



SAN FRANCISCO PORT COMMISSION

**JUNE 13, 2023
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

**HON. KIMBERLY BRANDON, PRESIDENT
HON. WILLIE ADAMS, VICE PRESIDENT
HON. GAIL GILMAN, COMMISSIONER
HON. ED HARRINGTON, COMMISSIONER
HON. STEVEN LEE, COMMISSIONER**

**ELAINE FORBES, EXECUTIVE DIRECTOR
JENICA LIU, COMMISSION AFFAIRS MANAGER**

CITY & COUNTY OF SAN FRANCISCO PORT COMMISSION

MINUTES OF THE MEETING JUNE 13, 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, Gail Gilman, Ed Harrington, and Steven Lee. Vice President Willie Adams was absent.

The Commission Affairs Manager read the Ramaytush Ohlone Land Acknowledgment.

2. APPROVAL OF MINUTES – May 9, 2023

ACTION: Commissioner Gilman moved approval of the minutes. Commissioner Lee 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 this agenda. During public comment, 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 Port 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))

Public Comment on Items Not Listed on the Agenda:

Evan McLaughlin: Good afternoon, commissioners. My name is Evan McLaughlin. I am with the International Longshore and Warehouse Union, Northern California. I'm here today -- we wanted to provide the commissioners with an update on the ongoing negotiations between the Inlandboatman's Union and Alcatraz Cruises and to ask the Port Commission for their continued support as we continue to try and get a fair contract here.

We've had some significant issues with delays from the company over the past few months. I believe the last time we were here we informed the commission that we had a nearly two-month gap between when the employer told us they were able to sit down and meet for negotiations.

That ended up being a gap of 52 days between negotiations. We've had a slight improvement since then which is that the employer has now agreed to sit down for two days of negotiations per month. This is a really big issue for us because we are in touch with workers every day talking to them about their issues every day.

And we hear the same things that they've been dealing with since they contacted us in the first place where they have schedules that don't allow them to plan their lives. We have some folks who are making as little as \$19.50 an hour. Here in San Francisco, that is really not livable.

And we still have attempts to exclude some of the workers including the captains from being covered by the union. People are upset about this. And the more that we get into the summer season, the more we have frustrations and the more we have people saying, "Hey, we've got to take action. We've got to do something here."

And it's really difficult to tell people like, "Hey, we don't want disruptions. We don't want anything to happen." It's hard to tell them that when we're only receiving a couple days of negotiations per month.

It's very difficult to get what we need to do done. So again, we are here to give you folks an update. We've got a couple of the folks from Alcatraz Cruises who also wanted to speak about what's been going on.

And again, we wanted to ask for the Port commissioners continued support. We all have the same interest here. We just want to get a fair contract. We want to help San Francisco continue along its pandemic recovery.

The only thing that we're asking for Alcatraz Cruises -- we're not trying to make them the new gold standard for maritime employers on the San Francisco Bay. The only thing that we are trying to do and the only thing that these workers have asked for our assistance with is in helping them to get to the standard that has already been set for the other very successful maritime companies on the bay.

So that's Blue and Gold, Golden Gate Ferries, Red and White ferries, Tideline, Prop SF. All these folks are operating under the standard that is appropriate. And they're very successful. Again, we ask for your continued support. Thank you for your time today.

President Brandon: Thank you. Jack Calvin?

Jack Calvin: Hi. Good afternoon, commissioners. My name is Jack Calvin. I'm a deckhand at Alcatraz City Cruises. I've been working there for a little bit over a year. As Evan touched on, we have been in this fight to organize a union in our workplace for the better part of two years at this point.

Since we won our election and our union was certified in September/October, the company has not been meeting u -- the company has not been negotiating with us in good faith. Like Evan said, 52 days between negotiating sessions is just not a realistic pace to come to an agreement on a contract.

Something specifically I wanted to touch on was the refusal by the company to recognize captains and maintenance supervisors as part of our bargaining unit. When we filed for election, the captains' and maintenance supervisors' ballots were challenged.

And we were instructed by the National Labor Relations Board to sit down and negotiate whether or not they would be included in the bargaining unit. So far, the company has not budged one inch. They've refused to even talk about it. All they've said is no.

And in my opinion and the opinion of our union is that that's not negotiating in good faith whether they should be included. I work with our captains every day on the job. The company claims that they are members of our management team.

But they have no actual managerial duties. They don't make our schedules. They can't hire us. They can't fire us. They don't have any discipline powers. And when I'm working with them on deck, they are my coworkers. Right. They're not my boss.

I listen to their instructions. And I follow their direction when we're underway. But they are not our managers. Our captains were the first ones to

reach out to the Inlandboatmen's Union for help in organizing our union. And they deserve to be recognized as part of that unit. Thank you for your time.

President Brandon: Thank you. Parker -- I can't read the last name. Come on up.

Parker: Hello, everyone. Thank you for your time today. I appreciate you allowing me to speak. My name is Parker. I work in the maritime operations for Alcatraz Cruises as a deckhand. I've been there for a couple months now. So I'm still relatively new.

But I wanted to use this time today to kind of share my experience. And I hope, in doing that, my sharing of my experience will help others. So I took this job a couple months ago mainly because I was trying to save money to go back to college.

And I'd always enjoyed working on the water, wanted to build some sea time, eventually get my captain's license. And I was experiencing a lot of financial distress before taking this job. So when this opportunity came up, I was thrilled.

I thought that my life was going to take this huge positive trajectory. And things were going to start to really recover for me. Unfortunately, due to some of the practices, I haven't had that be my experience.

The main issue for me is scheduling. That's something I think that other members have spoken about at length. And I just want to reiterate that that can have very real impacts on people's lives. When I was hired -- I have another job. I work for one of the largest employers in the State of California.

I'm not going to name who they are now. But I do have another job on the weekend. When I was hired by Alcatraz Cruises, I made it clear that I have other work responsibilities during the weekend and that I expected to be given a reasonable amount of heads up if I was going to be scheduled in a conflicting time period.

They never objected to that. And that was never an issue. However, that has not happened. Consistently, these schedules come out very late, often within 24 to 48 hours. I've had to disrupt the operations of my other employer by not being able to show up to their shifts as I had to show up to my Alcatraz shifts.

The company does expect us to have 24/7 availability. It doesn't mean we have to work every hour during that 24/7 period. But we have to be available for shifts. While at the same time that demand is pretty hefty, yet we're not given very respectful scheduling in my opinion.

I don't think there's a degree of consistency or predictability that would allow us to have lives outside of work. You can't have a work-life balance when

you don't know when your work is going to be. It just takes away the rest of your life.

So to kind of touch on my own personal experience, I recently had my hours cut basically from consistently over 30 a week to nothing. And there was no communication as to why that was. It was a big impact on me.

I, at first, thought that I had done something wrong and that I was going to be terminated. But that was not the case. I reached out later when the financial situations got very tight. And I asked if I'd been laid off or furloughed, was not given an answer about that.

Eventually, I was told that my hours being reduced to nothing were because I did not have 24/7 availability. That was not something that was established when I was hired, yet that was a reason that my financial wellbeing was consistently brought down.

So it's been a big challenge for me. I have to now most likely leave the area. I really wanted this to work. And I love the San Francisco Bay. I love living here. And I loved my time working at Alcatraz Cruises. But unfortunately, without regular scheduling and with my hours being reduced like that --

President Brandon: Thank you.

Parker: -- I can't afford to live here.

Kimberly Brandon: Thank you very much. Appreciate your comments.

6. EXECUTIVE

A. Executive Director's Report

- **Economic Recovery**
- **Equity**
- **Key Project Updates**
 - **Economic Recovery & Growth on the Waterfront**

Director Forbes: Good afternoon, President Brandon, members of the commission, members of staff and public. I am Elaine Forbes, the Port's executive director. I'd like to start with the economic recovery.

First, I have some good news to share about our financial footing. We've embarked on an economic recovery initiative, as you know. And as part of that, I'm sharing the most updated information I have about how we're doing.

I have some good news. While we're not in the woods, we are rebounding faster than we thought on our revenues. And we have reached some pre-

pandemic revenues in some of our very key business lines. So I'm very excited to report that.

I think we have some serious tailwinds at the waterfront which include the cruise calls, real tenant successes, lots of visitor returns. That we're providing a clean and safe experience is mattering. It really appears that our waterfront is a big draw and will continue to be so.

So we're very excited about the success. And with that, I would like to introduce our economic recovery manager, Meghan Wallace. She is going to give the Port Commission an overview about how she developed the plan and some next steps. To you, Meghan.

Meghan Wallace: Thank you, Director Forbes. Good afternoon, commissioners. Since my last update to you in December, I have been working with the Port leadership, staff and our business partners to develop and refine the Port's economic recovery and growth plan.

This is an implementation plan for our economic goals in the strategic plan. So this afternoon, I'm going to share an update on how the plan has been developed as well as some details in the plan along with how we're going to allocate resources to get our work done.

So before I get too far, I want to be clear that the economic recovery and growth goals are actually one pillar of our work as the Port. Really, Director Forbes, Port leadership and as an organization, we do feel strongly that we will only be successful in our stabilization of the Port's financial future if we do integrate our work with our equity goal, which reflects our values as well as our resilience goal, which represents our long game for addressing seismic risks and sea-level rise along the waterfront.

So this report that I'm giving you today -- just keep in mind that it has been developed really thinking about this as being one of three main pillars in our work. So first, in thinking about developing an execution plan for our economic recovery and growth goals, I want to highlight a general mission statement that -- recognizing there is a great body of work that has already been accomplished at the Port including creating a strategic plan.

I wanted to use existing documents to develop and implement the initiatives that both address the immediate economic needs of our waterfront and look to the long-term financial stability and sustainability of the Port.

In the planning, there always need to be stages in work, really trying to focus efforts. And we really started with developing and refining the growth plan so looking at our economic goals and making sure that -- pulling in other planning documents and other information to really develop economic recovery actions.

