



# **SAN FRANCISCO PORT COMMISSION**

**JUNE 8, 2021  
MINUTES OF THE MEETING**

**MEMBERS, PORT COMMISSION**

**HON. KIMBERLY BRANDON, PRESIDENT  
HON. WILLIE ADAMS, VICE PRESIDENT  
HON. JOHN BURTON, COMMISSIONER  
HON. GAIL GILMAN, COMMISSIONER  
HON. DOREEN WOO HO, COMMISSIONER**

**ELAINE FORBES, EXECUTIVE DIRECTOR  
CARL NICITA, COMMISSION AFFAIRS MANAGER**

# CITY & COUNTY OF SAN FRANCISCO PORT COMMISSION

## MINUTES OF THE MEETING June 8, 2021

### 1. CALL TO ORDER / ROLL CALL

This meeting was held by teleconference pursuant to the Governor's Executive Order N-29-20 and the Fifth Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency.

Port Commission President Kimberly Brandon called the meeting to order at 2:30 p.m. The following Commissioners were present: Kimberly Brandon, Willie Adams, John Burton, Gail Gilman and Doreen Woo Ho.

### 2. APPROVAL OF MINUTES – May 25, 2021

ACTION: Commissioner Woo Ho moved approval of the minutes. Commissioner Gilman seconded the motion. In a roll call vote, the minutes were approved unanimously.

### 3. PUBLIC COMMENT ON EXECUTIVE SESSION

No Public Comment.

### 4. EXECUTIVE SESSION

ACTION: Commissioner Gilman moved to convene in closed session. Commissioner Woo Ho seconded the motion. In a roll call vote, the minutes were approved unanimously.

(1) 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 non-City/Port representative: (Discussion Item)

- (a) Property: Pier 94, Pier 92, and Seawall Lot 352  
Person Negotiating: Port: Brendan O'Meara, Acting Assistant Deputy Director, Maritime; Andre Coleman Deputy Director, Maritime  
Negotiating Parties: Michael S. Carroll representing Lehigh-Hanson

Under Negotiations: \_\_\_ Price \_\_\_ Terms of Payment X Both

Port staff has been approached with a proposal from Lehigh-Hanson for a new lease of port property at Pier 94, Pier 92, and Seawall Lot 352. Port staff are evaluating the proposed terms including the proposed price and terms of payment for such new lease and the executive session discussion will be an opportunity for the Port Commission to provide negotiation direction regarding price and terms of payment, improvements, rental rate resets, participation in sale proceeds and other factors affecting the form, manner and payment of consideration for a possible new lease, and which in turn will enhance the capacity of the Port Commission during its public deliberations and actions to set the price and payment terms that are most likely to maximize the benefits to the Port, the City, and the 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.

No report.

- 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.

ACTION: Vice President Adams moved to reconvene in open session without disclosing what was discussed in closed session. Commissioner Woo Ho seconded the motion. In a roll call vote, the minutes were approved unanimously.

## **6. PLEDGE OF ALLEGIANCE**

## **7. ANNOUNCEMENTS**

- A. 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. Please note that during the public comment period, the moderator will instruct dial-in participants to use a touch-tone phone to register their desire for public comment. Audio prompts will signal to dial-in participants when their

Audio Input has been enabled for commenting. Please dial in when the item you wish to comment on is announced.

## 8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Ziree Bickham - Okay. Hi. I am a performer on the Port of San Francisco. And I was just calling to make comment on some of the things that are being like implemented with the vendors. I just wanted to basically say that the performers program is really important to like the wharf culture.

I know you guys are aware of that. And just to keep in mind that there tends to be -- the vendors tend to overrun the wharf kind of selling things. And it can get really hectic at times. And without the system in place, for the performers to be able to perform and the vendors to be able to vend, it can be chaotic.

So I just hope we keep that in mind and make sure that we can all work together to make it a good experience for the tourists and people who like to be at the wharf and also for the people who perform there.

The performers are a big part of the culture. Again, like if you look at the hashtag for Fisherman's Wharf in San Francisco, one of the main things that the people are attracted to are the performers so just trying to keep that culture there. I know there's a lot of like people selling a lot of things. So -- yeah. That's pretty much it.

[David Burbee] - Hello. My name is David Burbee. I'm with Cioppino's restaurant and The Bay Company retail store on Fisherman's Wharf. I'm here today to urge you to vote your support of 11A, the mobile-vendor regulation.

I'm sure you folks are all aware that this has turned into complete chaos out here. We have people blocking streets, creating unsanitary conditions, selling illegal alcohol, making it much more difficult for us struggling to get back into business to conduct our business.

And having this lawlessness just continue -- it serves no one well. So I urge you to pass along the ordinance to the Board of Supervisors and push forward to vote in favor of it. Thank you.

Gerhard - My name is Gerhard. And I'm with the street performers program. And I just think that we [are] very interested [in keeping this] [unintelligible] in place. And I think we can do that. Based on the [Chapter 6] sidewalk vendors section 51039(d)(2), it allows permits for special events.

And I think that, under that section, we can keep our program going. And it could be going at the same time as the sidewalk vendors program.

While we welcome the sidewalk vendors and performers, we performers are not vendors but artists expressing freedom of speech. And I'm asking to please let us keep these special permits in place as they are in the street performer program.

Because our program is subsidizing and funded, we can stay in place. It would also guarantee diversity and [an open] climate that's not [overwhelming] with sidewalk vendors. So let's keep the wharf and Port entertaining, open, exciting for [all] merchants, vendors, performers and visitors both local and international. I appreciate your time. Thank you.

## 9. EXECUTIVE

### A. Executive Director's Report

- Economic Recovery
- Equity
- Key Project Updates
  - Mission Rock Phase 1 Construction and Budget Update

Director Forbes - Good afternoon, President Brandon, Vice President Adams, commissioners, Port staff and members of the public. I am Elaine Forbes, the executive director of the Port. Happy summer, everyone. San Francisco continues to reduce COVID-19 cases and hospitalizations and increase vaccinations.

We are seeing signs of San Franciscans and visitors return to our incredible waterfront. And it's just in time for summer. This is important for our city's economic recovery efforts and supports the diverse local businesses that are pillars of our very vibrant waterfront.

Pre-pandemic, the Port welcomed over 24 million visitors a year and supported 10,000 jobs and \$1.2 billion in wages. Many of our Port visitors arrived during the summer months. This summer, we have plans to welcome our visitors and residents back to our Port.

In July, we're looking forward once again to hosting the public with a spectacular fireworks show and celebration of our national Independence Day. As many of you know, the evening show takes place on two Port locations.

On June 11th, we welcome Red Bay Coffee to our Ferry Building. Our waterfront small businesses are the backbone of the Port, and we never stopped supporting them through COVID. The welcoming event includes a ribbon-cutting ceremony and performances by Mariachi Estelar, Hung Sing lion dancers and the African drum circle by Sun Drummers of the United Africa Ensemble and a Native American blessing ceremony.

Please join us for this celebration. We hope the public can enjoy our renowned open spaces this summer. In the southern waterfront, we want to welcome people to Heron's Head Park. It's 13 acres of open space along the Port's most southern jurisdiction and is loved by many.

The secret on Crane Cove Park is out. It's a spectacular park. It provides a space for kayaking, picnicking and general connection to the Bay and our waterfront's historic past. Port land is perfect for summer months.

Waterfront projects are hitting milestones this summer. Mission Rock is led by the San Francisco Giants and Tishman Speyer. And it will create thousands of new affordable homes and eight acres of open space.

We will hit some milestones this summer with the ongoing construction of phase-one utility installations, new streets and sidewalks and the commencement of work on the new five-acre China Basin Park.

And in our northern waterfront, the Port will open the first floating fire station in the nation. The fire station is critical in supporting emergency response for our city. Summer on the waterfront is a cherished experience and is loved by so many.

We want to ensure a remarkable and safe experience for everyone this summer. Summer will be welcoming more transitions out of COVID. And the future is beginning to look bright.

To reopening -- as we welcome back our visitors and residents, we will also continue to welcome back more of our employees. And we will reopen our public facilities. Pier 1, in concert with other city facilities, will open to the public beginning Tuesday, June 15th.

The lobby, restroom and public access from the Embarcadero will be available to the public. Staff will be at the front desk lobby during business hours. And Pier 1 security will continue normal onsite operations.

The Port is committed to align with the city's goals of having all employees back in the office by September 15th. And I can't wait for that. The Port commends our maintenance staff and select staff from maritime, real estate and development, finance and administration and engineering divisions who have been working safely onsite throughout the pandemic.

To date, we have not experienced any work-related COVID transmissions. I also want to thank our employees who served as disaster workers during the past 18 months. These employees were the backbone to our response. And their valor is commendable.

San Francisco has the highest testing and vaccination rates and one of the lowest deaths and hospital rates. This is a testament to the incredible work of disaster service workers.

And to equity -- the idea of the Port, city and our waterfront safely reopening and the recovery work that now lies ahead is particularly poignant coming in the months of June, as we celebrate and honor Pride month and Juneteenth.

Juneteenth is the oldest nationally celebrated commemoration of the ending of slavery in the United States. And Pride month commemorates the liberation movement led by the LGBTQ+ community that grew in response to ongoing actions in the name of civil rights that were met with police violence including Compton's Cafeteria riots in San Francisco in 1966 and the Stonewall riots in New York City in 1969.

These holidays are important opportunities to acknowledge existing systemic prejudices and biases. And it's a powerful reminder that our history does not have to be our future. The Port's racial-equity team is in full action, hitting important milestones to make sure the Port is an equitable organization, and our waterfront is equitable.

The Port's racial-equity change team submitted their first progress report on our action plan to the city. Our progress will be shared with the Port Commission equity subcommittee later this month in advance of our first biannual report to the commission in July.

We continue with our diversity calendar programming, celebrating Pride month. Our focus this month is to expand awareness of the diversity within the LGBTQ+ community and spotlight our trials and triumphs by recognizing the remarkable contributions of lesbian, gay, bisexual, transgender and queer people.

The Port has partnered with CUESA and MegaBlack SF to sponsor the Juneteenth celebration that will be held at the Embarcadero Ferry Terminal Plaza. The celebration is intended to bring black community organizers, businesses, chefs and artists to host Juneteenth food traditions and education.

Additionally, the Port will share how African Americans helped shape the SF waterfront by creating a video that highlights the significant contributions. The event will run concurrently with the farmer's market from 8:00 a.m. to 2:00 p.m. on Saturday, June 19th.

Now, turning to economic recovery and the important efforts to secure the Port financially, I'm extremely proud and thankful to the work of the

commission and staff on the successful American Recovery Act stimulus money awarded to ports.

We reached another milestone last week when the Senate and Assembly budget committees approved the \$250 million allocation to California ports. These needed funds will be used to help avoid employee layoffs, backfill some of our lost revenue, reimburse us for tenant-relief measures that were enacted including rent forgiveness for family-owned small businesses and will restore our capital maintenance budget that will keep the waterfront safe and secure.

No more red tags of our facilities is needed badly. However, we are not yet on safe shores. The Port is faced with a serious, daunting, five-year structural deficit that we need to solve.

We will continue to look to state and federal stimulus as well as identify ways to make our organization more efficient by cutting costs and generating needed revenues. We must stay active and vigilant in our efforts to make the Port whole again.

To key project updates -- in September 2019, the Port Commission approved the phase-one budget for Mission Rock at Seawall Lot 337. I'd like to invite Phil Williamson, the project manager of Mission Rock, to provide an update on construction process. Thank you, Phil.

Phil Williamson - Thank you, Elaine. Carl, first slide, please. There you go. Thank you. Thanks, Elaine. I appreciate that introduction. Good afternoon, President Brandon, Vice President Adams, commissioners. Phil Williamson, project manager with the Port real estate development team, here today to provide you with the phase-one construction and budget update. Next slide, please.

In the 20 months since you approved phase one, the Port, city and developer have been extremely productive and are pleased to report much progress during a very challenging period. Notably, 15 of these 20 months were affected by the unforeseen impacts of the COVID-19 pandemic.

Yet, our collaborative, results-focused approach has led to accomplishing many significant milestones including commencement of horizontal work, the site preparation and ground-improvement work that is so important to the future success of the project.

We also were able to issue the notice to proceed [audio gap] and almost at the same time begin the vertical construction on two of the four phase-one parcels, Parcel A, the Visa headquarters building and Parcel -- excuse me -- a residential building and Parcel G, the Visa headquarters building.



And you'll see pictures of those in a few slides. This year, we've also continued this important work on the horizontal processes and installations. And you'll see an image of that shortly.

And also, we were very successful with our first bond issuance. Last month, May of this year, we issued \$43 million of bonds and are very excited for that milestone. Next slide, please.

Looking ahead to the remainder of this year and a bit further out, the team anticipates many more milestones including, in a few weeks' time, the beginning of work on Parcel B of phase one, a commercial building on Third Street just south of Parcel A. We will also start -- excuse me -- Next slide, please. There you go. Thank you.

Parcel B -- work starting here in a few weeks, very exciting milestone in the near future. As mentioned, we issued our first bond issuance last month. And we are already working on our second bond issuance, evidence of the project's increasing value.

These bonds are important, a critical part of the project. And you'll hear more about that shortly. We plan to start work on China Basin Park later this year in the fourth quarter and also looking at Parcel F, the final building of phase one, a residential tower starting construction late this year or early in 2022.

Looking ahead to 2022, we will be delivering and accepting -- working closely with the city on that regard -- previous slide, please. Sorry, Carl. Can you back a slide or two? There you go. Thank you.

Again, in 2022, we are delivering -- working with the city to accept the phase-one streets and utilities and also deliver and occupy Parcel G, the Visa headquarters building. And then, a little further out: delivering and occupying Parcel A, the residential building with 102 below-market-rate units; delivering and accepting for the Port China Basin Park; and delivering and occupying Parcel B, which again is starting construction in a few weeks' time.

Next slide, please. Next slide, please, Carl. Let's see. Slide four if you can. Thank you. Almost there. One more, please.

Carl Nicita - It seems we're missing slide four from this presentation.

Phil Williamson - Okay. That's unfortunate. But it was an image of the site, which was showing activity, which I'll briefly describe, above ground and below ground. The above-ground work is some foundation work on Parcels A and G including pile driving.

You can also see a tower crane on site now with another tower crane coming in July. But probably more importantly is the invisible work that you can't see if you look at the site: the 1,000 steel piles that were driven to bedrock for Parcel A and for Parcel G; the 500 stone columns that help secure and improve the ground for future seismic events.

The project team is fond of comparing the number of piles with their length. If you were to stitch them all together, they are approximately 42 miles in length, enough to circle the entire City and County of San Francisco so lots of work you can't see on site but lots of work that's gone to improve the site's value and also support future bond issuances for the project's benefit. Okay.

So thank you, Carl. This slide is a good one. You can leave it right there. The DDA that the Port executed with the developer requires that the developer keep staff at the Port notified of phase-one budget and budget increases.

So with the developer, staff is evaluating various strategies to manage a projected increase of approximately \$58 million in phase-one costs. And one strategy we're looking at is to build the inland portion of China Basin Park now and push the in-water portions of the park a few months out.

That would give us time to secure funding and figure out the budget implications of that move. It would save the project \$20 million for phase one, reducing those cost increases from \$58 million to \$38 million.

And it would give us time that we need to secure the important federal and state permits from the Army Corps of Engineers and BCDC for that in-water work. So we are working closely with our consultant to analyze the budget increases and the impact of these costs on Port revenue and on the developer returns.

We are bringing this presentation or one very similar to it forward to the Southern Advisory Committee in a few weeks' time on June 23rd and look forward to returning to the Port Commission with their feedback and staff recommendation on how to proceed with the phase-one budget in a few months' time.

And one more picture, I think. Hopefully, you made it, Carl. Do you have one more slide? Great. Thank you. This is an image of phase-one work in progress. You see in red the streets that are now being built onsite: Toni Stone Crossing, Dr. Maya Angelou Way, Channel Street, Bridgeview Street, creating a new neighborhood at the project.

You also see in green the inland portion of China Basin Park being constructed later this year. And the orange portion you see on the top of the image is the in-water portion of China Basin Park, which, as I mentioned,

we're looking at delaying a few months in order to obtain those permits and to align our budgetary numbers. Next slide, please.

There you go. Thanks, Carl. Here is an image of the inland portion of China Basin Park looking to the east. You're looking at, of course, the Bay and the Bay Bridge and East Bay Hills. And this is a piece of the inland park that would be built in phase one under all circumstances. Next slide, please.

Thank you very much for your time. And we look forward to being back before you this summer with more information on the budget. Thank you, Elaine.

Director Forbes - Thank you so much, Phil. It's really exciting to see the progress of the Mission Rock project even through COVID. We're very, very thankful to our Mission Rock partners. And it's extremely exciting to understand all of those piles are driven, giving us seismic stability and protection from sea-level rise. So well done.

Next, I would like to add my voice to the speakers who congratulated Commission President Kimberly Brandon on her reappointment at the last commission meeting. I'm really grateful for the opportunity to lead this organization under her skilled and thoughtful policy hand.

President Brandon brings her full self as a leader. And her passion, sense of justice, deep public service commitment and eagle, eagle eye for fairness and good government has simply transformed the entire waterfront.

I'm so eternally thankful for her continued mentorship of me as I grow as a leader. Congratulations, President Brandon. And congratulations to the Port.

Lastly, I would like to conclude my report with a tribute to Lawrence Peoples, a retired Port laborer. Mr. Peoples passed away at his home in his native City of San Francisco on May 8th. He served the City and County of San Francisco in the capacity of general laborer for a total of 39 years including 29 at our Port.

