumped in our neighborhood. My wife and I oppose this Navigation Center. We ask you to reject this project.

Neil Patel - I'm a resident across the street from the Seawall Lot 330. I'm also the founder of a non-profit Global Health, a humanitarian organization that has provided services to the underserved for over 15 years. The Seawall Lot 330 is largely land locked. As somebody previously mentioned, I was the victim of a violent crime not more than 100 feet from the Seawall Lot 330. It took the police about 24 minutes to rescue me at gunpoint. This was just very recent. The reason I tell you this is because it's accurate data that is firsthand. I have all of the statistics to back that up. The police did a phenomenal job. The issue is that we are in a landlocked situation with the Seawall Lot 330. If you look at the police departments in North Beach at Third Street and west of Fifth Street, this is one of the farthest patrol areas for those areas. The response time is extraordinarily long to respond to those areas. That's already a public health situation right there. The second point I wanted to make was that all of the areas in that area are basically landlocked away from medical services. There are no county or city medical facilities in that area. I'm a practicing dentist. There are definitely no dental operations in that area for the underserved. Most of all, if you even look at the pharmacies in that area, they're closed on the weekends. I don't know how many times I've tried to go to the Walgreens on a Sunday. It's not open. This is also an ethical battle as well. We can't put homeless people in an area where they're not served properly. If they want to go get food, try and go to the areas in that area

Dane Ince - According to reporting by Heather Knight in the San Francisco Chronicle, she was speaking with Rachel Rodriguez. She asked the question, "If you could wave a magic wand and fix the mental health system in San Francisco, California and the county, what would you do?" The answer was, "We would use 100 more beds immediately in the city. We'd be able to stabilize people more fully before they are forced to go back on the street." She's a mental health professional at St. Francis. I think that illustrates the wrongheadedness of the problem that we're looking at here because, frankly, I don't believe we understand what we're talking about. We have, according to the city, 7,500 people that at any given time are homeless. They also say that approximately 41 percent of those people have mental issues, and 39 percent of those people have drug issues or vice versa. I get the numbers confused. But if you add it up, that's 80 percent. 80 percent of 7,500 is 6,000 people. Now, the problem is we have HOT teams that go out and talk to these people on a regular basis. We know where the population is. We have a pretty good idea of the problems that they're facing. Right now, we have a difficulty in convincing those people to get help and seek help and get clean and do the mental health things that they need to do. I don't see why spending \$20 million over four years is going to change that outcome. What are we going to do differently to address the problem so that we have effective solutions to make San Francisco a better place to live in? I have a feeling, if people raised their hands, everybody here is for effective solutions to our problems. Aren't we? You can see that people are not against this just because they don't want it in their backyard.

Alan Dundas - I live at The Watermark. My wife and I have been residents of the South Beach since 2008. We're mindful of the homeless problem in San Francisco and consider it one of the city's most urgent challenge. We're supportive of Navigation Centers. But unfortunately, a 200-bed Navigation Center at Seawall 330 we don't think is the right idea. The Port owns the property. The Port is taking what they valued at last month's meeting as a \$35 million property that generates over \$800,000 in revenue. Mayor London Breed has decided to fast track that and take it away from you. You have the ability to say no to London Breed and spend the time and effort that was discussed at last meeting to be able to go through an RFP process, to be able to decide how those properties whether they should be split or not split and what revenue can be generated by putting an RFP out for that site. You've had that choice now taken away from you. Or you are getting that choice taken away from you. Right now, the Navigation Center wants to lock you up for four years to take opportunity cost of four years away from you. You have the ability to say no to London Breed. You have the ability to decide how your own property should generate revenue and actually make the community and the neighborhood a much better place.

Jonathan Rothband - I would like to scold the administration for pitting the districts against each other to solve this problem. I feel that, just because 55 percent of the homeless are in District 6, it's no cause of the residents of District 6 that the people are there. It's a citywide problem that this particular burden was thrust on you. Calling it a bayside problem or a waterside problem is inappropriate. It's a citywide problem. As you know from the current places that you helped participate, there are far better places to put these centers that are not in residential areas that have been spoken about over the past hour and a half. Lastly, I feel that you have a fiduciary responsibility, as the previous speaker said, to think how best you can use the assets of that property and not simply use it as a storage facility for the homeless people for the next four years. I don't think you're doing your job. I think that's an easy way out. I think you should discuss this among yourselves among what could be the best use of that land.

Neel Lilani - I want to highlight a couple of things. One, points that all of my neighbors have made I agree with largely. I want to tell you about an anecdotal story. We lived at the Portside building for a period of six years. We decided to start a family and we left this neighborhood. After being out of the neighborhood with a young baby, we missed this neighborhood so much, realized that, yes, this is in fact the right place to have a family so we moved back. We've been at The Watermark for three years. My four-year-old learned how to ride his bike in the property that you're suggesting to put this unsafe Navigation Center. We have dogs. We walk around the neighborhood. It is our home. The density of residential population here would give rise to any reasonable person to think that this is not the right venue to put this sort of center. Also, there's been a lot of discussion around the economic opportunities associated with this parcel. If the Port makes the decision to bifurcate the parcel from the piers, the economic development opportunities

grow significantly. Has there been an RFP put out for a bifurcated lot for 330? I don't think so because it just started to be discussed at the last Port meeting. Those are two points that I want to highlight. I don't need to rehash all the other great comments made by my neighbors. I do want to remind everybody about the 6 p.m. meeting at Delancey this evening. Make sure that we are there in force and we have our voices heard there as well.

Margaret Shaw Lilani - I'm the other Margaret that lives at The Watermark. I'm a San Francisco native. Neil is my husband. I have a four-year-old. I'm also a VP at a SoMa company at Third and Brannan. We own a condo at The Watermark. We've been in the neighborhood since 2007 but for those three years that we left the neighborhood. Growing up, SoMa and South Beach was actually a neighborhood that I wasn't allowed to go to. My parents said they would ground me if I went there because it was too unsafe. Yet I've chosen to raise my family here. In the past two years, I've sent no less than 33 emails to our local police captain, Captain Fong and his successor Ed Del Carlo and their team citing safety issues in the neighborhood. I can't even count the number of 311 requests I've put in asking to have the teams come in and clean up trash and feces and all sorts of other stuff. In the last year, I've seen drug deals, fires, bullet casings, discarded condoms, needles, broken glass, garbage, dead rats, daily evidence of human excrement and, in more cases than I recount, have feared for my and my family's safety. To add a Navigation Center which will bring more safety risks and public health issues to my block will only further worsen an issue that is already out of control. We were actually thinking about taking my son's training wheels off this weekend in that parking lot. I walk my two dogs there consistently. In the wintertime, it's dark next to that parking lot. I know this because I walk there by myself a lot. Saturday, when I was walking my dogs, I was followed by a pretty shady looking character and came home scared. I'm scared a lot. I have a four-year-old. He takes muni home from school either me or with his babysitter. I shouldn't have to caution him not to step on a discarded needle. He shouldn't have to be scared because there are people in the neighborhood.

Bruce Goldetsky - I live in District 6. All the points I was going to make have been made about the size of the Navigation Center being two or three times what's currently done. The current ones are successful according to the city services auditor in large part because of their small size and individualized attention that they're able to give to the residents. Making it double, two or three times the size, you can't scale something like that that requires individual attention. You have to have little things to build up. People have talked about the high density. I have a lot of notes about that, about the mothers with strollers and young babies and stuff. I walk my dog there and things like that. You've heard all that lots of times. The Navigation Center in the Dogpatch where there's been some success, I understand. That is just so disingenuous. It's terrible. The neighborhoods are just apples and oranges, at the best. You've heard about magnifying. By having the homeless center there, more homeless people will come there. I believe that's absolutely true and will just create a bigger problem. The additional point that I wanted to make is I found

about this eight days ago when one of my neighbors told me. I think most of the people found out about it eight days or less ago. Yet we've been able to mobilize this type of response for you. You cannot have any further questions in your mind about how the neighborhood feels. It's just impossible.

Chris Power - I'm sure you're tired of hearing from all of us. I want to first thank all my neighbors for their eloquence in stating their objections to the Navigation Center. I started out eight days ago with my husband Bruce hearing about this for the first time and determined to be open to the possibility of having the Nav Center at the Embarcadero. What I have learned in those eight days has not been encouraging from the people who own businesses near the Mission Center. Although, Jeff told us very positive things, I've heard very many negative things about the number of people camped out in the street, the impact of trash, etc. What I would ask is that the city, instead of only showing the positive of what's come out of the Nav Center, be very open with us and honest in how they've dealt with the problems because all of us have heard about the problems but we're not hearing any solutions to those. Hopefully, at this evening's meeting, we'll hear more.

