



SAN FRANCISCO PORT COMMISSION

**APRIL 11, 2023
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT

HON. WILLIE ADAMS, VICE PRESIDENT

HON. GAIL GILMAN, COMMISSIONER

HON. STEVEN LEE, COMMISSIONER

ELAINE FORBES, EXECUTIVE DIRECTOR

JENICA LIU, ACTING COMMISSION AFFAIRS MANAGER

CITY & COUNTY OF SAN FRANCISCO PORT COMMISSION

MINUTES OF THE MEETING APRIL 11, 2023

1. CALL TO ORDER / ROLL CALL / RAMAYTUSH OHLONE LAND ACKNOWLEDGEMENT

Port Commission President Kimberly Brandon called the meeting to order at 3:15 p.m. The following Commissioners were present: Kimberly Brandon, Willie Adams, and Gail Gilman. Commissioner Steven Lee arrived at 3:30pm.

The Commission Affairs Manager read the Ramaytush Ohlone Land Acknowledgment.

2. APPROVAL OF MINUTES – February 28, 2023

ACTION: Commissioner Gilman moved approval of the minutes. Vice President Adams seconded the motion. The minutes were approved unanimously.

3. PLEDGE OF ALLEGIANCE

4. ANNOUNCEMENTS

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones 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 the 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.

5. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction that is not an agenda item. No Commission action can be taken on any matter raised other than to schedule the matter for a future agenda, refer the matter to staff for investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

No Public Comment on Items Not Listed on the Agenda.

6. EXECUTIVE

A. Executive Director's Report

- Economic Recovery
- Equity
- Key Project Updates
 - Port Property Vacancies

Director Forbes: Good afternoon, President Brandon, Vice President Adams, Commissioner Gilman, Port staff and members of the public. I am Elaine Forbes, the Port's executive director. We have two recent events that sadly remind us why April is Earth month: the winter storm and the very extreme weather and the cancellation of salmon season in California.

This is the time to raise our awareness and activate change to protect the health of nature and to overcome our climate crisis. 2023 commercial salmon season has been cancelled because of too-low-number of Chinook salmon offshore.

The closure is from Southern Oregon and includes all of California. Of course, this will directly impact our local fishers. As an anchor species for our local fishers, typical years would bring over a million pounds of salmon across Pier 45.

Fortunately, our local elected officials stepped up and are taking action. Speaker Emerita Nancy Pelosi, Congressman Jared Huffman and state climate leaders were at Fisherman's Wharf last week to announce \$450 million emergency proposal to support salmon fishers over the next year.

I want to share with the public that the Port Commission's strategic plan and our mission puts fishing front and center as a key industry to meeting our mission. The Port is committed to commercial fishing in San Francisco. And we will continue to support our fishers in the ways we can.

While we see intense headwinds on climate, let's reflect on what it looks like to be an enterprise agency in a city that is a leader on climate. Here are some of the Port Commissioners' major contributions to the city ascendance as an international climate leader.

We have achieved the removal of over 300 square feet of dilapidated piers since 2001. This improved bay water quality and made the water's edge more beautiful

and sustainable. We've been essential to the work to clean up contaminated at Pier 70, Pier 39 and Mission Rock.

Exploratorium, the cruise ship terminal are LEED certified. And the EcoCenter in Heron's Head Park is the first ever in the city's LEED Platinum zero-net-energy building. We've installed solar at Pier 15, Pier 1, Pier 96 and Oracle Park. And at the wharf, we partnered with our local fishers to reduce packing and fishing processing waste.

And we are improving air quality. We cut emissions from our maritime operations more than half. We've given zero-emissions hydropower to cruise ships at Pier 27 and to our large military, government and commercial ships at Pier 70.

On our southern waterfront, industrial maritime businesses handle 90 percent of the city's Ready Mix concrete, supporting 700 high-paying jobs. We've designed a one-stop eco-industrial center that shares local resources to manufacture the construction materials that build our city so that we don't have to truck in those bulky materials along our freeways and through our communities.

This facility allows us to reduce 35,000 truck trips in San Francisco every year. Under the direction of this commission, we have accomplished a lot for our environment. It is great to stand back and see this and also to look ahead at what is possible.

We are developing strategies to innovate again to protect our climate with electrification, hydrogen and by exploring a very exciting potential for offshore wind.

Now to economic recovery and growth -- as I said, the Port team is developing strategies to welcome evolution in the maritime sector so that the Port's recovery means more business and green jobs for our residents.

Right now, the eco-industrial center supports 700 jobs. But this will grow with careful planning. Now that Recology has agreed to end its cement-crushing operation at Pier 94, we are reimagining the site potentially as a training location for those who seek maritime careers or a fabrication facility to support offshore wind industry.

The Port is also working to expand electrification and to support the growing West Coast offshore wind industry. Offshore wind is a major opportunity for District 10, for labor, for the Port and for our economic recovery.

It's also a very critical component to achieving the state's goal of 90 percent clean energy goal by 2035. We're well positioned to help to support offshore wind industry in California. And next month, the Port staff will present to this commission and the public an overview of the role San Francisco could play to welcome this industry to California.

Moving to electrification, we have worked with our ferry providers to partner to expand electrification and to switch the fleets to cleaner fuels. Last month, the nation's first electric hydrogen fuel-cell ferry boat, Sea Change, arrived and is in operation. Providing reliable green ferry transportation is a key amenity for our climate and our regional office workers.

This is just the first step in the transition to more sustainable practices for all transportation along our waterfront. The same green technology holds potential to transform shipping and trucking, especially in the vicinity of Pier 96.

In summary, we're very excited about the southern waterfront's future. And we believe it should be [intricately] tied to the city's climate innovation economy. This could mean clean, zero-emission energy to San Francisco maritime industrial activities and new climate innovation activities on our maritime terminals that provide jobs for our residents and growing future-forward industries.

We are working with our labor partners to see this vision through. And I want to thank you, commissioners, and a special thank you to Vice President Adams for always telling us to look toward the future.

On equity, the Port will remain committed to social justice through partnerships and activations along our waterfront. This month, for Earth month, is another opportunity to come together. Please join us at the EcoCenter Earth Resilience Month celebration April 29 from 10:30 to 3:30. And that will be in Heron's Head Park.

The Greenagers, a paid employment program that engages teens and youth to make meaningful contributions to environmental conservation -- those Greenagers are staffing the event. It'll be a fun time. And there will also be activities from Planet Bee. And this is an organization dedicated to teaching young people about bees.

On resilience, we are very deep in the Army Corps of Engineers work. And we've reached over 500 community members to talk about our adaptation strategies. I want to thank the public for partnering with us as we continue to plan a resilient shoreline.

Now to key projects -- I want to talk about the living seawall pilot project. Recent storms did damage 20 percent of those tiles that we discussed. And our crews are hard at work to get them back. But even so, we have very exciting results to report.

After two months, we're seeing visible signs that the living seawall is coming to life. Tiles have visible growth of native species such as sea lettuce, Turkish washcloth, Olympian oysters and the beautiful red seaweed.

This living pilot is a two-year study with the Smithsonian Environmental Research Center. And we're testing and evaluating how to add nature to the seawall. This is looking at work around the world from Seattle to Sydney. What can we do to make our seawall more ecologically friendly for the future, cleaning the bay, promoting biodiversity and improving habitat along our bay?

We will continue to do work at this commission's direction to improve our planet. Happy Earth Day. That's my concluding remarks. I would like to recognize three people who are in the audience today.

I want to recognize Rudy Nothenberg, former city administrator who co-chaired our waterfront land use planning process. I want to recognize Linda Richardson, community activist and commissioner who was a vital member of our waterfront land use planning group and, I believe, a chair of the group as well as Alice Rogers.

I was very, very happy to see these three individuals who committed so much time and energy into the waterfront plan and to our future. It's wonderful to see you back. And that concludes my report. Thank you.

President Brandon: Thank you, Elaine. Great report. Okay. Is there any public comment on the executive director's report in the room? Seeing none. Corey will provide instructions for our remote participants.

Director Forbes: If I may, President Brandon, I forgot that my report includes Rebecca Benassini. Sorry, Becca. [laughter] Sorry. Sorry, Becca. Rebecca is going to give an update on our real estate portfolio. Thank you.

Rebecca Benassini: Thank you so much, Director Forbes. And hello, commissioners. Rebecca Benassini, your deputy director for real estate and development. Thank you, Tedman. I just wanted to show you a few slides on a topic that comes up in many of our items. Many of our items -- we're so focused on one particular transaction.

And I wanted to take this opportunity during the executive director's report to give a little bit of a broader look at our leasing and vacancy, something that's I know of great interest as we look towards economic recovery and as we have individual new leases or terminations come before the commission.

It's nice to just take a moment to kind of step back and look more broadly so just a few slides for you. Looking specifically at vacancy and sort of our properties' performance across different types of sectors, on the left-hand side I wanted to go through office, shed, industrial storage and then this broad category of uses we have called master leased properties, land, submerged land, parking leases.

So you can see here sort of the relative size of each of those types. The largest one we have is 15 million square feet. That's sort of a combination of parking -- it's

mostly land and then ground leases where we have master tenants in place. We have a pretty low vacancy rate there.

We also have the next largest category of uses, which is the shed storage, our typical kind of pier storage locations in our pier sheds. That has a relatively high vacancy rate, 25 percent. And then, you see our office vacancy. We don't directly lease a lot of office, 400,000 square feet. But we have a -- not a terrible vacancy rate relative to the city.

I also have these broken down by portfolio. We will have the 2023 data when we come back to you all for the parameter-rate reset in May. So we'll have that data. I don't have it at hand today. But I could tell you that I know, in the Fisherman's Wharf portfolio, we've had a number of leases come back to us since 2022. And we'll expect that vacancy rate to go up.

So this sort of overall metric gives you a sense, as we go through time, how our vacancy rate is performing. It doesn't look too bad. Our main areas that we still continue to have trouble leasing is in the storage in the pier sheds. That's one thing, as we -- I'm going to go through a couple other metrics to give you a sense of why that is and what we're trying to do about that.

So I want to go through just kind of north to south and point out some locations where our property managers are trying to lease. But we're running into trouble for one reason or another. So each of the slides you're going to see have colored stars that indicate what type of use is vacant and where we have locations that we could invite tenants to come through our normal leasing process.

The green stars indicate the retail/restaurant. Those are Alioto's on Taylor Street, Pier 33 1/2, which is currently being marketed by one of our brokers that's on the city's as-needed list. We have office vacancies, one on Jefferson Street, a small space in Pier 35, some space in Roundhouse. We think we'll have more leases come up in Roundhouse as the year comes to a close at the end of the calendar year.