And then, of course, thinking about, how are we going to support that work, allocation of resources? So as I'll show in a moment, that's been the body of work that has been underway over the last several months.

But of course, the ongoing execution and iteration is in the forecast as well as building in monitoring and reporting, making sure that we're being accountable internally to ourselves as staff, to you as the commission as well as to the public and our partners.

So when it comes to developing a plan, I definitely did not go into it alone. This has been integrated work with partners in each of the divisions. I think everybody is represented here. I do want to highlight that there has been exceptionally strong leadership with our director -- thank you, Director Forbes, for your guidance on this work -- but also within, throughout the ranks of the Port, gathering ideas, pulling together priorities and understanding where we might pull levers to really make some progress as an organization --

-- but then also looking externally, talking with the Fisherman's Wharf CBD, who as you know we've been partnering with recently, but also, you know, thinking about tourism trends, talking with SF Travel, really trying to have boots on the ground talking to people outside of the Port to understand the economic environment around us and what tools they might recommend we utilize.

I mentioned not wanting to start from scratch. I've listed some guiding documents here. The strategic plan is document number one but definitely looking at proposals that staff had proposed last summer with ideas for economic recovery initiatives, the capital improvement program, the waterfront plan, really looking at those existing resources to help make a complete picture.

And then our funding sources -- as you'll see in future slides, there are a variety of sources that are being taken into account when it comes to moving our strategic goals forward.

So in terms of the timeline, I mentioned develop and refine. So in the yellow bar, you can see that this really started in November when I first came on board with the Port. I do see it continuing into August so really building from the internal work and collaboration for developing initiatives, having -- you know, and refining those initiatives, really landing on some wonderful ideas to move forward.

Of course, we're here today for our Port Commission update. But then, this summer, we'll be meeting with the advisory committees and really trying to inform people but create a feedback loop for input as well.

And the developing and refining is in parallel with the allocation of resources. An important step in all of this is actually sharing an expenditure plan for the \$10 million of economic recovery funding that was included in the fiscal year 2021-22 budget that's currently on board reserve.

So I mentioned earlier that the economic recovery and growth plan is an implementation plan for our strategic plan goals. So again, the recovery goal, which is really focused on that near-term activation of the waterfront, really thinking about that quick recovery from the pandemic to the economic growth of the Port, really thinking about that long-term financial future that we've always been thinking about pre-pandemic, just recognizing that expenditures grow at a faster pace over time than our revenues.

So what are we doing about recovering and growing? That's where our objectives come in. I'd like to -- there are a lot of objectives associated with both the recovery and the growth goals. So I think it's helpful to think of them in three buckets of administrative, really thinking what are we internally doing to improve our operations.

Activation and business development -- a lot of this is that near-term recovery work as well as growing our maritime and real estate portfolios and then public-private partnerships, leveraging other people's money, our business partners, to create new neighborhoods and revitalize our historic piers.

So I'm going to try to go through these fairly quickly. But basically, what I just did -- I just gave you a background on how we developed the plan. I'm going to share some details within the plan. And as I mentioned, I'm going to follow these three categories of administrative, activation and business development and public-private partnerships.

So under the administrative category for recovery, we're really looking at three main areas: lease administration, enterprise economic recovery and then management of our resources and projects.

And under lease administration, this isn't news for you all actually. Staff have come to you with proposals for ways to either bring current tenants into compliance -- so trying to reach settlement options so that we're moving them out of the delinquent category into the up and running and doing well -- as well as the incentives category so thinking about using that tenant improvement fund to improve facilities and attract new tenants. But this is really an internal administrative tool that we're using.

For our enterprise economic recovery, we're really looking at attracting external funds so not only relying on federal stimulus dollars to move our work forward but actually going after additional grants.

So we have a grant application out for CalSTA. We see some others in the pipeline. So we're trying to make sure we're organized around effectively going after those funds.

Technology is not one of those things that you necessarily think about for recovery. But really, how these systems operate translate into how effective staff is in our day-to-day jobs. And then operating efficiencies and staffing are other things that we're exploring trying to just make it easier both to work for and with the Port.

And then, resource and project management -- really wanting to track hiring positions to manage this work, such as myself, such as a new business-generation manager and also internal employee-facing positions such as a new employee ombudsman -- these are things that are going to help us drive this work forward and support staff as we're recovering.

And then, of course, reporting -- really thinking about that accountability -- what's the sequencing of me coming to you and giving updates but also meeting with staff? Director Forbes has been adamant that she wants to have internal stakeholder engagement as well, making sure we have strong feedback loops internally because, really, our staff knows so much.

And they provide so much critical feedback. And we want to carry that forward not just for this last six months but moving forward in this process.

Activation and business development I think is maybe the one that everybody thinks about when they're thinking about economic recovery, particularly tenant recovery and activation. These are things that we've been talking a lot about in terms of like restaurant and retail pop-ups.

I know that's going on downtown. We want to do some of that here along the Port property. For parks and open space, how do we make it easier to find your way once you're down here? Waterfront walk -- thinking about creating more of an attraction along with art and other beautification to make people think of this as a destination and then, of course, the Fisherman's Wharf grant, working on pop-ups, safety, other cleaning.

And then, for the property portfolio, this is where we're actually looking at the tenant improvement funding as being really critical. We're looking at these vacant spaces and trying to identify the best ways to invest federal stimulus dollars to prepare those facilities to be ready for new tenants.

And then, for maritime, there are four major categories of commercial fishing, the Pier 70 shipyard, cruise and then our maritime terminal in the southern waterfront. And this actually -- I want to highlight some of these things because actually the color coding really plays a role here.

Everything in yellow is representing investments that we're proposing with the \$10 million economic recovery funding. If it's in blue, that's really representing federal stimulus or other grant dollars. Green is more of a public-private

partnership. And then, if it's in black, that actually is an operating expense that we're already carrying.

So as you can see here particularly for activation and business development, there's a real combination of these different funding sources that, together, can move all of these strategies forward. And then, finally, public-private partnerships -- I felt a little bit uncertain about this slide because that's a small table representing some very, very large, important projects for the Port.

So just really -- but don't want to leave it unshared in terms of the importance of moving these long-term improvements both to our historic facilities and creating new neighborhoods along the Port that's really going to frame the future of the Port and our financial position, anticipating long-term revenue as well as the future of the city, just creating new housing, preparing for sea-level rise and other economic benefits.

So I just wanted to highlight some of the key outcomes. I've been describing the objectives and the what are we doing. But in terms of what do we want to get out of it, what are those intended outcomes, really just want to highlight how each of these categories fit in.

The administrative thinking -- we want to improve the Port's balance sheet when it comes to leases, attracting and retaining tenants. That's where that lease work really comes to play. Those internal operating efficiencies -- I talked about wanting to make it easier to work for and with the Port, you know, really thinking, how can we make it a wonderful place to work by making it easier to do our jobs with good technology systems, for example.

And then, of course, with activation and business development, we just know that, by generating activity on the waterfront, building our maritime complex in the southern waterfront, including cruise and thinking about shoreside power and offshore wind, these are all critical components to that growth and then, when it comes to the public-private partnerships, you know, building those resilient communities and protecting our historic facilities.

Before I wrap up, I want to make sure I'm very clear about the allocation of resources from the \$10 million of economic recovery funds. So as I mentioned, these funds were budgets in fiscal year 2021-22.

But the Board of Supervisors put them on reserve because we didn't have a detailed expenditure plan for those funds. So I've had the benefit of being able to develop that expenditure plan. And every item listed here represents components of our strategic goals and objectives that have not yet been funded or don't have a clear funding source coming its way.

And so things that may not be as exciting or easy to argue need funding like an 811 utility mapping project. But we better do it. That's going to help reduce

the risk for the Port, make it easier for staff to do their jobs, so they can also shift and focus on other priorities all the way to looking at maritime, thinking about an ice machine, improved facilities that make fishers want to stay in San Francisco rather than going to other Ports.

These are all things that historically may not have had clear returns on investment but actually do have a positive economic benefit to the Port by making it easier to work with us, making it -- including our fishers all the way from internal staff to fishers who are in our Ports.

So main takeaways -- we have an economic recovery and growth plan. This is an implementation plan. We're tracking all of our steps, understanding -- you know, working to understand where there are pitfalls in delivering various actions but also working to make sure that funds are in place to drive our work forward.

We also have an expenditure plan for this \$10 million of economic recovery funds. And I think, if there were any major takeaways also in terms of what we're trying to deliver, I want to highlight that we're working to improve our internal processes, again make it easier to work for and with the Port.

We're doing a lot of active work in Fisherman's Wharf, trying to improve visitor experience, bring tenants back because, from what we've examined, that's where we still have the biggest hole in our revenue streams is in Fisherman's Wharf.

And then, really working to leverage external funding to drive our big initiatives particularly in our maritime work in the southern waterfront -- I think that's our near-term focus on external funding but also just thinking about that long-term forecast, recognizing that we need to improve our operating revenues and having them grow steadily over time so that we don't get caught having a budget shortfall.

Thank you for this time giving you an update. We are looking to go to the Board of Supervisors in September. And with that, I'm going to hand it back over to Director Forbes.

Director Forbes: Thank you, Meghan. I really appreciate that update. And it's very rewarding for us to bring our plan together and make it actionable and see how to allocate resources as we track through the various initiatives.

Several of these work efforts we've known needed to be done. And it was a matter of finding the resources and the time to do them. So this really gives us more prioritization and push on the key initiatives that will help us stabilize our balance sheet and have a good financial future.

Also, the pivots that we need to make to the COVID environment are nestled in round how to re-tenant our facilities, whether that's through pop-ups, whether that's through re-leasing or both. There's a lot of on-the-ground work here that will happen as we see what our longer-term COVID impacts are to our enterprise and how best to respond.

