



SAN FRANCISCO PORT COMMISSION

**DECEMBER 14, 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 December 14, 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 2:00 p.m. The following Commissioners were present: Kimberly Brandon, Gail Gilman and John Burton. Commissioner Doreen Woo Ho joined the meeting during closed session at 2:05 p.m. Vice President Willie Adams joined the meeting 3:17 p.m.

2. APPROVAL OF MINUTES – November 9, 2021

ACTION: Commissioner Gilman moved approval of the minutes. Commissioner Burton 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

A. Vote on whether to hold a closed session.

ACTION: Commissioner Gilman moved to meet in closed session. Vice President Adams seconded the motion. In a roll call vote, the motion passed unanimously.

(1) CONFERENCE WITH 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: Seawall Piers 38 and 40
Person Negotiating: Port: Rebecca Benassini, Deputy Director of Real Estate and Development
Negotiating Parties: Simon Snellgrove, San Francisco Waterfront Partners III, LLC

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both

In this executive session, the Port's negotiators seek direction from the Port Commission to provide negotiation direction on factors affecting the price and terms of payment, including price structure and financing and other factors affecting the terms of payment of the proposed Piers 38 & 40 Development project. The executive session discussions will enhance the capacity of the Port Commission during the 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.

Present: President Kimberly Brandon
Commissioner John Burton
Commissioner Gail Gilman
Commissioner Doreen Woo Ho

Also present: Elaine Forbes, Executive Director
Carl Nicita, Commission Affairs Manager
Michael Martin, Assistant Port Director & Chief Operating Officer
Rebecca Benassini, Deputy Director of Real Estate & Development
Josh Keene, Assistant Deputy Director of Real Estate & Development
David Beaupre, Senior Development Project Manager
Michelle Sexton, Port General Counsel
Annette Mathai Jackson, Deputy City Attorney

(b) Property: Alioto's Restaurant, 2829 Taylor Street (Lease L-7491) and the associated storage lease at Seawall Lot 302, intersection of Jefferson and Leavenworth Streets (Lease L-9171)

Person Negotiating: Port: Michael Martin, Assistant Port Director

Negotiating Parties: Mario Alioto, Alioto Fish Company Ltd.

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both

In this executive session, the Port's negotiators seek direction from the Port Commission on factors affecting the price and terms of payment, including price structure and other factors affecting the form, manner and timing of payment of the consideration for potential amendments to the subject leases. The executive session discussions will enhance the capacity of the Port Commission during the 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 People of the State of California.

Present: President Kimberly Brandon
Commissioner John Burton
Commissioner Gail Gilman
Commissioner Doreen Woo Ho

Also present: Elaine Forbes, Executive Director
Carl Nicita, Commission Affairs Manager
Michael Martin, Assistant Port Director & Chief Operating Officer
Rebecca Benassini, Deputy Director of Real Estate & Development
Michelle Sexton, Port General Counsel
Rona Sandler, Deputy City Attorney

The closed session adjourned at 3:15 p.m.

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: Commissioner Gilman moved reconvene in open session without disclosing closed session discussions. Commissioner Woo Ho seconded the motion. In a roll call vote, the motion passed unanimously.

At 3:15 p.m., the Commission reconvened in open session.

6. PLEDGE OF ALLEGIANCE

7. ANNOUNCEMENTS

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

No Public Comment.

9. EXECUTIVE

A. Executive Director's Report

Director Forbes: Good afternoon, President Brandon, commissioners, Port staff and members of the public. I am Elaine Forbes, executive director. First, I'd like to commend all the Port staff that responded to heavy rains during the weekend and on Monday.

We have more rain to come. And the Port will ensure that everyone can traverse and enjoy our waterfront safely. But it's a big task of our crafts to keep the waterfront safe and secure especially when we have these big storms. So thank you for all your work.

December is a really wonderful time of year on the waterfront. The holiday spirit is in full swing. We have events and programming that continue to build community and activate our waterfront. The Holly Jolly Trolley will be at the Ferry Building and in Fisherman's Wharf this week on Thursday evening, December 16.

And on December 17, there will be the grand opening at the Ferry Building for Yes Pudding, a brick-and-mortar location for a dessert company created by San Francisco native, Quanisha Johnson.

Today, I will provide my report in the usual way. Early in 2022, I will include an end-of-year 2021 overview as we discuss our strategic plan going for the new year and the objectives for 2022. And Port Commission President, VP and all commissioners, I have a short preview for you.

We have accomplished a lot this year. And I think you'll be proud. And we have much to celebrate. Central to the Port [work] this year is ensuring sustained economic recovery on a foundation of equity and resilience.

The Port made significant progress in each of these areas and is poised to continue raising the bar in the years to come. Because of the economic recovery work this year, jobs and livelihoods have been saved. The waterfront and city are positioned to once again welcome millions. And meaningful opportunities are on the horizon.

I want to thank the Port Commission, our president and vice president and all commissioners for your very steady and passionate leadership. I want to thank Port staff for the dedication and hard work in delivering in these very changing times.

I'll start my report with economic recovery. As you know, we are experiencing the worst economic conditions in our recent history because of the COVID pandemic. We expect five years will be needed to recover to pre-pandemic revenues.

Last week, I'm very pleased to announce that the State Lands Commission approved the first in Port history the award for federal stimulus dollars to support economic recovery after our catastrophic loss of revenue.

Funded through the American Rescue Plan Act, the federal stimulus support will help avoid staff layoffs for the next two years and provide a reprieve as the Port works to implement long-term economic and revenue-enhancing strategies for 2024 and beyond.

The Port's maritime business continues to be a beacon of hope for the Port's long and short-term recovery. In 2021, we welcomed the safe return of cruise. And we are expecting record numbers of cruise calls in 2022.

The real estate group, our primary workhorse for revenue, has been executing leases and keeping viable tenants in place. These efforts took tremendous amounts of time and energy. We had staff who persevere and are committed to our organization.

With the commission's leadership, Port leadership and our evolving strategic plan, this talented staff will ensure the path of stability and recovery.

To equity, I have some highlights in our equity work that I would like to discuss. In 2021, the Port strengthened our commitment to creating a waterfront for all and a culture of inclusion. Port tenants partnered with staff and community-based organizations on new programs including a youth sailing program to introduce and invite Bayview youth to learn to sail.

This may well inspire a lifelong love affair with the San Francisco Bay. We also issued north of \$800,000 in loans to 23 diverse businesses. Nearly 75 percent of the loans have been made to women or minority-owned businesses. And more than half of the loans have been made to black and Latinx-owned businesses.

These efforts are making a dent in addressing racism, which has acted to exclude communities of color from our waterfront. Port is also working to build equitable communities with the opening of 125 units that are 100 percent affordable at the Broadway Cove and 735 Davis Street.

Low and moderate-income San Franciscans will enjoy all our waterfront has to offer. And we join the northern waterfront community in being so proud to see needed affordable housing added to our northern waterfront.

Meanwhile, Mission Rock and Pier 70 neighborhoods made tremendous progress. And new developments at Piers 30-32 and 38 and 40 in South Beach have begun early concepts. These communities will bring even more affordable homes to the waterfront, maritime investments as well as jobs, open space and

climate change adaptations to ensure the city is protected for generations to come from earthquakes and sea-level rise.

[We are also] working to enshrine equity as a core value among Port staff. We aim to create an organizational culture of inclusion and belonging with an explicit goal of making sure the Port becomes an anti-racist organization, a more equitable place to work.

Staff across the Port work together to identify and implement the racial equity action plan with actions underway this year. We have started racial-equity training and developed -- to develop a shared understanding of the structural racism and to learn skills and strategies to advance diversity, equity and inclusion.

The organization will expand equity training in the years to come. The Port is in the beginning stages of creating an organization with equity as a core Port value. We look forward to reporting more in the year to come.

Now to key projects, I'd like to discuss a huge milestone in the waterfront resilience program, which is a Port-led city and regional special project. You will hear from the team later today. But I would be remiss not to share 2021 progress that projects -- protects the city and Port infrastructure from earthquake and flood risks.

As you know, the Port is adapting and evolving the waterfront to create a safer shoreline. Later today, we will introduce 23 Embarcadero seawall early projects to the Port Commission and the public. These projects will partially be funded by Prop A, a city bond passed overwhelmingly by voters in 2018.

