JOINT MEETING OF THE CENTRAL AND NORTHEAST WATERFRONT ADVISORY GROUPS

JULY 17, 2019

DRAFT MEETING MINUTES

Port of San Francisco, Pier 1 the Embarcadero– Bayside Conference Room Embarcadero at Washington Street, San Francisco 5:30 – 7:30 p.m.

Central Waterfront Advisory Group Member Attendees:

Katy Liddell, South Beach/Rincon/Mission Bay Neighborhood Association (SBRMBNA)
Jamie Whitaker, SBRMBNA
Chris Wasney, Preservation Architect
Jasper Rubin, SFSU Geography Department
Ted Choi, City Kayak Pier 40
Howard Wong, SF Heritage & SPUR

CWAG Members Absent:

Toby Levine Mission Bay Resident Katherine Doumani, Dogpatch Neighborhood Association Marc Dragun, The Brannan HOA Ritita Puri, The Watermark HOA Ralph Wilson, Potrero Boosters

Northeast Waterfront Advisory Group Member Attendees

Jane Connors, The Ferry Building
Jon Golinger, Telegraph Hill Dwellers
Stewart Morton, San Francisco Heritage
Carol Parlette, Golden Gateway Commons
Bruno Kantor, North Beach Neighbors
Ficka McGurrin, Pier 23 Café
Bob Harrer, Barbary Coast Neighbors

NEWAG Members Absent

Alec Bash, City At-Large Kim Bernet, Exploratorium Roy Chan, CCDC Arthur Chang, San Francisco Tomorrow Michael Franklin, Levi's Plaza Property Mgmt Michael Gougherty, WETA Stephanie Greenburg, SoTel Bob Iwersen, Golden Gate Tenants Association Cathy Merrill, SPUR Marina Secchitano, Inland Boatman's Union of the Pacific Pam Perez, Metro Events

Port Staff

Ryan Wassum, Design Review Planner
Phoenix Alfaro, Planning Intern
Peter Albert, Real Estate
Rebecca Benassini, Deputy Director of Development
Mark Paez, CWAG Coordinator
Ming Yeung, NEWAG Coordinator
Patrick Foster, Planner
Diane Oshima, Deputy Director Planning & Environment

Audience

Alice Rogers, SBRMBNA Simon Snellgrove, Pacific Waterfront Partners Reiman Reynolds, Pacific Waterfront Partners Elliott Schimmer, Environmental Science Associates

1. Announcements and Introductions

After introductions, Mark Paez announces that the next regular meeting of the CWAG is scheduled for August 21st 2019 and reviews items of interest to both CWAG and NEWAG on the upcoming Port Commission calendars. Ming Yeung states that the next NEWAG will be in August or September and a notice will be mailed prior to the meeting date.

2. Approval of Draft Minutes

After discussion, CWAG approves the May 15th and June 14th meeting minutes and NEWAG approves the draft March 20th meeting minutes. Mark announces that he is working on revisions to respond to CWAG comments on the draft June 5th Special meeting minutes.

3. Opportunities for All

Sheryl Davis, representative of the San Francisco Human Rights Commission, provided an overview of Mayor Breed's initiative to create paid internships for high school youth and young adults up to the age of 24. The intent of this program is to be inclusive and aims to fill in the gaps of accessing paid internships and is summarized as follows:

- The program started with 1000 slots that aimed to support existing city programming and ended now has 2300 people registered.
- The program managed to place 1,500 youths with paid internships, with the largest placement occurring at SFO with 200 interns.
- Over 100 employers have taken on interns, including small business and large organizations such as Bank of America and Black Rock.
- A special pilot program was recently launched with Airbnb that is hosting 30 interns who will work 20 hours a week on a special project focused on community engagement.
- LinkedIn and Code Tenderloin are offering coding tutorials.
- The University of San Francisco has been collecting data and conducting focus groups to understand the impact of this program. The Bayview, Sunnydale and Visitation Valley neighborhoods are being studied.
- The program seeks to develop a diverse pool of interns and to connect with people who have no work experience.
- About 1300 people participated in the first survey, and results show that 40% have no work experience and 70% worked a job that lasted less than six weeks.
- The program offers participants the opportunity to develop skills and experiences that can lead to economic mobility.
- The program also helps build social capital and networking abilities so that participants
 can ask employers for letters of reference helping them with development of long-term
 careers.
- The Mayor is committed to continuing the program and leveraging city dollars and private donors for support.
- The SF Giants recently signed on and launched a kickoff event. The Port will also be hiring participants.
- It is difficult for the program to accommodate the demand for internships due to the limited placement capacity.
- SFO and DPW have both agreed to enroll 200 participants at each department. The first DPW group was dispatched at the Port, many of whom do not frequent the Embarcadero.

