

SAN FRANCISCO PORT COMMISSION

Kimberly Brandon, President
Willie Adams, Vice President
Gail Gilman, Commissioner
Victor Makras, Commissioner
Doreen Woo Ho, Commissioner

Elaine Forbes, Executive Director
Office: 415-274-0400

Amy Quesada, Commission Affairs Manager
Office: 415-274-0406

AGENDA PORT COMMISSION MEETING

TUESDAY, NOVEMBER 12, 2019
2:30 P.M. CLOSED SESSION
3:15 P.M. OPEN SESSION

PORT COMMISSION HEARING ROOM, SECOND FLOOR
FERRY BUILDING, SAN FRANCISCO, CA 94111

The Port Commission Agenda as well as Staff Reports/Explanatory Documents available to the public and provided to the Port Commission are posted on the Port's Website at www.sfport.com. The agenda packet is also available at the Pier 1 Reception Desk. If any materials related to an item on this agenda have been distributed to the Port Commission after distribution of the agenda packet, those materials are available for public inspection at the Port Commission Affairs Manager's Office located at Pier 1 during normal office hours.

1. CALL TO ORDER / ROLL CALL

2. APPROVAL OF MINUTES – October 22, 2019

3. PUBLIC COMMENT ON EXECUTIVE SESSION

4. EXECUTIVE SESSION

A. Vote on whether to hold a closed session and invoke the attorney-client privilege.

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED LITIGATION MATTERS. Discussion and possible action on anticipated litigation matter pursuant to Section 54956.9(d)(4) of the California Government Code and Section 67.10(d)(2) of the San Francisco Administrative Code with City as plaintiff regarding the Pier 24 Annex and Pilara Family Foundation as tenants.

(2) CONFERENCE WITH LEGAL COUNSEL AND REAL PROPERTY

NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. *This session is closed to any 2oncity/Port representative: (Discussion Item)

Property: One Ferry Plaza, a portion of the Ferry Plaza at the Embarcadero and Market Street

Persons Negotiating: Port: Michael Martin, Deputy Director Real Estate and Development

Negotiating Parties: Alfred Tom, Ferry Plaza Limited Partnership

Under Negotiations: Price Terms of Payment Both
The Port and Ferry Plaza Limited Partnership (“FPLP”) are negotiating an amendment to FPLP’s existing lease for the property. In this executive session, the Port’s negotiator seeks direction from the Port Commission on factors affecting the price and terms of payment, including price structure, financing mechanisms and other factors affecting the form, manner and timing of payment of the consideration for the lease amendment. The executive session discussions will enhance the capacity of the Port Commission during the public deliberations and actions to set the price and payment term that are most likely to maximize the benefits to the Port, the City and People of the State of California

5. RECONVENE IN OPEN SESSION

- A. Possible report on actions taken in closed session pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.
- B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

6. PLEDGE OF ALLEGIANCE

7. ANNOUNCEMENTS

- 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.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during Public Comment Period. A member of the public has up to three minutes to make pertinent public comments. Please fill out a speaker card and hand it to the Manager of Port Commission Affairs. If you have any question regarding the agenda, please contact the Manager of Port Commission Affairs at 415-274-0406. No Commission action can be taken on any matter raised during the public comment period for items not listed on the agenda other than to schedule the matter for a future agenda, refer the matter to staff for investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

9. EXECUTIVE

- A. Executive Director's Report
 - Schedule of Port Commission Meetings for 2020
 - Trip to Washington D.C. – October 28-30, 2019
 - 2019 Crab Season
 - In Memoriam – Burk E. “Buck” Delventhal, Chief Deputy, Government Law Division, San Francisco City Attorney's Office

10. CONSENT

- A. Request retroactive approval of Port Commission President Kimberly Brandon's travel to Washington, D.C. with Port staff to advocate for a technical change to the Water Resources Development Act (WRDA) bill. (Resolution No. 19-44)

11. REAL ESTATE & DEVELOPMENT

- A. Informational Presentation on the issuance of a Request for Proposals (RFP) for the development, lease and operation of a mixed-use project at Piers 30-32 and/or Seawall Lot (SWL) 330, consistent with the goals and policies of the Draft Waterfront Plan and the Port's Resilience program.
- B. Request authorization to execute a Memorandum of Understanding in partnership with the San Francisco Parks Alliance for the proposed Crane Cove Park Fundraising Campaign. (Resolution No. 19-45)

12. FINANCE & ADMINISTRATION

- A. Informational presentation on the Port's Contracting Activity for Fiscal Year 2018-19 (July 1, 2018 through June 30, 2019).

13. ENGINEERING

- A. Informational presentation on the proposed 2019 California Building, Plumbing, Electrical, Mechanical, Green and Existing Building Codes and Local Amendments to the Port Code.
- B. Informational presentation on the proposed street name change of the 200 block of Steuart Street to Steuart Lane.

14. NEW BUSINESS

15. ADJOURNMENT

In memory of Burk E. "Buck" Delventhal.

DECEMBER 10, 2019

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation regarding the Mission Bay Ferry Landing
2	Portwide	Informational	Presentation on PASHA Operations and Local Hire Performance at Pier 80
3	Portwide	Informational	Presentation by the Executive Director of the San Francisco Ethics Commission regarding the department's education and enforcement role in City and County government
4	Seawall Lot 349 and Pier 72	Informational	Presentation on the California Barrel Company LLC ("CBC"), mixed-use project located on the former Potrero Power Station site bounded by 23 rd , Illinois and 22 nd Streets and San Francisco Bay, including Port of San Francisco shoreline and adjacent lands referred to as portions of Seawall Lot 349, Pier 72 and 23 rd Street; Port-related transaction documents for the Potrero Power Station project including: (1) consent to Development Agreement between the City and CBC; (2) approval of lease with CBC to use Port lands for public parks and open space, streets and publicly accessible ways; (3) option agreement with CBC to impress a trust easement on privately owned shoreline land and a portion of 23 rd Street leading to the shoreline; and (4) delegation of authority to Port's Executive Director to enter into one or more Memoranda of Understandings with various City agencies, including the San Francisco Public Utilities Commission (SFPUC), the San Francisco Public Works Department (SFPW), and the Department of Building Inspections (DBI), relating to the roles and responsibilities
5	Portwide	Action	Adoption of the 2019 California Building, Plumbing, Electrical, Mechanical, Green and Existing Building Codes and Local Amendments to the Port Code
6	Piers 30-32 and Seawall lot 330	Action	Request authorization to issue a Request for Proposals for the development of Piers 30-32 and Seawall Lot 330, located near The Embarcadero and Bryant Street.
7	16 th Street & Terry Francois Blvd	Action	Request Authorization to Advertise for Contract No. 2829, 3 rd Party Construction Management and Environmental Monitoring for the Mission Bay Ferry Landing Project at 16 th Street and Terry Francois Boulevard."
8	Portwide	Informational	Informational Presentation of Public Comments and Proposed Revisions to the Draft Waterfront Plan
9	SWL 337 – Mission Rock	Action	Request approval of: China Basin Park Schematic Design; Public Open Space Management

			Agreement; and names for new street at Mission Rock.
10	Pier 70	Action	Request approval of Memorandum of Understanding with San Francisco Public Utilities Commission memorializing Port and SFPUC roles and responsibilities related to the temporary usage of excess power for SFPUC's existing sewer pump station located at Pier 70.

JANUARY 14, 2020

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Action	Election of Port Commission Officers
2	Piers 19-23 Piers 29-31	Action	Authorization to issue a Request for Proposals for the rehabilitation and development of Piers 19-23 and Piers 29-31, located near The Embarcadero at Lombard Street
3	16 th Street & Terry Francois Blvd	Action	Authorization to Award for Contract No. 2819, Construction Manager/General Contractor for pre-construction services and early-construction for the Mission Bay Ferry Landing Project at 16th Street and Terry Francois Boulevard
4	Seawall Lot 349 and Pier 72	Action	Approval of the proposed Port-related transaction documents in connection with the California Barrel Company LLC ("CBC"), mixed-use project located on the former Potrero Power Station site bounded by 23rd, Illinois and 22nd Streets and San Francisco Bay, including Port of San Francisco shoreline and adjacent lands referred to as portions of Seawall Lot 349, Pier 72 and 23rd Street; Port-related transaction documents for the Potrero Power Station project including: (1) consent to Development Agreement between the City and CBC; (2) approval of lease with CBC to use Port lands for public parks and open space, streets and publicly accessible ways; (3) option agreement with CBC to impress a trust easement on privately owned shoreline land and a portion of 23rd Street leading to the shoreline; and (4) delegation of authority to Port's Executive Director to enter into one or more Memoranda of Understandings with various City agencies, including the San Francisco Public Utilities Commission (SFPUC), the San Francisco Public Works Department (SFPW), and the Department of Building Inspections (DBI), relating to the roles and responsibilities

DATE TO BE DETERMINED

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation by the City of San Francisco's Office of Economic and Workforce Development (OEWD) on the Southern Bayfront (Mission Bay, Central Waterfront, Bayview Hunters Point, Candlestick areas) interagency coordination to guide community and citywide investment
2	South Beach Harbor	Informational	Presentation of Financial and Operational Performance of South Beach Harbor
3	Fisherman's Wharf	Informational	Presentation on the Fisherman's Wharf Community Benefit District's local serving uses to Fisherman's Wharf
4	Pier 70 shipyard	Informational	Presentation regarding the Pier 70 shipyard
5	SWL 323/324	Informational	Presentation on park activation in the open space for the TZK hotel and dinner theater project
6	Portwide	Action	Approval of amendments to Port of San Francisco Tariff No. 5 (Rules, Regulations, Rates, and Charges)
7	Mission Bay Ferry Landing	Action	Authorization to accept and expend \$25 million from WETA and from private contributions for the Mission Bay Ferry Landing, subject to the Board of Supervisors' approval, and authorization to enter into a Memorandum of Understanding with WETA governing expenditure of the \$25 million

**NOVEMBER / DECEMBER 2019
CALENDAR OF UPCOMING PORT MEETINGS – OPEN TO THE PUBLIC**

DATE	TIME	GROUP	LOCATION
NOV. 12	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	Port Commission Hearing Room Ferry Building
DEC. 10	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	Port Commission Hearing Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the second and fourth Tuesday of the month at 3:15 p.m., unless otherwise noticed. The Commission Agenda and staff reports are posted on the Port's Website @ www.sfport.com. Contact Amy Quesada at 415-274-0406 or amy.quesada@sfport.com

Full Commission meetings are replayed on San Francisco cable via SFGovTV2 and streamed on the Internet. Broadband service is recommended for access. The Port Commission is generally broadcast on SFGovTV2, cable channel 78 on the 2nd & 4th Thursday of the month at 9 p.m. SFGovTV archives include a recording of each meeting, an agenda with links to the specific portion of the meeting, a file containing all closed captions for the deaf from the meeting and an MP3 recording of the meeting. The Port Commission meetings can be viewed online at http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=92

The Fisherman's Wharf Waterfront Advisory Group (FWWAG) meets regularly on a bi-monthly basis, on the third Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf. Contact Demetri Amaro @ 415-274-0260 or demetri.amaro@sfport.com

The Maritime Commerce Advisory Committee (MCAC) meets every other month, on the third Thursday of the month, from 11:30 a.m. to 1:00 p.m. @ Pier 1. Contact Michael Nerney @ 415-274-0416 or michael.nerney@sfport.com

The Mission Bay Citizens Advisory Committee meets on the second Thursday of the month at 5:00 p.m. in the Creek Room at Mission Creek Senior Building located at 225 Berry Street in San Francisco (along the Promenade just beyond the library.) Contact Hilde Myall @ 415-749-2468 or hilde.myall@sfgov.org.

The Northeast Waterfront Advisory Group (NEWAG) meets regularly on a bi-monthly basis on the first Wednesday of the month from 5:00 p.m. to 7:00 p.m. in the Bayside Conference Room @ Pier 1. Contact Diane Oshima @ 415-274-0545 or diane.oshima@sfport.com

The Central Waterfront Advisory Group (CWAG) meets monthly on an as-needed basis, generally on the third Wednesday of the month from 5 to 7 p.m. in the Bayside Conference Room at Pier 1. Contact Mark Paez @ 415-705-8674 or mark.paez@sfport.com

The Southern Waterfront Advisory Committee (SWAC) meets at the last Wednesday of the month as needed from 6:00 to 8:00 p.m. Location to be determined. Contact David Beaupre @ 415-274-0539 or david.beaupre@sfport.com

The Waterfront Design Advisory Committee (WDAC) meets, as needed, jointly with the Design Review Board of the Bay Conservation and Development Commission on the first Monday of the month at BCDC, 50 California Street, Rm. 2600, at 6:30 p.m. The Committee meets as needed on the fourth Monday of the month at 6:30 p.m. in the Bayside Conf. Rm. @ Pier 1. Contact Dan Hodapp @ 415-274-0625 or dan.hodapp@sfport.com

ACCESSIBLE MEETING INFORMATION POLICY

FERRY BUILDING:

The Port Commission Hearing Room is located on the second floor of the Ferry Building. The main public entrance is from the west (Embarcadero) side and is served by a bank of elevators adjacent to the historic staircase. Accessible public restrooms are on the first floor at the northeast end of the building as well as on the second floor across the lobby from the Port Commission Hearing Room. The main path of travel to the Port Commission Hearing Room is equipped with remote infrared signage (Talking Signs). The Port Commission Hearing Room is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) is available.

The closest accessible BART and MUNI Metro station is Embarcadero located at Market & Spear Streets. Accessible MUNI lines serving the Ferry Building area are the F-Line, 9, 31, 32 and 71. For more information about MUNI accessible services, call (415) 923-6142. The nearest accessible parking is provided in the following off-street pay lots: 3 spaces in the surface lot on the west side of the Embarcadero at Washington Street.

Hourly and valet parking is available in the Pier 3 lot. This lot is accessed through the Pier 3 bulkhead building entrance on the east side of the Embarcadero. This lot is located on the pier deck; adjacent to the ferry boat Santa Rosa. Additional covered accessible off-street pay parking is available in the Golden Gateway Garage, which is bounded by Washington, Clay, Drumm and Battery Streets. Entrance is on Clay St. between Battery and Front Streets. There is no high-top van parking. Metered street parking is available on the Embarcadero, Washington, Folsom & Drumm Streets.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

ACCESSIBLE MEETING INFORMATION:

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DISABILITY ACCOMMODATIONS:

To request assistive listening devices, sign language interpreters, readers, large print agendas or other accommodations, please contact Wendy Proctor, Port's ADA Coordinator at (415) 274-0592 or via email at wendy.proctor@sfport.com or Leah LaCroix at (415) 274-0632 or via email at leah.lacroix@sfport.com at least 72 hours in advance of the hearing. The Port's TTY number is (415) 274-0587.

LANGUAGE ASSISTANCE

311 Free language assistance / 免費語言協助

/ Ayuda gratuita con el idioma / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí / Assistance linguistique gratuit / 無料の言語支援 / 무료 언어 지원 / ព័រ "ៗ" "ៗ" "ៗ" ' ៗ / Libreng tulong para sa wikang Tagalog

To request an interpreter for a specific item during the hearing, please contact Port's Language Access Liaison, Matthias Giezendanner at (415) 274-0471 or email him at matthias.giezendanner@sfport.com at least 48 hours in advance of the hearing.

SPANISH:

Agenda para la Comisión de Planificación. Si desea asistir a la audiencia, y quisiera obtener información en Español o solicitar un aparato para asistencia auditiva, llame Matthias Giezendanner al 415-274-0471. Por favor llame por lo menos 48 horas de anticipación a la audiencia.

CHINESE:

規劃委員會議程。聽證會上如需要語言協助或要求輔助設備，請致電Matthias Giezendanner 415-274-0471。
請在聽證會舉行之前的至少48個小時提出要求。

TAGALOG:

Adyenda ng Komisyon ng Pagpapalano. Para sa tulong sa lengguwahe o para humiling ng Pantulong na Kagamitan para sa Pagdinig (headset), mangyari lamang na tumawag kay Matthias Giezendanner sa 415-274-0471. Mangyaring tumawag nang maaga (kung maaari ay 48 oras) bago sa araw ng Pagdinig.

RUSSIAN:

Повестка дня Комиссии по планированию. За помощью переводчика или за вспомогательным слуховым устройством на время слушаний обращайтесь по номеру Matthias Giezendanner 415-274-0471. Запросы должны делаться минимум за 48 часов до начала слушания.

NOTICES

Know Your Rights Under the Sunshine Ordinance:

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Sections 67.1 et seq. of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at (415) 554-7724; by fax at (415) 554-7854 or by email at sotf@sfgov.org. Citizens can obtain a free copy of the Sunshine Ordinance by printing Sections 67.1 et seq. of the San Francisco Administrative Code on the Internet, at <http://www.sfgov.org/sunshine>.

Prohibition of Ringing of Sound Producing Devices:

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 or use of a cell phone, pager, or other similar sound-producing electronic device.

Lobbyist Registration and Reporting Requirements:

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Campaign & Government Conduct Code Sections §2.100 – 2.160) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission

at 30 Van Ness, Suite 3900, San Francisco, CA 94102, phone (415) 581-2300 or fax (415) 581-2317; web site: www.sfgov.org/ethics.

CEQA Appeal Rights under Chapter 31 of the San Francisco Administrative Code:

If the Commission approves an action identified by an exemption or negative declaration as the Approval Action (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13), then the CEQA decision prepared in support of that Approval Action is thereafter subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action. For information on filing an appeal under Chapter 31, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. If the Department's Environmental Review Officer has deemed a project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained on-line at <http://sf-planning.org/index.aspx?page=3447>. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or other City board, commission or department at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.



SCHEDULE OF PORT COMMISSION MEETINGS 2020

The regular Port Commission meetings (2 p.m. closed session and 3:15 p.m. open session) are held in the Port Commission Hearing Room on the second floor of the Ferry Building, unless otherwise noticed.

January	14
February	11
February	25
March	10
March	24
April	14
April	28
May	12
May	26
June	09
July	14
August	11
September	08
September	22
October	13
October	27
November	10
December	08

MEMORANDUM

November 8, 2019

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Request retroactive approval of Port Commission President Kimberly Brandon's travel to Washington, D.C. with Port staff to advocate for a technical amendment to the Water Resources Development Act (WRDA) bill.

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution No. 19-44

Executive Summary:

Port staff requests that the Port Commission retroactively approve President Kimberly Brandon's travel to Washington, D.C. on October 28-30, 2019. As President of the Port Commission, Commissioner Brandon's attendance at the meetings added additional prestige to the Port of San Francisco's delegation to Washington, D.C.

Background:

Commissioner Brandon together with Director Forbes, Brad Benson and Daley Dunham travelled to Washington, D.C. on October 28-30, 2019 to meet with and seek bi-partisan support in the Senate and House of Representatives regarding a technical amendment to the Water Resources Development Act (WRDA).

Port's WRDA Request:

Where flood management benefits are the same in states with and without seismic risk, higher project costs in states with seismic risk results in a lower benefit-cost ratio, a key metric used by U.S. Army Corps of Engineers (USACE) to determine project eligibility and funding levels.

The proposed language was developed in concert with regional USACE staff and would modify how seismic benefits are considered by USACE, elevating them from their current status as “incidental” benefits to a new category - “associated” benefits. The concept of “associated” costs already exists in the USACE framework. The proposal is a modest change to the USACE’s procedure. The Port’s proposed WRDA language amendment is as follows:

"For flood risk management projects that incidentally generate seismic safety benefits in regions of moderate or high seismic hazard, the Secretary shall recognize such benefits as associated National Economic Development benefits, not subject to incidental benefit policies, and shall include such benefits in the economic analysis of the project. Reasonable maximization of National Economic Development benefits used in plan selection shall be based on total project benefits, inclusive of flood risk management and associated benefits."

The proposed change would: (1) allow projects to count seismic benefits toward the initial threshold requirement of a 0.5 benefit cost ratio (currently restricted to flood risk management benefits); (2) allow all benefits to be considered in final plan selection; and (3) increase the competitiveness of projects with seismic benefits for future appropriations. The proposed change to WRDA is not in pursuit of special treatment but rather, an effort to address an inequity in current USACE processes that puts states in seismically active regions at a competitive disadvantage.

In addition to Alaska, Washington, Oregon and California, this language would benefit USACE flood protection projects in Arkansas, Hawaii, Kentucky, Missouri, South Carolina, Tennessee and other states. This language has been formally endorsed by the American Association of Port Authorities (AAPA).

The Senate will commence writing the WRDA bill amendment this month. The House is expected to call for constituent WRDA requests in December and commence writing early in 2020. Committee staff meetings is key, as members generally take their expert recommendations on new policy like that which would follow our proposed WRDA language.

While in Washington, the Port delegation met with executives from the US Army Corps of Engineers (USACE) headquarters and thanked the agency for the \$800,000 allocation in the President’s budget to support the project, as well as for informally pledging to USACE-SF project staff funding based on a good faith assumption the 3x3x3 waiver request will be approved once submitted (following completion of their external validation of expected costs). The Port also requested an additional \$3 million in funding in the USACE 2020 Workplan for the Port's San Francisco Flood Resiliency Study.

To maintain high visibility for the Port seawall project, the Port delegation also met with the following and provided an update on the seawall project as well as other projects.

- Senator Dianne Feinstein
- Congressman Jared Huffman

- Congresswoman Jackie Speier
- Congressman Alan Lowenthal, Port's Caucus Chair
- Robert Edmondson, House Speaker Nancy Pelosi's chief of staff
- John Kane, Annie D'Amato and Mark Mendenhall (Senate Committee on Environment and Public Works staff)
- Ryan Seiger and Camille Touton (House Transportation & Infrastructure Subcommittee on Water Resources)
- Ryan Fisher, Principal Deputy Assistant Secretary of the Army Civil Works
- Andrew Harding and Lizzy Olsen (Senate Committee on Environment and Public Works staff)

Recommendation:

Port staff recommends Port Commission's retroactive approval of the resolution authorizing Port Commission President Kimberly Brandon's travel to Washington, D.C. on October 28-30, 2019. The cost of the trip was covered in the Port Commission's Fiscal Year 2019-2020 budget.

Prepared by: Amy Quesada
Port Commission Affairs Manager

Prepared for: Elaine Forbes
Executive Director

**PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO
RESOLUTION NO. 19-44**

WHEREAS, Commissioner Brandon together with Director Forbes, Brad Benson and Daley Dunham travelled to Washington, D.C. on October 28-30, 2019 to meet with and seek bi-partisan support in the Senate regarding a technical amendment to the Water Resources Development Act; and

WHEREAS, Flood management benefits are the same in states with and without seismic risk, higher project costs in states with seismic risk results in a lower benefit-cost ratio, a key metric used by U.S. Army Corps of Engineers (USACE) to determine project eligibility and funding levels; and

WHEREAS, The proposed language noted in the staff reports was developed in concert with USACE staff and would modify how seismic benefits are considered by USACE, elevating them from their current status as “incidental” benefits to a new category, “associated” benefits; and

WHEREAS, The proposed change would: (1) allow projects to count seismic benefits toward the initial threshold requirement of a 0.5 benefit cost ratio (currently restricted to flood risk management benefits); (2) allow all benefits to be considered in final plan selection; and (3) increase the competitiveness of projects with seismic benefits for future appropriations; and

WHEREAS, The proposed change to WRDA is not in pursuit of special treatment but rather, an effort to address an inequity in current USACE processes that puts a minority of states at a competitive advantage; and

WHEREAS, The topics noted in the staff report which were discussed with various members of the Senate are of utmost importance to the Port; and

WHEREAS, Port Commission President Kimberly Brandon’s attendance at the meetings added additional prestige to the Port of San Francisco’s representation; and

WHEREAS, The cost of this trip is covered in the Port’s Fiscal Year 2019-2020 budget; now, therefore, be it

RESOLVED, That the Port Commission hereby retroactively approves this travel request.