The early projects will focus on critical and targeted life-safety investments in the northern waterfront. Additionally, these targeted interventions are the first step in the generational waterfront-wide resilience investments that will make the waterfront resilient to earthquakes and sea-level rise.

I am proud of the Port Commission and staff's effort to lead the city and region to ensure a resilient waterfront for future generations. I am proud also of the organization's successes throughout a changing 2021.

[This has] been a difficult year once again. But we have many, many successes to celebrate. The last few years prove without a doubt that we live in an increasingly changing world. The years ahead will demand more action from our organization. But I'm optimistic that the Port once again will rise to our challenge.

Our collective potential is stronger than ever. Now is our time to work together to unlock innovations, unleash talent and create a more economically vibrant, equitable and resilient waterfront for everyone.

Lastly, I want to congratulate the many retirements we had in 2021. Port staff has stepped up again and again to make the waterfront and our city the best it can be. Thank you to all of our retirees for their years of service. We appreciate you and wish you a fruitful retirement.

I wish everyone, our staff, commissioners and public a wonderful end to 2021 and a very happy new year. Thank you, and that concludes my director's report.

No Public Comment on the Executive Director's Report.

Commissioners' Discussion on the Executive Director's Report:

Commissioner Woo Ho: Thank you, Elaine -- Executive Director Forbes for a great report. Congratulations on the initial funding out of State Lands and appreciate the recap of everything that's happened in a very challenging year. And congratulations to the staff in rising to the challenge. Thank you, and happy holidays.

President Brandon: Thank you. Commissioner Gilman?

Commissioner Gilman: I just wanted to echo happy holidays to everyone on the staff and also to the staff for stepping up with the unprecedented amount of talent that we had in the past year who retired and left Port ranks and individuals that have really stepped up to fill that void. I want to thank them.

It is just so exciting to hear about Mission Rock moving forward and creating affordable homes in spite of everything that's going on. I think we're going to have a bright future in 2022. Thank you for your report, Director Forbes.

President Brandon: Thank you. Commissioner Burton?

Commissioner Burton: Nothing to add. Good comments.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: Director Forbes, to the staff, your contribution this year has just been phenomenal. The staff and everyone has just flourished and rose to the occasion. President Brandon, thank you for your strong leadership and your vision.

And to the other commissioners, as I said, this is the best commission in the City and County of San Francisco. And I'd match it against any commission in this country pound for pound. So many challenges -- I miss that we can't meet in person.

We've made the best out of a very, very bad situation. It doesn't look like there's no relief in this COVID. But that underscores all the accomplishments. I'm glad we were able to get the federal money to help the Port and our tenants.

So I just want to say to everyone, thank you for all hands on deck and for a team effort. The citizens of San Francisco know that the commission, the staff and the Port director -- we're there for them and all of our customers.

We've risen to the occasion. And I wouldn't expect anything other than that. So I just want to say to everybody, thank you. Appreciate it.

President Brandon: Thank you. Director Forbes, thank you so much for your extensive report. And I know this has been an extremely challenging year for you and the staff with the retirements, with pandemics, with flooding, with everything that's going on. I think the staff has just stepped up and done a phenomenal job this year.

I couldn't be more proud of you and your leadership team and the entire staff for all that you have accomplished and taken on this year. So I really, just from the bottom of my heart, want to thank you and everyone else because I know our tenants, the visitors, everyone just still is having a wonderful experience at the Port.

And I hope to see the Holly Jolly. And I would definitely like to welcome Yes Pudding. Congratulations on the federal funding. That is phenomenal. It's only going to help us in our -- in 2022 with our recovery efforts.

So I'm so looking forward to 2022. But this year has been a phenomenal year for the Port. And I just truly want to thank all the staff and my fellow commissioners for all the time, energy and support you have given to the Port. So thank you.

Director Forbes: Thank you so much. If I could just redirect quickly back to my director's report -- but I want to thank you so much, President Brandon, for your tireless effort for our organization, for the way you pour over our staff reports and help us prepare and challenge us to look at things in new ways and the complete dedication you give to our organization as well as all of the commissioners.

But I wanted to make a special compliment to you, President Brandon, for just a huge amount of dedication and wisdom and passion and push that you've given to the organization to see us achieve our best and brightest. And I know the future will even be brighter. So thank you so much for all of that contribution.

President Brandon: Thank you. Thank you. Carl, next item, please.

10. CONSENT

- A. Request approval of a resolution adopting findings under new State urgency legislation to allow remote meetings during the COVID-19 emergency; continuing remote meetings for the next 30 days; and directing the Commission Affairs Manager to agendize a similar resolution at a Commission meeting within 30 days. (Resolution 21-49)
- B. Request authorization to advertise for competitive bids for Construction Contract No. 2843, Pier 70 Shipyard Grading and Abatement. (Resolution 21-50)
- C. Request approval to issue a Request for Proposals for As-Needed Technical Services for Pier 70 and Mission Rock Development Projects. (Resolution 21-51)
- D. 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 for an additional four months through April 30, 2022. (Resolution 21-52)
- E. Resolution authorizing the Executive Director to Amend the Feasibility Cost Sharing Agreement (FCSA) with the United States Army Corps of Engineers (USACE) for the San Francisco Coastal Flood Study (Study) to Extend the Term by an Additional 50 Months, Increase Port's Share of the Cost of the Study by up to an Additional \$5 Million, and Allow the Port to Provide Accelerated Funds for its Share of the Study Cost. (Resolution 21-53)

ACTION: Commissioner Woo Ho moved approval of the consent calendar. Commissioner Gilman seconded the motion.

No Public Comment on the Consent Calendar.

Roll Call Vote:

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

President Brandon - The motion passes unanimously. Resolutions 21-49 through 21-53 are adopted.

11. MARITIME

A. Request approval of a 5-year rate structure and fees for landings by ferry and excursion operators. (Resolution 21-54)

Dominic Moreno: Good afternoon, President Brandon, Port commissioners, Director Forbes. I am Dominic Moreno with the maritime division. And today, I am joined by Andre Coleman, our maritime director, to request approval of the implementation of a five-year fee schedule for our ferry commuter and excursion rates for Port-managed facilities. Next slide, please.

This presentation will provide a background to the proposed strategy and the five-year fee schedules for your approval to be implemented as of January 1, 2022 for inclusion into issued maritime licenses to use Port property for landings at Port-managed facilities. Next slide, please.

The Port of San Francisco operates two terminals for ferry operators, the downtown ferry terminal gate B at the Ferry Building and the China Basin ferry terminal adjacent to Oracle Ballpark. The Ferry Building is the hub of the Bay Area regional ferry system and is the State of California's leading ferry-passenger destination, handling over five million passengers annually.

This passenger count includes those passing through the Golden Gate Bridge Highway and Transportation District's terminal at Gate C and the WETA facilities at Gates E, F and G, which it operates and maintains.

In addition to ferry operations, the Port provides berthing and landing facilities at Hyde Street Harbor, Gate B, China Basin and South Beach Harbor for a variety of water excursions including sightseeing tours, bay voyages and dinner cruises.

The Port also has licenses in place for excursion operators home ported at other Bay Area harbors and marinas that seek to land at the Port's facilities. Of note, all of the landing revenue collected by South Beach Harbor is used to pay for South Beach Harbor expenses and capital improvements and is not comingled with revenues from other landings at the Port. Next slide, please.

In May 2010, Port staff presented information and categorized and compared the expenses of operating the terminals to the revenues it receives from those operations to the Port Commission. In December 2010, the Port Commission approved a form landings rights agreement and a five-year fee schedule and authorized the executive director to enter into license agreements with the various ferry and excursion operators as represented in Resolution 10-77.

As of November 2021, there are two regional ferry operators, WETA and Golden Gate Ferry, and six excursion operators including the USS Potomac, Red and White Fleet and Blue and Gold Fleet to name a few that are operated under licenses with the Port.

Except for 2019 due to the global COVID-19 pandemic, the Port has imposed an approximate 2 percent annual fee increase after the expiration of the initial approved five-year rates.

As provided by Resolution 10-77, the landing-rights-agreement form is periodically updated to include standard Port license language and new requirements including newly enacted mandatory city requirements such as the excursion vessel labor peace ordinance. Next slide, please.