So thank you so much, Meghan, for that presentation. And we're really glad to have a leader organizing this work across divisions. Now, I'm going to turn to equity. This last weekend, the Port hit a very important milestone in our equity work.

This was our third Juneteenth On the Waterfront event. And this one was really better than ever. The event featured black-owned businesses from the neighborhoods and drew really big crowds from residents throughout the city. Businesses were sold out. And crowd favorites like oxtails and gumbo were sold out very, very early.

Mayor London Breed and Commissioner Gilman joined thousands of people for the Juneteenth event. Foodwise sponsored with partnership of the Port, Hudson Properties, Ferry Building and with funding through the Dream Keepers Initiative. It was a wonderful gathering.

Our mayor was there for nearly four hours. She interacted with and bought from nearly every vendor and then toured the Ferry Building. You may have read or listened to all the amazing press that came before the event. We were featured in several outlets.

And I want to thank our communications team for the great work in getting us out there and getting the event known to the public. As always, our team made sure the waterfront sparkled. I want to thank our maintenance division. And I also want to thank all the Port staff who tabled the event. Thank you.

And finally, to you, President Kimberly Brandon, for your very early leadership on the concept and the direction for us to just get it done, which we did. And we're very pleased with how it's going. It was a very proud day for the Port.

And finally, one more person to thank, which is Toni Autry -- she had exceptional leadership. And she did a lot of adept work, administrative work with permitting and contracting, etcetera. So thank you, Toni.

Now to our resilience news, more exciting report on the resilience efforts -- as you know, we've been working very closely with the Army Corps of Engineers and our sister agencies that have infrastructure impacted by the need for flood protection here at the waterfront.

In February and again in early June, members of the Army Corps of Engineers joined our waterfront team in person for a week of in-depth conversation and analysis. In April, our team hosted city champions, which was representatives from our partner city agencies. And they've been collaborating very closely with us and the Army Corps.

These sessions are important. This ongoing collaboration is critical for a successful plan and project for flood protection and seismic protection. I'm really pleased everyone is doing this work in person because it's very complex and appreciate the Army Corps of Engineers for coming to San Francisco.

We're hoping to have -- reach a plan for public review by the end of the year. As you know, we're starting to see results from the analysis as it relates to federal interest. And we're looking at how this will impact our draft adaptation strategies.

We'll use these results as well as public feedback we've received to help us build the plan. And we'll be sharing the results with you early this summer. It's a very big time for the development from all the analysis to a plan.

We look forward to more. To key projects -- I'm turning to the southern waterfront with an update on Pier 94 trailer sites. As you know, we have an MOU with the Human Services Agency for operation for a temporary shelter at the industrial working area of the Port at Pier 94.

It expired February 28, 2023. With Mayor Breed's lifting of the emergency declaration, the Department of Homelessness and Supportive Housing has continued to use the site. However, we don't have an active agreement for their use of the site.

So I will be entering into a month-to-month MOU with HSH for the continued use of the site as they continue to wind down and prepare their demobilization plan. We're very proud to have been a real big part of the effort to house unsheltered people during the pandemic. And we offer our full support as HSH in the wind down to get people housed and into a healthier and safer environment.

Now, I'd like to give you an update on the shipyard repurposing. In October of 2020, our maritime staff gave you an informational presentation on the shipyard and how we would reposition the shipyard after we lost ship repair.

Part of the discussion was the many, many vast inventory of abandoned ship-repair assets including two large dry docks. In late 2022, the Port staff began efforts to prepare a competitive solicitation for disposal of Dry Dock Number 2 and Dry Dock Eureka.

I'm happy to say that, as of Tuesday, June 6th, the request for offer for purchase for the two assets have gone live. The Port is currently offering them for sale to the public. The minimum bid price is \$2.5 million. And it requires the bidders to remove both dry docks from the Port.

The details of the RFO are on our website. And we hope to report a successful bid and agreement. I want to say thank you to the maritime division, the city attorney's office and the office of contract administration for this good work.

And commissioners, consistent with the write-off policy adopted pursuant to Resolution 22-11, Port staff have given you a report summarizing one recommended write-off on May 8 to ASN Stone in the amount of \$57,674. You have 30 days from this day to review. If you have any concerns, let me know. And we'll schedule it for a hearing.

Now, I'd like to thank you, commissioners, as always for your dedication to our waterfront. And I would like you to help me in honoring three individuals who have made a major stamp.

First, to someone who's not here today -- just to let you know in advance -- our Port staff's sustainability leader, Carol Bach -- she will be retiring at the end of June. She had a conflict today and wants a low-key exit. Carol has been with us since 1995, 27 years.

She has served in many positions. She was the project manager, regulatory specialist and manager, assistant deputy director of planning and environment. Carol is the reason for Heron's Head Park including advancing equity and resilience through partnerships with community, regional CBOs, city and regional agencies.

She also managed the site investigation and preparation of Pier 70 remedial action plan and risk management plan that was funded through a federal grant. Without this work, we would not have the Pier 70 historic core or Crane Cove Park or the future waterfront site.

Carol was also a critical member to the waterfront land use plan. She led all the sustainability work and the subcommittee drafting the policies. She's been a tremendous person for the Port. She explains very complex science issues in a way we can all understand.

We will miss her expertise, positivity, endless hard work and good personhood. We wish her a good next part of her life and excellent retirement.

Now, we have two dedicated CAC partners that will be stepping down from their position. Following in the decades of service, I'd like to honor Marsha

Maytum. She served on the waterfront advisory committee from 2006 to today, nearly two decades as an architect with historic preservation expertise.

And she's on the line joining us now. She's provided outstanding wisdom and guidance to the Port projects including the cruise ship terminal, the Broadway hotel, the Exploratorium, the Rincon Park restaurants, the downtown ferry terminal expansion and many other projects that have shaped our waterfront.

Staff says her contributions were always extremely insightful and recognize the importance of historic resources with our national registered district and made certain projects were respectful of the historic fabric. Marsha, we're so grateful for your contributions.

And then to Roscoe Mapps, who I believe is here today -- Roscoe -- who has served on the central waterfront advisory group since 2019, which was renamed and reconfigured to the southern advisory group that same year.

He served as a representative for the San Francisco Giants and Mission Rock partners. For most of the last decade, Roscoe actively participated in the meetings as the government relations officer for the Giants and has built relationships with staff, South Beach and Mission Bay representatives and has shared goals.

He's aligned shared goals with operating ball games, concerts and special events as a good neighbor. Upon SAC reorganization, Roscoe actively engaged with members bringing former SWAC and CWAG together and brought new perspectives to the committee.

He's also worked closely with us on the transformation of Seawall Lot 337 to the new neighborhood we see rising today. Fortunately, you'll continue to work with us in your new capacity with the San Francisco Giants and will remain a valued stakeholder, Roscoe.

So for their service, I'm honored to provide a parting gift. But Roscoe is the only one accepting it in person today. Thank you. That concludes my report.

Public Comment on the Executive Director's Report:

Dan Hodapp: If I may, President Brandon and members of the commission -- Dan Hodapp with the planning and environment division -- I congratulate and thank both Marsha and Roscoe for their service. And I want to make a few remarks about Marsha because I've served and worked with her for the entire time she's been on the waterfront design advisory committee.

I have so enjoyed working with Marsha on the waterfront design advisory committee, also known as the WDAC, and all the insight she has brought to so

many projects, which Director Forbes mentioned a few of them. And there's just way too many to mention all together.

For context, the committee's process is similar to the commission. There's listening to the applicants' presentation, listening to public comments. And then, the committee makes comments on those -- what they've heard.

When it was Marsha's turn to speak, the room would go silent. People waited and listened to her every word. Her known knowledge of architecture, historic rehabilitation and urban design was extensive and respected.

Her skill in explaining complex issues in a manner that everyone could understand and appreciate was also amazing. And more often than not, she left everyone agreeing that, yes, I will have a better project with this guidance.

So thank you, Marsha, for guiding the Port to be more attractive, more efficiently functioning and overall a better place. Thank you. Thank you. Thank you.

President Brandon: Thank you, Dan. Is there any other public comment?

David Beaupre: Good afternoon, commissioners, President Brandon. David Beaupre, deputy director of planning and environment. I, too, wanted to thank both Marsha and Roscoe and also, obviously, Carol, who I will miss tremendously.

I want to say a few words about Roscoe because I've worked with him a long time as well. When we were reviewing his time sitting on the SAC and CWAG, I couldn't believe that it had only been four years that he served, four probably long years for him.

But I realized that he'd actually been with us a lot longer. He participated prior to becoming a member actively as a part of the Mission Rock and Giants team, coming to many SWAC and CWAG meetings.

And I've always enjoyed his partnership with us and input. As Elaine mentioned during the transition between bringing the CWAG and the SWAC together, Roscoe played a key role in bringing those two communities together, bringing a new perspective for them and helping that SAC kind of gel as a group. So thank you very much, Roscoe. We appreciate your dedication. Thank you.

President Brandon: Thank you. Is there any other public comment in the room? Roscoe?

Roscoe Mapps: Good afternoon, President Brandon, commission, Director Forbes, Port staff. Thank you. The Port is a very special place. And this type of

recognition is one of the reasons why. It has been so much fun and an honor to work with you all and the community.

Whether it's CWAG or SAC around Giants work or Mission Rock, the community welcomed me in just like Port staff as if I had been working on Mission Rock forever. And the community helped me get up to speed.

The community shared with me what their concerns were, what they were excited about. And it's just been a fantastic experience working with you all. I will miss it very much. And I just really appreciate this recognition. It's completely unexpected. So thank you very much.

Kathrin Moore: Good afternoon. My name is Kathrin Moore. And as a fellow member of the waterfront advisory committee serving with Marsha since 2005, I want to join those today who spoke today in appreciation of her long years of public service.

Practice with purpose best exemplifies what Marsha brought to the WDAC over the many years. Citizen architect, an AIA term calling on architects to be of public service, best describes what Marsha has done for the waterfront.