Sheryl concluded the presentation by passing out handouts and stating that it is the Mayor's intention for every high school youth to get have access to paid internships.

NEWAG/CWAG Questions and Comments:

Question: There are many small businesses around the city that have help wanted signs outside their windows. Are they included in this program?

Response: Yes. We are working with the Office of Economic and Workforce Development and subsidizing small business to hire participants.

Question: Is this program just focused on youth in San Francisco?

Response: It is a combination of students who live or attend school in San Francisco, as well as children of people who work in the city.

Question: Was there press coverage of the program?

Response: There was some media coverage in the SF Chronicle. The recent kickoff was on a couple of news channels. Next year, we will be more intentional with coverage.

Question: Is there contact information on the handout?

Response: Yes.

4. Draft Waterfront Plan

Diane Oshima, Deputy Director of Planning and Environment provided an overview of the draft Waterfront Plan and thanked the Working Group and Advisory Group Members for their participation in the lengthy process. Diane's presentation is summarized below and her slides can be viewed HERE:

The update was a three-year process that focused on amendments to the old plan and the draft was released in June 2019. The comment period extends to September and the document is available on the Port's website. The Plan revision includes the following nine goals:

- 1. **A Maritime Port:** Maritime industries extend across the waterfront, each with different requirements and capital needs. An overarching objective is to maintain maritime industries on the waterfront.
- 2. **Diversity of Activities:** The Port should also support additional uses that are not in conflict with maritime. These include work-day life activities, office and Production, Distribution and Repair (PDR) use, and an open space system. Public-oriented uses are a major priority, which are related to historic pier rehabilitation projects.
- 3. **Public Access and Open Space:** The Port has a 7.5-mile network of parks and open spaces. It has seen major transportation improvements after the Embarcadero Freeway was demolished. We now have the Blue Greenway which is in the Central and Southern Waterfront south of China Basin in an industrial setting. The plan focuses on supporting enhancements and activating existing public parks and open spaces that are under utilized. Many of the sites are set and framed, although the largest open space opportunity identified in the plan is to improve the civic plaza behind the Ferry Building.

- 4. **Urban Design and Historic Preservation:** The design and access guidelines have been collapsed and included in the design goals and policies. The updated plan recognizes that the Port has historic districts, that impact pier improvements.
- 5. **A Financially Strong Port with Economic Access for All:** As an enterprise agency, the Port is seeking development opportunities to address its maintenance backlog and create opportunities for employment that benefit everyone. As a Public Trust agency, the Port is responsible for providing attractions for the people of San Francisco and California.
- 6. **Transportation and Mobility for People and Goods:** The Port is not responsible for transportation services, so agency partnerships are critical for achieving transportation goals. The Port needs to understand other agency plans and align them with priorities along the waterfront. Water Emergency Transit Authority (WETA) is an exception, as the Port can influence the growth of water transportation. These projects include the expansion of the Ferry Building terminals, Mission Bay Ferry Terminal, and the temporary facility before the Chase Arena opens. Pedestrians and bike networks should be synchronized with knowledge and funding.
- 7. **An Environmentally Sustainable Port:** The Port has rich and deep environmental stewardship practices that are guided by waterfront environmental regulations. This includes shoreside power and stormwater management. This section explains all facets of sustainable management and practices, which is imperative for the public to understand. This will also contribute to the Port's resiliency program.
- 8. **A Resilient Port:** The Port is spearheading the Seawall and Resiliency Program, conducting community outreach, and working with the Army Corps on a Flood Study that identifies flood issues where the federal government can assist local initiatives. The goals and policies in this section of the draft plan provide guidance to the seawall and sea level rise efforts. They express the public value of improving and creating a safe waterfront.
- 9. **Partnering for Success:** Communication is to be delivered in multiple ways. Advisory group meetings are the main form of outreach, but the Port is looking to hold meetings with other organizations who are wanting to learn about the Port. This will help them develop an understanding of the Port and support the agency.