Mr. Peoples retired from the Port in 2015. He will be remembered for his great smile and laugh, really unforgettable. After retirement, he made a point of returning every year to the Port to share Valentine's treats.

The Port expresses our deep condolences to Mr. Peoples's children: Anita, Deborah, Donald and Vanessa and to his entire family. And Port staff asks the commission to close the meeting in his memory. This concludes my report. Thank you.

President Brandon - Thank you. That was a very detailed report. We really appreciate it. Thank you for your congratulations. I really appreciate it.

Public Comment on the Executive Director's Report:

Oscar Wallace - Commissioners, Elaine, everyone, I'd just like to read a quick statement on behalf of the maintenance division in honor of Larry Peoples. So Larry Peoples retired in 2015 after 29 years of service and dedication to the Port.

Larry was a reliable and valued member of the maintenance team who could be seen up and down the Embarcadero diligently performing his duties. He knew everyone along the Embarcadero and always had a kind hello for tourists.

I did not have the privilege to work with Larry. However, by all accounts, Larry was a gentleman with a warm personality and a beautiful smile. Everybody loved Larry. Our condolences to Larry's family, and our thanks for sharing him with us for all those years. Thank you.

President Brandon - Thank you, Mr. Wallace. Lavena Holmes?

Lavena Holmes - Thank you, President Brandon. Good afternoon, President Brandon, Vice President Adams, Director Forbes. I just wanted to share, in addition to what's already been said, that Mr. Peoples was such a gentleman.

And he also had a great affinity for cars. He loved his classic Buick that he continued to drive to work until the day he retired. And he kept it in pristine and immaculate condition. As Oscar shared, he was loved up and down the waterfront by the tenants on his beat.

He was an honorable man that spoke his mind and always stood up for what is right. That's how Mr. Peoples will be remembered. Thank you.

President Brandon - Thank you. Are there any other staff members that would like to comment?

David Gibbs - Hello.

President Brandon - Hello.

David Gibbs - Yeah. Hello. Yeah. This is David Gibbs, Port maintenance.

President Brandon - Hi, David.

David Gibbs - Hi, everybody. How's everybody doing?

President Brandon - Good.

David Gibbs - Good. Yeah. I just wanted to comment on Larry. He was my partner on the weekends for 10 years. And he'd always help the tourists out. They were always patting him on the back, asking him for directions.

Every time he bent over to change a garbage can, someone would be there. And he'd be pointing where to go and everything like that. And he did love that car. I'm going to miss seeing him driving up and down the Embarcadero with it.

And also, his laugh -- he had this laugh where he would open his mouth, but nothing would come out. And I always thought I was making him mad, but he was laughing. No sound was coming out. I go, "Larry, you all right." He goes, "Yeah. I'm laughing." I go, "Okay. All right."

But -- yeah. He liked to talk sports. I heard he was quite the football player in his day. And he taught me a lot. He showed me everything, gave me a lot of knowledge about stuff, helped me with things and really going to miss him. Thanks.

President Brandon - Thank you so much for your comments. Is there anyone else that would like to comment? Seeing no other comments, we will move on to the commissioners. Commissioner Gilman?

Commissioners' Discussion on the Executive Director's Report:

Commissioner Gilman - Thank you so much, Elaine. Thank you for that great report. You know, I had a couple of comments I wanted to make and a question. But I guess I also just want to start by saying to Mr. Peoples's family our deepest condolences.

And it just says something about the great spirit of the Port to have someone be in service in that kind of laborer position, not transfer to other departments or bounce around the city. So I really just sort of want to commend the whole maintenance department, directors and managers now, Tom Carter and his legacy, just for creating an environment where people want to stay.

It just really struck me with those comments from folks who just called in. I also just really wanted to, again -- and I know we have officially -- but highlight in particular, since she was on the waterfront, I wanted to just sort of highlight too the dedication that took place on Friday of the Ferry Plaza Landing in the memory of Anne Halsted.

We were honored enough to have Leader Pelosi and Senator Feinstein along with Mayor Breed and other elected officials and the community that loved and supported Anne including Mayor Schaaf. And I just wanted to say it was

a beautiful dedication ceremony but also just a beautiful plaza that I think we can really put to community use.

And I love the idea of the Juneteenth popup taking place there on Saturday adjacent to the Ferry Building. And I hope, moving forward, the Port staff, in conjunction with all of our community partners, will find ways to really activate that space to highlight community organizations and community celebrations that are taking place in San Francisco.

So [I've said it again]. I'd love to see a stronger -- you know, the Ferry Building and that plaza are the intersection between the northeast and southeast waterfronts. And I really hope that we can build sort of a stronger connection to have both locals and tourism explore all seven-and-a-half miles of our waterfront and bring their economic activity to both ends and to create a deeper connection to the communities that sort of are off that plaza, which primarily are North Beach and Chinatown.

So I just really hope we can use that space to promote that. And I'll be excited to go down there on Saturday and see what's happening with the Juneteenth popup.

And then, my only other question was I was just curious -- because you mentioned it in your staff report. But just for the public, so they can go and buy their first cup of coffee, when is the ribbon cutting of the new coffee shop that's coming into the Ferry Building?

I think it's tremendous that it's also an African-American-owned coffee shop and one of the first that was started, I believe, in the East Bay. But there are so many vacancies at the Ferry Building right now. We should be celebrating every new opening. And that concludes my comments and questions.

Director Forbes - Thank you, Commissioner. It's June the 11th. This Friday is the ribbon cutting and opening of Red Bay Coffee.

President Brandon - At noon.

Commissioner Gilman - Thank you. That was what I was looking for. At noon, Commissioner Brandon? Thank you.

President Brandon - Yes. Commissioner Woo Ho?

Commissioner Woo Ho - Hi. Yeah. Thank you, Elaine, for usually a very detailed report again and the highlights. And I also just want to start with extending my condolences to the family of Larry Peoples. And it's always extremely inspiring to hear up and down the Port all of our staff regardless

whether you're a laborer or you're all the way up at the top that -- the spirit de corps.

And I think that he exemplifies -- and we've heard so many stories now. But he's another example of the spirit and, I guess, the dedication to the Port. So we're very lucky to have had people like him on our staff. So I just want to, again, extend my condolences to his family.

And it's very nice, since he's retired now for a few years, that we still remember him and that many people at the Port still remember him with very warm, vivid memories. So thank you.

Again, Elaine, you know, a lot of things that you commented in your staff report, which were great -- I guess I just had a couple of comments on the Mission Rock and just to ask that, when you do come back -- and obviously, I'm always looking at these types of items.

It seems like -- you know, understandably, there is now, because of time and delays and whatever, inflation -- costs have gone up quite a bit. So I would like to -- and I know you're not prepared to give us the full analysis today.

You will be coming back. And I just want to make sure that we have a comparison to what we initially thought was the return to both the developer and ourselves and what now, with the impact of these increased costs -- what this is going to do in terms of our return so that we have the full comparison.

I know there was one comparison at the beginning. And then, we've had interim comparison. And now, this would be the -- Elaine, you're nodding. I think this is our third comparison if not fourth comparison.

So unfortunately, the project is still very valid, very important, great progress in terms of where we are. Love to see the fact that we've got the streets now and the infrastructure going. But as the thing drags on, as the project drags on, obviously the economic return is also dragging.

So I think we just need to understand what we're stepping into and if there are any other positive things that we can look at going forward. Obviously, getting this project completed -- and as we are now going through economic recovery, the sooner they can get -- move this faster.

I guess also just to understand whether the timelines of the project -- how much has slipped since our initial estimation? I mean, if I was to ask Commissioner Brandon, she would say the first glimmer of Mission Rock was -- I don't know -- more than a decade ago, much longer.

So we're very glad that it's in the ground. It's moving. But I think each time we hear about it, there's always something else that happens in terms of the timeline, cost, whatever. And I know -- I'm not questioning that our partners and our developer here is doing the best they can.

But obviously, we just need to know what the reality is given that we are also looking at our own economic recovery for the Port. So every project that gets another whammy -- it hurts us as well. So we just need to understand that.

So I'm not asking you to comment today. I'm just asking to make sure that that comes back in your report and we just don't get the increase, which you've already sort of alluded to here but that we get the full impact of what that means and any comparisons to what we have seen before.

So that's just my comment. I'm really happy to see that it's moving. I'm looking forward to the day when we can walk around Mission Rock to the park, to all the buildings, the mixed-use, to Visa moving in, etcetera, seeing that whole place come alive.

I'm very excited to see that going forward but also want to know what it's going to do to us in the pocketbook. So that's my comments. Thank you.

President Brandon - Thank you, Commissioner Woo Ho. Commissioner Burton?

Commissioner Burton - Thank you. First, I'd like to thank Commissioner Ho. I think she's raising questions that are always lurking around, so to speak. And I think the point was well made and try to figure out how things go. Also, I just want to say I did attend Anne Halsted's event.

And it was I think about 300 people there. It was a wonderful turnout. I got to talk to her husband, who I hadn't been able to talk -- in fact, I'd talked to Anne before since I've talked to him. But it's just a wonderful turnout.

The speaker was there. The senator was there. The mayor was there plus Libby Schaaf from Oakland. And it was just a great tribute to a great person and a longtime friend of mine.

President Brandon - Thank you. Vice President Adams?

Vice President Adams - Yes. Thank you. [audio gap] I also say condolences to the family [audio gap] something to be a part of the Port being on the commission and just the whole family [audio gap] love and respect [audio gap] that serve [audio gap] every day they get up [audio gap] Larry got to enjoy some time [audio gap] passed away. But it's just good to know [audio gap].



And hearing about Anne Halsted [audio gap] political royalty came out. And everyone came out to [audio gap] she was also commissioner [unintelligible] that I serve with now. It's such an honor [audio gap]. Director Forbes, I appreciate -- as I said, it's something special about being [audio gap] Port Commission.

And you definitely know we're the envy of every other commission [in the city]. Thank you, Madam [audio gap].

President Brandon - Thank you. Elaine, thank you so much for your report. I really want to send my sincere condolences to Mr. Peoples's family, for his dedication and all that he did to make sure that the waterfront was a wonderful place for everyone.

And it was so good to hear his colleagues speak so highly of him. And again, it just goes to show what great staff we have and what a wonderful place the Port is to work for.

It's so exciting that we are opening. The Port is open for business. And we welcome people to the waterfront. And we have so much to celebrate. We have Juneteenth. We have Pride. We have so much going on that, as my fellow commissioners said, the Port is just such a wonderful place.

And we are open for business and ready for the recovery. So thank you so much for that part of your report, Elaine. It's really good to see that the Mission Rock project has been able to continue throughout the pandemic.

And it's really exciting that, you know, the shovel's in the ground. We continue to put people to work and that we are going to have a beautiful new open space and that, for the first time, we're going to have two streets named after two phenomenal black women. I think that's absolutely wonderful.

But of course, we do have to keep our eye on the balance sheet and, you know, what all this really means to our balance sheet as we go through the recovery. So Commissioner Woo Ho made some great points about really understanding what the project looks like going forward from a financial aspect.

I mean, we love the fact that it is under construction and moving along. But we really do need to know the financial piece of it. So Elaine, again, thank you for your report.

I'm so sorry that I missed the dedication to Anne Halsted, who was a true friend and very committed to the waterfront. I was out of town last Friday. But I was there with her in spirit.

And I'm so happy that we were able to do this dedication and that so many phenomenal people showed up to pay respects to Anne and all of her contributions to the waterfront. So thank you again for your report, Elaine. Carl, next item, please.

## **10. PLANNING & ENVIRONMENT**

- A. Request approval of proposed 'Quick-Build' traffic and curb management changes in the Central Embarcadero between Mission Street and Broadway, per the San Francisco Municipal Transportation Agency's Embarcadero Enhancement Program in support of the City's Vision Zero traffic safety goals. (Resolution 21-25)

Dan Hodapp - Good afternoon, President Brandon, Vice Chair Adams and members of the commission. I'm Dan Hodapp of the planning and environment division. We are here again today to discuss the Embarcadero enhancement project, which is an SFMTA transportation and streetscape effort to promote safety, mobility and connectivity for all modes of travel along the Embarcadero.

Thank you for your comments a few weeks ago on May 25th. We also found valuable the many public comments from that meeting. Since then, the project team has made adjustments to the parking and loading in the Ferry Building area and progress on strengthening the promenade signage proposals addressing cyclists and other wheeled users.

At today's meeting, we are requesting your consideration of approval for the phase-one improvements in the central Embarcadero area, which extends from Mission Street to Broadway.

Mark Dreger of SFMTA will provide a brief presentation that will recap and inform us of the scope of this project, describe the loading areas in the Ferry Building area and how design has responded to the farmer's market's needs and the signage proposals to make the promenade a safer and more comfortable place for pedestrians, as we heard so much about that last week.

And it is so central to the reason for so many of the improvements proposed here today. With that, Mark?

Mark Dreger - Thank you, Dan. Appreciate it. My name is Mark Dreger. I'm a transportation planner at SFMTA in livable streets section and the project manager for the central Embarcadero safety project. I'm joined by my colleague Casey Hildreth, who will also be available for questions or clarification after the presentation.

Dan, thank you so much for outlining. So I think we'll move on to the next slide, please. Thank you. So just a quick overview of the project area, what we consider to be the central Embarcadero safety project.

It extends between Bryant Street and Broadway. But the proposal before you today, the quick build, is the Mission Street to Broadway segment, which would repurpose the third travel lane and make other lane-configuration changes to extend the two-way bikeway and pedestrian safety improvements that we installed first late last year between Folsom and Mission shown here in gray.

There is also, you know, a segment between Folsom and Bryant Street. But we would come back to this commission at a later time, as those include more substantial civil improvements. Slide, please.

So this is, you know, as we all know, the central part of the waterfront where stress and pressure on the promenade and in the roadway is its highest. We have so much activity going on here. And it's really wonderful to see things come back to life.

So it's important that we respond to that. And being such a congested and crowded and popular area, this pressure on the promenade and folks who are walking, they feel -- and we've long heard for many years -- unsafe with faster-moving people on scooters and bicycles in that area.

But at the same time, the roadway itself is filled with a lot of traffic, often fast-moving traffic. And folks, families just don't feel safe in the current on-street bike lane. So the idea here is to extend this two-way protected bikeway alongside the Ferry Building up to Broadway to provide a safe space between the promenade and between the Embarcadero's roadway for faster-moving folks on scooters and on bicycles to use this space. Slide, please.

So the Embarcadero -- it's an important corridor for a variety of uses. So it's important that we've taken a balanced approach here to make sure that we're serving all of the needs along the waterfront transportation and access.

So at SFMTA, our main focus is always on safety. And unfortunately, the Embarcadero, the majority of it, is on the Vision Zero high-injury network. So these are the limited number of streets in San Francisco which account for a disproportionate number of injury and fatal collisions.

And Washington Street and Broadway -- these two intersections stick out unfortunately alongside the entire corridor for having the highest number of

especially pedestrian collisions. So a focus of this project is to improve street safety, to shorten crossing distances, the exposure of people to vehicular traffic and to provide, again, a protected facility for people on bikes and scooters.

But we also have this unique quality along the waterfront of the shared-use promenade. And again, we've heard time and time again for years that there's a lot of activity on the promenade. And it just doesn't feel safe for a lot of folks to share that with faster-moving people on scooters, on skateboards and sometimes electric devices, though those are prohibited. So that has factored in this proposal as well.

And then, of course, curb access is important. You know, we have a lot of Port tenants and a lot of businesses to serve. And we have passengers and goods that need to be loaded and off-loaded safely so as to not create a hazard to traffic or to other people traveling along the waterfront.

And you'll see here that we've, with this proposal, not just maintained but expanded loading access along the waterfront. And then, lastly, the Embarcadero connects neighborhoods. It connects to the regional transportation network.

So we want to give priority to street safety. But it's also important that we maintain reasonable travel time so that people can get about the city as efficiently as possible. Slide, please.

So we shared this two weeks ago. We shared more about stakeholder engagement. So I won't go into all of these different details here.

But suffice to say that, though we were challenged by the pandemic and the difficulties of meeting in person with folks -- for instance, having the traditional open house that we'll have with the large community -- we really do appreciate all of the different stakeholder groups and their willingness to meet with us in different ways, just more digital meetings, smaller groups as opposed to having these larger gatherings that we might get back to again in the not-too-distant future.

To reach the greater community, we -- instead of the open house -- prepared an interactive fact sheet and survey in order to reach these folks and get their opinions on the proposal and to feed into the evaluation plan.

We distributed this through community groups but also through a mailer broadly to over 17,000 addresses. And we got a very good response rate on those survey responses. So we're, again, very pleased as to how this influenced the design.

The Ferry Building farmer's market -- you know, this is operated three days a week right in front of the Ferry Building. And they've gone through some tough times over the last year. So CUESA, the operators of this, have been a key stakeholder group for us. Slide, please.

And I want to share some details about our proposal and then specifically how that affects their day-to-day operations three days a week here. So our proposal maintains 100 percent of the existing linear feet of curb space that they manage today during farmer's market hours.

They currently use the two loading bays immediately in front of the Ferry Building, which would be slightly shortened by this proposal by about 8 percent. So to make up for this, in front of the new Ferry Plaza, which we just spoke about, we are proposing to add some additional space there that they're able to use.

So we appreciate this is a change to their operations, which are very finely honed. And we appreciate their willingness to work with us and to try something new here. Our design also supports the load-in and load-out of the market that happens in the early morning and the early afternoon periods.