T.J. Hsiang - We all heard about this last week. This hasn't been sold to us as like a benefit to our community. It feels like it's just being shoved down our throats. It's being imposed on us. The people who are supporting this, none of them live in this neighborhood. I see areas near the Navigation Centers. They have bars on the windows. None of our buildings have bars on the windows. Do you want all the stores, all the condos to have that? They say they're going to offer security. Are they going to offer it three blocks away? Four blocks away? Because, during the day, you have 200 people who have nothing better to do. They're going to wander around. You're not going to be able to keep an eye on them all. I've called the police before because I've seen a break-in right in front of me, their response time is terrible. I've waited a half an hour without seeing anybody. They say it's four years. What guarantee is that? They're going to spend \$20 million on this and they're just going to want to re-up. They're going to want another four years and another four years. I just don't believe them. I just had a daughter. My complex probably has 15, 20 kids under the age of two. I don't want to live here if there's a homeless center around me. I'm going to move. That's just how I feel.

Pat Buscovich - I'm a resident native of the city, lived here my entire life. I'm also a practicing structural engineer. I think I'm the only engineer in here. I've written just about everything in the building code in San Francisco. In my 40-year career, to build a structure this size on liquefiable soil with no foundation, I've never heard of something so irresponsible. We will have an earthquake. We're nine kilometers from this site to the Hayward Fault. It slips 140 years, plus or minus 10. The last time it slipped was 1868. We are due. What this site used to be was a rail stockyard. What's underneath this soil when it does liquefy and there's people on top of it in the tent, that will probably collapse because the soil fails, no foundation. It's irresponsible to put people there

without a proper structure. A temporary structure on a liquefiable site is crazily dangerous.

Heiko Ludwig - I'm a resident of One South Park, which probably makes South Park the halfway point between the center of St. Vincent and the proposed center in the seawall lot that we are talking about. Our neighborhood hosts a lot of the homeless infrastructure, supportive infrastructure of this environment. We have at least three or four supportive housing structures on South Park. Within one block, we have a mental health facility on Harrison. I'm not sure it's still there but we have a methadone facility on Brannan. There's a lot of infrastructure we host. I think this will be too much. A lot of us depend on the Embarcadero as their recreational space. There is no plan B for most of us. Most of us don't have a house in Napa or a structure in Tahoe to go to. For us, Embarcadero is the recreational space. We absolutely must preserve that for our neighborhood use.

Kevin Chen - I'm a resident of The Watermark. I am filling in for my wife who just picked up our five-year-old daughter at preschool. We're the proud parents of a five-year-old preschooler and two-year-old triplets. I just want to say this is the wrong decision so please reconsider. There are families who've spoken to you, who've pleaded to you. This is not the right place to put a Navigation Center. I'm a proud father. I work really hard. My wife is a stay-at-home mom. She will not be able to leave our building if this is built. She will not feel safe. She's cried multiple nights since the news broke. I can't tell you enough that I cannot in good conscience have this center built and let my little daughters run around the block.

Andre Clark - There are so many good points that have been made. I'll try to cover some things that haven't. I've been to many meetings at the Port and many neighborhood meetings. Some issues are controversial. I have never seen so much unified support that this is just the wrong way to go. I know we're at early stages right now but I would hope that, after tonight, the Port talks within the coming days and decides. This is the wrong way to go because no one wants to have a long drawn-out battle here that wastes everybody's time and money. I mean, let's just stop, pause and reconsider.

Elizabeth Hataller - I was born and raised in San Francisco. I've lived in the South Beach area for the last 18 years. I do not believe this is the right answer. I, being a very analytical person, would like to know from the department actually what is the entire logic process that you got to get to this point? It's one thing to say it makes sense because it's close to the Embarcadero but the homelessness issue on the Embarcadero has a lot to do with opportunity and people being able to make money and deal with tourists. That is not going to change with a Navigation Center. It would bring more people to deal with your homeless but I would like to know if you take all the properties in San Francisco owned by San Francisco that are empty or not vacated or not being used, how did you come up the process with this one lot? There are buildings that are not being used by the city. There's an entire facility in La Honda that

you could give permanent residence to people because it used to be a juvenile center and it's not being used anymore. There are so many other properties that are owned by San Francisco that have facilities in it but you have not shown any of the information that's got you to this is the right spot. You just say it will be the right spot. You say you're going to add another 1,000 beds in the next four years but you haven't shown the actual master plan to us. You showed us a clip that makes it look like there's a real plan but giving the whole city a real plan that shows the information would make much more sense if you wanted the community behind you. I have a two-year-old daughter. I would love to stay in the city and raise her but doing things like this is not how it works because this is how you lose people. They go everywhere else because they don't want to stay in the city because of things like this. I don't think that's the message you want San Francisco to be.

Robert Rossi - I'm a native San Franciscan, a fifth generation San Franciscan. I've lived in the area of Brannan and Delancey for the last 23 years. Without repeating all the arguments and the reasons you've heard already, I stand completely with all my neighbors. More importantly, I'd like to direct this to Director Kositsky. My family has been involved in ownership and development in San Francisco for the last 135 years. I've been involved with my family's business for the last 40 years. I'm semi-retired but I'm more than willing to work with Director Kositsky in finding an alternative and more suitable location for this proposal with advocating as my family has always done, keeping in mind altruism, humanitarianism and good Samaritanship.

Marc Dragun - I live a block away from Seawall Lot 330. I've been a resident of South Beach for about 13 years. I sit on CWAG, which is the neighborhood committee for the Port. The first comment I want to make is I, too, support all of my prior neighbor comments. This is a huge social experiment for the city. They've never had a site this large, never this close to a high-density residential district. The early warning signs are not good when you have those two types of uses but I don't really want to focus on that. What I want to focus on is what the Port can do with Seawall Lot 330. Being a member of CWAG, I've heard a number of presentations on how: (1) the city needs funds; and, (2) by tying Seawall Lot 330 to the piers, it makes Seawall Lot 330 undevelopable. I encourage the commission to separate Piers 30 and 32 from the development potential of Seawall Lot 330. Once done, Seawall Lot 330 becomes an immediately developable site. I encourage you to have RFPs put out for mixed-use development associated with that site. It could be for office. It could be residential. It could be retail. All of those things, in light of what's occurring now, would be supported by the neighborhood in a way that you previously might not have had. Now is the time for the Port to actively consider splitting off Seawall Lot 330, putting out RFPs. That would provide \$30 million to \$40 million to the Port, which is desperately needed in the funds. It also would enhance the neighborhood. So that's what I encourage at least in my comments to focus on with the Port, and we'll go from there.

John Cornwell - Thank you for your attention, commissioners. My name is John Cornwell. I'm a 25-year resident of Portside, which is directly across the street from Seawall Lot 330. I've heard a lot of anecdotes about homeless interactions. I could share a few. I have a five-year-old and an eight-year-old. Last year, we parked on the Embarcadero maybe 100 yards away from Seawall Lot 330. I'm putting my kid into my car and buckling him into the car seat. A homeless guy in the middle of the day runs up and grabs his stroller and runs off with it. Kids picked up needles. We've already heard about kids who have to be tested for hep B, C and HIV and all the rest. As stewards of the Port property, you know that the whole waterfront has become a homeless issue. You know that people won't even let their kids play in the bushes because there's needles there. You're going to relocate a total homeless ecosystem that far goes beyond the 200 people that are going to be in this center. They're still going to be doing drugs. It's not a dry facility. They're going to be out having to do buys in the area. They're going to be on your Port property. You're creating a huge problem for yourself. Incidentally, I can tell you there was a reference made to the liquefaction of the soils and the HAZMAT. Our building, when it was built, was supposed to have a subterranean garage. When they started digging, they found so much lead from sandblasting the bridge before they removed lead from the paint and hydrocarbons from when it was a rail switchyard. They have to stop the project and cap it. They couldn't even dispose of the soil from our foundations in the state. We've had to go to Utah on a railcar. About 100 feet away and downwind from our lot, you can bet you've got heavy metals and hydrocarbons there. Please consider this. This makes no sense.

