



Waterfront Plan Working Group

Meeting: February 10, 2016

Maritime & Water-Dependent Uses Meeting Notes

Members Present: Grant Ballard, Kirk Bennett, Reid Boggiano, Mike Buhler, Kevin Carroll, Chris Christensen, Jeffrey Congdon, Jane Connors, Aaron Hyland, Jon Golinger, Carolyn Horgan, Earl James, Ellen Johnck, Ken Kelton, Janice Li, Stewart Morton, Rudy Nothenberg, Karen Pierce, Tom Radulovich, Linda Fadeke Richardson, Alice Rogers, Jasper Rubin, Cristina Rubke, Peter Summerville, John Tobias, Dilip Trivedi, Corinne Woods, Dee Dee Workman

Absent: Stephanie Greenberg, Michael Hamman, Ron Miguel, Jacquelyn Omotalade, Frank Rescino, Anne Turner

1. Welcome to Working Group and Public

Rudy Nothenberg, Co-Chair, Working Group

- Welcomed attendees, briefly described evening's program, and introduced Port Commission President Willie Adams.
- Click this link to the meeting video: <http://www.sfport.com/waterfront-plan-media>

Willie Adams, Port Commission President

- Discussed the evolution of the Port from a primarily maritime Port to a diverse and unique mixed use waterfront.
- Expressed the importance of maritime commerce and maritime jobs to the Port and the City, and acknowledged global competition.
- Pointed out that, unlike the ports of Oakland and Seattle, the Port of SF does not have abundant revenues from airport operations.
- Discussed aspects of the complex federal, state and local regulations and funding restrictions that challenge the Port's maritime operations.
- Expressed his commitment to building up maritime in San Francisco, stressed the importance of working together on behalf of the City and the Port, and thanked the Working Group for their commitment to the Waterfront Plan Update process.

Rudy Nothenberg, Co-Chair, Working Group

- Asked Working Group to accept January 13, 2016 Meeting Notes, which were then accepted with one correction to show Grant Ballard as present at the January 13th meeting.
- Introduced Port Maritime Director Peter Dailey.

2. Overview of Port Maritime and Water-Dependent Uses

Peter Dailey, Maritime Director

Peter Dailey presented an overview of the Port's maritime industries. A copy of the slide presentation and the background report provided for the meeting can be found at: <http://sfport.com/waterfront-plan-archives>.

- Each of the Bay Area's 7 ports specializes in different services. All are connected through transportation infrastructure. The Port of San Francisco is home to 10 maritime industries: Cargo Shipping, Passenger Cruise, Excursion Boats, Ferries, Fishing, Harbor Services, Recreational Boating, Ship Repair, Temporary and Ceremonial Berthing (including Historic Ships), and Water Taxis.
- The Port has a proud labor history and is home to a strong and active chapter of the International Longshore and Warehouse Union (ILWU) and many other important craft unions.
- Current and recent cargo activity at the Port of SF includes shipping of brewing tanks for Anchor Brewing, steel for the Bay Bridge construction, and production presses for Tesla motors.
- Bulk sand and aggregates currently are the highest volume cargoes at the Port's shipping terminals in the Southern Waterfront, providing the foundational products that support the Pier 80-96 Maritime Eco-Industrial Center.
- The Port is always looking at new and different cargo shipping markets, including the automobile import/export market with Asia.
- The Port's cargo terminals are critical for emergency response and preparedness.
- The passenger cruise industry is strong with a record number of passengers projected for 2016. The recently completed James R. Herman Cruise Terminal at Pier 27 is the first cruise terminal with shore side power to reduce emissions.
- The Port's ship repair industry is located at Pier 70 where "post-panamax" vessels that are too wide to pass through the Panama Canal can be repaired at one of the largest commercial dry-docks in the Americas.
- The Port's harbor services tenants have provided tugboats and barges to assist ships that call at Bay Area ports since the 1850s.
- The Port's ferries and excursion boat industries are growing. The Port and the Water Emergency Transportation Authority (WETA) are expanding ferry facilities just south of the Ferry Building to respond to increasing demand for water-borne transit on the Bay. Excursion service providers are important employers. Water taxis services also are expected to grow.

