



SAN FRANCISCO PORT COMMISSION

**AUGUST 9, 2022
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

**HON. WILLIE ADAMS, PRESIDENT
HON. KIMBERLY BRANDON, VICE PRESIDENT
HON. JOHN BURTON, COMMISSIONER
HON. GAIL GILMAN, COMMISSIONER
HON. STEVEN LEE, COMMISSIONER**

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

CITY & COUNTY OF SAN FRANCISCO PORT COMMISSION

MINUTES OF THE MEETING August 9, 2022

1. CALL TO ORDER / ROLL CALL

Port Commission Vice President Kimberly Brandon called the meeting to order at 2:00 p.m. The following Commissioners were present: Kimberly Brandon, Gail Gilman and Steven Lee. Commissioner John Burton arrived at 2:10 p.m. and President Willie Adams was excused.

The Commission Affairs Manager read the Ramaytush Ohlone Land Acknowledgment.

2. APPROVAL OF MINUTES – July 12, 2022

ACTION: Commissioner Gilman moved approval of the minutes. Vice President Brandon seconded the motion. The minutes were approved unanimously, with Commissioner Lee abstaining because he was not yet a Port Commissioner on July 12, 2022.

3. PUBLIC COMMENT ON EXECUTIVE SESSION

No Public Comment.

4. EXECUTIVE SESSION

A. Vote on whether to hold a closed session and to invoke the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel.

ACTION: Commissioner Gilman moved to go into closed session. Commissioner Lee seconded the motion. 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 Lot 337 (Lease L-16417)
Person Negotiating: Port: Rebecca Benassini, Deputy Director of Real Estate and Development
Negotiating Parties: Jack Bair, General Counsel San Francisco Giants and Carl Shannon, Senior Managing Partner, Tishman Speyer

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both

(b) Property: Pier 48 (Lease L-16410)

Person Negotiating: Port: Rebecca Benassini, Deputy Director of Real Estate and Development

Negotiating Parties: Jack Bair, General Counsel San Francisco Giants

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both

In this executive session, the Port's negotiators seek direction from the Port Commission regarding two adjacent leaseholds 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 a potential amendment 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: Vice President Kimberly Brandon
Commissioner John Burton
Commissioner Gail Gilman
Commissioner Steven Lee

Also present: Michael Martin, Assistant Port Director
Carl Nicita, Commission Affairs Manager
Joshua Keene, Assistant Deputy Director for Real Estate
Phil Williamson, Development Project Manager
Michelle Sexton, General Counsel

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 Lee seconded the motion. The motion passed unanimously.

6. PLEDGE OF ALLEGIANCE

7. ANNOUNCEMENTS

The Commission Affairs Manager announced the following:

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones and similar sound-producing electronic devices are prohibited at this meeting. The Chair may order the removal from the meeting room of any person responsible for the ringing of or use of a cell phone or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make public comments on each agenda item unless the Port Commission adopts a shorter period on any item. Public comment must be in respect to the current agenda item. For in-person public comment, please fill out a speaker card and hand it to the Port Commission Affairs Manager. For remote public comment, instructions are on the first page of this agenda. During public comment, the moderator will instruct you to dial *3 to be added to the queue. An audio prompt will signal when it is your turn to speak.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Bryan Burke: Hi there. My name is Bryan Burke. I just wanted to let the council know that the Alcatraz City Cruises crew is going through unionization efforts with IBU. And I would like to read our section [unintelligible] letter to the council if time allows.

Vice President Brandon: Okay.

Bryan Burke: All right. Great. This letter was addressed to Michael Burke, Hornblower Group VP, COO of park services and concessions and also cc'd our own assistant general manager, Antonette Sespene of Alcatraz City Cruises.

So Hornblower Group owns the Alcatraz City Cruises contract with NPS and the Alcatraz Island. It also has created an LLC that operates out of Pier 33. So that's the background information. Right.

The letter starts off, "We represent the organizing committee of our union at Hornblower/Alcatraz City Cruises. We are writing to request that you formally recognize our union. We're working with Inland Boatmen's Union of the Pacific, known as IBU.

"Each day, we provide quality services to the tourists and residents of the greater San Francisco Bay area. Not only do we safely transport thousands of people from around the world to one of the most iconic historical symbols of the Bay Area, but we maintain all maritime operations, boat and landside.

"We clean the facilities. We train new hires. We serve guests. We safely transport fuel and waste and fresh water. And we have done this during a change in ownership, during a pandemic, during fires and during rising costs of living."

"With our union, we will work to create a workplace that is collaborative and supportive while setting high standards for training, worker retention, wages and safety. [We look] to standardize pay that reflects years of service as well as attract new recruits.

"We will strive for reliable and respectful work schedules that create meaningful stability to our working and personal lives. Lastly, we want to collaborate on proper and timely training that will ultimately lead to higher safety standards and greater respect for our coworkers and our profession.

"With this letter, we are submitting an outline for recognition through a third-party mediator. This mediator will compare our support cards with the employee list for full-time and part-time workers in the following departments: marine operations, engineering, maintenance, food and beverage, guest service, tram driver and group services department. We ask that you accept or reject this --"

Carl Nicita: Thank you, Bryan. Your time is expired. If you want to send me the rest of the letter, I can include it in the record. Thank you.

Vice President Brandon: Thank you for your call.

Commissioner Burton: Madam chair, I'm not sure what the beef is. How do we deal [with -- so] I've got to wait and read this letter? In other words, there was a beef with the workers and somewhere on the Port. And it's not clear to me exactly what the beef is, what the holdup is. Is there failure to negotiate? Failure to have a mediator or arbitrator or what? How do we get this issue before us? You know, talking about a potential labor dispute and -- what's the status of whatever?

Vice President Brandon: So Commissioner Burton --

Commissioner Burton: [I mean, I can't w --] does the staff know what the person was talking about?

Vice President Brandon: -- it's not on the agenda. So we can't discuss it. But -
-

Commissioner Burton: Could we ask a question? I mean, I'm interested in the issue. I mean, don't have to deal with it today. How do we get it on the agenda, so all of a sudden we don't read in the paper that there might be a union strike?

Assistant Director Martin: Commissioner, I believe they're trying to form a union with that particular operator.

Vice President Brandon: With Hornblower.

Assistant Director Martin: So what we'd like to do is obtain the letter, distribute it to all of you. And we can work with the officers to agendaize it at a future meeting if that makes sense.

Commissioner Burton: So Madam Chair, so it's a property that is not -- it's not organized by the Inland Boatmen's?

Assistant Director Martin: Currently, that operator, City Cruises or Hornblower, is not affiliated with Inland Boatmen's Union.

Commissioner Burton: Are they affiliated with any labor organiza -- they've always been a problem, Hornblower, as I recall.

Assistant Director Martin: My understanding the last time I was engaged in the subject is that they are totally non-union.

Commissioner Gilman: Mm-hmm.

Commissioner Burton: Okay. So either we're -- how do we proceed?

Assistant Director Martin: I don't know offhand. I would like to get a copy of that letter as well and --

Commissioner Burton: Okay.

Assistant Director Martin: -- understand better about what we do.

Commissioner Burton: Sorry, Madam Chair.

Vice President Brandon: So we can put that under new business for further discussion.

Assistant Director Martin: Agreed. That'll be our new business.

Vice President Brandon: Thank you. Corey, are there any other callers on the line?