And you can see an image of this here where vendors will back up the rear of their vehicles to the edge of the promenade. And this is quite simply the most efficient way for these vendors to move materials and goods in and out of the market at the very beginning and the end of its hours.

So our proposal would allow for this to continue. We're not proposing anything physical along the frontage of the Ferry Building here, no concrete islands or anything like that. So this can continue. And we stand ready to provide ambassador support and cones and signage, A-frames, especially during the first few weeks to help people adjust to this change.

And as I'll allude to in a moment, our evaluation plan will focus on a variety of things. But it will also zoom in on how this operation is working. So we can stay nimble and be able to make adjustments to how things work in front of the Ferry Building. Slide, please.

So we evaluate all of our projects at SFMTA. It's just a part of the process. But especially here where we have a quick build that would feed a larger capital project to make changes more permanent, it's important that we are looking at the right things so that we can make adjustments as needed.

So this project would, of course, include an evaluation. It would focus on the farmer's market loading operations. It would focus as well on the extent to which people are moving off of the promenade and into this bikeway and if

there are things that we need to do to encourage them to use this brand-new facility and to free up that space on the promenade.

And to that point, we don't think that an evaluation plan on its own is enough. So the implementation of this project would be joined by a public-education campaign, which would include signage on the promenade to encourage people to use this new facility and to really promote the pedestrian priority nature on the promenade. And so you can see here just some ideas of signs.

But we want to pair both positive messaging to kind of share with people that there's this new facility -- here's how you use it -- and also to promote the existing restrictions on electric devices that we have on the promenade today so e-bikes, e-scooters, you know, you should be in the roadway here.

And we think this is also a great opportunity to spread the word about Vision Zero generally and the responsibility that we have towards one another's safety that really -- you know, my behavior when I travel on the street is influencing whether someone else makes it home at the end of the day. That's, you know, above all, the most important thing. Slide, please.

So just a quick overview of our timeline, between the last presentation to this commission, we provided an update to the SFMTA board of directors on the various work that we've been doing on transportation on the waterfront.

We're concurrently seeking funding to finish the design and implement this project. And there's an approval hearing for funding at the SFCTA board on the 22nd of this month. If approved, implementation of this project would be closely coordinated with the ongoing San Francisco Public Utilities Commission work on the Embarcadero north of Washington Street so as to limit impacts to the community.

And again, we would pair this with an evaluation program to influence whether there are adjustments that would be necessary or what the next steps for transportation and for safety along the waterfront would be. Slide, please.

But with that, again, very thankful for you to have us here to present again on this project. Casey and I stand available if there are any clarification questions or to provide any additional information. But again, thank you very much.

President Brandon - Thank you, Dan and Mark, for the presentation. Commissioners, may I have a motion?

ACTION: Vice President Adams moved approval of the resolution.  
Commissioner Gilman seconded the motion.

Public Comment on Item 10A:

Janice Li - Hi, commissioners. This is Janice Li, advocacy director at the San Francisco Bicycle Coalition. I want to thank you again for taking time to listen to this presentation and for your consideration of this project today.

Once again, I want to express our strong support for this project, this quick build before you. And I strongly urge you to vote yes on this item today. I won't repeat what I said last week but a couple new items to note.

First, I was told to meet with the incredible folks at CUESA and will even be joining them at an extra-early Saturday morning -- this Saturday -- to see the loading and unloading operations and ways that education, outreach and signage that can be improved upon to ensure safe passage for everyone.

I would also like to highlight the letter that CUESA sent to both the SFMTA and the Port Commission dated May 21st. We look forward to working with all partners to ensure the concerns are addressed.

And in particular, we strongly support the ask for increasing and improving bike parking here. At the end of the day, when we envision what the shoreline and the Embarcadero will look like in 10, 20 or 50 years from now, do we envision another double-decker highway or [as a park] traveling along our gorgeous scenic waterfront?

Or do we think that there can be something different, something that's sustainable, something that's gorgeous and helps move people in the best way to enjoy the waterfront, on foot, by bike, where you can really take in the sights and visit our shops and our Port tenants? I hope you all will vote yes on this day. And thank you so much for your consideration.

Commissioners' Discussion on Item 10A:

Commissioner Burton - Yeah. Last week -- or last meeting, I can't remember which commissioner talked about you had -- you were talking about -- and I have a series of comments -- or questions. You were talking about signs that encouraged people to use the promenade [and] their bikes.

And it was in response to one of the commissioners that -- and I agree. It ought to be, you know, not under penalty [of death] but told to use the promenades, not encouraging. Did your changes make that change? Because that was kind of a clear direction of two of us. It's a question.

Mark Dreger - Yes.

Commissioner Burton - Yes what?

Mark Dreger - Yes. The signage would be included that -- right now, it is a shared-use promenade. So folks are allowed to use -- as long as they're not on e-bikes or e-scooters -- this space. Dan, I know that that might be something that you would like to bring is an additional action in the future. [crosstalk]

Commissioner Burton - [No. Had to put in now.]

Dan Hodapp - Yeah. [crosstalk]

Commissioner Burton - This was raised last week. And you obviously didn't pay any attention to it.

Dan Hodapp - A major focus of the improvements is to provide a safe space for those who are moving faster, all the wheeled vehicles, whether they're electric or other cyclists, and put them in the dedicated pathway that would be adjacent --

Commissioner Burton - I'm sorry. The issue was you were going to have signs that encouraged as opposed to signs that directed. [And y -- do directed]. You were encouraging.

Dan Hodapp: Yes. We are proposing --

Commissioner Burton - Go ahead.

Dan Hodapp - Commissioner Burton, we are proposing to have signs up that encourage all those faster users to use the new facility on the roadway. That is the intent.

Commissioner Burton - Why can't we -- we were -- at least [as one vote] -- and I think there was another one that wanted you to direct them.

Dan Hodapp - We --

President Brandon - Dan, I think this a policy that we, as a commission, need to look at because, right now, the promenade is a shared space. But I think what the commission is really focused on is the safety of the pedestrians also.



So we're trying to solve for all modes of transportation, not just cyclists. So I think that maybe we need to look at our own policy to figure out how we can make our promenade safer for pedestrians also.

Commissioner Burton - I agree with that, Madam Chair. But we are talking about property that's under our -- they're coming to us for permission to do something. That's what they're doing. And I'm not prepared -- let me just go down these things because I've had --

I was part of the group that named the new director at MTA. I had long-standing relationships with Ed Reiskin. Now -- okay. So the signage thing -- I want to come back. But basically, how do you notify people of what you're doing?

As I recall, there's a very scarcity -- I mean, this is before the COVID when I had these long discussions with both the hearing on the new secretary or whatever but also with Reiskin. And it seemed that the notification process is kind of lame.

The notification process would very organize things like a few communities and [notice I --] my friends in the bicycle coalition. But other than that, it's rather lame notification to the public. So you know, you do it by Zoom. Right. So we're assuming that a lot of old people, elderly, a lot of others [are all] -- have been doing Zoom. Is that what you assume?

Dan Hodapp - Okay. Commissioner, if I may address your concerns.

Commissioner Burton - Sure.

Dan Hodapp - The outreach was very multifaceted where we reached out to Port tenants, the key players in the area.

Commissioner Burton - How about the citizens?

Dan Hodapp - To citizens as well. SFMTA sent out 17,000 mailers --

Commissioner Burton - To where?

Dan Hodapp - -- and had a response rate --

Commissioner Burton - Where?

Dan Hodapp - -- of 1,400, which is considered to be [crosstalk] a very healthy rate.

Commissioner Burton - Did he hear me? To where did you send these? You sent out 14,000, and you got 10 percent, 11 percent return? What was the percentage?

Dan Hodapp - It's less than 10 percent. [crosstalk]

Commissioner Burton - That's the return -- nobody would ever run for office getting a 10 percent return. So you make your determination on the return of 10 percent of the group, which was not necessarily a [far-encompassing] group. Okay.

All right. I'm going to yield in a minute. That's how the notice was given -- because I live in a neighborhood that gets notices. Or I know some people on the Port that got notices, you know, shoved under the door at a time when their restaurants were closed.

Well, Madam Chair, I'll yield back right away. But some time, I'd really like a yes or a no question when I ask a question. You don't have to agree with the question. But the point was raised by two people out of five about signage should be clear, not -- well, I'm overstating it.

You know, you can have your choice if you want to do this or if you want to do that. So I'll yield back right now but might come back. Thank you, Madam Chair.

President Brandon - Thank you. Commissioner Woo Ho?

Commissioner Woo Ho - Yeah. I have some comments. But I just wanted to address a little bit of what Commissioner Burton said. I believe I was the one who asked the question at the last meeting. And I got the answer that the policy right now is that the promenade, which was -- the policy was put in place years ago before we had scooters and electric vehicles and electric bikes and everything else and when life was simpler and there were just pedestrians and maybe bikes but not other vehicles.

And the policy right now at the Port is that the promenade is open to more uses. So I believe I suggested that we have to revisit that policy to make it up to date given that now there are more modes of transportation.

I believe I did ask for that. So that, I think, is germane to the discussion of whether you can just simply encourage, or you put a sign up that says you should be in this lane is what I think Commissioner Burton's point is.

It's not saying you have a choice. You should be in this lane. Now, we did talk about there's no way to enforce it. And we're not going to have people

giving out tickets. But we should have signage that should be fairly direct saying this is your lane and not encouraging you to go to this lane.

I think that's what we're talking about here. It's semantics. But it's important. And I think we have to -- I believe, Elaine -- if you're nodding your head -- we have to formally make a change in our policy to say that the promenade is for pedestrians or whatever we want to say, and the bike lanes are for the bikes and other vehicles. And the roadway is for cars.

So if we have to make a policy change to be very clear about how we see the use of these different lanes, then let's do that so that we can then have the right signage and then give the public the right direction of how we want the Embarcadero to be used in front of the Port.

So I am very happy to hear -- and then, I'll go back to my comments -- if that satisfies Commissioner Burton in terms of that's what happened at the last meeting as I recall. So we still have a step here that we haven't done yet, which is this policy. So that should be a new item or a new business item for you to look at.

So you at the Port then can then have stronger signs. Okay. So we can get rid of that. That is a problem we can solve. Okay. Signage is a problem we can solve.

So I think that, as far as all the other issues, pedestrians, bikes, other kinds of vehicles -- I think that the safety and the mobility -- and I would add one other objective that we need to know is that there should be a smooth flow.

Now, there's two things that I want to recall. One -- you know, we had one caller last time talking about being in a car and how frustrating it was to take forever to get through the Embarcadero. And I don't think it's a question of just how many lanes of traffic because we are reducing the lanes of traffic. And I understand that in order to create the protected lanes.

I also think one question I didn't raise last time which I'd like the MTA to consider is, if you have -- and you would probably -- people wouldn't speed if they felt like they were going to have enough time.

Can you think about synchronizing the traffic lights better, so the people, the cars can get through? And they won't be trying to speed up and therefore cause safety issues. So I don't know whether synchronization of traffic lights on the Embarcadero has been considered to ease the flow of autos, which is -- they're still a user.

And we can't ignore that, you know -- we've taken care of all the other users, which is important to protect their safety. But we also need to figure out -- because it's when people are frustrated in their cars, they speed up.

They want to get through it as fast as possible. They don't want to get stuck at every light. And the other one, which we have not experienced for this past year -- and I remember experiencing it myself one day -- is, when we have a cruise ship -- and next year, we're going to have cruise ships coming back.

Maybe we'll have two, maybe three. We're going to hear b -- from the maritime people. On any day when the cruise ship is in port, the traffic is just horrendous. It gets even worse. And we talked about this a long time ago. I remember raising the question that we need more traffic cops out there.

We need other people to direct the traffic because, all of a sudden, you have this increase of people either getting off the boat, trying to get away from the ship, people trying to get on the boat. And that just creates -- and that kind of auto traffic is unavoidable.

I mean, these are people who have suitcases and luggage. They cannot necessarily be in a pedi-cab. They can't walk. They can't go -- but they're going to be in an Uber. Or they're going to be in a car. So we need to think about what's going to happen on the days when the cruise ship terminal is being actively used? Because that was a traffic nightmare.

I remember once it took me an hour to get from one side to the other side to Fisherman's Wharf. So there's got to be a better way to manage that traffic flow. It is going to come back in spades in 2022. And we want that cruise ship traffic.

But we need to figure out how to manage that flow. So I would say there's more work to be done. I think what you've done so far is taken care of some of the basic safety issues, which we should, agree with Vision Zero, etcetera.

But I think there's more to be done here and to think about the flow of the traffic and not just the safety and the mobility. I have said my piece.

President Brandon - Thank you.

Dan Hodapp - Thank you, commissioner.

Director Forbes - If I may make some clarifications for the commission -- and I'm going to agree with everything said. I just wanted to clarify that

bicycles are allowed on the Embarcadero promenade as a multi-use pathway.

But motorized vehicles, scooters are not allowed. That is an issue of enforcement. So they're not allowed now. The policy question is about bicycles and their continued allowance on the Embarcadero promenade.

And I also wanted to add some clarification to the signage questions. So last time, the commission asked about signage and was told, no, we're not going to put signage up encouraging bicycles into the two-way protected bike lane.

And the answer now is [staff] we will be putting signage up that encourages bicycles into that two-way protected lane. We're not putting signs up that say you're prohibited from the Embarcadero because, as President Brandon and others of the commissioners have said, we have to have a policy change in order to do so. So I just wanted to make those clarifying comments. Thank you.

Commissioner Woo Ho - It's a chicken-or-egg question, Elaine. I mean, shouldn't we just address the policy question before the signs are made?

Director Forbes - Well, the policy question is a big question. And it's been considered before. There's a lot of constituencies for allowing bikes on the Embarcadero. And when we get into that policy discussion, you'll hear from various stakeholders.

So I would suggest that the project is ready now. We need to get the signs up now and in use. And we'll have that policy conversation at commission. And we can always add signage. It would require a change of our Port code.

I believe it would require concurrence through the board of supervisors. So it's quite a long process. So I would suggest we move forward if you're comfortable with this project now with the signage that will be planned. And then, we have that larger policy conversation in the near term.

Commissioner Gilman - But I think -- sorry. I think what we can do -- and this was going to be one of my comments. We can have signage that encourages bicycles to use the protected bike lane, like a positive messaging. Like let's see this beautiful new protected bike lane.

But we should have -- need to say again, as someone who walks the promenade a lot -- we should have signage that says you are not permitted to have -- and I don't know how you do this from a visual perspective -- motorized bicycles, which increasingly they are, or motorized scooter things, which whatever they are.

So those are prohibited. And I would like to actually see signage that articulates -- [you had one, the little electronic thing] -- that says they are prohibited. And hello, bicycles, which currently right now is an allowable use, we really would love for you to use this new, gorgeous, protected bike lane.

I mean, until we come up with that policy question, I think it's a way to satisfy -- because I wholeheartedly agree with my fellow commissioners -- to satisfy that.

I did also want to point out, on the signage around the motorized vehicles and the protected bike lanes, for the motorized-vehicle signage, I actually would like to advocate that they are along the whole entire seven-and-a-half-mile stretch of our water -- or until -- I don't know when technically the Embarcadero ends, and it sort of becomes Third Street corridor.

But it should be, I would imagine, at least from Terry Francois where it cuts in around the whole part of the -- I call it the Embarcadero where the Giants stadium is. I might be using my verbiage wrong.

But I think it should be the whole stretch that we are not allowing motorized vehicles on that stretch of the waterfront. It shouldn't just be where the quick-build projects have been. And then, I would just hope the encourage signs are along the entire quick build because we've already done other sections as we're leading up to this one if that makes sense.

And I apologize for my lack of geography and proper street name-age. I just call it all the Embarcadero even though I know when I'm walking to Crane Cove Park I'm technically on Third Street. To me in my mind, I'm still on the Embarcadero.

So I just want to make sure that we're not shortchanging parts of the southern waterfront that have not been privy yet to the quick build or areas around the stadium. So I just want to make sure we're being equitable because I think the signage and pedestrian right of way is important for all of our pedestrians.

And I'm happy that we were able to find a way to accommodate the CUESA and the farmer's market. So I do want to commend staff on the good work on that. And beyond those comments, I'm supportive of quick build and this project.

President Brandon: Thank you. Vice President Adams? While we're waiting, Commissioner Burton?

Commissioner Burton: Well, as I understand it -- and I could be wrong -- parking and traffic is coming here to ask our permission -- ask our permission to allow them to do something that was, according to what I heard, less than 10 percent of the people asked thought it was a good idea. And that's neither here nor there.

But as far as I'm concerned, we would be allowed to say on the property that we control, that the signage must -- must -- not, well, yeah, we'll think about it. And we'll get back to you. Well, as one commissioner -- and I'm only one guy -- I'll get back to you because you haven't got my vote till I get an affirmative answer to that.

And I've dealt enough with bureaucracies. I have lingering doubts about when I'll get back to you. That's another way of saying, yeah, that's a good idea. I'll talk to you some other time. It is a very easy answer to come back to -- you came back to us on the farmer's market.

And I think that was good. But it's a very easy thing for you to say. We really -- I'm sure the votes aren't there. We really have the right to say forget the whole darn thing. Clearly, I can read the votes. They aren't there.

But my experience with the MTA organization is -- and I'm just stunned at how few "affirmative" responses. We don't even know if they're all affirmative. We just know they responded -- that lets you get permission to change streets, to stop streets and do things like that because not -- that's not what people were allowed to believe when you were created.

And you were created by the board of supervisors. And then the people of San Francisco -- because the board didn't want to -- every week, somebody wants to put up a stop sign, take down a stop sign -- do that.

