Northeast Waterfront Advisory Group Meeting: April 4, 2018 Meeting Notes

Members Present: Alec Bash, Jane Connors, Michael Gougherty, Bob Harrer, Bob Iwersen, Bruno Kanter, Flicka McGurrin, Cathy Merrill, Stewart Morton, Carol Parlette, and Kimberley Patten (sitting in for Melanie Westlake)

Members Absent: Kim Bernet, Roy Chan, Arthur Chang, Michael Franklin, Jon Golinger, Stephanie Greenburg, and Marina Secchitano

Port Staff Present: Ming Yeung, Diane Oshima, Dan Hodapp, Mark Lozovoy, Ricky Tijani, and Rebecca Benassini

- 1. Welcome and acceptance of February 20, 2018 Meeting Notes
 - Alec Bash welcomed the group and motioned for the acceptance of the February 20, 2018 meeting notes
 - No changes or comments were made and the group approved the meeting notes.
- 2. Upcoming Port Commission Matters of Interest. Ming Yeung, Port planning staff, highlighted some of the upcoming agenda items on the April 10, 2018 Commission meeting that might be of interest to NEWAG members. She announced upcoming dates for the Waterfront Land Use Plan (WLUP) update, which can be found <u>here</u>.
- 3. Update on Pier 29 Bulkhead Jamestown Proposal. Mark Lozovoy, Port real estate staff, provided an update on the Pier 29 bulkhead proposal. In 2015, the Port issued a Request for Proposal (RFP) for 29,000 sf of the Pier 29 bulkhead. Jamestown was the winning bidder with a proposal for a retail space for locally made items and a beverage component. Unfortunately, based on a number of factors, the costs to construct the project have rendered the project infeasible and on February 28, 2018, the exclusive right to negotiate with Jamestown was terminated. Mr. Lozovoy thanked the NEWAG group and Stewart Morton for being on the RFP selection panel. Remy Monteko, Vice President of Jamestown, spoke and expressed that she was personally disappointed that the project would not go forward. She expressed her appreciation for those who supported the project and looks forward to submitting future proposals on behalf of Jamestown and working with the NEWAG group.

Responses to Questions:

- <u>How did the cost escalate so much?</u> There was a limited time to do due diligence when Jamestown submitted its proposal and the infrastructure costs were much higher than previously anticipated for the proposed uses. The limited 15-year term was also a factor; a longer lease term would have helped.
- <u>What lease term might have worked?</u> 25 years or greater.
- <u>Isn't the bulkhead easier to develop since it's in better shape?</u> Although the Pier 29 bulkhead façade was repaired after the fire during the America's Cup, the substructure requires repair. Also, limiting work to the bulkhead required the construction of a firewall to separate it from the remaining pier. The limited space made amortizing the cost of the improvements more difficult more leasable space of Pier 29 might have made the project more feasible.
- <u>What will happen next?</u> In May, the Port plans to issue a Request for Interest (RFI) for several historic piers, including Pier 29. The RFI is targeted at soliciting interest by both operators who provide public-oriented and public-facing activating uses, and potential developers, to gauge interest and possible partnership opportunities. The RFI is intended to test some of the recommendations coming out of the WLUP update to see if there is a market or interest for longer lease terms and different mix of uses.

Comments:

- The costs to develop the historic piers are much higher than expected and make it difficult for developers to amortize their investment with limited interim lease terms. This issue has been raised during the WLUP update process and is being discussed in some of the land use committee's recommendations.
- One member commented that perhaps the Port could have offered more rent credits and emphasized that it is important to provide incentives to developers to make sure these projects can go forward.
- 4. Update on 88 Broadway and Teatro Zinzanni Projects. <u>[Link to Site Plan]</u> Ricky Tijani, Port development staff, introduced the two projects - SWL 323 and 324 which would include the Teatro Zinzanni theatre on Broadway and Embarcadero, and SWL 322-1 which would include the affordable and senior housing projects at 88 Broadway and 735 Davis Streets.