Evan McLaughlin: Hi there. My name is Evan McLaughlin. I'm actually the Northern California organizer for the International Longshore and Warehouse Union, the union that workers at Hornblower/Alcatraz Cruises are working to join right now that Bryan was talking about.

Just wanted to clarify right now, we just want to make the commission aware that, right now, workers are indeed organizing to try and get better wages and conditions. We want to make sure the commission is aware of what's going on.

We are, right now, in the process of getting [NRB] election. And we're hoping that Hornblower remains a lawful and respectful employer and works with us collaboratively to get a contract and to get better working conditions.

But at this time, we just want to make the commission aware of what's going on. We are happy to send a copy of that letter and any other information that might be helpful to make sure that the commission understands and is aware of what's happening. So thank you.

Vice President Brandon: Thank you.

Commissioner Burton: Thank you very much. It would be helpful.

Vice President Brandon: Thank you.

9. EXECUTIVE

A. Executive Director's Report

- Economic Recovery
- Equity
- Key Project Updates

Assistant Director Martin: Good afternoon, Vice President Brandon, commissioners, Port staff and members of the public. I am Michael Martin, the assistant Port director, sitting in today for our executive director, Elaine Forbes. And I'm here to deliver this report on her behalf.

Today, Director Forbes and I are proud to welcome Steven Lee to the Port Commission. Commissioner Lee is replacing Doreen Woo Ho, who served on the Port Commission from 2011 to 2022. We are lucky to have Commissioner Lee's decades of hospitality and entertainment industry experience.

He is the owner and operator of numerous successful restaurants and night clubs in Chinatown. He has been a passionate advocate for hospitality and

entertainment entrepreneurs including service on the California Music and Culture Association and the San Francisco Entertainment Commission. And this experience and this focus will be greatly beneficial to the Port and all of its business. So welcome, Commissioner Lee.

Commissioner Lee: Thank you.

Assistant Director Martin: Moving to economic recovery, Port staff have worked extraordinarily hard this year to recover and grow our business operations. And today, we are seeing real glimmers of hope for our bottom line, as we see more and more people return to the waterfront to gather, celebrate, eat, drink and enjoy all that we have to offer.

I'm excited for Port staff to report out on our financial status and our more innovative upcoming economic milestones for the organization in September and October. And after much anticipation, we will welcome the historic ferryboat Klamath back to our waterfront later this month.

The Klamath was part of the economic prosperity of the waterfront in the past and will continue to be today. It has a long history in our city. The vessel was built in San Francisco by the Bethlehem Shipbuilding Corporation in 1924.

It was one of many original ferryboats that would transport people and cars across the region by water. Between 1850 and 1939, there were 120 ferryboats in operation on San Francisco Bay. Today, the Klamath is one of just five of that number that can be accounted for. So we are very happy that this treasure has been restored and will be ready this month for public enjoyment.

It will be docked at Pier 9 and will be the Bay Area Council's headquarters, a conference center and will be open to the public to enjoy. The Bay Area Council continues preparations to ready the site for the Klamath's arrival.

And the Port is excited for her return to the San Francisco waterfront to once again contribute economically to our city and welcome more people to the waterfront in new and creative ways.

Turning to equity, I want to highlight our support and mentorship for San Francisco youth. The Port's 2022 summer interns have been hard at work with Port staff learning what it takes to oversee the San Francisco waterfront.

I'm proud to have such an inspiring group of high school students and young adults with us for our 2022 summer internship program. Our interns have been working on some very important projects.

Port staff have guided and mentored our interns to: create maps of construction sites so that the organization can track changes before and after construction;

review and update a database of signage and interpretive art on Port property to ensure a current visual record; assist Hyde Street Harbor staff to review and record various dock maintenance needs; create a directory of organizations with black, Latino and indigenous populations for outreach purposes; and many, many more vital tasks.

As this program concludes this month, we wish all of our interns the best of luck in their future endeavors. They are an inspiration to us all. We are also continuing to provide tours of the waterfront to underserved youth.

Every decision we make for our waterfront is a decision to better serve our future generations. And next week, we'll provide a tour of the Mission Bay area to engage with our youth on the resilience challenges we face and the strategies we're taking to meet those challenges.

That presents a nice segue to our next section, resilience. Resilience has and will continue to be integrated into all aspects of the Port's operations. Director Forbes is looking forward to adding resilience updates to her regular reports to the Port Commission going forward.

At this time, several resilience milestones have been achieved this year. And Port staff, Director Forbes and I have reported out on many of them. To recap, in January, Speaker Pelosi announced \$5 million for new funding to secure completion of the U.S. Army Corps of Engineers San Francisco waterfront coastal flood study and, indeed, the expansion of that study to a much larger effort.

The flood study creates an important path forward for Port projects to be considered for future federal investment. Next, the launch of the living seawall pilot in April is part of the Port's commitment to engineering with nature.

The Port is honored to have the Smithsonian Environmental Research Center as partners in this important effort. In June, the work of the waterfront resilience program earned recognition at the 2022 Flood and Coastal Excellence Awards hosted in Telford, United Kingdom.

The waterfront resilience program was highly commended, a distinction awarded to nominees who performed strongly in the category for international excellence. We are proud to be honored with the United States Army Corps of Engineers for the work we are completing in partnership to protect the Port's waterfront and the city from flooding.

Port staff look forward to briefing the commission on the Embarcadero early projects development in September as well as the draft waterfront adaptation strategies highlighting Port-led city line-of-defense work in October.

Next, I'll provide a brief update on the SFMTA's Embarcadero enhancement program, some of the evidence of which we can see outside today. Port and SFMTA staff plan to provide a full report to the Port Commission in the fall.

But in the meantime, here are some highlights that we're seeing before us. The Embarcadero enhancement program quick-build project is providing traffic and curb-management changes in the Central Embarcadero between Folsom Street and Broadway to improve safety for all Embarcadero users.

The quick-build project has included a new two-way bikeway along the Embarcadero from Folsom Street through the Ferry Building area to Broadway. The updates preserve commercial and patron access adjacent to Port tenants and expand loading and taxi zones on the water side of the Embarcadero while, on the city side, there are new bus zones and accessible parking.

The project improves two of the least safe intersections on the Embarcadero, Embarcadero at Washington Street and at Broadway. The project enhances access between the waterfront and cityside neighborhoods in these locations to create safer streets.

It also includes a project evaluation and a public-awareness education plan which is critically important to encourage proper travel and traffic behaviors along the Embarcadero as well as a comprehensive update to signage along the roadway and promenade.

The newly installed wayfinding and regulatory signage directs all wheeled device users into the bikeway and, in doing so, seeks to limit e-scooters' and e-bicycles' use of the promenade.

Next steps for the program are the following. This week, SFMTA parking control officers will be on the promenade during commute hours to direct e-bike and e-scooters to use the new bikeway and to be ambassadors of appropriate use of the promenade.

SFMTA will be providing project evaluation regarding how behavior has changed compared to pre-project conditions. The evaluation will include changes in vehicle travel time, percentage of users using bikeway versus promenade and traffic compliance for all modes.

As mentioned earlier, SFMTA will be back before the Port Commission this fall for a more detailed discussion and feedback from the commission. In closing, we want to thank you, commissioners, for your steadfast commitment to ensure an economically viable, equitable and resilient and sustainable Port.

But before I close, I do want to say that Director Forbes and I and really all of our Port staff are so happy to congratulate our very own vice president on a huge

milestone. Commissioner Brandon, congratulations on 25 years of service to the Port Commission and the City and County of San Francisco.