And it's not only Marsha's professional accomplishments and her depth of experience that Dan touched on that guided [thoughtful deliberations] of the WDAC. But it is also her ability to stay open to different points of view and still find common ground.

I want to thank Marsha for those years. Marsha, you have touched, moved and inspired many of us. And you have practiced with purpose. And I want to thank you for being a friend and colleague. Thank you.

Commissioners' Discussion on the Executive Director's Report:

Commissioner Gilman: Well, first of all, I want to thank Roscoe and Marsha for your service and time with us. I actually think many people on the CWAG and the advisory committees actually work much harder and do much more tactical work than we as commissioners actually do. So I wanted to thank you for your service and your dedication.

Meghan, I wanted to thank you for your economic development report. And I sort of wanted to just sort of highlight and lift up one aspect of it that you touched on, which I know is a little bit of my soapbox. But it's around wayfaring and signage.

We have so many events happening this month kicking off summer. Whether it be the North Beach Festival, which is taking place this weekend with tens of thousands of people coming to North Beach -- how incredible would it be

this time next year if we have signage highlighting the waterfront so that those visitors can come to the waterfront and have that experience?

Or happy pride month, which Director Forbes I know meant to mention -- and we have the parade on June 25th with hundreds of thousands of people coming to San Francisco to uplift and celebrate our LGBT+ brothers and sisters in our community. I would love to see activities along the waterfront.

I know the Ferry Building is highlighting some -- but ways for folks to enjoy our great city. So I do think, as we think of economic recovery, we really need to think about how we get people to the waterfront and then folks who are coming from cruise or coming for the waterfront, how we get them into our historic neighborhoods of San Francisco, whether that be Dogpatch, the Castro or North Beach. So I really do want to highlight the importance of that.

And then, my only last comment, which is not about the director's report but I do think is really important is to, once again at least for me as a commissioner, reiterate my support of the [Inlandboat] Union and their unionization efforts with Alcatraz Tours.

I say this because it was stated that the minimum wage, while it's above California state, that folks are making is \$19.50. And I want to highlight that individuals making that wage actually make too little to move into the affordable housing that the Giants produced the first project to ever have 60 percent affordable on their site.

But they are considered extremely low income from a housing perspective for the State of California. So those individuals would need a rental subsidy to afford a unit targeting working-class folks at 60 percent of the area's median income.

And I say that because wage compression is not a way to how a business model is highlighted. And having schedules where individuals can't juggle multiple jobs if they need to devastates our economy.

So again, I want to express my disappointment in Alcatraz Cruises for not bargaining in good faith. And hopefully, we can lift up the wages of those workers, so they can afford to stay in San Francisco. That concludes my comments.

President Brandon: Thank you. Commissioner Harrington?

Commissioner Harrington: Thank you, President Brandon. First of all, thank you, Commissioner Gilman. I want to associate myself with those comments. I appreciate those very much. Thank you to Carol, Marsha, Roscoe for all the work. I wish I had known you better. I'm fairly new here.

Next year, Juneteenth, I have to plan better. It came across so fast I figured it would be next weekend. But anyway, thank you for doing Juneteenth. It was great.

I have two questions on the strategic plan that you had, Meghan. I guess the first is a comment. Often when you see these things, you say we're going to do all these wonderful things. So I was very happy to see you actually had listed strategic outcomes and that you're going to be doing metrics. I'd love to see those metrics when you get them together, qualitative and quantitative, I'm assuming. So that would be great to do.

You mentioned a tenant improvement fund. And I don't know what that is. Can you talk about that?

Meghan Wallace: Yes. So the Port has allocated -- and correct me -- \$8 million for the tenant improvement fund using federal stimulus dollars. And the idea is that the Port will either use those funds to improve facilities to ready them for future tenants, or we now actually have authority that went through the Board of Supervisors to be able to give tenants the funds so that they can actually complete the improvements themselves. So it's really a way to lower barriers, trying to expedite the process of bringing in new tenants.

Commissioner Harrington: That's cool. Th -- \$8 million altogether -- how much is left? Or how much has been spent?

Meghan Wallace: Well, we received just under \$50 mill -- sorry. I'm getting my -- \$117 million of federal stimulus funds overall. And so in terms of the portion of those funds that have been -- they have been allocated out to capital projects supporting the operating budget.

Commissioner Harrington: Right.

Meghan Wallace: So --

Director Forbes: None of the \$8 million has been spent. None of the -- it's all in the bank, the \$8 million for tenant improvement.

Commissioner Harrington: Okay.

Meghan Wallace: I apologize. I was thinking about the wrong angle of that question.

Commissioner Harrington: I knew there was a larger picture. Yeah.

Meghan Wallace: Yes. Yes.

Commissioner Harrington: Okay. That's great.

Meghan Wallace: So we have not utilized the funds.

Commissioner Harrington: Is the goal to start spending it in the next year or two? Or to come back to us? How does that start to get used?

Director Forbes: I can speak a little bit to that.

Meghan Wallace: Yeah. Please.

Director Forbes: So the real estate team -- right now, we have two brokered RFP -- responses out to facilities. So staff will be looking at what comes through and will be doing a competitive process through the broker and looking at which facilities we think are most primed for these stimulus dollars.

So as Meghan showed, we have a lot of facilities that either are vacant -- they're vacant or not operating, vacant in our control or soon to be in our control. Some of them need a great deal of work. So we're in the assessment period.

And then, staff will be coming with each transaction and opportunity with a partner to say, this now, commission, we would recommend for these dollars. And we'll keep you posted as we go through it on the whole portfolio look as well. So you can continue to get a sense of how best to target the funds.

Commissioner Harrington: That's great. Do we think a chunk of it will be spent on Fisherman's Wharf restaurant facilities?

Director Forbes: Yes. I would suspect so, yes.

Commissioner Harrington: Okay. Thanks very much. Thank you, Madam President.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: Well, the report is very encouraging. You know, Meghan, you know, this -- such a detailed thing. And I'm just worried now with everybody leaving that you have enough staff to follow through especially -- I'm very interested in the tenant recovery and the property portfolios and also suggesting there's a lot of people that want to do maritime events for the public to bring in more revenue.

You know, what was not really mentioned was about parking. When we did our walk through in the wharf, I can see that there's some spaces that are fenced off or not used. You know, possibly another way of generating income is maybe having discount parking for electric vehicles.

Maybe families that come from outside the city that want to come in and park their cars [instead of] at Pier 39 or whatever, they could use some of our empty spaces and park their EV cars. And that helps the environment and also brings more traffic to the wharf and the waterfront, wherever we have space.

You know, I truly believe that, when it sits empty, you know, nobody is making any money. And it costs us more to maintain an empty space. So I'm very excited about helping you wherever I can -- and Kim, you know, and the real estate part to see what we can do to fill spaces.

When I was looking at the documents last night, I'm just amazed the amount of detail that the Port staff goes through that makes our job a lot easier. And then, with all these people leaving, I'm thinking, wow, who is going to replace them?

I hope we get other talented people who love public service as we do to be back on Port because that's why we're here, I think. So good job. Look forward to the future. And also, the tenant improvement is a great incentive for new operators who can't really afford the upfront cost. So that's great. Thank you.

Director Forbes: Thank you, Commissioner Lee. Madam President, if I could interrupt, I misspoke. The tenant improvement budget is \$10 million.

Commissioner Harrington: Better.

Director Forbes: Yes. Better.

President Brandon: Thank you. Elaine and Meghan, thank you so much for your report. As usual, there's a lot going on on the waterfront. And I'm so happy to hear that, in certain areas, we're back at pre-pandemic levels as far as revenue and tourists and everyone visiting the waterfront. I think that's absolutely phenomenal.

And I really want to congratulate everyone on the Juneteenth festival here at -- or popup here at the Ferry Building. I, too, have to do better scheduling because I was out of town this weekend and couldn't attend. But I'm so happy it was well attended and that everybody sold out.

I think that's great. Really want to thank Toni Autry for all of her work that she's put into that and the entire Port team that worked on that. I'm really going to miss Carol. Carol has just been such a wonderful person to work with over these years.

I think she may be the only person that's still here when I started. So Carol was working on Heron's Head Park when I first joined the commission. And that was a big deal. And she has just done so much for the Port and especially the

southern waterfront over the last 27 years. So we're really going to miss her and really appreciate all that she's done to contribute to our waterfront.

And really want to thank Marsha and Roscoe for their participations on our CACs. I mean, their input is so invaluable and really helps us to make decisions and really helps us with decisions being made for the Port of San Francisco.

We just really appreciate all the time and guidance that they've given our staff and the commission over the years. So Roscoe, thank you in person. And Marsha, thank you so much.

Regarding economic recovery and growth plan, I think this is a great report. I'm glad that we have a plan. I just want to make sure that our plan is Port wide. And when I look at our partners, I don't feel that.

I feel that our partners are focused more on the northern waterfront. I would think that we would like to activate the entire waterfront and spend resources doing that. I mean, we have Crane Cove Park. We should engage the YMCA. We have Mission Rock. We should engage with the Giants.

We have property all along the waterfront that needs to be activated and paid attention to because our economic recovery is based on our entire waterfront. We know that Fisherman's Wharf needs a lot of help. And we know that we're going to have to do a lot of investment in Fisherman's Wharf.

But at the same time, as we're planning, I do hope that we're looking at the entire waterfront. But thank you so much. This is great. I really appreciate it. Jenica, next item, please.