Rick Dickerson – My firm manages South Beach Marina Apartments, The Brannan and 88 King Street, all within two blocks of the proposed site for the Navigation Center. I was the chair of the Rincon Point South Beach CAC for over a decade while the Giants ballpark came in. I was involved in the original development proposals to put the cruise terminal at Pier 30-32 and Seawall Lot 330. I've been in the area. I've seen a lot over the last 28 years. I agree fully with what the current neighborhood is saying in that this is not a good use of a very valuable piece of land. The city has put hundreds of millions of dollars into the Embarcadero. Since I've been involved in the neighborhood, several billions have been put in by private development into the area to turn it into a very dense, highly populated residential area. One of the last pieces that's left in this area is Seawall Lot 330. It's been tied to Piers 30-32 for quite some time, over a decade. Piers 30-32 is an unfeasible financial anchor that has been put onto it. You need to separate it and do something with the seawall lot. If in the meantime you are going to have the mayor's office push for a short-term lease here, what we've seen so far from the city has been good-neighbor policies that are actually very broad bullet points that have no teeth to them. If you are going to do any kind of a short-term lease and I hope you don't but if you do, we need mitigations in that lease that can terminate the lease. We need them very specific. I'm more than happy, as I'm sure many neighbors are, to participate in that process.

Sonya Trauss - Valerie actually had to leave. She's in support of the project. I'm going to just take her place because this guy is losing it. I also am in support of the Navigation Center. I'm a mom and think of the children. My baby deserves to grow up in a place that has a social safety net. Currently, I live at Seventh and Natoma. We live within two blocks of two homeless shelters. It's completely fine. There are a lot of people up here who keep saying, if you build the Navigation Center, the neighborhood is going to become terrible. That is not my experience. It took me a long time to figure out even that the homeless shelters I live nearby were homeless shelters. I did not know. They're very good neighbors. Homelessness is a huge problem in San Francisco. Our mayor ran on solving it. The only path to solving it is through building a lot more shelter beds and permanent housing. I know a lot of people keep talking about being blindsided. I don't know why anybody is surprised. If anybody anywhere in the city lives next to a large parking lot, you should adjust your expectations now because we are going to have a huge expansion in shelter beds and affordable housing. Every single neighborhood is going to experience that. It's a good thing. It's something that we really need. Finally, I want to assure people that it's really not that bad. I think it's very interesting how many people really want the Port to make money off of this land. When you do propose high-rise condos, make sure you take down everybody's name because I'm sure that they'll come back and be in support of it.

Samantha Wagner - It's unfortunate Sonya left because she should visit the facility down at the Dogpatch because she clearly doesn't know. I've lived in the city for 19 years. There is a homeless crisis in the city. I take it very personally. One of my close friends from growing up in college is living on the streets now. I am not unsympathetic, and I'm not unsupportive. I also give regularly to the Delancey Street organization. But not all plans are good plans. I run past two Navigation Centers regularly. It is common to see individuals near these sites injecting themselves or consuming other drugs while I personally hurdle needles and feces. If there is a good-neighbor policy, it is not being enforced. Being yelled at or harassed is normal. I've even been chased by an individual outside of the Dogpatch facility. Due to my experiences and concerns for my safety, I always run on the far side of the street to create extra space between myself and the Navigation Center. So, imagine my surprise when the city wanted to drop a Navigation Center in the middle of the neighborhood with the most concentrated use of schools and childcare facilities. I cannot fathom a less appropriate place to put a Navigation Center. Within a half a mile, there are five distinct preschools and childcare centers, half a mile away. There are two playgrounds and one park. Within one mile, there is much more. This is a neighborhood with many children during various parts of the day. You put the word SAFE in front of a Navigation Center, but it does not mean it's safe or an appropriate neighborhood for children. Again, I cannot fathom what was the underlying premise of this being the best decision for our neighborhood or for the homeless. I just encourage you to look at other sites and find something a little bit smaller and scalable.

Denise Rasmussen - I am the general manager for Alcatraz Cruises. We are about a mile and a half north on the Embarcadero but one of the things that I did want to mention today is the increase that we have been experiencing in the types of crime. Unfortunately, that seems to be promulgated against a lot of our visitors with a storefront on the Embarcadero in the last couple of years in connection primarily with the opioid crisis. We are not a small business but there are so many smaller businesses down in the southern in the Dogpatch area. Those businesses are going to incur significantly more cost in order to maintain a safe operation, particularly a retail operation that people will want to go into. We just don't have cases anymore of people coming in and making a stir or drawing attention to themselves. So far in the last two years, we have people who have overdosed in our bathrooms. We have families that come into our café but the homeless come in and grab purses and backpacks and run and scare little children. We've been able to increase our security throughout the year. We'll be doing it again in anticipation now that Daylight Savings Time is here, and it's the high season. But the businesses in areas where Navigation Centers are housed are going to be severely impacted and almost need a little bit of different training. Having your front door open to your business is something that you want to do because it's warm and welcoming. However, if your doors are open and wrong people come in, you have to close your doors to feel more secure, but what does that really do for your business and your storefront? There are issues that should be addressed as far as making sure that businesses understand their challenges and can meet them.

Amy Wu - I'll try to be brief as much as possible and I won't repeat the points already made. I did want to share a couple of anecdotes. The first is that actually, on my walk over here, I was rushed by a homeless man who said that he would beat me. What's really scary is that I was actually next to a young couple with their child. I'm really worried about the increased concentration, resulting in more potential danger to our families. The other anecdote I have is that I have been personally physically assaulted by a homeless man who had clear mental health issues. I believe that they need a permanent, full medical attention and support and these kinds of facilities. That's what we should be prioritizing. It's not a matter of reasoning or convincing them to go to a specific shelter or location. In this particular instance, it was really terrible. I still get anxiety attacks. I was rushed. I was kicked in my chest. I fell backwards, and I hit a tree and slumped to the concrete. Luckily, I was saved by a couple of construction workers who happened to walk by and pushed him away before he could reach me again for God knows what was next. I urge you to consider the cases of that happening in such a family friendly neighborhood. I'm the mother of a beautiful, bright, 16-month-old baby girl. I just can't imagine what would have happened if it had been her that I was holding to my chest at the time of this attack.

Jeanne Lyons - I've lived at the Brannan for the last 20 years. I won't go into the fact that I was chased in broad daylight down the Embarcadero with a friend of mine with a homeless guy who had a huge chunk of metal and we were running at top speed. I won't go into the fact that my brother and family

will never visit me again in San Francisco given their being accosted on the way back from the Ferry Building after getting some ice cream. What I want to talk about is due process. I canvassed 18 businesses on Sunday, none of them knew about this Navigation Center, in addition to talking to neighbors both on the street and going into condos in our neighborhood. In talking to the manager for Safeway, someone got punched in the face by a homeless person. One of my other neighbors was in Safeway last week and had someone empty his stomach right there, almost hit him while he's trying to buy some produce. We could go on and on for the examples. I think it's very important to make some friends in the community and have us weigh in and get visibility to where the budget is being spent and how it's being spent. As much as we know what the operational budget is, what is the cost in renting from the Port? What is the cost of the construction of this facility? Where are the mental health types of services that is so badly needed if we're going to build these at all, to really assess what is the benefits? What are the downsides for the existing eight that have been built since 2015? The other point I want to make as I was coming back from a volunteer opportunity is the obligation that I had and I was at the Van Ness Station. It was 10:30 at night. There was a young man and he was obviously not 100 percent with it but he asked me for help. He said, "Listen, I really don't know the city. I'd love to know where I can go." I said, "Well, what are you looking for?" He said, "Well, I came here from Portland a couple of nights ago. I met a friend, a woman that also lived on the streets who told me to just stuff my luggage into a bush along the Embarcadero." I said, "Could you describe the area on the Embarcadero?" So, he did.

Brian Edwards - I'm an outreach worker. I've been doing frontline outreach in the city for about six years. This was the first neighborhood I ever lived in so I understand all of your concerns. What I hear over and over again today is this if-you-build-it-they-will-come mentality. They're already here. The option to have them indoors during the day receiving the services, the linkage to care that they aren't being provided right now while they're just out there on the Embarcadero, out there in the BART station, it leads to much better outcomes. I've heard a lot of numbers today as well. There's 7,500 homeless people in San Francisco right now. There's shelter capacity for about 2,500 to 2,600 of them and that includes families. That includes single adults. Maybe at any given time there's 300 or 400 substance abuse or treatment beds available so that's 4,000 people plus that you couldn't put indoors if you wanted to. You couldn't force them to accept services if you wanted to. This is just another 200 people that you can help. You talk about feces on the ground. I see it too. I used to see it when I would bring syringe disposal supplies out to people in this neighborhood. All of that goes indoors. ODs go down. You have people supervising them. They have access to substance abuse treatment, should they want to. They will not come. They're already here in a number way more than 200 people in this neighborhood.