In 2010, Port staff reported that ferry operations were historically subsidized by the Port and proposed increases to the fees designed to decrease the operating shortfall. A recent financial analysis of the Port's operating model shows a continued and substantial subsidy of ferry terminal operations by the Port, especially at the downtown ferry terminal.

Unfortunately, the global pandemic had dire impacts to the water transit system around the Bay Area and specifically to water-transit ridership in and out of San Francisco. Next slide, please.

While the previous strategy was to increase the rates in order to rapidly reduce any subsidy, the past year and a half has delayed this implementation. In most recent reports, the ferry operators are operating at below 50 percent for some routes and as low as 10 percent of pre-pandemic ridership numbers on others.

This slide shows SF Bay ferry ridership only, but the trends are similar with the other operator. While ridership continues to slowly increase, the operating costs of our facilities remain the same. Next slide, please.

Considering this continued operating shortfall, Port staff recommends continuing to increase commuter ferry fees at the downtown ferry terminal by 3.5 percent, which approximates an average consumer price index, or CPI, increase effective January 1, 2022 and continue on with the same increase over the next five years to allow the water transportation system and the commuting public time to return to pre-pandemic ridership numbers.

The current commuter landing fee is \$29.25 per landing. And the proposed fees are shown in the schedule displayed. These proposed revised fees for Gate B, China Basin ferry terminal and excursions. If approved, these fees will be included in the form license. Next slide, please.

The current fee for regularly scheduled event ferry landings at the China Basin ferry terminal is \$29.50 per landing. The new fee schedule recommendation effective April 1, 2022 to reflect the baseball season is to implement a \$30 landing fee or a \$60 for a round-trip landing plus a \$0.61 per passenger fee.

The following baseball season effective April 1, 2023, the per-passenger fee would increase to \$0.62. See the schedule displayed here for the full five-year schedule. Next slide, please.

Effective January 1, 2022 excursion landings will be assessed at \$122.37 per landing, a pickup or drop off. These operators also pay a percentage fee in an amount equal to 7 percent of gross revenues. The current landing fee for Hyde Street Harbor, downtown ferry terminal Gate B and China Basin ferry landing is \$118 and currently \$114 per landing at South Beach Harbor. Next slide, please.

In conclusion, Port staff recommends that the Port Commission approve the new ferry and excursion landing fees as stated above. I appreciate your time and consideration. That completes my presentation. Both Andre and I are available to answer any questions you may have. Thank you. Next slide, please.

ACTION: Commissioner Gilman moved approval of the resolution. Commissioner Woo Ho seconded.

No Public Comment on the Item 11A.

Commissioners' Discussion on Item 11A:

Commissioner Woo Ho: Thank you, Dominic, for the presentation. I think it was well laid out. I think the rate increase is reasonable. And hopefully, we can recoup some of our operating costs. As much as I am in support of water transportation, I think we have to make it a fair proposition.

I understand it potentially still continues to be a burden in terms of ridership for the ferry companies and cruise lines. But I do think it's -- not cruise lines. I should say the other -- well, not the big cruise lines at least. But I do think that this is a fair proposition. So I have no further questions and support the resolution.

President Brandon: Thank you.

Commissioner Woo Ho: Thank you.

President Brandon: Commissioner Gilman?

Commissioner Gilman: Thank you, Dominic, for the report. I support the item and have no questions.

President Brandon: Thank you. Commissioner Burton? Vice President Adams? Okay. Dominic, thank you again for your report. I, too, support this and understand why we need to do the fare increases. Hopefully, it won't be too much of a burden on our operators. Carl, can we please have a roll-call vote?

Roll Call Vote:

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

President Brandon - The motion passes unanimously. Resolution 21-54 is adopted.

12. WATERFRONT RESILIENCE PROGRAM

- A. Informational presentation regarding the Waterfront Resilience Program early projects to address life safety and disaster response.

Brad Benson: Good afternoon, President Brandon, Vice President Adams, commissioners, Director Forbes and members of the public. My name is Brad Benson. I'm the Port's waterfront resilience director. I'm here tonight -- or this afternoon with Steven Reel, who is the deputy director of engineering and project delivery.

And we're really happy to be here today to present an update on the Embarcadero early projects. I wanted to start by thanking Director Forbes for your comments during your director's report. There's been significant work that has led up to this point.

We've been engaged in deep risk-assessment work over the past three years, analyzing that work with colleagues including the Department of Emergency Management, thinking about impacts to city disaster response and then finally developing the projects that you'll hear about today.

It is a key milestone in the program. And we're very eager to hear feedback from the public and from the commission on the work to date. Next slide, please.

So we'll do just a brief overview of the risks facing the Embarcadero waterfront because the projects that you'll see today respond to those risks, talk a bit about some of the planning work that followed the Embarcadero multi-hazard risk assessment.

We'll describe the Embarcadero early projects including a framework that staff has developed to support decision making and then talk a bit about next steps. Next slide, please.

So just as a brief reminder, we started the multi-hazard risk assessment really in 2018, concluded the multi-hazard risk assessment in September of 2020. Next

slide, please.

This looked at seismic and flood risks through 2100. We identified up to \$30 billion in damage and disruption from combined seismic and flood risk by the end of the century. And that's in today's dollars. And this really speaks to the value in investing to avoid this damage and disruption.

I won't dwell on the seismic risks that you see on this slide because, later in this presentation, Steven Reel will be talking about seismic and flood risks in each of the geographies along the northern waterfront. Next slide, please.

We've also identified flood risk. There's an area -- a very low-lying area around the Ferry Building that has current flood risk today. We're concerned about a very rare storm event potentially affecting the Embarcadero muni portal that rises out of the Embarcadero.

This slide shows one foot of sea-level rise with 100-year flood in purple. With one to two-feet of sea-level rise, we expect, you know, more significant localized flooding along the Embarcadero particularly at low points, between two and three feet of sea-level rise, widespread overtopping of the entire waterfront and significant impacts to downtown San Francisco. Next slide, please.

Using the results of the multi-hazard risk assessment, the Port partnered with the Department of Emergency Management, FEMA, Cal OES and numerous other city and regional agencies to conduct a disaster response exercise looking at a 1906-type of earthquake event, which is typical for these types of exercises.

We were able, with the multi-hazard risk assessment, to present a pretty clear view of the kinds of damage that emergency-response managers can expect. I think that led to some very important learning about the existing plans that have been drafted locally and regionally and how those might be updated to anticipate this type of damage.

The exercise also confirmed the importance of the Port's, in particular, deep-water berths for moving people and supplies. The Port will be on point in leading waterfront recovery both from its headquarters at Pier 1 and with the maintenance division at Pier 50.

And we also heard about the importance of the Embarcadero roadway for emergency response vehicles to be able to move around the city. Next slide, please.

So this is a slide that depicts the various efforts that are ongoing in the waterfront resilience program. The Army Corps flood study, which was on the consent calendar today, covers the entire seven-and-a-half miles of the Port's waterfront.

Today, we're really focused on that segment in red that you see here, the Embarcadero seawall area, which is the focus of Proposition A, the 2018 seawall earthquake safety bond. We're gaining further understanding about seismic vulnerability in the southern waterfront.

And we're trying to connect all of this work to other important Port planning efforts and programs including the waterfront plan update and the Port's historic pier rehabilitation program. Next slide, please.

So taking all of this work from the multi-hazard risk assessment, the findings from stakeholder engagement over the last two-and-a-half years and the disaster-response exercise that I mentioned, the team took a deep dive over the last year along the northern waterfront looking at specific geographies, the risks that we see in those areas, the key assets and infrastructure at risk and the consequences of damage to those assets and infrastructure to develop long-range adaptation strategies that can advance to the Army Corps study and help us in thinking about future coastal flood defenses.

As part of that effort, we also identified construction projects that can buy down risk now. Those are the 23 Embarcadero early projects that we'll talk about today. We know that we have additional adaptation planning work to pursue particularly with city departments and the Army Corps of Engineers along with our regulatory partners.

And you know, in addition to things that we can build along the waterfront, we believe that there are a range of policies that could be adopted to further help reduce risk. Next slide, please. So it was really that geographic work that I just talked about that led to the identification of these Embarcadero early projects. Next slide, please.

These 23 projects -- the team is recommending advancing all of them as funding becomes available really over the next 10 years or so. So the first step is identifying the most critical projects for early implementation with a key focus on life safety and improved emergency response.