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

Secretary

MEMORANDUM

November 8, 2019

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational Presentation on the issuance of a Request for Proposals (RFP) for the development, lease and operation of a mixed-use project at Piers 30-32 and/or Seawall Lot (SWL) 330, consistent with the goals and policies of the Draft Waterfront Plan and the Port's Resilience program.

DIRECTOR'S RECOMMENDATION: Information Only; No Action Requested

EXECUTIVE SUMMARY

On July 9, 2019 the Port Commission received an update on the status of advancing the long-term development of Piers 30-32 and Seawall Lot ("SWL") 330. This presentation provided the histories of previous development efforts at these two sites, along with updated cost estimates for the rehabilitation and repair of Piers 30-32, including the accommodation of sea level rise, the Seawall Program and related seismic upgrades. The presentation also included a summary of relevant recommendations that have been incorporated into the Goals, Objectives and Policies of the Draft Waterfront Plan ("Waterfront Plan"), including an outreach strategy with the Port's Advisory Groups and with neighborhoods surrounding the two sites. This outreach strategy would be designed to ensure that the draft Request for Proposals ("RFP") for release next month reflect the Waterfront Plan and the neighborhood-specific Community Values of the adjacent South Beach and Rincon Hill communities and other relevant waterfront land use advocates.

In summary, the Waterfront Plan promotes the seismic upgrade and redevelopment of Piers 30 and 32 for public use and enjoyment and for maritime uses, allowing for innovative urban design solutions that need not be subject to the guidelines of the adjacent Embarcadero Historic District but that should nonetheless respect the historic

THIS PRINT COVERS CALENDAR ITEM NO. 11A

context of the adjacent piers within that District. The Waterfront Plan also promotes the development of SWL 330 in ways that sustain high quality-of-life and urban design standards in the context of the South Beach neighborhood, while reflecting the site's regionally-prominent and accessible location in proximity to Downtown San Francisco. For both sites, the Waterfront Plan calls for community engagement to "help complete improvements that achieve Waterfront Plan goals," and also calls for the financial feasibility of development projects to generate revenue that will help support the costs of Port-wide seismic and flood protection, sea level rise adaptation and Seawall repair. In particular, the Waterfront Plan recognizes the challenges of a financially-feasible, structurally-sound redevelopment of Piers 30-32.

On July 9, 2019, the Port Commission endorsed the development strategy proposed by Port staff for Piers 30-32 and SWL 330, acknowledging several key points that would guide the development of an RFP as further described below:

Since July, Port staff has been planning the RFP, securing consultant assistance for the RFP process and conducting community outreach to secure community and stakeholder "Values" for inclusion in the RFP, consistent with the process and draft policy outlined in the Waterfront Plan Goal: *Partnering for Success*.

This staff report provides an overview of key sections of the RFP and includes the following:

- I. Strategic Plan Alignment
 - II. Background
 - III. Development Context
 - IV. Community Values (as heard from the community/stakeholders)
 - V. Development Concept
 - VI. Economic Minimums the Port will be seeking from respondents
 - VII. Minimum Qualifications of Respondents
 - VIII. Scoring Criteria used to Review Responses
 - IX. Response Scoring Panel Composition
 - X. Port Commission Review and Selection Process
 - XI. Next Steps
- Port Staff is seeking guidance and feedback on the proposed RFP content as presented in this staff report (*Exhibit 1: RFP Parameters* provides an overview of the Piers 30-32 and Seawall Lot 330 offering)..

I. STRATEGIC PLAN ALIGNMENT

A successful solicitation will elicit proposals from highly-qualified development team(s) and include a range of public-oriented and maritime tenants (for Piers 30-32) and other revenue-generating uses that represent a financially feasible project. The RFP's success will be defined by its consistency with the Port's goals for Piers 30-32 and/or SWL 330, including a proposal of high-quality urban design that is accessible to an economically diverse group of users and that enhances its spectacular, pedestrian-friendly and transit-rich waterfront location.

The issuance of the proposed RFP is a key step toward potential approval and implementation of a project or projects that would revitalize these sites. Such project(s) completed according to the terms described in this staff report would advance five of the Port's Strategic Plan objectives (2019-2023 Strategic Plan):

Evolution: Completed Piers 30-32 and SWL 330 projects will serve as milestones in the Port's ongoing transformation to better address the needs of the public and the Waterfront.

Resiliency: Completed Piers 30-32 and SWL 330 projects will prepare the Port for natural and human made risks and hazards through seismic strengthening of the adjacent Seawall and the construction of flood protection for the piers.

Engagement: Completed Piers 30-32 and SWL 330 projects will represent the values of the Waterfront communities and will provide the amenities that increase the public's awareness of the sites' remarkable history and setting.

Equity: Completed Piers 30-32 and SWL 330 projects will be accessible, attractive and beneficial to a diverse group of people who live, work and/or use the recreational assets along the Waterfront.

Sustainability: Completed Piers 30-32 and SWL 330 projects will represent environmental stewardship in protecting the Bay, reducing emissions and waste and prioritizing environmentally-sustainable transportation.

Productivity: Completed Piers 30-32 and SWL 330 projects will attract tenants who contribute to an economically-viable Port and capitalize on the Port's unique assets, including the deep-water berth on Piers 30-32.

Stability: Completed Piers 30-32 and SWL 330 projects will help maintain the Port's financial strength by (a) using investor capital to address the Port's deferred maintenance backlog and/or (b) generating revenues for the Port to sustain ongoing operations and address deferred maintenance.

II. BACKGROUND

The Waterfront Plan recommendations developed through a 30-member stakeholder Working Group (the "Working Group") and public process include Port-wide Goals and Policies, Subarea Objectives, Acceptable Uses, and proposed policies on Embarcadero Public Trust Objectives ("Public Trust Objectives") which will guide the redevelopment of Piers 30-32 and SWL 330. The Waterfront Plan process led to community consensus for a variety of land uses on both properties that would attract, serve and sustain diverse groups of people, creating a more resilient waterfront.

The Public Trust Objectives described below recognize that delivery of important Trust benefits must be part of a financially feasible project which generates fair market rent to

the Port; thus the Trust Objectives allow revenue-generating uses (such as office) to meet these financial feasibility requirements.

As part of the Waterfront Plan update process, Port staff organized a “walkshop” (a walking tour and brainstorming workshop) with the Working Group and members of the public around Piers 30-32 and SWL 330 on May 2, 2018. At the workshop, staff provided information about the land use and development history of both Pier 30-32 and SWL 330, summarized the 1997-adopted Waterfront Plan recommendations for re-use of the sites (including the increasingly outdated assessment that Piers 30-32 were structurally sound) and solicited public comments and ideas about possible approaches and options for site improvements going forward. The input from this walkshop helped inform the Waterfront Plan update, including the “South Beach Acceptable Land Use Table” (see Table 1 below in “Development Context”) for Piers 30-32 and SWL 330 in the Waterfront Plan’s South Beach Subarea section.

The Port Commission received the summary of these planning sessions regarding Piers 30-32 and SWL 330 on August 14, 2018, and on February 26, 2019, Port staff presented the Commissioners with more information on the sites’ development history and the deteriorating structural conditions of Piers 30-32 as affirmed by previous developers’ studies to rehabilitate or rebuild the Piers (see “Development Context” below). During that presentation, the Port Commission requested staff update the costs of rehabilitating the Piers, including the costs of seismic retrofit and incorporating the Piers’ proportionate cost of the Seawall Program. At its May 28, 2019 meeting, the Port Commission discussed the potential issuance of RFPs for development of several Historic Piers and directed staff to undertake community outreach to support and advance the RFP process for several Waterfront sites in sequential order, starting with Piers 38 and 40 (also known as the South Beach Piers); followed by Piers 30-32 and SWL 330; with Piers 19, 19.5, 23 and 29 (also known as the Northern Waterfront Piers) proceeding in 2020.

On July 9, 2019, Port staff reported to the Port Commission that it had formed an inter-divisional team to advance the RFP process for the above sites. Staff also provided the Commission with updated retrofit and rehabilitation cost estimates for Piers 30-32: a Port Engineering analysis estimates that the costs of upgrading Piers 30-32 to development standards that accommodate the Seawall Program, seismic retrofit and sea level rise, would range between \$264M and \$369M.

Importantly, this analysis also clarifies that the continuing deterioration of Piers 30-32 is a time-urgent and cost-intensive challenge even if the intent is to simply stabilize the conditions or remove the Piers altogether. Demolishing the Piers’ deck and substructure is estimated to range between \$45M-\$55M in 2019 dollars.

Port staff also presented the RFP milestone schedule and a community outreach strategy to seek input on Community Values to inform the RFP for developing Piers 30-32 and/or SWL 330. The Commission endorsed this progress and directed staff to advance with the RFP for Piers 30-32 and SWL 330 with these five specific directions:

- to consider developer responses with a proposal at both Piers 30-32 and SWL 330, or with a proposal at only one of the two sites,

- to include a deep-water berthing facility and related facility access at Piers 30-32
- to consider proposals for Piers 30-32 that might include a plan to only partially rebuild the Piers rather than propose to recover the entire 13-acre site, and
- to include a summary of “Community Values” reflecting Advisory Group and neighborhood input to guide the RFP development, and
- to move as expeditiously with the development and release of the RFP as reasonably possible.

The following provide details of key sections of the RFP.

III. DEVELOPMENT CONTEXT

Site Location, Setting and Current Conditions

Piers 30-32 and SWL 330 are located within the Port’s South Beach subarea, just south of the Bay Bridge along the Embarcadero between its intersections with Beale and Brannan Streets (*See Exhibit 2: Site Location and Setting*).

Piers 30-32 occupy about 13 acres and are located on the east side of the Embarcadero, directly north of the Port’s Brannan Street Wharf Park, but for the purpose of this development opportunity RFP, the Piers do not include the parcel occupied by Red’s Java House at the northwest corner of Pier 30.

SWL 330 is directly across the Embarcadero from Piers 30-32, occupying 2.3 acres on the triangular lot bounded by the Embarcadero to the east, Bryant Street to the northwest, Beale Street to the southwest, and does not include the rectangular parcel at the corner of Bryant and Beale Streets.

Both sites are within a short walk of Downtown San Francisco and are well-served by public transit, with the Muni Metro light rail’s Brannan Street Station directly adjacent to both sites, and with the regional rail transit services of BART and Caltrain, the regional bus services at the Salesforce Transit Center, and the regional ferry services operated by Golden Gate Transit and SF Bay Ferry/WETA all within three-quarters of a mile. Both sites are well-connected to these transit hubs by the Embarcadero’s pedestrian promenade (especially well-used during baseball games and other events at Oracle Park) and by the Embarcadero’s Class 1 and 2 bicycle facilities and the broader South of Market District’s numerous bicycle lane networks. Both sites have relatively direct access to ramps serving both I-280 and the Bay Bridge.

Piers 30-32 Development History

Piers 30-32 were built in 1912 as deep-water ship-berthing facilities that took advantage of their naturally self-scouring location on the Waterfront. They were extended east in 1926, and then spanned by a deck that effectively joined the two Piers in 1950. A fire in 1984 destroyed the Pier sheds and historic bulkhead buildings, rendering the Piers ineligible for the Embarcadero Historic District and the financial incentives and use and/or permitting exemptions that are designed to make redevelopment of historic properties financially feasible. On the other hand, the lack of a historic shed or bulkhead building also removes Public Trust design-compatibility requirements that would otherwise govern historic structures.

In the time since the 1984 fire, Piers 30-32 and SWL 330 have been bundled together for several ambitious proposals that envisioned complex and architecturally-distinctive mixed-use developments. These proposals include the Bryant Street Wharf (a cruise terminal, shopping center and hotel complex) from 2000-2006; an event facility “base camp” with long-term development rights in connection with the America’s Cup host agreement from 2010-2012; and the Golden State Warriors initial proposal for an Arena and hotel from 2012-2014. In each case, the strategy to defray the significant costs of upgrading and rehabilitating the deteriorated Piers’ substructure has included the development of SWL 330 for revenue generation. Also in each case, the developer sponsored State legislation in consultation with the State Lands Commission that would have allowed certain uses on the Piers that were not consistent with the Public Trust, but would generate revenue needed to cover the Piers upgrade costs. Despite these strategies, the developers in each case ultimately abandoned their proposals, largely due to the high costs that a Piers 30-32 rehabilitation/reconstruction effort would have entailed.

Piers 30-32 today are only partially used for surface automobile parking because the deteriorating condition of the Piers’ substructure severely limits which portions of the facility are safe for such use. However, much of the Piers’ 13 acres are still safe enough to host temporary special events, such as the X Games and the Pro Beach Volleyball Tour, and the eastern edge is still intermittently used as a deep-water berth, including but not limited to berthing for Navy ships during Fleet Week.

SWL 330 Development History

SWL 330 was historically used as a rail yard for the State Belt Railroad (and later, the San Francisco Belt Railroad) since 1889 and ceased operations in 1993. Since then, SWL 330 was paved and used for surface automobile parking. As noted above, SWL 330 was an integral part of the three mixed-use development proposals that did not advance to development.

In 2019, slightly more than half of the SWL 330 site was leased to the City for use as the Embarcadero SAFE Navigation Center, a temporary facility designed to offer low-threshold, high-service residential programs and services for adults experiencing homelessness in San Francisco and operated by the Department of Homelessness & Supportive Housing. The initial term of this temporary use is two years, with a possible and conditional extension of two additional years if the Port Commission determines the SAFE Navigation Center meets its “good neighbor” obligations.

Draft Waterfront Plan

The Waterfront Plan¹ released in June of 2019 is an update to the “Waterfront Land Use Plan” originally adopted in 1997. The updated Plan is the outcome of a three-year community planning process that led to 161 policy recommendations, including Public Trust Objectives. Those recommendations were endorsed by the Port Commission at its August 14, 2018 meeting² and incorporated into the Plan’s proposed nine goals,

¹ https://sfport.com/sites/default/files/UPDATED_COMPRESSED_FinalWaterfrontPlan_DigitalVersion_6.10.2019.pdf

² <https://sfport.com/sites/default/files/Commission/Documents/Item%2011A%20Endorse%20WLP%20recommendations.pdf>

policies, objectives and acceptable land use tables to guide development in five subareas along the Port's 7.5-mile waterfront, including the South Beach Subarea.

The nine Port-wide goals are summarized below:

1. **MARITIME:** Preserve and enhance the Port's diverse maritime industries
2. **DIVERSE USES AND PEOPLE:** Public-oriented, recreational, workplace and civic uses that complement maritime industry and provide economic opportunity
3. **PARKS AND OPEN SPACE:** Complete the waterfront open space network, protect natural habitat areas, create a new Ferry Building plaza, activate and enliven waterfront parks
4. **QUALITY URBAN DESIGN:** Respect the waterfront's maritime heritage, promote physical and visual connections between the City and the Bay
5. **FINANCIALLY STRONG PORT:** Stimulate investment and waterfront revitalization, and equitably providing new jobs, revenues, and amenities for everyone
6. **SUSTAINABLE TRANSPORTATION:** Safe and accessible for people and goods, by all modes, for workers, neighbors, visitors and Port tenant operations
7. **ENVIRONMENTAL SUSTAINABILITY:** Limit the impacts of climate change, improve the ecology of the Bay, and promote healthy waterfront neighborhoods
8. **A RESILIENT PORT:** Strengthen resilience to hazards and climate change effects while protecting the community, ecological, social and economic assets and services
9. **PARTNERING FOR SUCCESS:** Strengthen partnerships and community engagement to increase public understanding of Port and community needs and opportunities

The Waterfront Plan's *Chapter 3: Waterfront Subareas* includes the Section *South Beach: Rincon Park to the Ballpark* that includes seven specific objectives which provide a finer level of detail on the Port-wide goals and guide future development of Piers 30-32 and SWL 330:

1. Preserve and improve existing maritime uses and provide focal points for public enjoyment of maritime and water-dependent activities in South Beach.
2. Maintain and activate an integrated series of parks and public access improvements that extend through South Beach and provide a unifying pedestrian connection to Mission Bay at China Basin Channel.
3. Promote activities and public access in South Beach pier projects within the Embarcadero Historic District.
4. Create opportunity for the design of new development in South Beach to create a new architectural identity while respecting the Embarcadero Historic District.
5. Take advantage of proximity to downtown San Francisco by providing attractions for the general public while respecting the living environment of the Rincon Hill and South Beach neighborhoods.
6. Maintain close working relationships with the San Francisco Municipal Transportation Agency and transportation agency partners to expand public

transit and alternative transportation services that improve the safety and comfort of travel along the Embarcadero in South Beach.

7. Coordinate closely with resilience proposals produced through the Embarcadero Seawall Program to build understanding and support for innovations required to adapt to the impacts of climate change while respecting the history, character, and authenticity of the South Beach waterfront.

The Waterfront Plan also identifies acceptable uses for Piers 30-32 and SWL 330 as shown in Table 1, an excerpt from the Plan’s “South Beach Acceptable Land Uses.” Details on types of publicly-oriented uses are further described in *Exhibit 3: Diverse Use Policies from the Waterfront Plan*.

Table 1- South Beach Acceptable Land Uses (excerpt for Piers 30-32 and SWL 330)

<p><u>Piers 30-32 & SWL 330: Acceptable Uses</u> Artists/Designers Assembly/Entertainment Museums/Cultural Retail (including food/beverage) Recreational Enterprises Visitor Services Academic Organizations Short Term Interim Uses</p>	<p><u>Acceptable Uses unique to Piers 30-32</u> Ferry/Excursion Boat/Water Taxi Historic Ships Maritime Office Harbor Services/Maritime Industrial Passenger Cruise Recreational Boating/Water Recreation Ship Repair Temporary/Ceremonial Berthing Parks/Open Space Public Access/Public Realm General Office</p>
<p><u>Piers 30-32 & SWL 330: Accessory Uses</u> Parking</p>	<p><u>Acceptable Uses unique to SWL 330</u> Hotels Residential</p>

Public Trust

The Waterfront Plan includes references to the Public Trust, its doctrine and its mission that define feasible adaptive reuse and design criteria for Port properties (and notably for the Historic Piers within the Embarcadero Historic District, whose historic architectural integrity the Plan calls adjacent, non-historic properties such as Piers 30-32 and SWL 330 to respect). Land uses that are determined to be consistent with the Public Trust generally support the following Trust missions:

1. Promote Maritime Commerce, Navigation and Fisheries
2. Protect natural (and cultural, including historic) resources
3. Provide facilities that attract the public (local and regional) to use the waterfront.

These objectives recognize the validity of using or reusing waterfront facilities to serve maritime and public access trust uses, activities that attract the public to use and enjoy these cultural and historic resources and uses that generate revenue to finance necessary improvements.

SF General Plan

The San Francisco Planning Department maintains the City’s *General Plan* and its Zoning Ordinance that together outline land-use zoning designations, parking and

building height/bulk standards and urban design guidelines for every parcel in San Francisco in accordance with the Charter provisions of the State of California.

Piers 30-32 and Seawall Lot 330 are located within the “East SoMa (South of Market) Area Plan” of the General Plan, which generally permits as-of-right:

- a wide variety of commercial, industrial and other uses on Piers 30-32, subject to the M-2/Heavy Industrial zoning district and limited by the 40-X height/bulk district (which sets a general height limit of 40 that is generally unrestricted in bulk); and
- residential and limited mixed-use development for Seawall Lot 330, subject to the SB-DTR/*South Beach – Downtown Residential* zoning district and limited by the 65-105R height/bulk district (which sets a podium height limit of 65 feet that is generally unrestricted in bulk, and sets the height of any tower(s) rising above the podium to 105 feet and restricts the tower(s) bulk by specific plan (90 feet) and diagonal (120 feet) dimensions.

Port Resilience Program

Current seismic risk, current and future flooding risk present significant challenges to the Port properties along the Embarcadero. The Port is undertaking three efforts to address this concern, including:

- 1) the Embarcadero Seawall Program;
- 2) the U.S. Army Corps of Engineers (“USACE”) Flood Resiliency Study; and
- 3) the Historic Piers Rehabilitation program– to address these risks.

Seismic

The 2016 Seismic Vulnerability Assessment of the Embarcadero Seawall revealed seismic risk to Port pier facilities. Without improvements to seismically strengthen the Seawall, Piers 30-32 may suffer significant damage in a large earthquake due to ground shaking, differential settlement or lateral spreading that causes the Seawall to move bay-ward.

Flooding

Many Port assets along the Embarcadero, including the “finger” piers and many of the Seawall lots, are already at risk of flooding from a 100-year flood event and that risk is increasing due to rising sea levels. Projections of future water levels indicate episodic flooding by mid-century and regular flooding of the finger piers by 2100.³ While there are approaches that can be taken to reduce the risks from flooding, it is also true that the increasing flood risk associated with sea level rise presents a narrowing window of opportunity to attract investors to pier rehabilitation projects. Acting quickly (and prudently) to attract capital partners to Pier and SWL development projects will help put the Port in a good position to negotiate leases with the greatest amount of public benefits possible, including those that incorporate measures to reduce flood risk.

Embarcadero Seawall Program and USACE Flood Resiliency Study

³ See Port of San Francisco and Sea Level Rise brochure for more information: <https://www.sfseawall.com/2904/documents/3734/download>

Initial studies indicate seismic vulnerability exists along the Embarcadero, where Seawall failures due to liquefaction and lateral spreading caused by an earthquake would likely have the greatest impact. Due to the proximity to the Seawall and the nature of Bay fill upon which Piers 30-32 and SWL 330 were constructed, liquefaction and lateral spreading is a structural concern for both facilities. Refined studies are now underway to better characterize earthquake risk at the facility level.

Multi-Hazard Risk Assessment

The Port is currently undertaking a Multi-Hazard Risk Assessment to assess expected casualties, economic damages to buildings, transportation infrastructure and utilities, and the consequences of those damages including business interruption. The Port expects to publish results of the Multi-Hazard Risk Assessment in Spring 2020. The results of this work will allow the Port to prioritize initial Embarcadero Seawall Program Phase 1 improvements to improve life safety and support the City's post-disaster emergency response efforts.