Commissioner Kimberly Brandon was appointed to the Port Commission by Mayor Willie Brown in August 1997, making her the Port Commission's longest serving commissioner. She is also the first African-American woman to serve on the San Francisco Port Commission.

Director Forbes and I could spend the whole day talking about all the Port has accomplished in that quarter century under Commissioner Brandon's leadership together with Port staff, our partners and our stakeholders.

But what Director Forbes and I really want to highlight is how extraordinarily generous Commissioner Brandon has been with her time and responsiveness to the public in particular, not just here at these Port Commission meetings but always in the community.

In fact, it was Commissioner Brandon who spearheaded the formation of what we now know as the Southern Advisory Committee, which was intended to ensure that the southeastern waterfront communities were engaged in development planning affecting their neighborhoods.

And she has promoted equity in hiring and contracting to ensure that the Port leads the way in representation of our diverse city. Commissioner Brandon, thank you for bringing your perspective fully and richly to the Port Commission.

We are thankful for your leadership and look forward to many more years ahead. Happy 25th anniversary. If you'd step down, we'd like to give you a small token of our appreciation. And with that, that will conclude the executive director's report.

Vice President Brandon: Thank you, Mike.

Commissioner Burton: Make sure to report that. [laughter]

Vice President Brandon: I was wondering why we had flowers [over there]. [laughs]

Vice President Brandon: Mike, thank you so much for your report. When you said quarter of a century, that made me feel really old. [laughter] Okay.

Commissioner Burton: Madam Chair?

Vice President Brandon: Yes, Commissioner Burton?

Commissioner Burton: Yeah. I was struck by something in the report about the "public-awareness program." That responsibility is that of MTA or whose?

Assistant Director Martin: Correct. MTA is using its parking control officers to assist in informing the public as ambassadors along the Embarcadero.

Commissioner Burton: What's that mean? Give you a ticket and move on? What?

Assistant Director Martin: I don't believe it's a ticket. I think it's an education campaign at this point to see if behaviors can be modified in that manner. And then, as part of their report in their full discussion with you, they'll talk about what further strategies may be pursued if the behavior isn't moving in the direction they want it to.

Commissioner Burton: Okay. So basically, MTA is going to come back to us.

Assistant Director Martin: Correct. Port staff and MTA will be presenting this fall to you. And we'll also -- we recall the Port Commission's desire to understand what additional regulatory steps could be taken. And that discussion will happen at that time as well.

Commissioner Burton: MTA -- I have very little confidence in them. However, I have a lot more in the new person than I did in Ed Reiskin, who I like but felt like he could do anything he wanted when he wanted w -- not telling anybody. Thanks for that information.

Assistant Director Martin: Thank you.

Vice President Brandon: Thank you, Mike. Great report. We will now take public comment. Is there any public comment in the room? If not, Corey will provide instructions now for remote participants.

Public Comment on the Executive Director's Report:

Elaine Forbes: Excellent. This is Elaine Forbes, the Port director. Thank you. And I wanted to have an opportunity to comment on Commissioner Brandon's 25 years serving the Port. I was reflecting on her years providing policy direction and director encouragement and accountability to a huge evolution of the waterfront which is a great transformation that she's overseen.

And I was reflecting on how exactly she knew to spur the organization to develop and implement a great resiliency program and an equity program with big goals. So we're ready for the future and more durable.

And I believe she was able to know that these critical programs needed to start and needed to start strong because she has seen literally thousands of

agreements over 25 years and projects, plans and policies and has contributed so much to guiding staff to our best results.

So I want to thank her for her innovation and knowledge of what the Port needed to do and seizing the moment for the Port organization. Now, who is Commissioner Brandon? She is completely dedicated to transparency.

And our organization operates with the highest standards of transparency and excellence. She is also very loyal to our partners and loyal to staff in seeing the work through. She makes huge public contributions that are very wide-ranging not just for the Port but for many, many, many public institutions.

She has dedicated her time. And she is an amazing public servant. She also mentors people including me. She has many people under her wing that she encourages to do their best and to move forward and take risks and opportunities.

She also has a huge contribution in the community and has so, so many friends. She is a good friend to have so many friends. And she is an excellent friend of the Port. She is a strong leader for the Port. And she has guided us through so many good and challenging waters.

And I thank her so much for her contribution and look forward to more years with Commissioner Brandon with her wisdom and expertise. Thank you.

Commissioners' Discussion on the Executive Director's Report:

Commissioner Gilman: Thank you, Vice President Brandon. Before I make some comments on the director's report and particularly because President Adams was unable to be here today, on behalf of the commission, we want to congratulate you on your 25 years of service to the Port.

As one of the newer commissioners, I need to say your guidance, your mentorship and your support of me has been phenomenal, a word that you like to use a lot, phenomenal, because of your belief in the city, in this Port and in particular your diligence over your career here at the Port, your public service of really elevating and supporting both equity but the southeast waterfront.

You are one of the main reasons the Port has lived up to its obligations to the southeast sector of the waterfront which previously in its heyday was industrial, shipping and manufacturing.

From Crane Cove Park to Pier 70, you've helped it become a thriving area for the neighborhood. You oversaw the renovations of this iconic Ferry Building and director transition.

I really want to thank you for all your support of me as a commissioner, of the commission as a whole and also to really highlight the work you've done to ensure that the millions and millions and millions of contracting that we do as an entity here at the Port both have transparency and always ensures that our LBE partners, our equity partners, our San Francisco-based small businesses led by individuals of color have a seat at the table and have access to those funds. So I just wanted to thank you.

Vice President Brandon: Thank you. Thank you very much.

Commissioner Burton: Madam Chair?

Vice President Brandon: Yes, Commissioner Burton?

Commissioner Burton: Everett's little girl -- [laughter] what makes me feel that way was [Kimmy's] birthday. It's terrible to see people you knew at a certain age to grow up and become such leaders, and that you have. Your parents are justly proud of you and what you've done.

Vice President Brandon: Thank you. Thank you very much.

Commissioner Lee: I've got one. Thanks. Even though I'm a newbie, it's a pleasure sitting next to you. And I'm going to learn a lot from you. You know, 25 years -- I almost stopped at 10. [laughter] So now, I've got four more years I'm going to learn from the best, I guess. So congratulations.

Vice President Brandon: Thank you so much. I really appreciate it. This is all totally unexpected. And I really appreciate it. I feel so honored to be able to serve with so many amazing people. Thank you. Thank you. Thank you. Okay. Go ahead, Commissioner Gilman. [laughs]

Commissioner Gilman: I just wanted to say a couple of things. I want to say how excited I am that the Klamath is coming later this month and how innovative Bay Area Council was to revive this vessel and bring it back to the waterfront.

We discussed it pre-pandemic and during the pandemic to hammer out those details so how excited I am to see that happen. I want to thank Leader Pelosi for the \$5 million for the resiliency fund -- we need all the support we can get at the federal level -- and anyone on the commission who helped facilitate that as well.

I did want to just remind staff -- this is probably for under new business. I do know -- because it will be a complex, I believe, and long agenda item that, when SFMTA comes back, I know we'll be looking at how we're going to reconfigure lanes.