We have storage and shed space in Pier 33, quite a lot in Pier 19. And then, we have various locations that, because of their capital -- because of the state of maintenance and code issues and other problems with the properties, we've had people or potential tenants come forward. But we haven't been able to lease to them for one reason or another.

So these include the sort of -- a previous office space on Jefferson Street, where it could be office, could be converted into retail. Pier 35 you've heard has some structural issues with the columns. Pier 29 has been largely vacant. We've been having numerous people come and talk to us. But again, we're looking at column structural issues that we're hoping to have fixed in the coming months.

This story will continue to repeat itself a bit. But I think it's nice to look at each site with a little bit of detail. On this next slide in the central waterfront and just past Mission Creek, you'll see some of our vacancies in this location.

We have the Ferry Plaza East building right behind us currently being marketed by the broker that we were able to enter into a contract with. We have office space at the Ag Building. We have storage and shed space in Piers 26, 28, also at Pier 50.

And we have several capital issues that are limiting what we'd like to do in terms of leasing. We can see in Pier 26, 28 those capital issues. There's some leaks. There are some issues with restrooms. There aren't working restrooms in all of the locations.

Pier 54 has some issues as well that we're looking at what to do with next. But these are all spaces that are available that, as you walk down the waterfront, you might think, why isn't that leased? Oftentimes, we are running into a problem with deferred maintenance and just getting projects through our small engineering department.

And then, the last section I want to go through -- in the southern waterfront, we have a number of locations that are available. For example, we do month-to-month leasing in the Noonan Building and Pier 70. Pier 80, we have a bit of office space in some of those smaller office buildings.

We have some space at 501 Cesar Chavez. We also have some unpaved land at the Backlands. We're still working to lease for construction laydown and other sorts of uses on a short-term basis.

The Shipyard land and building -- the buildings out there -- many of them are very incredible in lots of different ways but, again, a lot of deferred maintenance, difficulties leasing there and then same sort of thing with the capital issues in some of the buildings where we're really stymied in terms of getting those activated.

And what we're really trying to do is just keep them secure as we get to them through our capital program. For insights into our leasing efforts, we do the best we can. But we have some limitations I'm going to speak about in a minute.

Primarily, we have building signage. We do, every couple of months, update our vacancy list that we list on our website. We have a leasing inquiry form on our website that we do receive email -- or receive notifications of folks who are interested in our property.

We get quite a lot of referrals from other city agencies, from city departments like Office of Small Business, OEWD. We were able to rent a space through a referral from someone at the Department of Children, Youth and Families.

So we do have that sort of word of mouth, which works pretty well. And we now have this other tool where we entered a contract with a broker in January. And they have been marketing our two sites. And I'll give a little bit of an update as I go through the next slide on how that's going as well.

These are our leasing efforts. They're limited. But they have been enough to keep -- if you've seen the latest leasing report I sent over to you, our minimum base rent is still continuing to go up. We still do have leasing. We leased nine new leases last month and five the month before. So there still is activity. But there could be a lot more at this great property.

So these are our primary constraints. We have a limited marketing reach. We have 100-plus-year-old facilities with various degrees of capital improvement needs that we're able to keep online through a lot of ingenuity and scrappiness on the maintenance and engineering department's behalf.

And these are the sorts of improvements we see coming in the future as we continue to try to use our facilities to the greatest extent possible. First, we want to look at a competitive solicitation sort of makeover. We're going to have quite a number of locations open.

And I've been working with our property managers to review how have we done competitive solicitations in the past for non-development kinds of leases?

So how have we done them in the past? How can we do this more quickly and more efficiently and also be more responsive, to not have a distinct deadline where, if nobody comes forward, we stop the whole process, to have some way to keep rolling things forward so long as we're really clear on criteria on what our ultimate goal is for each site?

So we'll be coming in the future to figure out how to do this in a more efficient way. I'm envisioning in May or June. And we'll also have the parameter-rent reset that will come in May and then h -- May/June time period where we have that moment to look at our leasing incentives, see what's been working and see what other sorts of incentives or sort of leasing techniques would help us with leasing and activations.

And the other main thing is, as we -- we've been trying to backfill four vacancies in real estate. And our senior property manager -- they will be very excited to hand off their property management duties, their day-to-day duties with the tenant so that they could be freed up to do some of this more leasing activation sort of fulfilling the dreams of the waterfront plan, like really implementing what we want for our facilities.

That's something that's the most fun part of their jobs. And I know that they're really looking forward to having more hands on deck so that they can kind of turn

their attention to the future rather than just responding to the day-to-day difficulties with weather and whatnot in terms of what happens in the spaces.

So those are the efforts we're moving on in terms of getting back on the front foot so that we're leasing and renewing our property rather than just kind of trying to get people into compliance with their lease and terminate and all those sorts of things that are still sort of that COVID tail that we've been focused on.

So I wanted to leave you with that in your minds as we go forward towards these other sorts of information and action items, more formally in May and June. Thank you, commissioners.

Director Forbes: Thank you, Rebecca.

President Brandon: Thank you.

Director Forbes: I was wanting you to see this for your report and to see it for the public as we work through our real estate portfolio. I know you're getting your reports out from the real estate team. But for the public to understand what we're facing and our partners as well -- thank you, Rebecca and team, for preparing the information. That concludes my report.

President Brandon: Thank you, Elaine. I will open it up for public comment. Is there any public comment in the room? Okay. Corey, do we have any public comment on the phone?

No Public Comment on the Executive Director's Report.

Commissioners' Discussion on the Executive Director's Report:

Commissioner Gilman: Elaine, Rebecca, thank you so much for your report. I just really want to say how impressed I am with the environmental work we're doing. The fact that you said we're mitigating over 350 truck trips with our own laydown and manufacturing facility on our property for those things, for construction equipment, etcetera is just super exciting and something I think we need to be thinking about particularly as a city as our South of Market area has become less and less industrial or a place for folks to get supplies and get those things for the market.

I think it's really commendable that we're doing it. So I wanted to uplift and highlight that. I'm really excited about the living seawall. And so I continue to look forward to getting reports from that and maybe even doing a field trip to go out and see it. If I could, I would love to do that. I think it's really, really exciting.

And one thing that you didn't mention in your report that I actually did also want to comment the staff and Foodwise here at the Ferry Building for was the pop-up on March 25th. I had the opportunity to attend it for local black-owned businesses.

And I just want to say to the public I got there at noon, said it went till 1:00. Like everything was sold out. So when the Juneteenth celebration hits, I commend that we all get there at 8:00 or 9:00 a.m. But it was a phenomenal success. And I just wanted to thank Foodwise publicly and the staff at the Port for everything you did for that. Thank you. That concludes my comments.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: Well, I missed the first part. Sorry -- traffic. I'm glad I got into Rebecca's property -- thank you for the inspection. I went with you guys last month. And it's just amazing what's underneath these restaurants that we have to lease.

I was just in Washington D.C., and I mentioned this to Speaker Pelosi about it, you know. And there was an earthquake that morning. And I was just telling her that, you know, it's going to be a matter of time where Alioto is in the water.

So hopefully, there will be some funds coming our way that way. But I guess what I'm -- I'm curious, as we are working on fixing these older spaces, which we know that it's pretty dated, I guess what I want to know in the future how we're going to figure out like -- I know, in the previous leases, that they were responsible to fix underneath their buildings.

But to be competitive, how do we integrate this as maybe part of the lease, so they don't get scared away of saying, my gawd, we've got to fix the bottom of our restaurant before we can take over? So I was thinking of some ideas that maybe, you know, they take a fair share of that as part of their lease agreement but kind of buried in there.

And then, if they do sell the restaurant, the next person would actually have that so-called cost to fix underneath the pier. But I'm glad we're making progress. I'm glad that I can see some shed space in the southern side because, you know, I I - - again, I've been talking to a lot of the nonprofits who are looking to share spaces in maybe some of these sheds that we're not using. Or maybe they need fixing, and they can raise money to do that. Or they can actually share.

They don't need 30,000 square feet. But they might need 5,000 square feet. And there might be like six or seven nonprofits. I know there's one in the Mission, a couple in Japantown. And maybe we should explore that. Rather than having it empty and not being used, you know, the nonprofits can try to raise some money and maybe share the rent and the maintenance.

So anyway, that's just moving forward. And I think we're in the right direction. It's going to be a lot of work. One other thing that -- when I got -- when I found out in Washington that the U.S. Chamber -- they're saying we're not going to be

comfortable again until 2025 as far as economic recovery. So I have a feeling that we're going to be adjusting for another year.

President Brandon: Or two.

Commissioner Lee: So I think with that in mind and all the leases, you know, we're trying to attract, we've got to be very creative. So thank you, Director and the rest of the staff. And thanks for the tour of the Port.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: I wanted to say this is a great report. I agree with Commissioner Lee. I call this that we're going through a Port and even city -- I call this the rebirth [of the new cool] of San Francisco. We're going through a new change in the city. And I think it's a good thing.

And it's going to look a lot different than it looked like post-COVID. And that's okay. Change is good. Sometimes, change is hard for people to accept. But that's the only way we grow. So I see some good things happening.

To hear that the offshore wind -- that's progressive. That's part of how the future is going to look. And it's good to see that you and your team, Director Forbes, are razor focused on where have to go as a Port and how we're going to change and how we're going to make some adjustments.

I'm glad to know that we're worried about the salmon. We've known that the crab has been a situation we've had the last couple years. It's good to see that we've got new ferries that are coming with hydrogen and stuff like that. And once again, San Francisco is on the cutting edge.

I had some friends here. And I was really proud to show them that we have the only fire station that's on the water here across the country. Once again, San Francisco -- we're leading the way. And I want to say, Becca, thank you for that elegant report on the vacancy leasing.

We've been asking about that for a long time, the commissioners, on where we wanted to be on that. And I think that that's so important. I want to say a special thank you to some of the guests, Rudy and everyone that came out, Linda, Alice. Thank you for coming out.

You are always here for us. And seeing you today only makes me think of our good friend who I always called her a commissioner, Corinne. So thank you so much. You guys are our spirit, and you guys are our tailwind. Thank you, President Brandon.

President Brandon: Thank you. Thank you, Elaine and Rebecca, for both your reports. Elaine, there are so many wonderful opportunities here at the Port. And

it's so great to see that the Port continues to be a leader in so many areas but especially with the climate issues and all that we're doing to be proactive for all that's going to come even with the waterfront resilience program along with everything else that we're doing.

We are truly leaders and trying to get ahead of the storm. But there are so many wonderful opportunities with economic recovery, with all that's going on here. And the Port staff is just amazing. We are going to be leaders in the economic recovery of San Francisco. So please keep doing all the great work.

I do want to welcome Rudy, Linda and Alice. It's great to see all of you. Thank you for your commitment and all that you've done to help the Port with the waterfront land use plan and other things. You guys are very committed. And we really appreciate you.