USACE Flood Resiliency Study

The Port and USACE are collaborating on the San Francisco Waterfront Flood Resiliency Study which is examining flood risk to the Port's entire 7.5-mile waterfront. If the study identifies a federal interest in a federal flood management project on the San Francisco waterfront, the Flood Resiliency Study will result in a Tentatively Selected Plan to manage flood risks and conduct preliminary engineering and environmental analysis of that plan. Federal interest in this context is defined as project benefits – mainly in the form of reduced economic damages – that exceed project costs. Dependent on a finding of federal interest, the study could lead to a USACE recommendation to Congress, expected in 2024 or later, to fund the Tentatively Selected Plan.

The Flood Resiliency Study will examine flooding on a range of expected sea level rise curves. The Tentatively Selected Plan, if approved by USACE and funded by Congress, is expected to provide flood protection throughout its design life (2080) and to be adaptable to subsequent sea level rise. To achieve this performance, the plan will require installation of flood management measures at a higher elevation – still to be determined – than the current Seawall. The potential location(s) of these measures is still being studied; options that are being analyzed include locations bay-ward of the piers, in the near shore area, at the shoreline or along the Embarcadero Roadway.

The Port will share available analysis and reports from these efforts with prospective bidders for the redevelopment of Piers 30-32⁴.

2015 Waterfront Transportation Assessment (WTA)

The "Study Area" is defined as SoMa (bounded by the Embarcadero, Mission, 12th & Division Streets and China Basin) and Central Waterfront (bounded by China Basin, the Waterfront, Cesar Chavez and I-280). The concerns of transportation impacts of Port property development in the Study Area are highlighted in both the Waterfront Plan and its South Beach Subarea. The Community Values (discussed in Section IV below)

⁴ See Seawall Program library for study and related information, locate here: <https://www.sfseawall.com/seawall-library>.

especially reflect the concerns about how street congestion and automobile traffic undermine local quality-of-life.

The WTA identified the Study Area's local and regional transit services accessing these sites, highlighting where and how that these services are already limited and severely overcrowded, and how South Beach streets are disproportionately impacted by traffic that uses the bridge/freeway onramps and offramps during commute periods. The WTA emphasized the importance of strategically investing in and utilizing key infrastructure dedicated to the "sustainable" modes of transit (especially supporting the plans underway to the capacity of BART, Muni Metro and Caltrain rail transit and the ferry service expansion for East Bay and North Bay commuters), and enhancing the safety and connectivity of pedestrian and bicycle networks to accommodate growth without exacerbating street congestion.

For the purposes of the RFP for Piers 30-32 and SWL 330, the WTA findings emphasize the importance of ensuring investment and prioritizing access to these sustainable modes, including the integrity of a development's Transportation Demand Management programs that will direct and incentivize people to use these modes rather than to rely upon the automobile and exacerbate congestion.

Partnerships in Pier Rehabilitation

A partner for pier rehabilitation provides both an opportunity to leverage private resources for important City infrastructure and a challenge to coordinate Port's construction activities with a private entity. Overall, the Seawall Program is an opportunity to protect and revitalize the Port's assets on both sides of the Embarcadero and ultimately to create a stronger and more vibrant urban waterfront. If a development partner is selected for Piers 30-32, the Port will manage the coordination of private partner design and construction with any nearby or adjacent design and construction activities related to the Seawall Program.

The Port expects to analyze the following elements of a development partner's rehabilitation and financing plans after award of an exclusive negotiating agreement and an appropriate period of due diligence and preliminary engineering:

- Seismic Performance – Under the Port's Building Code, project proponents will need to demonstrate code compliance including a demonstration that the Piers' substructure will be designed to withstand anticipated lateral spreading and other seismic forces.
- Adaptive Flood Management – In consultation with permitting agencies including the Bay Conservation and Development Commission, project proponents will need to demonstrate an adaptive management strategy for flood protection through the expected life of the project based on a range of sea level rise curves. A long-term lease will include lease provisions memorializing adaptive management requirements.
- Project Relationship to City Flood Protection Determination – Through the Port's Flood Resiliency Study or the City's own flood management policies and plans,

the Port and City may select a line of defense for urban flood protection that intersects with proposed project sites, which may result in design changes to proposed projects (or parts of projects), including changes in elevations.

- *Future Flood Protection Funding* – Consistent with other significant shoreline development projects approved by the Port Commission, the Port maintains the right to negotiate for ongoing funding to fund adaptive management for flood control, including a potential special tax.

State Lands & BCDC Coordination

During the Waterfront Plan Update process, Port staff consulted with State Lands and San Francisco Bay Conservation and Development Commission (BCDC) staff on various issues of shared interest, including strategies for supporting the reuse and development of the Port's assets along the Embarcadero. State Lands staff also spent considerable time in public meeting discussions with the Working Group as part of its deliberations and recommendations.

As noted earlier, the Port has a history of collaborating with State Lands on refining developer-proposed legislative proposals that have addressed Public Trust use limitations for the redevelopment of Piers 30-32, given the financial and administrative challenge of upgrading the deteriorating facilities to a reasonable state of functionality. In updating the Waterfront Plan and coordinating it with the Public Trust missions, the Port will continue to consult with State Lands and BCDC staff regarding the details of rehabilitating and reusing Piers 30-32 that are essential for responsible stewardship of the properties (SWL 330 is more than 100 feet from the Bay shoreline and thus not subject to BCDC review authority).

Workforce Development and Local Business Enterprise (LBE)

Once a development partner is selected, Port staff will work with the successful respondent and the City's Contract Monitoring Division (CMD) to establish LBE goals for the various phases of the entitlement and development. CMD will collaborate in negotiating the design of each LBE participation program tailored to the project, develop LBE goals, provide developers with technical assistance to maximize LBE participation, and where necessary, conduct outreach to LBEs regarding procurement opportunities. The project will also need to comply with the City's Local Hiring Policy for Construction (mandatory 30% of project hours by trade) and requirements for wage and apprenticeship programs.

IV. COMMUNITY VALUES

In addition to the Goals, Policies and objectives articulated in the Waterfront Plan and the Public Trust doctrine, the Community Values below represent key points that Port staff heard at the Port Central Waterfront Advisory Group (CWAG) meetings on July 17, August 21 and October 16, 2019, at the Port Maritime Commerce Advisory Committee (MCAC) meeting on July 18, 2019, and the South Beach/Rincon/Mission Bay Neighborhood Association meeting on September 9, 2019.

For purposes of the RFP and community engagement process, the Port defines

“Values” to mean the places, spaces, experiences, or other attributes of the RFP project site that are public priorities. These values may include existing assets or resources the project should leverage, unique locations to curate different experiences along the waterfront, or specific conditions that lend themselves to a new use opportunities.

Community Values that Apply to Both Piers 30-32 and SWL 330

Funding and Economics

- Balance the objectives of generating revenue with providing equitable use and access for diverse members of the public.
- Ensure revenue-generation to sustain viable operations and a public-realm maintenance program over the long term.

Urban Design

- Support high-quality urban design that meets the goals of the Waterfront Plan and the South Beach neighborhood.
- Promote waterfront site authenticity and sense of place in the design of development at both sites.

General Land Use

- Promote land uses that support a diverse, equitably-accessible and economically-viable waterfront.
- Prioritize land uses that can manage traffic to prioritize safety, minimize congestion and sustain neighborhood quality of life.

General Sustainability

- Ensure development supports the City’s environmental/emission goals, including protection of avian and marine life.

Transportation

- Prioritize safety for residents, employees, visitors and customers making trips to and around Piers 30-32 & SWL 330.
- Prioritize environmentally-sustainable transportation (including ferries) that serves users of all ages, abilities and incomes.
- Manage transportation demand to prioritize transit and avoid reliance upon the private automobile and exacerbating congestion.

Community Values that Apply Uniquely to Piers 30-32

Berthing and Berthing Access

- Support the provision for Maritime Berthing (including for deep-water vessels) and related access needs at Piers 30-32.

Land Use and Urban Design

- Provide public Open Space/wildlife viewing/recreation opportunities on Piers 30-32, including as part-time use of berth access areas.
- Support the adjacent Embarcadero Historic District and its assets access needs in the design and development of Piers 30-32.

Sustainability

- Leverage the natural resources of the Piers 30-32 site to support generating sustainable energy (e.g., solar, wind & tidal).

Museum/Arts/Cultural Center

- Consider a Museum/Arts/Cultural Center that references the extraordinary site, with interpretive signage, site awareness.

- Consider a Museum/Arts/Cultural Center that appeals to and draws a diverse group of the public.

Community Values that Apply Uniquely to SWL 330

Ground Floor/Public Realm

- Design ground floor uses that enliven the pedestrian experience, are inclusive and enhance & serve the neighborhood.

Housing

- Emphasize Housing at SWL 330 as an acceptable/desirable use and “good neighbor” to South Beach residents.

Hotel

- Consider Hotel as a revenue-generating use, provided that it specifically manages transportation demand consistent with Transportation Values above.

V. DEVELOPMENT CONCEPT

Piers 30-32 includes approximately 574,000 square feet (about 13 acres) of an asphalt and concrete deck, approximately 950 feet deep and 625 feet wide, on the east side of the Embarcadero, bounded by the intersections of Bryant and Brannan Streets. The small rectangular portion at the northwest corner (approximately 65 feet by 260 feet) occupied by Red’s Java House is not included in this development RFP (see *Exhibit 4: Piers 30-32 Plan Diagrams*). As noted above, the Piers’ substructure, which includes the two original Piers that are over 100 years old and the 69-year-old deck that bridges them are deteriorated and compromised to the point of severe loading and would require upgrades estimated by Port engineering staff to cost approximately \$264M-\$369M (including seismic upgrade and adaptation for sea level rise), estimated in 2019 dollars.

SWL 330 includes approximately 101,500 square feet (about 2.3 acres) located on a roughly triangular parcel bounded by the Embarcadero on the east, Beale Street on the southwest and Bryant Street on the northwest. The property excludes the parcel occupying the western point of the triangle (adjacent to the intersection of Beale and Bryant Streets) which is the site of the Watermark condominiums (see *Exhibit 5: SWL 330 Plan Diagram*).

VI. ECONOMIC MINIMUM PORT IS SEEKING

The Port’s economic benefits for the Piers 30-32 and SWL 330 RFP include significant investment in Port assets, minimum revenues (rent and/or special taxes), and participation in upside revenues.

Recent History

Piers 30-32 is used for automobile parking, layberthing for vessels and also special events, subject to the structural limitations. In fiscal year 2017-2018, the Port received \$1.47 million in revenue from the site.

Until 2019, SWL 330 was used for automobile parking. In fiscal year 2017-2018, SWL 330 generated approximately \$832,000 in Port revenues. The Embarcadero SAFE Navigation Center began construction in summer 2019 and now occupies about half of the SWL 330 site. The Port has leased the property to the City's Department of Homelessness and Supportive Housing for about \$442,000/year. The City will operate the Navigation Center for two years at this site, after which (based on the "good neighbor" record of the Navigation Center in its South Beach context), the Port Commission may authorize a two-year extension of the lease.

Because the structural characteristics, capital improvement needs, scope of allowable uses/heights/bulk and other land use/contextual issues differ so widely between Piers 30-32 and SWL 330, Port staff are open to receiving responses for Piers 30-32 and SWL 330 combined as one master development proposal, or as one proposal for either SWL 330 or Piers 30-32 individually. While Port staff acknowledge the challenge in proposing a financially feasible redevelopment of Piers 30-32 at this planning-level stage, a positive response to an RFP at this site is anticipated for respondents who are willing to take on market risk associated with the project due to the attraction and scarcity of developable waterfront property of this acreage in San Francisco. RFP respondents will be able to leverage market knowledge and project implementation expertise to improve financial feasibility by, for example:

- Bringing a sharpened approach to redeveloping the unique space, including identifying methods to decrease costs and increase revenues.
- Leveraging the two sites as one RFP for potential cross-subsidies and cost savings, and creating attractive leasing opportunities as a relatively large offering for tenants
- Identifying innovative approaches to use Piers 30-32 in ways that maintain consistency with the Waterfront Plan, Public Trust and Community Values.

Desired Economic Benefits for Port's Balance Sheet

Based upon the recent and existing economic conditions of the sites, Port staff recommend the following economic benefits in evaluating responses to the South Beach Piers RFP:

1. *Removal of liability.* As the substructure of Piers 30-32 continues to deteriorate, simply sustaining the status quo is already an expensive prospect, while the alternative option of demolition is even more cost-intensive. A development proposal that assumes responsibility or generates sufficient revenue to support the critically-needed upgrades and facilitates on-going viability helps relieve the Port of the financial burden of maintenance and liability (and eventual demolition when the facility is no longer operable).
2. *Significant investment in Port assets.* Piers 30-32 facility rehabilitation, reduction of seismic risk from the fronting Seawall and flood protection represents hundreds of millions of dollars of investment. This is a significant benefit to the Port in addressing its agency-wide capital backlog and improving its asset management.
3. *Reliable revenue stream.* Port staff anticipate that over the long-term, a redeveloped SWL 330 would generate sufficient revenue to both repay the initial

investment and produce revenues both to the lessee and the Port. Depending on the structure of the transaction the Port could also consider receiving all or a portion of the funds up-front, to help with addressing one-time capital needs.

4. *Participation in upside revenues.* Port long-term development leases include participation in revenues on an ongoing basis and participation in capital events (lease transfers and refinancings).

VII. MINIMUM QUALIFICATIONS OF RESPONDENTS

Each respondent team must meet the following minimum qualifications as determined by Port staff for consideration of its development proposal. The Port will not consider or evaluate submittals from respondents that have not demonstrated they have met all of the following minimum qualifications:

- I. Obtained at least \$40 million in committed funding for a single development project.
- II. Entitled a single development project with a total cost of at least \$40 million.
- III. Completed construction of a single development project with a total cost of at least \$40 million.
- IV. For respondent teams proposing a Piers 30-32 project, successfully constructed a development project over water with a value of \$40 million,
- V. The submittal of a signed form verifying adherence to conditions governing communications with City staff prior to execution of an Exclusive Negotiating Agreement (ENA).

The \$40 million threshold was established recognizing that a successful project will likely require a minimum investment of \$250 million. By setting the minimum qualification at a substantial but lower amount, Port staff seeks to avoid pricing out all but very large developers in hopes of fostering a wider range of potential experienced interest.

Minimum Qualification V requires respondents to agree to direct all communications related to the RFP to specified Port staff members. Only Port staff identified in the RFP as contacts for this competitive solicitation are authorized to respond to comments or inquiries from proposers, or potential proposers. The form referenced above will describe that communications relationship and will include the following text:

During the selection process under this RFP, potential proposers, their counsel, agents, contractors, representatives, and associates may not contact or solicit the Mayor and her staff, Members of the Port Commission, any members of the Selection Panel (once those members are identified) or any other Port, City, or Commission staff member other than the contact persons designated by the Port (which may be updated at the Port's discretion through a written communication), regarding this RFP, the content of this RFP, any responses or proposals received in response to this RFP, or for the purpose of influencing the content of the competitive solicitation, bids, or the award of the Exclusive Negotiating Agreement (ENA). Failure to comply with this provision may result in the

disqualification of the proposer from the solicitation process at the sole discretion of the Port.

This prohibition extends from the date the RFP is issued until the date the ENA is executed. This prohibition does not apply to communications with the City regarding normal business not related to this RFP.

VIII. SCORING CRITERIA TO REVIEW RESPONSES

Responses to the RFP will be scored by a scoring panel selected by Port staff and as described below. The panel will review proposals based upon a set of criteria established and described in the RFP. Only those respondents that have met the minimum qualifications described above will advance to panel scoring. The panel will review and score both written responses and in person interviews. A point system will be created for the categories below.

1 - Quality of the Design and Development submittal based on factors such as:

- a) response to RFP development planning objectives and goals, and community values and priorities
- b) evaluation of the development program's conformance with Waterfront Plan goals, Public Trust Objectives and Community Values
- c) character and design quality of the development (e.g., connectivity to the surrounding area, massing and treatment of buildings, quality of open spaces and public realm,)
- d) effectiveness of ongoing management programs dealing with transportation demand, the strategic balance of maritime uses with public access, clarity and integrity of sustainability principles, comprehensiveness of "good neighbor" strategies, and inclusiveness of a diverse group of potential users and tenants
- e) programmatic balance of public-serving, maritime, and revenue-generating uses

2 - Strength of Financial Proposal based on factors such as:

- a) proposed economic return to the Port, base rent and percentage rent or other forms of participation proposed by the respondent
- b) evaluation based upon understanding of real estate/market assessment of the site(s)
- c) Evaluation based upon financial feasibility assessment of the proposer's program and project proforma

3 - Financial Capacity of the Respondent and Economic Viability of Proposal based on factors such as:

- a) ability to raise and commit funds for the project and continuing operations and maintenance
- b) adequacy of projected revenues to support the respondent's proposed investment
- c) revenues to Port
- d) reasonableness of the cash flow analysis

- e) proposed capital investment for improvements including Seawall and flood protection

4 -Experience, organization and reputation of the respondent's team, based on factors such as:

- a) experience with over-water construction project
- b) experience with complex regulatory environment
- c) history of on-time and on-budget projects
- d) economic success of similar ventures
- e) team make-up and diversity reflecting San Francisco population
- f) experience and success in utilization of certified San Francisco Local Business Enterprise (LBE) businesses, California Small Business Enterprise (SBE) or similar municipal, state, or federal work force and business development programs in development projects
- g) design excellence of completed projects
- h) clear lines of authority and responsibilities
- i) team & key personnel qualifications and availability
- j) litigation and compliance record
- k) demonstrated ability to comply with City requirements
- l) experience engaging the community
- m) experience with the Port/public agencies collaboration and coordination
- n) experience with sustainability with programs like 0-80-100 Roots

Evaluation and Selection Criteria Summary	Written Total: 100 Points
Quality of the Design and Development Submittal	35 pts
Strength of Financial Proposal	20 pts
Financial capacity of Respondent/economic viability of proposal	20 pts
Experience, organization and reputation of Respondent's team	25 pts

In addition to the 100 points achievable through the written proposal, up to 30 additional points may be awarded based upon performance in the oral interviews regarding the quality of design and development, experience, and team organization.

IX. RESPONSE SCORING PANEL COMPOSITION

The draft Waterfront Plan goal of “Partnering for Success”, includes a policy that defines a scoring panel that represents diverse interests to assist the Port Commission in the selection of a development partner. As recommended by that policy, the scoring panel reviewing the Piers 30-32 and/or SWL 330 RFP teams that meet the Minimum Qualifications will include the following types of representative individuals:

- 1. development expert
- 2. Port staff person

3. Port advisory group member
4. person representing a City or regional stakeholder perspective

The scoring panel may include other stakeholder representations should the Port deem desirable. Development experts should include experts with development experience in the Bay Area, and particularly waterfront projects and projects with maritime berthing capacities and innovative mixed-use programs. The Port staff person should be a senior level person with a broad range of real estate, development, finance, or planning background. The Port Advisory Group member should be from the advisory group within the geography of the project, and the City or Regional representative should be a stakeholder that complements or fills an expertise gap or unique project quality or issue. The panel will be diverse, reflecting the San Francisco community.

X. PORT COMMISSION REVIEW AND SELECTION PROCESS

The following process is proposed to seek Port Commission input and eventual approval to award the opportunity and enter into an ENA with the successful development partner. This process allows the Port Commission to hear from qualified respondents, receive background information regarding the proposals and their relative financial and regulatory feasibility prior to Port staff providing its recommendation for action based on the results of the scoring process. The process includes the following steps:

- The proposals meeting the Minimum Qualifications will be vetted by a third party economics consultant for feasibility, with input from Port engineering for occupancy and code compliance consistency. This review will be summarized in a memo for use by the scoring panel in their evaluation and scoring of the proposals;
- The scoring panel will review the qualifying proposals and the third party evaluation memo and then will interview the qualifying proposers, in order to score the proposals based upon the scoring and selection criteria outlined above;
- Port staff will develop up to three recommendations (the “Port Staff Recommendations”) for award of the right of exclusive negotiation: the highest-scoring combined Piers 30-32/SWL 330 proposal (if any); the highest-scoring Piers 30-32-only proposal (if any), and/or the highest-scoring SWL 330-only proposal (if any). The number of Port Staff recommendations will depend on whether there are qualifying proposals in each category.
- After scoring is complete, all respondents meeting the Minimum Qualifications will be invited to make a brief presentation as part of an information item at a Port Commission meeting. The RFP will require that all respondents provide an executive summary of their proposals; accordingly, the staff report for the information item will attach all of the executive summaries from qualifying respondents. The Port Commission will be advised that in order to keep the process balanced, that the information item is intended simply to provide information to the

Port Commission and public about the responses received and not for scoring purposes.

- At that same Port Commission meeting, but after the item described in the preceding bullet, Port staff will provide a staff report and presentation laying out the Port Staff recommendations.
- At a subsequent meeting, Port staff will calendar an action item under which the Port Commission can then decide to (a) select the combined Piers 30-32/SWL 330 proposal, (b) select both single-site proposals, (c) select one of the single-site proposals, or (d) reject all proposals and terminate the process.

In addition to the key sections of the RFP outlined in this staff report, the RFP will also require that respondents agree to: a) enter into a lease disposition and development agreement substantially similar to the form presented in the RFP; b) execute a lease substantially similar to the form presented in the RFP; and c) agree to abide by all City polices and laws. Additionally, issuance of an RFP does not commit the Port to proceeding with any agreement or project, and the Port cannot approve any lease or other development agreement for the project until after environmental review has been completed in compliance with the California Environmental Quality Act.

XI. NEXT STEPS

If the Port Commission approves the release of the RFP in December 2019, Port staff will complete drafting and target January 2020 for release of the RFP. Assuming that target holds, staff projects the schedule to proceed as follows:

- | | |
|---------------------|--|
| • late January 2020 | Pre-submittal open house |
| • February 2020 | Respondents' questions to Port due |
| • early March 2020 | Port responses to questions published |
| • late March 2020 | Proposals Due |
| • April/May 2020 | Form scoring panel and review proposals |
| • May 2020 | Informational presentations at Port Commission |
| • June 2020 | Seek authorization from Port Commission to select Development partner(s) and enter into ENA(s) |

The Port has and will continue to reach out to potential and interested developers to make them aware of the RFP opportunity and will conduct the following outreach:

- Update and notify potential respondents to the RFP
- Run advertisements or otherwise seek news coverage in professional periodicals and newspapers
- Conduct outreach through professional organizations
- Conduct outreach with the neighborhood, local, regional and ethnic Chambers of Commerce
- Coordinate outreach with CMD and through other City agency outreach events

Prepared by: Peter Albert
Project Manager
Real Estate and Development

Assisted by: David Beaupre
Senior Project Manager
Real Estate and Development

Rebecca Benassini
Assistant Deputy Director
Real Estate and Development

Prepared for: Michael Martin
Deputy Director
Real Estate and Development

- Exhibit 1: RFP Parameters
- Exhibit 2: Site Location and Setting
- Exhibit 3: Diverse Use Polices from the Waterfront Plan
- Exhibit 4: Piers 30-32 Plan Diagram
- Exhibit 5: SWL 330 Plan Diagram

Exhibit 1- RFP Parameters

Location: Piers 30-32 and Seawall Lot 330, The Embarcadero between Bryant and Beale Streets

Site Areas and Uses:

Piers 30-32

- 574,000 gross square feet (approx. 13 acres) paved surface over two piers bridged by a deck, currently operated by the Port as a surface parking lot and occasional special event location
- Piers linear dimension (extending east from the Embarcadero): 950 feet
- Piers width (fronting the Embarcadero) 625 feet

- Waterfront Plan Uses: maritime (ferry/excursion, passenger cruise, historic ships, ship repair, temporary berthing), public access, public open space, publicly-oriented (artist, cultural, assembly, entertainment, museum, retail, restaurant, beverage, recreation, visitor services, academic organizations), revenue generating (short-term interim uses, office)

Seawall Lot 330

- 101,471 square feet (approx. 2.3 acres) of paved land, currently operated as a parking lot with a portion occupied by a temporary structure housing Embarcadero SAFE Navigation Center homeless services for limited-term duration

- Waterfront Plan Uses: publicly oriented (artist, cultural, assembly, entertainment, museum, retail, restaurant, beverage, recreation, visitor services, academic organizations), revenue generating (short-term interim uses), residential, hotel

Term: Dependent on investment and sea level rise adaption plan, up to 66 years

Existing Tenants: Port will work with developer so that existing users, including automobile parking operations, are kept informed of timing of development, consistent with the limited-duration terms of the Embarcadero SAFE Navigation Center

Resilience: There are two active Port efforts to address resilience for the Port's piers: the Embarcadero Seawall Program and the US Army Corps of Engineers Flood Resilience Study. The successful respondent will be required to coordinate and collaborate on each of these efforts and the Port will provide criteria on seismic and adaption thresholds.