But I just want to know for my own vote -- and probably you've got the votes without me. It doesn't matter except I may or may not be around for [other] - - do you agree with the comments of the other commissioners that the signs should just be clear and say that?

Dan Hodapp - Commissioner Burton, per your request and others, we will create signage that says motorized vehicles must use this other lane. And we can place that on the promenade. And we can also create signage that encourages unmotorized faster users to do it.

And we'd have to go back and work on the wording of these so that we're not -- so that we're giving a clear message and not confusing the users.

Commissioner Burton - [In fact, you] have a lot of authority to do almost anything you want. So I know you can do that. What are we talking about?

Like other motorized vehicles? Those are the scooter things in that, the ones that are more dangerous?

You know, I'm happy with what you said. I like the fact that you came here, and you were willing to listen to something. And I apologize to my fellow commissioners. But that's one of the burdens you get if you have me hanging around too long.

President Brandon - Thank you, Commissioner Burton. Vice President Adams?

Vice President Adams - [Unintelligible].

Commissioner Woo Ho - We can't hear you, Willie.

Vice President Adams - Sorry about that. [audio gap]

President Brandon - Can you speak up a little?

Vice President Adams - Can you hear me now, Doreen?

Commissioner Woo Ho - Better.

Vice President Adams - Okay. Yeah. I don't know -- for some reason, I can't get my picture to come on [unintelligible]. But I've got it on as loud as I can. I just wanted to say I enjoyed the interaction here and the conversation.

I just have a lot of feelings kind of both ways. I've listened to what Commissioner Woo Ho said. I've listened to what Commissioner Burton says. So I appreciate the presentation. I'm still a little confused on it to really say it a little bit. But I'll vote the way [unintelligible].

President Brandon - Thank you. I think a lot of my questions have been answered. One of my questions was going to be, for the 17,000 addresses that were -- who was the target audience?

Mark Dreger - Thank you for that. So we mailed these mailers deep into the neighborhoods along the entirety of the waterfront so not just within the central area. So this -- I wish I had a map to show you. But it was very much deep into the neighborhood all the way up into Chinatown.

We also reached out to all of the neighborhood associations along the waterfront, so they could distribute that through their own channel. So Barbary Coast, the CCDC, the nascent financial district, business-improvement district -- so all of these organizations were able to kind of share that out as well.



So even though that number is slightly below 10 percent of response rate sounds low, that's actually a very good response rate when it comes to survey research. And I think, more importantly, we received a diversity of opinions through that survey.

So most folks said that they don't just travel through this area. But they live here. A lot of people were saying that they wish we'd do more. A lot of people were concerned about traffic, rightly so, and I think the proposal response so that.

But the project as proposed, I think, takes into account the different views and tries to balance all of these needs well. So we found that survey to be helpful.

President Brandon - Great. And I guess my only comment is, you know, at the waterfront, we are here for all San Franciscans. And the Embarcadero roadway is not just for those who live or work in that area because we all -- no matter what part of the city we live or work in -- drive the waterfront and especially the tourists that are trying to get to Fisherman's Wharf.

So I think there should have been a bigger survey audience to see what the city feels about this roadway because, you know, it's easy for someone who lives across the street to say, you know, I'm going to bike to work. Or I'm just going to bike to the Ferry Building.

But for those of us that live throughout San Francisco then have a harder time accessing the waterfront especially on extremely busy days. Like I drove the waterfront every weekday. And it would take me 30 minutes to get from AT&T Park or Oracle Park to the Ferry Building.

And that's with two lanes and not on a cruise day. So I'm just very cautious of, when we're saying we're trying to improve the mode of transportation along the Embarcadero, who are we trying to improve it for?

Is it for the pedestrian? Is it for the cyclist? Is it for the autos? Or are we taking everybody into consideration? And if we're going to have these dedicated lanes for the cyclists, pedestrians should also be able to walk freely across the waterfront. Cars should also be able to drive freely across the waterfront.

So I keep saying, you know, this is a balancing act because we have several modes of transportation. And for me, it's not just the motorized vehicles. It's all two-plus-wheeled vehicles on the promenade that make it extremely hard to walk.

So whatever -- and I agree with Commissioner Burton. Whatever we can do to ease any type of vehicle transportation on the promenade would help. And I agree with Commissioner Woo Ho that we have to do something to increase the speed or the flow of motor vehicles along the Embarcadero because, right now, it's just a big ball of congestion.

And I'm not quite sure that solving for a bicycle lane is solving for what's going on along the Embarcadero.

Mark Dreger - I would say that we hear you absolutely loud and clear. It's a difficult thing to articulate, the various competing needs on the Embarcadero. It's very nuanced.

But when you place kind of a dedicated facility for scooters and for bikes on the promenade or adjacent to the promenade, you know, the goal is indeed to make it safer and more comfortable for people to walk on the promenade, to reduce those sorts of interactions between people driving in scooters on the roadway that happens today as people are trying to negotiate in and out of loading zones.

That sort of friction that's there on the roadway today would simply not be there any longer. And the idea is to give every mode of transportation its own space, so the streetcars in the center, travel lanes for people driving and for goods delivery, people to get between neighborhoods and the freeway, an area for scooters and for bikes that's safe for them but distinct from the promenade and then a promenade where people can walk and enjoy the waterfront, enjoy the farmer's market and enjoy the businesses.

Again, it's difficult to show all of this. It's a wide roadway. But we really are trying to accommodate each of these very important needs.

President Brandon - Thank you. So Dan, when was the last time the policy - the shared-use policy was updated?

Dan Hodapp - The shared-use policy? It's historic. And it originally dates back to the area in front of the bulkhead buildings to be for Port purposes, which is a broad definition. And then, when the Embarcadero roadway was constructed, it became the Embarcadero promenade.

The BCDC permit looks at it as being public access. And it's the Bay Trail. That's not to say it can't evolve. And this commission could lead that evolution. As Director Forbes pointed out, we could -- this would be a new business topic for this commission.

And we could start that discussion. There are many groups, many constituents that would be interested in this change and how it affects

things. And we would do a broad outreach along the length of the waterfront.

And ultimately, it would be subject to the board of supervisors' approval. So if this commission wants us to take that on, that's something that could occur. In the meantime, we're trying to solve for all modes.

We're not trying to favor cyclists. The largest improvement appears to be for cyclists. But in moving the wheeled vehicles off the promenade, it really helps pedestrians on the promenade. It also helps shorten the crossing distances at these dangerous intersections.

So it's crucial for safety. And there's a lot of attention by MTA being paid to: how do we make sure we get as much movement through as we possibly can? How do we make that operate smoothly including the traffic signal timing, which is very much being adjusted and tweaked for that movement?

So they're wonderful comments we're hearing. And I think it helps this team refine the actions, including refine the messaging on the signs. And we will do -- if instructed to move forward, we will absolutely take that to heart to fulfill those requests. I hope that addresses some of your questions there.

President Brandon - It does. But I just want to say that, you know, we're not taking these cyclists off of the promenade. They still have the option to be in the bike lane or the promenade, which I think is part of a larger discussion that we're all trying to have. Commissioner Burton?

Commissioner Burton - I thank the chair for her comments. You just have to find a better -- I'm in the business of getting votes and losing votes. And if anybody told me that less than 10 percent turnout determined the outcome and the future of the waterfront or anything else, I'd find somebody else to do the poll.

It's just -- your commission -- this is too broad. I'll get off of it. But they get an idea. They go with it. And that's it. And if you ask anybody in the city, is parking and transit -- who do they favor more than anybody else? And it doesn't bother me. [I never] had enough money for a bike during the Depression.

But it's the bikers. That's a theory if you ask the voters. It would be more than 10 percent. So that's one of the things -- we, in this small area of the waterfront, have to deal with -- and I commend you for willing to go back and look at it.

But I wonder, if my fellow supervisor and I wouldn't have started raising the same issue we raised at the last meeting, you would have even given it a

thought. So I mean, give what happened today, I believe, is a learning curve and a learning [position] I congratulate on the fact that you did it notwithstanding that, as I said earlier, you probably had every vote but mine.

But with the conditions you put in, I feel very confident this will be a unanimous commission vote. Although, I've learned never to speak for somebody else's vote before they cast it. Thank you. Thank you, Madam Chair.

President Brandon - Thank you. Commissioner Woo Ho?

Commissioner Woo Ho - Yeah. I mean, I'm not sure -- if we were to vote today, it's trusting that some of the issues that have been raised -- and I'm not sure -- while I appreciate Dan and the folks from the MTA say that the questions and comments that we've made have been taken into consideration, but I guess we know what's going to happen for the bikers and the motorized -- I'm not sure whether we see enough of the concrete of how we're going to solve some of the other issues concretely and if there is a game plan for how we're going to change the policy.

So if you ask me, I would be more comfortable for you to come back and tell us -- I'm not saying I don't support this in the long run. But if I am sort of like -- given that we have to raise some of the same issues again that we raised last time and we -- you did raise the farmer's market.

You did solve for some of that. But some of the other questions were not resolved. And if we hadn't raised them again -- and Commissioner Burton started the discussion -- they were kind of like, well, as he said, to be dealt with down the road.

And we don't know what down the road is going to be. So I would prefer to have a plan that comes back with a very concrete saying this is what we're going to do about this, this and this and this. And even if you can't accomplish it immediately, I would prefer to have that before I voted.

And that's not to say I don't support this project. But I'm not convinced that you're going to do everything that we've asked for and, you know, not the language of the signs, what you're going to do about -- you know, have the traffic lights -- that's the first time, Dan, you said anything about traffic lights being synchronized.

I don't know if they are. I haven't driven on the Embarcadero for a while. So you know, we need to proof to know that -- as I said, I mean, we need some proof. And I think we're speaking for the citizens of San Francisco.

We're not being narrowly based here. I think we're trying to solve for everybody here. So I think that's our fiduciary responsibility to make sure that we do know what's going to happen and not saying, well, it will be dealt with in the future.

Casey Hildreth - This is Casey. I'm sorry. Hello. This is Casey Hildreth with the SFMTA. It's good to see you all again. I would like to -- I appreciate the discussion that we're having. And I think it's critical going back to the discussion that we've had for over seven years with literally dozens and dozens of public meetings, coming to this commission well over half a dozen times.

I want to be clear that the staff did hear the commissioners two weeks ago and that we are committing to signage that both encourages and directs bicyclists onto the two-way bikeway. What we heard and what we've worked on -- we showed an image of a new sign explicitly taking advantage of the existing restrictions of motorized vehicles, electric vehicles.

We will commit to providing signage that indicates that electric vehicles are not allowed on the promenade or should be using the bikeway. Dan spoke to the policy challenge of going the next step further and sort of restricting all wheeled devices, some of which are Port vehicles.

You have operations vehicles that are bicycles currently and electric vehicles that use the promenade. So it is difficult to unpack in just a couple of weeks looking at the broad range of policies. But we are very clear that we are moving forward with a plan to implement those specific signage recommendations.

We don't have a full signage plan developed and ready to go. That's part of our construction -- you know, final stage of developing the designs for implementation.

You know, the second piece is that, you know, our approach -- our entire approach to the central Embarcadero does reflect concerns and skepticism from many stakeholders, many of whom also trust us that we're going to be there evaluating these improvements and making adjustments as needed.

But the whole point of the quick-build program is that we are tackling really serious safety issues. But they're not irreversible. If we do make a mistake, if we are missing something, you know, they're relatively easily adjusted.

So that approach is that we're not going whole cloth with some major capital project. We are going to take this in stages. And I would encourage the commission, if you can support moving forward, we will certainly come back with more details prior to implementing anything on the Embarcadero.

But in terms of teeing up approvals and the funding to move forward to actually get the money to do that type of design, we're really hopeful that we can get your support today to keep our other approvals at the SFCTA board, the board of supervisors in terms of getting that funding and moving forward.

President Brandon - Thank you. Commissioner Burton?

Commissioner Burton - I kind of associate myself with my fellow supervisors. And I think we would all be better served -- because I tell you -- I'm not going to say that because it wouldn't be the right thing. But I'd rather you come back with a firm plan to tell us what to do rather than say trust us because my experience is the last thing you can trust is, "Trust us. We're going to do the right thing," because you did not come back -- and I'm kind of reversing what I said now that my fellow commissioner gave me the [laughs] [thing to do].

But you just -- you didn't come back with the simple thing that we wanted. You had to get pushed to the wall to do that. And I, for one -- and I don't know the parliamentary procedure here. Or I would make a substitute motion to put it off until you come back with your firm plan -- once you get rid of us, you go to the board.

You'll go to your own commission, who I doubt if they're going to tell you what you did is not right. So it's the board of supervisors. And I, for one, would just as soon see the matter put over and you come back with this is what we'll do. And with all respect say, and this is what we can't do because it doesn't make any sense under our charter.

But the more I think th -- in my business, if all you got was a 10 percent return and you don't know what -- how many were yes and nos, that's not a great endorsement of getting a project through.

President Brandon - Thank you. Commissioner Gilman?

Commissioner Burton - And I'm sorry, Madam Chair.

President Brandon - That's -- Commissioner Gilman? You're on mute.

Commissioner Gilman - I said this is a rich, great conversation. I really admire all the comments from my fellow commissioners. And maybe this is a futile attempt. But I guess I wanted to maybe spend just one more minute to see if there is a way to move forward because part of my understanding of why we have embraced the quick build -- is what this project called -- is because we're trying to move it forward in somewhat of an expedited way

that part of the analysis and study is that it can be moved or shifted, the lanes and sort of the structures based on rider and pedestrian and car feedback.

So please correct me, anyone from the MTA, if I'm wrong. And while we have overall concerns about moving all through the Embarcadero, I guess I do see it as a cohesive plan, the whole movement around the Embarcadero.

But three things that I just wanted to call to my fellow commissioners. It seems very obvious that, if we were [doing -- enact] stricter regulations for non-motorized vehicles on the promenade, that we need to revisit that in our code, which we cannot do today.

And that would be a much longer expansive conversation from roller skaters to baby strollers to bicycles that are not motorized. I did see, in your presentation, clear signage that said motorized vehicles were not permitted on the promenade and an encouragement -- and maybe we can make it stronger language -- around please bicycles or non-motorized scooters use this protected bike lane.

I guess I would hate to see us bumping this to our next commission meeting in June, disrupt the schedule for the MTA commission and the board of supervisors on a project that I know that many bicyclists and other pedestrians have been supportive of and, in some ways, lobbying us to move forward.

So I guess I'm just trying to figure out just a way to move forward with my fellow commissioners where we get a commitment that the signage for those two things that are in our purview today can happen, that we have a new business item of looking for what the use of the promenade is.

And we also have, I think, a separate item -- it really should be -- which, again, I think goes all the way to the 280 freeway by the Caltrain station all the way through to the Hyde Street Pier. How do we move traffic along the Embarcadero in that stretch from the Giants stadium all the way through to the Hyde Street Pier, which is -- you know, and the Marina Green?

I mean, that's the whole stretch we're really talking about from a traffic perspective. And to me, that would be a separate item that we try to work with the MTA on. That's just one suggestion if my fellow commissioners can hear that. If not, I understand.

Commissioner Woo Ho - Yeah.

President Brandon - Thank you. Commissioner Woo Ho?

Commissioner Woo Ho - Yeah. Well, I guess I respect what Commissioner Gilman said. But I guess, having been on the commission for a long time, our discussion of the Embarcadero has gone on for a long, long time. I think, even the first time when the quick-build project was even resurrected as an idea, I think it was probably almost two years ago.

I don't know. Elaine, you can tell me whether I'm right or wrong but certainly more than a year ago. So I'm asking for, in two weeks, come back and tell us very concretely what you're going to do about some of the issues that we have and what you -- I'm not saying you're going to solve everything.

But at least we have a plan because this is the only time -- and maybe others will feel differently -- that we have some leverage to make sure -- because I've asked some of these same questions before. And I think -- I'm not sure whether -- particularly on the flow of autos, we've never had any great response on that from the MTA.

It's always been about the bikes. And I am 100 percent in favor of the safety of the pedestrians and the bicyclists and the motorized vehicles. But the auto question has always been like tertiary. It's always like, well, it is what it is.

Yet those of us who have been in cars on the Embarcadero know exactly what the experience is like. And I imagine that the tourists and others -- I mean, it's an experimental -- it doesn't give people a good impression of San Francisco.

So I think that there's got to be something that's a little more concrete. So that's where I stand. It's the only time we have any leverage to make you come back to us and say this is exactly what we will do to address these issues.

They may not be solved immediately. This policy issue is going to take a long time. I understand that from what Elaine said. But if I vote today yes -- and I am supportive of the concept. But two weeks is -- you know, give you time to come back and say specifically what you're going to say.

This is the only time we have leverage. Otherwise, we vote today. We're out of the picture. You're going to keep moving on. And then, you'll be just going on -- as Commissioner Burton said, you'll be going to the MTA.

You'll be going to the board of supervisors. And these issues will still be hanging there. And Elaine will have it coming back periodically maybe under some update. But this issue is not -- today, we've not raised it. It's not the first time.



If you want to go back in the minutes, you will see that these issues have been raised in the past for the last several years. And unfortunately, Casey and Mark, you were not the people that we spoke to at the time.

So you are new to us from that standpoint. But I would say that we've had other people from the MTA come to us about the Embarcadero. I mean, this is obviously an issue that we've had before.

I want to be supportive of the quick build. But two weeks is not going to kill anything from the standpoint of this has been going on for years.

President Brandon - Thank you. Commissioners, are there any other comments? Commissioner Burton, [unintelligible]?

Commissioner Burton - How do I vote?