Kelly Cutler - I'm a human rights organizer with the Coalition on Homelessness. I've heard a lot of really sad comments today because I think what's really getting missed is that we're talking about people. We're talking about people

who are suffering and dying on our streets. Currently right now, we have 1,405 people on the single-adult-shelter waitlist. These are people waiting on a waitlist just to get temporary shelter. It's been freezing. It's been cold. Every year, in the interfaith council we have a memorial for people who have died on our streets. This past year, we collected 240 names. This is the reality of what we're talking about. When there's a community meeting in any neighborhood and believe me, I've got my own issues with the homeless department and we go back and forth and that's good. But every neighborhood says not our neighborhood but the reality is, as the community as a whole, for the health of the community as a whole, we need to be creating resources and actually helping people and having places because we have a housing and health crisis. That's the reality of it. Also, I'd encourage you to talk to some folks in the Mission neighborhood because there was a big meeting where folks were really upset and it went really long. But then, what their experience actually was like once the Navigation Center came in compared to what they were expecting or afraid of but so many of them were actually happy because then it's like people could actually get help. It really did help the community because, when we help each other, it's better for everyone.

Angela J. - Thank you for this opportunity for those of us to address issues. I, one time, woke up in the evening or after a nap, and I looked outside. I saw this person in my backyard not far from my window. It was okay, understanding that some people do need to find a place to shelter but he was turning a magazine. In the next hour, he had completely disrobed, and other things were happening. It was very frightening for me. I was very concerned. Outside my backyard or window, I've seen many things worse than that but I think sometimes what's more disheartening is the fact that San Francisco is losing its heart. In the '70s, a woman had a vision of building in an area that's heavily blighted, freeway went through here. In her heart was the reality that 500 people have gone wayward, and they need some success and they need some support. We're talking about Delancey Street Foundation. Had it not been for Mimi Silbert's vision to build in this area, we wouldn't have million-dollar homes. If we do get our heart back, we want to look to see, what are we doing? St. Francis of Assisi has talked about the importance of seeing humanity. It's so hypocritical to say I've been to Delancey Street. I give to Delancey Street. Then, you don't understand Delancey Street Foundation.

Valerie Aurora - I live down the street. I walked here along the Embarcadero. I walk along the Embarcadero several times a week. I voted for Prop C. I donated to and volunteered for politicians who supported homeless facilities and centers and Navigation Centers. I'm here to say that the best way to make our neighborhood better and safer is to build more facilities for the homeless here and all across the city. We have to build homeless centers. That's the only way to stop all these terrible stories that you're hearing. Nobody wants to defecate on the street. That's not a thing they're doing by choice. You should try dressing like a homeless person and trying to use a bathroom in this neighborhood. Good luck with that. We need this Navigation Center. I'm going

to echo the last person who spoke and said, let's have a heart. I live here. I want this Navigation Center.

Lujan Atanovich – I've lived here for 17 years in South Beach. Just following this comment, in my neighborhood, I walk my dog every day. There was a homeless guy that lived on the bench and was defecating right behind the bench. I kindly told him that there is a public restroom across the street. He smacked me with a cane.

Ted Choi - I came into the city about 14 years ago, started a business inviting people to enjoy the city, beautiful waterfront. At the time, I think the waterfront was a little cleaner, less issues with the homeless and the dirtiness of it. I try to clean it myself. I invite city's public service to come in and help. I report them. The level of service that I have been getting is getting worse and worse and now at a point where I am hearing basically you should know better. You came into this area knowing what it's like. You can afford it. Frankly, maybe the level of people at the work is thinking this is beyond their capability. Maybe for the residents to think, these people will behave and they will get better services, better places to go, so they'll behave better. I think that's kind of a dream. A 200 bed to a problem where we have 2,000 people and over, that's just not enough. If you think you build something, a facility, and everybody will go use the toilet, that's fantastic. I'd love to see that but the reality is not that.

Jan Fu - I live in Singapore for many years. I grew up there and I came to U.S. to work. I actually want to comment on that last comment there. I think there is a way to balance capitalism and social care. I haven't been back home Singapore for a long time but I track it all the time. I think there is a way for a joint solution here.

Philippa - This is my twin sister Sara. We're the unfamous twins in here. We have lived in San Francisco for over 40 years, never felt unsafe until about a month ago. We actually live over here at the Embarcadero, at The Gateway. We had been hiking along the Embarcadero on a Sunday afternoon. We were coming back. It was raining. It was about 4:15 in the afternoon. The three of us were waiting to cross over the street. This is on people that need help with mental issues. Out of the corner of my eye, I could see a figure in an orange jumpsuit coming across the street. We were looking at the traffic light because we were going to cross over. The next thing we knew, he was in my face and he went like this. He would have killed me. Luck had it he didn't have any shoes on and it being raining, he fell down on the ground. Next thing, he tried to attack my sister. She had an umbrella, and that's what saved her. The police eventually came. They couldn't find this individual anywhere. There were like four, five police cars. He was heading towards the Ferry Building. I think the thing we're trying to say is, yes, these people do need help. I'm not so sure about the Navigation Center being right there. How about Battery Street? There's a huge building there that's been empty for years. There are offices around there, not really any residential neighborhood. But these people need

help. We're lucky to be alive today because he didn't actually get to us. But he could have got to other people.

Diana Drew - I've been in the city for over 20 years. I feel so unsafe in the city that I've had to buy a monthly muni pass just to get from Brannan over to Stewart Embarcadero Center because I've tried walking on Beale and Bryant and it wasn't worth the risk. My mother and my family, friends don't want to visit anymore because they just feel so unsafe. Is it going to take something as tragic as a death or several deaths to happen before people realize, hey, this is a real big problem? I'm not saying that we shouldn't have Navigation Centers. I think we need to rethink where we're putting it and be thoughtful about that for both the homeless and the taxpaying citizens.

Jeffrey Graths - I live at 200 Brannan. I moved to the city after college in 1971. I worked for Cyril Magnin at what is now called Number One Harrison Street across from Hills Brothers when they were roasting coffee, when the trains used to go in and out of the buildings, the warehouses on Delancey Street. I know this neighborhood. I live in it. I've been in this neighborhood living here for 15 years. I used to bike and take my lunches in this neighborhood back in the '70s and '80s and '90s. Changes are good. Evolution is going to happen in how things change. I don't think this is a good change for this neighborhood. I've seen it over all of these years. On a bicycle, I see things a lot differently from people that are in vehicles or people that don't live in the area. I walk a lot. I hope that this thing is reconsidered and people really think about it.

Penelope Robinson - I've lived in San Francisco since 2001. I just want to read a quote from Jeff Kositsky from the San Francisco Chronicle. "If the city had unlimited resources, Jeff Kositsky, head of the Department of Homelessness and Supportive Housing, said he'd rather skip the Navigation Center step all together and just have counselors whisk people straight from their tents into rehab, mental care or permanent housing. But that isn't about to happen soon, he admitted." So, this neighborhood has had a surplus of tax collection in the amount of \$415 million is what I've read. I'm just curious as to why we're allocating money to temporary solutions instead of permanent supportive housing, which is what Dr. Margot Kushel, the director at UCSF for the Center of Vulnerable Populations said. She says we can spend a lot of money to make the problem look less bad or we can solve the problem of people experiencing homelessness. In her opinion, shelters don't work. She believes in building permanent supportive housing. I also just did a quick back-of-the-envelope calculation. The cost to run this facility for four years could send 1,777 people to professionally run rehabs for 90 days. The experts recommend that people that go to professional rehab should go there for at least 90 days and they have an 80 percent success rate. I'm just wondering why San Francisco is getting into the business of drug rehab when there's 13,000 drug rehab facilities all over the country. We could take this money, and we could send people to rehab that is known to be successful.

Female Speaker - I'll be quick because everybody spoke on behalf of elderly, kids, children, homeless, every segment except one. We are a sanctuary city. I know a lot of families employ nannies, people who will never, ever have a voice when it comes to calling the police. What I've witnessed was really disturbing because I saw a nanny and I know this family. The nanny doesn't speak English. She was pushing a stroller. She was startled by a high individual. She jumped with the stroller into a car lane. She ran across and almost got run over by a car. You think this woman will call the police? I really don't think so. I think she'll never call the police. We have so many people who don't have a voice who are not going to be represented here. Just think about those people.