Public Financing:

- Infrastructure Financing District

Projected RFP Timing:

1. Release RFP December 2019
2. RFP Responses Due March 2020
3. Port Commission Informational/Action June 2020

EXHIBIT 2: Piers 30-32 and Seawall Lot 330 Site Location and Setting



Exhibit 3: DIVERSE USE POLICIES

(excerpted from [Draft Waterfront Plan](#), pages 37-41)

Public-Oriented Uses

1. Leases and Port developments should support a diversity of public-oriented uses that equitably serve and attract visitors of all ages, races, income levels, and abilities from California and the world.
2. Provide more equitable access by increasing the number of free or low-cost activities and events along the waterfront.
3. Include activities that promote physical activity, connection with nature, and healthful living for visitors of all ages.
4. Design public-oriented uses to be inclusive, to create visitor experiences, and to convey a sense of place that is oriented to San Francisco Bay (e.g., include lower-cost takeout/happy hour offerings from restaurants, creative public access/public realm design amenities, lobbies open to the public).
5. Highlight visual connections with maritime features and public access improvements in the design of public-oriented uses in new pier developments, where possible.
6. In historic properties, include tenant improvements that enhance visitor enjoyment of the Port's maritime history and architecture, consistent with Waterfront Plan urban design and historic preservation policies.
7. Give top priority to public-oriented uses that are water-oriented and provide water-dependent activities uses that are open to the public.
8. Encourage temporary public-oriented uses that promote a dynamic waterfront. Allow pilot projects and small business opportunities.
9. Integrate commercial revenue generation with public-oriented uses and benefits as needed to meet project financial feasibility requirements.
10. For developments that include academic organizations, require programs and facilities that offer public educational opportunities (e.g., short courses or workshops) as well as public events and gatherings that enhance and activate public access areas.

Commercial and Industrial Uses

11. Maintain maritime and non-maritime industrial leasing opportunities in Port pier sheds, warehouses, and industrial properties.
12. Maintain leasing opportunities for maritime and general office uses in existing office building developments, historic buildings that are listed in the National Register of Historic Places, and as permitted.
13. Consistent with Chapter 2A, Maritime Policies 14 & 15, pursue development of new warehouses on the Pier 90-94 Backlands to maintain industrial facilities in San Francisco that protect the viability of Port cargo and maritime support businesses at Piers 80, 92 and 94-96, generate economic activity and jobs for the city, Port revenues for capital investment, and improved properties in the Bayview-Hunters Point community.
14. Develop commercial and industrial projects that are consistent with applicable urban design and architectural policies (in Chapter 2D) and environmental sustainability policies (in Chapter 2G), and that complement and enhance the waterfront public open space network (see Chapter 2C).
15. Prohibit new private clubs with exclusive memberships (i.e., clubs that require members to be voted in). Allow clubs that may charge membership fees (e.g., YMCA) but that provide pay-as-you go use of facilities or other measures to allow occasional club use by the public to the maximum feasible extent.
16. Promote the use of public transit and alternative transportation modes in commercial and industrial projects, consistent with Waterfront Plan transportation policies (in Chapter 2F).

Other Uses: Transportation Services

17. Provide attractively designed and inviting passenger waiting and service areas to encourage use of public and private water transportation services, including terminals, docks, and public spaces that support water transportation facilities/

18. In major developments, encourage ticket sales for all local and regional public transportation modes to and within San Francisco.

19. Plan vehicle staging areas that minimize congestion on nearby streets and adverse impacts on public access.

Other Uses: Community Facilities

20. Allow public safety and other community service facilities on sites that are strategically located to provide service to the Port or the City and County of San Francisco (City).

21. Where rational and feasible, include spaces in new developments that can be used by the public (e.g., community meetings, government services) and that activate the waterfront.

22. Maintain the Port Executive Director's authority to direct the utilization of Port facilities for medical airlift and other emergency services.

Seawall Lots

34. Encourage uses on seawall lots that integrate and connect with the surrounding neighborhood and waterfront.

35. Activate and clean up underused northern seawall lot areas, and promote new uses and design that enhance the public realm on the west side of the Embarcadero.

36. Promote design of seawall lot developments along the Embarcadero so they provide physical and visual access to the west side of the Embarcadero, the Embarcadero Historic District, and the Bay, and access to a diverse range of users.

37. Ensure that seawall lot developments:

- a. Incorporate public-oriented uses that enliven the pedestrian/ground level experience in a variety of ways.
- b. Provide land uses that, whether oriented to residents, visitors, or workers, support and attract diverse populations to the waterfront.

38. Allow hotels as an acceptable use on seawall lots and Port properties more than 100 feet upland of the Bay shoreline, consistent with Proposition H.

39. Seek state legislation to lift trust restrictions on the remaining seawall lots north of Market Street on a case-by-case basis, only if necessary, and ensure that development includes public-oriented use(s) to activate or enhance the public realm.

40. To support Port capital improvements, generate revenue from a broad range of uses, including non-trust uses (e.g., office, residential, general retail) where permitted by Senate Bill 815 or other state legislation, and invite new ideas to enhance surrounding neighborhoods and connections across the Embarcadero; support development that is well-designed and advances public goals.

41. Pursue significant financial benefits from seawall lot developments that rely on state legislation, to support historic rehabilitation of piers, waterfront parks, and public access.

42. Comply with applicable City policy regarding provision of affordable housing in new residential development projects and, whenever possible without undermining financial value to the Port, exceed the City's policy.

43. Encourage inclusion of social and common areas that could be available for community meetings to serve on-site or nearby residents.

44. Recognize that parking on seawall lots is a trust use that furthers trust objectives by:

- a. Accommodating Port visitors who drive from elsewhere in the region or state, especially families with children, seniors, people with disabilities, and tour buses.
- b. Supporting Port businesses, their service needs, and their employees who are currently underserved by transit (e.g., maritime operators, Fisherman's Wharf businesses).
- c. Providing a revenue stream for Port capital needs on an interim basis, until other uses are approved.

45. Ensure that seawall lot parking uses are consistent with transportation policies in Chapter 2F and informed by further studies of people visiting the waterfront, delivery and loading needs, and transit and bicycle use.

EXHIBIT 4: PIERS 30-32 PLAN DIAGRAM

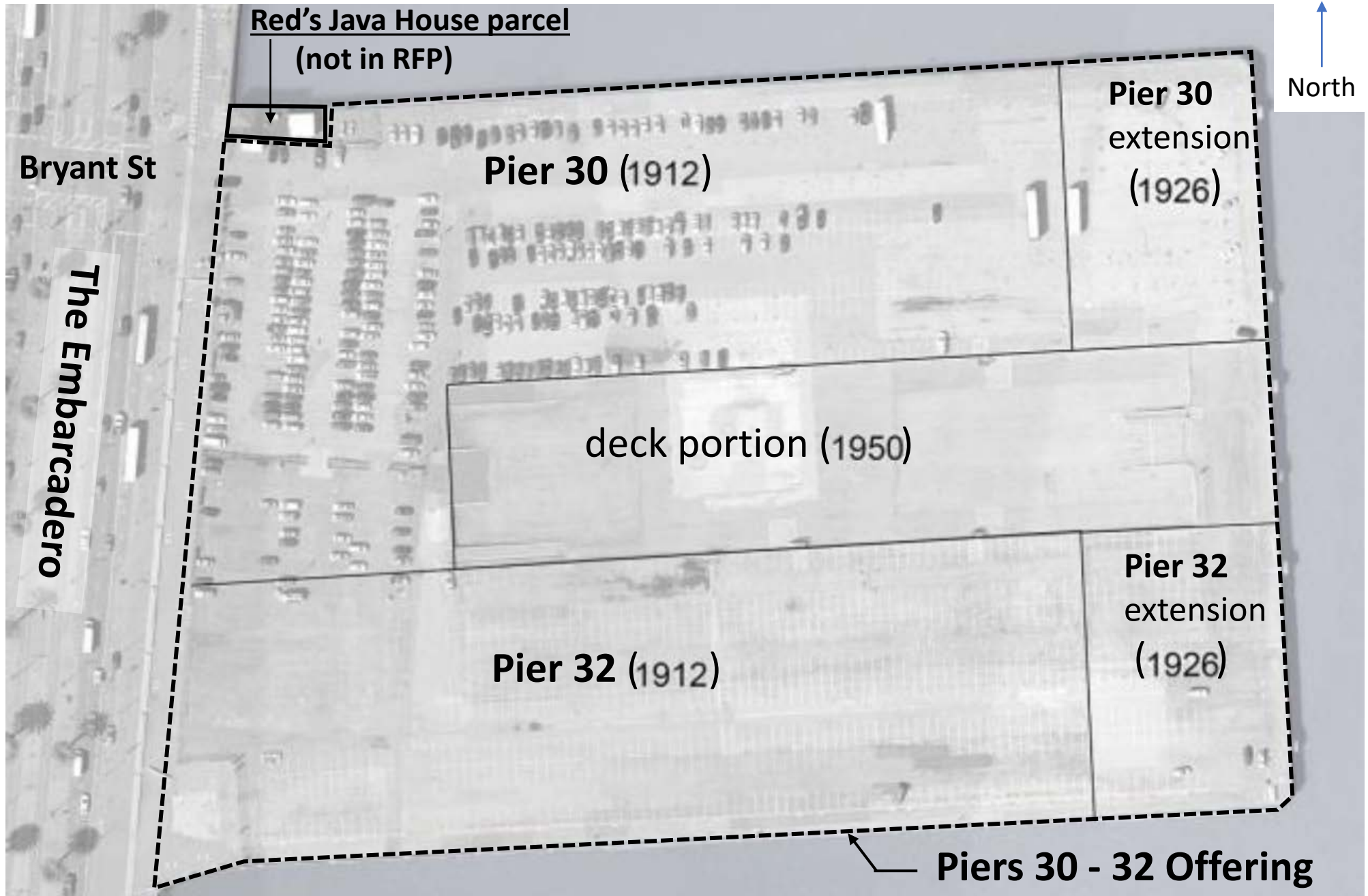


EXHIBIT 5: SEAWALL LOT 330 PLAN DIAGRAM

North →



MEMORANDUM

November 8, 2019

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Request authorization to execute a Memorandum of Understanding in partnership with the San Francisco Parks Alliance for the proposed Crane Cove Park Fundraising Campaign

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution No. 19-45

EXECUTIVE SUMMARY

On September 24, 2019 the Port Commission received an informational update on the proposed Crane Cove Park Fundraising Campaign ("Campaign")¹. Port staff presented a proposed partnership with the San Francisco Parks Alliance ("Parks Alliance") to fundraise for the remaining components of the Crane Cove Park Project ("Project") that are outside the current Project budget, including the children's playground, the dog run, and restoring the two historic crane tops. Since that hearing, Port staff and the Parks Alliance have further refined a shared understanding of the proposed Crane Cove Fundraising Campaign and have set a target to raise \$6.4 million to complete the Project. Port staff and the Parks Alliance have memorialized terms of this understanding in a draft Memorandum of Understanding ("MOU"), attached as Exhibit A of this staff report.

The Parks Alliance's extensive experience and long-standing commitment to leveraging private investment for public parks are a major asset to the Port in raising these critical dollars and realizing the full scope of the Project.

THIS PRINT COVERS CALENDAR ITEM NO. 11B

¹ See September 2019 Staff Report:
https://sfport.com/sites/default/files/Documents/Item%207B%20Crane%20Cove%20Park%20Informational_SFPA_final_0.pdf

This staff report provides a summary of the following:

1. Project Background and Status
2. Strategic Plan Alignment
3. Partner History and Experience
4. Key Terms of the MOU
5. Next Steps

Port Staff is seeking:

- Guidance and feedback on the proposed Crane Cove Fundraising Campaign; and
- Approval of the attached resolution, authorizing the execution of the proposed MOU with the Parks Alliance

PROJECT BACKGROUND & STATUS

The Crane Cove Park site is located within the Pier 70 area and, upon completion, the Park will be one of the signature new parks of the Blue Greenway and within the City's park system. The Park has long been envisioned by the Port and was recognized initially in the adoption of the Port's Waterfront Land Use Plan in 1997 and was also identified in the Port's 2010 Pier 70 Preferred Master Plan and 2012 Blue Greenway Planning and Design Guidelines. Since 2011, the Project has gone through a significant community planning process, design review and has received all its necessary permits. Crane Cove Park is currently funded primarily through the 2008 and 2012 Park General Obligation Bonds, Port Capital funds, and grants.

The Port Commission has approved the Park Master Plan and Schematic Design. The Project has been divided into five contracts: Site Preparation and Surcharging, Hazardous Materials Abatement, Park Improvements and 19th St Parking Lot, Building 49, and 19th and Georgia Street Roadway Improvements. All the contracts have been completed or are under construction with the exception of Building 49 and the Roadway Improvements. The Park Improvements and 19th St Parking Lot contract, which will allow for the Park to open to the public, are anticipated to be complete in Spring 2020. To date, the Port has spent \$16 million on the Park, and has a total budget of \$36.6 million to complete the Park, the surrounding roadways and the parking lot.

Through the Park planning, design and entitlement process, the Project has been vetted through significant community outreach, including to the Port's Central Waterfront Advisory Group(CWAG), Southern Waterfront Advisory Committee (SWAC), Waterfront Design Advisory Committee (WDAC), Bay Conservation Development Commission, Design Review Board (BCDC-DRB), Dogpatch Neighborhood Association, Potrero Boosters, Eastern Neighborhoods CAC, Hunters Point Shipyard CAC, Mission Bay CAC, Bay Trail and Bay Area Water Trail CACs, Port, City Planning Commission, and the San Francisco Bay Conservation and Development Commission. In total, the Project has benefited from more than 60 public meetings or hearings.

STRATEGIC PLAN ALIGNMENT

This Project supports the goals of the Port's Strategic Plan as follows:

Evolution:

3. Improve Port open spaces to provide publicly desired amenities and activities.
 - a. Deliver Crane Cove Park on time and budget
 - i. Open to the public with Park activation programs by 2020
 - ii. Raise private funds for historic crane caps and the children's playground by 2020

Stability:

2. Grow capital funding with external sources.

PARTNER HISTORY AND EXPERIENCE

Since 1972, San Francisco Parks Alliance has leveraged public and private resources to improve parks and public spaces throughout the City. The Parks Alliance champions, transforms, and activates parks and public spaces throughout our city through innovative partnerships with community groups, city government and local business. The Parks Alliance believes that building these partnerships to support parks and open spaces leads to stronger, more cohesive communities, greater physical and mental wellness, and a more sustainable, equitable urban environment. The Parks Alliance is a nonprofit organization (under Internal Revenue Code Section 501(c)(3)) that for 50 years has supported parks and open space in San Francisco.

The Parks Alliance expertise has afforded them an illustrious reputation among the donor community, which has allowed the organization to successfully raise over \$100 million dedicated to rehabilitating and developing parks and open spaces throughout San Francisco. The organization has worked with more than 200 community groups improving their local spaces through beautification, community driven programming, and special events. They are often showcased as a model for successful public private partnerships.

The Parks Alliance initiated and continues to lead the advocacy for the Blue Greenway project. Additionally, the Parks Alliance led the campaigns in support of both the 2008 and 2012 Parks General Obligation Bonds, which have provided significant funding for both the Blue Greenway and other waterfront parks.

Through the Let'sPlaySF! Initiative, launched in 2016 with the San Francisco Recreation and Parks Department, the Parks Alliance is supporting the renovation of the City's 13 playgrounds most in need of investment, and to date has raised over \$15 million.

PROPOSED MOU

OVERVIEW

The proposed MOU with the Parks Alliance is designed to serve as a roadmap of general terms for collaborating on the Campaign to receive private contributions and

support through the Parks Alliance, and the SFPA’s award of grants of funds or in-kind services or materials to the Port as integral part of the Campaign. Under the proposed arrangement, Port staff will bring each Grant Agreement to the Port Commission for approval of Grants from the Parks Alliance to the Port for delivery of Project Components. The MOU also contains commitments by the Port and SFPA on how the parties will collaborate on and communicate during the Campaign.

The MOU will include general City requirements for project partnership arrangements with non-profit agencies, regarding insurance, indemnification and other requirements applicable to private parties that provide services on City property. As to indemnification, the Parks Alliance requests a “mutual indemnification” provision that commits each party to indemnify the other for claims and losses arising from its own respective or proportionate joint negligence in performing the MOU except for the sole negligence or willful misconduct of the indemnitee (the party benefiting from the indemnity commitment), the City’s Risk Management Office has approved the mutual indemnity structure of the MOU.

Overall, the MOU will formalize the mutual commitment of both the Port and Parks Alliance to jointly pursue the Crane Cove Park Fundraising Campaign. Below is a summary of the Key Terms of the MOU.

CAMPAIGN BUDGET

The Crane Cove Park Fundraising Campaign aims to raise approximately \$6.4 million to fund the completion of the following park components, including the children’s playground and the crane tops, as previously identified at the September 11, 2018 Port Commission² meeting and adding the Dog Run, contingency and campaign costs. The anticipated amounts are as follows:

Component	Amount	% of Budget
Children’s Playground (Riggers Yard & Tot Lot)	\$ 700,000	11%
Dog Run	\$ 240,000	4%
Crane Tops	\$ 4,000,000	62%
Project Management	\$ 111,657	2%
Contingency	\$ 643,343	10%
Campaign Costs	\$ 705,000	11%
TOTAL	\$ 6,400,000	100%

Although the goal of this fundraising initiative is to raise approximately \$6.4 million to complete the Crane Cove Project, there is an 11% allowance of all monies raised to be retained by the Parks Alliance for campaign costs.

² See September 2018 Staff Report: <https://sfport.com/sites/default/files/Commission/Documents/Item%2012B%20Crane%20Cove%20Park%20Informational.pdf>

SUMMARY OF KEY MOU TERMS

Provision	Terms
Term	5 years from the Effective Date (the “ Term ”), with 3 options to extend the Term for one year per option
Budget	\$6,400,000
Roles and Responsibilities	<p>Port</p> <ul style="list-style-type: none"> • Port shall ensure that all funds raised through the Campaign are spent only on Crane Cove Park expenditures • Port staff shall be responsible for presenting information about the Campaign status and progress to the Port Commission and for seeking any Port Commission and City approvals that are required • Port will assign a project manager to oversee any campaign work covered in the MOU <p>Parks Alliance</p> <ul style="list-style-type: none"> • Parks Alliance shall secure third-party donations, contributions, and grants in the form of cash, and in-kind services and materials, in a value up to \$6.4 million • Parks Alliance may provide for varying methods of collaboration with the Port in order to deliver the Project (“Project Delivery”), may include but is not limited to: <ul style="list-style-type: none"> ○ Cash Grants to the Port, subject to Chapter 10 of the San Francisco Administrative Code ○ In-kind grants of Design Services ○ In-kind grants of fully designed and delivered project components ○ Other in-kind contributions as further detailed in Section 5.2 B of the MOU • Parks Alliance shall retain 11% of cash contributions raised for Campaign (administrative) costs <p>Joint Responsibilities</p> <p>Both Port and Parks Alliance (the “Parties”) shall maintain regular communication with each other. Parties shall regularly review the assignment of roles and responsibilities for the entire Campaign. Parties shall ensure timely submittal and review of all necessary reporting as detailed in Section 5.3 C of the MOU.</p>
Ownership of Improvements	Any and all equipment, structures, fixtures, and related materials, used to construct or deliver the remaining

	Project components shall become permanent fixtures of Crane Cove Park, held in exclusive ownership by the Port. The Parks Alliance will relinquish any claim of ownership or title to such Project equipment, structures, fixtures, and related materials.
Indemnification	Mutual Indemnification: Each party shall indemnify the other for claims and losses arising from its own respective or proportionate joint negligence in performing the MOU, except for the sole negligence or willful misconduct of the indemnitee (the party benefiting from the indemnity commitment).
Communications	Parties shall use all good faith efforts to cooperate on the matters of public relations and media responses related to the Campaign. Neither Party shall contact the media for the purposes of the Campaign without the agreement of both Parties, nor shall either party issue a press release regarding the MOU or the Campaign, without providing prior written notice to the other Party. All media inquiries to the Port shall be directed to the Port's Director of Communications. Either Party may hold Campaign events at the Park or elsewhere, Parties shall make good faith efforts to participate on equal basis at such events.

MOU APPROVAL PROCESS

Through the proposed MOU, Port staff and SFPA envision a successful Campaign partnership that will generate funds and services of \$6.4 million in value, that will be disbursed to the Port in the form of grants from the Parks Alliance to the Port for funds or in-kind services or materials to complete the remaining components of the Project.

Section 9.118 of the City Charter provides that contracts entered into by a department or commission having anticipated revenue to the City of \$1 million or more shall be subject to approval by the Board of Supervisors by resolution. Additionally, Section 10.170-1 of the City Administrative Code requires approval by the Board of Supervisors for a City department to accept and expend grant funds of \$100,000 or more. Accordingly, upon Port Commission approval of the proposed MOU and resolution authorizing this Campaign partnership, Port staff will introduce a resolution to the Board of Supervisors for approval to execute the proposed MOU with SFPA, and to accept and expend future grants from SFPA pursuant to the MOU.

OTHER PORT ACTIVITIES RELATING TO THE PARK

Port staff also notes these related efforts that are intended to combine with the Campaign to ensure delivery of a park the Port and its stakeholders can be proud of.

PARK OPERATIONS & MAINTENANCE

Port staff have prepared an estimated budget for maintenance cost and an operations staffing plan for the completed Park. Maintenance will be funded through the Pier 70 Community Facilities District (CFD) funding generated from the Historic Core, Parcel K and future development opportunities along 19th Street. The CFD will fund an annual operating and maintenance budget of approximately \$650,000, and the work will be performed by Port Maintenance Staff.