Signage for e-scooter vehicles, which fully are part of SFMTA [preview] to have come into the street, but I do believe we -- because it's our jurisdiction for how a promenade is used -- we still need to look at our own policies and procedures for non-electric vehicles such as skates, skateboards and bicycles because, as we've seen tourists flood back to at least the northeast waterfront and as someone who patronizes it often, we are still having a lot of competing uses on our promenade particularly on the weekend.

So I hope, either as a separate discrete item not wrapped up with how are we configuring lanes, we can discuss that at the Port Commission.

Vice President Brandon: New business.

Assistant Director Martin: We'll add it to the list. Thank you.

Vice President Brandon: Thank you, Commissioner Gilman. Commissioner Lee?

Commissioner Lee: No comment. Great report.

Vice President Brandon: Thank you. Commissioner Burton, anything else to add?

Commissioner Burton: No comments.

Vice President Brandon: Thank you. Again, everyone, thank you so much. I don't know how. But I actually forgot that it's 25 years this month. [laughter] So I really want to thank you for acknowledging it. It's just been a true experience over the last 25 years to just see the transformation of this beautiful waterfront and to work with so many wonderful people in the staff.

And I think I have served with maybe, what, 15, 20 commissioners during my 25 years? And they just keep getting better. So Commissioner Lee, welcome.

Commissioner Lee: Thank you.

Vice President Brandon: We are so happy to have you here to serve with us. And your hospitality and small business expertise will definitely help us. So welcome.

I look forward to the Klamath, to receiving and viewing the Klamath. I think that's going to be a great addition to the waterfront. Regarding the interns, I had the opportunity to meet one of them at the Mission Rock Park groundbreaking, very, very nice young woman. I'm sure we had a great group of interns here this summer. So thank you so much for supporting that program.

Resilience -- it's great to see that the Army Corps has expanded their study. And that's really going to help us with our future development and revitalization of the entire waterfront. And it's great to have them as a partner.

I really want to thank everyone for working with them so closely and continuing to bring greater support to the Port. What else? SFMTA quick build -- I'm definitely looking forward to hearing their evaluation of the restructuring of the Embarcadero and how that's going.

I agree with Commissioner Gilman that we still need to discuss the wheeled skates, bicycles, the whole deal that are definitely still competing on the promenade. So I do think that we need to look at that because it's a promenade. But it's also a sidewalk.

So we've got to figure it out so that we don't have so many pedestrian incidents on the Embarcadero. Thank you so much for your report. It was a great report. Carl, next item, please.

10. CONSENT

- A. Request approval of a resolution adopting findings under State urgency legislation to allow certain members of this body to attend meetings remotely during the COVID-19 emergency; continuing to allow certain members to attend remotely for the next 30 days; and directing the Commission Affairs Manager to agendize a similar resolution at a Commission meeting within 30 days. (Resolution 22-40)
- B. Request approval of proposed Fiscal Year 2022-23 Monthly Rental Rate Schedule, Monthly Parking Stall Rates, and Special Event Rates (Parameter Rates). (Resolution 22-41)
- C. Request approval of a proposed lease amendment with Golden Gate Scenic Steamship, doing Business as Red & White Fleet, for a temporary reduction in rent during two (2) six-month periods from November–April during Fiscal Years 2021-22 and 2022-23. (Resolution 22-42)

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

No Public Comment on the Consent Calendar.

All Commissioners were in favor.

Vice President Brandon – Resolutions 22-40, 41 and 42 pass unanimously.

11. FINANCE & ADMINISTRATION

- A. Informational presentation on a pilot program through the Treasurer and Tax Collector's Office to support access to capital for Local Business Enterprises (LBEs).

Stephanie Tang: You're advancing slides? Or do I -- [I do it here]. Okay. Hello, everyone. Good afternoon, commissioners. My name is Stephanie Tang. And I'm here to discuss this information item about the pilot micro LBE credit capacity program.

I'm joined today on the line via the phone with a key partner with this program, Tajel Shah. Tajel is the chief assistant treasurer with the treasurer and tax collector. And we are really delighted to have her and her wonderful team, especially Nicole Agbayani and her department, engaged on this program. Thank you. You've been really invaluable to this process.

I'm here today with this item as this is a follow up about actions the Port Commission has already taken around the strategic direction as it relates to small businesses and certified local business enterprises. And it's fitting this item is on an anniversary for Vice President Brandon, as this is an item that she helped spearhead and champion.

The Port Commission adopted through its strategic plan equity and specifically the item to develop partnerships with a local bank to establish new lines of credit for LBEs as an item. Then, this item is also reflected in the racial equity action plan in item 9.1 to establish a long-term loan program to support Port-related LBEs and their access to capital.

During the pandemic, the Port also took action with the short-term LBE micro emergency loan and relief program. As I believe Director Forbes mentioned in a previous meeting, all that money has been fully expended. And a majority of those loans were issued to LBEs that are identified as black and brown-owned businesses.

To implement the strategic plan, the Port has been convening with all the various city and community stakeholders that we are leveraging the expertise to look at what our strategic direction should be. A key partner in this initiative is the treasurer and tax collector. For city lingo, we call them TTX.

And TTX has the authority for the city to engage in banking relationships. They manage \$14 billion in city and county funds and recently renegotiated the banking relationships on behalf of the entire city.

I believe there are five financial institutions who the city is now doing our banking with. TTX is not just our banker. But they are also the authority advancing as many of the city's equity initiatives, in particular the Financial Justice Project, the

Office of Financial Empowerment and the Kindergarten- to College Program are examples of other initiatives that TTX is also working on to make sure that our money is being used in strategic values that also advance equity and other values we have as a city.

TTX will be the lead city entity in this program. I'm delighted that they are already engaging other city departments to understand how we can have a potential impact to expand not just the Port dollars. But how can we do this perhaps on a citywide basis as well?

Let's turn to our approach. As we looked at what we wanted to do, we had to understand what already exists within the community programs the government was already running. You can see before you there's a number of different programs that are being done at the federal, the state and the city/county level.

In particular, there's many loan-guarantee programs. There are, at the city level, revolving-loan programs. There's also the contractor-accelerated-payment programs. There's a vast network of different programs that exist.

And as the Port and TTX were considering our approach, we had to ask ourselves, with a million dollars, what should our approach be? And is there an unmet need? So as we move forward, I wanted to fill you in on not just what we're going to do but the strategy of why we're doing it this way.

First, the Port, in conversation with OEWD and other stakeholders, identified an unmet need and what we see as being a gap in its existing programs. There are a lot of loan programs. And these are wonderful and useful and valuable.

But many small businesses don't actually want a loan. What they want is to be able to have access to working capital for short-term needs. And we heard that -- I see Commissioner Lee nodding. Yeah. That's what we heard from many small businesses.

We also didn't see many what we would call kind of entry-level products, you know, kind of short-term things that people could access on kind of a revolving level. And when we saw this -- you know, if you're a small business, what do you do if you have an invoice that's taking longer to get paid, but you still have to pay your bills?

So how are you kind of floating and managing your money? That is kind of what we heard over and over from the small-business community. And we didn't see that kind of program available in the previous slide with the kind of loan programs.

The other thing we really heard from the community and we saw during the PPP program is that small businesses need a relationship to a bank. You need a

banker. Your banker needs to know you. They need to have a relationship with you.

And we think that many of the programs that exist with CDFI, like the kind of financial institution we used for the emergency loan program, are really wonderful programs. But CDFIs loan other people's money.

And that's where we thought, hey, is there a way in which we could do something where, on a policy level, banks are lending their money, not our money? And that was another kind of key initiative about wanting to explore a non-CDFI-type product and working with a bank.