Commissioner Brandon - Director Kositsky, would you like to say anything?

Jeff Kositsky - I appreciate all of the comments and the opportunity to hear concerns from the neighbors. I don't think I have time to respond to all of them but will be available tonight at the meeting. I'm sure there's going to be other meetings. I'll respond to some of the most recent comments around permanent supportive housing or permanent solutions to homelessness versus Navigation Centers. I think that it is true, if we had an unlimited amount of resources, maybe we would be looking at different solutions but the reality of it is we don't have an unlimited amount of resources. We have people who are suffering and dying on the streets. Temporary shelter provides people with a much needed respite and an opportunity to address medical and other issues that they're facing on their pathways to moving beyond homelessness. That is just the reality that we're facing. We're trying to build a homelessness response system that meets a whole variety of needs ranging from street outreach, to other types of care, to shelter, to reunifying people with their family and friends in other communities, to very temporary assistance, to permanent supportive housing. We have a wide range of services. We need an additional 1,000 beds. Mayor Breed did not pull that number out of a hat and just say we need 1,000 beds. It's based on a gaps analysis of the homelessness response system that we did when our department was created and Mayor Lee was running our city. We've added beds. We looked at needing about 1,200 more beds. We've added a few hundred in the past couple of years and looking to add an additional 1,000 to fill a gap that exists in our system.

We think, when we hit that goal, it will make a really tremendous difference on the streets. I came to the city in 1989. I'm raising two daughters who are growing up in this city. My wife is a public school teacher. I live about half a mile in between two Navigation Centers and believe that what I saw was improvements on the streets in my neighborhood. My daughters both walk almost right by them every single day on their way to catch the 14 bus to go to school. I haven't had the experience of anything other than them making a big difference in the neighborhood. I understand people's concerns. We have a lot of work to do to help educate all of you about how the Navigation Centers operate and maybe talk to some clients. Come see them with us or on your own so that there's maybe greater understanding about who is staying there. I want to close by reminding folks that these are people. Some of them do have

pretty significant problems. But many, if not all of us in this room have a family member who has either experienced homelessness or suffered from mental health or substance abuse issues and have needed help at some point in their lives. We shouldn't lump everybody together. The homeless -- I don't really even know what that means. But I do know a couple of facts, which is that homeless people are much more likely to be the victims of violent crime than the perpetrators of violent crime. I do know also that we had a UC Berkeley class come in and do an analysis of crime reports and property values around our Navigation Centers and saw absolutely no reduction in property values and no increase in crime around any of our Navigation Centers.

We need to do a better job of explaining and exploring these with you. I hope that, over time, some of you who have concerns will feel that we've addressed them but also want to say that we haven't made a final design decision about size, about how long, about design, about any of those things. We're in the beginning of a process in which we want to hear from all of you about how to make this work best for your neighborhood.

Commissioner Brandon - Thank you. Director Forbes, do you have anything to add?

Elaine Forbes - No. I actually think you covered it, Director Kositsky. In addition to Delancey Street, there will be other community meetings, which the Port will post on its website. They'll be coming out of the Department of Homelessness and Supportive Housing but we will be sure to post them. Anyone who is writing to me or to Amy or to our commissioners, we're putting you on our mail list. We want to make sure that the word gets out, so everyone can continue to participate in this dialogue.

Commissioner Makras – I wasn't here for the beginning of it but I'll take a crack at saying that we do have a city crisis with the homelessness. I am supportive of using Lot 330 for a temporary Navigation Center. I think we should define temporary. I think we should look at alternatives so when an opportunity comes to develop the site, we could move the temporary facility elsewhere and do what's appropriate under our mandate for the Port property. I don't know if it was covered before I got here but I believe that we should provide it rent free or for a dollar. I don't think there should be a price tag tied to it. I think the contribution that we would get citywide is ample enough pay in dealing with the crisis before us. I think that we should spell out and we should participate in whatever good-neighbor policies we want in mitigation for managing it, like I'm sure that they do in all the centers around the city. I think they have seven of them now. This would be number eight. I think we should get our arms around the true word of temporary. Is it going to be four years? Rent control was enacted on a temporary basis in San Francisco and we still have it 30 years later. Let's define what temporary is and how we are going to deal with it. I believe that we should have alternative sites earmarked already. If the opportunity comes for Pier 30-32 and Lot 330, we know where we will move the Navigation Center.

Commissioner Adams - In my seven years on the commission, I've never seen so many people come out. I really appreciate the community coming out. I live in that area. I live in the 300 block of Beale. This is a very painful conversation that has to take place. We have to talk about this. I'm glad, whether you were for or against. I'm not a bureaucrat. I'm just a regular working person. When Mayor Lee was mayor, they had a task force of all the mayors, the mayor of L.A., Mayor Garcetti, Mayor Lee, the mayor of Portland, the mayor of Seattle. They met in Portland to talk about this crisis. It's a crisis that's grasping our city. With the success that we've had in this city, it's the most expensive city in the United States to live and the average age being 27 years old, we have to really talk about it. I always felt that there should be a Navigation Center in every district but where? That has to be thought out and determined.

When I was president of the commission, Mayor Lee called. He called upon this commission to use Pier 80 for a Navigation Center. We stepped up. We did. We did not feel that the mayor alone could do this himself. Everybody here in this city is responsible for this homeless problem. We've all got to chip in some kind of way and make some painful sacrifices. Now, one could say, well, I don't like that, Jeff. They said, okay. What is the solution? Because you can be against everything. But you've got to come up with some thoughtful, in my mind, intelligent solutions.

When you think about Delancey Street, everybody wants to use that as a model. It was in Pacific Heights at first. The president of my union, Jimmy Herman and John Burton and Phil Burton didn't want it. The people in Pacific Heights said, no. We don't want nothing like that up here in our neighborhood. At the time, Jimmy Herman was president of the Port Commission. Leroy King was on redevelopment. With Mimi, Speaker Nancy Pelosi, Art Agnos, it went down here. But there was this fear. We kind of got through that. We thought about those things. We've had some very interesting conversations here recently.

I wish everybody would have been here when we had the conversation about cannabis coming to the Port. Hardly nobody came to that discussion. When we talk about mental health, let's talk about the patriot Ronald Reagan. When he was the governor, he shut down all the mental hospitals in California. Let's remember that. Let's bring that up. Let's put everything out there where it should be.

So where do we go from here? Jeff, maybe you can tell me because what I would like to know is, how did we get to that selection of this property here? How did it come about? I think the public deserves to hear that. To me, the Port and everything belongs to the people. I think they need those answers. I think they need transparency. I think we've got to have this painful conversation. We need feedback. I always think about what the Giants did when they came. They reached out, and they engaged the community. They got the community support. If you're going to be successful that I've learned in this city, you've got to have the support of the community behind you. You've got to have those

tough conversations. How can you make something where people can live with something? Because people feel uneasy about this.

I've heard today the discussions from people about being assaulted and attacked. San Francisco is a dangerous city. There's a lot of criminals out there doing things here. We had a guy that was going to blow up Pier 39. It was a terrorist. We've got all kind of people in this city. If we're going to have this conversation, we need to get down into the nuts and bolts.

Jeff, I have to ask you something. When the decision was made, was there a panel or community forum? The citizens in that area, were they able to give their feedback and their thoughts because it would affect them? Who were the decision makers that made the decision? Because we all know that Mayor Breed ran on this. It's painful. We've got to deal with this and it's not going to go away. Crime in the city is not going to go away.

The guy was right. They're already there. I live in this neighborhood. We had this discussion here at the Port Commission because I run every morning on the Embarcadero. I'd be stepping over people that were right there on the Embarcadero. But you would think, with all the brain power in this city, how do we find a solution to make it work? Because we can't turn our back on the homeless people. I get it. Nobody wants it in their community. It's a good deal but not in my community.

How do we make it work? How do we get there? This is just one discussion. This is just an informal hearing. There's got to be a lot more discussions before we come to some resolution. I think hitting Jeff up, hitting the mayor, hitting your supervisors up and saying we've got to have more feedback and have this painful conversation.

Jeff, how did we get to that situation where this was laid out? How many sites were laid out? The public needs to know. I would like to know myself as a commissioner.