SWL 323 and 324 - Teatro Zinzanni Project – Jay Wallace of TZK Broadway, LLC, provided an update on the project. The project design has remained the same since the project was previously presented with one exception – the basement is being reevaluated to remove or relocate and consolidate some uses to the ground floor. The project has received comments from the Architectural Review Committee (ARC) and the Waterfront Design Advisory Committee (WDAC) and the team is currently pursuing entitlements which they hope to wrap up this year. They received a Historic Resources Evaluation (HRE) from the Planning Department last week and will be editing the Mitigated Negative Declaration (MND) to reflect proposed changes to the basement and other clarifications. They continue to meet with the neighborhood, Port and Planning staff, and the public.

Responses to Questions:

- <u>What is the status of the view corridor at Vallejo and Embarcadero?</u> The design has not changed and the translucent gazebo at the corner of Vallejo/Embarcadero is still proposed.
- <u>Do you have any images of the project?</u> Mr. Wallace explained that he did not bring any images of the project to the meeting but he would be happy to provide them and have a special meeting with the local neighbors.
- <u>What was the purpose of re-evaluating the basement?</u> It is an opportunity to reduce project cost.

Comment:

• One committee member expressed her support for the project and hopes that entitlements are obtained so that construction can begin soon.

SWL 322-1 - 88 Broadway and 735 Davis Streets: [Link to Presentation] John Stewart and Pamela Mendelson of the John Stewart Company, and Aaron Thornton of LMS Architects, provided an update on the project. The proposal is for 125 family housing units and 53 senior housing units, with ground-floor retail. The project will provide housing for a mix of formerly homeless, low, and middle-income residents. The project received feedback from the ARC in March 2017 and earlier on April 4, 2018, received an approval for a Certificate of Appropriateness from the Historic Preservation Committee (HPC). They are now working with the Planning staff on entitlements. Mr. Thornton pointed out some of the design changes that were made since the last presentation including changes to the corner of Front and Broadway and Front and Vallejo. Vikki Johnson with Cushman and Wakefield, a real estate brokerage firm, described the conceptual programming for the proposed commercial space on Broadway and explained that the site could accommodate one large full-service or casual restaurant or could be demised to accommodate two that complement each other. They cited the Grove as an example of the type of restaurant that they envision at the site. Responses to Questions:

• <u>What are the proposed hours for the café and where's the storage?</u> The proposed hours would be morning until evening (not late night) and intent is for

a take-away sandwich or café spot. The storage would be within the space; the tenant could also prepare foods at a commissary and bring to the space.

- <u>Can Front Street accommodate more neighborhood-serving uses rather than</u> <u>cafes?</u> There needs to be enough density for these businesses to thrive. Once more residents move in, there is a chance that more neighborhood-serving businesses will be in demand.
- <u>What other approvals are needed for the project?</u> The project needs approval by the Planning Department and other regulatory approvals, including Port Commission approval.

Comments:

- Several members of the public expressed concern about resident turnover, the proposed new residents being formerly homeless, and security. The developer explained that all residents would be screened; that in their experience, there has been low turnover for tax credit and Section 8 housing; and there will be onsite management for the property.
- Several committee members expressed that they were pleased to see both projects moving ahead and that the project will provide activation at the ground level and accommodate a range of income levels, including middle-income residents.
- 5. Update on Downtown Ferry Terminal (DTFT) Project. [Link to Image] Michael Gougherty, Senior Transportation Planner with the Water Emergency Transportation Authority (WETA) provided an update on the project. WETA has been working on this project for over 9 years in close partnership with the Port. The project is to accommodate new ferry service (including new routes to Richmond, Berkeley, Treasure Island and Seaplane Lagoon in Alameda) and to expand the terminal for emergency response. The project is currently under construction and approximately 20% complete. Sinbad's (Pier 2) has been removed, dredging has been completed, and approximately 150 of the 180 steel pipe piles have been driven. Mr. Gougherty walked through the project components including the new plaza area over the existing "lagoon" which would provide a multi-use flexible public space and provide amphitheatre seating, the project's design elevations to address sea level rise, extension of promenade areas, canopies, shade structures, and bio-retention filters for stormwater treatment. Responses to Questions:
 - <u>Where's the seawall?</u> The seawall was pointed out. The project is not structurally tied to the seawall or the Agriculture building so as not to limit the Port from rehabilitating these areas in the future. The only area that extends landside of

the seawall is at Gate G and was constructed to be removable to accommodate future rehabilitation of the Agriculture building.