Director Forbes: If the commission would do one last thing -- if we could bring Roscoe up, I have a very nice, very heavy paperweight of the Ferry Building for you, Roscoe. We could present that with a photo with the commission. [crosstalk] [applause]

7. CONSENT

A. Request Authorization for the Port to enter into a Memorandum of Agreement for a temporary maintenance and operating agreement with the Office of Community Investment and Infrastructure (OCII) for Mission Bay Parks P19, 21, 22, 23 and 24 beginning July 1, 2023 for a term not to exceed six months. The Port will be reimbursed up to \$510,028 for costs associated with the maintenance and operations from OCII using the Community Facilities District #5 proceeds. (Resolution 23-25)

B. Request Approval of the Port's 10-Year Capital Plan, Fiscal Years (FY) 2024-2033. (Resolution 23-26)

- C. Request for approval to award a sole source grant to the Fisherman's Wharf Association of San Francisco, also known as the Fisherman's Wharf Community Benefits District, and waive Port license fees and the prohibition on sugar-sweetened beverages. (Resolution 23-27)**
- D. Request approval of strategies to address food & beverage and retail vacancies including adopting new broker policy, adopting criteria for competitive leasing or licensing for new food and beverage and retail/attraction vacancies, and adopting participation rates and rent abatement terms for short-term activations of such sites while the competitive leasing process is underway. (Resolutions 23-28 and 23-29)**
- E. Request for retroactive authorization to modify Construction Contract No. 2843, Pier 70 Shipyard Grading and Abatement, to extend the substantial completion date. (Resolution 23-30)**

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

No Public Comment on the Consent Calendar.

Resolutions 23-25, 23-26, 23-27, 23-28, 23-29 and 23-30 pass unanimously.

8. ENGINEERING

A. Request approval to issue a Request for Proposals for Underground Utility Location and Marking Services. (Resolution 23-31)

Paul Chasan: Good afternoon, commissioners, President Brandon and Director Forbes. My name is Paul Chasan. And I'm a project manager in the engineering division. I'm happy to be presenting to you today. I'm going to be doing the presentation. But I'm joined by my colleague Alysabeth Alexander-Tut and the head of engineering, Rod Iwashita, who can also help answer any questions that you have about this program.

So today, we're going to be presenting to you our nascent sort of underground utility locating and mapping program. The action you're being asked to take today is to authorize staff to issue an RFP to onboard a consultant who will help support this program.

And we're proposing an initial contract of a quarter million dollars over four years with one optional year to extend if funds allow, so roughly \$50,000 a year. This program aligns with goals outlined in the Port's strategic plan around productivity, equity and resiliency.

Some context -- so the Port owns all sorts of various underground utilities throughout the 7.5-mile waterfront. And we are actually legally, under California state law, obligated to locate and mark these utilities prior to adjacent construction activities.

The way this works is, when a contractor knows they're going to excavate, they call a regional nonprofit called the Underground Service Alert, or USA North -- it covers Northern California and Nevada -- and lets them know they want to dig somewhere.

That nonprofit reaches out to utility operators within the vicinity and lets them know there's going to be a project and ask them to check if any of their lines will be impacted. They generate a ticket. And when, we, as the utility operator, would be expected to parse those tickets and then go out and locate and mark any of our lines if they're in the vicinity.

So we're today here asking for your support in onboarding a consultant to help do that. That consultant would both triage the USA North tickets as they come in and then locate and mark when necessary.

We've broken this contract into several scope items. Task one is just basic project management of the contract. Task two is for the consultant to develop what we're calling a program implementation plan, or a PIP, to help us sort of identify all the steps that are needed to sort of get our program up and running.

Task three is running the program itself. That's probably the bulk of the contract. And that's triaging the 811 tickets -- or the USA North tickets and going out and mapping when needed.

And then, task four is, you know, an optional task we've included if there's sufficient -- it says funding left over -- if there's extra funding in the budget where we could assign this consultant to go out and sort of preemptively map areas, so we can get a better understanding of where our existing subsurface utilities are to improve our internal asset management.

So in terms of calendaring, we're here today asking your permission to release the RFP. And we hope to have a consultant on board sometime this fall. That concludes my presentation.

And once again, I just want to thank all of you for listening today. I'm joined by Alysabeth, who is happy to help answer any questions. We're asking for your support in releasing this RFP to onboard a consultant to help get this program up and running. Thank you.

ACTION: Commissioner Gilman moved approval of the resolution. Commissioner Harrington seconded the motion.

No Public Comment on Item 8A.

Commissioners' Discussion on Item 8A:

Commissioner Harrington: Thank you. Thank you, Paul, for that report. It's very comprehensive. A couple questions for you -- this is not a new requirement. How is it being done now?

Paul Chasan: Yeah. We've been sending engineers out on a case-by-case basis to help support these requests as they trickle in. But the hope is that we can sort of kind of institutionalize and formalize this program. I think there was a push kind of early around pre-COVID. But COVID kind of derailed that. So we're here today trying to get our ducks in a row to get the program up and running.

Commissioner Harrington: Thank you. The other question is -- this is not just a Port issue. The PUC -- a variety of different parts of the city do very, very similar or identical things. Has there ever been a thought to try to consolidate this or to try to work with those other agencies to make sure we get a citywide contract or something where you'd get some kind of benefits of doing it that way?

Paul Chasan: Yes. Actually, we looked into this quite extensively. We looked into partnering with the PUC and reached out to them and heard pretty clearly from all three silos of the PUC -- the way they do it is each silo does its own program -- own mapping and locating.

And we heard pretty clearly that they weren't interested in partnering both from a capacity standpoint and from a liability standpoint. There was concern of relying on maps that they didn't produce. And there's other complicating factors as well. But we did research it.

Commissioner Harrington: Thanks very much.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: I really have no questions. I mean, it's important that we map these things out ourselves. What I hate is when we do construction projects, and then they fix it. And then, they pave over it. And then, suddenly, another department comes in and digs up the space again, which is kind of ridiculous. So I think this is a good thing to have. So I support this.

President Brandon: Thank you. Commissioner Gilman?

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

President Brandon: Thank you, Paul. Great presentation. And Commissioners, great questions. All in favor?

Resolution 23-31 passes unanimously.

9. REAL ESTATE & DEVELOPMENT

A. Informational presentation and update on the Port's Mobile Vending Program.

Michael Martin: Good afternoon, commissioners. Mike Martin, assistant Port director. Happy to be here today to give you an update on the Port's mobile vending program and associated enforcement activities. Do I control this? Yes.

So the first several slides are going to be kind of a recap of how we got here over the past three-plus years. So at the end of 2019, the state legislature passed Senate Bill 946, which decriminalized street vending statewide and limited the ability of cities and counties to regulate street vending to those situations where they've adopted a specific type of program that met the bill's requirements.

That coincided date wise with the onset of the COVID-19 pandemic in early 2020. And those two factors really led to a significant increase in mobile vending over the course of 2020. We saw a high concentration of unpermitted vendors in Fisherman's Wharf.

And really, the Embarcadero was a place that everyone was trying to get outside and get activity. So the vendors really saw that as their big entrepreneurial opportunity. A number of the concerns raised here are the concerns that we're still seeing raised on the bulleted list on the slide.

But the additional challenge then was that the vendors weren't following health-and-safety protocols relating to COVID. So we were worried about those sort of knock-on public effects as well. Port staff advocated to try to get some enforcement tools.

And Supervisor Aaron Peskin brought forward a mobile-vending ordinance that created code upgrades that allowed the Port to institute a pilot mobile-vending program. So this was our ability to get in under the auspices of SB 946 and actually enforce permits and the time, place and manner of vending on Port property.

The important thing of this ordinance was that it created an ability for this commission and the executive director to put together regs about where on Port property this could happen because we really wanted to strike the balance that the state law set out in its findings, which was we want to have these entrepreneurial opportunities. But we want to do it in a way that doesn't take away the opportunities for other people to enjoy the natural resource and recreational benefits of the waterfront.

So upon the adoption of that ordinance, after that we brought to you a program structure. The Port Commission adopted its operational standards and delegated authority to the executive director to issue more detailed program regulations which the executive director did.

And we instituted a program that set forth the ways to get a permit for vending on Port property, establishing a schedule of fines for administrative citations to people who don't follow the rules and then put together those rules for the time, place and manner of vending by permit holders.

A key tenet of the Port's program is that we didn't want to assign vendors specific real estate on the waterfront. We wanted to have more of an opportunity for all vendors to enjoy different locations so that no one vendor sort of won the lottery and got the space right in front of the high-traffic area.

So we did that. We set out a series of locations sort of evenly spaced on the waterfront. And then, for the one that we observed were very high demand, we instituted a lottery process. So those are the ones in Fisherman's Wharf as well as the ones close to here at the Ferry Building.

The other locations are available on a first-come, first-serve basis. And we really thought that was a way to bring on sort of a new sort of legal vending component to Port property.

In further support of that, the commission and the executive director allocated funds along with an [add back] from Supervisor Peskin to retain the Mission Economic Development Agency to do vendor engagement and technical assistance so that we could get these unpermitted vendors into the permitted program and sort of fulfill hopefully those entrepreneurial activities or opportunities.

And what we saw is important in bringing on MEDA was that a lot of the unpermitted vendors we found on Port property were monolingual Spanish speakers. And we wanted to make sure that they did have that opportunity. And we feel MEDA was an integral part of making this kickoff work.

Public workshops as well as one-on-one vendor assistance -- and we had a significant component of vendors -- over 30 -- in the program from the outset. We've increased to about over 50 at this point.

Following the adoption of the Port program, I think we saw a little bit of improvement on sort of the Port waterfront in terms of unpermitted vending. Our enforcement was somewhat episodic. But I think there was enough people, enough of those vendors interested in getting into the program that it really sort of lightened the challenge a little bit.

At the same time though, we saw a lot of vending -- or the city saw a lot of vending happening elsewhere. And there was a push by the Board of Supervisors to regulate vending citywide. So in 2022, the Board of Supervisors adopted a citywide vending program ordinance that established the Department of Public Works as the program manager for the city.

The Board of Supervisors very much wanted to centralize permit issuance with Public Works. But Port staff advocated for and received provision that still retained the right to set time, place and manner regulations with the Port Commission and the executive director.