- The Port's commercial fishing industry suffered deeply after the Loma Prieta earthquake damaged fish processing facilities at Pier 45. The subsequent Pier 45 earthquake repair project and construction of the Hyde Street Harbor re-stabilized the industry at Fisherman's Wharf. Today, Pier 45 is a leading West Coast fish processing center, providing fish to local restaurants and beyond.
- Recreational boating on the Bay has become more and more popular in recent years. The Port now oversees the South Beach Harbor (formerly managed by the now-defunct Redevelopment Agency). Ongoing physical and management improvements are stabilizing this important maritime recreation asset.
- The Port faces some new or growing challenges since adoption of the 1997 Waterfront Land Use Plan, including concerns about increasing human-powered craft near shipping lanes, ferry and excursion operations, and industrial dry-dock operations. The Port intends to work closely with the recreational boating industry and its maritime operators to ensure safe and efficient water access for all.
- Additional challenges include balancing landside public access and post 9/11 security requirements at Port facilities.
- Dredging expenses also have grown significantly due to federal regulations.

3. Planning for Maritime and Water-Dependent Uses at the Port

Anne Cook, Special Projects, Waterfront Land Use Plan

Anne Cook delivered a brief presentation about maritime-related planning and policies at the Port. A copy of the slide presentation and a background report prepared for the meeting can be found at: <http://sfport.com/waterfront-plan-archives>.

Consistent with its public trust mission, the Port prioritizes maritime uses in its land use decisions.

- The planning process that led to the Waterfront Plan prioritized maritime needs over all other waterfront uses. This prioritization is reflected throughout the Plan's waterfront-wide maritime policies, subarea objectives, and site-specific development standards.
- Subsequent to the Waterfront Plan, the Port Commission formed the Maritime Commerce Advisory Committee in 1999 to provide a forum for ensuring maritime needs continue to be thoroughly considered and addressed in Port actions.
- The Port is working with the Association of Bay Area Governments to bring the Bay Water Trail to fruition along Port property.
- Port staff works closely with City and regional transportation agencies to ensure Port tenant and industry needs are reflected in transit and transportation decision-making.

4. Working Group and Public Discussion, Questions and Answers with Industry Representatives

Introductions & Comments from Maritime Representatives on the Working Group

- Nothenberg introduced Working Group member Ellen Johnck who also co-chairs the Port's Maritime Commerce Advisory Committee (MCAC).
- Johnck invited attendees to MCAC meetings, including two upcoming meetings on the planning process. She supports the idea of calling the Waterfront Plan the "Port Plan". Transportation issues are important to the Port's maritime tenants, including clear thoroughways for trucking and cargo. The Port's Maritime Preservation Policy was recently amended to emphasize water and public transportation needs. Johnck noted the Port's over \$1 billion in deferred maintenance costs and expressed interest in GO Bond investment for Port improvements.
- Working Group member Carolyn Horgan, President of Blue & Gold Fleet, shared concerns about conflicts at Pier 9 between tech company lessee and maritime operational needs.
- Working Group member Cristina Rubke stated that recreational water users need accessibility and parking improvements, which can run up against the City's transit first policies.
- Working Group member Karen Pierce stated that maritime industries are an important source of good, blue-collar jobs that support a diverse citizenry. The Port has a strong maritime heritage and DNA that needs to be maintained. The City should work to balance maritime and public access needs. There is ongoing collaboration with bicycle coalition for shared access along Cargo Way.
- Peter Daily introduced many of the maritime representatives in the room who came to discuss their needs and answer questions.

Comments from Maritime Representatives and Others:

- Development can have positive impacts on maritime operations. The Port should explore public-private partnerships. The Exploratorium is a good project where maritime and non-maritime uses coexist.
- If security is an issue for certain maritime industry users, then the Working Group should further discuss how/why public access might need to be restricted.
- Open water swimming on the Bay is a growing sport that should be included in discussions about water-recreation. The Working Group should consider increased recreational boat activity, away from swimming areas. Docks and berths for water taxis and ferries could also support water-recreation.
- A Hanson Aggregates representative noted that about 80-90% of concrete that comes to SF comes from Port sites in the Southern Waterfront. A recent challenge is the new park at the corner of Illinois Street, Third Street and Cargo Way. It brings lots of people and traffic, causing conflicts with the many trucks that must use this area. Visitors to the area art center and other new attractions are not used to driving in a dense industrial area. Cesar Chavez Street has been compromised as well. The operations in the Southern Waterfront are required for the City's many building projects and, when a major seismic event occurs, this is where materials and debris will be moved in and out of the City.
- An ILWU representative shared that maritime uses can withstand sea level rise but supporting infrastructure needs to function well and recreational uses may suffer. All

maritime uses are not as attractive as parks and public access, but they are vital to building the City and for emergency purposes. Maritime jobs should be available for future employees.