The nine goals and Port-wide policies are applied to objectives for geographic subareas identified in the Plan. NEWAG and CWAG should develop an understanding of these policies for their respective sub-areas and let the Port know if they make sense. For example, the South Beach subarea has narratives of intentions for objectives. Staff provided packets of these sections for the meeting, which are germane for the Embarcadero Historic District Request for Proposals (RFP's). Each subarea section includes a map and acceptable land use table. The Waterfront Plan is a result of the 1990's voter approved initiative Proposition H, that requires an acceptable land use table for piers and properties within BCDC jurisdiction. This table goes beyond and includes all properties.

Public discussions during the Waterfront Land Use Plan Update process included accelerating efforts to rehabilitate historic piers. The Port wants to open more piers to the public and provide

a more standardized and predictable way for achieving objectives while taking sea level rise into account. The Embarcadero is the priority because of seismic vulnerability. The RFP's aims to have a development program with revenue-generating uses that can take on the costs of seismic upgrades while allowing for public-oriented uses that need lower rental rates. Piers 30-32 and SWL 330 are not part of the Embarcadero Historic District and have different conditions. The policies give focus on immediate actions for the next 10-20 years to improve existing resources while considering the impacts of sea level rise and seismic activity.

The Port is accepting public comment through September. The advisory groups are closest to the Port to weigh in on gaps or questions for course corrections and make refinements before the environmental review of the document commences. The Plan is dedicated to the late Corrine Woods who was a CWAG member and advocate for multiple waterfront issues. The Port recently named a Pier 52 public boat launch in her memory.

NEWAG/CWAG Questions and Comments:

Question: What does Q3 mean in the PowerPoint?

Response: It means the third quarter, which is from now until September.

Question: Can you provide additional resources that outline the difference between the new and old plans?

Response: We can do that. This updated Plan has a lot of new content and was re-organized for the design and access policies.

Question: From my initial read, there are two things that are different. I am concerned because Proposition H requires a plan, not a vision. It wasn't a micromanaged attempt, but something in between. Does use belong in the Waterfront Plan? There is a complete deletion of specific narratives of what belongs on each pier. The proposed objectives are good, but they are not precise and do not identify specific piers.

Response: The acceptable land use table is an integral part of this document. Proposition H is a legally binding element for this document. We want the public to understand that some non-maritime uses are allowed on certain piers.

Question: Will the RFP's allow office uses to finance historic pier rehabilitation?

Response: Yes. With the establishment of the Embarcadero Historic District, it has been recognized that high revenue uses may be needed to help finance some of the improvements needed to the piers and to achieve a full benefits package that include public-oriented uses.

Question: Will the RFP involve microzoning, where public oriented uses are allowed in bulkhead buildings with offices and other high revenue uses in the pier sheds?

Response: We need to examine the setting of each pier and choose the best configuration. This is the time when public desires and needs are identified.

Question: The Northeast Waterfront section of the plan starts with a photo of Rincon Park which is more a part of South Beach...was this intentional?

Response: We are happy to change the photo. There were boundary changes to the subareas.

Comment: If one were to envision a continuous ribbon from north to south and work out perfectly, where you can walk, run, bike and take water transit, the waterfront would be a magnet for the city with a dynamic mix of uses – an urban mixture of cafés next to shops. Maritime would also contribute to this dynamic mixture.

Comment: Lamenting the fact that the Chelsea Piers sports complex proposal was unsuccessful, including that concept is a very wise way to go to incorporate enthusiastic people who are athletic. There is a constant safety concern due to the shared use of the Embarcadero Promenade. We need to figure out how to protect people with carriages and strollers and allow bikes and scooters to have the right of way with conscious organization. The lack of safety makes the promenade dangerous for pedestrians.

Question: Are scooters and electric vehicles prohibited on the promenade and is that written into the plan?

Response: Motorized vehicles are not allowed on the promenade. This is an enforcement problem and capacity issue because the bike lane is narrow, causing cyclists and scooters use the promenade.

Question: What does the Embarcadero Enhancement Plan entail?

Response: The Enhancement Plan identified funding to implement enhancement concepts that everyone would like. MTA is looking for money and thinking about the phasing of the seawall. Initially the Port and MTA are focusing on short term improvements focused on safety, but this falls short of a full solution. More green paint was added a year ago, which was part of that effort.

The advisory group members thanked Diane and the Port staff for their collective effort to produce an update of the Waterfront Land Use Plan and agreed to review the document and provide comment by September.

