

Exhibit 1: Excerpts from Piers 38 & 40 RFP and Waterfront Plan - Context

GENERAL PLANNING & DEVELOPMENT CONTEXT

DRAFT WATERFRONT PLAN

In June 2019, the Port published the Draft Waterfront Plan document following a three-year public process led by the Waterfront Plan Working Group (the “Working Group”). The Working Group consisted of 30 members of the public representing each supervisorial district touching Port property as well as regional representatives and stakeholder interest groups. Staff from the State Lands Commission and San Francisco Bay Conservation and Development Commission (**BCDC**) also collaborated and supported this public planning process. Once approved and adopted, the Draft Waterfront Plan will govern the use, design, and improvement of the Port’s property.

The Draft Waterfront Plan incorporates 161 policy recommendations approved by the Working Group and endorsed by the Port Commission. The Draft Waterfront Plan calls for the protection and improvement of maritime and non-maritime activities, stewardship programs along this urban waterfront for the benefit of San Francisco and California residents and visitors. It includes goals and policies to ensure an equitable, safe, sustainable, resilient waterfront, and partnerships to support future improvements.

The Draft Waterfront Plan includes nine Port-wide Goals, Embarcadero Historic District Public Trust Objectives, sub-area Objectives, acceptable land uses, and a defined public process that will help facilitate successful partnerships to improve Port facilities.

Interested parties are directed to the Draft Waterfront Plan for detailed information on the Port’s policies for implementing projects on the Piers 38 and 40. As described in **Section 7**, under the RFP Scoring Criteria, the successful Respondent will develop a concept that follows the draft policies, objectives and goals from the Draft Waterfront Plan and the values as stated from the community and stakeholders.

PORT-WIDE GOALS

The following is a summary of the Port-wide goals, which are used to guide Port projects:

1. **Maritime:** Preserve and enhance the Port’s diverse maritime industries
2. **Diverse Uses and People:** Publicly-oriented, recreational, workplace, and civic uses that complement maritime industry and provide economic opportunity
3. **Parks and Open Space:** Complete the waterfront open space network, protect natural habitat areas, activate and enliven waterfront parks
4. **Quality Urban Design:** Respect the waterfront’s maritime heritage, promote physical and visual connections between the City and the Bay
5. **Financially Strong Port:** Stimulate investment and waterfront revitalization and equitably providing new jobs, revenues and amenities for everyone
6. **Sustainable Transportation:** Safe and accessible for people and goods, by all modes, for workers, neighbors, visitors and Port tenant operations
7. **Environmentally Sustainable:** Limit the impacts of climate change, improve the ecology of the Bay and promote healthy waterfront neighborhoods

8. **A Resilient Port:** Strengthen resilience to hazards and climate change effects while protecting the community, ecological, social and economic assets and services
9. **Partnering for Success:** Strengthen partnerships and community engagement to increase public understanding of Port and community needs and opportunities

The June 2019 plan was revised in December 2019 based upon public comments received.

EMBARCADERO HISTORIC PIERS PUBLIC TRUST OBJECTIVES

The Embarcadero Historic District Public Trust Objectives (“Public Trust Objectives”) summarized below, will guide new development within the Embarcadero National Register Historic District (“**Historic District**”) (see **Waterfront Plan**, details of the Public Trust Objectives). Piers 38 and 40 are both contributing resources in the Historic District. These objectives were developed in consultation with the State Lands Commission and BCDC staff. The Public Trust Objectives are included in the Draft Waterfront Plan’s Chapter 2B, Diverse Use Policies, reflecting the importance of preserving the integrity of the Historic District and ensuring that members of the public can access, use and enjoy the rehabilitated structures. Rehabilitation of these unique maritime historic structures is a primary public trust benefit. The Public Trust Objectives provide the framework for evaluating financially feasible pier repair. Major rehabilitation projects should strive to meet each of the following criteria:

1. *Historic Preservation:* Rehabilitation of all historic structures consistent with Secretary of Interior Standards for Historic properties.
2. *Structural/Seismic Improvements:* Substructure and superstructure repair and seismic upgrades, consistent with applicable building codes to support full utilization of the pier(s).
3. *Pier Apron:* Pier apron renovation to provide public access and views alongside the historic structure and waterfront maritime activities in public access– restricted where necessary to ensure safety and security for maritime uses.
4. *Bayside History Walk:* Inclusion of “Bayside History Walk” to provide public access to quiet spaces within the bulkhead and/or shed structures that provide views of the inner structure of historic buildings and which may include interpretation of San Francisco’s unique architectural and maritime history.
5. *Interior Shed and Bulkhead Structure Uses:* In addition to traditional maritime and visitor-serving public trust uses, facilities must include publicly-oriented uses within the pier interior that allow a meaningful opportunity to view and appreciate the qualities that render the structure worthy of historic preservation. Visitor-serving and public-oriented uses should occupy the ground floor of the bulkhead building or areas adjacent to the Embarcadero Promenade. Publicly-oriented uses also are encouraged to be provided within the pier shed provided the development program and/or external financial resources provided by the Respondent will support financial feasibility. Limit high revenue-generating commercial or industrial uses in the pier shed and the second floor of the bulkhead building to the space and intensity necessary for the financial feasibility of the project.
6. *Maritime:* Where feasible, prioritize maritime uses, including berths, maritime office or support space, as needed. Where not limited by security or maritime operation safety concerns, pier apron areas should be shared with public access.
7. *Flood protection:* Projects must include flood protection measures or an adaptive management strategy to protect against future flood risk from sea level rise.

SOUTH BEACH SUBAREA – OBJECTIVES & ACCEPTABLE USES

The South Beach subarea section of the Draft Waterfront Plan includes both subarea specific objectives and acceptable land uses. The objectives identify how the subarea can meet the Port-wide goals. The objectives that apply to Piers 38 and 40 are listed below, with more details articulated in the Draft Waterfront Plan.

1. Preserve and improve existing maritime uses and provide focal points for public enjoyment of maritime and water-dependent activities in South Beach.
2. Maintain and activate an integrated series of parks and public access improvements that extend through South Beach and provide a unifying pedestrian connection to Mission Bay at China Basin Channel.
3. Promote activities and public access in South Beach pier projects within the Embarcadero Historic District.
4. Maintain close working relationships with the San Francisco Municipal Transportation Agency and transportation agency partners to expand public transit and alternative transportation services that improve the safety and comfort of travel along The Embarcadero in South Beach.
5. Coordinate closely with resilience proposals produced through The Embarcadero Seawall Program to build understanding and support for innovations required to adapt to the impacts of climate change and the threat of seismic activity while respecting the history, character, and authenticity of the South Beach waterfront.

The Draft Waterfront Plan identifies acceptable uses for each facility. **Table 1** lists Acceptable Land Uses for Piers 38 & 40. The Plan also includes additional use-specific policies that may be applicable depending on Respondent’s proposed development program.

Table 1 - Acceptable Land Uses for Piers 38-40

<p>MARITIME</p> <ul style="list-style-type: none"> • Ferry, Excursion & Water Taxi • Historic Ships • Maritime Office • Harbor Services & Maritime Industrial • Passenger Cruise Industry • Recreational Boating/ Water Recreation • Ship Repair • Temporary & Ceremonial Berthing 	<p>PUBLICLY ORIENTED</p> <ul style="list-style-type: none"> • Artist/Designers • Assembly & Entertainment • Museum & Cultural • Retail (including food and beverages) • Recreational Enterprises • Visitor Service • Academic Organizations 	<p>OPEN SPACE/PUBLIC ACCESS</p> <ul style="list-style-type: none"> • Public Access/Public Realm <p>COMMERCIAL & INDUSTRIAL</p> <ul style="list-style-type: none"> • General Office • Production, Distribution, Repair (PDR) <p>OTHER</p> <ul style="list-style-type: none"> • Community Facilities • Transportation Services • Short Term Interim Uses
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COMMUNITY VALUES AND PRIORITIES

In addition to the goals, policies, and objectives articulated in the Draft Waterfront Plan for the Historic Piers, the values below represent key points that Port staff heard at public meetings of the Port Central Waterfront Advisory Group (CWAG) and Northeast Waterfront Advisory Group (NEWAG) (together, the **“Port Advisory Groups”**); as well as meetings of South Beach Harbor stakeholders and the South Beach - Rincon -Mission Bay Neighborhood Association.