So Rebecca, on the vacancy and leasing briefing, as Commissioner Lee said, you know, there's a lot of storage space. And I was just wondering if we could get more detail. Like are we trying to lease out entire piers? Are we trying to lease -- like can we take a pier and break it out and lease to, you know, smaller agencies?

Or what can we do with our sheds? Because they've been sitting vacant for a long time. So I'm just wondering.

Rebecca Benassini: Yeah. Thank you for asking. So definitely, Pier 19 is a good example where we have small spaces that are mostly used for storage. They're back office for restaurants or for other sorts of front-facing kind of businesses. And those storage locations -- like during the Chinese New Year parade, we segmented out a small space for storage of the floats.

So we can break it up for sure. We just need a bit of time and fencing and all that. So we are trying to market 19 for that. Pier 29 is completely open. And we're just needing to do some work on the columns before we can market that one. But we are open for smaller spaces for sure.

President Brandon: Great. Commissioner Gilman?

Commissioner Gilman: Sorry. That made me think of a question. When we talk about the shed space, is it similar to the space on -- I want to say Pier 40. Like when you walk backwards, there's that shed space that a lot of folks are using, particularly marina tenants.

Rebecca Benassini: Exactly. That sort of storage space is just right. Just one note though -- some of those businesses have brought in trailers to make it look more like an office. And that's not typically something we'd want to do because we just can only use so much occupancy in each shed.

So most of the sheds are limited by how much person activity they can have. So that's one difficulty is they're mostly used for storage and then just very --

Commissioner Gilman: Because that was my question -- so like Internet, like electricity, bathrooms -- this is meant purely for storage.

Rebecca Benassini: Primarily for storage unless the entity is able to put in some sort of improvement.

Commissioner Gilman: Okay.

Rebecca Benassini: So that's a real limitation.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: Rebecca, I've got a question for you. How are we doing in the Port compared to like the rest of the city with vacancies and leasing? Because you've got to look at everything, right, just not the Port. But as a city, where do we stand? And the Port -- how do we stand across San Francisco? Are we about where we should be? Is this like the norm of where we're at?

Rebecca Benassini: We're still very solid on office. The office vacancy rate in the city is very high. So we're doing well. We should be doing better, I think, on the storage side. I think that's one thing we've been talking -- we have our economic consultant on board for parameter.

And we're speaking with them again. Like what are we not doing? Because there should be more demand for storage. So it's either access, or it's how the buildings -- how people can get to their facility if they do rent something in the shed.

So we're trying to figure that out. That's the one area that I think we should be able to lease. And we -- it might also be just the congestion on the northern waterfront. People don't want to bring their items up there. So we're trying to figure that side out. But on office, we're doing pretty well relative to the rest of the city.

Vice President Adams: Okay. Thank you.

President Brandon: Any --

Commissioner Lee: One quick question -- so on those shed spaces not including fire lane obviously, how much space is there square-footage wise?

Rebecca Benassini: A lot.

Commissioner Lee: I mean we're talking about th --

Rebecca Benassini: A typical shed is maybe 100,000 square feet. And then, you take out 10 or 20 percent for sort of circulation. So it's very -- like Pier 29 is one of the smaller sheds. Maybe it's 70,000. I'm roughly estimating. But you can get the image of how big it is.

Commissioner Lee: Wow. Okay. Thank you.

Director Forbes: They're huge, [very big] spaces.

President Brandon: Any other questions or comments? Thank you, Rebecca. Jenica, next item, please.

7. CONSENT

- A. Request approval of License No. 17025 with Pacific Cruise Ship Terminals LLC for terminal operations parking at Pier 29 during Cruise Operations at Pier 27. (Resolution 23-13)

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

No Public Comment on the Consent Calendar.

Resolution 23-13 passes unanimously.

8. ENGINEERING

- A. Request authorization to award Construction Contract No. 2848, Roundhouse 2 Roof, Solarium, and Windows, to Roebuck Construction, Inc., in the amount of \$4,586,900, and authorization for a contract contingency fund of 10% of the contract amount (or \$458,690) for unanticipated conditions, for a total authorization not to exceed \$5,045,590. (Resolution 23-14)

Erica Petersen: Good afternoon, President Brandon, Vice President Adams, Commissioners Gilman and Lee. My name is Erica Petersen. And I'm the Port's project manager for the Roundhouse 2 roof, solarium and windows replacement project.

And I will be giving today's presentation requesting authorization to award this construction contract. This is an action item to award Roundhouse 2 roof, solarium and windows replacement contract to Roebuck Construction, the lowest responsive and responsible bidder to the invitation for bids published on January 11th.

The amount of this contract is \$4,586,900. And authorization includes a 10 percent contingency request for a total authorization of \$5,045,590. The contract work is located at the Roundhouse 2 building at 10 Lombard Street across the

Embarcadero from the Pier 27 cruise terminal and will replace the building roof, second-through-fourth-floor windows and the fourth-floor solarium structure.

In this presentation, I will talk about how this contract meets the Port's strategic objectives, the background and scope, advertisement and Port outreach, provide a comparison of the bids, introduce the low bidder and subcontractors, discussing the funding and the proposed schedule.

This project supports the goals of the Port's strategic plan by addressing issues to allow the Port to continue to lease space to the current tenants in Roundhouse 2 as well as adding lease space that is currently unleaseable on the fourth floor. It will address deferred maintenance and protect the rent revenue generated by Roundhouse 2.

The Roundhouse 2 project site is here highlighted in orange, outlined in yellow on the slide. It's located at the intersection of Lombard and Sansome Streets and across the Embarcadero from the cruise terminal. It's a four-story reinforced-concrete office building.

And the Roundhouse 2 building was constructed in the 1980s when the property was rehabilitated to accommodate office uses. Being built in the '80s, it's not historic. However, it's part of a three-building complex that is a designated landmark site.

The other two buildings on the designated landmark site are Roundhouse 1, shown here in that yellowish gray color, and the Sandhouse, shown in green. Roundhouse 2 is currently occupied by various tenants, primarily office and commercial space and is maintained by the Port.

The building envelope was inspected by architects in 2018 and '19. And the building has water intrusion issues that have caused damage to the interior and makes some of the areas of the building unleaseable.

Most of the fourth floor is currently unoccupied due to the water-intrusion issues. This includes a glass solarium. You can see the number two over there. That's a structure with a patio overlooking the Embarcadero. So this project will address the water-intrusion issues and deferred maintenance in order to protect the building from further damage and to increase the leaseable space in the building.

So here, we're looking at a bird's-eye view of the building. There's three main scopes of work for this project: first, the roof, which will include demolition of the existing roof system and installation of new insulation and a roofing system. And a new roof structure will be constructed over the existing mechanical enclosure shown there.

The second item is demolition of the existing solarium structure on the fourth floor and installation of a new solarium -- similar-looking solarium. And then, the

windows on the second, third and fourth floors will be demolished and replaced with new windows of a similar style.

We advertised this contract on January 11th and held an optional virtual pre-bid meeting on January 18th. A bid walk was held on January 20th. Port staff conducted outreach to companies representing the trades for this contract during the advertisement period including local business enterprise contractors.

We advertised to the ethnic chambers of commerce and community-based organizations that support small businesses. We also post to SF City Partners, which is a widely accessed site by contractors and vendors. The pre-bid meeting was attended by contractors from 10 different firms, seven of which were LBEs.

So on February 8th, Port staff publicly opened bids from three contractors. We're pleased to say they were all LBEs. Staff have reviewed the bids and determined that Roebuck is the lowest responsive, responsible bidder. Roebuck's total price of \$4.5 million plus a 10 percent contingency is under the budget for work. And the final bid rankings are shown here on this table.

Roebuck Construction is a certified LBE firm headquartered in the Bayview neighborhood. Roebuck has extensive experience working in the City of San Francisco and on Port projects. And some examples of these are shown here on this slide.

The LBE goal for this contract was 16 percent, which was shown to be met here on this table. The percentage was lower than some other recent contracts due to a high percentage of the cost of the project tied to materials. Because the building is located on a historic landmark site, the project will be replacing over 60 windows, which will need to be custom made. And that is tied to a lot of the cost of the project.

So Roebuck's team does include 51 percent of work done by LBE contractors when you include them as the prime in the contract. Roebuck's bid of \$4.5 million plus the authorized 10 percent contingency is within budget. And the funding is through Port capital.

If you approve this authorization to award today, we anticipate notice to proceed construction in June and would be on track to have substantial completion in January of 2025. I'll note that the lengthy construction duration here is due to the long lead time to procure the windows and solarium materials.

In conclusion, we respectfully request that you authorize the award of this contract to the lowest responsible and responsive bidder, Roebuck Construction. Myself and Ruairi Murphy from Roebuck are here to answer any questions you may have. Thank you very much for your time.

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

No Public Comment on Item 8A.

Commissioners' Discussion on Item 8A:

Commissioner Lee: I don't have any real comments other than it's great that they have the lowest bid, and they are in the Bayview area. I'm just -- for general purposes for myself and -- again, always -- bids -- you can always be the lowest bidder. But do you finish the job on time?

In reading these documents, you know, I never see anything really like they get extra points for finishing their jobs on time. I just -- maybe in the future -- I don't know if that's new business or something that we can ask for in the future. But that's something that's kind of always in my mind. Do these --

President Brandon: On time and under budget, hmm?

Commissioner Lee: Exactly. Under budget is one thing, but on time is the most important factor, you know. So --

Director Forbes: We could certainly talk about that in more detail. I will say the city administrator has been working with Chapter 6 departments, the ones that can do construction contracts like us and DPW and the airport, etcetera on ways in which we can, as a city, look at contractor performance.

Certainly if a contractor is disbarred, they're disbarred. You know, they can't compete. So we have been looking at more centralized ways in which to consider contractor performance. And there are points, I believe, relative to what the firm has obviously performed in the past and the work that we can count on that they have experience from.

So there are pieces that relate to contractor performance in the process. We could certainly talk about it more. Or we could wait until the city administrator comes up and tells departments how this will be for Chapter 6. It is an active work that the city is doing through city administrator [too].

Commissioner Lee: I think the process has been fine all these times. But I've seen other documents where the contingency has been used up. Or obviously, environmental issues will delay a project. But I've been on the other side where sometimes they just take forever.

And I notice that, even of your lowest bid, later on you're not the lowest bid anymore. So that's just something for me, you know, and my own pet peeve. Thank you.

President Brandon: I think it's a great suggestion that, for our projects -- we see them in the beginning. But we never know how they end.

Commissioner Lee: Mm-hmm. Yeah.

President Brandon: So maybe we can develop some type of reporting --

Director Forbes: We certainly could. I will say you know how they end if they go poorly because we come to you, [laughter] and we ask for more money and time. So when you don't know how they ended, they ended like we said they would end.