- <u>What is the project phasing?</u> The project will be built in two sections. Gates F and G will be constructed first and should be complete by December 2018. Gate E will then close, the float rehabilitated in Alameda, and the extension constructed. The project is expected to be completed by December 2019.
- <u>Will the expansion meet the projected demand needs?</u> Though travel demand in the Bay Bridge corridor has grown faster than anticipated, the project will meet expected future demand for ferry service. On June 5th, we will know if Regional Measure 3 passes which would provide additional investment to build other projects/ferry routes that could exceed available capacity at the DTFT under this project. WETA would then look to possibly building Gate A.
- <u>What other routes are proposed?</u> Current service includes two in Alameda, and one in Oakland, Vallejo, and Richmond (currently under construction). Other routes include Mission Bay (Port project) and Treasure Island (developer-driven) that WETA would operate, as well as potential new WETA routes serving Berkeley, Redwood City, and the Carquinez Strait.
- 6. Briefing on Embarcadero Enhancement Project. [Link to Presentation] Patrick Golier, Senior Transportation Planner for the SF Municipal Transportation Agency (SFMTA), provided the briefing. Mr. Golier explained the project goals, described the concept of a "complete street", showed possible before and after images, and walked through the planning efforts to date. A design workshop was held in the fall of 2014. Based on public input, design concepts were prepared in 2015 and impact analysis was conducted in 2016. Proposed initial design is for a two-way, 12-foot-wide bikeway on the east side of the Embarcadero with a 4-foot buffer. The SFMTA has been engaging in community outreach and will be conducting another public open house in late spring/early summer 2018. Additional feasibility analysis is being conducted on cost and other concerns. Responses to Questions:
 - <u>Will the proposed bike lane accommodate pedicabs?</u> Slide 18 shows a pedicab accommodated by the proposed 12-foot bike lane. Each block will be different and there may be different widths on certain segments.
 - <u>Will the project eliminate bikes on the Promenade?</u> The expectation is that the protected bike lane would accommodate commuter bikers, recreational bikers, scooters, and other forms of wheeled devices and pull these uses off the promenade, separated from pedestrians.
 - <u>Will the bike lane on the (southbound) west side of the Embarcadero be</u> <u>removed?</u> In the design workshops, there were comments about redundancy of

the bike lane on the west side from Ferry Building to the ballpark. There is an open question about whether the same is true for the northern waterfront.

- <u>Are there plans to turn Lombard Street into a two-way street?</u> That was one idea that was raised that needs more study.
- <u>How are you advertising for upcoming open houses?</u> For the November 2016 open house over 17,000 postcards were sent to every address within several blocks of the project limits.
- <u>Will you be eliminating a lane of traffic?</u> Yes, proposal is to move from three to two lanes of traffic. Despite the loss, traffic flow is expected to improve by creating shorter pedestrian crossings, eliminating some unnecessary left-turn pockets, and incorporating other traffic improvement measures.

Comments:

- One member commented that he hopes aesthetics will be considered when choosing the color for designated bike lanes and bus only lanes.
- One member expressed concern that it would be difficult for the bike lane to accommodate both commuters and slower recreational users within 12 feet.
- One member commented that he would be more inclined to use the bike-only lane and not the promenade if it were protected with a physical separation from vehicles.
- One member commented that it will be important to stress bike safety and prevent bikes from running through lights. She indicated that not all tenants and residents have been contacted and requested more outreach with local tenants.

7. Next Steps – Future Agenda Items; Other Business Matters.

• The next NEWAG meeting was tentatively scheduled for June 6, 2018. A save the date notice and agenda will be sent prior to the meeting date.

The meeting was adjourned at 7:10p.m.