For purposes of this RFP and the respondent’s community engagement process, the Port defines “values” to mean the uses, places, spaces, experiences, or other attributes of the Site that are public priorities. These values may include existing assets or resources the project should leverage, unique locations to curate different experiences along the waterfront, or specific conditions or locations that lend themselves to a new use opportunities, among others.

The following community values are organized into those common to the entire Historic District and those that are specific to the South Beach Piers (Piers 38 and 40).

COMMON VALUES WITHIN THE HISTORIC DISTRICT:

1. Includes the largest diversity and offering of uses that offer benefits to the greatest number and broadest variety of users.
2. Provides equitable access for all (including economic access by including no/low cost uses and offerings).
3. Has an authentic and unique character defined by location and setting of the facilities.
4. Creates a sense of place, including interpretive opportunities relevant to the waterfront.
5. Balances the objective of rehabilitation of the piers and Seawall repair, providing facilities for maritime uses and generating revenue, with the objective of equitably serving a diverse group of neighbors and visitors with publicly-oriented uses.

VALUES FOR SOUTH BEACH PIERS: PIERS 38 AND 40

1. Enhance Pier 40 recreational boating or uses that support recreational boating.
2. Leverage Ballpark activities and foot traffic.
3. Opportunity to leverage excursion berthing operations at Pier 40.
4. Enhance use and activation of Brannan Street Wharf and South Beach Park.
5. Opportunity for new uses on Pier 40 to activate The Embarcadero edge.
6. Enhance and connect Piers 38 and 40 to the Townsend commercial corridor in the South Beach neighborhood.

RELATED EFFORTS UNDERWAY AFFECTING THIS OFFERING

PORT RESILIENCE PROGRAM

The Embarcadero historic bulkhead and pier shed facilities have proven to be very adaptable to many modern uses along with maritime operations and new public access in several projects that have helped in the waterfront’s transformation. The continued stewardship and improvement of these National Register-listed historic facilities is a Port priority and was affirmed in the Waterfront Plan public process. This effort will need to include improvements and a resilience adaptation strategy to manage current

seismic risk and current and future flooding risk, which collectively present significant challenges to the Historic District. The Port is undertaking various efforts, including: 1) the Embarcadero Seawall Program; 2) the U.S. Army Corps of Engineers (“**Army Corps**”) Flood Resiliency Study; and 3) a study regarding possible floodproofing of the piers to identify a toolkit to extend the life of Historic District piers with a suite of interventions and investments to address flooding risk.

Embarcadero Seawall Program

The 2016 Seismic Vulnerability Assessment of the Embarcadero Seawall (“**Seawall**”) revealed risk potential to the bulkhead buildings of the historic facilities. Without improvements to seismically strengthen the historic facilities and the 3.5-mile long Seawall, the bulkhead buildings may suffer significant damage in a large earthquake due to ground shaking, differential settlement or lateral spreading that causes the Seawall to move bay-ward. In 2018, San Francisco voters passed a \$425 million General Obligation bond to address the most urgent seismic, life safety Seawall issues. With an estimated cost of \$5 billion for the entire Seawall seismic strengthening costs, Respondents should not assume any GO Bond funding will assist the Piers 38 and 40 project. The Port has established and led a program of Seawall analysis and planning (the “**Embarcadero Seawall Program**”), which will guide the expenditure of the initial GO Bond investment. Results of this effort will be made available to the selected Respondent to better inform the Respondent’s seismic approach.