But of course, we can prepare a report. We have reports internally about this. So we will share them with commission. Absolutely. Thank you.

President Brandon: Thank you. Commissioner Gilman?

Commissioner Gilman: I have no questions. I'm supportive of the item.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: Erica, great job. No questions.

President Brandon: Thank you. Erica, just a couple questions -- so I think it's wonderful that we have an LBE firm. And I always support our local business enterprises. But I'm just wondering, why was there a protest?

Erica Petersen: A protest? Yes. We did receive a bid protest from [Ingadium Reilly], one of the bidders. And their protest was saying that Roebuck's bid didn't meet the LBE criteria of 16 percent, saying that one of their subs wasn't certified for the work that they were doing.

However, CMD reviewed it, determined that the sub that was listed was certified for the right stuff. And we ultimately denied the bid protest.

President Brandon: Okay. Thank you. And then, I noticed that the Roundhouse was on the vacancy report. So how much of the Roundhouse is vacant?

Erica Petersen: Okay. I don't know the -- I know there's tenants on the second floor --

President Brandon: Rebecca is coming to --

Erica Petersen: Yeah. [laughter] Second floor, third floor has tenants.

President Brandon: So the fourth floor is vacant? So once we do these repairs, then we'll be able to lease that space.

Erica Petersen: And I've been in there. And it's beautiful -- beautiful view. [laughter] Somebody's got to want it.

President Brandon: Great. Thank you so much. I really appreciate the report. We have a motion and a second. All in favor?

Resolution 23-14 passes unanimously.

9. PLANNING & ENVIRONMENT

A. Request Adoption of CEQA Findings, Mitigation Monitoring and Reporting Program, and the Final Waterfront Plan. (Resolution 23-15)

Diane Oshima: Good afternoon, President Brandon and members of the commission. I am Diane Oshima with the planning and environment division as a special project manager. And I'm very pleased to be here to recommend the approval of the final waterfront plan.

Today, I will be going over the following items just: to recap some of our previous presentations regarding plan revisions; to give a summary, particularly for our newer commissioners, about the public process.

And I am grateful and honored that we have the leadership from the waterfront plan working group here to really provide their perspectives as well as to: what that public process entailed; what the waterfront plan's relationship is to the other strategic documents at the Port Commission and the Port [run by]; and some details about the EIR certification; and ultimately the recommendation.

I was last here in January. So it was a while ago where we presented some revisions to the waterfront plan. Many of those revisions were related to comments that we had received from the Dolphin and the South End Swim Clubs. But at the time, the commission members flagged a key issue that we have addressed in this staff report regarding transportation policies and getting some better clarification about the intent as relates particularly to the Embarcadero enhancement project and pedestrian safety issues along the Embarcadero.

So in your staff report today are proposed revisions that staff proposes to include in the final waterfront plan that's intended to respond to the commission comments.

Among those are: amendments to policy 18; to provide clarification about the importance and the priority of pedestrian safety along the Embarcadero promenade; and in the discussion leading up to those policies, to make it clear as to the distinction between the Embarcadero promenade and the Embarcadero roadway itself because the Embarcadero enhancement project primarily is

affecting changes within the roadway so that we can improve the experience and safety along the promenade.

So if you have any questions, I'm happy to address those revisions. But the intent of the revisions is to respond to the comments that we received from the Port Commission.

We have also, I think -- I just wanted to clarify that these are all in sync with revisions that we also received from SFMTA, which also was looking to make sure that the waterfront plan policies are in alignment with the city's transportation policy so that we have an aligned understanding about how to apply them along the waterfront.

I wanted to also spend a bit of time particularly with members of our working group here to really speak to the depth and the caliber of the public process that backs up these policy amendments to create the final waterfront plan.

Co-chair Rudy Nothenberg, who is here, shared the dais with Janice Li on a three-year process. And they really provided the focus and the vision and the leadership for the Port staff throughout this entire time and guided the entire working group, the seven waterfront plan advisory teams to really keep an eye on what are the real issues that the waterfront plan should address and, from that effort, you know, developed 161 policy recommendations of which 160 were unanimously endorsed and accepted by the Port Commission as well as part of the update to the waterfront plan.

This was done in addition to providing a deep dive on the financial and economic responsibilities of the Port where we had an economic consultant provide modeling for the public and the working group to understand Port leasing. What's required to make them financially viable?

How do we factor in public access and historic preservation and all of these public benefits that are key principles in the waterfront plan so that people could really understand the job that the Port Commission has to balance all of these different public benefits to achieve the best outcomes for each of the Port's projects?

We really enjoyed great support and participation from our agency partners including the State Lands Commission, BCDC, the Planning Department, SFMTA so that we're really trying to integrate the larger regional and city policy objectives in this plan and to be aligned as governmental agencies across the board and, with that, you know, to provide for the Port a long-term outlook that will continue to provide good guidance for the Port Commission's strategic plan, the foundation for the waterfront resilience program and a lot of the equity values that are now being developed in more detail through the racial equity action plan.

So trying to weave all of these together so that they have alignment and synchronization was really a focus of this whole effort. The process involved three

stages of work with an orientation process, the policy development and then a community-engagement phase so that there was time dedicated to try and explain what the working group's work entailed, what the waterfront plan would look like so that the citizenry could understand. And that was a really rewarding page of the process as well.

So before the Port Commission could approve this final waterfront plan with these latest revisions, we had to finish the environmental review process under the California Environmental Quality Act. And fortunately, the Planning Commission certified the final EIR on March 16th.

We had, in the process, worked further with the swim clubs, the South End Rowing Club and the Planning Department to incorporate information about water recreation uses into the EIR that were aligned with the revisions we made in the plan.

So I think we've got good alignment on the environmental information as well as the policies. I wanted to really recognize that work with the swim clubs. And particularly David Beaupre was shepherding that as well, as I was away for a time.

I wanted to also express thanks to the Planning Department, their environmental planning staff, the city attorney and ESA associates for the excellent work that they did on this environmental review process. And then, we're still working with the Planning Department in their long-range planning division to propose amendments to the city's general plan and planning code so that the city's policies and the Port's updated policies will be consistent with each other.

And that is moving forward as well as work that we'll continue to be doing with BCDC to amend the special area plan. So with that, I'm here to recommend the approval of Resolution 23-15, which includes approval of CEQA findings for the final EIR and the updated final waterfront plan and to really, on behalf of the Port staff, express our deep, deep gratitude to the waterfront plan working group, the advisory teams, our Port advisory committee members and the general public for all of the time that they invested.

This is a long time coming. It was a three-year process. And it happened right at the birth of the pandemic. And we've sort of all been trying to muscle through this period. So it's a big deal. We found that the public really cares very deeply about this waterfront and what the Port is doing and the handoff from the waterfront plan process to now the community engagement and the resilience program.

And the Port Commission's strategic plan efforts are all related to each other. And hopefully, the public can understand all the way up through Elaine's executive director report today. So I want to, again, express and recognize Linda Fadeke Richardson and Rudy Nothenberg and Alice Rogers as kind of our leaders. But there is a cast of thousands behind it.

And also, to thank the Port staff and particularly the waterfront plan team -- many of us have gone different ways. But David Beaupre, Brad Benson, Anne Cook, Kari Kilstrom, Carol Bach here today. It was a great collaborative team. And we were inspired by the public's interest in making this waterfront even better. So thank you very much. Happy to answer any questions. Let's move forward.

President Brandon: Thank you, Diane. Thank you for a wonderful report. And thank you for all that you do, Diane. And as part of your report, I would like to invite Rudy, Alice and Linda to come and speak and not be limited to the three minutes. Take your time. Who wants to go first? Rudy? Co-chair?

Rudy Nothenberg: Thank you, commissioners. It is a pleasure to be here. It has been a long time, as Diane said. And it is high time that we conclude this and we conclude it on the high note with which you're approaching it now.

I do have one slight note that I'd like to call to your attention. The plan, as we propose it to you, had a large number of substantive issues dealing with the way in which the Port manages the land [for the] custodian.

There were also a number of recommendations that we made to you which had to deal with the process by which you manage that responsibility that you have. I think most of us at the time were still a little burned by the contention that had accompanied other projects that were on the table at the time, whether it's Pier 32 or 8 Washington and all the rest of them.

And so we put in a number of recommendations which were designed to diminish -- if not eliminate at least diminish the contention that accompanied these projects and other projects that may, if the economy recovers, come your way.

And I just hope that the -- and I think I can speak for most of the people who were with me on the committee that these procedural safeguards that we wrote into the plan are observed by staff and by the commission as we go through the years to come.

Obviously, the substantive recommendations as to what the waterfront ought to consist of are the primary -- the meat of the report. But please look and remember that the process by which you engage in these substantive efforts is also important.

It's important to the community. It's important to avoid the time and the energy and the acrimony that follows processes that aren't quite what they should be. So please remember that as well. And congratulations on finally having a plan. I'm happy to have played a role in it. Thank you.

President Brandon: Thank you so much. We really appreciate all of your time and effort in leading the group towards these 160 recommendations that we --

Rudy Nothenberg: Actually, I must say it was fun. [laughter]

President Brandon: I'm so happy to hear that. Linda? Alice? Which -- [laughs]

Linda Fadeke Richardson: Good afternoon, President Brandon -- and I'm going to call all of you by name -- the honorable Willie Adams, Commissioner Lee and Gilman, always our esteemed director, Elaine Forbes, and the staff.

Well, thank you for the opportunity to be part of this exercise. There is no -- I've been reading Port plans throughout the country. And I can tell you that what we have -- there is no one like that -- Long Beach, New York and some of these signature ports in the country.

The Port of San Francisco was the economic driver of San Francisco and the region before the COVID-19. With the passage of this document, you are going to lead the economic recovery forward. There is no other city agency that is better positioned, that is highly focused, had the expertise to lead San Francisco, the region out of the conundrum that we find ourselves right now.

This waterfront plan has policies that are specifically dedicated, well thought out with specific guidelines on what needs to be done. And I hope that the City and County of San Francisco will be looking up to you, President [Brandon], Vice President Willie Adams and the commissioners, as we embark on bringing San Francisco recovery forward.

There are all these discussions going on now. But I can tell you that, if we adhere to this plan, it will lift every sector of San Francisco. Thank you so much, Diane Oshima. I hope that one day when I'm going to the promenade -- Embarcadero promenade and the southern waterfront, there will be a plaque of your name there. We are going to work on that, you know.

I'm a citizen of San Francisco, resident of Bayview-Hunters Point -- in acknowledgement of you, [Diana], for the decades and decades helping us with the southern waterfront and the Bayview revitalization plan. And I know that, under the leadership of our esteemed director, Elaine Forbes, that we will be able to move San Francisco forward.