PARK PROGRAMMING & ACTIVATION

Additionally, Port Staff will further develop a strategy to collaborate with the Office of Economic Development and Workforce Development (OEWD) and the Parks Alliance or another newly formed non-profit entity for a partnership to assist the Port in park programming and activation for Crane Cove Park and a number of other Blue Greenway parks. This non-profit entity collaboration is currently envisioned by Port staff to facilitate a range of functions beyond basic park operations and maintenance, potentially including establishment of community stewardship and volunteer programs and management of special events or arts within the park. If successful, Port staff will return to the Port Commission for further discussion and consideration of that partnership.

CONCLUSION:

Staff now requests that the Port Commission adopt the attached resolution authorizing staff to seek approval from the Board of Supervisors and, if so approved, enter into a Memorandum of Understanding in partnership with San Francisco Parks Alliance to conduct the Crane Cove Park Fundraising Campaign, with the goal to raise approximately \$6.4 million in the form of cash contributions and in-kind services and materials, to fund and complete of the remaining Project Components of the Project.

Prepared by: Crezia Tano-Lee, Manager
Business Strategy & Optimization
Real Estate and Development

David Beaupre
Senior Project Manager
Real Estate and Development

Erica Peterson
Project Manager
Engineering

Prepared for: Byron Rhett
Chief Operating Officer

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

RESOLUTION NO. 19-45

- WHEREAS, The Port manages the San Francisco waterfront within its jurisdictional boundaries as the gateway to a world-class city, and advances environmentally and financially sustainable maritime, recreational and economic opportunities to serve the City, Bay Area, and California; and
- WHEREAS, The Port delivers vibrant and diverse waterfront experiences that enrich the City and San Francisco Bay Area; and
- WHEREAS, The Port is currently completing the construction of Crane Cove Park, which will be a new 7-acre park on Port property, located in the Central Waterfront generally between 19th Street and Mariposa Streets east of Illinois Street, and is slated for opening in the Spring of 2020; and
- WHEREAS, Crane Cove Park will be a major new public open space that preserves historic maritime resources, provides public access to and recreation opportunities along the Bay, and contributes to a vibrant new Pier 70 neighborhood, and expands the Port's necklace of public open spaces; and
- WHEREAS, The Crane Cove Park Project (Project) is a long-standing project of the Port, and was first identified as a project in the Port's Waterfront Land Use Plan adopted in 1997, and further articulated in the Port's Pier 70 Preferred Master Plan, which was endorsed by the Port Commission in 2010; and
- WHEREAS, On June 14, 2011, the Port Commission authorized award of a contract for planning, design and engineering services for the Project to AECOM Technical Services, Inc., with sub consultants including: Architectural Resource Group, AGS Engineers, Ajmani & Pamidi Engineers and Martin Lee Corporation Cost Estimators (Resolution No. 11- 44); and
- WHEREAS, On September 12, 2016 the Port Commission authorized the award of Construction Contract No. 2740, Crane Cove Park Site Preparation and Surcharge Project, to Shimmick Construction Company, Inc. (Resolution 16-37); and
- WHEREAS, On November 13, 2018 the Port Commission authorized the award of Construction Contract No. 2812, Crane Cove Park: Park Improvements and 19th Street Parking Lot Project, to Gordon N. Ball, Inc. (Resolution 18-61);

WHEREAS, Upon awarding Construction Contract No. 2812, cost control measures were implemented to remove components of the Project to keep the scope within budget, and to also advertise for and accept competitive re-bids for the amended Crane Cove Park: Park Improvements and 19th Street Parking Lot phase of the Project, and in November of 2018 the Commission authorized Port staff to award the contract, thereby deferring the construction of the removed project components until future phases; and

WHEREAS, The Port released the 2019-2023 Strategic Plan and set objectives to improve Port open spaces to provide publicly desired amenities and activities; and specifically set objectives to deliver Crane Cove Park on time and budget, and to raise private funds for historic crane cabs and the children's playground by 2020; and

WHEREAS, The Port has thus far committed \$36.6 million to the Project, and estimates that approximately \$6.4 million is required to fund the remaining components of work; and

WHEREAS, SFPA and the Port agree to partner on the Crane Cove Park Fundraising Campaign dedicated to raising private funds and in-kind contributions to complete remaining Project components including the children's playground, dog run, and restoring the two historic crane tops, all on terms as described in the Memorandum of Understanding as described in and attached as Exhibit A to the staff memorandum accompanying this resolution (the "MOU"); and

WHEREAS, That the Port Commission has reviewed the essential terms of the MOU; now therefore be it resolved that

RESOLVED, That, subject to approval by the Board of Supervisors, the Port Commission hereby authorizes the Executive Director to enter into a Memorandum of Understanding in partnership with San Francisco Parks Alliance to conduct the Crane Cove Park Fundraising Campaign, with the goal to raise approximately \$6.4 million in funds and in-kind contributions for the completion of the remaining project components of the park Project, as described above and upon the terms and conditions substantially in the form of the proposed MOU; and be it further.

RESOLVED, That the San Francisco Port Commission hereby authorizes Port staff to introduce a resolution to the Board of Supervisors seeking approval, pursuant to San Francisco Charter Section 9.118 and pursuant to Administrative Code Section 10.170-1, to execute the proposed MOU in partnership with SFPA, to accept and expend grant funds and in-kind contributions in the amount or value of \$100,000 or more but not exceeding \$6.4 million in the aggregate, upon the terms and conditions described above and in the accompanying staff memorandum; and be it further

RESOLVED, That the Port Commission authorizes the Port Executive Director to enter into any modifications to the MOU that the Port Executive Director determines, in consultation with the City Attorney, are in the best interests of the Port and do not materially increase the obligations or liabilities of the Port, are necessary or advisable to effectuate the purposes of the MOU of this Resolution, and are in compliance with all applicable laws, including the City's Charter.

I hereby certify that the Port Commission at its meeting of November 12, 2019 adopted the foregoing Resolution.

Secretary

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE PORT OF SAN FRANCISCO
AND THE SAN FRANCISCO PARKS ALLIANCE**

This Memorandum of Understanding (“**MOU**”) is made and entered into as of _____, 2019 (the “**Effective Date**”), by and between the Port of San Francisco (the “**Port**”), acting by and through the Port Executive Director, and the San Francisco Parks Alliance, a California non-profit benefit corporation (the “**SFPA**”). For purposes of this MOU, “**Party**” means Port or SFPA, as a party to this MOU; and “**Parties**” means both Port and SFPA, as parties to this MOU.

RECITALS

- A. WHEREAS, the Port manages the San Francisco waterfront as the gateway to a world-class city, and advances environmentally and financially sustainable maritime, recreational and economic opportunities to serve the City, Bay Area, and California; and
- B. WHEREAS, the Port delivers vibrant and diverse waterfront experiences that enrich the City and San Francisco Bay Area; and
- C. WHEREAS, the Port is currently completing construction of Crane Cove Park which will be a new 7-acre park of the Port, located in the Central Waterfront generally between 19th Street and Mariposa Streets east of Illinois Street, and is slated for opening in the Spring of 2020; and
- D. WHEREAS, Crane Cove Park will be a major new public open space that preserves historic maritime resources, provides public access and recreation opportunities to the Bay, and contributes to a vibrant new Pier 70 neighborhood, and expands the Port’s necklace of public open spaces; and
- E. WHEREAS, the Crane Cove Park Project (the “**Project**”) is a long-standing project of the Port, and was first identified as a project in the Port’s Waterfront Land Use Plan adopted in 1997, and further articulated in the Port’s Pier 70 Preferred Master Plan, which was endorsed by the Port Commission in 2010; and
- F. WHEREAS, on June 14, 2011, the Port Commission authorized award of a contract for planning, design and engineering services for the Project to AECOM Technical Services, Inc., with sub consultants including: Architectural Resource Group, AGS Engineers, Ajmani & Pamidi Engineers and Martin Lee Corporation Cost Estimators (Resolution No. 11- 44); and
- G. WHEREAS, on September 12, 2016 the Port Commission authorized the award of Construction Contract No. 2740, Crane Cove Park Site Preparation and Surcharge Project, to Shimmick Construction Company, Inc. (Resolution 16-37); and

H. WHEREAS, On November 13, 2018 the Port Commission authorized the award of Construction Contract No. 2812, Crane Cove Park: Park Improvements and 19th Street Parking Lot Project, to Gordon N. Ball, Inc. (Resolution 18-61); and

I. WHEREAS, upon the Port Commission's award of Construction Contract No. 2812, the Port implemented cost control measures to remove components of the Project to keep the Project scope within budget, and the Port also advertised for competitive re-bids for the amended Crane Cove Park: Park Improvements and 19th Street Parking Lot phase of the Project, and in November of 2018 the Commission authorized Port staff to award the contract, thereby deferring completion of the removed components until future phases; and

J. WHEREAS, the Port released its 2019-2023 Strategic Plan and set objectives to improve Port open spaces to provide publicly desired amenities and activities; and specifically set objectives to deliver Crane Cove Park on time and budget, and to raise private funds for historic crane cabs, the children's playground, and dog run by 2020, components that were removed from the scope of Construction Contract No. 2812 (the "**Removed Components**"); and

K. WHEREAS, the Port has thus far committed \$36.6 million to the Project, and estimates that approximately \$6.4 million is required to fund the remaining components of work; SFPA and the Port agree to partner on the Crane Cove Park Fundraising Campaign dedicated to raising private funds to fund the Removed Components;

L. WHEREAS, the Port intends to seek Board of Supervisors approval to accept grants from SFPA totaling up to \$6.4 million in cash and in-kind contributions for use on the Park; and

M. WHEREAS, subject to the foregoing Board of Supervisors approval, the Parties wish to memorialize their general working relationship on the Crane Cove Park Fundraising Campaign, with the understanding that the specific terms of delivery of project components will be developed separately;

NOW, THEREFORE, effective upon the execution of this MOU by both Parties (the "**Effective Date**"), the Parties agree as follows:

1. **Term of MOU.** This MOU shall become effective upon execution of this MOU, (the "**Effective Date**") and shall expire, unless otherwise earlier terminated by mutual agreement of the parties, 5 years from the Effective Date (the "**Term**"), with 3 options to extend the Term for one year per option.

2. Definitions.

2.1 The Campaign— The Campaign shall consist of all efforts by the Parties to fundraise for equipment, structures, fixtures, materials, and supporting services related to the delivery of the Removed Components of Crane Cove Park.

2.2 Accept and Expend Grant Agreements – The Parties anticipate that, through the Campaign, the Parks Alliance will collect funds and contributions and ultimately transfer collected funds and contributions to the Port for completion of the Project. The Parks Alliance will transfer funds and contributions to the Port through future grant awards (“**Grant Agreements**”) from the Parks Alliance to the Port. Each Grant Agreement will incorporate the terms of this MOU by reference, and in the event of conflict, the terms of the separate Grant Agreement shall govern. Each separate Grant Agreement shall be subject to approval by the Port Commission.

2.3 Project Components— Project Components shall include the Removed Components from the original scope of work and any new Project Component that may be resourced through funds or contributions from the Campaign.

3. Schedule. The Parties agree to work together to develop a Campaign schedule based on the Port’s construction schedule of Crane Cove Park.

4. Budget. The Parties agree to fund the Campaign based on the Campaign Budget (“Budget”) attached to this MOU as Exhibit A. Changes to the Campaign Budget shall be reviewed and agreed upon by the Parties provided, however, that the Port shall have final authority for the expenditure of Campaign funds in compliance with all applicable laws, rules, regulations and policies. Any unexpended Campaign funds shall be used to fund work or other activities at Crane Cove Park at the conclusion of the Campaign.

5. Roles and Responsibilities.

5.1. PORT

A. Use of Funds. The Port shall ensure that all funds raised through the Campaign are spent on Crane Cove Park, and that these funds may not be spent on other parks or open spaces, or other expenses not related to the Project.

- B. Approvals.** The Port shall be responsible for securing all City and other required approvals in order to complete any Removed Components funded by the Campaign. These approvals shall include, but are not limited to, environmental review, building permits, compliance with disability access laws and internal Port and Commission reviews and all other departments and agencies as needed.
- C. Project Management.** The Port will designate a project manager to oversee any work related to the delivery of any removed component for the Project that will be funded through the Campaign. The role of the project manager may include, but is not limited to, day-to-day coordination, oversight of design, permitting, and construction processes related specifically to delivery of that Project Component. The role of the project manager, shall be further articulated in each Grant Award or related agreement executed pursuant to this MOU.
- D. Maintenance and Operation.** The Port shall be responsible for maintaining and operating the Park upon completion of particular Removed Components or the Project as a whole.

5.2 SFPA

- A. Funding.** SFPA, in partnership with Port, shall attempt to secure third-party donations, funds, and grants in the form of cash, and in-kind services and materials, in an aggregate value up to \$6.4 million to ensure the delivery of Project Components identified in the Preliminary Budget attached as Exhibit A. SFPA shall accept and track all private funds and in-kind contributions for the Campaign and shall provide the Port monthly updates on Campaign revenue, expenses, and balances. Contributions to the Campaign may include, but are not limited to cash grants or in-kind contributions of services or materials. For the avoidance of doubt, the SFPA does not hereby commit or guaranty that sufficient funds shall be secured for the Campaign or that any individual Grant Agreements will be entered into.
- B. Project Delivery.** The Parties anticipate that the future Grant Agreements to the Port may provide for varying methods of collaboration between the Parties. The following illustrative examples provide a starting point for describing this collaboration and will be further refined by mutual agreement in subsequent Grant Agreements.
 - (1) Cash Grants.** SFPA may deliver cash grants to the Port necessary

for the completion of a given Removed Component to prior to the bidding of a contract for completion of the applicable Project component.

- (2) In-Kind Grants of Design Services.** SFPA may enter into a contract with a design professional to privately design a Project Component. SFPA shall ensure that any design professional responsible for design a Project Component conforms to the budget developed and approved by the Parties. For all such Project Component designs, SFPA shall ensure that submittals adhere to Port permitting procedures.
- (3) In-Kind Contributions of fully Designed and Delivered Projects.** SFPA may enter into a contract with a third-party contractor to construct a Project Component. Prior to the commencement of any construction SFPA shall certify to the Port that it has in place all funds necessary to complete construction of the applicable Project Component. Upon such certification, the Port shall issue a Notice to Proceed to SFPA. Final Acceptance and Transfer of Ownership of improvements of such projects shall be addressed in future Grant Agreements as necessary.
- (4) Other Contributions.** In the event other contributions are made to the Campaign that fall outside of the above defined Project Delivery methods, the Port and SFPA shall mutually define the most efficient Project Delivery method for that contribution.

5.3 Joint Responsibilities.

- A. Regular Communications.** The Parties shall maintain regular communication with each other and appropriate project consultants regarding project milestones, highlights, challenges, budgets, and schedules.
- B. Assignment of Responsibilities.** The Parties shall regularly review the roles and responsibilities for the entire Campaign. In particular, at the execution of a Grant Agreement for delivery of a Project Component, the Parties shall review and redistribute roles and responsibilities related to public outreach and engagement as appropriate given Campaign budget and staffing constraints.
- C. Reporting and Review.** Parties shall ensure timely submittal and review of all necessary reporting subject to this subsection.

- (1) **Campaign Progress Reporting.** The Parties agree to provide annual Campaign Progress Reports (“**Progress Reports**”) to the Port Commission. Progress Reports shall include, but is not limited to, the following information: milestones, highlights, challenges, schedules, summary of all revenue and contributions, and summary of all expenditures and uses.
- (2) **Financial Reporting and Books and Record Keeping.** The Parties shall review monthly Campaign revenue, expenditures, and cash flow monthly and shall decide whether to approve proposed changes to the overall Campaign budget and schedule. SFPA shall give commercially reasonable access to Port during the Term following commercially reasonable notice to its books and records regarding the Campaign, and shall use good faith efforts to maintain books and records with respect to the Campaign that contain all information required to allow the Port, at its discretion, to verify Campaign contributions and expenditures in accordance with this MOU and with generally accepted accounting practices consistently applied and shall retain such books and records for a period of the later of (i) four (4) years after the end of each calendar year to which such Books and Records apply or, (ii) if an audit is commenced or if a controversy should arise between the parties hereto regarding the campaign contributions payable hereunder, until such audit or controversy is terminated (the “**Audit Period**”).

6. **Ownership of Improvements.** The Parties mutually agree that any and all equipment, structures, fixtures, and related materials, used to construct or deliver the remaining Project Components (as defined in Section 2.3 of this MOU) shall become permanent fixtures and part of the Crane Cove Park, to be held in exclusive ownership by the Port. SFPA agrees to, and does hereby, relinquish any claim of ownership or title to such equipment, structures, fixtures, and related materials, used to construct or deliver the remaining Project Components.
7. **Insurance.** Without in any way limiting SFPA’s liability pursuant to the “Indemnification” section of this Agreement, SFPA must maintain in force, during the full term of this Agreement, insurance in the amounts and coverages specified in Exhibit B, and shall name as an additional insured the Port of San Francisco, City and County of San Francisco, and their Officers, Agents, and Employees.
8. **Indemnification.** Subject to any provision in this MOU or in any subsequent agreement entered into hereunder to the contrary, each party agrees to waive claims against and indemnify the other party as follows:

To the extent allowable by law, SFPA agrees to defend, indemnify and hold harmless the Port, its officers, employees and agents (“Port Indemnitees”) from any and all acts, claims, omissions, liabilities and losses asserted by any third party arising out of acts or omissions of SFPA, their officers, employees and agents in connection with this MOU, except those arising by reason of the intentional act of the Port Indemnitees.

To the extent allowable by law, City agrees to defend, indemnify and hold harmless SFPA, its officers, directors, employees and agents, from any and all acts, claims, omissions, liabilities and losses asserted by any third party arising out of acts or omissions of City, its officers, employees and agents in connection with this MOU, except those arising by reason of the sole negligence or willful misconduct of SFPA, its officers, directors, employees and agents.

In the event of concurrent negligence of the City Port, its officers, employees and agents, and SFPA and/or the Friends, their officers, directors, employees and agents, the Parties agree that any joint liability for any and all claims for injuries or damages to persons and/or property shall be apportioned under the California theory of comparative negligence as presently established or as may hereafter be modified.

The indemnity obligations described in this Section shall survive expiration of this Agreement.

- 9. Communications.** The Port and the SFPA shall use good faith efforts to cooperate on matters of public relations and media responses related to the Crane Cove Park Fundraising Campaign. To the fullest extent possible all print and electronic communications regarding the Project or any of the individual playgrounds as they pertain to the Campaign shall refer to Crane Cove Park Fundraising Campaign and include the SFPA and Port logos.

The Port and SFPA shall use good faith efforts to cooperate with any inquiry by the other Party or by the public in regard to the Project. Any report or memorandum between the Parties shall be subject to the disclosure requirements of the City’s Sunshine Ordinance and the California Public Records Act.

Neither Party shall contact the media for the purposes of promoting the Campaign or any individual Project Component without the agreement of both Parties. Neither the Port nor SFPA shall issue a press release in regard to this MOU or the Campaign or the Project or a Project Component without providing prior written notice to the other Party.

Any response by either Party to an inquiry by a news or community organization in reference to the Project shall include a recommendation to contact the other Party. All

media contacts to the Port will be directed to the Director of Policy and Public Affairs at the address provided for the Department in Section 10.3 below. All media contacts to the SFPA will be directed to the Director of External Affairs at the address provided for the SFPA in Section 9.3 below.

At a time and in a format to be determined later by the Parties, the Port and the SFPA may conduct events, such as groundbreakings and openings to promote and celebrate the Project. The timing, general format and budget for such events shall be reviewed and approved by the Parties. The Parties shall make good faith efforts to participate on an equal basis at such events.

Nothing in this MOU shall prohibit the SFPA or the Port from discussing this MOU in response to inquiries from the public or the press.

10. Donor Recognition. If requested by the SFPA in connection with the Campaign or any individual Removed Component, the Parties will work together to develop a donor recognition program (which may include naming rights). Upon mutual agreement with respect to a donor recognition program, Port Staff shall present for Port Commission approval, any such donor recognition program.

11. Miscellaneous.

10.1. Entire MOU. This MOU, including the exhibits hereto, which are made a part of this MOU, contains the entire understanding between the Parties and supersedes all other oral or written agreements, with the exception of duly executed and approved Grant Agreements.

10.2. Amendment. This MOU may be amended only by the mutual written consent of the Parties, executed in the same manner as the original MOU.

10.3. Notices. All notices under this MOU shall be sufficiently given if hand delivered or mailed by registered or certified mail, postage prepaid, or by overnight express delivery, cost prepaid, to:

Port:	SFPA:
Elaine Forbes Executive Director Port of San Francisco Pier 1, The Embarcadero San Francisco, CA 94111	Drew Betcher CEO San Francisco Parks Alliance 1074 Folsom Street San Francisco, California 94103

<p>Randy Quezada Director of Communications Port of San Francisco Pier 1, The Embarcadero San Francisco, CA 94111</p>	<p>Sonia Gonzalez Banks Director of External Affairs San Francisco Parks Alliance 1074 Folsom Street San Francisco, California 94103</p>
<p><i>with a copy to:</i></p> <p>Office of the City Attorney Attn: Port General Counsel Port of San Francisco Pier 1, The Embarcadero San Francisco, California 94111</p>	<p><i>with a copy to:</i></p> <p>Pillsbury Winthrop Shaw Pittman LLP Four Embarcadero Center, 22nd Floor San Francisco CA 94111</p>

10.4. Governing Law. This MOU shall be construed and enforced in accordance with the laws of the State of California and the City of San Francisco Charter.

10.5. Approvals. All Port approvals required under the agreements contemplated shall be given by the Port Executive Director, or his or her designee in his or her reasonable discretion, except as otherwise specified herein or in the City Charter, or the S.F. Municipal Code.

10.6. Independent Relationship of the Parties. The Port shall not be liable for any act of the SFPA and the SFPA shall not be liable for any act of the Port, and nothing herein contained shall be construed as creating the relationship of employer and employee between the Port and the SFPA or any of their respective agents or employees. The SFPA shall at all times be deemed an independent contractor and shall be wholly responsible for the manner in which it performs the duties required of it by the terms of this MOU. The SFPA has and hereby retains the right to exercise full control and supervision of its duties and full control of employment, direction, compensation and discharge of all persons assisting it in the performance this MOU. The SFPA agrees to be solely responsible for all matters relating to payment and employment of employees, including compliance with social security, withholding and all other regulations governing such matters. Nothing set forth in this MOU shall be deemed to render the Port a partner in the SFPA’s business, or joint venture or member in any joint enterprise with the SFPA.

10.7. No Third Party Beneficiaries. Except as expressly provided, nothing contained in this Agreement shall create or justify any claim against the Port or the SFPA by any third person with respect to the performance of any duties or other projects being undertaken by the SFPA or the Port. The provisions of this MOU are not intended to benefit any third party, and no third party may rely hereon.