Army Corps Flood Resiliency Study

The Port and Army Corps are collaborating on the San Francisco Waterfront Flood Resiliency Study (the “**Flood Resiliency Study**”), which is examining flood risk to the Port’s entire 7.5 mile waterfront, including the Embarcadero Historic District. If the study identifies a federal interest in a federal flood management project on the San Francisco waterfront, the Flood Resiliency Study will result in a Tentatively Selected Plan to manage flood risks and conduct preliminary engineering and environmental analysis of that plan. Federal interest in this context is defined as project benefits — mainly in the form of reduced economic damages — that exceed project costs. If the study identifies a federal interest, the study could lead to an Army Corps recommendation to Congress, expected in 2024 or later, to fund the Tentatively Selected Plan.

The Flood Resiliency Study will examine flooding on a range of expected sea level rise curves. The Tentatively Selected Plan, if approved by Army Corps and funded by Congress, is expected to provide flood protection throughout its design life (i.e., until 2080) and to be adaptable to subsequent sea level rise. To achieve this performance, the Tentatively Selected Plan will require installation of flood management measures at a higher elevation (still to be determined) than the current Seawall. The potential location(s) of these measures is still being studied; options that are being analyzed include locations bay-ward of the piers, in the near shore area, at the shoreline or along The Embarcadero.

The analysis and reports for these efforts are available on the Port’s web site to prospective Respondents for this RFP.

Floodproofing the Piers Study

Some assets within the Embarcadero Historic District are already at risk of flooding in a 100-year flood event and that risk is increasing due to rising sea levels. The Port is conducting a study of flood adaptation measures for the finger piers, including Piers 38 and 40 to extend the life of the piers. This study includes conceptual approaches to address intermittent or more frequent flooding, including

deployable measures, building floodproofing, raised floor elevations, flood walls (and associated stormwater management strategies), and moving under-pier utilities above the deck, among others. The study will provide capital planning level cost estimates and analysis of measures. This study could inform finger pier planning, design, and permitting strategies and will establish various water level scenarios. The South Beach Piers website will include a copy of the study by the end of January 2020, which provides a toolkit of potential methods to address pier floodproofing and includes high level cost estimates for each.

Section 4, Development Objectives, provides details on Port expectations regarding capital improvements needed to address resilience and seismic conditions.

BCDC & STATE LANDS COMMISSION

During the development of the Draft Waterfront Plan, Port staff consulted with State Lands and BCDC staff on various issues of shared interest, including strategies for supporting the Historic District. State Lands staff also spent considerable time in public meeting discussions with the Working Group as part of its deliberations and recommendations.

The Embarcadero Historic District Public Trust Objectives, were developed primarily in consultation with the State Lands Commission during the Draft Waterfront Plan Process. The Port continues to work with BCDC on refinements to the Embarcadero Historic District Public Trust Objectives that will support the Historic Piers Rehabilitation Program and will share further guidance that results from the interagency collaboration.

The Port is in the process of amending the existing Pier 40 South Beach Harbor BCDC permit to update the public access requirements. Any future use change to the Pier will require a permit amendment.

WORKFORCE DEVELOPMENT AND LOCAL BUSINESS ENTERPRISE

Once a Respondent is selected, Port staff will work with the selected Respondent and the City's Contract Monitoring Division ("CMD") to establish Local Business Enterprise ("LBE") goals for the various phases of the entitlement and development of the project. CMD collaborates in the design of each LBE participation program tailored to the project, develops LBE goals, provides developers with technical assistance to maximize LBE participation, and where necessary, conducts outreach to LBEs regarding procurement opportunities. The project will also need to comply with the City's Local Hiring Policy for Construction (mandatory minimum of 30% of project hours by trade) and requirements for wage and apprenticeship programs.