5. Embarcadero Historic District Request for Proposal

Rebecca Benassini, Deputy Director for Development, begins the presentation and states that she will focus on Piers 38 and 40 while Peter Albert, Special Projects staff will focus on Piers 30-32 and Seawall Lot 330. Rebecca explained that the presentation is meant to overlap with the Waterfront Land Use Plan efforts and stated that advisory group members will have an opportunity to key in on public values. Rebecca's slide presentation can be viewed HERE.

The RFP is an opportunity for the Port to test the draft Plan. It is important to get private investment in the district. Time is not on our side and our opportunity is now. Piers cost \$200 million to rehabilitate and the Port has a small capital budget. The Port must leverage private resources for pier rehabilitation and channel public resources to the seawall. We want to hear from the public about benefits. There are opportunities for developers to demonstrate adaptation strategies and alternatives that the Port can include in its long-term leases.

Two pier locations are the focus of the Embarcadero Historic District RFP: South Beach Piers and the Northern Waterfront Piers. The Port Commission considered several items – location, condition, financial considerations, and how much seawall information could be given to developers. Many new things were discovered during the process, that narrowed our options to these two preferred locations. There will be a staggered release: the South Beach Piers RFP will be released first, followed by the Northern Waterfront Piers RFP. The pool of RFP respondents will choose one, and they might respond to the second RFP if they don't win the first one.

The South Beach piers are older and were built with short caisson piles. These piers have not aged as well in the younger piers in the northern waterfront. Because of the poor condition of piers in the south the Port needs to provide a more flexible approach.

South Beach should key off the Pier 40 Marina and its water recreation. Brannan Street Wharf can be activated in a concerted way. It is a good location and Pier 38 received the most interest from the Request for Interest (RFI), but rehabilitation is challenging. The bulkhead is lengthy on the seawall which could potentially add more costs. Pier 40 has a surface parking lot, which could allow us to add a new building and make it consistent with the Embarcadero Historic District. This could be important for subsidizing and adding more to the Pier 40 shed that is under utilized. There can be strong enhancements of water use by utilizing the basin in between Pier 38 and 40. Pier 38 is a wonderful location, but the necessary repairs are costly. About 20% of respondents mentioned this was their preferred location. Anything that supports the marina and key harbor services should be maintained in the future.

During the solicitation process, there will be community outreach with advisory groups. A review panel of stakeholders, including the advisory group members, will be formed. The developer will have to go the Port Commission and present scoresheets. With regards to the RFI last year, Chelsea Piers declined, but the Port will continue to outreach to them. The Port hopes for public oriented uses to come through with the RFP. The goal is to activate piers along the Embarcadero and have a diversity of uses and activities. The Port is seeking developers who have experience with marine construction and executing waterfront development projects.

Rebecca concluded by stating that the goals and objectives from the Waterfront Plan will apply to the RFP. Hopefully the advisory group agrees that the community's interests are represented. The Port wants to hear more on public oriented uses, whether they are specific or broad.

NEWAG/CWAG Questions and Comments:

Comment: The list of public oriented uses is great, but there isn't a clear distinction and not all public uses are equally desirable. There needs to be a signal to potential bidders, or ways to get a diversity of users. Make sure to get greater diversity, using a narrative or other approach.

Comment: Will balancing the financial concerns and public-oriented uses result in uses that are truly public? The Ferry Building is wonderful, but it may not appeal to people with less money or youth. Repeating the Ferry Building use program up and down the waterfront would not be desirable.

Comment: At Pier 40, where recreational opportunities are available, there are things that can be made available. Ten years ago, Brannan Street Wharf included a proposed public dock but because of wave surge it was infeasible. If the new floating firehouse can be built for boats, there should be a way to build a dock at the wharf with more pilings or barriers that break waves and have public access docks. There are ways to improve the wharf and Pier 38. Kayak access tunnels should be allowed under Pier 38. When winds are strong, you can't get around the pier. If you provide tunnel access under the pier one could travel to the wharf from the south and give access to paddlers. Winds and currents are a challenge for kayaks. There is a lot of interest in sailing and training at the wharf. If there was a public access dock, there would be a higher interest in spending time here and this would help activate the wharf.

Question: I am struggling with the point about not being too broad or too specific. When you released the RFI, what did you learn about people's interest in the two piers?

Response: I will have a better answer, but Pier 38 had coworking ideas responding to SOMA employment and public orientation for classes, conferences, and industry professionals. The northern waterfront wanted visitor-oriented uses focused on art and having a consumer base to sell art to. There was interest from a tennis club, floating swimming pool, and basketball group. This is not a complete answer, but I will put specifics together.