Jeff Kositsky - We have been going through a process of looking for sites pretty much since I started my job, quite frankly. It is, as you can imagine, challenging to find any site to develop anything in San Francisco. We have been sitting down on a regular basis with the Department of Real Estate, the Department of Public Works, representatives from my department, of course, and the mayor's office and have been evaluating at least 100 sites that we've looked at so far trying to find places that are going to work.

Before we did that, we also created some specifications around what we need for a site. What was going to work? How big? How long? Did we need to have access to utilities? Access to public transportation? We used that to evaluate a number of sites and pursued many, many sites. For a whole variety of reasons, various properties wouldn't work. We are currently actively looking at a number of sites, not just this site because, to get to another 800 beds to achieve the

mayor's goal and to meet the needs, we're going to continue looking. I will tell you that no member of our board of supervisors has said to me no when we've approached them with sites in every single district in this city. We are looking around the city. But we're also looking for sites that are 15,000 to 20,000 square feet in size, that are close to public transportation, that are available at a cost that's reasonable.

There's a lot that goes into it. This is just one of a number of sites that we're currently looking at. I just want to make sure that I'm speaking accurately when I say that, at this time, I believe it's the only other site that we're actively looking at in District 6. We're currently pursuing a few sites in other districts. There's a long list of sites that we have looked at and taken off the table or are still looking at and we meet every other week. We talk on the phone every week when we're evaluating the work. A lot of work has gone into this. I agree with the speaker who said it was unfortunate that the community meeting had to be the same day or after this hearing. Although, this is only an informational hearing.

We're in the beginning of a process. We have many, many meetings scheduled between now and April 24th. We will continue to get input from the community. This is the beginning of that process. I agree it would have been ideal if the community meeting started before we had this meeting with you.

I appreciate you taking the time and hearing all of the public comment but we will continue. Nothing that we put up there on the board is a done deal. We laid out a proposal. We are certainly open and want to get feedback to how to make this work best for the community.

Commissioner Adams – Is the community going to be able to get their voices heard? Are there any citizens on that committee where they can actually have their voices heard, their concerns addressed because one thing that I heard really clear today from the citizens is that they felt like this thing was being rushed. When people feel like they're being rushed or hoodwinked, there's going to always be some suspicion. Is this thing going to go at a pace where everybody can be involved and have dialogue? Because there has to be a narrative on this.

Jeff Kositsky - Absolutely. I believe tonight some members of the Dogpatch Neighborhood Association are going to be joining the community meeting. We'll talk about the process and their ongoing involvement, not just during the development but their ongoing involvement in the operations of the Navigation Center at Central Waterfront including the expectation which they exercise when they need to of being able to contact me or somebody on my leadership team when there's an issue in their neighborhood and asking us to respond to it quickly and use the resource of the Navigation Center and the Central Waterfront to respond to those issues. Again, I'll let the neighbors speak for themselves and share their direct experience working with us and their ongoing involvement with us and our non-profit partner.

Commissioner Adams - We heard it very clearly. Evidently, from what I heard from so many people speaking today, clearly, they don't feel like it's enough police and enough protection and security in those areas for people to feel safe. That might be something that would calm people's fear if they knew, whether they like it or not, if you're going to move forward, even if you don't, that there has to be policemen. People have to feel safe. If you live somewhere and you're paying a lot of money for your mortgage, you want to feel free to walk around your neighborhood and explore it because, when you really think of it at the end of the day, we have over 30 million tourists a year that come to San Francisco. San Francisco is a city that thrives on tourism. Down at Pier 27, we're trying to build up our cruise ship business to over a million passengers a year. People walk back and forth going to the Giants game. then, you're going to have the Warriors.

So much is happening in our city and then the problem with the infrastructure and the traffic. There's so much going on right now. I'm hoping, as we take the slow path, that people understand we bring the community along with us. But there's a lot more, in my opinion, of discussion that's got to take place because this is a very painful situation. I don't know if the homeless -- in my opinion, it just means the person is just a regular person. I don't know if we can solve the homeless problem. We've always had the homeless problem. Even if you read in the Bible, back from the beginning of time, we've always had those people.

Anybody can wind up homeless. A lot of people don't think that. You could have a bad divorce. You could have a bad drug problem. You could have a stroke or an aneurysm. A lot of people at one time had it all together. Nobody should ever put themselves above the community and think that something like that couldn't happen to them because they say people are only a couple paychecks away from being homeless and living paycheck to paycheck.

We all have to check ourselves sometimes because we could wind up there because there's a lot of people that are homeless. At one time, they had it all together. I'm looking for more public comment and seeing you come back.

Commissioner Brandon - Director Kositsky, thank you so much for your presentation. Thank you, everyone, for coming out and sharing your opinions. This is a difficult issue. I've never heard any community stand up and say, please give me a Navigation Center. I have not heard that yet. We've had this conversation before because we have a Navigation Center on Port property. The Dogpatch community, the Bayview community had the same concerns that you do. The Dogpatch community has asked us to extend the Navigation Center in Dogpatch. We didn't ask them. They came to us and said it's working so well. We see such a difference that we want it to continue.

I encourage everybody to keep an open mind, to listen, to get educated, try to understand what it is that they are proposing because all homeless people are not drug dealers or users. All homeless people are not criminals. Homeless

people are homeless because they can't afford to live anywhere anymore and it is a citywide crisis. We can't not do anything. We have to do something.

I agree that the concentration of Navigation Centers should not be in District 6 and District 10. I think it's a citywide issue. I think every community should share in it but we cannot just ignore it. We have to do something.

I look forward to hearing what happens from tonight's meeting. I look forward to hearing from all the other comments from all of the meetings that will be held between now and the end of April. If that time we're not ready to move on it, maybe we'll push it to May. Everybody needs to keep an open mind and give it a chance.

8. FINANCE & ADMINISTRATION

A. Informational presentation on the Port's Report on Contracting Activity for the First and Second Quarters of Fiscal Year 2018-19 (July 1, 2018 through December 31, 2018).

Boris Delepine, Finance and Administration - We will be going over our contract activity for the first two quarters of the current fiscal year. That's the period between July 1, 2018 to December 31, 2018. I will discuss contracts that we've awarded, payments made on those contracts and talk about the current state of our LBE utilization plans on the development agreements at Pier 70 and Mission Rock and then close by talking about some of our outreach activities.

There are currently 1,291 certified LBE firms in the city and county of San Francisco. That's a 147-firm increase, or 11 percent more, than we had a year ago. We're seeing a significant increase in firms that are participating in the LBE program. During the first half of this fiscal year, we awarded six new contracts valued at \$25 million. Three, or 50 percent, of those contracts went to LBE prime contractors. 39 percent of dollars awarded went to LBE firms.

Of the three contracts awarded to LBEs, two went to OBE firms. One contract was awarded to an African American-owned minority business enterprise. One contract was responsible for 78 percent of the overall dollars awarded during the reporting period. That was the Crane Cove Park Improvement Project awarded to Gordon N. Ball, a non-LBE firm. When that \$19 million outlier contract is omitted from our overall awards, our LBE performance climbs to 91 percent. While we saw fewer new contract awards in the first half of the fiscal year, we're going to see a significant increase in contract activity for the remainder of fiscal year 2018-'19.

Now, turning to payments made on open Port projects, over \$15.5 million was paid to Port contractors in the first half of the fiscal year. Forty-eight percent of those payments went to LBE firms. During the reporting period, construction

and professional service contracts exceeded the average LBE subcontracting goals while, as needed, contracts fell slightly below their LBE requirement.

The majority of our contracts are meeting our goals. All of our contracts are currently on budget. We have two that are falling behind schedule due to the rains that we experienced this winter. The Crane Cove Park Improvements Project and the Pier 94 Backlands may have to come back to you for extensions on their schedules. Details on all the current contracts and their LBE performance are included in attachments two, three and four of your report.

The slide compares awards made in the first six months of each of the past five fiscal years. While we had a dip in LBE award amounts during the reporting period, it's important to note that payment amounts increased significantly from past reporting periods. But our overall LBE payments have stayed within the 50 percent range. This is evidence that we've had strong LBE participation on the contracts that were awarded in previous reports. This is another view comparing dollars awarded and contract awards to LBEs for the first half of the past five fiscal years.