President Brandon - No. Not yet. I was asking --

Commissioner Burton - If I can, what the commissioner says makes sense. If two years is going to screw up your project, you've got a very shaky project. And like I say, if I knew what [other type of place it is], I'd move to postpone it. But I'm not going to do that [to the chair]. But I'm not going to vote for the project. And if you say two weeks is going to screw it up, you've got a pretty bum project.

President Brandon - Thank you. Okay. So Commissioner Woo Ho?

Commissioner Woo Ho - Yes.

President Brandon - Are you amending the motion? Or --

Commissioner Woo Ho - Yes. I am amending the motion to say that I would like the MTA to come back along with, obviously, working with Dan to specifically address some of the issues. And I'd like Dan or Elaine from the Port's perspective to -- so that we're clear because last time, I guess, we didn't lay it out very specifically.

Today, we learned some new things about the policy, etcetera, etcetera, how long it takes -- so we can hear that we have a plan on all fronts that we mentioned today. I'd rather not articulate that. I'd rather have you articulate it so that we're clear that you understand what we're asking for.

Director Forbes - I can take a shot at articulating what's next. If we continue the item, it will be to July 13th so four weeks away. What the commission is looking for is for a clear plan on the signage, a very clear signage plan.

And that includes encouragement of -- I'm sorry -- prohibition of motorized vehicles on the Embarcadero and into the bike lane, encouragement of cyclists to use the protected bike lanes and clear other -- just the full signage plan.

More clarification on autos and how autos have been considered in terms of movement of autos and a specific question on synchronizing the signals and whether that's possible and finally clarification on the outreach plan and who that went to.

We've talked a lot about the less than 10 percent response, maybe some other comparisons for MTA outreach and response rates, so the commission can be aware of that. Does that capture everything the commission is interested in getting concrete answers to before moving forward? Have I missed anything?

Commissioner Woo Ho - And I think that you are going to put the policy question on the table, which I understand won't be resolved in two weeks.

Director Forbes - Absolutely. And that one is more Port research, less for the SFMTA but for us to do some research in the multi-use nature of the Embarcadero and to understand the process and timeframe of having a policy discussion to prohibit bicycles from the Embarcadero and what that would take to engage in that policy conversation and to make a policy change.

President Brandon - Does that cover everything?

Commissioner Woo Ho - I agree with that. Commissioner Burton, are you satisfied with that?

Commissioner Burton - Well, putting it over so we know what we're doing and what they're doing, absolutely.

President Brandon: So is there a second to that motion?

ACTION: Commissioner Woo Ho made a substitute motion to continue the item to the Port Commission meeting on July 13, 2021. Vice President Adams seconded the motion.

Roll Call Vote:

President Brandon – Yes  
Vice President Adams – Yes  
Commissioner Burton – Yes  
Commissioner Gilman – Yes

Commissioner Woo Ho – Yes

President Brandon - Motion passes unanimously.

## 11. REAL ESTATE & DEVELOPMENT

- A. Informational presentation regarding a proposed ordinance regulating mobile vending and a proposed approach to a licensed vending pilot program on Port property.

Mike Martin - Good afternoon, commissioners. Mike Martin, assistant Port director. Wanted to make a couple of initial remarks before handing it over to our legislative affairs manager, Boris Delepine, to continue with the presentation.

And honestly, as I watch the hearing today, I think my remarks really are in keeping with a lot of the earlier comments during the executive director's report and the commissioner conversation about the reopening of the waterfront.

I think we're all feeling very strongly, very viscerally the excitement about their lifting of the health orders and the return to a relatively more normal life that we used to see before the pandemic. And in the case of the waterfront, we're hoping that means crowds.

That means more people coming down to enjoy the natural beauty of the waterfront, the recreational opportunities, the things that we hold dear. At the same time though, the pandemic had some far-reaching economic effects on many, many people.

And one of the things that we're seeing along the waterfront is an uptick of vendor activity as people look to sort of that entrepreneurial effort to try to make ends meet and try to find a new way to make a living if their old one wasn't there.

So that uptick in vending activity, I think, has us looking at, is there a way to strike a balance that can do both things, that can sort of uphold those entrepreneurial opportunities that really do enliven our waterfront and give people a chance to sort of have a little different experience in between their destinations but at the same time still safeguarding the health and safety of those that just want to get by or just want to see something or just want to take their jog?

So we think there's a way, with the help of an ordinance that was just introduced at the board of supervisors, to form the pilot program on Port property that hopefully can help us strike that balance.

So today, we're going to give you a little bit of an informational presentation to sort of draw the general picture of what we're looking at and set the stage for further discussions about more specifics on a pilot program.

We're looking for your feedback and that of the public as we start this process and hopefully come back at subsequent meetings to really define this more closely. So with that, I'll hand it off to Boris to take it from here.

Boris Delepine - Good afternoon, commissioners. Boris Delepine with the external affairs team. The item before you is an informational presentation, as Michael mentioned, regarding a proposed ordinance introduced last month by Supervisor Aaron Peskin to regulate mobile vending on Port property and the context that led us to the development of this ordinance. Next slide, please.

This project complies with a number of our Port-wide strategic goals including equity by investing in a program that offers new economic opportunities to historically disadvantaged communities while establishing rules that will allow for all residents and visitors to safely enjoy the natural recreational benefits of our inclusive waterfront. Next slide, please.

By way of background, in September 2018, then Governor Jerry Brown signed Senate Bill 946 into law. SB946, also known as the Safe Sidewalk Vending Act, decriminalized street vending in public spaces across California and prohibited cities from requiring vendors to operate in specific parts of the right of way unless directly related to health, safety or welfare concerns.

The intent of the law was: to create entrepreneurial opportunities for immigrant and low-income communities; to increase access to desired goods such as culturally significant foods and merchandise; to contribute to a dynamic streetscape; and to support properly regulated sidewalk vending.

SB946 outlines what cities can and cannot do when creating regulations. Again, the intention of the law is that cities do not unjustly hinder sidewalk vendors from lawfully vending. California cities can no longer place restrictions on vending in commercial areas unless the restrictions are related to objective safety or welfare concerns.

We can, however, require permits for vending that call for compliance with other laws like the American Disabilities Act, for example. San Francisco's existing vending or peddler regulations are captured in the police and public works code, among others.

Enforcement of San Francisco's existing law is authorized through police imposition of criminal infractions and misdemeanors. SB946 prohibits San Francisco's ability to enforce local violations of the existing vending laws. Next slide, please.

Over the past year, vending activity picked up in a number of locations along the waterfront, most notably Fisherman's Wharf but also in the vicinity of the Ferry Building and other locations where foot traffic persisted despite COVID-19 public health orders.

SB946's limitation on vending enforcement left the city with limited ability to address the impacts of these vendors. Concerns raised ranged from traffic issues to compliance with existing food-preparation protocols, unpermitted alcohol sales, adherence to the city's social-distancing requirements and overall sidewalk congestion particularly near Pier 41 and the little Embarcadero. Next slide, please.

In response to the issues raised by residents, merchants and tourists, the city administrator's office and the Port convened an interagency working group to address violations of other relevant regulations including: parking and traffic issues, efforts to encourage masking and social distancing and violations of the public health code.

The Port, along with the Department of Public Health environmental health team provided weekly education, warnings and multilingual notification fliers to each vendor insisting that they comply with public health orders.

In some instances, repeat offenders who failed to comply with health orders had their carts confiscated. In response to these health-and-safety concerns, on May 18, Supervisor Aaron Peskin introduced an ordinance at the board of supervisors that would establish a pilot program for permitting and regulating vending on Port property in compliance with the requirements of state law. Next slide, please.

The ordinance, as introduced, is included as attachment A of your report. First and foremost, the new law brings our existing city code into compliance with the provisions of SB946. It establishes new vending definitions and standards.

The ordinance authorizes the creation of a new pilot permitting program that prioritizes health and safety while expanding economic opportunities for those that aspire to vend lawfully. As currently written, it will require a prominently displayed mobile vendor permit for anyone vending on Port property.

The permit conditions require a fee, business tax, registration and additional requirements for food vending pursuant to the health and fire codes. Under guidelines established in SB946, the ordinance also enacts good-neighbor policies, an administration citation protocol and reporting requirements on the program's efficacy.

If adopted, the ordinance will authorize the Port Commission to adopt specific time, place and manner requirements for vending along the waterfront. Next slide, please.

This is a tentative schedule for adoption of the ordinance and subsequent meetings to approve sidewalk vending rules and regulations. The first board of supervisors hearing on Supervisor Peskin's legislation will take place in land use committee on July 12th.

The following day, we'll bring an action resolution to you to endorse the legislation before its first read at the full board of supervisors on Tuesday, July 19th. If approved by the board of supervisors on the 19th, the ordinance would have its second read on July 26th and could be signed into law by the mayor as early as July 30th.

This is a best-case-scenario schedule. Our goal is to work with Supervisor Peskin's office to pass legislation in advance of the board's summer recess this August.

We will work to bring you an informational item regarding proposed rules and regulations in July with a target date of August 10th for an action item to authorize adoption of time, place and manner regulations. The ordinance will become effective 30 days after the mayor's signature. Next slide, please.

In response to the proposed ordinance, Port staff are developing approaches to a number of issues we see as critical to launching as a successful pilot program. These include developing a permit-application process and associated documents.

Fortunately, we have excellent examples developed by the City of Santa Monica to utilize as a starting point. We are also working on appropriate time, place and manner regulations including a proposed map of locations that Port staff believes are appropriate for vending and do not impede the sidewalk path of travel or the enjoyment of natural resources and recreational opportunities the waterfront provides.

With the mayor's office of economic and workforce development, we're developing an outreach, education and technical assistance support

strategy to ensure a clear program that is attractive and accessible to aspiring vendors.

We want to make sure that vendors who seek to vend lawfully are not impeded by cost or lack of information. This will include bilingual workshops and written collateral.

Finally, we want to propose an enforcement approach that complies with the ordinance and leverages the coordination with the other agencies that have regulatory jurisdiction over various types of vending covered in the program.

This is a work in progress and our first of many discussions. We will revisit all policies and, if necessary, recommend amendments to policy decisions as needed in order to balance and offer new economic opportunities for vendors while establishing rules that will allow for all residents and visitors to safely enjoy our waterfront.

And in conclusion, we'd like to thank the numerous city staff including representatives from the city administrator's office, small business commission, city attorney's office, Department of Public Health, Public Works, SFPD, numerous Port staff and, of course, Supervisor Peskin for taking on this complicated issue.

We'd also like to recognize the work of Ken Tashian, who was closely involved in coordinating outreach and education efforts in recent months. This concludes our presentation. And we're available to answer any of your questions. Thank you.

Public Comment on Item 11A:

Brian Hayes- Great. Yeah. Brian Hayes here. I live in Aquatic Park. I've watched the Embarcadero develop from the freeway going up, the freeway coming down to its present condition. And I just want to compliment the Port of San Francisco for doing such a beautiful job on our Embarcadero. It's magnificent. It's a showpiece to the world.

And I'd also like to say I was so inspired by the Port's work that I was one of the original founders of Save Aquatic Park Pier because that was one of the last properties on the Port of San Francisco that was really a public eyesore.

It's falling down. And it's just in disrepair. Now, that project has really evolved. And within 10 years, I believe we're going to have a brand-new Aquatic Park pier. And Aaron Peskin twice got us funding for that.

Now, here, Aaron Peskin believes in the Port of San Francisco. He wants it to be the best waterfront in the world. Now, here we are now with the illegal vendors at Pier 41 and the Ferry Building. It's an eyesore.

So all this hard work that I've been listening to for the past couple hours here is really -- and the public sees -- the Fisherman's Wharf is very popular, a little bit more popular than the Ferry Building. But that's what the tourists see, the public see.

We don't want to do all this hard work and spend \$120 million on the Aquatic Park Pier to get that redone to have an eyesore at Pier 41 and down at the Ferry Building. It's really an eyesore. So we want to work again with Aaron Peskin to create a pilot program that's controlled by regulated.

It just can't be a bunch of t-shirts flopping in the wind like a laundromat. We need something that's -- a pilot program that's regulated and controlled. And one vendor doesn't mean 10 vendors. One vendor means one vendor.

And so I'm encouraging the commissioners to work with Aaron Peskin's idea [and a] limited pilot program and to see that go through. So thank you very much. I think you've done -- bravo. I'm a hard grader. And you guys at the Port get an A plus on our magnificent waterfront.

And Aaron Peskin, I salute him one more time, leadership role trying to develop San Francisco's waterfront to be the most wonderful waterfront in the world. Thank you.

Lee Hepner - Good afternoon, commissioners, Commission President Brandon, Vice President Commissioner Adams. This is Lee Hepner from Supervisor Peskin's office. I am just calling in to speak briefly to the legislation that Boris mentioned in his report.

He really did say it all. And there will be more to be said as this moves through the legislative process But I want to echo the notion that this has been a truly broad and collaborative interdepartmental effort.

And everybody from DPH to Public Works to SFPD to the Port and, you know, even our Fisherman's Wharf CBD, Randall Scott and Laura Schaefer at the CBD deserve credit for their efforts to collaborate on an education and outreach program over the last several months that I think has raised awareness about the issue in a productive way and really created the foundation for the legislation that we introduced last month, which again will create a limited pilot program along Port property to allow this behavior to continue but in a fashion that is more mindful of the public-health and safety rationales -- the public-health and safety needs, I should say, of the Port and members of the public.



It's an opportunity to create economic opportunity while respecting the unique landscape of the Port and the unique needs of this beautiful waterfront property. So I just wanted to chime in and say that. Thank you again to Boris, Director Forbes.

Jennifer at the administrator's office has been incredible on this. And I look forward to returning. I believe it's July 13th that you will be hearing this item again. We will be hearing it hopefully on July 12th at the land use and transportation committee so more or less concurrently. And I look forward to moving this legislation through the process. Thank you so much.

Taylor Safford - Good afternoon, Executive Director, commissioners. My name is Taylor Safford. And I'm the president and CEO of Pier 39. By way of background, unlicensed vending used to be just a seasonal activity at the wharf, something that occurred only on busy days like July 4th or Fleet Week.

But the problem has steadily grown. It's now become a daily health-and-safety risk to visitors that needs to be corrected as soon as possible. This pilot program is a great first step.

My awareness of the seriousness of the health problems associated with the food-handling practices by these unlicensed vendors first occurred in April of 2019 when a Pier 39 employee discovered a box of unrefrigerated bacon-wrapped hotdogs in the bushes outside the Pier 39 garage.

Shockingly, the perishable food was being stored there by the hotdog vendors as a backup supply in case they ran out. Pier 39 Spanish-speaking employees who have interacted with the employees who work at these unlicensed carts have learned that the gang that now controls the wharf area flea market demands rent payment from the other vendors in exchange for protection and that many of these cart employees are working to pay off debts to those who help them get into this country.

Unlicensed and illegal alcohol sales are happening every day at the wharf. And the sales that are happening there aren't benefiting some disadvantaged person by giving him or her a hand up. They're benefiting a highly opportunistic and coordinated gang with the same problems that some of you may have heard about that is happening right now in San Diego and Santa Monica.

The situation has been allowed to go on for far too long. And it's time to take steps to protect both the health and safety of our visitors and also our hard-earned reputation as a premier visitor destination.

I encourage you to support this pilot program and to take whatever additional steps are necessary to put reasonable controls on unlicensed street vending throughout the wharf. Thank you.

Randall Scott - Thank you, President Brandon, Vice President Adams, Director Forbes. My name is Randall Scott. I'm the executive director for the Fisherman's Wharf Community Benefit District. I started working to draw attention to this problem about two years ago.

And I'd like to thank Supervisor Peskin's office, Lee Hepner in particular, and Mike Martin at the Port and Boris Delepine as well as Ken Tashian for working with me to try and move this forward. I'm very happy to see the legislation being proposed and move forward.

It is a health-and-safety problem primarily. That's what we're looking at as well as the beautification of the waterfront. Right now, if you walk Little Embarcadero, you can't even see Alcatraz. That's how dense the tents are that are up there.

So we really look forward to partnering with the city and all the various departments that have gone into this. It is a very complex problem. But I believe, at the end of this, we can really promote and really partner with some local underserved communities that can come out and help and actually attain these permits.

And we'll help them [audio gap] have now, which is an unlicensed, unregulated and unsafe environment for our tourists and locals alike. So thank you very, very much for your time and your support. And we look forward to talking to you on July 13th.

[Fred Anderson] - Holy guacamole. Hey, this is Fred Anderson here. Thanks for working on this. I don't know if you've walking the wharf recently. But it is getting a bit chaotic down there. I was at Pier 39 on Sunday. And I would think there's about -- in the two blocks from Pier 39 to the Franciscan Restaurant, there's about 100 vendors right now.

So getting a handle on it would be very, very nice. That's all I've got to say. Keep up the good work. And don't eat any of those hotdogs because, apparently, they've been sitting in the bushes for a while.

Paul Miller - Good afternoon, Commissioner. My name is Paul Miller, vice president of operations for Boudin Bakery. We totally support the Port's efforts to create and implement a licensed vendor program. The Port has a history of such situations with licensing and regulating artists and performers on the Port.

Years back, there was a musicians program that we had implemented and also the artist program up by Ghirardelli Square. This situation on the Little Embarco promenade is more complicated and needs to be addressed and controlled.

The Little Embarcadero promenade is not a sanitary or safe place for the millions of tourists that visit San Francisco. A Port program will ensure the area is vibrant and a welcoming place for visitors. Unlike any other location in San Francisco, this situation has created a hazard for the visitors and businesses in this area.