We think that this is -- having a program, having CDFI programs that the city runs and the federal government runs are valuable. But how do we create a clear way and what is the connective tissue between all these different programs?

And that's where we saw a relationship with a bank as being really valuable. Finally, we wanted to figure out how we maximize our impact. How do we do this with the city as an overall and not just our department? And how do we use our various city departments in having greater impact?

And that's where this partnership with TTX is really, really valuable. This pilot is a kind of test of our concept of larger initiatives. And perhaps, hopefully, this is something, if it works, we might be able to do on a larger level.

So that's kind of the program approach of why we came to this approach. I could have been here two years ago if I said we can do a CDFI program. We can loan the money. What we really wanted to do was make sure that we were filling a strategic place that had value for the businesses community.

So this is our concept. The concept for the program is that the borrowers -- this would be for certified LBEs who have a contract, a subcontract or are a tenant. The lender is the bank. It's the bank's money that we're lending.

What it would be would be a \$50,000 line of credit per borrower. The Port would back -- basically be a guarantee for the funds. We would have a million dollars. And the money would be held by the financial institution.

Part of the reason why we think the money being held by the financial institution is that they can do a little bit better in the interest rates and whatnot when we structure it that way. The line of credit would be for 12 months. And they would requalify every year, we're thinking, for three years.

And one of the requirements is that we want to make sure that people are using this, taking money, returning it back, taking money, returning it back. And that's the idea of you need to retain once -- after your first draw, you need to be putting

the money back so that you're really getting used to this concept of revolving the funds.

And four, you would have to maintain a zero balance for 30 days in the first year. We don't know the interest rate because that's something that we will be putting out in the RFP.

How would you qualify for the program? I've put some of the qualifications here. You would have to be a micro LBE. You would have to have a business license. Many of these items are things that, in general if you were trying to get a loan from a bank, that they would ask.

You have to be in business. You need a history. You can't have a history of or pending legal action, financial crime. We also need to know that you have funds to possibly pay this back. So that's related to the underwriting debt-service ratio.

And then, you also have to have a minimum credit score at 640. We did discuss this with folks in terms of understanding, is this reasonable? And we think this is the right level of rigor but not too onerous.

As I mentioned, this would be -- you could participate for multiple years. And in order to maintain participation -- I've already mentioned the zero balance for 30 days. You also have to have a continuing relationship with the Port.

So if your contract is over, you know, we can't lend you money forever. That's part of the idea of the requalification. But then also, the small business is going to be working with the bank. So the bank is going to observe their fiscal practices.

And are there things that are yellow flags, red flags for them as a business? And then, finally, you'll have to do documentation to ensure that you can maintain participation.

This slide sets forth some of our thinking in how we're looking at the impact of our proof of concept during the pilot. Ultimately, we want to know, is this making a difference? So for the small business, is there an improvement in your credit score?

Are you able to get more credit? What's your total working capital before and at the end? What are your gross receipts? Are they getting larger? Are you able to participate in more public-sector contracts?

And are you hiring more people? When you increase your headcount locally, that's all part of the economic ideas that we think is important for this program. The Port is excited to have our partnership with TTX, as we're going to understand there's going to be things that we don't know about some of our criteria, stringency, relationships with the bank.

But that's part of the exciting thing of doing something new is identifying what those unknowns are and tweaking and improving the program as it goes along.

So what happens now? TTX is finalizing the RFP. This includes evaluation criteria such as things as the interest rate, small-businesses services, those types of things. We're going to advertise this to the 50 banks in the San Francisco Federal Reserve.

The banks will compete on the various terms. And then, we'll initiate a pilot program. I imagine that I will be coming back to Port Commission or through written briefings to let you know -- hey, how are things going? Is it working? Is the money being used? So that you can be updated to what's actually happening during the course of the life of the program. And with that, that concludes my presentation. And I look forward to our discussion.

Public Comment on Item 11A:

Francisco Da Costa: To commissioners, my name is Francisco Da Costa. And all through the pandemic, small businesses in San Francisco have suffered. And while the City and County of San Francisco received millions of dollars from the federal government, they did injustice to small businesses that mostly needed some help.

Now, if you attend the virtual meetings as I do and you are participating in the meetings with the small business that is affiliated to the City and County of San Francisco, they'll tell you that they don't get themselves involved in a program such as has been presented by this presenter.

Do you know that the Port Authority, which is an enterprise department -- and I have been attending the meetings for a long, long time, even before one of the commissioners who may be there for 24 or 25 years, even before her.

In my opinion, as long as you have a person like Dwayne Jones working closely with the Port, you are suspect. And I know small businesses and even, I would say, middle businesses meaning who do business up to about \$20 million who do not want to have anything to do with the Port.

And I'll be frank. Those of you all who know me, I'm a straight shooter. And you know that, more important, about four or five middle management [have jumped] from your enterprise department. So [unintelligible] this pilot model project are [very] suspect. Thank you very much.

Commissioners' Discussion on Item 11A:

Commissioner Lee: Yeah. This program actually is really good timing because,

you know, with the Port's backing -- a lot of banks won't give us loans, you know. I mean, during pandemic, we suffered a lot and especially in the entertainment industry. We were the first to close and the last to open, still had to pay rent and no assistance until finally PPP came out.

But then, there's only so much. There was a supply -- cash flow is key. Right. Sometimes -- but you have to pay your employees. And you have to pay your employees first before you can pay your invoices. And that's where cash flow -- because of COVID, it was always an issue of getting the cash flow.

So this \$50,000 as a credit line not only helps the business but also that business that doesn't have the credit or the strong backing to develop their credit. So that's why I kind of really support and applaud this issue because it really helps.

Especially right now, there's -- you know, today, I walked the pier and everything and see the comeback. And it is summertime. But what happens in September when people are back in school? Cash flow is going to be kind of suffering a little bit.

This loan is going to come in handy. Hopefully, they will be able to pay their credit and pay down and also build up their credit. And then, they won't need the Port's support to continue to do business. So I applaud this program. Thank you so much for doing this. So you've got my support on this one.

Vice President Brandon: Thank you. Commissioner Gilman?

Commissioner Gilman: Thank you so much for this report. It's so nice to see this come forward. You know, this was one of the last things that Commissioner Woo Ho wanted to see us do is do this partnership and do it wider with the rest of the city because we're not a banking entity.

I'm fully supportive. I have just one suggestion, if I may. Since you will be issuing an RFP and advertising for banks, I would hope that we would give incentive for credit unions to be looked at beyond traditional banking institutions. So that's my one suggestion.

I think credit unions sometimes for small businesses can offer other services and build relationships in ways that we know some of our -- with no disrespect to them, some of our larger banking institutions sometimes are not as community focused. So I just hope that we'll consider that in the scoring process. But you have my full support. Thank you.

Vice President Brandon: Commissioner Burton?

Commissioner Burton: No comment.

Vice President Brandon: Thank you. Stephanie, thank you so much. I really want to commend you and Katie. I know this time two years ago we had several meetings. And I was like, we've got to do something. We have to do something for our LBEs because they're not going to survive the pandemic. We were focusing on our tenants --

Commissioner Burton: [crosstalk] [is making my hair really gray].

Vice President Brandon: -- and the restaurants. But the ones that were working on our major development projects just couldn't afford to -- the lag time and the uncertainty of what was going on. So I want to applaud you and Katie for taking the ball and creating our first temporary program but now taking it to a new level.