And we have also developed one near-term flood-defense project to address that flood risk that we spoke about in the Ferry Building area. Next slide, please.

In November of 2020, we presented to the Port Commission a framework to support decision making. President Brandon really led the commission through a series of questions about this decision framework, which starts with a vision, principles and goals.

We've talked about identifying those life-safety and disaster-response risks as well as the projects that we have subsequently identified to address them. And then, what the team did was apply evaluation criteria that were informed by

community feedback to rank the projects.

After that, we looked at Proposition A funding guidelines to figure out the projects that should advance with Proposition A funding. And we're really here in this box at the bottom of this chart with a recommendation to advance a specific geographic strategy in the area between Pier 19 and Pier 41.

And Steven will talk about that in more detail along with a subset of early projects. We're recommending advancing more projects that we have funding to construct. And we believe that that's an important strategy to position the program for future funding and move us along the line to final design and construction over the coming years. Next slide, please.

So we identified 35 criteria across five categories that you see here with community input: strong focus on feasibility and performance; what kind of earthquake or flood-risk-reduction performance are we seeking; society and equity, you know, thinking about people who use the waterfront and whether or not we're focused on projects with a focus on the broader city.

We're, of course, concerned about economic recovery and anything that we can do with these important projects to help with that economic recovery. And we've heard clearly from the public that they want us to pursue as many opportunities to improve bay health and the environment along the waterfront as possible.

And then, finally, we have a fifth category, governance, how we're going to govern the program. And what are the partnership opportunities that exist? So we used these criteria to rank the projects. Next slide, please.

And then, we took a step back with these Proposition A funding guidelines to ask ourselves some key questions. Are we focusing investment on the most important life-safety and disaster-response projects?

Is more analysis or planning needed? And that is true in that area of the geographic strategy that we'll talk about. Are there other funding sources such as private equity or public financing that can pay for improvements so that we can extend the reach of the improvements that we're making?

And that leads to a clear question about partnerships. Can we partner with city agencies who own infrastructure that is at risk in these zones and who would be ready to partner with the Port -- thinking about the PUC as an example, the Public Utilities Commission?

And then, do we have a long-term tenant who might want a lease extension or a development partner that we can partner with to leverage additional funding for these improvements? And then, finally and maybe most importantly, is investment prioritized for improvements that benefit the whole city?

Taxpayers around the city, you know, agreed to tax themselves to pay for Proposition A bond funding. And we want to make sure that we have a citywide interest with these projects. Next slide, please. So with that, I'm going to hand off the presentation to Steven Reel.

Steven Reel: Thanks, Brad. Can you hear me?

Brad Benson: Yes.

Steven Reel: Okay. Great. Good afternoon, President Brandon, Vice President Adams, commissioners, Executive Director Forbes, Port staff and members of the public. I'm Steven Reel, the waterfront's resilience program deputy director of engineering.

And as Brad mentioned, the planning process has identified and evaluated 23 Embarcadero early projects. You see them here on the map and in a list. The projects are distributed pretty evenly across the Embarcadero and respond to the unique risks and needs in each area.

All of the projects are important early resilience actions. However, the cost to deliver all of them is more than our current funding. And our next steps are to advance 11 of the projects in predesign using Proposition A funds, advance five projects through the development of a geographic strategy on that stretch between Piers 19 and 41 and pursue options to advance seven projects through other means including coordination with Port tenants, city agencies, Port capital program and other potential sources of funding.

In the next slides, I'll detail the areas, risks and projects. In South Beach, the seawall risk is not quite as high. The soils are better under the seawall and, as a result, is more stable in earthquakes. And the risk of lateral spreading is generally low except for a unique hotspot near Mission Creek.

The bulkhead wharfs themselves however still represent high earthquake risk, as these are some of the oldest concrete wharfs on the waterfront and are vulnerable to earthquake shaking.

For the Embarcadero, while the seawall is more stable, the fill is at risk of liquefaction, which can be damaging to utilities and the roadway. And sea-level-rise risk is emerging. This is a higher section of seawall along the Embarcadero. However, wave activity is generally also a bit bigger here. Next slide.

So in response to these risks, we've identified three early projects with two moving into predesign: an earthquake safety retrofit of the bulkhead wharfs from Pier 24 to 28 1/2; similar earthquake safety improvements will be part of the Piers 30-32 and 38-40 development projects should they move ahead; a seawall

earthquake stabilization project for the hotspot near Seals Plaza by Mission Creek.

This is a unique condition that impacts the seawall promenade plaza and potentially the ferry terminal. It does not impact the ballpark, which sits on modern deep foundations and improved soils. And I also point out here a coordination project with SFPUC to ensure earthquake reliability of the emergency fire water system intake tunnel number one which passes through the seawall between Piers 38 and 40 and is a critical water supply for the system. Next slide.

So the Pier 24 through 28 1/2 earthquake safety project -- these are some of the oldest wharfs and bulkheads on the waterfront. They support a portion of the Embarcadero promenade and remaining mission-style pier buildings.

The multi-hazard risk assessment determined that the rock-dike seawall is fairly stable here. But these tall bulkhead walls and wharfs are particularly vulnerable because of the way they were constructed.

This project focuses on improving earthquake safety by retrofitting the most vulnerable portions of the wall and wharf substructures. These are earthquake safety improvements and reduce earthquake risk until a comprehensive sea-level-rise-adaptation project is developed and implemented here. Next slide.

So moving into the Ferry Building area or former Yerba Buena Cove, this is the most challenging portion of the Embarcadero waterfront. The bay mud here is more than 100-feet thick in spots and the bedrock more than 200-feet down.

Earthquake risk of lateral spreading is very high. Earthquake risk to the bulkheads and wharfs is high as a result. Earthquake to the Embarcadero is also high both because of that seawall instability and liquefaction of the fill. And finally, this is the lowest-lying area of the Embarcadero and is at risk of flooding today. Next slide.

So in response to these risks -- sorry. Go back one slide. There we go. So in response to these risks, we've identified seven early projects with five moving into pre-design: earthquake safety retrofits in the bulkhead wall and wharf at Pier 9 and Pier 15, the Exploratorium; a project at Pier 1 to improve the earthquake reliability of the Port's headquarters and department operations center, so the Port can conduct response and recovery operations immediately after an earthquake in coordination with the city and region; --

-- an earthquake retrofit of the Ferry Building seawall and substructure that I'll discuss in more detail in a minute; and a near-term coastal-flood-risk-reduction project for the low-lying areas between Piers 5 and 22 1/2.

This project will not only keep the royal tides from flooding the Embarcadero but will also reduce the flood risk to the muni and BART underground transit network, as Brad mentioned earlier, through the muni portal. Next slide.

So the Ferry Building -- the cultural importance of this was singled out repeatedly during our stakeholder engagement. And the criticality of the area for post-earthquake-evacuation transportation was emphasized during our city and regional disaster-response exercise.

The Ferry Building, seawall and substructure earthquake reliability project was focused on retrofitting the substructure to ensure it can ride out another 1906-type earthquake and reliably function as a center for the ferry system, bringing in first responders and moving workers back to their homes.

As part of the project, we'll build a state-of-the-art analytical model to test the retrofit concepts as well as concepts to elevate the entire structure for future sea-level rise, something that we expect will be needed.

While the early project is focused on earthquake reliability, we think there is an opportunity to build on improvements that will help with this future lifting. Next slide.

Northeast waterfront and Fisherman's Wharf risks include high earthquake risk of seawall instability and lateral spreading. However, the soils here are not as challenging as Yerba Buena Cove.

Earthquake risk to the bulkheads and wharfs is again high. And earthquake risk to the Embarcadero is high because of the instability and liquefaction. And sea-level-rise risk here is emerging. Next slide.

In response to these risks in the northeast waterfront, we've identified five potential early projects that will be informed through development of a resilient shoreline strategy between Piers 19 and 41.

Pier 19 through 41 seawall improvement and resilient shoreline strategy includes potential early projects and real estate and development opportunities that can be brought together to improve disaster response and increase earthquake safety across a broader area of the waterfront.

This stretch includes: the densest collection of historic finger piers; contains the primary and secondary cruise terminals, which are critical for disaster response; includes major wastewater infrastructure within the Embarcadero serving more than 350,000 customers.

The selection of early projects focuses on: improving disaster response, the recovery, reducing earthquake damage to utility and underground infrastructure

and increasing coastal flood defenses and preserving historic resources. Next slide.