We felt -- as I described just now, Public Works moved towards a program that actually assigned locations. And we wanted to make sure we still had the ability for different vendors to experience different entrepreneurial opportunities on the waterfront at different times.

Public Works has instituted and begun implementing the vending program elsewhere. Primarily the Mission has been where it's been seen having most impact in terms of more vendors being permitted. They also have an enforcement team that's worked into action in the rest of the city.

We are still working with them on issuing new permits for vendors on Port property because the system that they have that points to a specific location, they have to do some technical upgrades. And they also want to do similar technical assistance to what MEDA did for our program in terms of getting our current permit holders into the citywide permit-issuance regime so that they can come back and vend on Port property.

I'm sorry if that sounds somewhat of a maze. But basically, I wanted to describe all that because Port -- Public Works is looking for the resources to do that technical assistance and issue those permits in the new fiscal year starting next month.

In the meantime, we have grandfathered our permit holders because we did not want to have their permits expire with no way to actually operate legally on Port property. So thank you for coming with me on that journey as I tried to explain that.

Our hope is, by the end of this year, we will have a much more seamless interaction between our work and the work of Public Works.

Onto enforcement -- so I think we've learned quite a bit in the two years we've been able to enforce the Port's program. State law limits enforcement of these permit infractions to administration citations. They decriminalized it.

Administration citations are fines. The state law also does not give us the authority to demand valid identification. So when we come on someone where we

want to issue a citation, our experience was that that person would not give us valid information.

We'd send the citation to them. And we'd get it back returned undeliverable. So we couldn't connect the infraction with the negative outcome that would deter the action. So ultimately, we realized that citations alone weren't going to be the tool.

Another thing we've learned is that alcohol and cannabis sales and vending on the sidewalk sort of takes root among the other food and merchandise vending, as I think has been commented by commissioners in the past and that we've seen as we've worked out on the waterfront and seen these activations happening.

And that's obviously running directly counter to the clean, safe and vibrant waterfront we want to foster as the Port recovers and as the city recovers. The challenge there is those are absolutely criminal activities.

So there is a lot of coordination needed between Port staff and law enforcement to get at those. And I'll talk a little bit more about how we're going to try to get at those. And then, lastly, I think, just in terms of the locations, it's been very consistent to see a lot of vending on the Little Embarcadero and Fisherman's Wharf, at Alcatraz Landing, at Piers 31-33 and at Giants games at Oracle Park.

Those are sort of our hotspots. We're seeing more of it out in front of the Ferry Building. But I think that's episodic. We certainly saw a lot of it around the Juneteenth events as all of that activity was happening.

So I think, in the future, we'll think about how to enforce around that because we definitely want to focus attention on the permitted special event and not the unpermitted vending that's happening around it.

What we've been doing -- we've executed a number of what we're calling deterrence operations. So realizing the citations aren't super effective, our new approach -- so the state law does allow you to direct someone to stop vending if they're doing it outside of the rules.

And if they continue to act that way, you can confiscate their materials. So our deterrence operations are basically getting out -- starting the day early with Port staff showing up to see if anything was left overnight to set up for the next day.

If the person is there, we ask them to remove it. If not, we confiscate it. And then, we have additional Port staff coming in shifts over the day to be visible and encountering everybody -- anybody that sets up for vending to make sure they have a permit and they're authorized to be there.

And if they're not, they're told they can't vend that day. We still need -- we generally need PD support for that because, obviously, people that want to vend sometimes will get aggressive in asserting their right to do so.

So it's a bit of a challenging scheduling exercise and coordination exercise. Generally, what we like to do when we do those large deployments is also to bring out other agencies that have enforcement jurisdiction like: the Department of Public Health as it relates to food; the SFMTA as it relates to traffic violations as the vehicle servicing the vendors often ignore traffic regulations; and then Public Works support in terms of the confiscations bringing trucks and laborers.

Ultimately, these have been successful for their moment. Generally, vending returns soon thereafter. What we've been trying to do with these is to see where the vending goes and also to try to plan what our next more targeted interventions are going to be.

Let's see. Moving to the Giants games, a similar strategy has happened there. They already have a lot of enforcement resources allocated to games. So there have been a couple of different multi-agency enforcements at Giants games over the past month that have had a decent amount of impact.

In talking with our maintenance division as well as property managers, we have been seeing sort of an ever-increasing radius of things happening, people pulling over at Piers 30-32 to sell out of the back of their car.

I think there was some impactful confiscations and other ramifications of these Giants actions. But I think that's lessened. But I think it's something we have to keep coming back to along with the help of everybody else and the Giants in coordinating that kind of deployment.

And then, lastly, I think we need a better partnership with law enforcement to address those criminal activities. So getting to the next slide, anticipated next steps -- and I really apologize about how small the type is here. That was not my goal.

So the state Alcohol Beverage Commission staff was out for an enforcement three Fridays ago. They did not encounter many alcohol vendors because I think the first ones they encountered spread the word.

But that was really important to us because ABC hadn't been back here in a while. And I think that is something that we -- we need to bring all the assets we can on that issue. We've also met with the district attorney's office to talk about how do you build cases because obviously a citation is one thing. But if someone gets arrested for repeatedly selling to a minor, that's a different level of deterrence.

We're also in the process of working with the police department to adjust our work order. Right now, we have two full-time officers during the week. And then, we fill in later in the week and weekend shifts off of overtime that are more expensive, not always the same people and not always filled.

So we're moving hopefully -- and they're actually moving to interviews on this -- to get a second pair of full-time officers. So we'd have half a week with one pair, half a week with the other pair in a platoon set up. So they'd have a more consistent relationship with the challenges that we meet here at the Port, challenges that we don't meet Monday to Friday, challenges that come on the weekends in particular.

And another big step forward for us happened yesterday. We onboarded our new security manager. Joe Reilly, our former security manager, left for the Department of Emergency Management for a promotive opportunity.

We were lucky to have Kyle Thomas come on board, former SFPD marine unit officer. So he's very familiar with the Port. I did not tell him I was going to do this. But he's here today. So we're very happy to have him here today.

So he's going to hit the ground running and help us do even better in coordination moving forward with his former colleagues at PD. We've hired two retired SFPD officers on a part-time basis to coordinate just our mobile-vending-enforcement activities. They've been invaluable in bringing in the other agencies.

And they and I are very focused on evolving our strategy to address Alcatraz Landing and not just staying in Fisherman's Wharf, not that we're just staying in Fisherman's Wharf. But we want to s -- there's a different condition on that sidewalk as compared to the Little Embarcadero.

So I think we need different tactics including, I think, the motor-vehicle aspect of that and how they resupply is something that we really want to get after. We want to partner with Public Works to get that part of the operation going, as I described earlier.

We want to continue to administer Port program regulations and sort of be on the front foot about this. One of the things we're really focused on, for example, is this Friday, the first sort of soft-launch activations from the CBD grant that you heard.

We are definitely looking at, what are the strategies to make sure that is a success? Because what I'd love to see us build is around those special events building our enforcements to radiate out from there, not just to keep that space clear but to sort of have eyes on the park so to speak to push it further away.

So in closing, you know, I don't think we're happy with the current state we're in. I think there's definitely levers to pull to get better. I would imagine we'll

never fully get rid of unpermitted street vending because of how comprehensive the state law is.

But if we can get alcohol and cannabis vending deterred and if we can make sure there's a safe path of travel and people don't feel a little bit threatened or a little bit crowded from the waterfront, I think that's the end state we're looking for. So that's our current update. And I'm happy to answer any questions you have.

No Public Comment on Item 9A.

Commissioners' Discussion on Item 9A:

Commissioner Lee: Yeah. I have a bunch of questions. How much is a fine?

Michael Martin: They start at \$100. And then, they -- each additional infraction goes up from there.

Commissioner Lee: And if you encounter an illegal vendor and you give them a citation, do you have them pack up? Do you actually stay there, and then they have to pack up and leave? Or is it something that you have to catch them in the beginning of the process?

Michael Martin: The former. So you come up. You see them vending. What we were doing -- like our security manager would basically come up, write them up, give them their copy of the ticket and say, "You have to pack up and go." And then, he'd have to stand there and monitor them while they packed up very slowly --

Commissioner Lee: Okay.

Michael Martin: -- hoping that he would leave.

Commissioner Lee: Okay. So I've had this experience when I was, you know, on the entertainment commission. And you know, there was a related -- these are at night so probably different from the Port. But there was a related incident a week ago, you know, with the shooting because public safety -- when these people are buying hotdogs or whatever, they're getting robbed or fights occurring. And we don't want that on the Port.

So I have a few things -- so I know SFPD is short. And there's a lot of overtime. I understand through some sources that the sheriff's department might be coming on board or maybe lobbying for being able to get some of this overtime. Have you heard anything about that?

Michael Martin: So the sheriffs have a program much like the SFPD program called 10-B officers where off-duty officers can sort of work at sort of private

direction. I understand the CBD is, as part of its work for us under the grant looking into that, I'm not aware that they've retained them though.

But you're right that manpower is a challenge. Some of our tenants, I know, have brought in 10-B officers at different times, which is expensive. But they've seen varying levels of success with that. I think we're really more excited than that kind of opportunity with the Port detail that can really sort of lean in and understand better the networks that you're talking about in terms of, you know, who's behind these different vendors.

It's not just the vendors. There's clearly something else going on behind that. So that's the kind of law enforcement support I think we need rather than someone that's coming in that day for that event.

Commissioner Lee: Right.

Michael Martin: But we'll coordinate with whatever enforcement resources we have for sure.

Commissioner Lee: The reason why I say that is because, you know, when we were removing them, it takes them only five minutes to pack up. And then, they have a van that they can put four of them in. And then, once you go, about an hour later, somebody else shows up and unloads.

You know, so it's kind of an endless situation. So is there an ordinance saying that they're not allowed to block the sidewalk? I'm sure that DPW must have an ordinance because I know, in the entertainment area, when we have our lines, you know, we have to have the pedestrians be able to walk by.