It interferes with the public access to other businesses. It interferes with public access to the promenade. It interferes with public access to the parking lot. And it interferes with public access to the Little Embarcadero roadway.

In closing, we want to thank Supervisor Peskin and fully support this legislation and encourage the Port Commission to support it also. Thank you.

Mark Gleason - Good afternoon, commissioners. My name is Mark Gleason. I'm here speaking on behalf of Tony Delorio, who is the principle officer of Teamsters 665 in San Francisco. He's not able to be on the line today.

But he's asked me to add our support and applaud Supervisor Aaron Peskin for bringing this legislation forward. Our members in the teamsters and in other service unions that work in and around the Fisherman's Wharf area have been made aware of exploitive employment practices that are happening to these vendors.

These vendors are not entrepreneurs. But rather, they have overseers who exploit them. And anecdotally, there are stories of workers making not even half of what minimum wage would be in San Francisco as they perform these tasks.

We want to make sure that everybody who is employed in San Francisco enjoys the same standards that service workers do throughout the hospitality industry. And to that end, we hope that you will see to it that the concerns that we have about the employment practices with these vendors is investigated and is remedied.

And certainly, if they are not adhering to simple minimum state wage and benefits laws, that they be shut down. Thank you very much.  
Jenica Liu: Thank you. Opening the next line.

[Trisha] - Good afternoon, Port Commission. I'm calling in today because I've seen the various illegal vendors all over the city. And there's a lot on Port property especially near the ball park and Pier 39. It's extremely evident that there are serious health concerns around these carts.

There's no refrigeration and no way of verifying if the food they are selling is clean and healthy. The city is taking a serious risk by allowing these carts to operate without any regulation. So today, I am encouraging the commissioners to support this legislation today. Thank you so much for your time.

President Brandon: Can you please state your name?

Trisha - Trisha.

Sue Muzzin - Good afternoon. My name is Sue Muzzin with Pier 39. I support this pilot program. The illegal vendor situation is predominantly a health-and-safety issue. They are unregulated and unsanitary.

It will be a negative reflection on Pier 39, Fisherman's Wharf and the waterfront when someone gets hurt or sick. This needs to be remedied. [Unintelligible] pilot program sounds very encouraging. Thank you.

[Judith Reese] - Hi. My name is [Judith Reese]. And I regularly take my children down to the Embarcadero. And there is the most aggressive, out-of-control vendors I've ever seen. One of them tried to sell my teenage son a beer.

And I hope this legislation will prevent future illegal vendors and other serious issues that people -- so that people can bring our beautiful city back to the way it's been and so we can enjoy it so much. And I want to thank you all for your work on this. This really means a lot to me. Thanks.

Stan Roth - Hello. My name is Stan Roth. I own Stanley's Steamers Hot Dogs. And I actually am the first legal mobile food vendor in San Francisco since 1974. And I wanted to thank Supervisor Peskin, Lee Hepner, Scott and everybody who has worked on this.

The illegal carts have basically put legal vendors like me out of business. And I just wanted to relay something that happened to us. At Christmas of last year, there were about 40 of these carts in Union Square.

And I just politely asked if they would just move to the corner. There was five on each side of us. And they were targeting us to try to make sure they took our sales and put us out of business. And when I asked them nicely, they made a phone call.

And somebody came about five minutes later, came up to my wife and I, put his finger in my chest and said, you know, "Be careful, my friend. We know who you are. We know where you store your carts. And if I were you --" you know, basically, "If you don't like us here, if I were you I'd leave."

And that has been our experience. It's terrified us. And we -- you know, we have 100 percent [health course]. It's a safety issue. And they have no refrigeration, no protection against bird droppings, coughs, sneezes, no commissary.

You know, we pay the city almost \$50,000 a year for our commissary in the Union Square garage. And I really support this law and thank everybody who's worked on it to protect our business and the citizens of the city. Thank you.

David Burbee - Good afternoon, commissioners. David Burbee with Cioppino's restaurant and Bay Company retail store on Fisherman's Wharf, longtime tenant. Just to reiterate the most important aspect of this legislation I think is trying to address what the CEO and president of Pier 39 stated, that these are not entrepreneurs trying to get a leg up.

These are a criminal element that has infiltrated our wharf, our waterfront and that is now entrenched. What they're bringing is not only unsightly, unhealthy and obvious criminal issues but a cancer that we'll never be able to get rid of if we don't immediately take control of this.

So I urge you again to support this legislation going forward and thank Supervisor Peskin for supporting and bringing this forward. Thank you.

Paris Lane - Hello. My name is [Paris Lane]. I'm with [Carol Entertainment]. I'm part of the Port Authority's street performers program. And I just want to say that we pay a fee, a regular fee to have our bands and all of our musicians to play down at the Port Authority, those same spots where all of those vendors are on as well.

We are musicians. We're starving. We're trying to work. And we're trying to survive as well. I support this program. And I hope and I pray that it goes through because this cannot continue. You can't have one group of people who are penalized and have to pay money to be down there and others who just can come as they please.

As I've stated before, we're musicians. You know, the COVID hit us very hard. We're out of work. So I just hope that this legislation goes through. Thank you very much.

[Sunshine] - Hi. My name is Sunshine. And I think you all know me best if I speak in rhyme. But today, I'm a little more serious. I was one of the founding members of the performers program. I've performed on the wharf for a very long time.

I enjoy bringing the best of what I do to the City of San Francisco, our tourists, neighbors and friends. Having worked for about a year and a half -- because I observed the rules, I stayed safe for COVID for myself and everyone else concerned.

Memorial Day weekend, I went down to the wharf to see what was going on. It was an eyesore. I was embarrassed. I was embarrassed to say that this was San Francisco. I took photographs. I forwarded them to the Port. And I will also forward them to the commissioners and the press.

The generators -- gas generators with five and 10 electric cords coming out of them going through the air to light their booths, radios blasting louder than the musicians would play, tables within three feet of each other, vendors having eight, 10 and 15 tables at each stand, wall to wall from Pier 41 all the way down to the [Francisco] Restaurant.

On top of the few shows [they tried] to set up, one of the performers came running up to me said, "Sunshine, they'll listen to you. Do something. They bullied me and threatened to kill me if I come back because they want to be there."

No. No. The merchants pay a fortune for their stores. The restaurants pay a fortune for their stands. We're poor, but we also pay to be there. My audience is the youngest. They're two to five years old. I can't [folk] show in a jungle. Something needs to be done.

Frazer Thompson - Good afternoon to the executive director and the commissioners. My name is Frazer Thompson. I'm the vice president of operations at Pier 39. I'm responsible for the team out in the entry plaza on the Embarcadero and on the Little Embarcadero down here who -- actually charged with keeping our guests, the public, our visitors to San Francisco safe.

The vending problem., the tax-free commerce zone that's been set up between Pier 41 and the Franciscan, of which there are well over 100 vendors I would say, truly has become a massive safety and health problem.

My team are threatened regularly when we try to create a clear path of travel for pedestrians to walk through, for our guests to walk through on the sidewalk. These vendors have blocked the F line tracks. They've blocked

access to the sidewalk to the extent where we've had to call on San Francisco Police Department to come down and clear them out of the road because vehicle traffic is having to swerve around them to go down on the Embarcadero.

My team has been rammed with the carts. My team has had weapons pulled on them. My team have been threatened outright. And every Monday morning, my team are responsible for the absolute pigsty that's left behind at Pier 41 that we have to clean up.

The firsthand knowledge of what it's like to have to deal with these people day in and day out and the pushback that we get and what we feel is a lack of support from the Port and from the city is truly disheartening.

I want to thank Supervisor Peskin for being willing to champion this cause and to bring it before you today. And thank you for your consideration in moving forward with these steps to not eliminate but to coordinate a safe program that is inclusive for all moving forward here on the waterfront. Thank you all.

Stephen Dreyfuss - Hi. My name is Stephen Dreyfuss. I'm a longtime San Francisco resident. I'm a two-year board member on the Community Benefits District of Fisherman's Wharf. I'm a musician. I'm a co-creator of the San Francisco port performers program, which was adopted by the Port Commission in 2007.

A lot of the faces have changed here. But prior to the Port Commission adoption of this community-wide program, the Fisherman's Wharf promenades were very much the wild, wild west concerning street vending.

The adoption of our performers program in 2007 put a check on that. The performers program is a self-funded, self-monitored group dedicated to scheduling times and locations for all types of street performers.

We are revenue neutral. We cost the Port nothing. Our group is made up of break dancers, jugglers, acrobats, musicians, novelty acts and comics. We are far more diverse than any entity in the entire City of San Francisco.

For the past 13 years prior to COVID, we have scheduled 16 performance spaces and times on the Little Embarcadero and [Jefferson] Street. Our program began to see negative effects of the open vending senate bill in 2019 due to Senate Bill 946.

But since COVID-19 shut down our program, we've been able to resume our program to date. With the current onslaught of mobile unlicensed

vendor, we are unable to resume scheduled performances until we can regain access to our spaces.

These spaces are currently being overrun by mobile storefronts of all kinds. As stakeholders in the Fisherman's Wharf community, we are requesting actual resumption of dialogue with the Port -- talk to us -- and a resumption of the street performers program.

If anyone thinks for a second that the vendors at the wharf are gaining knowledge in entrepreneurship and self-motivation, they are completely deluding themselves. This is a cartel-type situation. Don't kid yourself. That's all I have to say. Thank you.

Commissioners' Discussion on Item 11A:

Commissioner Gilman - Thank you, President Brandon. Boris, before I ask you some questions, I just want to take a moment to acknowledge the public comment that we heard today.

I want to actually say I am deeply sorry for the number of callers who articulated how this group of vendors -- and not trying to be pejorative of everyone who's vending on the waterfront -- but that this group of vendors have caused many folks to feel unsafe, to have their livelihoods or themselves threatened.

We don't want that anywhere in our city. And we don't want it definitely on our waterfront. So I want to say I am so sorry that you had to experience that particularly for the gentleman who had his own hotdog cart business that was legal and in compliance to the staff of Pier 39.

I live seven blocks from Pier 39. And this problem has only gotten worse during COVID-19 and more recently with the opening up on Memorial Day. I applaud Supervisor Peskin for taking this action. But I am worried and concerned about what will happen between now and enacting of this pilot program.

So some of my questions, Boris, you may not be able to answer. But I'd like to be able just to ask you to see if we can come up also with interim measures to protect the livelihood of the waterfront, the safety of our tourists, our workers and citizens of San Francisco.

I also do want to point out that, while vending programs began as an equity measure and they are important, it does seem from multiple testimony today from members of the public and the business community that the group of vendors we're talking here might be more sophisticated and more organized and not linked to mom-and-pop small businesses that we do want to support



[being have the] opportunity to sell their goods, their art or their food if they're in compliance with public health codes on our waterfront.

So I want to say that -- I want to preface my comments with that. The amount of illegal alcohol sales that took place during Memorial Day weekend was shocking and quite disturbing.

So my first question is, is there some way for the Port to request that the ABC or SFPD monitor the waterfront, particularly Pier 41 and the Little Embarcadero on the weekends leading up to the enactment of this legislation or particularly during the July 4th weekend? That's my first question.

Director Forbes - If you'd like, I can respond to that question. Thank you so much for your concerns, Commissioner Gilman. We've also been very concerned about this issue for some time. And we have requested that the San Francisco Police Department look at the unlicensed selling of alcohol.

And they have done several operations. What happens is the vendors hide the alcohol. So it's very difficult to enforce on. But the SFPD is very well aware, as is the district captain of the northern station of this problem. And they are out trying to enforce.

And I do want to say that Port staff has been working with the city since the beginning of the pandemic as it relates to this unlicensed vending and has tried very hard to bring consistency and calm to the situation.

But with the state law passing, we really didn't have the enforcement mechanisms we needed and a clear program of enforcement. So public health has been out, has done a lot of education, has done some citations.

We've done confiscation of carts through DPW. Port staff has been really, really intimately involved in this problem through the entire pandemic. And I would like to tell you we could do more to get some interim measures.

But I want to also assure you that the city has been trying very hard during this period to get the situation into order. And we do need a legislative framework to really tackle the issue.

Commissioner Gilman - Thank you. I completely understand that. And I am very supportive of a pilot program of legislation. I understand how much our hands are tied due to state legislation that was enacted decades ago to enable equity for mom-and-pop small businesses, mostly from immigrant communities, to be able to make a livelihood in a nontraditional brick-and-mortar bureaucratic way.

And I wholeheartedly support that like I support our art vendors along the waterfront, the tremendous vending that we see close to the Ferry Building of arts and goods, which appears to me to be licensed, organized and legitimate.

I think what we're seeing at Pier 41 and at the Little Embarcadero is a different set of folks who, under the guise of those guidelines, are engaging in activity that we're hearing from our tenants, our citizens and our businesses is unsavory and the sale of alcohol, of open containers, which is illegal.

So I know the Port staff is doing everything they can. Part of these statements are for the public comment and for our constituents on this call. I am over the moon about this.

A couple of questions I had about the legislation, which I'm fully supportive of, is Boris -- and I know probably -- Mr. Hepner probably might be still listening to this call from Supervisor Peskin's office. I'd also invite him to answer.

How does this move from pilot, if successful, to permanent legislation? My understanding is it's a pilot. We're going to choose certain spots along the waterfront to pilot this. When would this become a full-fledged program for all seven-and-a-half miles of our property if it's successful? What's that pathway?

Boris Delepine - This is a pathway to all seven-and-a-half miles. It's a pilot program on Port property. And the future rollout would be a citywide program. So this legislation covers all seven-and-a-half miles of Port property.

Commissioner Gilman - Okay. Thank you. That was my first question. My second question, which is maybe more just food for thoughts to work with the supervisors office is -- and I understand, you know, that it is difficult. But you can have food vending businesses that you comply, which we'd want, with health safety codes and Department of Public Health codes.

I do want to point out that all other tenants of the Port who do serve food, coffee or alcohol who rent property from us or sublease property from us have participation. So from an equity perspective, I just think it's something to call out that, if there were licensed vendors in food carts or food trucks on Port property, that I would hope at some point -- and I don't want it to hold up this legislation in any way -- we would need to figure out a way to be equitable and fair.

If we're asking small mom-and-pop businesses, which we have on the waterfront, to larger businesses like Boudin's to give us participation when they're selling food or beverages, I just want to make sure that we're equitable with that whether it's a nontraditional brick-and-mortar space.

So I do think that makes us unique to the rest of the city in what our leasing and activities are from a real estate perspective. So I just wanted to flag that as a concern I would have with the longevity of this project for folks and something to think about.

And then, I would just also hope too -- and I commend the interdepartmental process. It seems like there's been a robust community outreach process. But I know you'll be coming back to us you said with time, place -- and there was one other sort of key word you were using. I apologize.

Boris Delepine - Manner.

Commissioner Gilman - Parameter? Manner parameters. So I do hope that, besides doing community outreach to the folks who are normally engaged with Fisherman's Wharf CBD, Pier 39, I would encourage us to do a little in-reach into the residential communities particularly around Piers 41 and the Embarcadero, maybe going as far up as to Bay Street or Francisco doing some sort of mailing to those addresses the way we would on a real estate project just to understand too how it's impacting residents that live there and residents when it comes to sort of those time, place, manner good-neighbor agreements.

I just think it's really important particularly with the amplification of sound and music that some of the street artists who have always been respectful to the neighborhood from my observations said is taking place just to make sure that they're comfortable with the program as well.

Many of them walk, jog or visit that part of the waterfront as sort of their daily sort of outdoor space. So that was just my last suggestion.

Boris Delepine - Noted.

President Brandon - Thank you.

Commissioner Gilman - I'm very excited that we're tackling this. And again, I'm so sorry to the public that it's gotten so out of control.

President Brandon - Thank you. Commissioner Woo Ho?

Commissioner Woo Ho - Yes. Thank you, Boris. This is clearly -- I've learned a lot about this issue. I have not been in San Francisco as much in

this past year, as many of you know. So I was not aware. But the picture that you had in your presentation also told me a lot about what's going on and certainly all the public comment.

I think that what Commissioner Gilman said was very apropos. And interestingly, we did not have people who live in the neighborhood in public comment. Most of the people were the people that were directly on the waterfront, the restaurants, Pier 39, the street performers.

And it was interesting that -- whether the neighbors were not aware. But I'm assuming that the typical -- not in addition to any mailings -- [but having the] citizen's advisory committee groups are aware of what's going because I would have thought that this probably would have started with the neighbors complaining whether it was the safety, sanitation or noise and security.

So I'm absolutely supportive of having this legislation. It sounds like it's the only way to bring this under some control and coordination. And it sounds like we let the fox into the chicken coop, I guess, in terms of -- if it is more organized and not only just illegal in terms of vending. But there's some other issues or suspicion going on in terms of how the operations are proceeding.

What I did not get out of the presentation and would appreciate when you come back for approval is to give us some of the -- a little more detail on the parameters. So I heard roughly we have about 100 vendors.

So with this pilot program and with the space that we're considering, what would that reduce it down to? I mean, how many -- you know, because you may have to have space for the performers, space for the mobile vendors.

And it's pretty scary to hear about all the gas tanks out there and generators and things like that. You could easily have an accident in terms of some accident out there. So that's really scary to know that that's going on.

So I guess, not only all the local health codes but just -- I'm sure there are safety codes in terms of what you can do with propane gas or whatever else they're using in addition to generators to get power.

And I guess -- you know, who is going to talk to these vendors? It seems like -- it's good to talk about the legislation. But for us to understand, somebody needs to talk to the vendors so that they're aware that this is happening.