And further into Fisherman's Wharf, we've identified five early projects with three moving into predesign: a project to replace J9, which I'll discuss next; a project to improve earthquake stability of the shoreline along Taylor Street; and a project at Pier 45 to retrofit the aprons for earthquake safety and improve flood protection at several vulnerable locations. Next slide.

Wharf J9 replacement and resilient shoreline project will create the first segment of resilient shoreline in the outer lagoon making this stretch stable in earthquakes, increasing flood protection and allowing for future adaptation as well as revitalizing this area of unique working fishing industry.

Opportunities will be explored to enhance public access, improve habitat such as living seawall treatments. These ideas will inform our thinking along other areas of Fisherman's Wharf. Next slide.

Finally, we have three Embarcadero waterfront-wide projects with one moving into predesign. With the amount of earthquake damage at the seawall and bulkhead area, many of the piers will be isolated.

The pier fire suppression and waterside evacuation improvement project considers where to introduce these earthquake safety and disaster response improvements, which may include backup sprinkler systems and emergency power and pumps to supply water from the bay as well as evacuation node points with ladders and fendering that allow a variety of vessel types to assist a waterside evacuation more easily. Next slide.

This is a conceptual budget and schedule for the upcoming work. Early projects are at a planning level now. And scope, schedule and budget will be refined through the predesign process. Planning estimate to deliver all 23 Embarcadero early projects ranges from \$650 million to nearly \$3 billion, far more than current funding.

For the schedule, working from the top, staff will be engaged with other city departments throughout 2022 to develop waterfront-wide adaptation strategies for sea-level rise that will inform the Army Corps flood study.

The Pier 19 through 41 geographic strategy will build on this adaptation work to define the resilient shoreline approach for this zone by early 2023. Predesign of the 11 early projects will take place over the next two years with projects being recommended for detailed design and construction as predesign is completed.

Some projects are less complex and will move more quickly. The schedule here is to illustrate this concept only. It does not represent the actual number of

projects nor the schedule of projects recommendations. Those will come out of predesign. Next slide.

So in summary, Brad, do you want to take this one? Okay. In summary, we are here for you today providing these key considerations for your input. We intend to advance planning for the entire waterfront, a detailed focus on the Pier 19 through 41 geography, advance the early projects into predesign, which starts off with a needs-assessment report and alternatives analysis, advance other early projects through coordination with city departments and long-term tenants.

And then, we'll be back in the future to update the commission as these projects advance and make recommendations to move things into final design and construction. And with that, Brad and I conclude our presentation and are available for questions. Thank you.

No Public Comment on Item 12A.

Commissioners' Discussion on Item 12A:

Commissioner Gilman: Sorry. A little technology trouble. Well, first of all, I want to thank staff for this comprehensive report because waterfront resiliency -- and as we've seen -- we've been featured in the press a lot lately of how we need to raise the Embarcadero seven feet, and we can't do that with a [hang crane].

So I just wanted to say that the amount of work that has gone into this to come forward with these early conceptual projects, I just really want to give my appreciation to the Port staff and in conjunction with the work that you're doing with the Army Corps of Engineers.

I was briefed earlier in the week. So many of my questions were answered. You know, I do want to just note -- and this is maybe more for the public that's listening -- that these are early design projects that, even with the timeline that you showed on construction and completion for many of them, that we don't have all of the funding that we need for these projects.

And I also did want to note that, on the list of the first 23, that while [s -- bulk] of the work is being done in the northeast waterfront from around -- I'm looking at the map -- you know, the Pier 47 to the Ferry Building, there are areas of our southern waterfront that we are investing also in.

And I think that equitable distribution in these early-phase projects are really, really important. I also just wanted to note some of the early wins, you know, we thought possibly around the Ferry Building and some other projects that might be easier to accomplish and the public-private partnerships.

So while I have no more detailed questions because I had them all answered,

those were just my comments for staff. I know this is an informational item, and we'll be voting on it hopefully in January to move it forward. And I just want to say how important all of this is for the welfare of our city and health and safety but for the welfare of the waterfront. That concludes my comment.

President Brandon: Thank you. Commissioner Woo Ho?

Commissioner Woo Ho: Yeah. Thank you, Brad and Steven. This was a brilliant report. And you keep writing more and more great chapters on resiliency for the waterfront. I know it's been a long journey. But we keep hitting more and more milestones.

I appreciate the strategic approach. It's been very thorough, comprehensive and detailed and well thought out. So thank you to you two both as well as all the other members of the team that have contributed to the progress that we've made.

I really don't have any comments because I think more detail will be coming as more is known over time. It has been noted already. We know that we don't have all the funding in place. And I guess you will keep us updated as you continue to find the sources of the funding in order to accomplish this.

But we have been very persistent under your leadership, Director Forbes, and even President Brandon in terms of securing whatever funds we can from Sacramento or from Washington in addition to some of the resources that we can generate from our own surplus. But we know that that's obviously never going to be the primary source of funding to address this.

And I believe that resiliency -- particularly since we just experienced a major storm this weekend, we're reminded very much in terms of what nature is going to do to us over time. And this is very important for us to keep it sort of front and center and appreciate the priorities that you've listed.

So I don't really have any questions related to how we're prioritizing, how we've thought about it, how it's laid out. I think it's very clear. And I applaud the efforts that you have made so far. Thank you.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: Yeah. Brad and Steve, excellent report. My fellow commissioners -- I think they hit it. This thing is like a chapter in a book. It just keeps growing and growing all the time. I'm just really excited about this project, all the methodical -- all the things that -- it's taken so much to go into this that I know this thing is going to be solid.

And the citizens of San Francisco are going to be well served. And I'm just

waiting for more information. But you lay it out so much. I'm just -- I kind of scratch my head just because it's just so in-depth. So I just wanted to say thank you both. And I'm looking for more. And tell the team thank you. I know all the commissioners. And we all appreciate it. Thank you.

President Brandon: Thank you. Brad and Steven, again, thank you for this very detailed report. We've come a long way since 2018 [laughs] but definitely headed in the right direction. I think you guys did a great job explaining it and explaining how and why you came up with the proposed initial projects.

I want to agree with a lot of our constituents. And I think that the Ferry Building area is very critical, you know. I know there are other projects that we may be able to do quickly. But I really think with the local and regional impact that the Ferry Building has with the infrastructure and all that's going on around it is extremely important.

So I do hope that we can keep that as a focus for future funding. So I guess my only question is -- it's not a que -- well, it is a question. It's that, once we -- we're doing resiliency. We're doing seismic stability. And once we do the whole seven-and-a-half miles -- and I know this portion is just Prop A funding and planning.

But once we look at the entire waterfront, how are we going to prioritize everything? Is it going to be in the same manner that we did this? Or are we going to I -- you know --

Brad Benson: That's a great question, President Brandon. You know, the team - - we had to start in the northern waterfront because of the bond and the need to identify projects that could advance with the bond funding.

But the team is, right now, moving into the southern waterfront area. There's been some really good table setting that was done with some other city departments. You'll remember that Islais Creek mobility adaptation study.

So we've got some time under our belts with other city departments in that area of the waterfront. So we'll be using the same team and the same approach to look through the different geographies in the southern waterfront.

We'll identify projects that could -- you know, are seismic in focus and longer-term adaptation strategies. And then, we're always looking for those other funding opportunities to advance those projects in the southern waterfront.

So we'll be back to the commission very -- you know, I would expect by June of next year to be able to report on the projects related to the southern waterfront including our ideas about which ones to advance for available funding sources, which can include things like -- FEMA has a pre-disaster-mitigation program.

Some of our marine terminals may qualify for that or Port infrastructure development grant opportunities. So we're excited to move to that area of the waterfront and know the commission wants to see solutions for the whole waterfront.

President Brandon: Thank you. And you have been great over the last four or five years in pointing us in the right direction of funding opportunities. So I'm sure you and your team are going to do that across the waterfront. But this was a great presentation. And we look forward to you guys coming back in January if that's when you're coming [laughs] or later next year.

Brad Benson: To address that, yes, I think the intention was to gain feedback from the commission today about the staff recommendations. We have the existing contract with CH2M and prior commission authorization. So we can use that vehicle to advance into the predesign steps that Steve talked about.