IN WITNESS WHEREOF, the parties hereto have executed this MOU:

<p>Port of San Francisco</p> <p>By: _____ Elaine Forbes, Executive Director Port of San Francisco</p> <p>DATE: _____</p>	<p>SFPA</p> <p>By: _____ Drew Betcher, CEO San Francisco Parks Alliance</p> <p>DATE: _____</p>
<p>APPROVED AS TO FORM:</p> <p>DENNIS J. HERRERA City Attorney</p> <p>By: _____ Timothy Yoshida Deputy City Attorney</p>	

Exhibit A

**PRELIMINARY BUDGET
TO BE FUNDED AS PART OF THE
CRANE COVE PARK FUNDRAISING CAMPAIGN**

The Port shall operate and maintain Crane Cove Park, real property owned by the City and County of San Francisco acting through the Port of San Francisco. The Parties acknowledge and agree that the following components will compromise the total scope of improvements or work to be funded through the Crane Cove Park Fundraising Campaign.

Feature	Amount	% of Budget
Riggers Yard	\$ 700,000	11%
Dog Run	\$ 240,000	4%
Crane Tops	\$ 4,000,000	62%
Project Management	\$ 111,657	2%
Contingency	\$ 643,343	10%
Campaign Costs*	\$ 705,000	11%
TOTAL	\$ 6,400,000	100%

*11% of all cash contributions will be retained by SPPA for Campaign Costs

EXHIBIT B

SFPA Insurance Requirements

1. The SFPA must maintain in force, during the full term of this Agreement, insurance in the following amounts and coverage:
 - a. General Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including coverages for Contractual Liability, Personal Injury, Independent Contractors, Explosion, Collapse and Underground (XCU) as applicable, Broadform Property Damage, Sudden and Accidental Pollution as applicable, Products Liability and Completed Operations; and
 - b. Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including coverages for owned, non-owned and hired automobiles, as applicable.
2. Delivery of Certificates. Prior to the commencement date of this Agreement, the SFPA shall deliver to the City certificates of insurance and additional insured policy endorsements from insurers in a form satisfactory to the City, evidencing the coverages required from the SFPA, together with complete copies of the policies at the City's request. Prior to the date any contractor commences work on the Property, the SFPA shall deliver to the City certificates of insurance and additional insured policy endorsements from insurers in a form satisfactory to the City, evidencing the coverages required from the contractor, together with complete copies of the policies at the City's request.
3. No Limitation of Obligations. The SFPA's compliance with the provisions of this section shall in no way relieve or decrease the SFPA's indemnification obligation under this Agreement or any of the SFPA's other obligations hereunder.

MEMORANDUM

November 8, 2019

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational Item - The Port's Report on Contracting Activity for Fiscal Year 2018-19 (July 1, 2018 through June 30, 2019)

I. EXECUTIVE SUMMARY

This report provides the Port Commission with information on contracting activity for Fiscal Year ("FY") 2018-19 (July 1, 2018 through June 30, 2019). It focuses on both professional services, construction contracts, and development projects. The report also provides information on upcoming contracting opportunities, and summarizes the Port's contract outreach efforts.

A. **Total Value of New Contracts: \$40.5 million (16 contracts).** During the FY 2018-19, the Port issued sixteen new contracts including five construction and 11 professional services contracts for a cumulative value of \$40,517,975. Ten out of the 16 (63%) contracts were awarded to Local Business Enterprises ("LBE") with an aggregate value of \$16,953,064 (42%) awarded to LBE prime and subcontractors.

Thirteen of the 16 contracts awarded during the reporting period were formal contracts because their contract value was above the LBE Ordinance threshold. Two of the 16 contracts were awarded as micro-LBE set asides, for which competition was limited to Contract Monitoring Division ("CMD") certified micro-local businesses. Notably, with 42% of all contract dollars awarded to LBE firms, Port staff exceeded the Port Commission's informal policy to award a minimum of 20% to LBE firms.

B. **Total Payments to Active and Open Port Contracts: \$39.3 million, including \$13.3 million (34%) to LBE primes and subcontractors.** During FY 2018-19, Port contract payments totaled \$39,314,364. Of that amount, \$13,349,167 (34%) was paid to LBEs, including \$7,448,911 (19%) to LBE primes and \$5,900,256 (15%) to LBE subcontractors.

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C. The Port currently manages five projects subject to the Local Hire Ordinance. Four of the five projects are currently meeting the 30% local hire requirement.

Since the inception of the Local Hire Ordinance 21, Port projects have been deemed compliant by the Mayor’s Office of Workforce and Economic Development.

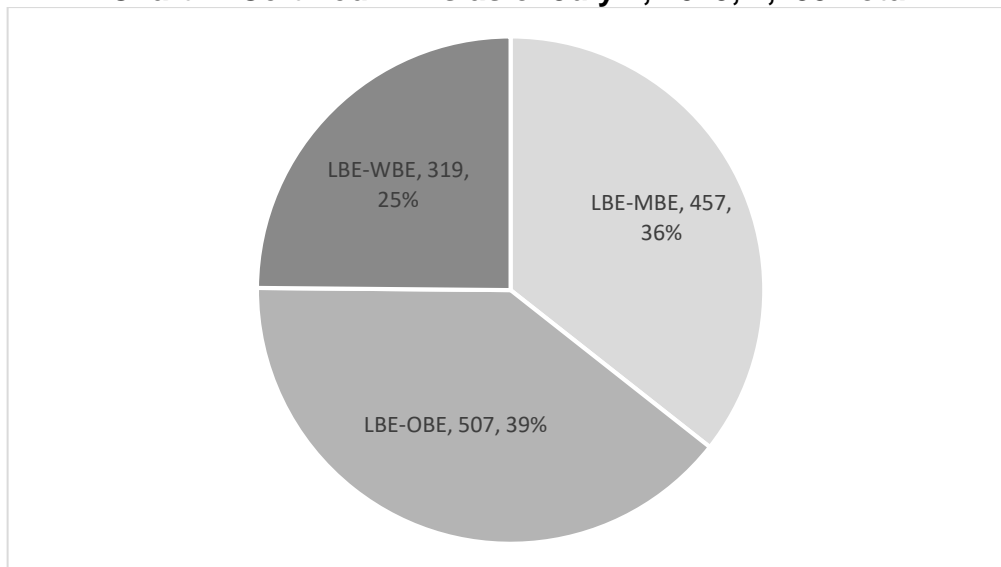
II. BACKGROUND

The Port engages in a variety of contractual transactions that include: leases, developer agreements, construction contracts, general services contracts, and professional services contracts. This report specifically addresses professional services and construction contracts solicited by the Port.

The Port must comply with federal, state, and local laws concerning nondiscrimination in contracting. Construction contracts, general services contracts, and professional services contracts are subject to the San Francisco Administrative Code Chapter 14B LBE subcontracting participation requirements. The LBE program applies only to City and County of San Francisco (“City”) contracts, including Port contracts.

The City established the LBE program to expand contracting opportunities for small San Francisco based firms, which are defined based on gross receipts by type of industry. CMD, a division of the City Administrator’s Office, oversees adherence to Administrative Code Chapter 14B. CMD accepts and reviews applications and certifies qualifying local firms as LBEs. Once a business is certified as a LBE, it is also classified as a Minority Owned Enterprise (“LBE-MBE”), Woman Owned Enterprise (“LBE-WBE”), Other Business Enterprise (“LBE-OBE”) or Non-Profit Enterprise (“LBE-NPE”). CMD further classifies LBE-MBE firms by ethnicity to monitor and track which LBEs are awarded contracts. As summarized in Chart 1, there are currently 1,283 certified LBE firms.

Chart 1: Certified LBEs as of July 1, 2019, 1,283 Total



When participating as a prime contractor or as part of a Joint Venture, LBE firms receive bid discounts in the case of construction bids and bonuses in the case of professional service Requests for Proposals (RFP) and Requests for Qualifications (RFQ). For contract agreements that fall within Administrative Code Chapter 14B requirements, CMD also reviews the scope of the project and the nature of the work compared to available City-certified LBEs to set a required LBE subcontracting goal. CMD determines compliance with subcontracting goals at the time the contract is closed-out.¹

City contracts are exempt from the LBE program if 1) the contract value is less than an established threshold amounts of \$55,000 for professional contracts and \$300,000 for construction contracts, 2) Federal law, as in the case of grant funds, prohibits the use of local preference, or 3) if a waiver is obtained from CMD, such as in the case of an emergency or sole source contract.

Prior to soliciting bids and/or responses to requests for proposals/qualifications, Port staff engages CMD to review the availability of LBE firms and independently assign a LBE sub-contracting goal, or waiver thereof. Port staff then uses best efforts to adhere to the CMD goal. If Port staff is unable to adhere to the goal, Port staff refers the problem to CMD for assistance and a solution.

III. CONTRACT ACTIVITY UPDATE

During FY 2018-19, the Port awarded 16 new contracts totaling \$40,517,975. LBE prime contractors were awarded ten of the 16 (63%) contracts. The Port paid contractors \$39,314,364 on active contracts during the reporting period with \$13,349,167 (34%) going to LBEs.

A. New Contracts (\$40,517,975; 16 contracts): As summarized in *Table 1* and detailed in *Attachment 1*, in FY 2018-19, the Port issued five new construction, eight new as-needed, and three new professional service contracts for a cumulative value of \$40,517,975. Ten out of the 16 (63%) contracts were awarded to Local Business Enterprises with an aggregate value of \$16,953,064 (42%) awarded to LBE prime and subcontractors. Thirteen of the newly awarded contracts are formal contracts governed by the LBE Ordinance. Two of the 16 contracts were awarded as micro-LBE set aside contracts, which are small contracts that the Port sets aside for competition only among micro-local businesses.

During the reporting period, Port staff awarded a \$19,629,500 contract for the Crane Cove Park Improvement Project to Gordon N. Ball a non-LBE firm. If the Crane Cove Park Improvement Project is omitted from the cumulative value of awarded contracts, the percentage of dollars awarded to LBEs increases to 58%.

¹ LBE subcontracting goals are calculated on the base contract amount. Following CMD policy, contract allowances, alternates or contingencies are not factored into calculating final LBE participation rates. CMD reviews on a case-by-case basis, contract amendments that result in a cumulative increase in the total contract amount of 20 percent or more. CMD may apply LBE subcontracting goals to these contract amendments based on a review of the additional work.

Table 1: Contracts Awarded from July 1, 2018 – June 30, 2019

Type of Contract	Total Contract	Total Dollar Amount	LBE Award Amount (Prime & Subs)	Total LBE % Awarded
As-needed	8	\$ 15,000,000	\$ 6,852,750	46%
Construction	5	\$ 22,117,975	\$ 7,450,314	34%
Professional Services	3	\$ 3,400,000	\$ 2,650,000	78%
Grand Total	16	\$ 40,517,975	\$ 16,953,064	42%
Crane Cove Park Improvements	1	\$ 19,629,500	\$ 4,879,370	25%
Adjusted Total	15	\$ 20,888,475	\$ 12,073,694	58%

1. Use of Delegated Authority (\$640,000; 3 contracts): The Port awarded three contracts totaling \$640,000 in FY 2018-19 through the Executive Director's delegated authority.

On September 5, 2018, the Port awarded Rick Foster a \$90,000 contract for organizational development and executive coaching services. Rick Foster, a non-LBE firm, will be self-performing 100% of the contract work.

On March 3, 2019, the Port awarded the Pier 23 Restroom Improvements Project to Hoi's Construction, a LBE-MBE firm. The contract was awarded as a micro-LBE set aside. Hoi's Construction will be self-performing 73% of the contract work.

On June 19, 2019, the Port awarded M.H. Construction, a LBE-MBE firm, a \$100,000 contract for construction of the downtown ferry terminal Gate B. The contract was awarded as a micro-LBE set aside. M.H. Construction will be self-performing 28% of the contract work.

2. Port Commission Approved (\$39,967,975; 13 contracts): The Port Commission awarded 13 contracts valued at \$39,967,975 in FY 2018-19. All thirteen contracts were issued through formal contracting guidelines under Administrative Code Chapters 6, 21, and 14B.

On July 10, 2018, the Port Commission awarded a \$0.8 million contract for the Pier 27 Passenger Shelter project to G.Y. Engineering, a LBE-OBE firm. G.Y. Engineering proposes to exceed the contract's 20% LBE subcontracting requirement by subcontracting to Svala Construction (36.5%), a LBE-OBE firm. G.Y. Engineering will be self-performing 57.5% of the project work, resulting in 94% of contract work going to certified LBE firms.

On September 11, 2018, the Port Commission awarded a \$2.4 million contract for Pier 70 and Mission Rock Special Use District technical support services to Hollins Consulting, a LBE-MBE firm. Hollins Consulting proposes to exceed the contract's 24% LBE subcontracting requirement by subcontracting to Lotus Water (38%), a LBE-OBE firm, Vara Land Surveying (8%), a LBE-WBE firm, Geotechnical Consultants (4%), a LBE-

MBE firm, Urban Fabrick (2%), a LBE-OBE firm, and Leahy Engineering (2%), LBE-OBE firm. Hollins Consulting will be self-performing 54% of the project work, resulting in 100% of contract work going to certified LBE firms.

On September 25, 2018, the Port Commission awarded the Pier 27 Passenger Shelter Project, to C.F. Contracting, a LBE-OBE firm. C.F. Contracting proposes to exceed the contract's 24% LBE subcontracting requirement by subcontracting to Svala Construction (36%), a LBE-OBE firm. C.F. Contracting will be self-performing 58% of the project work, resulting in 94% of contract work going to certified LBE firms.

On November 13, 2018, the Port Commission awarded a \$19.6 million contract for the Crane Cove Park Improvement Project to Gordon N. Ball, a non-LBE firm. Gordon N. Ball committed to exceed the contract's 21% LBE subcontracting requirement by subcontracting up to 27% (\$4,879,370) to the following certified LBE firms:

- McKee Electric (2.78%), a LBE-MBE firm
- Y-CAT (0.26%), a LBE-MBE firm
- Team North Construction (0.22%), a LBE-WBE firm
- Toure Associates (0.28%), a LBE-MBE firm
- Giron Construction (0.14%), a LBE-MBE firm
- Hoseley Corporation (17.81%), a LBE-OBE firm
- Sohler Iron (3.04%), a LBE-MBE firm
- Various LBE Trucking Firms (2.80%)

On December 11, 2018, the Port Commission awarded a \$1.0 million contract to Environmental Science Associates, a non-LBE firm, to provide California Environmental Quality Act (CEQA) review of the Waterfront Plan Update. Environmental Science Associates will exceed the contract's 18% LBE subcontracting requirement by subcontracting to the following certified LBE firms:

- Avila Associates (1.0%), a LBE-WBE firm
- Adavant Consulting (8.5%), a LBE-MBE firm
- AEW Engineering (1.0%), a LBE-MBE firm
- Alfred Williams Consulting (2.0%), a LBE-MBE firm
- Architecture & History (3.0%), a LBE-WBE firm
- CDIM Engineering (1.0%), a LBE-OBE firm
- LCW Consulting, (8.5%), a LBE-WBE firm

On April 9, 2019, the Port Commission awarded four as-needed engineering and related professional services contracts each in an amount not to exceed \$3,000,000 as follows:

- *Arcadis/Lotus Water Joint Venture (JV-OBE)* - Lotus Water, the LBE-OBE joint venture partner, will self-perform 30% of the contract work and subcontract a minimum of 20% to certified LBE firms resulting in 50% overall LBE participation.

- *Parsons/Ryan Joyce Structural Design Joint Venture (JV-OBE)* – Ryan Joyce Structural Design, the LBE-OBE joint venture partner, will self-perform 26% of the contract work and subcontract a minimum of 18% to certified LBE firms resulting in 44% overall LBE participation.
- *Stantec/McGovern McDonald Engineers Joint Venture (JV-WBE)* – McGovern McDonald Engineers, the LBE-WBE joint venture partner, will self-perform 30% of the contract work and subcontract a minimum of 19% to certified LBE firms resulting in 44% overall LBE participation.
- *Terra Engineers (LBE-WBE)* - Terra Engineers, LBE-WBE firm, will self-perform 35% of the contract work and subcontract a minimum of 19% to certified LBE firms resulting in 54% overall LBE participation.

On May 14, 2019, the Port Commission awarded four as-needed real estate economics and related professional services contracts, each in an amount not to exceed \$750,000 as follows:

- *BAE Urban Economics (Non-LBE)* – BAE Urban Economics, a non-LBE firm, will subcontract 23% of their contract work to certified LBE firms.
- *Economic & Planning Systems (Non-LBE)* – Economic & Planning Systems, a non-LBE firm, will subcontract 13% of their contract work to certified LBE firms.
- *Keyser Marston Associates (Non-LBE)* – Keyser Marston Associates, a non-LBE firm, will subcontract 18% of their contract work to certified LBE firms.
- *Seifel Consulting (LBE-WBE)* – Seifel Consulting, a LBE-WBE firm, will self-perform 58% of the contract work and will subcontract a minimum of 13% to certified LBE firms resulting in 71% LBE participation.

B. Contract Payments: As shown in *Table 2* below, during FY 2018-19, Port contract payments totaled \$39,314,364. Of all payments, \$13,349,167 (34%) was paid to LBE firms, including \$7,448,911 (19%) to prime contractors and \$5,900,256 (15%) to subcontractors. Port and CMD staffs monitor payments to LBEs to ensure that Port contractors honor their contract commitments.

Table 2: Contract Payments and LBE Participation from July 1, 2018 – June 30, 2019

Contract Type	Total Payments	Local Business Enterprise				
		Prime Payments	Sub Payments	Total LBE Payments	Overall %	Sub %*
As-Needed	\$3,709,164	\$951,280	\$781,821	\$1,733,101	47%	21%
Construction	\$24,876,275	\$5,782,641	\$3,359,342	\$9,141,983	37%	14%
Professional Services	\$10,728,925	\$714,990	\$1,759,093	\$2,474,083	23%	20%
Total	\$39,314,364	\$7,448,911	\$5,900,256	\$13,349,167	34%	15%

*Includes LBE Governed Contracts

1. *As-Needed Contracts.* The Port currently manages 14 active as-needed contracts that received \$3,709,164 in payments in FY 2018-19. As detailed in *Attachment 2*, LBE contractors received 47% of all as-needed contract payments. The as-needed real estate economics contracts paid 76% of contract dollars to LBE contractors. While the as-needed engineering contracts paid 37% of overall funds during the reporting period to LBEs. The as-needed environmental services contracts paid 41% of contract dollars to LBE contracts and as-needed public relations attained a 100% LBE participation. A new series of as-needed engineering and as-needed real estate economic contracts were awarded during the reporting period; however, these new contracts did not have any payments against them.

- *Engineering* – Payments made on the as-needed engineering contracts totaled \$2,096,950 during the reporting period. Combined, payments made to LBEs during the reporting period were 22%, two points above the 20% LBE subcontracting goal. Though consulting work during the reporting period satisfied LBE subcontracting provisions, three of the four contracts are below their CMD-set LBE subcontracting goals over the life of their contracts. Engineering staff have worked with the consultants to increase LBE participation in order to close out the existing contracts within their LBE requirements. The Port Commission awarded four new as-needed engineering contracts during the reporting period. The contracts detailed in the Attachment 1 include \$5.9 million (49%) in contract awards to LBE firms.
- *Environmental Services* – Payments made on the as-needed environmental services contracts in FY 2018-19 totaled \$963,055. During the reporting period 41% of payments have been made to LBE consultants with 22% going to LBE subconsultants. Historically, all as needed environmental services contracts have surpassed their CMD set LBE subcontracting goals. Port staff expects this trend to continue with the current contracts.
- *Public Relations* – Payments made on the as-needed public relations contracts in FY 2018-19 totaled \$259,762. To date, the two micro-LBE set aside contracts are exceeding their 25% LBE prime participation requirement. While the formal contract has subcontracted 1% of their overall work to LBEs, payments to LBE firms will increase in the next reporting period. All of the payments made on the as-needed public relations during the reporting period were to certified LBE firms.
- *Real Estate* – Payments made on the as-needed real estate contracts totaled \$389,397 during the reporting period. Combined, payments made to LBEs subcontractors were 28%, or 6% over the 22% CMD-set goal during the reporting period. One of the four contracts, Seifel Consulting, is meeting its LBE subcontracting requirement over the life of their contracts. Real Estate Division staff is working with Bay Area Economics, Century Urban, and Economic Planning Systems to guarantee scopes of work include strong LBE participation. The Port Commission awarded four new as-needed real estate economics contracts during the reporting period. The contracts detailed in Attachment 1 include \$0.9 million (31%) in contract awards to LBE firms.

2. *Construction Contracts*. In FY 2018-19, the Port managed eight open construction projects that received \$24,876,275 in payments. As detailed in *Attachment 3* LBE contractors received \$9,141,983 (37%) of total construction contract payments. LBE subcontractors received \$3,359,342 (14%) of payments, exceeding the 12% average LBE subcontracting goal.

- *Pier 31 Utilities & Restroom* – The Pier 31 Utilities & Restroom Repair contract is 100% complete. To date, KCK Builders, the project’s LBE-OBE prime contractor has attained 43% LBE subcontracting utilization exceeding the 21% goal set by CMD. During the reporting period, the contract exceeded its LBE subcontracting goal with 83% of payments to LBEs.
- *Crane Cove Park Improvements* – The Crane Cove Improvements project is 62% complete. Gordon N. Ball, the project’s non-LBE prime contractor attained 10% LBE subcontracting utilization falling below the 21% goal set by CMD over the life of the contract. The final phase of the project scope includes the highest percentage of LBE work. Port staff expect the project to meet or exceed the CMD set LBE goal.
- *Pier 94-96 Storm Drain Repair* – The Pier 94-96 Storm Drain Repair is 100% complete and closed on June 3, 2018. Trinet Construction, the project’s LBE-WBE prime contractor has attained 27% LBE utilization, exceeding the 25% goal set by CMD.
- *Pier 29 & 31.5 Marine Structural Projects IV* – The Pier 29 & 31.5 Marine Structural Projects IV is 88% complete. Power Engineering, the project’s non-LBE prime, attained a 4% LBE utilization during the reporting period. CMD set a 3% LBE subcontracting requirement on this project given the highly specialized marine sub-structure repair work involved in the project’s scope.
- *Pier 94 Backlands* – The Pier 94 Backlands contract is 100% complete. To date, Hoseley Corporation, the project’s LBE-OBE prime contractor has attained 24% LBE subcontracting utilization exceeding the 20% goal set by CMD. Hoseley self-performed 60% of the contract work resulting in an overall LBE participation rate of 84%.
- *Pier 23 MEP Upgrade* – The Pier 23 Mechanical, Electrical, and Plumbing Upgrade is a micro-LBE set aside contract awarded to Trinet Construction, a LBE-WBE prime contractor. The project is 100% complete, Trinet met the micro-LBE set aside by self-performing over 25% of the contract. During the reporting period, the contract attained 94% LBE participation.
- *Pier 29 Utility Upgrade* – The Pier 29 Utility Upgrade project is 67%. C.F. Contracting, the project’s LBE-OBE prime, received one payment during the reporting period with 53% going to the LBE prime. There were no payments made to LBE subcontractors during the reporting, however, Port staff expect the project to close above the 24% CMD set LBE requirement.