And some of these vendors are blocking the streets. I would think that would be an infraction to help with the enforcement. But how about -- again, going back to signage, is there signage up there maybe that's bilingual saying, "If you don't have a permit, you're going to get fined, or you're going to get confiscated"? Is there anything like that posted?

Michael Martin: There is that signage on the Little Embarcadero because that's how we based our confiscation and deterrence operations on that.

Commissioner Lee: So there is --

Michael Martin: We can definitely expand that as well. But definitely, there is signage up and down the wa -- especially around where the permitted vendor locations, the stalls are. There's a number of signs we've had up there to try to indicate this is part of the program.

Commissioner Lee: Is it bilingual?

Michael Martin: The Little Embarcadero one was originally. I'm not s -- I think it got taken down. So we may not have a bilingual --

Commissioner Lee: Yeah. I think it'll [crosstalk] be helpful if you put them up and make it bilingual especially when, you know, we want them to get permits. And I read the ordinance, you know, saying that, yeah, some of the restrictions were lax. But they're supposed to still get a permit. Right.

Michael Martin: Yes.

Commissioner Lee: But I bet you half of them don't even bother.

Michael Martin: [That's right].

Commissioner Lee: And arguing with you saying that we have a right to be here seems to be the course of action. So I mean, basically, that's all I have. I wish they would have put in the bill that you couldn't be 100 feet in front of a licensed premise. You know, that would solve so much of this problem.

Michael Martin: Yes.

Commissioner Lee: You know, but that's not in the bill. Hopefully --

Michael Martin: Yes.

Commissioner Lee: -- some legislator will think that might be a good thing to amend. But it is what it is. We have to deal with it.

Michael Martin: Yes. And to your point about the path of travel, that is enforceable. What we found especially during the pandemic is it's hard to do because, if someone then just moves --

Commissioner Lee: Right.

Michael Martin: -- you can't really stop them from doing the rest of the stuff because, if your authority is based on just the path of travel, that's now been retained. But all of these things, we feel -- like the enforcement has to get at every little piece of this.

And even if that's not the solution, in those situations we still need to be able to go in there and enforce the path of travel, so people can enjoy the waterfront.

Commissioner Lee: Maybe it's an extra ticket. So you get a ticket for that. And you've got a ticket for blocking the sidewalk.

Michael Martin: Yeah.

Commissioner Lee: I hate to ticket people. But some people just don't want to listen. You know, so I mean, it's really bad for the permit holders. I feel sorry for them because they're trying to do their best to comply. And these people are all in front of them. They're illegal. It just bothers me.

Michael Martin: Yeah.

Commissioner Lee: Okay. Thank you.

Director Forbes: I just wanted to make one comment. I've spoken with Sheriff Miyamoto. And we do not have plans to deploy sheriffs. The detail is our plan. So we have had that conversation. And there's no plan there.

Commissioner Lee: Okay.

Director Forbes: And the other thing -- Mike Martin was probably going to speak to it -- is the sidewalks are regulated as a park in our park code. So we definitely have provisions for not blocking. And it must be clear to the public. We have very good provisions in our Port code. It's getting all the resources out there and all the citations.

Commissioner Lee: Yeah. I mean, \$100 is cheap compared to how much they're making. They're charging \$10 for a hotdog now. Can you believe that? So they're making money, you know. Anyway --

President Brandon: Thank you.

Commissioner Lee: Good luck.

President Brandon: Commissioner Gilman?

Commissioner Gilman: Thank you, Mike, for this report. I really appreciate it. I really want to acknowledge how challenging this is. I was just curious -- are representatives from MEDA here?

Michael Martin: No. We don't have any representatives from MEDA. I'm sorry.

Commissioner Gilman: Okay. And is the grant still ongoing with them? Or did that sunset?

Michael Martin: Our grant has sunsetted.

Commissioner Gilman: Okay.

Michael Martin: But we're very hopeful that they can work with Public Works as they move forward on their piece of things.

Commissioner Gilman: Yeah. I mean, I think this is just more comments, you know, which I guess is more just for the public record. I think we need to acknowledge particularly looking at it through an equity lens and why the state law was passed.

And as someone who lives near Little Embarcadero and the Alcatraz Landing area, these are not mom-and-pop small immigrant businesses who want to sell authentic food from their home countries and make a start in our society.

And if they are, I think those are the 50-plus people that you spoke about who went through the program and worked with MEDA or La Cocina or other organizations that help do this. I think we need to acknowledge -- this is just my observation -- this is organized crime.

These are people driving up and unloading people. I instinctually believe that we have human trafficking going on in these businesses. And I've watched them. And I've watched their enforcers sit there and intimidate people and intimidate the volunteer patrols from SFPD who wear the blue jackets who are former officers.

And I've spoken to them. And they are utterly at their wits' end. And I do want to really -- I say these things, A, for the public to understand how challenging it is for us to enforce and do anything. This is one of the few items as a commissioner that I get contacted about and particularly alcohol and cannabis sales.

So I really am [deploying] SFPD, ABC and other regulatory agencies that - - to me, that should -- you know, more than the \$10 hotdog, which I did not realize it was that expensive or the schlocky, knock-off Giants t-shirt, I actually think the much larger problem is the sale to minors of alcohol and cannabis.

And I will say occasionally -- I've seen them in jars -- magic mushrooms. We need to stop the illicit sale of drugs and alcohol and cannabis that's happening at our waterfront and throughout San Francisco. So I really hope, with this new initiative, that we can really target that.

I, again, as -- the signage maybe commissioner, I would absolutely support large-scale signs that say, "We cannot validate this food. You might get food poisoning," or have it -- you know, "Selling to minors is illegal," or whatever we need to do because I just worry about how this will affect actually mostly tourism.

I think most San Franciscans are in the know. If they want to have a drink, they're going to go up to the Eagle Café. They're not going to buy like a margarita

on the waterfront. But I just worry about it hurting our reputation -- reputationally, if there is something that happens with a minor, if someone gets really ill or sick.

So I just want to just more make those comments both in empathy and saying whatever we can do, I definitely am in favor of us helping those mom-and-pop businesses be successful through micro-business programs in the City and County of San Francisco.

But the illegal vending is -- it's only going to get worse this summer. I know we've seen a reprieve. But it's going to come back with a fury. And I just hope that we can mitigate our risk and our reputation to the public.

Michael Martin: Thank you.

President Brandon: Thank you. Commissioner Harrington?

Commissioner Harrington: Wow. I wasn't as aware of this issue, I guess. The unpermitted vendors -- I get that being a huge issue and some of the -- but even the permitted venues, I mean, just to be clear -- again, I'm new. So I can ask stupid questions.

So we go out, and we rent our space that we own to people who want to have restaurants. And we charge them a commission for that. And then, we allow people that are permitted to put up something directly in competition with them for free? Is that kind of how it works?

Michael Martin: Yes.

Commissioner Harrington: And is there any limit on the number of people that can be permitted or vendors that can be permitted?

Michael Martin: I imagine you could institute that as a rule in your program. But our program does not have a limit. So that's why we do sort of the rotating effort so that we don't get 50 --

Commissioner Harrington: So they move them around. But they can all still be permitted in --

Michael Martin: I don't think all of -- right now, we've got more vending permits issued than spaces on Port property. So if they all wanted to operate on a single day, I'm not sure they could do that.

Commissioner Harrington: And if somebody comes late, they just don't -- and they can't fit, they --

Michael Martin: It's first come, first serve. So they're out there very early. The Friday, Saturday and Sunday in three locations in Fisherman's Wharf and the

Ferry Building, you have a lottery spot that you need to get out to in the morning. And if you're not there by, I think, 1:00, then it can be taken first come, first served.

Commissioner Harrington: Offhand, do you -- how many vendor spaces do we have?

Michael Martin: I should have boned up on this. I want to say it's something on the order of -- I think we have 11 locations Port-wide. And I think there's two to three at each. So I'd imagine 35 to 40.

Commissioner Harrington: And how many of the unpermitted vendors do you think are out there on any given weekend?

Michael Martin: A bigger number than that.

Commissioner Harrington: Bigger than that?

Michael Martin: Yeah. Especially on a nice weekend now, to Commissioner Gilman's point -- you know, I was up at Fisherman's Wharf two weekends ago. And there was lots of people there -- lots of vendors there. Excuse me. But to your point, the state law specifically says that, you know, a nearby rent-paying retail operation is not justification for --

Commissioner Harrington: Right.

Michael Martin: -- keeping vending away. Like that is very much baked into the state law.

Commissioner Harrington: I understand it.

Michael Martin: Yeah.

Commissioner Harrington: I'm not sure I agree with it. But I understand it. So yeah. Good luck. If we can be of any assistance to help with that -- [laughter]

Michael Martin: You already have been. Honestly, you already have been. It wasn't an easy thing for this commission to lean in and be the first one setting these rules because people on all sides would have a problem with it. So I think that continued support is what we're looking for.

Commissioner Harrington: Yeah. Thank you.

Commissioner Gilman: Yeah. Absolutely.

President Brandon: Thank you, Mike, for the report. I echo Commissioner Harrington's thoughts. Good luck. [laughter] No. This has become a huge issue.

And I just appreciate the fact that we're putting it on the forefront. And we're really trying to combat it and come up with solutions to [detour] a lot of the illegal vending.

And again, it's Port-wide, you know. It's over by Mission Rock, by the Chase arena. It's all along the waterfront. So again, hopefully, our resources are distributed evenly throughout the waterfront because it's everywhere. And it's something that we really have to get a hold on somehow. And we're here to help however we can.

Michael Martin: Thank you very much.

President Brandon: Thank you for your presentation, a lot of great information.

10. FINANCE & ADMINISTRATION

A. Informational Report on Local Business Enterprise Contracting Activity for Fiscal Year (July 1, 2022 through March 31, 2023) and Workforce Compliance.