I want to take this opportunity again to acknowledge, yes, David Beaupre. We've gone decades. You're always there for us as well and also Brad Benson. We wanted to also thank Kari and Anne and Carol, and the honor goes to the one-and-only Mr. Rudy Nothenberg for the historic effort in putting this together. Thank you, sir, for all you've done.

You know, given the caliber of the working group, it was a representative of just about the major stakeholders in San Francisco. And there hasn't been any effort and I doubt will be any effort of that caliber to really put things forward. And thank

you, Alice Rogers. Commissioners, thank you so much. Please approve this plan. Thank you.

President Brandon: Thank you, Linda. We really appreciate you and the subcommittee that you chaired. And we thank you for your time and all that you've done to make the waterfront the place that it is. So thank you so much. Alice?

Alice Rogers: Good afternoon, commissioners, Elaine Forbes, Diane at last. This time, I didn't forget Diane. I'm Alice Rogers. And I want to thank you really for the honor of being asked to serve on the waterfront working group and really the privilege.

The waterfront plan is something that you have to do by law. But there was nothing about this waterfront plan that was perfunctory. Diane really laid it all out. But you dedicated thousands of hours of time to educate the community, to examine in depth all of the issues and to really, three years' worth, encourage public participation and testimony and ideas.

We didn't get lost in -- I think, thanks to Rudy's guidance, we didn't get lost in administrative minutia or bureaucracy. The focus was really all on the substantive issues. So it was such a privilege to be able to work with Rudy, with Linda, with Diane, with the entire team.

I never would have thought that I would have ended up in a group like that. So this is a huge milestone. I hope that you'll approve the plan at long last. And thank you again.

President Brandon: Thank you, Alice. And thank you for being such a great, great steward of our waterfront. And we really appreciate all that you have done. Thank you for being a committee chair and helping Rudy and Diane bring the process to where it is today. Thank you so much. Okay, commissioners. Can I have a motion to approve Resolution 23-15?

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

No Public Comment on Item 9A.

Commissioners' Discussion on Item 9A:

Commissioner Gilman: So Diane, Rudy, Linda and Alice, I just want to thank you all for your phenomenal work on this and particularly for hearing and concluding the concerns particularly around maritime and water use on the northeast sector of the waterfront.

So I really want to commend you on that. I completely support the plan. I have just one request. This goes to the comment that Rudy made around the recommendations around development and land use.

In particular, since we just at last commission had an unsolicited proposal for the northeast waterfront, I would love either a briefing or informational hearing on what those suggestions are. It seems like some are non-binding and just suggestions or recommendations for us to decide whether we want to incorporate them into our public process or our process of decision making.

And I think it's timely with that proposal that we review them once the plan has gone either through the remaining steps to be ratified and certified -- because I know things could still change. But I think that would be helpful for the commissioners. And I appreciate your time on this.

Diane Oshima: Yes. Thank you, Commissioner Gilman. There are public process reviews in the policies in the plan. And I'm actively working with David and the planning and environment team to make sure that we lift those out and we use those as the checklist of how the information is made available to the commission and the public for review. So those policies are actively in play for s --

Director Forbes: Yes. I did want to add that for you to feel more confident. In the [sole source], we are following the recommendations of the waterfront plan --

Commissioner Gilman: Okay.

Director Forbes: -- to a tee. Also, in the request for proposals for Piers 30/32 and competitive solicitation process, we followed the recommendations there related to community engagement and really see these as the best practices in bringing information and transparency to you as you decide how to govern these lands.

Commissioner Gilman: So then, are we going to be memorializing and taking these from a recommendation phase into a policy phase and adopting these practices?

Director Forbes: Well, as we adopt the plan -- Diane, you're saying we're writing the administrative checklist. But adopting the plan, I believe, is accepting these --

Commissioner Gilman: And memorializing them? Okay.

Director Forbes: -- and memorializing --

Commissioner Gilman: I just want to -- [crosstalk]

Director Forbes: -- them. Yes.

Commissioner Gilman: Okay. Thank you so much. I appreciate it.

Diane Oshima: Sure. Thank you.

Commissioner Gilman: And I appreciate, in particular, all of the work from everyone on the committee. But thank you in particular, Rudy, Linda, Alice and Janice, who I know is not here today.

Diane Oshima: Thank you.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: Well, since I'm the newest guy here, I think this plan is amazing. We're going to have to follow it. I always believe that, you know, a business plan in order, whatever it is -- just looking at the photo of you guys sitting around the table, I can imagine how much arguing is going on maybe.

My only question is, how much -- I know there are environmental groups and public usage. But how much of the business community were you listening to? COVID happened. Sometimes for general reasons, public safety, you know -- kind of -- before COVID happened, I was always warning that small business has been overlooked.

And that's part of the economic recovery of the Port. So I'm just wondering, during your conversations of all the meetings that you had, were there people from the business community involved or any retired entrepreneurs? I'm just questioning -- that's my question.

Diane Oshima: Yes. The answer is yes. There was a very intentional effort to include all of the different stakeholders. And the particular types of businesses along the waterfront were certainly key to that. So we had several maritime industry representatives -- maritime industrial industry representatives.

We had the representative from the hotel council, from the Fisherman's Wharf community business district. So those local-flavored types of businesses that particularly are adapted to the waterfront -- we wanted to make sure that those voices were included in the waterfront plan working group membership. And then, through the public meetings as well, we had numerous business and maritime representatives that would participate.

Commissioner Lee: So was there pretty much a consensus? I mean I think everybody has in their mind about the safety of the public coming to the Port and protecting business. So did you have to adapt your plan a lot? Or it's kind of you guys are already kind of in line with that?

Diane Oshima: Well, I think this is where the credit really goes to the waterfront plan working group, to Rudy and Janice and the subcommittee chairs for leading very inclusive and civil -- I mean, it was -- there might have been a lot of different points of view that were not in necessarily alignment.

But we didn't have controversy. We didn't have angry words. We had people expressing what their particular issues were in a collaborative way and then developing policy language that -- you know, across 161 recommendations, you can try and really balance through in all of these nine categories of focuses from maritime on through environmental how to manage them.

So it's reflective of the balancing act that the Port Commission always brings to the job is to look at it from multiple perspectives. And people hopefully learn something in the process by looking at it from a different perspective than what they might normally be aware of.

And in the end, 160 of those 161 recommendations were unanimously endorsed by the working group members. So it was really the public's work at this. That's why it's so powerful then for the Port Commission and the Port staff to carry that forward.

Commissioner Lee: Yeah. I mean, it's a lot of work. I congratulate all of you guys for that. You know, for the people that don't have a voice and don't understand, immigrant mom and pops that come here to open a business and they don't understand the environmental issues -- so I really thank you so much for all that and everybody here. If it's obviously adopted, you know, I'm going to follow this plan.

Diane Oshima: Great. Good to hear. [laughter]

President Brandon: Thank you. Vice President Adams?

Vice President Adams: I can only say this is a masterpiece. Rudy, Janice, Alice, Linda, you know, anything we do in San Francisco -- and you understand -- is politics. It's poli -- we can't help it. But you know what? Democracy is painful.

And I just want to say that Rudy and Janice and Linda and Alice, you had the patience. You let it go back and forth. And I've learned that's good. That's democracy. And I think everybody felt like they had their voice.

You gave us everything in your tank. But what's more important, you had patience with the commissioners. You had patience with the Port staff, the director. And then, you had patience with the public because sometimes, as human beings, we're just -- we're difficult. Right. That's just how it is.

And that's okay. Right. And Rudy, I see you smiling, you know. But that's a good thing. And Alice, all the times you guys have come here, you've seen that. Right.

But to me, this is something where democracy -- and Diane -- played out at its best really. You think about that.

It played out. I don't think anybody can say that they didn't have their voice heard. You beat it up. You beat it to death. And that's what we do. And I want to thank you for giving your time. You didn't get paid for doing this.

You're shepherds of this Port. And generations to come will benefit from all this hard work. It's painful. And you may not hear from anybody. But I can say this commission and everyone in this room -- if you hear it from nobody else, we appreciate it. And I wanted to tell you that.

And I don't want to say anything about anybody when they're dead at a memorial service. [laughter] I want to say it now where you can hear me. Thank you very much. I don't know what you're coming up for now, Rudy. [laughter]

Rudy Nothenberg: I just wanted to again say thank you to you personally and also remind you that we did have labor representation on the committee as well. Both the business community was well represented, and we had somebody from ILWU on the committee as well.

And one final comment -- everything you say is politics. I've been in politics a very long time, as you know. And one of the things we learned very early is that, in San Francisco politics, all land-use issues are politics.

And that remains true today as it was way back then. And we managed to avoid the political pitfalls in presenting this plan to you. Thank you.

President Brandon: While you're standing there, can I just jump in and just say that I remember, from the original waterfront land use plan when it was adopted, you spearheaded the renaissance of the Port after that adoption starting with the Giants ballpark and all the development that has followed along the waterfront.

You have been such an asset to this Port. And we really want to thank you. And we are grateful that you are still -- you still want to be involved in all that's going on here. We really appreciate you.

Rudy Nothenberg: I was given some good opportunities. And I appreciate doing what I could do. Thank you.

President Brandon: Thank you.

Vice President Adams: Thank you.

President Brandon: Are you done? Okay. [crosstalk] Thank you. Thank you, Vice President Adams. Sorry to interrupt. But I had to take advantage of that opportunity. But I really, really, really have to thank Diane. You guys just don't

know how lucky we are to have Diane here in her retirement still leading this process.

She was here for the original waterfront land use plan adoption or process, which took six years -- six years. She did it in record time this time, half the time, three years. [laughter] But I think it's so phenomenal that you put together such a great internal working group with Kari, Anne, Carol, Brad and yourself, a lot of those people who were here for the original adoption.

You also put together a great working group and made sure that every district within the city was represented in the working group. But with our great chairs -- our co-chairs, Janice and Rudy, and our subcommittee chairs, Alice, Linda and Pia -- great group to lead this process to develop this in record time considering how long it took the first time with such consensus and with such great recommendations coming out of it.

We really, truly appreciate you and your leadership and all you do for the Port because you -- I mean you were so -- when I think of the water plan, the first thought is Diane. She is the waterfront plan. Diane is so much a part of the Port and the great -- all that you see outside. She has touched every piece of it. So we are eternally grateful for you. And we thank you for all that you did to bring us to this point.

Diane Oshima: Thank you. But really, this waterfront plan and this waterfront is everyone's effort. So it was good for all of us to invest in really looking afresh at where we're going. You know, it used to be called the waterfront land use plan. It's now the waterfront plan because of the comprehensive breadth that the citizens have recommended for all of us.