Comment: I am sure you've learned a lot about Pier 1 and other developments. You've probably seen some ventures that require large capital. The proposed cruise terminal and Warrior's Arena were challenged by infrastructure costs. Developers need to have substantial upfront ability and revenue generation is the foundation. Perhaps, look at a larger RFP with flexibility. Open it up and ask how many piers are allowed in the proposal and have one development team.

Response: The Port Commission asked us to look at this "master development" option and after performing an analysis, it recommended against it. Because we have limited time the Port does not want to take a risk on one entity that could ultimately fail, so we decided to go with multiple pier offerings. The Port also wants to keep its interim tenants in place as long as possible. It will be a more competitive process by focusing on subareas.

Question: How long are the lease terms being offered?

Response: We are starting at 66 years. The RFP's will describe adaptation measures required and provide information about storm surge and what flood protections to deploy. Early lease terms will be negotiated depending on health and safety.

Comment: For Pier 38, the front end seems oriented for restaurant uses, but it shouldn't just sell fancy food. It should be accessible to low-income people and allow for culinary educational opportunities. A toddler playground like the one near the Pier 40 Harbor Masters Building could be included at Pier 38 to attract a wide range of users to the area.

Response: The policies in the draft Waterfront Plan provide more details for desired land uses on historic piers. There is a priority for public oriented uses that attract people to the waterfront. There will always be tension between affordability and cost. The lease terms try to address this with different lease durations. The diverse use section of the Waterfront Plan addresses full and partial rehabilitation policies.

Comment: We all wish the piers could support a high percentage of public oriented uses and be egalitarian. Underutilization of the piers is the result of needed seismic safety upgrades and rehabilitation. We can't rely on another Exploratorium project to come along and solve the problem. If we take this as a given and allow higher revenue generating uses, as was the case at Pier 70, let it be a cautionary or success tale. There is a perception that there was a bait and switch done by a skilled developer who sold us on public oriented uses. Now Pier 70 feels like an office park. Maybe it will become more public oriented in the future. PDR seems like a fancy term for offices. Public spaces have become private spaces. This is a public relations problem but can easily happen again without safeguards that should be included in the RFP to protect against it. You can micro-zone for public oriented uses. The master leases need flexibility to pencil out. We do not want another bait and switch.

Comment: You have exactly encapsulated what we are thinking about and nobody wants a repeat of what happened with Pier 70 leasing. Do not put up pictures of what might not happen. What is the minimum a development must deliver? The RFP process should set a minimum threshold to accept a developer and evaluate the feasibility of a project to deliver this public benefit and remain economically feasible.

Question: If there are four projects, three could be allowed to be non-public oriented and receive revenue, as long as there is one that really pops with 100 percent public oriented uses. Can the Port implement an impact fee, or is there a different way of approaching the problem?

Response: The public realm gives the appearance of public use when it really may be more privatized.

Question: Are there restrictions to not build on water? Can we build a room or building on the water?

Response: This is a historic district. The more you change the character, you trigger reviews and restrictions. You can build on water, but we are trying to rehabilitate these nationally significant pier facilities.

Comment: Pier 40 was partially rehabilitated 10 years ago, and millions of dollars.

Comment: That was just cosmetic improvements, not rehabilitation.

Question: If you look at all foundations, the least expensive option would be to do all required work at once. The Port should consider reinforcing or replacing infrastructure in the water all at the same time. Is it possible to float the piers? How would you do that – treat it as a single project and fund it with loans, bonds, or pool money with developers and combine it with the seawall?

Response: Relative to a Sole Source proposal, a developer must make a strong case for being on the waterfront. The RFP criteria and selection process should apply to all respondents. Diversity and equity really drove the Waterfront Plan, but authenticity did as well. We are recognizing the sense of place and trying to reinterpret the waterfront to avoid it becoming generic.

Comment: The approach should deliver public benefits first, or some mixed use, instead of frontloading high generating uses. The Watermark condominiums came first from the Bryant Street Pier Project. Front-loading the public benefits that a development must deliver makes it more challenging. The current Waterfront Plan allows offices and although not specific it contains good language. Other unacceptable uses should be called out such as high end private recreational uses.

Diane concluded by stating that she hopes everyone becomes more acquainted with the plan and stated that advisory group can provide feedback through different avenues. It might be a bit cumbersome, but the Port is trying to offer different formats for the public to engage. The advisory groups are on the front end and the Port is looking forward to feedback.

6. **Adjourn.** The meeting adjourned at 7:26pm