Alysabeth Alexander-Tut: Hello, commissioners. My name is Alysabeth Alexander-Tut. I'm the acting contracts and procurement manager. And I'm here for an informational item to share about contracting in fiscal year '22-'23 quarters one through three. I'll be covering two areas: contracting activity for the first three quarters of the fiscal year including contracts awarded, payments and developer agreements; and then, I'll be sharing improvements in our contracting practices especially as it relates to outreach, equity and operations.

This slide gives you a snapshot of the firms in the LBE program. There are currently 989 firms. The general mix of MBEs, minority-owned firms, WBEs, women-owned firms, and OBEs is pretty stable over time.

The mix of MBE firms shows that 99 firms have African-American owners, and 165 have Asian-American owners. And you can see the further breakdown. The general trends in LBE availability, however, is mixed.

At the end of fiscal year '21-'22, we had 1,041 LBEs. And there are currently 989. So there has been a decrease. This slide shows contracts entered in the first three quarters of the fiscal year. There were six contracts total. And five are subject to the LBE sub-consulting requirements and bid discount or rating bonus, otherwise known as the 14B requirements.

Of the five contracts subject to the 14B requirements, all five are awarded to LBE primes or joint ventures with an LBE partner. Of the LBE primes, one is a minority-owned firm, and two are women-owned firms. Of the LBE joint ventures, both LBE partners are minority-owned firms.

Each of these LBE primes and joint ventures were eligible and received the CMD rating bonus or bid discount. In addition to each eligible contracting led by an LBE Or LBE-joint-venture partner, 68 percent of the total value of the contracts is committed to an LBE, either an LBE prime, joint-venture partner or an LBE subcontractor.

This slide shows payments. Port made almost \$14.5 million in payments in the first three quarters of the fiscal year with \$6.4 million going to the LBEs overall. All areas of our contracting are doing well with LBE participation.

Our as-needed contracts are 46 percent of the total value paid out went to LBEs. In construction, it's 41 percent, and professional services is at 14 percent. Slide six -- this slide shows you the five-year trend of contracting dollars.

The contracts awarded to LBEs remains very good. I included the [ineligible] sole-source contract in the contracting total here for the first quarter -- first three quarters of this fiscal year. The top chart shows contract-awarded dollars are at 68 percent.

The bottom chart shows payments to LBEs decreasing this year but still in line with the five-year trend. If this trend continues at the one-year mark, we will come back with more analysis.

Private developments -- the project at Pier 70 is at \$62.7 million. And Mission Rock is at \$40.7 million awarded to LBEs. In total, \$103.4 million has been awarded to LBEs with \$35.9 million going to African-American-owned firms, \$22.4 million going to Asian-American-owned firms, \$31.3 million going to Latino-owned firms and \$33.4 million going to women-owned firms.

Before you are seven strategies we have engaged in to change solicitation documents for efficiency and equity. I'm not going to cover all seven. But you're welcome to ask questions. I'm going to focus on a few.

One is earlier outreach at the commission action. We are publishing more look-aheads for contracting to start to get the word out earlier about what the Port intends to solicit. We are working -- we had our contracting open house, which advertised all of our upcoming solicitations and allowed firms to ask questions directly to our platforms.

We are working with the Office of City Administrator to have all of our public contracting at the Port's -- our public contracting and private development advertised on a single website that will link to our website and link also to the private development websites.

Tiffany Tatum, who was not able to be here today, has done fantastic work with our divisions to create one-page project overviews for most of our anticipated solicitations. And we have continued to develop more robust outreach lists of

ethnic chambers of commerce, professional groups and continuing the practice of having opt-in forms for future engagement.

We are also partnering with CMD to perform outreach and have them advise on some of our outreach tactics. Secondly, we continue to simplify and standardize the RFP responses. We use forms to capture information and require answers to specific questions about approach, technical experience and oftentimes give a scenario question.

We have put the focus on solicitations to technical questions and not extra graphics, marketing or designs unless that is relevant to the scope of work in the contract. We have heard exclusively positive feedback on these forms.

The LBE proposers say this encourages their participation because it reduces the cost of proposing by thousands of dollars. Other LBE sub-consultants have said they use the form already filled out as their main outreach tool to new primes in order to help streamline the process of getting on projects and have found that to be successful.

And finally, from panelists who volunteer their time to grade these proposals, they said this approach is straightforward and easy to find the information and make sure that they're grading appropriately.

Thirdly, we've already talked a lot about the benefits of prequalified pools. I just want to give you an overview of some of the pools we've created. The pool has expanded our use of prequalified pools to include engineering, environmental and planning, grant-writing services and coaching and organizational development.

We are creating pathways for firms to qualify that streamline the process for entering contracts both for the Port and the firms. For both respondents and staff, this means more time working and less time proposing.

And finally, First Source Hiring check-ins -- the First Source Hiring is a potentially powerful program that connects San Franciscans to entry-level jobs in the professional services contracts. The Port has scheduled regular check-ins with the First Source Hiring staff in order to maximize the opportunities and connect our recruits -- their recruits with our contractors.

This concludes my presentation on the contracting strategy and the fixes we are engaging in order to make more equitable contracting. And I welcome your questions and dialogue on my presentation.

No Public Comment on Item 10A.

Commissioners' Discussion on Item 10A:

Commissioner Gilman: I just want to thank you, Alysabeth, for your report. It's always so comprehensive. And I really appreciate everything we're moving to to really model the importance of spending our dollars with LBEs and firms that are run and managed by people of color and women. So I have no actual questions. And thank you for your work on this.

Alysabeth Alexander-Tut: Thank you.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: No questions.

President Brandon: Commissioner Harrington?

Commissioner Harrington: Again, thank you. I do have a question.

Alysabeth Alexander-Tut: Absolutely.

Commissioner Harrington: On page six --

Alysabeth Alexander-Tut: Yes.

Commissioner Harrington: -- it looks like the amount of awards has -- the number and the amount have dropped quite a bit over time. And you used the term eligible. And I'm trying to think of -- is this the real contracting activity of the Port or only certain types of contracts eligible for this kind of special consideration?

Alysabeth Alexander-Tut: Yes. I will -- so eligible means it's not like a sole -- it's not a sole-source.

Commissioner Harrington: Okay.

Alysabeth Alexander-Tut: It's not a sole-source -- some sole-source contracts can have LBE sub-consulting requirements. But most do not. So that would make it ineligible. If it's federally funded, it would not be eligible for the local requirements.

Commissioner Harrington: Right.

Alysabeth Alexander-Tut: So those are the things that make the projects ineligible. But we do have -- for example, on page four, we do report out for, in the fiscal year, what was eligible and what was not eligible. So we only had one that was not eligible so far.

Commissioner Harrington: And just the level of activity -- you know, in 2018-19, we're saying 16 contracts for \$40 million and, last year, 10 contracts for \$7 million or \$8 million. What's the story? Or is there a story here?

Alysabeth Alexander-Tut: You are going to see an incredible increase in the next report. It was --

Director Forbes: [It's construction.]

Alysabeth Alexander-Tut: -- there was staff turnover. There was a flood of solicitations at the end of 2022. And we're just now getting into those contracts. So you will see that number match and probably increase f -- the previous years.

Commissioner Harrington: Great. Thank you.

Alysabeth Alexander-Tut: Absolutely. Thank you for the question.

President Brandon: Great questions, Commissioner Harrington. [Alysa], this was a great report. And you do so well at giving it. It's very easy to understand. You and the staff are doing remarkable work in working with our local business enterprises. And it shows.

Alysabeth Alexander-Tut: Thank you.

President Brandon: So I just want to congratulate all of you. Thank you.

Alysabeth Alexander-Tut: Really appreciate that. Thank you.

11. NEW BUSINESS

Director Forbes: On new business, I recorded two items. And they're both related to our economic recovery plan. One is to come back with the qualitative and quantitative metrics to the plan. And the other is to come back with a discussion about how the plan is reaching partners Port-wide and making interventions Port-wide. Is there any other new business?

Commissioner Gilman: I know we've applied for several grants around wayfinding and signage. Sorry to be a broken record. I'd love to get an informational report maybe before -- maybe during the summer or by September at the latest just where we are with that particularly with all the cruise ships coming in. I saw Royal Caribbean -- I think it was Royal Caribbean was in this week. So I would just love to understand that.

President Brandon: Any other new business?

Commissioner Lee: I have a question though -- not really new business. You know, the Ferry Building in the back here -- have we always considered splitting it? Like it has a kitchen if I remember right. It has -- yeah, the albatross back there that you guys had for a long time.

There is a kitchen that could be a great coffee shop especially during the festivals. And then, you know, it could be a great steakhouse upstairs. But I'm sure there's some logistics. But -- because it's such a big piece of property. You know, I don't think we're going to be able to rent that thing for a while.

Director Forbes: We will come back and speak to you about this facility --

Commissioner Lee: Okay.

Director Forbes: -- when we have our process with the brokers completed. They're touring that space right now.

Commissioner Lee: Yeah.

Director Forbes: And it's certainly very large. And it doesn't reflect the market of today. It is a bit of an albatross. It was built for the BART construction and never demolished. So it has quite a history that you'll hear about when we come to you to speak of it.

Commissioner Lee: Okay. Well, I like that building.

Commissioner Gilman: Can I ask a question about that?

President Brandon: Sure.

Commissioner Gilman: When you do that presentation -- it just occurred to me -- I would love to also understand a cost-benefit analysis about -- because we own that property. Correct?

Director Forbes: Absolutely.

Commissioner Gilman: I'd love to understand a cost-benefits analysis about just demoing it. I'm being honest. Depending on what the broker says, it could be an alternative. I just think we should be aware of that as an option.

President Brandon: Any other questions or comments?

Commissioner Lee: No.

President Brandon: Can I have a motion to adjourn?

12. ADJOURNMENT

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

President Brandon: The meeting is adjourned at 5:09 p.m.