Exhibit 2: PWP Executive Summary of Submittal

Port of San Francisco Commission- August 7, 2020



Past project: Piers 1 1/2, 3 & 5

1. Respondent

Pacific Waterfront Partners, (PWP) is pleased to submit this proposal for the development of Piers 38-40. Our key team members are **Simon Snellgrove, Principal; Debra Viall, SVP of Acquisitions; and Reiman Reynolds, Vice President of Operations.** Our team will be **advised by Alicia Allbin, former Principal of PWP and Wayne Perry, President of Cornerstone Facilities Consulting (CFC).** PWP will joint venture with CFC.

2. Site Vision

Our overall vision for this site will remain consistent with the vision for previous Waterfront development since our founding in 1999: “Reconnect the City with the Bay.”

We changed our earlier vision after studying the extensive extracts from the Draft Waterfront Land Use Plan, attending meetings of CWAG and talking

to members of the South Beach Community with whom we have had relationships over the past many years.

Our vision therefore can be summarized as:

- A waterfront public “playground” where families can go to engage in water-oriented recreation, welcoming and accessible for a diverse Bay Area population and its visitors
- An expansion and improvement of maritime facilities and related PDR requirements (Maritime support) for a water-oriented transportation hub accommodating water taxis, ferries and tour boats
- Public-serving facilities supporting community functions and outdoor areas for picnics, or fishing, or just promenading along a contiguous Port Walk by the Bay
- History Walks that engage visitors in the history of the Southern Waterfront, of the cultural heritage of the South Beach and of the Shed and Bulkhead building itself
- A large covered public area which will be usable night and day, year-round for such activities as a Latin food market, night markets, affordable eating and entertainment venues
- *People Places* created with thoughtful planning and design that both meet The Secretary of the Interior’s Standards for Historic Rehabilitation and adapt the assets to maximize the Public’s accessibility to all areas of the project
- A seismically strengthened Seawall to become the first public/private project for answering the immediate need to accomplish seismic stability along the Waterfront while addressing the needs for resiliency and the impacts of sea level rise on historic assets

- Financial structuring through equity investment, Historic Tax Credits, Cal Boating and Waterway Grants, bond financing and commercial debt, to produce returns to the Port and its private partner adequate to justify the significant investment

3. Qualifications

Over the past 20 years, PWP has developed and / or managed the adaptive re-use of three historic projects in the City, as described below.

3.1 Piers 1 1/2, 3 & 5

"The Piers" was developed by San Francisco Waterfront Partners LLC, a joint venture of PWP as Managing Member and CalSTRS.

The project was developed between 2001 and 2007 at a cost of \$64M after PWP was successful in listing it on the National Register, prior to the Embarcadero Historic District being listed. The total development costs were \$64M and the historic tax credits were \$12M. PWP constructed free public berthing for recreational boating and a free water taxi landing at a cost of over \$1M and was successful in obtaining a Cal Boating and Waterways contribution of \$400,000 towards the cost.

The Project has returned the Port ground rent and profit participation of approximately \$16.7M to date. Rent credits will terminate in Q2 2020, or one year ahead of schedule.

The Project was finalist for an Honors Award by the National Trust for Historic Preservation in 2008. It won the SF Beautiful Award and the SF Architectural Heritage award for Excellence in Adaptive Re-use in 2009. The project was the recipient of two separate awards from the SF Business Times' "Deal of The Year" for restaurant and office leases. In 2008 "Friends of City Planning" recognized PWP's Principal with

that year's award: "The Power of the Individual to Effect Positive Change." At completion of its entitlements, the City issued a proclamation declaring November 25, 2003 as "Piers 1 1/2, 3 & 5 Historic Rehabilitation Project Day in San Francisco".

3.2 Pier 24 Photography

In 2007, PWP was retained by The Pilara Foundation, a non-profit institution, to identify and develop a site for a gallery to display their extensive photography collection and collections from around the world.

After evaluating several sites, including sites in SOMA and the Presidio, PWP recommended Pier 24 Annex and thereafter negotiated a lease with the Port. The 27,000 SF project, located over water, required extensive adaption within the Secretary of Interior's Standards to accommodate the art in a marine environment. PWP coordinated a complicated permitting process with the various relevant consultants, agencies and contractors and the project was completed in October 2009.