So hopefully, if there are some that are more in line with the classic sort of description that we put in, what Jerry Brown's legislation envisioned, that we do get some input and feedback in terms of what they understand.

And even if they are being controlled and manipulated and organized, maybe some of them do have some ideas about what could help to protect them as well as help us understand what they need to do.

I think one of the things that I'd like to hear about is, you know, what about the cleanup? You know, it sounds like that's an issue. I mean, you know, there's garbage. I don't know what the legislation says about that because, you know, who is responsible?

Who is going to do that in addition to obviously -- I'm not sure that they're going to pay a rent. But they're probably going to pay a fee of some kind, whatever, because there are costs associate -- I mean, if we're having to clean up after them or -- then, we need to know how we're going to take care of some of the costs associated with that and cleaning the sidewalks or whatever.

I don't even know if they have access to water. What do they do when they have to clean things actually in the stall after they serve food? There's lots of questions.

I think it's just all these things. And I don't know what's in the legislation other than it may be it's more strategic. You know, you can only have so many. And you have to abide by the code. But there are these practical, tactical things that need to be addressed, so the vendors know how they're going to be managed.

I'm not asking you to answer all those questions today. But maybe next time, Boris, you can give us a better sense of the content of how this is going to actually operate. I think street vendors can be very interesting, can add color and vibrancy to the waterfront if done well.

But it sounds like it's out of control. And it looks like a little bit like a mess from what the picture I saw. So I think we want it to be vibrant. There are many cities that are very famous. Singapore, for one, for instance, is very famous for a lot of its street vendors.

But it's under control. I mean, there's a lot of regulations about how that works. So I think we want it to be something that adds character to the waterfront but not adds all these issues that we heard about from all the callers today.

So -- and I'm glad to hear that it's really for all seven-and-a-half miles. And it sounds like, you know, if it's going to be adopted in the rest of the city -- this pilot program would be for -- how long would we call it a pilot? I guess I'm not sure that I know the answer to that question, Boris.

Boris Delepine - We're calling it a pilot because it is just a portion of the city's overall jurisdiction. So it would -- there is no sunset date on the ordinance.

Commissioner Woo Ho - Okay. So in essence, it would be permanently in -- and then, the other question I wasn't sure -- we talked a little bit about how some enforcement is working today with the police and the illegal sale of alcohol.

So would there be specific things in the ordinance about enforcement going forward? Are there going to be citations if they -- you know, if somebody does -- health -- you know, sort of a health citation or some other illegal -- are there going to be citations and fines associated if they violate whatever is in the ordinance?

Can you address -- you know, what kind of enforcement? That always is good to know that there's a way to sort of discourage people from doing the wrong thing.

Boris Delepine - So the state law SB946 gives the guidelines for all the enforcement and administrative-fine protocols. So there is a schedule of fines for the first, second and third violation up to confiscation of equipment.

Commissioner Woo Ho - Okay. So maybe you can just put that in a schedule, so we can see it. I don't know whether -- since it was signed quite a while ago, I don't even know whether that's -- let's see -- that law went into effect in -- well, not too long ago. I'm sorry.

I guess I've forgotten that Jerry Brown actually is not that long ago -- but anyway, whether those fines are significant enough to say that they are going to deter people from, you know, the wrong behavior. So these are things that I think you can address next time just to give us a little bit more flavor of how the program actually is going to work.

I think the need is what you establish today. For the need for the regulation, I absolutely agree with and am very supportive so appreciate that -- there's no question, I think, that we need to do something.

And it's great that we've been able to do that with the cooperation with all the other agencies and with Supervisor Peskin sort of championing it at the board of supervisors. So I absolutely am supportive and hope that this moves forward as quickly as possible. But just give us a sense of how it's going to operate, so we understand. Thank you.

President Brandon - Thank you, Commissioner Woo Ho. Commissioner Burton? Vice President Adams?

Vice President Adams - Yeah. Boris, thank you. [audio gap]

Commissioner Woo Ho - We can barely hear you.

Vice President Adams - Okay.

Commissioner Burton - No questions.

Vice President Adams - Okay. For some reason -- I don't know what's wrong. I can't get my screen on or nothing. So I'm -- anyway. I appreciate this conversation. Boris, thank you [audio gap] listening very intently to all those that called in.

I appreciate Supervisor Peskin trying to find some kind of situation to bring some peace. It seems like this situation could get pretty volatile especially when people are [pointing] and people are getting upset, and you're talking about affecting people's livelihood.

But one of the things that was very disturbing to me was I kept hearing people say "those people." And to me, that's kind of a connotation and a word that's derogatory when you talk about those people.

All these people, no matter what side, they're Americans. They have a right to be in this city, and everybody has a right to be treated with dignity. So when people say "those people," I look at it in a derogatory type of deal. Those kind of shouldn't be used.

So I'm hoping that this legislation can get up and that, in some ways, that maybe -- the Port's in the middle of it now -- that we're some kind of a referee. And we can find a middle ground. But I'm down there every day walking on that waterfront.

And I go by that every day. And I see the people that are engaging. And this COVID has caused a lot of people to be desperate and put a lot of people on hard times. And when there's competition, sometime the gloves come off.

So I'm hoping that we can find something that can fit both sides and that people feel safe and people don't feel threatened. But yet, people get treated with dignity. Thank you.

President Brandon - Thank you. Boris and Mike, thank you again for the presentation. I want to thank Supervisor Peskin for spearheading this

legislation and this pilot program that we are doing. From the calls, it sounds like it's not -- there's a considerable amount of activity at the wharf that really needs to be addressed.

But it sounds like it's Port wide. So I'm glad that we extended the pilot to the seven-and-a-half miles and not just Fisherman's Wharf so that we have a true study of what could happen and space available throughout the waterfront for legalized vending.

I want to thank the Port staff. I want to thank everyone who has brought this to our attention and who has been working on this because I know, throughout the pandemic, it has been an issue. And it seems to have grown along the waterfront.

But now that we are open and bringing everyone back and welcoming everyone to the waterfront, this is definitely an issue that we need to tackle. So it will be great to see what the pilot consists of.

And then, most of my questions were answered. But you threw me off when you said there's no sunset for the pilot because a pilot is usually one or two short-term studies to either find out if it works or if it doesn't work.

So it's either going to be for a certain period of time and then flow into a citywide effort. Or it's going to go away. So I hope that, within the terms, we understand exactly what the pilot consists of and look forward to you coming back in July. Thank you. Carl, next item, please.

- B. Request Approval to Extend Fee Waivers for Licenses for Use of Port Property for Restaurants and Retail Businesses on Private Property Adjoining Port Property in Connection with the Port's Shared Spaces Program for Outdoor Dining and Retail Activities through December 31, 2021. (Resolution 21-26)

Crezia Tano-Lee - Good evening, commissioners, President Brandon and Director Forbes. Crezia Tano-Lee. If I could get the Power Point up -- thank you so much. Crezia Tano-Lee. I'm on the real estate and development team. I am accompanied by Deputy Director Rebecca Benassini, who may help answer any questions that you have regarding the proposed extension of the Port's shared-spaces program. Next slide, please.

The presentation will be brief. I will be covering the background and key actions of our program, an overall program update and analysis of our six non-Port tenants that are benefiting from the program, our rationale for the extension of the fee waiver for those six non-Port tenants and our recommendation that's presented in the resolution. Next slide, please.



As you may know, the Port -- in May 2020, the mayor announced a city shared-spaces program. Port staff worked furiously to get the program up and running within three weeks to be aligned with the citywide program.

In those three weeks, Port staff coordinated with the citywide team, BCDC and launched the program pretty seamlessly. The mayor -- on November 2020, the Port Commission authorized fee waivers for non-Port tenants through June 30, 2021.

In December of 2020, the mayor extended the city shared-spaces program through June 2021 through a mayoral executive directive. In March of this year, the mayor introduced legislation to make the city shared-spaces program permanent.

And in May 2021, the BCDC, through Larry Goldzband, executive director, indicated that BCDC would also extend the expiring shared-spaces permits in two phases through December 31st of this year.

As you know, our fee waivers for non-Port tenants are expiring on June 30th. And that's the reason that we're here today. I would like to note that the shared-spaces citywide legislation was heard at the board of supervisors, the land use transportation committee this past Monday and was recommended to the full board.

We anticipate that the item will be heard by the end of the month by the full board. Staff will continue to monitor the legislation and report back to the commission. Next slide, please.

I'd like to highlight Port staff in their implementation of the program. Our property managers, our engineering staff and our city attorneys have all been very instrumental in executing the program. Specifically, Joyce Chan on our real estate team has been the lead, which she has helped to seamlessly execute 18 of these licenses throughout the waterfront.

And it's needless to say that these outdoor dining seats are attracting visitors to the waterfront and are critical in our city's economic recovery. We've created over 700 outdoor dining seats and activated 30,000 square feet of outdoor waterfront space.

Many would argue that this is the main attraction to the waterfront and is keeping the waterfront safe and active during the COVID-19 pandemic. Next slide, please.

Of the 18 licenses, we have six restaurants that are not Port tenants. They are Delancey Street, Ozumo, Angler Smokehouse, Perry's, Boulevard and

the Midway. Through Resolution 20-50, we waived fees through June 30th of 2021.

And this represented approximately \$155,000 in license fees. In the proposed resolution attached to the staff report, we are requesting an additional waiver of fees that amount to approximately \$85,000 for the remaining six months of the year. In total, this program, for these six non-Port tenants, would waive fees of \$240,000. Next slide, please.

Our rationale for this is that we continue to have economic uncertainty in our recovery out of COVID-19. There is certainly a hesitation in indoor dining even as we reopen fully and remove capacity limits. There are still customers that would prefer to dine outdoors than indoors.

So we acknowledge that and recognize that these outdoor seats are very critical. For these six non-Port tenants, there are greater city benefits that are afforded to the city's economic recovery, which include city sales tax generation, job creation and retention for many of the restaurant workers and attracting people back to the waterfront.

This fee waiver is temporary. And we are proposing that this would be through December 31st of 2021. And I'd like to note that, as economic conditions and visitorship rates improve, the Port's rationale for these fee waivers for the non-Port tenants lessens.

And the Port will return to prior practice of charging businesses for the use of the sidewalk or other lands within our jurisdiction. Next slide, please.

Therefore, it's our recommendation that we request delegated authority to confirm the extension of the no-fee licenses through December 31st of 2021. We also will ensure that licensees resolve any unsettled disputes that they may have.

That is my very brief presentation. Again, I am here to answer any questions, and so is Director Benassini. Thank you so much for your consideration of this item.

President Brandon - Thank you, Crezia. Commissioners, may I have a motion?

ACTION: Vice President Adams moved approval of the resolution. Commissioner Woo Ho seconded the motion.

No Public Comment on Item 11B.

Commissioners' Discussion on Item 11B:

Commissioner Woo Ho - Hello. Yes. I'm supportive of the item and the temporary fee basis. And I think, you know, the question of, once we get past this year, then obviously, if some of the licensees want to continue, then I think that should be up for more discussion.

You did mention in your last slide any unresolved issues -- can you speak to -- what are the unresolved issues or -- generically speaking? I don't need to go through a whole laundry list. But what are some of the unresolved issues that we have today?

Crezia Tano-Lee - Most are just the sidewalk access and ensuring that public-access pathways are clear and free. So right now, we have a handful of our tenants that are, you know, six inches outside of the site area. And so we need them to readjust some of where their equipment is positioned. So that's a prime example of what we're dealing with right now.

Commissioner Woo Ho - Okay. So I guess the permanent extension of allowing this shared space, I guess that ordinance that was passed -- that was signed by the mayor -- it's pretty clear in terms of -- because I heard just by reading the news that there are certain now standards for this shared space.

Because, if you look around the city, there are some that are very nice. And there are others that are very flimsy. But now, is there -- now, there is a standard in place that everybody who wants to do this permanently, they have to probably make some upgrades, right, because they -- some of them are really flimsy.

But I think the ones that I've seen on the Embarcadero so far have been better as far as that is concerned. Is that right?

Crezia Tano-Lee - Yes. Some of the major changes that just passed through the land use and transportation committee are targeted to ADA access. So our staff, Joyce Chan and Wendy Proctor, are reviewing those guidelines and ensuring that we're aligned with the citywide program.

Commissioner Woo Ho - Okay. So all of the existing tenants that are on this as well as the non-Port tenants -- everybody wants to continue. That's 100 percent at this point.

Crezia Tano-Lee - Yes. Everyone has expressed their desire to continue as long as possible with the program.

Commissioner Woo Ho - Okay. Well, that's the extent of my questions. Thank you.

President Brandon - Thank you. Commissioner Burton?

Commissioner Burton - No comment.

President Brandon - Thank you. Vice President Adams?

Vice President Adams - [Thank you.]

President Brandon - No comment?

Vice President Adams - I said I'm supportive of it. I'm sorry.

President Brandon - Okay. Thank you. I am also supportive of it. And we have a motion and a second. Carl, can we please have a roll-call vote?

Roll Call Vote:

President Brandon – Yes

Vice President Adams – Yes

Commissioner Burton – Yes

Commissioner Gilman – Absent

Commissioner Woo Ho – Yes

President Brandon - The motion passes unanimously. Resolution 21-26 is adopted.

**12. MARITIME**

A. Informational presentation on the Port's Maritime portfolio.

Andre Coleman - Good afternoon, President Brandon, Vice President Adams, commissioners. My name is Andre Coleman, deputy director of maritime. I am joined by Brendan O'Meara and Marilyn Yeh with the maritime division.

This item is an informational presentation on the Port's maritime portfolio. The Port of San Francisco, California's oldest public port, continues to have one of the most diverse yet challenging maritime business portfolios in the nation.

Its seven-and-a-half-mile waterfront is home to cruise and cargo shipping, ferries, excursion boats and water taxis, harbor services, commercial fishing and recreational mariners. This update will provide a general overview of the Port's maritime portfolio to include both near and long-term objectives. Next slide, please.

So with regard to current cargo operations, our primary cargoes include the exporting of autos at Pier 80 and import of dry-bulk cargoes at Piers 90 through -- 92 through 94. Next slide, please.

Touching first on the Pier 80 cargo operations, in May of 2016, the Port Commission approved an exclusive 15-year terminal-management agreement with Pasha Automotive Services at Pier 80. The 70-acre facility is primarily used to process and export automobiles.

However, in addition to those uses, we also have agreements that include long-term lay berthing. And occasionally, the facility is used to host large-scale events, which bring in additional revenues to the Port.

In looking at the slide, you can see some of the volumes that we have had throughout the years. Each year, we've had growth at the operation -- or growth at the terminal. Much of the success in the operation is attributed to the ILWU workforce and Pasha stevedoring through their safe and efficient approach in conducting operations.

You will see in 2019 that there was a significant spike in volumes. And that was attributed to the introduction of Tesla's Model 3 into the market that drove that increase in volume. However, subsequent year, we averaged out around a little over 100,000 units. And we're projected to achieve similar volumes this fiscal year.

While the focus is currently on processing and exporting of autos, Port staff continues to engage Pasha on other cargo opportunities to optimize use of the facility. Next slide, please.

For dry-bulk operation, Piers 90 through 92, our dry-bulk terminals primarily import raw materials used in the production of concrete to serve the construction industry in San Francisco and the greater Bay Area.

Our concrete batch plants that utilize import aggregate and sand materials are strategically located within the Pier 80 through 96 complex, significantly reducing truck trips for delivery of raw materials and employing best practices for environmentally sustainable storm-water runoff treatment and rainwater reuse.

Our dry-bulk tenants include [Simex], Central and Lehigh Hanson, all of whom play a critical in supporting construction in the city. Approximately 95 percent of the city's construction projects are sourced from the dry-bulk oper -- or construction materials, I should say, are sourced from the dry-bulk operations at Piers 92 through 94.

And as you can see on this slide, volumes have remained fairly consistent over the past few years and throughout the pandemic as well. Next slide, please.

So with regards to objectives for -- Port objectives for cargo, some of our near-term objectives include engaging our current tenant, Lehigh Hanson, regarding its proposed expansion plans at Piers 92 and 94.

We will also evaluate proposed capital improvements at that facility as well as environmental improvements. We intend to evaluate long-term business plans for other current tenants and future cargo opportunities.

And we intend to engage a third-party consultant to refresh the previous market analysis of cargo opportunities in the 80-through-96 area. And for long-term objectives, we will engage the State Lands Commission regarding the backlands maritime industrial warehousing strategy per prior staff strategy discussions as part of the waterfront plan. Next slide, please.

So moving on to the shipyard, staff previously provided an update on the status of the shipyard to the Port Commission in late 2020. As a refresher, in May of 2019, Port staff assumed daily management of the shipyard facilities.

In doing so, staff immediately engaged in locating interim tenants for vacant office space, underutilized shed and storage facilities and available paved open space throughout the yard while reducing operating expenses. Next slide, please.

Some of our current uses and tenants -- interim tenants, I should say -- include: Anderson Enterprises. They use -- or lease the facility for staging vehicles to be delivered to dealerships in San Francisco; we have the Dutra Group, a maritime construction and dredging operator; Marine Express, another harbor-service tenant in the maritime transportation and environmental services category -- or sector; and we routinely use the facility for long-term vessel berthing.

So if there are vessels seeking to lay berth or sit idle for an extended period of time, we enter into long-term berthing agreements with those vessel operators at the facility.

And additionally, we are currently negotiating a short-term maritime lease opportunity for select parcels of the shipyard that will secure a maritime tenant for light maritime industrial use. Next slide, please.

So some of our objectives in the near term for the shipyard include continuing to work with the city's office of contract administration for select

pruning of the shipyard's vast inventory. We're in the process of developing a maritime-focused leasing strategy at the site.