There are going to be cases where we -- we need to come back to the commission to move things into final design and construction. And of course, we're going to be narrowing as we move through. Steve talked about how we have more projects than funding. So we'll be back as we move through predesign and the design phase to get additional direction from the commission.

President Brandon: Great. Thank you. I really appreciate the presentation.

Brad Benson: Thank you.

President Brandon: Carl, next item, please.

13. REAL ESTATE & DEVELOPMENT

- A. Informational presentation on Mission Rock Project Construction Updates, Public Art Plan Summary, and Street Rooms at Seawall Lot 337, bounded by China Basin Channel, Third Street, Mission Rock Street, and San Francisco Bay.

Phil Williamson: Thank you, Carl. Next slide, please. And next slide, please. Good evening, President Brandon, Vice President Adams, commissioners, Phil Williamson, Port project manager, here tonight to provide a general overview of the exciting information you will be hearing from Mission Rock Partners representatives Iowayna Pena and Yennga Khuong.

In addition to a general construction and hiring update, you will hear a summary of the project's overall art plan, street room and sculptural proposals and approval process Port staff will follow for these project elements.

While approval by the commission of the art plan is not a requirement under the project's DDA, the team values your perspective and feedback on this highly visible project element. Likewise, over the past several months, the Mission Rock team has engaged the community on details of the art plan including a well-received presentation at last week's southern advisory committee meeting. Next slide, please.

Before inviting lowayna to join this presentation, I'd like to take a few moments to describe the overall project. Approved in 2018 and with phase one now an active construction site, the Mission Rock project represents more than 12 years of efforts led by the Port Commission with Port and city staff and Mission Rock Partners all working collaboratively.

With construction having commenced in 2020, phase one includes 537 units of rental housing, 199 of which will be affordable to renters making between 45 to 150 percent of the area median income. Phase one also includes over a half a million square feet of commercial space in Buildings B and G.

Ground-floor retail will be in all four buildings of phase one. And phase one includes district-scale utility infrastructure for district energy and non-potable water needs. And finally, phase one will build out new streets and sidewalks and the inland portion of China Basin Park. Next slide, please.

I'd now like to introduce lowayna Pena from Mission Rock Partners to provide updates on construction and workforce hiring activities. lowayna?

lowayna Pena: Thank you, Phil. Good afternoon, President Brandon. It's good to see you again, Vice President Adams and Commissioners. So like Phil said, I am lowayna Pena. I'm a project manager for the Mission Rock site.

And we've been keeping very busy down in Mission Rock despite all of the weather challenges and supply challenges. So I'm happy to be able to join you all this evening and share just a few of the key project milestones that we've accomplished over this time. Next slide, please.

So I wanted to give you a visual reference for the work the team has accomplished. This is just a six-month time lapse, if you will, here. On the left here, you see where the project was in terms of build out just this past summer and then where we are.

And though this slide says November, this is like late November, really like going into that first week of December. And on the next slide, I'll get into some of the specifics for each of the parcels. Thank you.

So I'll start with Parcel G, which is our Visa building here on the left. As you can see, we -- and some of you recall we talked out on that superstructure a couple

of months ago. And currently, the team is working on some of the pre-cast installation as we work to start to close in the building, as they say, or put that exterior skin on the outer edge of the building and then close up those walls.

Moving over to Parcel A, we're looking at an aerial shot of the canyon being formed out there, which is really exciting. The steps have been poured down in the front right there on the corner [where] Third Street is the entry point for Parcel A.

And the basement work is underway underneath all this vertical processing to, you know, make space for the DES system that Phil had mentioned. So we're currently at around level seven for our decking on the tower, which is on the left side. And then, the annex is at level six, which is on the right side.

And then, the shot of Parcel A just below there in the middle -- I like to call this one from the belly of the beast because it's the point of standing essentially at the mouth of where like you can really see the formation of the canyon while you're standing within the Parcel A building there so really exciting, really amazing.

It's going to be -- it's coming along well. So it's going to be really great to see that once it's opened up. And then, last but not least, Parcel B over here -- successful tower-crane erection happened about a week and a half ago.

So next steps that we'll see over the coming months -- very similar to G -- is the structural steel erection is set to begin in a couple of days here. And that will continue throughout the rest of the year and early into next year.

What's not pictured here -- I'm very proud to report we have a mothering room on site -- and I'll speak to this later -- but in doing some of our workforce programming, learned about not only like some of our newer mothers but thinking about the women and future mothers to come and work on this site and are nursing.

So now, we've created space for them to be able to do that on site in addition to our bathroom trailers, which you know like never really sounds like a big deal. But [laughs] if you've been on a construction site having to use the porta potty, it's impactful. [laughs] It's a nice experience, or so I'm hearing. Next slide.

Thank you. So just getting into a little bit of what you'll have to look forward to in 2022, the China Basin Park inland portion -- and this is a shot on the bottom here of just where we've started to clear out some of our construction layout to make space for the work to begin on that shoreline and inland portion and then Parcel F coming on to start construction spring of next year so really excited to see those things be underway. Next slide.

In our LBE realm, we've done a lot of work through the first two quarters of this year. We're continuing to trend toward our LBE goals on the project. To date, we've awarded -- or I should say, for 2021, we've awarded \$568 million.

Of that, the LBE award is \$65.86 million. And then, in terms of those that we have internally approved to be awarded and what we have in our pipeline, we're at about \$100.3 million or about 17 percent so really proud of these numbers.

We're still doing a lot of work to make sure that we are creating opportunities to bring on new LBEs. And in the second quarter alone, we saw eight new companies join the project site. So on this table here on the right-hand side of your screen, those companies that are bolded and highlighted in green are companies that are new LBE companies to the Mission Rock project as of second quarter 2021.

And of those, you'll see that they're majority minority owned, which has been a very big focus for us throughout the project time as well as highlighting and creating opportunities for women-owned LBEs as well.

In terms of our minority and women-owned LBEs through Q2 '21, we have a combined spend of \$44.63 million. And when we tease that out further for the minority-owned companies, that amounts to \$25 million and, for the women-owned, \$19.46 million. Next slide.

So part of this greater effort is to create opportunities for diversifying our workforce too, very proud of the work that we were able to accomplish with our first workforce group, our cohort for the Mission Rock project and through our Mission Rock academy where we teamed up and were able to provide a five-week training program for 16 women.

And in that five weeks, they were taking on new skills and learning how to not only be part of a crew on a construction site but also like learning so much more about just the general building trades and where there are opportunities for them to flourish and even like level up or move and stack on the various trades that may be complementary to the ones that they started out with here.

In their training, we offered wrap-around services. There were some folks that may need to have childcare. We provided transportation stipends as well as food stipends so that they could -- to supplement needs for groceries and whatnot in addition to just the participation stipend for that five weeks while they were being trained.

In addition to that, we made sure that union membership fees and all of the safety certifications that they would need to complete before joining the workforce were taken care of. And really, we just like worked with a lot of the

community partners to understand what the barriers to entry were for people in general but wanted to go that extra step to understand what that looked like for women and particularly minority women in efforts to make this as easy in terms of entry -- not the work -- as possible.

That said, in outcomes -- and President Brandon, you were able to join us for this celebration of them, which we appreciated -- 16 women graduated. A majority of them were sponsored for immediate apprenticeship on Mission Rock.

And really, that just had to do with their trade. So if their scope of work was already underway on any of the parcels, they were able to just onboard for their apprenticeship right directly onto the site. There are others whose trade hasn't come -- it hasn't started yet for the project.

So not wanting them to be sitting, we were working with our general contractors on site to find them apprenticeship opportunities to begin work on another project with the intention and understanding that they will be joining the Mission Rock team as soon as that trade begins to start their work on site.

So we have a host of women entering the carpentry field, the operating engineers. We have stocker/scrappers, laborers, tapers, just very exciting. And I was able to walk the site last week and see so many of them actually doing like their job. It's hard work, they're saying. But you could see the happiness. And they evidently feel very empowered by the opportunity. Next slide.

So these are the faces of our 16 Mission Rock academy graduates, our first all-female cohort, to my understanding, for the City and County of San Francisco -- won't be our last -- but very excited to present these women.

As you all make your way around like the city and especially as you come to visit our site, keep an eye out for them. Yeah. Just -- really, it's brought a great sense of energy for those of us like working on the project. Next slide.