Pier 24 is the largest space in the United States dedicated to the exhibition of photography which exhibits works from collections of other domestic and international institutions.

3.3 The Bay School of San Francisco, The Presidio

PWP's Principal was a founding Trustee of the Bay School. In collaboration with Equity Community Builders whose principal was also a Board Member, PWP performed co-development services pro-bono to negotiate the long-term ground lease with the Presidio Trust, obtain the Historic Tax Credits, raise the equity and debt and complete the building on schedule.

The 66,000 SF building received numerous accolades for the rehabilitation and The Bay

School is now considered among the top tier high schools serving the Bay Area.

3.4 8 Washington Entitlements

Between 2005 and 2012, PWP partnered with the Port staff on the entitlements for this complex public / private partnership which would have accomplished one of the goals of the then current Waterfront Plan to combine SWL 351 with the adjacent private land and replace the parking lot for a new public park as part of a vibrant mixed-use \$400M project.

PWP was successful in obtaining all entitlements which were approved twice by the Port Commission and twice by the Board of Supervisors in 2012. However, in 2013, under a seldom used provision of the Administrative Code, a City-wide referendum overturned the Board of Supervisors' approval.

3.5 Pro-bono Services for the Port & City

PWP has performed pro-bono consultation on the following projects:

- **The 34th Americas Cup Facilities Studies for The Mayor's Office**

During San Francisco's 2010 competitive pursuit for the venue of the 34th America's Cup, Mayor Newsom's office asked PWP to undertake a pro-bono Port-wide study of potential development sites that would temporarily accommodate America Cup's bases and be subsequently adapted for development to cover the sponsor's expenses.

Together with the Port, MOEWD and a task force of other private entities, PWP evaluated various sites including 48-50, 38-40, 30-32. Ultimately the City elected to utilize Piers 30-32, Pier 27-29 and parts of Crissy Field.

- **Pier 1, Fort Mason Rehabilitation**

PWP was invited by The Fort Mason Center for Arts and Culture (FMCAC) to evaluate potential adaptive re-uses of Pier 1, located in the Historic Landmark District of the Golden Gate National Recreation Area (GGNRA).

In collaboration with various members of the FMCAC staff and Board and the then head of the GGNRA, we evaluated potential hotel uses and solicited various potential hotel operators and investors to determine the feasibility of adapting the site to hotel and public use. The project was put on hold pending resolution of lease issues between FMCAC and the GGNRA.

4. Concept for Site

Much has changed since we tendered a proposal for the Pier 38 Bulkhead site in 2013. Over the past three years, we have participated in or studied the outcomes of extensive extracts from the WLUP Working Group, attended meetings of CWAG and listened to members from the South Beach Community, many of whom we have had meaningful relationships over many years. We have come up with a much more developed and vibrant proposal.

We believe that our Vision demonstrates our enthusiasm for a vibrant and inclusionary "playground" for this community. If selected, we will partner with the Port and the active members of the community to accomplish the values that have been expressed during this process; the goals that have been agreed upon; and the Public Trust objectives. This exchange is at the heart of our ability to succeed.