- *Pier 27 Passenger Shelter* – The Pier 27 Passenger Shelter project is a micro-LBE set aside contract awarded to G.Y. Engineering, a LBE-MBE firm. The project is 100% complete, G.Y. Engineers met the micro-LBE set aside requirement by self-performing over 25% of the contract work. During the reporting period, the contract attained 100% LBE participation.

3. *Professional Services Contracts*. During the reporting period, the Port managed 12 open and active professional services projects that received \$10,728,925 in total payments, including \$2,474,083 (23%) to LBE firms. As detailed in *Attachment 4*, there are five formal active professional service contracts governed by the LBE Ordinance. In FY 2018-19, LBE contractors received \$2,207,193 (21%) of total payments on LBE governed professional service contracts.

- *Crane Cove Park Design* – The Crane Cove Park Design Project led by AECOM, a non-LBE firm, has a 19% LBE subcontracting goal. During the reporting period 42% of contract payments went to LBE subcontractors. AECOM is currently exceeding its goal with 23% of all payments going to LBE subcontractors over the term of the contract.
- *Financial Advisors* – The Municipal Financial Advisory contract led by Public Financial Management, a non-LBE firm, has a 20% LBE subcontracting goal. During the reporting period only one \$14,000 payment was made to the prime contractor. To date 12% of the \$408,147 in total contract payments has been paid to LBE subcontractors. Port staff will continue to work with the prime contractor to ensure that future payments include strong LBE subcontractor participation to bring the contract into compliance.
- *Mission Bay Ferry Landing* – The Mission Bay Ferry Landing Design Project led by COWI/OLMM Joint Venture, a JV-MBE firm, has a 25% LBE subcontracting goal. During the reporting period 30% of payments were made to LBE subcontractors.
- *Seawall Communications* – The Seawall Earthquake Safety Program Public Relations and Media Services contract led by Civic Edge Consulting, a LBE-WBE firm has a 21% LBE subcontracting goal. To date 25% of the \$917,471 in contract payments has been paid to the LBE subcontractors. This project is expected to meet its LBE obligations in the coming fiscal year.
- *Seawall Earthquake Safety Program* – CH2M Hill, the non-LBE project lead, for the Seawall Earthquake Safety Program has committed to a 21% LBE subcontracting requirement. To date 11% of the \$10,293,748 in contract payments has been paid to the LBE subcontractors.
- *Five (5) Exempt Contracts* – The Port has an additional five active professional service contracts that are exempt from the provisions of the LBE Ordinance due to their small contract size, funding source requirements, or LBE subcontracting waivers granted by CMD. While these contracts are exempt from LBE subcontracting goals,

the Port paid LBE contractors \$266,890 (94%) out of \$313,710 in payments made to these five contracts.

D. Port Development Agreements: The Port currently oversees two development projects at Pier 70 and Mission Rock. Each project is now in the implementation phase and will 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.

1. *Pier 70.* The Pier 70 project led by Brookfield has a 17% LBE participation goal. Contracts awarded through FY 2018-19 were comprised primarily of Phase 1 horizontal improvement construction work and design consultants for upcoming vertical projects.

Brookfield hired RDJ Enterprises (RDJ), a LBE-MBE firm, to tailor LBE engagement efforts in order to maximize LBE participation on trade packages. Through FY 2018-19, Pier 70 has awarded \$94.9 million in contracts, of which \$39.2 million or 41.2% have been awarded to LBE firms, including SBA-LBEs. \$35.0 million or 36.9% has been awarded to small and micro-LBE firms. \$19.5M or 20.6% of total contract dollars were awarded to small and micro-LBE firms located in the three zip codes (94107, 94124 & 94134) located next to the project area. Attachment 5 shows the breakdown of contractors by LBE type.

To date, Brookfield and RDJ have hosted four networking events prior to the release of all major bid packages. The events attracted over 200 attendees. After each event, RDJ staff contacted LBE attendees via email and phone to confirm their interest in bidding on the project. A referral system was established by RDJ for LBEs that require technical and bonding assistance services to local community-based organizations, including the Renaissance Entrepreneurship Center.

2. *Mission Rock.* The Mission Rock Development Project led by Mission Rock Development Partners has a 10% LBE participation goal for pre-construction work. The Mission Rock project team estimates that pre-construction work constitutes approximately 5% of the total project cost. The Mission Rock team exceeded the 10% goal by achieving 19% LBE participation to date for pre-construction services.

The Mission Rock team is striving to increase participation of minority-owned firms in the upcoming construction phase of the project. The project team has retained RDJ, a LBE-MBE firm, to increase participation by LBE firms, with a focus on minority-owned firms. The team has conducted an outreach program that includes presentations to more than a dozen community-based organizations and holds workshops and office hours to assist small and micro-LBE firms in preparing bids. During the reporting period, these efforts resulted in an increase of LBE firms involved in the project from 13 to 25 and an increase in minority-owned LBE firms from 4 to 12. Attachment 6 shows the breakdown of contractors by LBE type.

The construction phase of the project represents approximately 95% of the overall project cost. In this phase, the LBE participation commitment is 20%. The Mission Rock project

team has been defining scopes of work and issuing Requests for Proposals for the construction of the Phase 1 horizontal improvements. The construction of horizontal improvements is scheduled to commence in January 2020 and the Mission Rock team expects to meet its LBE commitments during this phase.

E. Compliance with Local Hire Requirements: The San Francisco Local Hire Policy for Construction applies to construction projects advertised for bid after March 25, 2011 that pertain to public works or improvements that are City funded with an engineer’s estimate above \$1,000,000. The Local Hire Ordinance (Section 6.22.G.4 of the San Francisco Administrative Code) requires contractors and their subcontractors to attain a minimum of 30% total work hours by trade per project using San Francisco residents.² The Ordinance also requires that 50% of apprentice hours per trade be performed by disadvantaged San Francisco residents. The program is managed by the Office of Economic and Workforce Development (OEWD). The Port currently maintains five open construction contracts that are subject to the requirements of the Local Hire Ordinance. OEWD staff advises that the projects are compliant, as summarized in *Table 3*.

Table 3: Active Local Hire Governed Contracts, FY 2018-19

Project	TOTAL WORK HOURS			APPRENTICE HOURS		
	Total	Local Hire	Local Hire %	Total	Local Apprentice	Local Hire %
	30% Requirement			50% Requirement		
Pier 31 Utilities	8,902	3,942	44%	1,457	1,457	100%
Pier 94 Backlands	14,755	6,952	47%	2,212	1,652	75%
Pier 29 Utilities	405	381	94%	45	45	100%
Crane Cove Park	25,896	7,586	29%	3,293	1,698	52%
Pier 29 & 31.5 Structural*	32,715	2,295	7%	11,553	7,897	16%

**OWED granted a conditional waiver or exemption that permits contractors to perform below the Local Hire requirement.*

Since the inception of the ordinance, 21 Port projects have been subject to the ordinance’s provisions. While each project has performed well, in some instances Local Hire estimates have been below the requirements due to conditional waivers and exemptions that OEWD reviewed and approved. In those cases, the prime contractors have requested conditional waivers and exemptions, including exemptions for marine related pile driving, asbestos removal, and operating engineering work, specialized trades that are excluded from the City’s Local Hire Policy. For example, the majority of work in the Pier 29 & 31.5 Structural Marine project is exempt from the Local Hire

² Local Hire requirements increase from 20% to 25% on applicable contracts solicited after March 2012, and to 30% for contracts solicited after March 2013.

Ordinance given the project's unique over water and under-deck structural repair requirements.

IV. UPCOMING CONTRACTS & OUTREACH

In the current fiscal year the Port has several upcoming opportunities for small local businesses.

Mission Bay Ferry Landing – On October 13, 2019, the Port issued a Construction Management/General Engineering (CMGC) RFQ to solicit a firm to construction a ferry landing berth and potential water taxi landing adjacent to Chase Arena. The \$38.4 million dollar project has a 12% LBE subcontracting requirement. Port staff will request Port Commission authorization to award the contract in January 2020.

As-Needed Public Relations – In November 2019, Port staff will request Port Commission authorization to issue a RFQ for as-needed public relations and media consulting services. Port staff anticipates awarding up to three contracts for a not to exceed amount of \$300,000 each. Port staff anticipate a LBE subcontracting goal of 20% for these contracts. Following proposal evaluation and scoring, Port staff will request Port Commission authorization to award the contracts in January 2020.

Crane Cove Park Building 49 – In December 2019, Port staff will advertise for competitive bids the Crane Cove Park Building 49 project. The estimated project budget will be \$3.4 million. The proposed scope of work includes a partial rehabilitation of an 8,000 square foot building, including new roofing, removing and replacing wall panels, constructing public restrooms, site utilities (electrical and plumbing), and minor sitework. Port staff anticipate a LBE subcontracting goal of 20% for this project.

In addition to formal administration of Port contracts, during FY 2018-19 Port staff continued its efforts to increase opportunities for small local businesses. This work includes building relationships between prime and subcontractors, capacity building in the LBE community through technical assistance workshops and providing early notice of Port contracting opportunities to LBEs.

Minority Business Mixer – On September 27, 2018, the Port co-hosted a business mixer with the San Francisco African American Chamber of Commerce. The event is part of the Port's ongoing outreach to encourage and promote diversity, equity, and inclusion in contracting and leasing opportunities. At the event, large prime contractors networked with small local business owners to connect and build relationships for upcoming contract opportunities. Over 150 individuals representing over 100 small San Francisco businesses attended the event.

Technical Workshop – On November 13, 2018, Port staff, in partnership with Merriwether & Williams Insurance Services, hosted a workshop aimed at improving small local firms' understanding and ability to compete on the Port's micro-LBE construction management

RFQ. The workshop topics included proposal drafting, cost estimating, and local business certification.

Contracts Open House - On March 21, 2019, the Port hosted the third annual Contract Opportunities Open House to provide a networking opportunity for large and small businesses to meet, collaborate, and learn about upcoming contracting opportunities at the Port. Over 200 individuals attended this year's open house. At the event, City Purchaser, Alaric Degrafinried, spoke to participants about procurement solicitation through the Office of Contract Administration.

LBE Mixer – On May 10, 2019, Port staff partnered with representatives of the LBE Advisory Committee to organize a LBE Mixer adjacent to Heron's Head Park. The purpose of the event was to foster networking between LBEs, large non-LBE firms and City staff. City agencies were on hand to publicize upcoming contract opportunities. A barbeque lunch was served and over 250 people attended the event.

V. CONCLUSION

In FY 2018-19, the Port awarded sixteen new contracts totaling \$40,517,975, of which \$16,953,064 (42%) was awarded to LBEs. The Port made \$39,314,364 in contract payments, of which \$13,349,167 (34%) was paid to LBEs. Most contracts are meeting or exceeding their contractually obligated CMD goals based on overall contract spending to date. The Port will continue to provide a range of outreach and capacity building opportunities to maximize LBE participation in Port contracts along the waterfront.

Prepared by: Boris Delepine
Contract Administrator

Prepared for: Katharine Petrucione, Deputy
Director Finance & Administration

cc: Contract Monitoring Division, Alysabeth Alexander-Tut

Appendix A: General Contract Terms & Port Thresholds
Attachment 1: Contracts Awarded Fiscal Year 2017-18
Attachment 2: As-Needed Contract Service Order Payments
Attachment 3: Construction Contract Payments
Attachment 4: Professional Services Contract Payments
Attachment 5: Mission Rock Development LBE Participation
Attachment 6: Pier 70 Development LBE Participation

APPENDIX A
General Contract Terms and Port Thresholds

A. Use of Professional Services Contracts: Professional Services are those services which require the exercise of discretion and independent judgment in their performance, and/or the application of an advanced, specialized type of knowledge, expertise, or training. Examples of professional service providers include architects, engineers, and software developers. The City’s Civil Service Commission must review all Professional Services contracts to determine whether City employees could perform the requested services and, if so, whether the Department can justifiably contract out the services. The Port contracts for professional services only when Port employees or other City employees cannot perform the work because of the limited nature of the work, peak workload obligations, lack of specific expertise, or other unusual circumstances such as mitigation of financial risk, funding or other legal requirements.

B. As-Needed Contracts: As-Needed contracts are Professional Services contracts which the Port uses for services that recur but are not consistent or predictable enough to justify full time staff. Currently the Port maintains as-needed services contracts for architecture and design services, economic analysis, environmental services, and hazardous materials disposal. Master Agreements for as-needed services are negotiated upon Contractor pre-qualification through formal, competitive RFQ processes. These agreements usually have a three-year term.

As-needed services are typically construction-related professional services, such as engineering services. Following the requirements of Administrative Code Chapter 6.64, the Port tasks contractors with individual projects through the issuance of Contract Service Orders (CSO) that are not to exceed \$400,000 per public works project.³ Any CSOs exceeding \$400,000 per public works project require written justification by the department head to CMD establishing the urgency to perform the work under as-needed contracts rather than through a new formal competitive procurement. LBE subcontracting goals may apply to each Master Agreement or for each CSO. The Port’s practice is to have an overall goal for the as-needed contracts and to manage individual CSOs to ensure overall compliance.

C. Delegated Authority: To streamline the Port’s contract approval process and to be consistent with the San Francisco Administrative Code and the practice of other City departments, the Port Commission has delegated the following authority to the Executive Director (Resolution Nos. 09-29, 09-37 and 10-60):

- | | |
|-----------------------------------|-----------|
| • Contract Service Orders | \$500,000 |
| • Construction contracts | \$600,000 |
| • Professional services contracts | \$100,000 |

Delegated authority allows the Port’s Executive Director to execute and award public works and improvement and professional services CSOs and contracts at or under the threshold limits without Port Commission review and approval.

³ Chapter 6 of the Administrative Code governs construction and construction related services.

**ATTACHMENT 2:
As-Needed Annual Contracts, FY 2018-19
(July 1, 2018 - June 30, 2019)**

AS-NEEDED CONTRACTS										
As Needed Contracts (All 14B Contracts)	Project Title	Total Contract Amt.	LBE Goal %	LBE Goal Amount	Total FY 2017-18					
					Total Payments in FY	LBE Prime Payments	LBE Sub Payments	Total LBE Payments	Overall LBE%	Sub LBE %
Real Estate*										
Bay Area Economics		\$500,000	21%	\$105,000	\$133,430	\$0	\$53,154	\$53,154	40%	40%
Century Urban (LBE-OBE)		\$500,000	21%	\$105,000	\$172,578	\$144,678	\$27,900	\$172,578	100%	16%
Economic Planning Systems		\$500,000	21%	\$105,000	\$0	\$0	\$0	\$0	0%	0%
Seifel Consulting (LBE-WBE)		\$500,000	21%	\$105,000	\$83,389	\$43,407	\$28,638	\$72,045	86%	34%
Subtotal, Real Estate Services		\$2,000,000		\$420,000	\$389,397	\$188,085	\$109,692	\$297,777	76%	28%
Engineering & Related										
COWI/OLMM (JV-MBE)		\$1,500,000	20%	\$300,000	\$328,417	\$29,240	\$91,803	\$121,043	37%	28%
GHD/Telamon (JV-MBE)		\$1,500,000	20%	\$300,000	\$789,837	\$262,445	\$100,585	\$363,030	46%	13%
Moffat & Nichol/AGS (JV-MBE)		\$1,500,000	20%	\$300,000	\$457,606	\$29,428	\$127,675	\$157,103	34%	28%
Parsons/Lotus Water (JV-OBE)		\$1,500,000	20%	\$300,000	\$521,090	\$0	\$134,812	\$134,812	26%	26%
Subtotal, Engineering & Related		\$6,000,000		\$1,200,000	\$2,096,950	\$321,113	\$454,875	\$775,968	37%	22%
Environmental & Related										
AEW Engineering (LBE-MBE)		\$1,000,000	22%	\$220,000	\$365,982	\$119,792	\$13,805	\$133,597	37%	4%
Northgate/AGS (JV-MBE)		\$1,000,000	22%	\$220,000	\$132,049	\$0	\$27,844	\$27,844	21%	21%
SCA Environmental (LBE-MBE)		\$1,000,000	22%	\$220,000	\$465,024	\$68,124	\$170,010	\$238,134	51%	37%
Subtotal, Environmental & Related		\$3,000,000		\$660,000	\$963,055	\$187,916	\$211,659	\$399,575	41%	22%
Public Relations										
Bonner Communications (LBE-WBE)		\$300,000	Micro	N/A	\$4,327	\$0	\$4,327	\$4,327	100%	0%
Davis & Associates (LBE-MBE)		\$300,000	21%	\$63,000	\$91,202	\$89,933	\$1,268	\$91,201	100%	1%
Next Steps Marketing (LBE-WBE)		\$300,000	Micro	N/A	\$164,233	\$164,233	\$0	\$164,233	100%	0%
Subtotal, Environmental & Related		\$900,000			\$269,762	\$254,166	\$5,595	\$259,761	100%	2%
TOTAL As-Needed Contracts		\$11,900,000		\$2,280,000	\$3,709,164	\$951,280	\$781,821	\$1,733,101	47%	21%

**ATTACHMENT 3:
Construction Contracts, FY 2018-19
(July 1, 2018 - June 30, 2019)**

CONSTRUCTION CONTRACTS										
Construction Contracts	Project Title	Total Contract Amt.	LBE Goal %	LBE Goal Amount	Total FY 2017-18					
					Total Payments in FY	LBE Prime Payments	LBE Sub Payments	Total LBE Payments	Overall LBE%	Sub LBE %
14B Contracts										
Power Engineering (Non-LBE)	Pier 29 & 31.5 Structural Projects IV	\$7,516,768	3%	\$225,503	\$9,330,603	\$0	\$365,239	\$365,239	4%	4%
C.F. Contracting (LBE-OBE)	Pier 29 Utility Upgrade	\$944,250	24%	\$226,620	\$63,357	\$33,600	\$0	\$33,600	53%	0%
Hoseley Corporation (LBE-OBE)	Pier 94 Backlands	\$9,330,603	20%	\$1,866,121	\$7,528,471	\$4,404,277	\$1,827,670	\$6,231,947	83%	24%
KCK Builders (LBE-OBE)	Pier 31 Utilities & Restroom	\$2,743,400	21%	\$576,114	\$434,434	\$195,424	\$188,434	\$383,858	88%	43%
Gordon N. Ball (Non-LBE)	Crane Cove Park Improvements	\$17,845,000	21%	\$3,747,450	\$5,948,101	\$0	\$596,931	\$596,931	10%	10%
Trinet Construction (LBE-WBE)	Pier 94-96 Storm Drain	\$1,242,400	25%	\$310,600	\$87,438	\$87,438	\$0	\$87,438	100%	0%
Subtotal, 14B Contracts		\$39,622,421		\$6,952,408	\$23,392,404	\$4,720,739	\$2,978,274	\$7,699,013	33%	13%
Micro-LBE Contracts										
Trinet Construction (LBE-WBE)	Pier 23 MEP Upgrade	\$772,585	Micro	N/A	\$657,738	\$420,049	\$196,788	\$616,837	94%	30%
G.Y. Engineering (LBE-MBE)	Pier 27 Passenger Shelter	\$826,133	Micro	N/A	\$826,133	\$641,853	\$184,280	\$826,133	100%	22%
Subtotal, Micro-LBE Contracts		\$772,585	Micro	N/A	\$1,483,871	\$1,061,902	\$381,068	\$1,442,970	94%	26%
TOTAL Construction Contracts		\$40,395,006		\$6,952,408	\$24,876,275	\$5,782,641	\$3,359,342	\$9,141,983	37%	14%

**Attachment 4
Professional Service Contract, FY 2018-19
(July 1, 2018 - June 30, 2019)**

PROFESSIONAL SERVICES CONTRACTS										
Professional Services Contracts	Service/ Project Title	Total Contract Amt.	LBE Goal %	LBE Goal Amount for Life of the Contract	Total FY 2017-18					
					Total Payments in FY	LBE Prime Payments	LBE Sub Payments	Total LBE Payments	Overall LBE%	Sub LBE %
14B Contracts										
AECOM (Non-LBE)	Crane Cove Park Design & Planning	\$4,079,396	19%	\$775,085	\$436,618	\$0	\$182,795	\$182,795	42%	42%
CH2M Hill (Non-LBE)	Seawall Resiliency Design	\$36,349,740	15%	\$5,452,461	\$7,988,517	\$0	\$988,226	\$988,226	12%	12%
Civic Edge Consulting (LBE-WBE)	Seawall Communications	\$1,695,205	21%	\$355,993	\$378,707	\$184,263	\$131,716	\$315,979	83%	35%
COWI/OLMM (JV-MBE)	Mission Bay Ferry Landing	\$3,981,369	20%	\$796,274	FY18-19	\$184,984	\$388,269	\$553,253	#VALUE!	#VALUE!
Hollins Consulting (Non-LBE)	Technical Support Pier 70/Mission Rock	\$2,400,000	24%	\$576,000	\$127,275	\$84,847	\$42,428	\$127,275	100%	33%
Environmental Science Associates (Non-LBE)	Heron Head's Shoreline Design	\$319,638	4%	\$12,786	\$178,172	\$0	\$25,659	\$25,659	14%	14%
Public Financial Management (Non-LBE)	Financial Advisory Services	\$420,000	15%	\$64,000	\$14,006	\$14,006	\$0	\$0	0%	0%
Subtotal, 14B Contracts		\$49,245,348		\$8,032,599	\$9,123,295	\$448,100	\$1,759,093	\$2,207,193	24%	19%
Non-14B Contracts										
Catharine Hooper (Non-LBE)	Fleet Week Consulting	\$50,000	N/A	N/A	\$16,666	\$0	\$0	\$0	0%	N/A
Cochran Marine (Non-LBE)	Testing & Recommissioning of Shore Power	\$280,000	N/A	N/A	\$12,516	\$0	\$0	\$0	0%	N/A
Goodwin Consulting (Non-LBE)	Mission Rock - Special Tax Consultant	\$50,000	N/A	N/A	\$17,638	\$0	\$0	\$0	0%	N/A
Hunters Point Family (LBE-NPE)	Youth Employment Services	\$210,000	N/A	N/A	\$123,551	\$123,551	\$0	\$123,551	100%	N/A
San Francisco Conservation Corps (LBE-NPE)	Youth Employment Services	\$320,000	N/A	N/A	\$143,339	\$143,339	\$0	\$143,339	100%	N/A
Subtotal, Non-14B Contracts		\$910,000	N/A	N/A	\$313,710	\$266,890	\$0	\$266,890	85%	N/A
TOTAL Professional Services Contracts		\$50,155,348		\$8,032,599	\$9,437,005	\$714,990	\$1,759,093	\$2,474,083	26%	19%

**Attachment 5:
Pier 70 Development Contract Awards Through July 1, 2019**

Amount Awarded	\$ 94,946,725.00	100%
Awarded to Small & Micro LBE	\$ 35,069,668.00	37%
Awarded to SBA-LBE	\$ 4,182,231	4%
Awarded to Non-LBE	\$ 55,694,826	59%
LBE Award by Size	\$ 39,251,899	100%
Awarded to Small-LBE	\$ 29,139,435	74%
Awarded to Micro-LBE	\$ 5,930,233	15%
Awarded to SBA-LBE	\$ 4,182,231	11%
LBE Award by Type	\$ 39,251,899	100%
Awarded to MBE-LBE	\$ 3,226,647	8%
Awarded to WBE-LBE	\$ 3,541,068	9%
Awarded to OBE-LBE	\$ 32,484,184	83%

**Attachment 6:
Mission Rock Development Contract Awards Through July 1, 2019**

Amount Awarded	\$ 36,210,399.00	100%
Awarded to Small & Micro LBE	\$ 6,953,439.00	19%
Awarded to SBA-LBE	\$ 653,380	2%
Awarded to Non-LBE	\$ 28,603,581	79%
LBE Award by Size	\$ 7,606,819	100%
Awarded to Small-LBE	\$ 2,644,654	34%
Awarded to Micro-LBE	\$ 4,308,789	57%
Awarded to SBA-LBE	\$ 653,379	9%
LBE Award by Type	\$ 7,606,819	100%
Awarded to MBE-LBE	\$ 2,021,343	27%
Awarded to WBE-LBE	\$ 359,698	5%
Awarded to OBE-LBE	\$ 5,201,278	68%

MEMORANDUM

November 08, 2019

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational presentation on the proposed 2019 California Building, Plumbing, Electrical, Mechanical, Green and Existing Building Codes and Local Amendments to the Port Code

DIRECTOR'S RECOMMENDATION: Informational item; no action required

Executive Summary

State law establishes the statewide building standards code, known as the California Building Standards Code, located in Title 24 of the California Code of Regulations. The Building Standards Code consists of legally-codified standards governing the design and construction of buildings, structures, and associated infrastructure. The California Building Standards Code has the following 12 parts to address different aspects of design and construction in the building industry.