I'm going to skip this one because I already talked about it. [laughs] And I think that's the end of my section. So I'm going to hand it over to my colleague, Yennga.

Yennga Khuong: Thank you, Iowayna. Good evening, President Brandon, Vice President Adams, commissioners. I'm Yennga Khuong, a project manager for Mission Rock's public spaces and place-making projects.

Today, we're presenting to the commission our progress with Mission Rock's public art plan. We've put together a draft plan currently under review to define our goals and develop a framework for selecting, siting and prioritizing public art in Mission Rock's public spaces through all development phases and

beyond along with outlining how the Port will be involved throughout the process.

In addition, we're going to introduce some installations we have already advanced for your comment. Our mission for public art will set the foundation for our approach to seeding public space with quality artworks and experiences.

Explicitly, Mission Rock's public arts program will support an engaging and inclusive district -- apologies -- next slide. There we go. Our mission for public art is a public arts program that will support an engaging and inclusive district where arts meets play in the bay, inviting all San Franciscans to experience site-specific art to encourage exploration of the newly created district by creating a dynamic and accessible experiences for visitors and using public art as a vehicle to advance Mission Rock's core pillars, creating connections, fostering health and wellbeing, stewarding a sustainable district and advancing economic vitality. Next slide, please.

We have four primary goals for public art at Mission Rock. We believe the southeastern waterfront deserves the best quality of art. We want art to enhance our public realm. Our parks are public spaces.

We want to use art as a platform to connect with our stakeholders, neighbors, art institutions and the community as a whole. And lastly, we believe that art and beauty should be experienced daily by everybody. Next slide, please.

In our plan, we've identified five topic areas, thematic opportunities to frame the types of stories we want to tell via public art. Most obviously, the natural site itself, Mission Rocks ecology, the waterfront, the site conditions provides a rich foundation for creative expression.

Similarly, the working waterfront provides an abundance of inspiration to examine Mission Rock's rich and evolving maritime history. Sustainability -- Mission Rock will be a sustainable low-carbon neighborhood. We believe we can use public art to engage the public on topics of climate change and sustainability.

Histories and heritages -- we believe we can use art to explore the stories of the peoples of this place, the richness and the diversity of the local communities and use artworks to voice the values of the city.

And lastly, a place for play and celebration -- we believe art can just be beautiful and fun. So today, the waterfront is a place for a plethora of opportunities for recreation and play. We want to explore how we can use public art to seed the experiences of whimsy and spectacle. Next slide, please.

So how are we going to select public art? Once this draft art plan is finalized by Mission Rock Partners, the Port and BCDC, the mission and goals set forth will set our guiding lens for selecting public art.

Key additional factors are definitely feedback from community advisory committees, specifically the SAC along with our additional outreach we engaged with the community along with relevant regulatory agencies.

We want to use art to platform artists from underrepresented communities. And we want art to have a big impact. We want to engage the widest audience as possible. In conjunction to those more fun factors, we'll need to weigh other constraining elements as well including ongoing maintenance costs, permitting hurdles and funding. Next slide, please.

So the process overall -- during each phase, [the middle process], Mission Rock Partners will propose an overall budget, art sites, artists and solicitation methods for securing art during each phase. During each phase as well, we'll present proposed permanent artworks for comment to both the SAC and the Port Commission. And lastly, approval -- the Port director will approve all permanent artworks along with BCDC. Next slide, please.

So the question of where and what -- unfortunately, I can't expand on all the opportunities of art throughout the Mission Rock district. There are so many great opportunities. And in the draft plan that Port staff is currently [review], we identify potential art locations and appropriate art typologies for each location.

One key location we identified that we thought would be great for public art was in our streets, specifically on [our shared streets] and specifically along Dr. Maya Angelou [Lane]. Next slide, please.

So in the develop -- parallel to the development of the public art plan, we were designing phase-one streets. Within these streets are street-life zones, areas along the sidewalk where infrastructure is deployed to encourage people to use their streets, to linger, to play.

So additionally specified with Mission Rock's design controls, there are areas called street rooms. Similar in scale to parklets, these spaces were intended to create intimate public areas for gathering via unique seating, planting and paving materials. Next slide, please.

So while the [design-controlled] street-room goals were originally very modest, we wanted a little more -- we wanted these street rooms to be a little more bold. And we thought they provided a great opportunity to bring more design voices to the project.

So almost a year ago, we issued a design competition where the main goal was soliciting great designs from great designers to create dynamic social spaces for people to interact and get a set of diverse designers to design street rooms along Dr. Maya Angelou Lane.

We invited diverse firms from various fields along with students to enter the competition. And to help vet the submissions, we created a street-room-specific advisory committee of voices from the community folks who live in the area and people who have long connections to the Mission Rock project. Next slide, please.

So before we show the projects themselves, we wanted to show who these designers are. Who is helping shape the public realm within Mission Rock? So here are our five winning designers. We're excited by this cohort of designers from the Bay Area, Los Angeles, New York City and Shanghai [and Chile].

So we're excited to get your feedback. But please note the following images I'm about to share are from the competition. So these designs have evolved, are still in progress and not quite yet finalized. Next slide.

So our first project, I would say, was the most universally well received proposal by Dana King. It is a bronze statue in the likeness of Toni Stone at the intersection of Toni Stone Crossing and Dr. Maya Angelou Lane.

Dana King was so inspired wh -- about a year ago, we submitted to change the street names. And she knew well the story of Toni Stone, knows that folks don't know her legacy well in the area and was inspired by the story to propose a sculpture.

Roughly, the sculpture will be at her height and will be flanked by stadium seating. We're really grateful that we'll be able to platform and highlight a pioneering African-American woman whose specific stories we haven't seen in public space.

And Dana King, beyond being a former broadcaster, for folks who don't know, is a sculptor. And her artistic mission, in her own words, is to "create, form black bodies in bronze." Next slide, please.

Next up is a project called "Urban Table" by a fabrication design firm based in Los Angeles. It's a shared table using materials of wood -- wood and steel are simple and -- to create a large communal space with some breakout zones.

We envision this table would be well used as a bench, a place for convening. A lot of life could happen around this table. So it's robust. It's easy to maintain. And we think it's a good balance with some of our more bold pieces. Next slide, please.

And speaking of bold pieces, this was also another universally well-loved, well-appreciated project from both the street room advisory committee and staff. Folks love the boldness of this piece, the playfulness of it.

And this design firm based in Shanghai and Chile works -- largely focuses on playgrounds and play structures. And I think we get a hint of that sense of fun and youthful whimsy in this piece. So this piece is unlike anything else in San Francisco.

It's very modern but whimsical. And the concept here is to bring some elements of a cozy outdoor space to -- indoor home to an outdoor space. Next slide, please.

Next project is from a landscape architecture firm based in New York City that specializes in stone seating and stone installations. This rocky sculpture with a pop of color is a structure that appears like a rock sculpture rising from the streets with terrace seating.

The pop of color is intended to reflect the yellows and oranges of California poppies. We like this project because it balanced very natural materials but had that touch of fun, that touch of modern playfulness as well. Next slide, please.

And lastly, San Francisco-based architecture firm, Min Design created a garden room encapsulating two street trees. The exterior is covered with vines. And the interior will be dotted with potted plants.

In the interior, there's a fixed seated bench. The exterior will be a fixed drink rail. And there will be movable tables and chairs coming in and out of this piece. It's a contemporary greenhouse structure with a slight hint of the past. We saw this piece as an easy place for people to socialize throughout the day. Next slide, please.

So we wanted to affirm that we'll have some forthcoming art projects to bring to both the southern advisory committee and the Port Commission. These projects are still under development, aren't fully finalized, aren't fully baked.

But the SAC and the Port Commission -- we presented these artworks for comment. Thank you for your time. And for the last slide, I'm going to hand this off to Fran.

Fran Weld: Thank you, Iowayna and Yenna. Hello, President Brandon, Vice President Adams, commissioners. My name is Fran Weld. I'm senior vice president of the Giants and on the executive committee for Mission Rock Partners and just wanted to close out today with a really big set of thank yous to our incredible team for pulling off really a remarkable year.

I think it's natural in December to sort of look back on where we've been over the last 12 months. As you saw from our two presenters today and what Phil highlighted for what we have around the corner, we're really excited about Mission Rock.