We're always beholden to the type of work required on any given project and the pool of firms that are available to perform that work. Large contracts like Crane Cove Park or the Seawall Resiliency Contract tend to decrease our overall LBE participation. But we have been able to stay over the 40 percent aspirational goal set by the mayor's office. We expect that red line to take an upward spike in the second half of the fiscal year. The Port currently oversees two development projects at Pier 70 and Mission Rock.

Each project is now in the implementation phase. We'll be going through extensive planning, engineering and construction in the coming year. Each project also has committed to a unique LBE utilization plan that governs the project's local business inclusion and participation. The Pier 70 project managed by Brookfield Properties, formerly Forest City, committed to a good-faith outreach goal of 17 percent. Construction work, which has been performed to date includes demolition, site setup, rough grading and architectural services for adaptive reuse of Buildings 12 and E2.

As of the latest reporting period 21.7 percent, or \$6.8 million, in contract awards from the Pier 70 project have been awarded to all LBE firms. This includes large SBA LBEs. The next infrastructure bid package is coming forward in the next few months. It's valued at \$43 million and is expected to exceed 30 percent LBE participation.

Last year, Brookfield hired RDJ Enterprises, an LBE-MBE firm, to provide outreach guidance and project support. Dwayne Jones from RDJ Enterprises was here earlier but had to leave. Mission Rock Partners, L.L.C., a joint venture between the Giants and Tishman Speyer, completed entitlements last year.

The Mission Rock project is a little bit behind in terms of schedule behind the Pier 70 project. They recently issued a request for qualifications for professional services. Forty percent of the 200 submittals they received came from LBEs. Firms are going to be short-listed and be invited to bid on specific RFPs in the summer of this year. They've hired Monica Wilson, a woman-owned LBE firm headquartered in the Bayview, to provide LBE outreach and support to the Mission Rock team.

In addition to the formal administration of Port contracts, we've spent a good portion of the reporting period organizing outreach activities to increase participation among small local businesses. In partnership with the African American Chamber of Commerce, we held a minority business enterprise mixer in September.

The event allowed small firms to register for 10-minute meet-and-greet sessions with over 17 large contractors that were in attendance. In February, with the support of Meriwether and Williams Insurance Services, we held a technical workshop to give micro firms tips and tricks in submitting winning proposals and to promote our upcoming, as-needed engineering micro-LBE opportunity.

Finally, the Port's third-annual contracts open house is scheduled for Thursday, March 21st from 8:00 a.m. to 10:00 a.m. in Pier 1. Today, we've had over 130 people commit to attending this largest of our networking events related to contracting. We hope all of you are able to attend on the 21st.

We're currently in the midst of evaluating several RFPs. With each of our latest solicitations, we received more proposals, many from new firms that first learned about these opportunities through our outreach events.

In January, we received 12 responses to our as-needed engineering RFQ whereby we received half that number for the same solicitation in the past. Interest from firms to work for and with the Port is increasing with every new solicitation.

Upcoming opportunities include our micro-LBE as-needed engineering RFQ, which was issued today. We're going to award four contracts valued at a million dollars each through that solicitation.

In April, we'll be issuing an invitation for bids for a \$3.9 million contract to rebuild Building 49 at Crane Cove Park. In late April, our as-needed environmental services RFQ will become available. The South Beach marina repairs project is slated to go forward this summer.

In conclusion, 39 percent of dollars were awarded to LBEs while 48 percent of contract payments went to LBE firms. When we exclude that Crane Cove Park project, our numbers climb to 91 percent. Nearly half of all payments went to LBEs. We saw fewer than average contract awards during the first half of the

fiscal year but we expect many more in the second half. We will continue to outreach and be as inclusive as possible to LBE firms.

Commissioner Adams - Good job, Boris. It was short and sweet but seemed like it keeps getting better. You laid it out really well. Thanks for all the effort that you've put forward and a lot of transparency in this report. Keep pushing.

Commissioner Makras - Great. No questions. Thank you.

Commissioner Brandon - Boris, thank you so much for this report. I really appreciate all the detail that you put into it and all the activity that has gone on to increase our outreach to LBEs and the fact that we are increasing the amount of LBEs that we're doing business with. I think that's phenomenal. Can you please give me a breakdown of our LBEs for the contracts awarded?

Boris Delepine – We awarded six contracts during this reporting period. Of the six, three went to LBE firms, 50 percent of them. Two of those went to OBE firms, and one went to a minority business enterprise.

Commissioner Brandon – LBE breakdown in percentages, meaning in dollars?

Boris Delepine - I don't have those numbers in front of me. But I can tell you that if we take out that outlier

Commissioner Brandon – No, I want the total.

Boris Delepine - I can provide those.

Commissioner Brandon - Each time we have this report, I always ask that question because I want to know if we are increasing our equity in LBE contracting at all. Also, for the Giants and for Pier 70, those are such huge contracts that I would like to see it broken out like we do our contractors. I want to see how much, who they're contracting with, what LBE firms are being used, what the percentages are but not just the numbers. On Mission Rock, how much has been spent over 10 years already? What have they been doing over the last 10 years? I don't need to know that 40 percent of the respondents were LBEs. What have they actually spent? And what have they spent with LBEs? That would be great to know for future reports.

Boris Delepine - I will include that in future reports.

Commissioner Brandon - Thank you so much for this report.

- B. Informational update on the first bond issuance request, in the amount of \$45.8 million, for the \$425 million General Obligation Bond to support Phase I of the Seawall Earthquake Safety and Disaster Prevention Program.

Katie Petrucione - I am the Port's CFO. I am here this afternoon with an informational presentation regarding the first proposed sale of the 2018 seawall bond. Staff plans to return to commission at your next meeting on March 26th to ask for approval to submit a request to the mayor and the Board of Supervisors for the sale and appropriation of this first round of GO bond funding.

As you know, nearly 83 percent of San Francisco voters approved a \$425 million general obligation bond to fund improvements to the Embarcadero seawall this past November. Port staff, in partnership with the city's Office of Public Finance and the capital planning committee have been doing our due diligence and are proposing a first bond sale in the amount of \$45.8 million plus the additional cost of issuance.

The proceeds from this first sale would support planning and preliminary design for phase one of the seawall program. The bond measure received such strong voter approval because San Franciscans recognized the critical role that the seawall plays in protecting key city assets including transportation and utility infrastructure, emergency response facilities and billions of dollars of economic activity.

Throughout the seawall program, the Port has articulated six key goals: to act quickly, minimize damage, improve resilience, enhance our landscape, preserve economic resources and engage the community. This first bond sale will help to support each of these goals.

Staff propose that proceeds from the first bond sale will fund program management including Port staff, program development, project planning including technical engineering work such as site and geotechnical investigation, risk assessment, an alternatives analysis and identification of potential pilot projects as well as stakeholder engagement and preliminary design.

Additionally, we are proposing to use funds from the first bond sale to act as the Port's match to the U.S. Army Corps of Engineers flood study. As you all know, the Port was awarded a new start from the Army Corps last fall. Since then, Port staff and Jacobs, which was formerly CH2M Hill, our engineering consultants, have been working very hard with the Army Corps of Engineers on the flood study. While our RFP for our contract with Jacobs envisioned that the Port might add flood control work to the contract, the contract that the board and this commission approved does not include that scope of work. Port staff expect that it is possible that we will return to the commission at some point in the next several months with a request to increase our contract scope with Jacobs. This would also require approvals from the city's civil service commission as well as from the board of supervisors.

As you can see, the section highlighted in green on the schedule slide shows that the Port expects that the first bond sale will fund seawall program activities

through June of 2021. The Port continues to budget \$500 million for phase one of the seawall program. Staff continues to seek sources including contributions from the state and development of special taxes to fund the remaining \$54 million gap in phase one. The first bond sale will reimburse \$6 million of the \$9 million loan that the city's revolving capital fund made to the seawall program.

We would anticipate reimbursing the remaining \$3 million to the revolving fund with the second bond sale. The Port is also proposing to reimburse \$3 million in Port capital that it has contributed to the seawall program to date, allowing us to reapply those funds to seawall program work that is not bond eligible.

Today is the first in a series of presentations and approvals that are necessary to complete and appropriate the bond sale. Staff will appear at the city's capital planning committee on Monday, March 25th and, as I mentioned, return to the Port Commission for its approval of the bond sale on March 26th. We hope to introduce legislation at the board of supervisors on April 2nd. We will then have a hearing at the board's budget and finance committee and are targeting board approval for the bond sale on April 23rd. If all goes according to plan, we will sell the bonds in the middle of May and then have proceeds in hand by the beginning of June.