- Part 1: California Administrative Code
- Part 2: California Building Code Parts 1 and 2 (based on the International Building Code)
- Part 2.5: California Residential Building Code (based on the International Residential Code)
- Part 3: California Electrical Code (based on the National Electrical Code)
- Part 4: California Mechanical Code (based on the Uniform Mechanical Code)
- Part 5: California Plumbing Code (based on the Uniform Plumbing Code)
- Part 6: California Energy Code
- Part 7: Vacant formerly California Elevator Safety Construction Code (see Cal. Code Regs., Title 8)

THIS PRINT COVERS CALENDAR ITEM NO. 13A

- Part 8: California Historical Building Code
- Part 9: California Fire Code (based on the International Fire Code)
- Part 10: California Existing Building Code (based on the International Existing Building Code)
- Part 11: California Green Building Standards Code (also referred to as **CALGreen**)
- Part 12: California Referenced Standards Code

The State allows local jurisdictions such as the Port of San Francisco to adopt amendments to the Building Standards Code to address local geologic, topographic, climatic, environment, and administrative processes for each local jurisdiction. Local amendments generally must be more restrictive. Historically, the Port engineering staff have adopted local amendments to the California Building Standards Code to form the Port of San Francisco Building Code. This report provides an overview of the proposed 2019 Port of San Francisco Building Code. Port staff will then request approval at the December 10, 2019 meeting, and if the Port Commission approves, the 2019 Port of San Francisco Code will become effective January 1, 2020.

Strategic Objective:

Adoption of updated Port of San Francisco Building Code supports the following objectives:

Resiliency – Port of San Francisco Building Code incorporates the latest code regulations which establish the minimum requirements to safeguard the public health, safety, and general welfare through structural strength, stability, fire safety, and general quality of construction.

Sustainability – Port of San Francisco Building Code incorporates the 2019 Green Building Codes which promote the latest environmentally sustainable practices in building construction and operation.

Introduction

The California Building Standards Commission, through the California Health and Safety Code, establishes construction standards in California which are codified in the California Code of Regulations, Title 24, also known as the “California Building Standards Code” (State Code). The State Code is considered to provide for the minimum construction standards to achieve reasonable levels of health, safety and general welfare to occupants and the public. The State Code allows local jurisdictions to establish more restrictive, reasonable, and necessary differences to the State’s minimum standards by filing local findings and code amendments with the California Building Standards Commission.

As a local jurisdiction, separate from the San Francisco Department of Building Inspection, the Port of San Francisco adopts its own Port of San Francisco Building Code for regulation of construction and improvements of structures and facilities within the Port’s jurisdictional boundaries. This code consists of local findings and code

amendments adopted by the Port, combined with the State Code. The Port of San Francisco's local amendments primarily consist of special design requirements to address the Port's proximity to Bay waters, and its unique topographical and geographical conditions. The California Building Standards Commission has adopted a new 2019 edition of the State Code. The primary changes to the State Code are: 1) general updates of all codes; 2) changes to the green building regulations for requirements to govern water, electrical vehicles and waste reduction management. The new edition will supersede the current 2016 edition of the State Code in its entirety and will have an effective date of January 1, 2020. As a result, the 2016 edition of the Port of San Francisco Code, which was based on the 2016 edition of the State Code, will be outdated as of January 1, 2020. Through the California Health and Safety Code, the California Building Standards Commission mandates that all jurisdictions within the State adopt the 2019 State Code, subject to the process for local jurisdictions to adopt amendments. In response to that requirement, Port staff will seek Port Commission approval to adopt the State Code with the Port's local findings and code amendments at the Port Commission's meeting on December 10, 2019. This will enable the continuance of the Port's current administrative procedures, submittal requirements, appeal processes and construction standards applicable to the Port's marine environment, facilities and maritime operations.

If the Port Commission does not adopt the updated Port of San Francisco Building Code, the Port's construction standards will, as of January 1, 2020, default to the 2019 California Building Standards Code without local Port jurisdictional amendments.

Background

The draft 2019 Port of San Francisco Building Code includes specific local amendments to the state Building, Existing Building, Mechanical, Electrical, Plumbing, Energy and Green Building Model Codes. These provisions and amendments will enable the Port to enforce construction standards and hear appeals under the Port's unique jurisdictional structure. They will provide special design requirements for the Port's proximity to Bay waters and address the Port's unique topographical and geographical conditions. It will include mandatory features for construction dust control, storm water run-off and flood plain management that protect the environment, buildings, structures, and people associated with construction activity within the Port's jurisdiction.

Climate Action

The 2019 State Code includes standards for green building practices known as the California Green Building Standards Code, along with standards for energy consumption known as the California Energy Code. The proposed 2019 Port of San Francisco Building Code incorporate these standards.

Schedule

Port staff will post public notices in a local newspaper, announcing a review and comment period of two weeks for the proposed 2019 Port of San Francisco Building Code. After public review and resolution of comments, staff plans to request Port Commission approval and adoption of the proposed 2019 Port of San Francisco Building Code and associated local findings on December 10, 2019, with an effective date of January 1, 2020. Upon adoption of the 2019 edition of the Port of San Francisco Building Code by the Port Commission, staff will file the local findings and associated code amendments with the California Building Standards Commission to finalize the process.

Summary

The 2019 Port of San Francisco Code will, upon adoption, effectively repeal the 2016 edition of the Port of San Francisco Code as of January 1, 2020. This 2019 code will adopt, by reference, the 2019 California Building Standards Code with Port specific local findings and associated code amendments, that will be presented for approval to the Port Commission on December 10, 2019.

Port staff will produce a draft of the proposed 2019 Port of San Francisco Building Code with local findings. Staff will post the draft code for public opinion and comment and will present the final draft of the 2019 Port of San Francisco Building Code and local findings at the December 10, 2019 Port Commission meeting for review and approval with an effective date of January 1, 2020.

Prepared By: Neil Friedman
Chief Building Inspector

Peter Luong
Civil Engineer

For: Rod Iwashita
Chief Harbor Engineer

Attachment: List of significant changes

Significant Changes to the various Port Codes for 2019 (to be effective on January 1, 2020)

PORT BUILDING CODE

1. Grammatical, date, numbering and formatting changes.
2. Adoption of some code procedures from the Building Code of the San Francisco Department of Building Inspection (SFDBI).
3. Increase in Port plan review and inspection fees.
4. Change in the ratio of occupant load per square footage for office occupancies.

PORT PLUMBING CODE

1. On a 'per project basis', allow use of certain types of plastic piping systems under piers.

MEMORANDUM

November 8, 2019

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

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational presentation on the Proposed Name Change of the 200 Block of Steuart Street to Steuart Lane

DIRECTOR'S RECOMMENDATION: Informational item; no action required

Executive Summary

The Port applies the standards of the City's Public Works Code to regulate encroachments and construction activity in the roads, streets and rights-of-way within the Port's jurisdictional boundaries (Port Commission Resolution No. 07-55). Similarly, Port staff also follow the substantive provisions of the City's Public Works Code in the renaming of publicly dedicated streets in Port jurisdiction. San Francisco Public Works Department has established procedures for the renaming of publicly dedicated streets. Similar to the City's Public Works procedures, Port Code procedure PCP-019 outlines the procedure for the renaming of publicly dedicated streets in Port jurisdiction, including Port Commission approval of the street renaming.

This Port Code procedure requires that a party seeking the renaming of a street must provide neighborhood notification of the proposed change, and make an informational presentation to the Port Commission, followed by a subsequent Port Commission meeting to approve or reject the proposed street name change, subject to San Francisco Board of Supervisors and other City approvals.

The real estate developer of a new condominium complex located at a parcel with a current City address of 75 Howard Street, 75 Howard Owner LP, is proposing to rename the 200 Block of Steuart Street to 1 Steuart Lane. This informational presentation introduces the research and rationale for requesting the street name change.

Strategic Objectives

This Project supports the Port's Strategic Plan strategies of Engagement and Economic Vitality.

Engagement: Affirms the Port's commitment to public engagement by allowing parties to seek approval of street name changes.

Economic Vitality: The development will provide housing to the neighborhood, providing economic benefits to the Port.

Background

Port Code Procedure 019 is presented in Exhibit 1 and details the process of changing existing street names in Port of San Francisco jurisdiction. The procedure is analogous to San Francisco Public Works' procedure for changing existing street names, but adds Port Commission approval to the process.

For non-dedicated streets (i.e. streets without public access), the proposed street name change must be introduced to the Port Commission with Port staff review and investigation, including making inquiry to all owners of record or Port tenants on the street, and solicitation of comments from various City agencies (including, but not limited to, the Planning Department, Department of Building Inspection, Fire and Police Departments, and the Recreation and Park Department). If the responses to the proposed name change are positive, Port staff will prepare a report and resolution for consideration by the Port Commission, which shall have authority to approve or reject the proposed change of street name.

For dedicated streets (i.e. dedicated to the public) located within Port jurisdictional boundaries, the changing of the name of an existing street will require the same process described for non-dedicated streets with an additional process, following the SFPW procedure outlined in the service bulletin "Establishing Street Names" to add the changed street name to the Official City Map. The Port Commission approval of the change of dedicated street name shall be subject to separate Board of Supervisors' approval and other City of San Francisco approvals.

Discussion

Steuart Street is two and a half blocks long ending in a cul-de-sac South of Market. The 200 Block that falls within the Port's jurisdictional boundaries (Figure 1). The Embarcadero roadway is to the east, the 201 Spear St office building is to the west, The Towers at Rincon Apartments across Howard St. is to the north, and the Gap Headquarters Building is to the south. With the exception of the Embarcadero, none of the other buildings are on Port property.

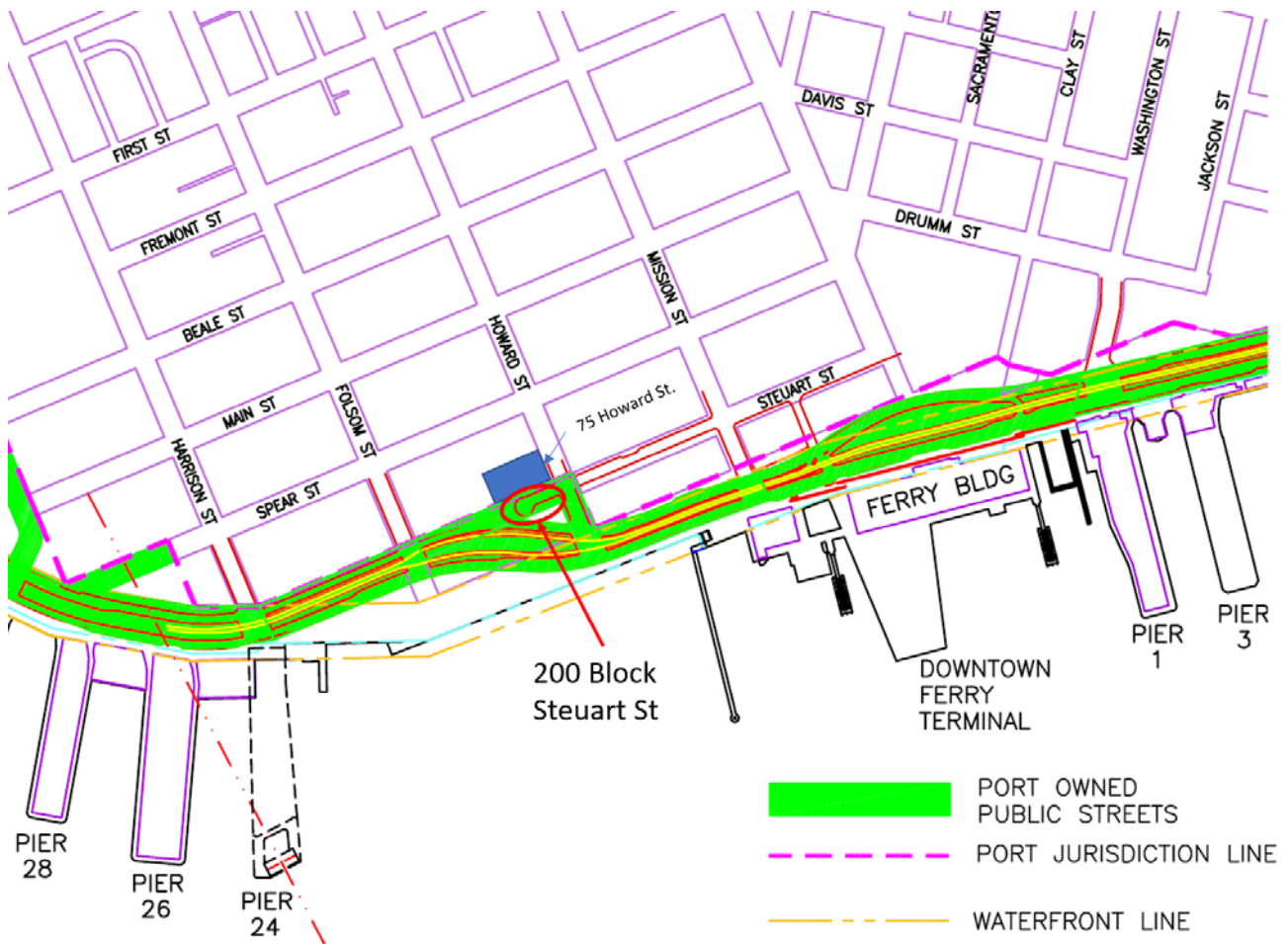


Figure 1: Location of Steuart St

The developer’s team is petitioning the Port and the City to change the name of this street to highlight some of the features and amenities that make it unique:

- The One Steuart Lane building will bring 120 homes to the neighborhood and contribute to the activation of this neighborhood. The development project aligns with the City’s Planning guidelines and goals related to housing.
- The construction of One Steuart Lane replaces a concrete parking garage.
- Steuart Street is named after a California councilmember, William Steuart. In 1849 he was Delegate and Acting Chairman to the first California Constitutional Convention (representing San Francisco District).
- The developer of the new project believe that the term “lane” feels more residential than “street.” This distinction evidences that a residence is located on one part of the street, with the adjacent office buildings on the other portion of the street.

Conclusion

As an informational item, Port staff presents this matter to allow the developer, 75 Howard Owner LP, the opportunity to explain its request for changing the name of the 200 Block of Steuart Street pursuant to Port Code Procedure 019. Assuming all Port and City approvals are secured, the proposed change of the street name will permit the new condominium housing project to adopt the official address of One Steuart Lane. Because Steuart Street lies within Port jurisdictional boundaries, approval by the Port Commission is required, and because the street is also a City dedicated street, the proposed name change requires approval by the Board of Supervisors.

Prepared by: Rod K. Iwashita,
Chief Harbor Engineer

Exhibit A
Port Code Procedure PCP-019

PORT CODE PROCEDURE

NO. PCP-019

DATE : October 30, 2019

SUBJECT : Port Street Names

TITLE : **Procedure for Port Street Name Changes**

PURPOSE : The purpose of this Port Code Procedure (PCP) is to describe the procedures for the change of names for existing Port streets.

REFERENCE : San Francisco Public Works service bulletins entitled, “Establishing Street Names”, and “Street Dedication and Acceptance”.

DISCUSSION : The Port of San Francisco (‘Port’) has not yet created its own Port Public Works Code. In a meeting of the San Francisco Port Commission (‘Port Commission’) on July 11, 2007, under Resolution No. 07-55, the Commission authorized and directed the Port staff to apply the standards of the City and County of San Francisco Public Works Code which is administered outside of Port jurisdictional boundaries by the San Francisco Public Works department (SFPW). The Port will continue to apply the standards of the City Public Works Code until such time that the Port creates a Public Works Code of its own.

Among the regulatory services provided by SFPW regarding San Francisco areas not under the jurisdiction of the Port, SFPW provides procedures and services for changing street names. Since the Port is a separate regulatory agency from SFPW, this Port Code Procedure PCP-019 sets forth the analogous processes for changing the name of any street within Port jurisdictional boundaries.

Non-Dedicated Streets: For non-dedicated streets located within Port jurisdictional boundaries, the process to request an existing street name change is outlined below.

Proposal for Change of Street Name: The process for requesting the renaming of streets within Port jurisdictional boundaries can be initiated by members of the public, Port Staff or the Port Commission. If a member of the public initiates a request to rename a street, the requesting party must present the proposal to the Port’s Permit

2016 Port of San Francisco Building Code

Information Desk with signatures from all Port tenants and private property owners whose lots abut the subject street block(s). To warrant consideration for the requested name change, the number of signatures must indicate that a majority is in favor of the change. This requirement does not apply to Port staff- or Port Commission-initiated street name changes.

The Port Engineering and Port Real Estate Staff will review and investigate the proposal for changing a street name. This shall include mailing an inquiry to all owners of record or Port tenants on the street for an official response to the proposed name change. The Port will also solicit comments from various City agencies, including, but not limited to, the Planning Department, the Department of Building Inspection, the Fire and Police Departments and the Recreation and Park Department. If responses to the proposed name change are positive, Port staff will prepare a report and resolution for consideration by the Port Commission, which shall have authority to approve or reject the proposed change of street name.

Dedicated Streets: For City dedicated streets (i.e. dedicated to the public) located within Port jurisdictional boundaries, the changing of the name of an existing street will require an additional process to that for non-dedicated street names, following the SFPW procedure outlined in the service bulletin “Establishing Street Names” to add the changed street name to the Official City Map. The Port Commission approval of the change of dedicated street name shall be subject to separate Board of Supervisors’ approval and other City of San Francisco approvals. Refer to ‘Attachment ‘A’ for the related SFPW procedure.

Submittal Fee: The base submittal fee for the Port’s processing and investigation of a proposed change of an existing street name for the benefit of a member of the public is \$2,500. All services performed by Port Staff to prepare and present a Port Commission Resolution for change of a street name will be billed at a time-and-materials rate chargeable to the applicant. See Port Building Code Chapter 1, Table 1A-6, item 1, “Standard Hourly Fees”. At the end of the Port process, an adjustment to the fee will be made based on Port personnel time spent and the standard hourly fees and expenses incurred.

Process for Changing a Street Name

Changing the name of an existing street requires the following procedures:

- 1) The requesting party shall submit an informational proposal to be referred to the San Francisco Port Commission

2016 Port of San Francisco Building Code

- 2) A Public Hearing by and approval of the San Francisco Port Commission on the proposed name change of a street.
- 3) Upon the success of items 1 and 2 above, submittal of a Port encroachment permit and San Francisco Public Works permit that will initiate the name change for Port and San Francisco mapping purposes. This San Francisco Public Works permit is in addition to the Port street name change permit and will be subject to the fees charged by San Francisco Public Works and any other San Francisco Department involved in the street name change.
- 4) For dedicated streets located in Port jurisdictional boundaries, a separate process, as described in the San Francisco Public Works Service Bulletin "Establishing Street Names" shall be satisfied after Port Commission approval.
- 5) Recognition of the name change by the San Francisco County Clerk and County Surveyor's offices.
- 6) Addition of the street name change to the Official City Map.

If the forgoing requirements for a change of street name have been satisfied and all specified approvals granted, the street signs must contain both the original and new names for a period of 5 years. The new name may be indicated in a size that is larger than the old name, with the approval of the Port.

Appeals: As street name changes shall be subject to review and comments by neighbors, and approval by the Port Commission, and Board of Supervisors and Mayor for dedicated streets, no appeals will be heard.

For more information about establishing street names or renaming streets, contact:

The Port of San Francisco
 Permit Information Desk
 Pier 1, The Embarcadero
 San Francisco, CA 94111
 Phone: (415) 274-0554
 Email: permit-desk@sfport.com

Rod Iwashita	Date
Chief Harbor Engineer	
Port of San Francisco	

Attachment 'A'

Attachment ‘A’

SFPW: Establishing Street Names

(per <https://sfpublicworks.org/services/establishing-street-names>)

Street names are generally established during the development / subdivision of land. A request for renaming streets can be initiated by members of the public or the Board of Supervisors.

If a member of the public initiates the request, they must present their petition to Public Works Department with signatures from property owners whose lots are abutting the subject street. The number of signatures must indicate a very strong majority in favor of the change. If the proposed name change affects a “private” street, the “Home Owners’ Association” (if applicable) may require pre-approval according to their own by-laws.

We will review and investigate the proposal. This shall include mailing an inquiry to all owners of record on the street for an official response to the proposed name change. We will also solicit comments from various City Agencies, including but not limited to the Planning Department, the Department of Building Inspection, and the Fire and Police Departments. If all indicators are very positive, we will prepare a resolution to be submitted to the Board of Supervisors. The submittal fee for our investigation is \$2,500 and is based on the actual time taken. Name changes similar to the change of Army Street to Cesar Chavez Street will cost much more and you will be billed for time and materials.

Process for Changing a Street Name

Changing the name of a street requires:

- The resolution referred to the Clerk of the Board of Supervisors
- A Public Hearing at the Land Use and Economic Development Committee
- Board of Supervisors approval
- Mayor’s signature

The Clerk of the Board sends the approved resolution back to the County Clerk and the County Surveyor at Public Works where the approved name change is added to the “Official City Map.” The name changing process for other jurisdictions, such as the Port or Recreation and Park Department may vary.

Once the street name has been officially changed, the street signs must contain both names for a five-year period.

For more information about establishing street names or renaming streets, contact:

San Francisco Public Works
Bureau of Street-Use and Mapping
1155 Market Street, 3rd Floor ([Map](#))
San Francisco, CA 94103
Phone: (415) 554-5827
Fax: (415) 554-5324