And you should be so proud of yourself that the city is looking at implementing this. You guys have done a phenomenal job. There's my word, phenomenal. [laughter] So I just have a couple questions.

TTX is going to implement the RFP for us? And then, are they considering putting any money into this? How are they trying to work with other city departments to expand this program?

Stephanie Tang: So I will start. And then, maybe Tajel, who is on the line, can also jump in. One of the things that -- I'm going to give you a long answer. With the short-term program, we could use a CDFI because they're not actually a bank the way a regular traditional bank is.

And as we were looking into -- you know, you saw the -- in both the strategic plan and the REAP, we talked about a bank. So one of the initial hurdles that we were figuring out is how do we actually work with a bank and not a CDFI?

And in doing that, we realized the right entity in the city to do that is actually TTX. They're the only -- in fact, they're the only entity in the city that could say we're going to work with that bank. These are the terms. WE talk directly to the bank.

So this is both a partnership, but it's also a requirement that we do it this way. What TTX has already done is reached out to other city departments to identify who else might be interested in putting funds towards a similar type of initiative.

And that is not something that we, as the Port, would do alone. So that's already kind of a way that TTX has really been invaluable in thinking through. As for TTX possibly putting money towards the project, that I don't know. Tajel, if you're on the line, you can also jump in with probably your also -- your version of I don't know either.

Tajel Shah: Well, first of all, I hope you can hear me. Good afternoon. I'm

really sorry that I'm not there on this beautiful day. I had a meeting that just butt up against your time. Again, I want to commend Stephanie, Director Forbes and Katie for really focusing on this and really putting their heart and soul and sort of really figuring out the poignant pain points [including through] the vision and leadership of the commission.

So it's been really exciting for us to work on this. It's something we've been hearing a lot about also with a lot of the departments and a lot of the small businesses that we work with. A short answer to the most poignant question is, will our organization, the treasurer's office, also do underwriting?

At this moment in time, we're not conceiving of it mostly because we don't have the requirements as many of the large enterprise departments do and relationships to LBEs. And the contracts that we have don't have the kind of largesse in work that an LBE normally [in traditional] has in relationship to the scope of work that we have.

We did reach out to many departments. And we got a lot of favorable responses. So so far, the departments that have said that they would be interested in participating in this type of program after the Port and after our lessons with the Port are accomplished is the library, the city administrator's office, NTA, airport, PUC and recreation and park. So we feel really confident that the growth trajectory is there.

In terms of the banking partners, we would be reaching out definitely also with the credit unions, to the commissioner's request. And that's definitely part of our core list of banks that we reach out to as part of the [unintelligible], the San Francisco Federal Bank.

So I wanted to be very specific about that and answer that question. And I'm open to any questions also commissioners may have. I do want to also add that part of the design is that we would support your LBEs in doing the application process so that that is also not an obstacle for them.

And the other thing is that we would meet with the banks with the Port staff regularly to see and check in on the LBEs to make sure that, if there is hiccups or if they're having some challenges, we're able to bring some coaching to them in a timely manner before they are in a situation that causes them jeopardy.

Vice President Brandon: Thank you. So as far as the RFP solicitation, is the size of the fund a component? Or can you do it just on the Port's behalf? Or do you have to have five or 10 or \$15 million to -- for people to respond to? So what are they actually responding to?

Tajel Shah: At this moment in time -- go ahead.

Stephanie Tang: No, Tajel. Go. Go for it.

Tajel Shah: At this moment in time, all we've said in the RFP is that there's a possible expansion to these other departments. But we've only specifically spoken about the Port itself. And we think that the benefit obviously is for the [various] companies to see the potential progress that the contract at the beginning stages would be specifically for the Port with the option to add more departments based on the success and based on the performance of the bank and based on interest as well.

Vice President Brandon: Great. Thank you. So also within the RFP, are we requesting that these institutions develop relationships with whoever qualifies under this program within a certain time limit? Say like, if you're successful with your line of credit for three years, then you automatically get -- will prequalify for a line with the bank so that it frees up this -- what's the progression of --

Tajel Shah: We have not stipulated an ongoing relationship. Clearly, that would be the -- it's within the bank's sort of purview to determine the sort of factors of which they would want to do. As Stephanie has really designed and articulated, the hope and the reason why we've chosen banking partners [-- or the Port did] -- is so that those relationships can form and [foment] and so that they can progress which is why we've added to this scope the financial-coaching component specifically so that we can work with the LBEs that get these lines of credit and then work with them to establish that kind of relationship.

It's also why we're stipulating within the RFP that we -- the treasurer's office as well as our financial [unintelligible] office meet regularly with the bank to check in on the LBEs and really see how that progress is and then talk about [unintelligible].

We really see this as an opportunity within our office of financial empowerment to sort of work with banks to really start tailoring their products to better meet small businesses, recognizing that very significant need that's out there. And I'm hoping that this really sort of showcases those needs and inspires them or really pushes them to create products that meet those needs.

Vice President Brandon: Thank you. Thank you. I really like the impact measurements that you've put in place. I think that's great and will give us a lot of information on the success of the program. I really want to congratulate you and thank you for the partnership. It sounds encouraging. Thank you. Commissioner Gilman?

Commissioner Gilman: Yeah. I'm sorry. I just have two follow-up questions from this conversation. So I guess my first question is, has the RFP already been issued?

Stephanie Tang: No. It has not. No.

Commissioner Gilman: Okay. So then, I guess my other question -- I just want to clarify my comment since normally, when we issue RFPs, you know, the scoring criteria, the panel, all that comes to us. I understand that you're issuing this RFP on our behalf with our funds.

I guess I was looking from a scoring criteria that credit unions, if they're competitive on other measures, sort of like when an LBE applies for something -- to me, in some ways, credit unions are similar versus large banking institutions, that they should have some weighted benefit to applying for this fund. That doesn't mean you have to take my comment and execute it. But I just wanted to be clear on what my comment was.

Stephanie Tang: Understood.

Tajel Shah: Yeah. I understood. Thank you.

Vice President Brandon: Any other comments or questions? Thank you both. We really appreciate this presentation.

Commissioner Gilman: Yes. It's exciting.

Vice President Brandon: Good luck.

Stephanie Tang: Thank you.

Vice President Brandon: Carl, next item, please.

12. PLANNING & ENVIRONMENT

- A. Informational presentation on PG&E Pier 39 to Pier 43½ Offshore Sediment Remediation Project.

Kathryn Purcell: Good afternoon, commissioners. Welcome, Commissioner Lee. My name is Kathryn Purcell. I work in the Port's planning and environment division. As detailed in the staff report provided -- we provided an initial information presentation in March of 2019 [crosstalk] and an update in October 2020 on the Pier 39 to 43 1/2 sediment remediation project, which is being performed by Pacific Gas and Electric with support from Port.

I'm pleased to be here today to provide the Port Commission and the public a status report on this project and the work PG&E continues to perform in compliance with requirements from the San Francisco Regional Water Quality Control Board.

Today's presentation will briefly review background to the site, milestones completed since my October 2020 update and details on PG&E's cleanup plan, schedule, preconstruction coordination and stakeholder engagement currently underway.

As shown here on this figure, PG&E and its predecessors operated a manufactured gas plant or what we call an MGP between Jefferson and Beach Streets from the early 1900s to approximately 1931. This MGP was sold in the '50s, demolished. And then, in '63, a hotel was constructed on this block.