So I think that is very important guidance and vision for the work that the Port is going to be doing from here forward and couldn't ask for a strong, more collaborative, wonderful set of team members and staff to shepherd this through. So hopefully, everybody's got the script. And we can move forward. Thank you.

President Brandon: And congratulations on working with the swimmers and making sure that they're okay with this also. We really appreciate it.

Diane Oshima: Thank you.

President Brandon: Okay. We have a motion and a second. All in favor?

Resolution 23-15 passes unanimously.

B. Request authorization to award one contract to Literacy for Environmental Justice for not-to-exceed amount of \$987,000. (Resolution 23-16)

Alysabeth Alexander-Tut: Good afternoon, commissioners. My name is Alysabeth Alexander-Tut. And I am here to request authorization to award one contract from the request for proposal for the marsh revegetation and transitional-age work-training program.

The Port requests authorization to award this contract to Literacy for Environmental Justice, or L-E-J, LEJ. The contract will be up to \$987,000 and for an initial term of five years with an option to extend for one year.

This is a project-based contract with three defined tasks which are detailed before you. The specific need of plants that the contractor needs to provide are listed in task one, provide plants. Task two describes the technical-level staff and internship jobs that are part of this project.

And finally, task three describes the process of creating a community outreach plan and the work that it may entail. This slide outlines our selection process. We initially advertised this contract in January, held a preproposal, answered 11 questions and received proposals.

We advertised to 47 firms including 33 LBEs. At the end of this process, we received two proposals and worked with CMD in the evaluation of proposals. There was first a review of minimum qualifications. And only one firm passed this review.

The panel participated in one stage of the review process -- in the one-stage review process. Excuse me. The written proposal was worth 100 points. The criteria is ahead of you. Please note that this grading rubric includes a diversity, equity and inclusion plan as a scored item. And the awardee did submit a DEI plan.

Literacy for Environmental Justice's scores and CMD rating bonus as applied are before you. Literacy for Environmental Justice is a nonprofit that is CMD certified. This slide outlines the equity consideration.

This contract is part of our equity work as it specifically envisions environmental work including internships from transitional-age youth and employment readiness and support into the marsh-revegetation scope of work.

We conducted broad outreach among the LBE community. And we continued to attribute points to the submission of a DEI plan. That's my conclusion. I am here to request award. Thank you.

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

No Public Comment on Item 9B.

Commissioners' Discussion on Item 9B:

Commissioner Lee: No comment. Good luck. [laughter]

Alysabeth Alexander-Tut: Thank you.

Commissioner Lee: Plant those plants. [laughter]

President Brandon: Thank you. Vice President Adams?

Vice President Adams: I have no questions. And I'm in support.

Alysabeth Alexander-Tut: Thank you.

President Brandon: Thank you. I just have one question. That is, why was Empire Landscaping nonresponsive?

Alysabeth Alexander-Tut: I can give you an overview. I can't remember the exact language. And I don't want to speak incorrectly. But they did not meet the experience criteria for the internship. And they also did not have control over their nursery. And those were two of the requirements.

President Brandon: Well, who has control of the nursery? You mean the nursery to provide plants?

Alysabeth Alexander-Tut: Yes. Yeah.

President Brandon: Okay.

Alysabeth Alexander-Tut: That's exactly right.

President Brandon: And LEJ has a nursery?

Alysabeth Alexander-Tut: Yes. That's correct.

President Brandon: Great. LEJ does a good job. Okay. Commissioner Gilman took a little break. So we're going to vote without her. All in favor?

Resolution 23-16 passes unanimously. Commissioner Gilman was absent from the vote.

10. REAL ESTATE & DEVELOPMENT

- A. Informational Presentation on a proposed new Memorandum of Understanding with the Department of Homelessness and Supportive Housing ("HSH") covering the Demobilization of the Shelter in Place Trailer Site in the Backlands at Seawall Lot 344 for a term of 10 months.

Kimberley Beal: Good afternoon, President Brandon, Vice President Adams, commissioners. This is Kim Beal with the Port's real estate and development department. I'm the assistant deputy director. I apologize that I am not able to be with you in person today.

However, I am joined with this presentation by Emily Cohen with the San Francisco Department of Homelessness and Supportive Housing who I believe is there in person. So together -- I will be providing you with a background on how we got to where we are today regarding use of the site and key terms of the proposed MOU.

And Emily will then be providing an overview of the existing programs at the site, some statistics and details of how the wind down and demobilization process will work after which we will both be available for questions. So next slide, please.

I'm unable to see the slides. So hopefully, they're advancing. On February 20, 2020, Mayor London Breed issued a public health emergency declaration due to COVID-19. In support of the city's efforts to meet the needs of vulnerable populations needing places to isolate and self-quarantine, on April 28, 2020, the Port Commission authorized staff to enter into an MOU with the San Francisco Human Services Agency, or HSA, for a temporary shelter-in-place site at Seawall Lot 344 in the backlands.

Port staff, at the direction of the city's emergency operations center, worked with HSA and the Department of Public Health to establish a temporary SIP site for trailers and RVs for unhoused individuals in District 10.

Ninety-one trailers provided by the State of California and 29 RVs that were leased by the city were placed on the site along with trailers for administrative functions and support services. The MOU with HSA commenced April 13, 2020 and was set to expire October 31, 2021 or upon the mayor's lifting of the emergency declaration.

The mayor rescinded the emergency declaration on February 28, 2023. As the location of the SIP site is highly industrial and not zoned for residential use, the use was intended to be short term and temporary. Therefore, the original agreement did not contain a holdover provision. So currently, there is no active agreement authorizing use of the site. Next slide, please.

The MOU with the San Francisco Department of Homelessness and Supportive Housing, HSH -- so I just want to point out that the original agreement that we entered into was with HSA. The new agreement is going to be with HSH. HSA left the site or stopped -- their use of the site ended in 2021.

So HSH has been operating the site since that time. So again, the proposed MOU will be with HSH for a term of 10 months retroactive to March 1st of 2023 to cover

the wind down and demobilization of the site. They will be paying fair-market rent during that time, which is a little over \$90,000 per month. Next slide, please.

As part of the conditions of the MOU, no new placement at the site will be allowed after October 2nd of 2023. All guests are to be relocated no later than December 1st. All site improvements are to be removed by December 31st. And HSH is to provide quarterly status reports to show the progress of the demobilization. Next slide, please.

Port staff is in support of the proposed MOU as it allows for plan wind down while continuing to address the city's need to shelter the unhoused, which is in alignment with the Port's evolution objective. And Port will receive fair-market rent over the term, which is in alignment with the Port's economic recovery objective. Next slide, please.

As recommended next steps, staff recommends that the Port Commission direct staff to return on April 25th for approval of the MOU. Next slide, please.

And with that, I would like to introduce Emily Cohen again with the San Francisco Department of Homelessness and Supportive Housing. And after Emily's presentation, we will again both be available for questions. Thank you.

President Brandon: Thank you.

Emily Cohen: Good afternoon, commissioners, President Brandon, Vice President Adams, commissioners. Thank you. I'm Emily Cohen with the Department of Homelessness and Supportive Housing. And I will be sharing a brief presentation on the trailer project at Pier 94.

So as Kim mentioned, the program opened right at the beginning of COVID in April of 2020 and has since served 303 unique guests. Thirty-seven guests have already moved out and moved in to permanent housing. This project really represents, I think, what -- the good parts of a really terrible situation.

At the beginning of COVID, so many departments came together, wrapped around folks living outside, particularly in the Bayview and opened this spot with help from the state. And it would not have been possible without the Port and their staff so really want to appreciate everyone for just like ultimate team effort sort of project here and got opened in groundbreaking time so really one of those rare silver linings coming out of that crisis.

But as I was saying, in terms of the impact on people experiencing homelessness, we've served 303 unique guests. As of last week, there were 118 guests currently on site across 114 of those units that are still in operation. So you have a couple of couples.

The onsite service provider works closely with the Department of Public Health and the Department of Homeless -- and DAS to provide onsite support services, 24/7 staffing, meals and security on the site.

I already started to talk a little bit about these amenities. You can see a picture here of the site. This program offered an opportunity to provide non-congregate spaces for people -- most of whom were living in tents in the neighborhood before -- to isolate and be safe from the spread of COVID-19.

We were also able to provide bathrooms and showers, both the ones in the RV and ADA-accessible units on site, mobile black-water pumping, propane service, weekly maintenance of the RVs, two meals a day, laundry service. And we added a stop on our shuttle service, so folks could get downtown to medical appointments or other places that they might need to be.

Little bit of the demographics of folks who have been served at the site -- you'll see here the majority of guests were between the ages of 45 and 64. And 70 percent of the guests were self-identified as African-American or black.

And the vast majority of these guests were brought in by outreach teams working in the Bayview-Hunters Point neighborhood. You can see, similar to the breakdown of people experiencing homelessness generally, about 66 percent of our guests were male, 1 percent transgender, 30 percent female. And about 9 percent of the population served was Latinx.

I won't read the good-neighbor policy. But this is a copy of the good-neighbor policy that is included in the MOU. And we do provide quarterly reports to the Port on incidents occurring on site as well as the current guests and the supportive housing place -- and housing placements made that month.

This is just a quick success story. We had an opportunity to interview a woman who lived in the trailers -- changed her name here for privacy. But she had been homeless on the streets of the Bayview for over 13 years and had really lost hope and had lost sort of connection with ongoing care.

And she and her husband were brought in by the outreach team to the trailer program and were welcomed with a hot shower, hot meals and the support of the staff onsite. And they really became a part of the community which was instrumental when her husband suffered a heart attack.

The case managers were able to get medical services to them right away and support the family -- the couple as they moved through that challenging health crisis. Susan is now moving into housing -- or has moved into housing in Mission Bay, which is really exciting, one of our new supportive housing projects that came online. And she is able to take care of her husband in their new home because of a lot of the support they received at the trailer program.

So wind down and demobilization -- as Kim mentioned, we are requesting an extension or -- I guess it's a new MOU to continue operations until the end of the year so that we can responsibly and deliberately wind down the project and ensure that people have offers of safe alternative places to be rather than just returning to the street.

A bit of this is redundant to what Kim already mentioned. But our wind-down process includes the timeline of guest notification. We will have our coordinated entry team onsite to finish the work of ensuring that everyone there has been assessed for housing.

We will move guests who are eligible for housing into permanent homes. For folks who might not be eligible yet for housing, we will work to ensure placement into a shelter and keeping in mind their geographic preference.

If they are interested because so many of the folks are from the area, we want to make sure to offer them shelter in the area if that is their choice. And then, we'll, of course, work with Public Works and our vendors to remove the infrastructure from the site.

Kind of already said all of this -- but as of last week, we had 118 active guests on site. Fifty-nine are eligible for permanent housing placement. Eight are eligible for flexible financial assistance. And 51 guests are still to be assessed. So that work will be happening over the next few months to ensure that we can move folks into housing. And I will take any questions you might have. Thank you.