While Port staff are deeply appreciative of the passage of this general obligation bond, we continue to seek a wide range of resources to fund both phase one of this program as well as the next phases of work, which we estimate may cost up to \$5 billion over the next 20 or 30 years. This, we all appreciate, is the work of a lifetime. We are very proud to be shepherding the start of this enormously important effort to protect the waterfront and the city.

Commissioner Makras - Who does the selling? Do we pick the company? Or does another city agency?

Katie Petrucione - The Office of Public Finance manages the GO bond sale. The finance manager and the bond counsel will pick the company.

Commissioner Makras - Do they have a pool of people that they use?

Katie Petrucione – Yes, they do.

Commissioner Makras – Do they have some MBE, WBE in their pool? Do we have any say in how we direct that since it's our bonds?

Katie Petrucione - Yes, they do and they check in with the Port. They have a pool. They run through their list in order. They asked me if we had any objections to the people who were next in line, and I said no.

Commissioner Makras - I see these as opportunities for the programs and beliefs that we have to fulfill them. If it's our bonds and we would be able to give it to a particular contractor that we want to give San Francisco business to.

I would just throw that out and wondered if we do have the option or we're just yielding completely to another agency.

Elaine Forbes - We do have that option with our own revenue bonds and the bonds that we hold and reimburse. But because this is a general obligation bond that the voters repay, the Office of Public Finance has that responsibility. We can check in with them. I know they have a well-developed LBE program and I know they also share our goals.

Commissioner Makras - I hope everyone shares our goals. But delivering them, sometimes, a little prodding is more successful. Who is bond counsel?

Katie Petrucione - I don't know. We are waiting for the city attorney to select bond counsel both for this GO bond sale, and then we have a revenue bond refinancing. They have an RFP out. We're waiting for them to select.

Michelle Sexton, Port General Counsel - I don't know who they've selected. But I can tell you that, when it comes to the issuance of any city bonds including Port bonds, the city attorney's office selects a prime contractor that will be dedicated towards Port property and Port bond sales as well as a co-bond counsel. There will be what they typically refer to as a majority firm and an LBE firm and they will co-manage the issuance.

Commissioner Makras - Who negotiates the fee? Do we have control of that? Can we negotiate it?

Katie Petrucione - No. That is managed by the Office of Public Finance.

Commissioner Makras - Do they charge our fee on the 45.8? Or do they charge the fee based on the cumulative bond sales that they'll do for the day?

Katie Petrucione - No. It will be on our 45.8. There are cases where you might partner with another agency that's also selling bonds at that time but we're alone in this sale.

Commissioner Makras - Do we fill out the financial statement based on the Port? Or do we fill out the financial statement based on the city?

Katie Petrucione - It's the city's financial statement.

Commissioner Adams - I appreciate the good questions that Commission Makras asked. Katie, it's good to see you present. I hope you present more often.

Katie Petrucione - I'm glad to be here.

Commissioner Adams - Thank you. This is good. I see that at our next meeting on the 26th, we will vote on this.

Katie Petrucione - Yes. We will bring an action item.

Commissioner Adams - It seems like things are going pretty well. I look forward to when you come back. Seems like we really have a lot of support for the path through the bond sale. Clearly, it's what we're going to need for our seawall.

Commissioner Brandon - Katie, thank you so much for this presentation. This is exciting. A lot of good stuff happening in our future. Just want to make sure that this is just for the bond funding. But once we decide how we're going to spend the money, then you're going to come back to us? Or this goes into the capital budget? Or how does that work?

Katie Petrucione - We are going to be taking two pieces of legislation to the Board of Supervisors: (1) a resolution approving the bond sale and (2) a supplemental appropriation ordinance appropriating the proceeds from that sale. So that becomes our budget authority for that \$45 million.

Commissioner Brandon - So the appropriation is in here?

Katie Petrucione - The item that we come back to you with at the next commission meeting would be requesting the commission's approval for us to forward a request to the mayor and the board of supervisors, both for the sale as well as for the appropriation of funds. By the time we come back to you, we should have a draft supplemental appropriation ordinance for you to review.

Commissioner Brandon - We shouldn't have that for the info item?

Elaine Forbes - What Katie is going to show is a budget per line item, which is overwhelmingly design and engineering contract. But we can break it down into its sub-components. Then, there is an additional contract amendment that we're funding here.

Katie Petrucione - I don't believe that we need the supplemental to fund the contract amendment but we need the contract amendment in order to create availability for us at the end of the contract.

Elaine Forbes - We can bring a budget with the item. We'll bring it at the approval time.

Commissioner Brandon - I was just wondering why we're only getting this part.

Elaine Forbes - I think it's because, when we approved the Jacobs contract, it had a series of spending plans. But here, there is an assumption that there's more funding required for the Army Corps of Engineers. When we come back, we'll do the budget piece. If you need additional time, let us know if you need two reads.

Commissioner Makras - If I could just loop around, if we're selling 45.8 in bonds and, at the end of the day, we're going to publish something different than 45.8 because of the costs and everything that's associated because it gets added on, is that accurate?

Katie Petrucione – Yes, it's the 45.8 plus costs of issuance.

Commissioner Makras - o I think it's advantageous, since we're doing basically a half a billion, that we share those numbers and we be transparent. We know that we're competitive at these costs. It just doesn't get lost, and we wake up 10 years from now or five years from now and say, hey, you approved X amount of bonds. We spent \$25 million on costs. We spent \$12 million on costs. We spent \$6 million. The transparency would be helpful because we will continue to go to the public and ask them for money. We have the whole seawall to fund. Following and tracking fair costs for all of this, particularly since we're not putting it out to bid, particularly since we're not in charge, we should create the transparency for check and balance and fair figures.

Katie Petrucione - Commissioner, specifically, are you talking about the transaction costs for the bond? Or are you talking about the overall budget for the \$45.8 million?

Commissioner Makras - For the costs, the counsel, for selling them, etc.

Katie Petrucione - We'll work with the Office of Public Finance to get an estimate for what we expect the transaction costs to be. Once the transaction is complete, we can report back on what they actually were.

Commissioner Makras - I'm not sure if it interests my colleagues, but it'll interest me at what date we pin it and what they bid them. Will they bid them cheaper than what we're willing to take and all of that? That will give us our own sense of how the market will treat us in the future on our bonding.

Katie Petrucione – Yes, we can do that.

9. NEW BUSINESS

Commissioner Adams - I'd like to make a special point of privilege. Since Commissioner Woo Ho had to leave, I would love to get her comments about the Navigation Center. I think it ought to be on the records because she was here for most of the discussion. If it's okay with President Brandon, I'd like for Commissioner Woo Ho to put her comments on record, please.

Commissioner Woo Ho - Given all the comments that we did hear from the public, I do think that the process was probably a little bit accelerated. I would have deferred that we need to have the Mayor's Office of Homeless work with the community more on some of their issues and concerns. We're just the landlord. We are trying to be good and work well with City Hall. We do understand the issue of homelessness.

The couple things that I thought before we heard all the comments related to the size, the location, the safety and the purpose is that, on the one hand, we do know that we want this seawall lot in the long term to have the best and highest use.

This obviously not the best and highest use. We know it's an interim use. If we were to proceed with the interim use and if the community was comfortable with all the issues that they raised, if the Department of Homeless can satisfy their concerns, I would have suggested that we have a very clear transition plan in the lease way before the end of the lease because this is an interim use.

From the Port Commission standpoint, I would say we have to make it very clear that it's an interim use. This is not a permanent use. Now, that may not be according to what the public said, they think that's not a good idea. But from our perspective, we do want to get the best and highest use in the long term. We want to also work within the city family. I don't think that we are in a position to address all of the issues that the public raised within the Port Commission.

I think it had to be deferred and sent back to City Hall and the Department of Homelessness to address those concerns in more detail. The process has to be a little bit more detailed. Probably, the speed of this was a little bit too fast. The community was not ready and I don't know if they ever will be ready. I did not have the benefit of all the comments of my fellow commissioners in terms of what their reactions are. We want to be able to work with everybody.

We want it to be a win-win for everybody. Today, we are not in a win-win situation with the community and with City Hall and ourselves. That's still missing in this equation.

10. ADJOURNMENT

ACTION: Commissioner Adams moved approval; Commissioner Makras seconded the motion. All of the Commissioners were in favor.

Port Commission President Commissioner Brandon adjourned the meeting at 6:38 p.m.