In '97 as part of a hotel expansion, soil investigation and contaminated soils were excavated and removed from the site. Fast forward to 2011 and '13, the Port's tenant Pier 39 identified what are called polycyclic aromatic hydrocarbons, or PAHs, in sediment in the Pier 39 east and west basins related to the historic manufactured gas plant.

In 2017, the Water Board ordered PG&E, as a primary responsible for the PAHs in the sediment, and the Port, as the property owner, to further investigate these offshore sediments. The bounded area on this figure represents what became our investigation area extending from the shoreline to approximately 1,000 feet offshore.

As shown on this graph, PG&E, with Port cooperation and oversight, have responded to Water Board orders since approximately 2014, completing over five years of remedial investigation work followed by the submittal of a draft feasibility study remedial action plan in October of 2020.

Today's update will detail milestones completed since we last presented to you in October 2020. This includes PG&E's submittal of a final FS/RAP that addressed agency comments on the draft. As the lead agency for this project, the Water Board also completed the CEQA initial study for the proposed cleanup plan.

And then, finally, the Water Board adopted what is called the CEQA mitigated negative declaration in February of 2022. And then, they issued a cleanup and abatement order to PG&E and the Port detailing the site cleanup requirements.

Prior to approving the FS/RAP or the mitigated neg. dec., the Water Board completed public notice for review and comment on the proposed cleanup plan and the environmental findings in the CEQA document.

PG&E held project-review meetings with the Port, with Pier 39, Blue and Gold and Red and White Fleet in October 2021 and again just this past May 2022. PG&E, Water Board and Port staff also provided information presentations and discussed the proposed plan in the Port's Northern Advisory Committee September 2021 meeting and then in the Southern Advisory Committee October and December meetings.

I want to point out that, as a result of SAC stakeholder feedback on concerns about potential environmental-justice and public-health impacts from PG&E's proposal to re-handle dredge materials down at the Port Pier 96 property as well as critical [path] project scheduling, PG&E withdrew its lease application for the Pier 96 wharf and terminal areas. So that portion of work is no longer part of our project.

Commissioner Burton: No part of what? I'm sorry.

Kathryn Purcell: PG&E operating a material-handling facility at Pier 96 is no longer a part of the project that we're talking about today. PG&E is now pursuing setting up their construction staging and dredge re-handling operation in Antioch, California.

As shown on this figure, the remediation plan is a requ -- the remediation order requires PG&E to finalize plans and remediate sediments contaminated by historic manufactured gas plant operations located beneath the Bay floor in the offshore areas shown on this map from Pier 39 to Pier 43 1/2.

The contaminated sediments pose potential hazards to fish and other marine organisms and the Bay ecology which triggered the Water Board order. The sediments do not pose hazards to humans. The Water Board order approves the recommended remediation plan that will include dredging, capping, post-construction monitoring and post-construction institutional controls.

As shown on this figure, remediation will be performed in five areas designated area A, B, C, D and E. Based on the 2020 estimate presented in PG&E's FS/RAP, the total estimated cost for PG&E to implement this plan was at \$211 million. Per this updated schedule, PG&E will begin construction in 2023, complete construction by area over a five-year period ending in 2027. PG&E contractors would mobilize spring of each year followed by construction activities from June through November during what are called in-water regulatory work windows.

Work is assumed to take place Monday through Saturday during daytime hours. Construction sequencing will include mobilizing waterside barges and equipment followed by the in-water construction work which will include demolition, dredging contaminated sediments, installing clean cap sand and rock materials and then site restoration.

As construction equipment will be waterside, the project does not anticipate impacting landside traffic, parking, public and pedestrian access to Pier 39 or the visitor experience along the northern waterfront during the busy summer seasons of each year construction will take place.

The Water Board will enforce PG&E's implementation of a mitigation, monitoring and reporting program that is required and detailed under the order. Construction contractors will be required to implement environmental protections including those listed on this slide.

Third-party field inspectors will be used to observe and document field operations and ensure compliance with the monitoring plans including those protecting the community health. As shown here, the PG&E team, in collaboration with Port staff, are performing a number of critical path preconstruction coordination tasks to support remediation of area A and B.

This is currently scheduled to begin in May of 2023 with mobilization followed by remediation June to November 2023. PG&E's work on the project also has undergone extensive review by the Water Board, state and other federal agencies.

PG&E is now engaged in agency consultation and working to obtain project permits by the early 2023 from all of the agencies listed here including Corps of Engineers, Water Board, BCDC and other agencies.

These permits will require PG&E to take measures to avoid or minimize environmental impacts and compensate for fill in the Bay and disturbance to Bay habitat. I think it's important to note that all of PG&E's work today including the remediation plan, basis of design documents, 30 percent design, 60 percent has undergone extensive review by Port staff and technical consultants working with the Port.

PG&E is currently working to complete 100 percent design submittals and obtain the final authorizations required under the Water Board order. We anticipate PG&E applying for a Port building permit for the area A and B remediation later this year.

This application would include 100 percent plans and specs and all of the approved -- agency approved environmental monitoring plans. I want to note that PG&E's site investigation work to date has been performed under a Port license and use agreement and approved investigation work plans tied to that agreement.

In addition, Port staff and Port consultant costs associated with the past five years' investigations have been reimbursed by PG&E to the Port. Later this year, Port staff will work with PG&E to develop a Port license and use agreement and a reimbursement agreement tied to the remediation project. As shown here, Port staff continue to work with PG&E on involving and informing our tenants, our stakeholders to understand this complex, multiyear remediation project. PG&E has begun scheduling preconstruction monthly meetings with tenants who will be directly impacted during construction.

These working group meetings, as we're calling them, will begin with Red and White Fleet later this month followed by Pier 39 and Blue and Gold Fleet next month and will include the topics listed here.

Included in these working-group meetings are Port real estate, maritime and engineering staff who are focused on ensuring that construction minimizes impacts to tenant operations and community uses in the project areas.

I also want to note that PG&E is working directly with the Pier 39 and the Red and White Fleet management to form cost agreements for reimbursement of incremental costs associated with impacts to their operations due to contamination.

And finally, I want to note that public participations and briefings have fostered open dialogue between the Port staff, our waterfront tenants and stakeholders, advisory committee meetings and the public.

Issuance of the order indicates that the Water Board determined the proposed remedial action is accepted as the preferred remedy that will address contaminated sediment. The remedial design will accommodate current and future vessel operations, maintenance dredge depths and maritime uses within this site.

Once completed, the remediation will achieve cleanup of the site and will not interfere with our maritime operations. Port staff, myself -- I anticipate returning to the Port Commission in the fall of 2023 approximately a year from now with an update on the first year of construction.

This concludes my presentation. And I'm happy to answer any questions or make clarifications.

Public Comment on Item 12A.

Francisco Da Costa: Commissioners, my name is Francisco Da Costa. And I'm the director of Environmental Justice Advocacy. This matter and this presentation is very important to all San Franciscans. You commissioners know that the 7.5-mile public-trust land is unique because it involves the participation of the community, not only here in San Francisco but all of California.

Outreach has not been done. I'll repeat. Outreach has not been done. Notices have to be sent at least to our libraries that people are informed. A lot of the [permits] that PG&E has got [is] cumbersome. And the public has to be involved.