President Brandon: Thank you, Emily and Kim, for the presentation. Is there any public comment in the room? Alice?

Public Comment on Item 10A:

Alice Rogers: Good afternoon again, commissioners. I'm Alice Rogers. And I actually am not familiar with this site. But I want to take the opportunity to just say what great partners HSH and the Port have been around these affordable -- these shelter situations.

I am lucky enough to serve on the advisory group around the Embarcadero Navigation Center. And I am continually impressed by the number of hours that both agencies really devote behind the scenes to making things work.

We fortunately really have had no issues. But I think it's really because of the work that the staff has been doing behind the scenes. So I'm sure that this MOU will go very, very smoothly.

Commissioners' Discussion on Item 10A:

Commissioner Gilman: Thank you so much for this report. My questions mostly are for HSH, not for Port staff. Before I ask my questions, I just sort of want to frame them. And this is just more both as a commissioner for the Port as a citizen, a San Franciscan.

First of all, I want to commend the Port for always stepping up. We have two Navigation Centers on our property. And we didn't skip a beat in approving this during the pandemic. So this is said with full support for having facilities like this even if we have the opportunity of supportive housing on Port property.

But I guess, Emily, in the series of questions I have, I'm actually confused not about the extension of the MOU but the fact that we would demobilize over 100 interim housing sites when we have thousands and thousands of people still on our street and with the risk of having these folks flood back into the southeast waterfront neighborhoods that are adjacent when this demobilization happens. So I don't understand why we're demobilizing the site.

Rebecca Benassini: Thank you, Commissioner. It's Rebecca Benassini. I'll start to answer. And Kim, you can jump in as well. So the site is, as you know, not zoned for residential. And this was intended to be a temporary use. We've been working with various types of potential tenants for the backlands site --

Commissioner Gilman: Okay.

Rebecca Benassini: -- which is primarily an industrial type of location, looking at maritime industrial, potential supports for offshore wind as we work with those companies that come in. So Emily, for sure, would not say she wants to leave. She would love to stay as long as possible.

Commissioner Gilman: Okay.

Rebecca Benassini: We've been so grateful to work with Emily. They do such a tremendous job and have such an incredible charge. And they've been so gracious as we've been working with this on this demobilization. But it's really our own -- this particular site -- we ultimately need to have it back for --

Commissioner Gilman: Okay.

Rebecca Benassini: -- industrial types of purposes. But we are looking forward to working with them on other Navigation Center sites and have been really impressed, just like Alice said, with their dedication and their work ethic. So I wanted to step in, so you didn't have to try to fumble through that one.

Commissioner Gilman: So this --

Director Forbes: I just want to amplify what Rebecca has said. It's absolutely the Port's request for the demobilization.

Commissioner Gilman: It is? Okay.

Director Forbes: Absolutely. So the Port stepped in during the pandemic. We actually prepared the site for the trailers. It was our maintenance team that was out there and in record time with DPW and HSH, got that site ready with incredible enthusiasm and desire to house people and shelter people during the pandemic from District 10.

But it had to be a temporary site. This is our marine facilities. This is our maritime industrial area. And we are -- in my director's report, I was talking about all the various opportunities for blue-green maritime and for industrial activities that are so critical to San Francisco.

So it's absolutely -- the city is supporting the Port's desire for its facilities, its importance to the city of its industrial locations. And Emily is working at our request 100 percent. It's not Emily's request or HSH.

Commissioner Gilman: No. And Director Forbes, thank you so much for clarifying that. I absolutely respect that it was a temporary use in a sensitive area. And if we can reclaim that and meet our goals, I'm absolutely supportive of that.

My concern just really was sort of the 37 guests who found permanent housing -- that's a beautiful figure. But over a period of almost three years from a percentage point, you're looking at about 11 percent placement into housing. And my concern is, in a neighborhood that we have so much happening, Pier 70 -- I mean, the power plant is going to start.

I know that's not our property. But we have a boom of development. We have the Blue Greenway. We have the new parks. My concern is these individuals call this neighborhood their home. And if they're not linked to permanent housing resources, my concern is that we're going to see encampments and other ways for folks to live, you know, that's going to also affect our interest.

So that's sort of where my line of questioning was going. But I think we have a moral responsibility to ensure those 118 individuals have a safe, secure place to lay their head after December 31st. That's not so much a Port responsibility. It's more the department's responsibility.

I just wanted to under -- where this was coming from. So I appreciate the clarification. So Emily, are you going to keep the trailers and relocate to another site?

Emily Cohen: We have not yet identified another site to relocate to. We will be working with the state to determine how many of them -- we're doing an assessment of the physical condition of them and see how many are able to be kept. And if so, we're going to be looking for property.

But also, we have the opportunity to return them to the state, which is what most other communities have done. To your concern, right, this is my primary concern as well and something that we've been really working on.

We're approaching the wind down of the site the same way we did the shelter-in-place hotels, which had a 65 percent housing placement rate out of them through the very deliberate, very concerted wind-down effort so much higher than a typical placement process.

Not a lot of families or households have moved out yet because we have not done a big push to do this. They will be notified soon of the wind down. And we will begin that process. With 59 already determined to be housing referral status, I'm pretty confident we can get them into either project-based supportive housing or into a rental subsidy that could be hopefully used in the neighborhood, which would be ideal.

And then, we will continue to work with the remainder of the guests to assess them. From my conversations with the operator, it does seem that many folks will likely be eligible for supportive housing or for a housing voucher, which is good news for the wind-down process.

And then, for folks who are not, we will make offers of shelter placement leading with the Bayview and Bayshore Navigation Center. So if they want to stay in the neighborhood, they will have that option. But this is absolutely our concern and why we're asking for the additional 10 months to do this as responsibly as possible.

Commissioner Gilman: Okay. I just have one other question. So -- actually, I can take it offline, I guess. I wanted to know if the state is -- if it's up to us whether to keep the trailers. So the state's not mandating that we return them?

Emily Cohen: No.

Commissioner Gilman: So I just want to say for the record, as a citizen and as commissioner, I hope that the department chooses to keep them. It's a valuable resource. They could be placed in many locations from Lake Merced to -- I don't know -- to Fisherman's Wharf. I'm just saying that we need to -- we have a crisis on our streets.

And we see it right across here that we have folks that are unhoused. And I just really hope the city will be committed to interim housing solutions and getting as many people off the street as possible.

I support the extension. And I absolutely respect that the Port -- that we need our property back for our own goals, our own initiatives particularly in the southeast waterfront. But I just need to say we need to be doing more.

And I hope we're not giving away valuable resources when we could ask other communities and other parts of San Francisco to step up, particularly the west side, and house our unsheltered brothers and sisters.

Emily Cohen: Thank you, Commissioner Gilman. I couldn't agree more. You know, we're on the brink of launching a strategic plan, which will call for a significant expansion of interim housing and temporary shelter. We need more, not less of this.

Finding large parcels for this type of project has been exceedingly challenging. We've been looking on the west side for a vehicle triage center or safe parking place for over a year without much luck.

So if you know of parcels public or privately owned that might be options for this, text me. Call me offline. I am -- well, not me personally -- my -- our real estate folks are scouring the city looking for parcels for just this opportunity. Thanks.

President Brandon: All done? Thank you. Commissioner Lee?

Commissioner Lee: Well, I mean, this thing is so important, you know, and the trailers -- and it's clean. It gives people a second chance to really get it together. I know there's such a shortage. You know, it's a shame that we just can't keep it going but obviously progress and environmental issues.

But yeah. I'm supportive of the issues. I just hope we can find another location. I think trailer parks have always been a great thing even in the private sector to give people a chance -- second chance. So good luck.

President Brandon: So if you know of any lots or parcels available, let Emily know. [laughter]

Commissioner Lee: Not that big. I wish.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: Kim and Emily, thank you so much. I want to thank Mayor Breed's leadership and her vision and moving on this. When I was listening to the statistics, wow. I haven't forgot that, when Ronald Reagan was governor, he shut down all the mental hospitals in California.

And it's sad to see that 70 percent of the people were black and a high percentage of men. A lot of them probably are veterans. And I remember -- President Brandon was gone. She was on vacation -- but when we had the Navigation Center across the street.

And Alice will remember that day. We had about 30 police here in the room. And it was a barn-burner hearing that day, boy. It was exciting. And sometimes, we worry about -- we future-trip about 80 percent of the things that would never happen.

But we got it through that day. And it's good to see that the Port -- that we're able to engage. And one thing that I like about what's happening here is because everybody is always on their Ps and Qs when everybody is watching.

But the most important thing is, what are you doing when nobody's watching? And that speaks to your integrity and to your principles. And I think that's what the Port is doing. Emily, I see what you're saying. And we have to continue to do all that we can do.

And sometimes -- you know what? This here -- maybe this chose us. So be it. We have a moral and a responsibility to do all that we can. So I appreciate -- and I'm supportive however this thing moves. My fellow commissioners asked some good questions.

But I would tell anybody, anybody can wind up homeless. Don't ever think that you're above something bad happening or circumstances happening in your life where you had a heart attack or stroke, lost a good job, got strung out on drugs.

Everybody that's -- has a story. Some people were very, very successful. So don't ever underestimate or belittle. We have an obligation to help as many people as we can. Thank you.

President Brandon: Thank you. Emily and Kim, thank you so much for the presentation. And Emily, I don't envy you and your role and what you have to do because, you know, just like here, nobody is happy all the time. You know, everyone has their different issues and challenges.

And I think the Port has been extremely supportive of HSH and with the two Navigation Centers, with the trailer -- the RV park. I wish there was more that we could do because it's such a huge issue. But also -- you know what? It's a citywide issue.

And somehow, we have to all get together and speak up and say that we have to take care of this. We all have to do something to help with this. It can't just be concentrated in one area. You know, there are homeless people all over San Francisco.

And so this is just for my knowledge. And I'm wondering, with the two Navigation Centers that we have -- and I know that we had to decrease the use of them because of COVID and to give extra space. But now COVID's over. So are those at full capacity? Do we have room to take in more?

Emily Cohen: Thank you very much for the question, President Brandon. Across our shelter system, we reduced capacity dramatically at the beginning of COVID and moved folks to hotels. And we are nearly back to where we were before COVID in terms of expansion.

We have a bit more work to do at Embarcadero Navigation Center to expand. But most of our other beds are back online at this point. So we will be expanding that property again or up to its full potential, which it had never achieved because it was still in the ramp-up phase when COVID started. But other than there, we are pretty much fully back to our pre-COVID --

President Brandon: So what do we need to do at Embarcadero?

Emily Cohen: The beds have been ordered. When they're here, we'll put some people in them. Yeah.