We do need to work towards developing a plan for capital rehabilitation needs to onsite buildings. And we remain engaged in exploring trust-consistent maritime uses to include the potential centralization of harbor services and other light maritime industrial operations at the site.

And just kind of summarizing the shipyard and cargo operations -- or one thing that I'd like to add is that, with regard to both operations, in the past few months staff has had the opportunity to present to both the Dogpatch Neighborhood Association and the Southern Advisory Committee on the status of the shipyard and cargo operations in the southern waterfront.

I will say that, in both instances, very good engagements. You know, we solicited some good feedback from both groups. Next slide, please.

So moving over to Fisherman's Wharf and Hyde Street Harbor, Fisherman's Wharf is home to San Francisco's historic fishing industry, Pier 45 being a focal point of activity, housing the largest concentration of fish processors of any port in California.

Longline vessels that fish between the wharf and Hawaii can deliver upward of \$1 million in fish to Pier 45 processors in a single landing, species including crab, salmon, swordfish, herring, shrimp, squid, abalone, mackerel, halibut and sole.

Fisherman's Wharf is home to over 160 commercial fishing vessels between Hyde Street Harbor and the wharves and piers in the inner and outer lagoon. The Port remains firmly committed to keeping the fish in Fisherman's Wharf in spite of new challenges that continue to occur.

Environmental challenges to the fishing industry such as drought and climate change can wreak havoc on the more lucrative crab, herring and salmon fisheries. In addition, newer vessels of greater length can be a little bit more challenging in accommodating larger vessels and may cause transportation congestion not only in the wharf but landside with all that's going on the wharf. There are issues with congestion as well.

The Port continues to work closely with the fishing-industry tenants to respond to these challenges. The continued presence of a healthy fishing industry is essential to meeting a huge local demand for seafood as well as maintaining the colorful ambiance and the economic wellbeing of Fisherman's Wharf. Next slide, please.

With regards to some of our Port objectives at the wharf, near term includes: developing maintenance targets and timelines to ensure that we have adequate infrastructure in the harbor; expanding our retail-fish-sales policy to include additional locations at the wharf; and ongoing community and tenant engagement.

Long-term objectives include: a dock-replacement strategy; security enhancements; and alignment with our recreational harbor, South Beach Harbor, to include some of the best harbor practices in addition to bringing on a web-based harbor management program; and lastly, updates to our Port tariff associated with the Section 800 of the tariff for fishing industry. Next slide, please.

Excursion and water transit -- the Bay Area's regional ferry system is centered at San Francisco's iconic and historic Ferry Building with 10 water-transportation berths including six newly built to accommodate sea-level rise.

The downtown San Francisco Ferry Terminal currently accommodates six ferry routes serving more than five million passengers per year with approximately 130 ferry arrivals and departures daily. And those are pre-pandemic numbers.

In addition to the ferry service, we also -- the Port provides [along the water] transportation. San Francisco provides berthing and landing facilities for a variety of water excursions including sight-seeing tours, Bay voyages and dinner cruises.

Multiple tour operators call the San Francisco waterfront home including Alcatraz Cruises, Blue and Gold Fleet, Hornblower cruises and Red and White Fleet. The Port also has licenses in place for excursion operators home port at other Bay Area harbors and marinas that seek to land at the Port's facilities.

Port staff's excursions and water-transportation objectives include -- next slide, please -- in the near term, to develop maritime marketing strategy to the North Bay and East Bay excursion operators to improve excursion and chartered landings on Port property.

We intend to amend the current landing-fee schedule for longer license terms. And I believe we intend to return to the commission probably in July or August for that proposed five-year schedule. We'll be looking to activate Pier 15 for charter and excursions and is currently underutilized.



But we will be working to include a focused marketing strategy to increase environmental and education-focused charter landings at that site. And there's potential for alignment there in collaboration with the Exploratorium.

And we are also working to develop and execute the Pier 48 1/2 interim landing MOU extension. Some of our longer-term objectives include completion and activation of the Mission Bay Ferry Landing to provide commuter solutions to the southern waterfront and Mission Bay area stakeholders --

-- and in alignment with new development along the waterfront, identify new landing opportunities along central and southern waterfront locations. Next slide, please.

So I believe the last month or so I've provided more detailed update on cruise. But I'll likely touch on cruise here. In 2020, the Port of San Francisco is scheduled to establish records in both ship calls and passengers with roughly -- or approximately 117 vessels.

However, due to the CDC's no-sail order as a result of the pandemic that went into effect in March of 2020 and cruise lines suspending operations, only 12 of the scheduled 117 calls materialized.

Coming to present, with revised CDC guidance, cruise is scheduled to resume domestically in July of 2021. The Port of San Francisco is likely to resume cruise operations during early fall of 2021.

I will add that -- and I think there was comment earlier in the meeting. But 2022 is extremely bright with a projection of 118 cruise calls. Ahead of that, staff continues to work closely with industry stakeholders on the safe resumption of cruise.

Staff has engaged the larger line operators to develop a Port agreement as guided by the CDC that establishes new safety protocols for cruising prior to resumption. The Port agreements will include an emergency-response plan, shipside protocols, portside protocols in addition to medical, housing and transportation agreements that the lines are required to have in place prior to calling the port. Next slide, please.

Some of our near-term objectives include working toward the safe resumption of cruise, engagement with federal, state and local authorities and collaboration with our key stakeholders to include labor, metro and SF travel to support the resumption of cruise.

And our long-term objectives, as we do have new regulations coming online here in 2023 with regards to shore-side requirements, currently we're capped at 19 calls at Pier 35, as it is not an electrified facility.

So we'll be working to identify and evaluate a secondary electrified cruise terminal. And we'll also work towards developing a marketing strategy to attract new cruise lines to the Port of San Francisco. Next slide, please.

Despite the challenges of the past year and those that may lie ahead, I'll say staff takes pride in managing a very diverse maritime portfolio. Some of the objectives shared today are in the early stages of development. But the team is up for the challenge.

And we look forward to executing the maritime objectives shared with you today. That concludes my presentation. Thank you. And I'm available to answer any questions you may have.

#### No Public Comment on Item 12A.

#### Commissioners' Discussion on Item 12A:

Commissioner Woo Ho - Okay. Thank you, Andre, very much for this presentation. I'm glad we went through everything, and it is a lot. The maritime portfolio is very diverse. So I'm just going to quickly go through the highlights of what you mentioned.

I wanted to -- and I'm sorry. I may not have listened correctly or not. When you talked about the auto side and Pasha -- and of course, we understand what happened in 2020. So far what we've seen in 2021 -- because the auto industry in general is coming back strongly as far as what we hear because everybody decided they didn't want public transport. They needed cars.

And I guess there's been a revival in used cars. So I don't know whether that's impacted us. What's the volume been recently with Pasha? And is it still -- refresh my memory. How much is import? How much is export?

Andre Coleman - So the volumes for the fiscal year have remained fairly strong. We are scheduled to achieve volumes of slightly over 100,000 units moved through the facility for the fiscal year. The percentage of that breakdown is still majority exports -- let's just call it 98 percent exports -- through the facility.

And that's based on the sole auto client that we have right now. Projections going forward -- our client at the facility, they're a little unconventional in their performance versus some of the more standard operators. They produce as cars are ordered via the Web so a little unconventional.

But we are expecting to have another good fiscal year. I think we may get off to a slow start as we come into the new year. And as I mentioned, we continue to engage and work with Pasha in trying to secure other auto opportunities as well.

So I know Pasha is pounding the pavement and trying to -- and talking with at least two other auto manufacturers that I'm aware of. But that's the current update there.

Commissioner Woo Ho - Okay. Before, when we signed this deal with Pasha, I think we were very excited. Is the 146,000 in 2019 -- was that the level that we thought was the peak that we should have? Or did we not reach the peak of what we thought at that time before COVID?

Andre Coleman - I would say where we are hovering currently around that 100,000-units mark is probably a little more realistic where we will be. I would also say that I think the more realistic was between 80,000 and 100,000 units annually.

So again, 2019 was an anomaly because of the rollout of the Model 3. But we should be regularly in between that 80,000 to 100,000 units. Brendan, any corrections there?

Brendan O'Meara - No. That's correct.

Commissioner Woo Ho - Okay. Okay. And then, I think you gave us a good sense of what's happening with the dry bulks with the Hanson situation. So I'm not going to go through that. On the shipyard, I guess -- you know, we're doing -- it sounds like we're doing the best we can to obviously use the space for the interim.

And we're still looking at the long term. I mean, other than -- and we've given up trying to bring another shipyard in because we've recognized that we've given up, and Portland has really overtaken the opportunity for us there.

So is there anything sort of out-of-the-box thinking in terms of what we can do with the shipyard other than doing some of the transactional kind of interim leasing that we're doing? Is there any --

Andre Coleman - [crosstalk] Sorry.

Commissioner Woo Ho - Go ahead.

Andre Coleman - Okay. I'd say, in the near term, you know, we've had some opportunities to use the waterside spaces and berths for interim leasing. I think we had a discussion -- or presented before the commission a few meetings back an opportunity for a lease -- possible lease where there will be some improvements to select parcels. And we'll get a tenant in at a certain area of the site for another short-term lease.

Long term -- before I get to long term, we are still working with the office of contract administration to move through what we foresee as being a public auction process for some of the abandoned shipyard inventory that has just been lying around on the facility since it was abandoned [unintelligible] as of current.

We're hoping Q1 we can move forward with that process with regards to auction potentially to include disposition of the dry docks as well.

And then, long term, that's where there is some coordinated discussions that need to take place with not only the maritime division but with the real estate and development team as well with regards to some of the landside opportunities and the larger opportunities there.

Commissioner Woo Ho - Right. Well, it's going to be -- as Pier 70 comes on stream as a project, that space is going to be very interesting in terms of -- it's well located. Yes, it doesn't look very pretty today. But there's -- and I think that's where we're -- you know, whether we're going to stick with a strictly maritime or some other possibilities.

But I guess that's something we have to continue to think about in terms of the long-term. If the interim leasing opportunities -- if that turns out to be the only opportunity in the long-term basis, I guess that's a question you can come back and tell us about more once you continue to look at the issue and think about it.

On the Fisherman's Wharf side, a couple questions -- one on the retail-fish-sales policy. I remember when we launched that. You know, there was a lot of questions about -- we had a lot of public comment on it.

And I guess what I'm hearing is it's gone well. So we don't hear from the public, it seems like. And now, you want to expand the number of locations, which is promising. So we actually see a lot of the -- the fishermen are happy with the fact that they can sell the fish directly off the boat?

Andre Coleman - I would say that the program had some successes. But I would say, under the previous policy, there were some logistical constraints in location of where to sell. So larger vessels were more successful in bringing in larger loads of fish and selling to the public.

Some of the smaller vessels -- because of their location or berth assignment at the wharf and in addition to their vessels being slightly smaller -- weren't able to bring in the larger catch in addition to kind of being in an area where they didn't necessarily have a berth that was easily accessible to pedestrian foot traffic for sales.

So I think some of the things that we're looking at is location within the harbor, whether we can meter what those hours look like with regards to sales to have various vessels come in to a specific location and be able to sell from their vessels. And then, also, what landside opportunities are there available to have kind of a retail pop-up fish market or fish sales as well?

Commissioner Woo Ho - Yeah. A fish market would be -- I guess the other question would be is how the marketing has gone. You know, are consumers aware that they can come and buy fish directly off the boat and whether there is more to be done in that area?

I mean, it's a question for the fishermen if they want to sell more fish. But we're obviously there to help facilitate if that's an opportunity for them to -- it also makes the Fisherman's Wharf more interesting, the fact that you can actually go and buy fish.

Andre Coleman - Agree. Yes. I definitely will say that that's something that we can improve upon is our marketing of the program to the fleet and also to the community.

Commissioner Woo Ho - And I also -- you know, we did a lot to help the crabbers, you know, with the fact that -- you know, we had the fire, etcetera. We did a lot of -- so how is the crabbing industry doing right now? We intervened to help them. Are they on track? Or are they hurting?

Andre Coleman - From what I understand, the last season was a fairly decent season, all things considered. I think kind of the next phase of getting ahead of crab season is looking at how we can support the crabbers as we get into the next upcoming season in the fall.

So I think, yes, this past season was a challenging one with all that went on with the fire, with the loss of gear. The Port -- you know, we did step up and support the fleet but really interested in seeing how we can better support and enhance this upcoming season.

And again, I think if we can time rolling out a revised retail fish policy that coincides with that upcoming season, that would probably benefit the Port and the fleet as well.

Commissioner Woo Ho - Okay. Well, I just want to make sure that whatever we -- the measures that we took to help the crabbers has actually gotten results. And that's really what -- we intervened. We helped them. Hopefully, there are results that we can say that this was worthwhile. And that's what I'm looking for.

Then, lastly, I know you didn't really go through South Beach Harbor that much. But is that operating well? That's --

Andre Coleman - Yes. I meant to mention that this report did not capture South Beach Harbor because we -- I know, in 2019, I believe, we provided an update solely on South Beach Harbor, which we intend to do again this year.

South Beach Harbor is performing well. I will say there are some low-hanging-fruit areas of improvement, as traffic returns to that area of the waterfront, that we will work to improve. I will actually be on site out there meeting with some of the tenants tomorrow afternoon. But again, we do intend to return this year with an update in overall presentation on the performance of South Beach Harbor.

Commissioner Woo Ho - So are the -- I guess the demand for the slips is strong. I mean, for some people, you know, especially during COVID, one way to escape was to go out on the boat.

Andre Coleman - Yeah. So demand is still strong. We still have an active waiting list at the harbor. The South Beach Harbor youth sailing club is getting ready to start up here, I believe, next week. And I've seen through social media some of the water-recreation tenants over there are currently active as well.

So SpinOut Fitness is back on the water and operating. So activities there have picked up. And staff has done a good job through the pandemic in remaining responsive and active in managing the site.

Commissioner Woo Ho - Okay. Last thing I have on water transit -- as you all know that I'm a very, very, very strong proponent of increasing the amount of water transit whether it's taxis or ferries. And I know we're doing our best to increase the landings.

What I wanted to know was, now that we are reopening, do you get a sense from the ferry operators whether there's actually more people coming on the ferries? I know, at some point, it was down to almost nothing. But are their passenger volumes picking up again?

Andre Coleman - Yeah. So passenger volumes are picking up on the ferries. I believe, come July, WETA intends to return to full service with their routes. Last I rode the ferry was last week. I noticed the social-distancing tape was removed. So I think that's an indicator of returning to full service.

And then, just kind of on the smaller semi-ferry transit as well, we've remained engaged with Tideline, who provides semi-private service from the East Bay to the Port. I know they're looking to resume operations here shortly as well.

So I think, once that first ball drops with reopening -- state reopening of June 15th, subsequent to that, we'll see some increases in ridership and return to full service for ferry service.

Commissioner Woo Ho - Okay. I have my last comments on cruise. I just -- you know, we mentioned you're going to say in 2022 118 cruise [stops]. And I think, Elaine, I want to say, under your coming back to us on the MTA Embarcadero quick build, I would like to hear a specific strategy of what they're going to do to address traffic because 118 ship calls means that at least one-third of the year you have traffic that's going to increase dramatically on the Embarcadero.

So it isn't like it's just once a month or -- it is a lot of days. It's good news. I mean, we're happy to have it. But I also think we have to mitigate the issues related to that.

So that's one of my comments. The second thing I just wanted to say, I'm glad to hear your marketing strategy to attract new cruise lines. I did look at -- I think a lot of people have been looking at cruising as an opportunity for travel later this year or next year.

And I even took a look at that myself. I saw one world -- round-the-world cruise, San Francisco to San Francisco. I was very encouraged by that. And I hope, because -- if we're going to just think of ourselves for Alaska and Mexico, I hope we can think of these longer-term cruises as a -- that was very exciting to see, San Francisco to San Francisco.

If we could increase that, then obviously our opportunity to increase passenger volume goes beyond just the typical cruise routes that we've seen in the past, which is up and down the coast. So that's my last comment. I really am excited to see -- you know, let us do more with cruises. Thank you. I think I've done around the world here. Thank you. I yield the floor.

Andre Coleman - Thank you for your comments.

President Brandon - Thank you. I think you may have covered every area of this report, Commissioner Woo Ho. Commissioner Burton?

Commissioner Burton - No comment. Good report.

Andre Coleman - Thank you, Commissioner.

President Brandon - Thank you. Vice President Adams?

Vice President Adams - I think Doreen hit it out the park. I don't think there's nothing left to say. She encompassed it all and, on one breath, hit on everything. Andre, impeccable report. Thank you very much.

Andre Coleman - Thank you, Commissioner.

President Brandon - Thank you. Andre, again, thank you for that report. It's always exciting to hear about our maritime operations and opportunities. So you did a great job of updating us on what the future has in store for us. Thank you so much for that report.

Andre Coleman - Thank you.

### **13. NEW BUSINESS**

Director Forbes - Under new business, I have recorded that we're coming with a policy conversation about the multi-purpose use of the Embarcadero with a consideration of prohibiting bicycles on the Embarcadero. Is there any other new business?

President Brandon - Any other new business? Seeing none. I think that's it, Elaine. Thank you.

### **14. ADJOURNMENT**

**ACTION:** Commissioner Burton moved to adjourn the meeting in memory of retired Port laborer Lawrence G. Peoples. Commissioner Woo Ho seconded the motion. In a roll call vote, the motion passed unanimously.

President Brandon - The meeting is adjourned at 6:52 p.m.