We are talking about contamination. We are talking about a larger area that has been [marked], as you commissioners know [unintelligible] some businesses that

have closed down who have been at their place for over 50 years, the Alioto Fish Company for example and [one of her children] being adversely impacted because of contamination.

So this is not about PG&E and some regulatory agencies. The only agency that I trust is the Corps of Engineers. You have one commissioner sitting over there who knows that the role that the regional water board has [played -- played.] The regional water board does not do [unintelligible] for San Franciscans.

Vice President Brandon: Thank you, Mr. Da Costa. Are there any other callers?

Commissioners' Discussion on Item 12A:

Commissioner Gilman: I want to thank you for your report. This is a very critical issue. And despite the concerns raised by our public comment, I actually want to commend you on the outreach particularly with the impacted businesses, Pier 39, Red and White, Blue and Gold, etcetera, and your community outreach on such an important matter. I have no questions. Thank you.

Vice President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: I do have a question. I see the dredging is going to take out a lot of the berths -- you know, the boat slips. I know they said there's possible relocation. But it also is a-- there's going to be probably loss of income. Correct? Have they determined how much income that might be impacted to -- now, I'm still new. So is the slips part of the Port or is actually the revenue of the tenant at Pier 39?

Kathryn Purcell: Currently, working group meetings with each of the individual tenants, Port, real estate, maritime, PG&E are starting. And under those meetings, they're going to evaluate as they go through each area beginning with Red and White area A what kind of temporary relocation is available to minimize impact within the area, so their business would continue.

Any kind of cost reimbursement related to loss of business will be subject to the negotiated cost agreements between PG&E and the Port and PG&E and each of those tenants that are currently in the process of development.

The tenants are retaining consultants to work with them on temporary relocation options and on the cost of that relocation or loss of business. We have not seen any of that information.

Commissioner Lee: So you're still in discovery for this.

Kathryn Purcell: Yeah.

Commissioner Lee: So how long do you anticipate to be dredging? Is it a year they're going to be out? Or --

Kathryn Purcell: No. The schedule for the work is basically shown in this schedule here. You start construction -- in-water construction dredging -- June 1st is the earliest you can begin. There will be demolition first followed by dredging.

And the amount of dredging is not a huge amount. So it could be anywhere from four to eight weeks in each area as they proceed with their dredging in area A, B, C, D. Area E, which is the farthest, the last project at the Pier 39 east basin is the largest volume. And that may be -- span over two years.

But the dredging piece of it is a couple of months within the work because they have to demo, dredge, put down clean sand, put down clean rock armor and then be out of there by November 30th.

Commissioner Lee: So you're looking at about six months.

Kathryn Purcell: It's a six-month in-water activity --

Commissioner Lee: So each slip value, you know, to the tenant -- I mean, to the master lease holder -- so I guess PG&E will figure out the cost of that as part of the cost of doing this cleanup?

Kathryn Purcell: Yeah. The cost agreements being negotiated between the tenant, legal counsel and PG&E are working towards those components.

Commissioner Lee: Okay. Yeah. That's important because it's good revenue for the tenant. And we just don't want -- you know, COVID, we're still recovering. So I just don't want any more issues, you know.

Kathryn Purcell: Our maritime and our real estate staff participating in the working groups are closely looking at how to minimize impact with temporary relocation for the vessels and landside signage and passenger access. So all of this is this critical path work from now to get them into a construction mode next May.

Commissioner Lee: That's great. Okay. Thank you.

Vice President Brandon: Commissioner Burton?

Commissioner Burton: Just idle curiosity, where's the hotel?

Kathryn Purcell: So on this map, the hotel is not on Port property. It's

between Mason, Beach, Powell --

Commissioner Burton: Which hotel is it? Do you know?

Kathryn Purcell: You know, I don't -- it's changed names a couple -- [crosstalk] no. It's not the Argonaut. That's further down. It's changed names a few times. And I'm sorry. I don't know the current name. I can follow up and get you that.

Commissioner Burton: It's just idle curiosity. That's all. Thank you -- I thought a pretty informative report.

Vice President Brandon: Kathryn, thank you again for your presentation. I think most of my questions were answered. It sounds like a very complex project. I'm glad that we are working with our tenants and working with our advisory committees and working with everyone involved in this to make sure it doesn't have a lot of impact.

I know it will impact some. But it sounds like the planning process has been long enough to be able to find great solutions to upcoming problems.

Kathryn Purcell: Thank you.

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

13. NEW BUSINESS

Assistant Director Martin: Commissioners, I have recorded two items so far. One is to receive the correspondence regarding Hornblower and the NLRB election and distribute that to you and see if there is further action at a future commission meeting.

Second was a request, as SFMTA comes back for their Embarcadero enhancement project item, to also bring back discussion and recommendations of potential actions this commission can take with your authority to further de-conflict the promenade. Is there any other new business?

Commissioner Lee: You know, there are so many great programs that are coming up right now. I'm just curious if we can discuss how we can do more publicity to the general public about possible lease programs that may be available.

I don't know if we have such a department, you know, that we can maybe beef up a little bit to get more -- because I know that a lot of people out there don't know what's available on the Port. So I'm just wondering if that could be in the future sometime.

Vice President Brandon: Would you like an informational presentation on leasing opportunities?

Commissioner Lee: Leasing, yeah, space available, you know --

Commissioner Gilman: Mm-hmm. Would be good.

Commissioner Lee: -- anything. I mean, even the loan program is something that's great that people don't really maybe know that's available.

Assistant Director Martin: So it sounds like it's for more of a summary of how we're outreaching about our different leasing opportunities and other programs we offer.

Commissioner Lee: Yeah. You've got a lot of programs here that are great. And I don't think the public really knows a lot of them. So I'm just wondering if we could beef it up a little bit.

Assistant Director Martin: Okay. That makes sense. I'll speak with Director Forbes. And we'll try to put something together and maybe talk with you about it offline to see what could be useful.

Commissioner Lee: Yeah. Okay. Great.

Commissioner Gilman: I have one more thing.

Vice President Brandon: Go ahead.

Commissioner Gilman: Mike, I was hoping, possibly this year if the schedule allows or beginning of Q1 of next year -- I'd like just to really also revisit our signage and wayfinding. Many of our signs are in disrepair or are outdated or have been vandalized.

I think it's a hallmark of the waterfront, both historically and pointing to our neighborhoods that border us, Bayview -- sorry -- Bayview, Chinatown, North Beach and Dogpatch. So I just would love us to look at wayfinding and signage.

And I think that also goes to something Commissioner Lee was saying too which is a little different is like what our communication strategy is. I forgot to mention I had the honor of buying -- the first day salmon was available off the boat, I went and bought eight pounds of it.

But I need to say I had a very hard time even with all the directions and being a commissioner and using GPS figuring out where I was going to find my off-the-boat fish. So I think just maybe also, tying into what Commissioner Lee said,

what our comm strategy really is beyond just pointing to the website or to Instagram, which I love. That's how I found my fish. But I just think we could be doing more in that regard.

Assistant Director Martin: Okay. Those both make sense. I think we definitely would share those goals of making sure people are aware of all the good work we're doing. So we'll try to put something together on both counts and come back with you.

Commissioner Gilman: Yeah. It's really celebrating everything you guys are doing.

15. ADJOURNMENT

ACTION: Commissioner Gilman moved to adjourn the meeting. Commissioner Lee seconded the motion. All commissioners were in favor.

Vice President Brandon: Meeting is adjourned 4:50 p.m.