Commissioner Gilman: Are people -- sorry.

President Brandon: Go ahead. Go ahead. Go ahead.

Commissioner Gilman: I mean, I guess a question I have is, you know, we read stories in the Chronicle and other papers all the time that folks are not accepting congregate shelter. Are people accepting this beautiful Navigation Center that we --

Emily Cohen: Yes.

Commissioner Gilman: -- and you invested so much in?

Emily Cohen: Yes. So we now actually have a publicly available dashboard on our website that tracks bed availability. And you'll see -- it fluctuates every day. But last time I looked at it, which I think was Monday -- today is Tue -- Monday, it was about 90 percent full. And that's across our entire shelter system.

So we want to make sure we have enough slack in that system to respond to emergencies, make sure the homeless outreach team has the beds they need to be out offering folks placements. But we don't want to drop below 85, 90 percent utilization because we want to make sure folks are in those beds. And they are.

We definitely hear from the street a lot of preference for non-congregate like the trailers. But people are still accepting the congregate shelters as well.

President Brandon: Thank you, Emily. Any other qu -- Vice President Adams?

Vice President Adams: Well, I think we need to also point out that this is just not a problem here in San Francisco. Commissioner Lee was just in D.C. It's in D.C. It's in Sacramento. It's in Seattle. It's in Portland. It's in Los Angeles. The

mayor's race was all about the homeless problem in Los Angeles, one of the largest cities.

New York -- everywhere across this country, there is an issue with homelessness. We can't escape it. And a lot of politicians very seldom talk about it in the higher races like pres -- stuff like that. But this is something that is plaguing this country.

And really, we're the richest nation in the world. And really, we ought to be ashamed of ourselves. We can do better. We can do better. And we have not done better. We can do better. FDR said it best. You can be tough. But you don't have to be cruel. And to me, this is a form of being cruel. Thank you.

11. WATERFRONT RESILIENCE PROGRAM

- A. Informational Presentation on Request for Proposals (RFP) from Pre-qualified Pool for Consultant Services for the Proposed Pier 50 Earthquake Improvement Project, Initial Study and Pre-design Services.

Steven Reel: Good afternoon, commissioners, Executive Director Forbes. My name is Steven Reel with the waterfront resilience program. I just quickly wanted to introduce Chris Horiuchi, who will present on this item.

Chris joined the waterfront resilience program in January as a project manager. He's taken on key responsibilities in the program including the project manager for the Pier 50 earthquake improvement project.

He's supporting Embarcadero early projects including the Ferry Building seawall project and the downtown coastal resilience project. He's helping us shape our earthquake performance objectives. And he's leading up the program's sustainability guidance including developing the methodology for embodied carbon and the adaptation strategies and the early project alternatives.

Chris has a bachelor's degree from U.C. San Diego, a master's from Berkeley. He is the co-chair for the American Society of Civil Engineers sustainable structures committee. And he is a husband and a recent father. So I'm thrilled that he's joined the program. So Chris?

Chris Horiuchi: Good afternoon, President Brandon, Vice President Adams, Commissioners Lee and Commissioner Gilman. Thank you, Steve, for a very nice introduction. I wasn't expecting so thorough of an introduction. So thank you.

But like Steve said, I am Chris Horiuchi, a project manager with the waterfront resilience program, or WRP. So in addition to Steve, I'm also joined here by Carlos Colon, program administrative and Alysabeth Alexander-Tut for contracts and I believe also Melinda Kanios with CFD is joining online as well. And they can help answer any questions.

So we are all excited to be here to give an informational presentation on our intent to issue an RFP for the initial study and predesign services for the Pier 50 earthquake improvement project. So I will give a brief introduction to the project itself and then discuss the expected contract and the RFP process where we are using a prequalified pool.

So the Pier 50 site is located just south of Mission Creek. And it's a unique pier along the waterfront. It was originally constructed in the 1920s with Sheds A and B. And at that point, Mission Rock -- the island of Mission Rock was separate out in the bay. And it held a grain terminal used since the late 1800s.

And then, in the 1940s, that grain terminal was obsolete and burned down. And the pier was extended to encircle Mission Rock. And at that point, Sheds C and D were built, which explains the kind of unique shape of this pier.

Sheds A, B and C are leased out or available for lease. And Shed D houses the Port maintenance division including all the offices, machine shops and storage for their equipment and vehicles.

So the WRP is very motivated for the earthquake improvement project at this site mainly due to its importance for disaster response and recovery. When an earthquake does occur in San Francisco, Port maintenance would be immediately tasked with repairs and assessments along the entire waterfront.

And if this facility is damaged and their access to the equipment is restricted, the repairs to the entire Port jurisdiction would be hindered. Because the pier and sheds here are largely original, they're between 75 and 100 years old. They were designed prior to the use of modern seismic codes.

And they have just seen the normal deterioration of waterfront structures. There is indeed a risk to this facility if a large earthquake occurs. And the strategic importance of this facility and the need for improvements has been identified by a number of departments.

The Office of Resilience and Capital Planning in the 2020 lifelines restoration performance project identified it, the Department of Emergency Management in its 2021 joint disaster response exercise and as well as the Port itself in its 2022 additional assessment of the southern waterfront.

We'll also note that the Port has listed this project in the 2021-2025 strategic plan for its resilience and economic benefits and then also noting that the funding for this project for the first phases of this project are sourced from the ARPA stimulus funds received from the Port.

So for the expected contract and scope of work, this is the initial phases of the overall improvement project. So this part is split into two phases. Phase one would entail an overall assessment of the facility with investigations of existing

conditions, structural and geotechnical seismic analysis and a documentation of flood risks to the facility. From this assessment, we'd be able to develop a list of repair and retrofit projects.

Then, phase two would take the highest priority of those identified projects and advance them into predesign. This predesign phase would include the scoping, alternative selection and conceptual engineering and end in defined projects with scope, schedule and budget.

And by advancing the projects through predesign, we would be setting up the Port to pursue additional funding for the detailed design and construction of these improvement projects. The duration of this contract would be two years with an option to extend for an additional year, a contract not-to-exceed value of \$2.7 million and to note that a separate contract would be awarded for the detailed design and construction work beyond phase two.

So for this RFP, it will only be advertised to the prequalified engineering services pool established by the Port Commission Resolution 22-68 executed on December 13, 2022. The pool was created from the responses to the RFQ for as-needed engineering services.

Seven teams listed here met the minimum qualifications and were entered into the pool. Only these teams are eligible to respond. CMD has reviewed and confirmed the LBE requirement for this Pier 50 project will remain identical to that established in the RFQ with a 20 percent minimum LBE sub-consulting requirement.

And to select a consultant, we will engage a CMD-approved panel to grade the proposers on both the original RFQ response and their specific Pier 50 proposal. And scoring will be based on their approach to the work and their experience and qualifications of the firms and their personnel.

And finally, just to summarize the schedule, we plan to issue the RFP in the next week. Proposals would then be reviewed by the panel in May and a top-scoring team selected. We then plan to come back to the commission in June for a request -- approval to award the contract, hoping to start this important project for the Port in July 2023.

So that concludes my presentation. Thank you for your time and look forward to any questions.

President Brandon: Thank you, and welcome, Chris.

Chris Horiuchi: Thank you.

No Public Comment on Item 11A.

Commissioners' Discussion on Item 11A:

Commissioner Lee: I mean, I'm glad it's being done. When you guys -- maritime took me on the boat and I looked underneath that pier, I mean it's just amazing how things are standing up, you know. So I just again hope we can move faster and get the right people in there and do look if they finish their projects on time. That's just my thing. Thank you.

President Brandon: Thank you. Commissioner Gilman?

Commissioner Gilman: Chris, thanks for the report and being with us. I just wanted to make sure an assumption I was working off of was right. It seems that the prequalifying pool has enabled us to issue this -- do this in three months, which I think is great. It's a little speedier than we normally operate. Do you credit that to doing the prequalified pool first?

Chris Horiuchi: Yeah. That's correct. It definitely streamlines the process both for the proposers themselves and for the Port that we're able to start this more quickly. Yes.

Commissioner Gilman: So I just want to encourage us, whenever possible, to use prequalified pools. I like the fact that, when we have these projects pop up or we have funding from ARPA or an opportunity that we can move more quickly and nimbly -- so I really am supportive of this process overall for us from a contracting perspective. Thank you for your presentation.

Chris Horiuchi: Thank you.

President Brandon: Thank you. Vice President Adams?

Vice President Adams: Chris, great presentation. I guess that was hard to follow after Professor Steven there gave you that quite introduction there. Great presentation. I've always said that we seem to be like so far ahead on this. And we're continuing to move and bringing you on now just is a good thing.

So I'm expecting more things to come. And like I said, this is something that, from the beginning when Steven was talking about all this earthquake thing -- and I think about it because it seem like it's a couple times a week we have earthquakes.

And it kind of makes me wonder one day are we going to really have a big one here in San Francisco. I wouldn't be surprised. So I appreciate what you're doing. I'm very supportive of it.

Chris Horiuchi: Thank you.

President Brandon: Thank you. Great presentation. So once we do the design and we're ready for whatever recommendation there is for construction, how will this be paid for?

Chris Horiuchi: So right now, we have not determined that. But we believe, by advancing to the predesign and kind of identifying the prioritization and importance for disaster recovery, there would be grants available to fund this.

President Brandon: Great. Okay. Thank you. So this is an informational presentation. And you're not coming back to us for a -- you're coming back with an award after you go out.

Chris Horiuchi: That would be in June. Yes.

President Brandon: Got it.

Chris Horiuchi: That's correct.

President Brandon: In June if all goes well.

Chris Horiuchi: If all goes well.

President Brandon: Thank you.

Chris Horiuchi: Thank you.

12. NEW BUSINESS

Director Forbes: I've recorded the following new business: to schedule a tour of the living seawall for commissioners and to discuss -- and to provide a report on contract closeout coming on time, on budget and other performance metrics.

And also, there were several comments by Commissioner Lee related to real estate. And I've put it down that we may have a briefing or an info item. I'm going to follow up with you and our president. Is there any other new business?

President Brandon: Any other new business?

Commissioner Gilman: Actually, could we get a mid-six-month check-in on the demobilization of the Navigation Center mostly around linkage to housing and maybe also to understand overall from the department -- when they do their housing placements, I want to ensure there's not -- I don't think there would be -- but any racial disparities given the fact that so many -- majority of the population at this site is our black and brown community here in San Francisco. I want to make sure they're having access to permanent housing solutions.

President Brandon: Any other new business? Vice President Adams?

Vice President Adams: Madam President, with your indulgence, I would like to adjourn in solidarity with the Tennessee three.

13. ADJOURNMENT

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

President Brandon: The meeting is adjourned at 5:26 p.m.