Each of you over the last year has had a chance to come participate in celebrating many of the milestones that we've collectively achieved and honored with the mayor with our amazing partners at the unions, Mission Hiring Hall, CityBuild.

These sorts of programs and achievements take an incredible amount of coordination and effort so just really want to say thank you to each of the commissioners for your support in moments where we're acknowledging our teams.

I also want to thank Visa, our anchor tenant, for their remarkable demonstration of commitment to San Francisco, to our waterfront and to the jobs that they're going to be bringing to the Port in just a few short years.

And we all know that they have really been remarkably steadfast throughout COVID for this project and in helping us keep Mission Rock moving. So for that, we're really grateful. And while you often get reports on sort of our financial and contractual obligations, I just also think it's equally important to highlight really the health of the partnership and how things are going between Mission Rock Partners and the Port and city and from sort of our day-to-day workings together to our general contractors self-initiating to do a volunteer day with Rebuilding Together where they built a playground down in the Bayview and the collaborative kind of approach that we're taking together.

I think some of the things that we're most proud of don't make it into reports and checklists. So I really wanted to, in particular, call out Director Forbes for your leadership not only in hiring the best staff in the city for us to partner with but then also in your commitment to working with city agencies.

I'm not sure how much we talk about this concept of partnering across the agencies. But Director Forbes has taken a really amazing leadership role with each of the city agencies for whom we're building all this infrastructure and making sure that we are staying on target with them, solving issues as they come up and doing it in a fun and collaborative way.

And we just couldn't be happier really with how things are going with the partnership. I think our staffs are working together kind of at an all-time high which is really nice to see as we're tackling so much together so really just wanted to end with a thank you and on a positive note for the whole team and looking forward to what's to come next year. So thank you.

Phil Williamson: And I'll just step back in real quickly to just wrap up. Thank you, commissioners, for hearing us tonight. That concludes our presentation. lowayna, Yennga, Fran and I are available if you have any questions. And I also want to mention Paul Chasan from Port staff is on the line to help out with any questions that might come up. Thank you.

No Public Comment on Item 13A.

Commissioners' Discussion on Item 13A:

Commissioner Woo Ho: Thank you, Phil and team and Fran, for this great report. It's most encouraging and positive and especially helped us to end the year on a really positive note particularly with such a significant project like Mission Rock which we're all looking forward to seeing it come to its conclusion.

Appreciate the update on the construction side, and I think the report on the public art is just quite amazing, imaginative. And I can't wait to see all of it being executed and to make this one of the most exciting new neighborhoods that we're going to bring the City of San Francisco.

So I really don't have any specific questions, just really appreciate the update and applaud again, particularly as Fran noted, the great partnership that has occurred with the teams -- with the Giants and other agencies in the city. And in this challenging time, it's wonderful to see that. So I'm very, very encouraged and applaud all the efforts. So thank you.

President Brandon: Thank you. Commissioner Gilman?

Commissioner Gilman: Thank you, lowayna, Yennga, Fran and Port staff for this exciting update. I have no other questions either. I do think it's a great way to end the year on a high note. I did want to say I was fortunate enough to witness the graduation of the CityBuild class. And I just really want to commend Mission Rock and their GC and the Giants for having the first-ever women-only class to graduate from CityBuild.

It was quite a feat. I felt honored to be there. And just that overall -- and I know this is done through partnership. And I know sometimes we at the Port press all of our development partners and definitely have pressed the Giants.

But coming forward with the commitment so far that you've done on your LBE program with that class and then looking at that public art and how that is integrated in sort of the overall equity program topped with 40 percent of affordable housing, I will just say this for the public record.

It is a model that anyone else doing business with the Port, in my opinion, should be looking towards as an example of what our expectations are for community benefit and to ensure access to contracting and just having a seat at the table for underserved communities along our waterfront.

So I just want to commend you and the team and Fran also, under your leadership, for everything you've been doing. It's exciting. I look forward to learning more. I look forward to seeing you doing more as we move through other phases of the development. So thank you.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: As everyone on the team was talking, I'm looking out my window. And I can see the project right from where I live. And it's just awesome. The gravity of the moment -- this is a world-class project. I'm in awe just listening to the presentation of all the things, the richness that this project is bringing to bear and putting forth.

I've always said that the Giants -- if anyone wanted to know how to present and how to make an impact in the city, follow what the Giants do. They have a winning recipe. And I want to thank President Brandon for cracking the whip, a lot of her vision for the 23 years she's been on this commission and just incorporating the people of color.

Commissioner Gilman said about the women's-only class, the trades -- you have a way of bringing everybody under the tent. And this is such a huge contribution that generations to come will look back and not understand all the people that were involved.

But this whole community and the City of San Francisco and people from all over the world will benefit from this world-class project. When I look at this and everything that I heard today, this is a project on a magnitude that's next to none. And it's an honor to just be a commissioner and just be a part of this magnificent project. So thank you, Madam President.

President Brandon: Thank you. Again, everyone, I really appreciate the presentation. I echo my fellow commissioners and all their comments in the amazing work that you guys have done especially this year. I mean, it's really noticeable this year.

And as you know, we meet quarterly to talk about what's going on. And we had the shortest meeting ever this past quarter because you guys are doing such a phenomenal job in all areas. So I just want to congratulate you and thank you.

I think the graduation and the women's academy was great just to see the young ladies and the excitement in their voices and eyes and knowing that they had jobs. As soon as they graduated, they were placed. And they had jobs. That is phenomenal.

Your outreach to women-owned firms, minority-owned firms, our local businesses enterprises -- you guys have just been doing amazing strides. So I really appreciate all that you're doing. And this art -- I just love it.

I love that you did the competition. And you brought out young, emerging artists and looked outside the box and came up with great concepts. So I just want to thank you again for everything. I just have one question.

I think this is for Elaine. So Elaine, I was wondering why -- because, you know, I know this is a new project. And I know there's going to be a lot of art. So I was wondering why the decision is not coming back to the commission but that the executive director is going to approve everything.

And I don't have a problem with that. I'm just hoping that you make sure to come back to the commission and the southern advisory committee prior to approving just in case, you know, someone has some minor issues or something, just -- so that was my question or recommendation.

Director Forbes: Absolutely. Phil, do you want to talk about the reason for the recommendation? And then, I will say why I went with your recommendation on director approval?

Phil Williamson: Sure. Thank you, Elaine. And thanks for the question, Commissioner Brandon. The art on the project -- there's not a specific requirement in our approval documents. So we were kind of stuck with how do we get this stuff approved.

How do we make sure everybody sees it and there's community support and institutional support and regulatory support for these art pieces? The one place that does have some jurisdiction is a BCDC permit for work within their jurisdiction.

They do get to see what we're proposing and weigh in on it. So we will definitely do that. Then, the other parts of the project, specifically the parts that are on Port jurisdiction, we thought a good way to go would be to get community input through the SAC and other avenues, bring everything to the Port Commission for comment and feedback and then give Elaine the authority through the documents to approve the actual elements after all that other outreach had been done. So that is what we thought was the most efficient and expeditious way to move the project forward.

Director Forbes: Thank you so much for providing that explanation, Phil. I thought that context would be helpful. Thank you. So President Brandon, what you're recommending is exactly what will happen. We will get that SAC feedback. We'll come to the commission, get input. And then, I will be making a decision based on that input and feedback.

President Brandon: Okay. Hopefully, that's in writing somewhere because God forbid that you're not the Port director but there's another Port director. I just want to make sure that there is community input before a final decision is made.

Director Forbes: Phil, is that -- [crosstalk]

Phil Williamson: Definitely.

Director Forbes: This is an info item. Okay. We should think about how to make sure that that procedure is documented internally.

Phil Williamson: Agreed.

President Brandon: Thank you, everyone. Congratulations on all the great work. I'm looking forward to 2022 and future successes.

Phil Williamson: Thank you very much.

President Brandon: Thank you.

14. NEW BUSINESS

No New Business.

President Brandon: Commissioners, is there any new business? Hearing none. I just want to wish everybody very happy holidays and a very prosperous new year. This has been a challenging yet very, very grateful year and looking forward to working with everyone and seeing everyone in the new year and wishing everybody happy holidays.

15. ADJOURNMENT

ACTION: Commissioner Woo Ho moved to adjourn the meeting. Commissioner Gilman. In a roll call vote, the motion passed unanimously.

President Brandon - The meeting is adjourned at 5:05 p.m.