- Longtime Port tenant Red and White fleet hopes the planning process will address challenges such as what to do about wave attenuation and land use and public access conflicts.

Responses to Questions

How deeply will the Working Group process address sea level rise? This question will be more fully discussed in the resiliency meeting. Ongoing Port planning to address sea level rise includes the Mission Rock and Forest City projects where land will be raised 3-5 feet where necessary.

- **How should we address conflicts between maritime and recreational uses?** This issue will be further discussed with the MCAC, Advisory Teams, and in Part 2 of the Working Group process. The Port works to reduce these conflicts on an on-going basis. For example, BAE truck operations at the Shipyard will be relocated during the Pier 70 project and the Port Commission budget hearing will include consideration of rebuilding Amador Street to facilitate trucking operations in the Southern Waterfront.
- **What are issues faced by the Port's various maritime industries?** Rich Smith from Westar Harbor Services stated that Westar needs to be on a Pier to operate. Westar experiences conflicts with nearby uses. For example, the closure of Terry Francois for special events like marathons poses access issues for employees and suppliers, and the neighboring restaurant use has led to restrictions on barge operations during restaurant hours.
- **What is the Port doing to tackle sea level rise?** Sea level rise affects the entire Port and City. The City Planning Department and the Mayor's Office are leading the City's efforts to address this issue. The MCAC also has a sea level rise task force that is focusing on how this issue affects the Port's maritime industries. A soon to be released joint agency seismic risk study will include illustrative maps showing different sea level rise scenarios; this report will be discussed at the Working Group's resiliency meeting. Port property may be okay for the next 30 years, but the Agriculture Building needs to be addressed in conjunction with the Downtown Ferry Terminal expansion project. In the long term, the Port will need to be creative to protect the current shoreline and its maritime tenants. Co-chair Janice Li mentioned the need to think of candid, serious ways to address costs.
- **Will water taxis be ADA/wheelchair accessible? Can ferry landing near Giants be used outside of game days?** Water taxi representatives responded that although the mechanics of ADA access are challenging because of Coast Guard emergency rescue requirements and landing ramp requirements, they are working to address these challenges. The new Exploratorium dock and McCovey Cove are accessible, though the latter is closed during periods of winter storms and high tides.
- **Does the new cruise terminal have the capacity to handle one million annual visitors and also the special events necessary to meet cruise terminal costs?** Yes. There are currently 80 calls per year and 300,000 passengers served at the Port's two cruise terminals; sometimes the Port manages 3 calls per day. The new Pier 27 cruise terminal was built

primarily as a cruise terminal, and events are secondary. Berths are open year-round, and the Port earns more money from cruise ship berthing than from events. If the Port had 300 cruise calls per year, it would not need as many special events.

- **Do Bay Area ports coordinate with each other to manage competition?** All California ports coordinate through the California Association of Port Authorities, and the Port of SF meets every month with other Bay Area ports. Bay Area ports rationalize and coordinate their operations by, for example, focusing on different cargoes and maritime industries. Federal grants require regional coordination. California also has a federal freight plan and is starting its own form of freight coordination.
- **Are maritime uses priorities at Pier 19 and Pier 23 and other piers when re-tenanting?** The Port wants the Waterfront Plan update process to help inform what to do with these sites. The planning approach would be similar to that for Pier 70, where maritime assets and protections were a key factor throughout the planning and developer selection process. At Pier 19 and 23 and elsewhere, the Port is seeking maritime 'anchors' where possible, and the Port supports Blue & Gold at Pier 9. The Port was able to secure benefits for maritime tenants through the Exploratorium project, including continued deep berth access at the end of the Pier and apron improvements for Bay Delta harbor services.

5. Next Steps

- Next Working Group meeting @ March 9, 2016, 6-8 pm @ Pier 1, on Port Finances.
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