Proposed Project: Aerial view looking Southwest

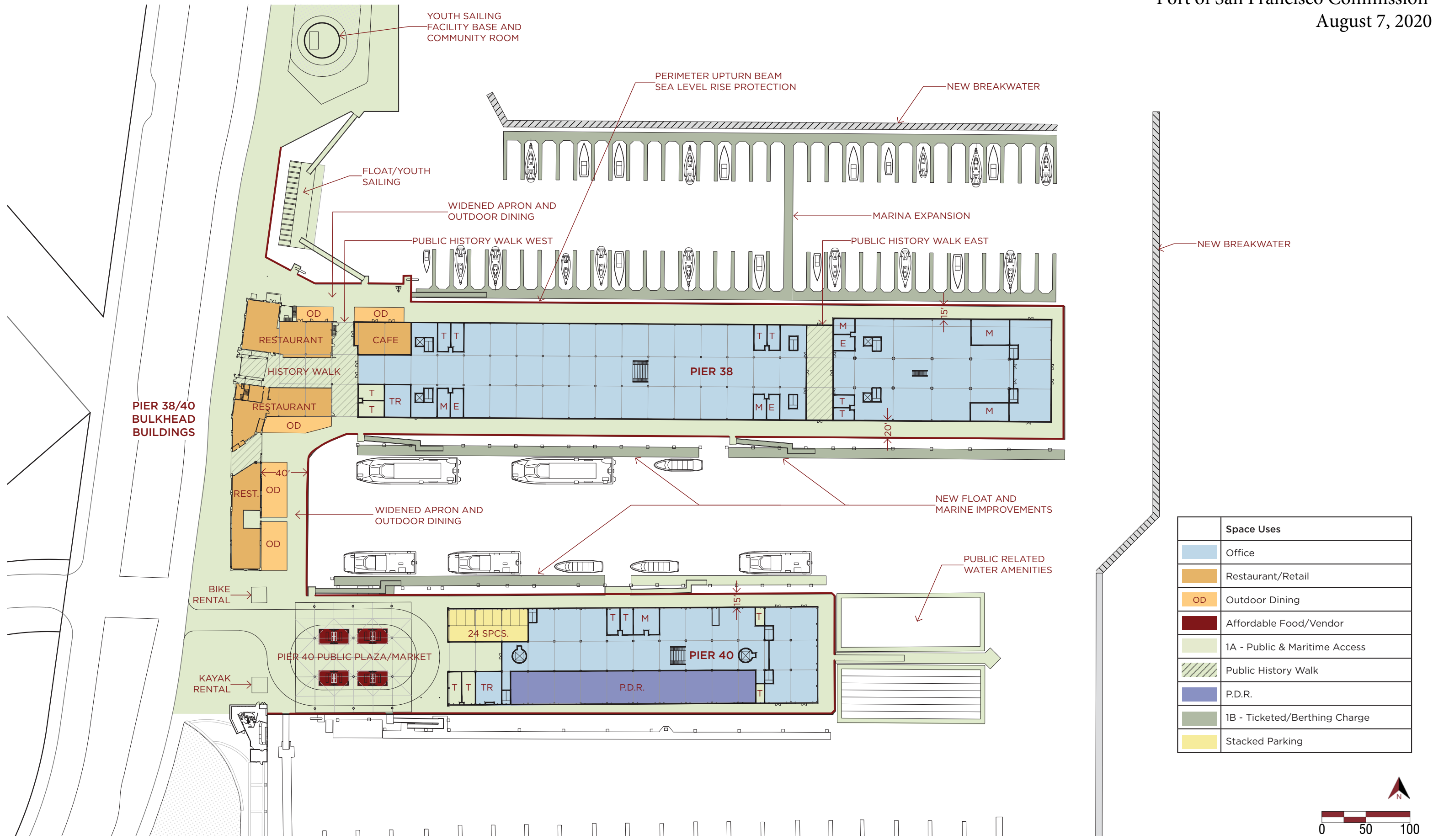
5. Approach to Meeting Port's Development Objectives

If selected, we will engage enthusiastically in working with the Port Staff and Community to achieve the Port's and the Community's objectives, including the historic preservation, seismic resilience and a balanced economic return for all.

We have thoroughly reviewed the Port's Development Objectives We are familiar and knowledgeable with the Public Trust Objectives. Our approach to succeeding will be "listening more and presenting less". We will strive for more collaboration in the design process instead of managing reaction in the presentation process.

We will partner with the Port and collaborative working groups of engaged neighbors and stakeholders so that we can together design a project that will not only meet but exceed the Port's objectives and aspirations which can excel in both the Port and The Community's goals.

Piers 38-40: Apron Level Floor Plans - Proposed Uses



	Space Uses
	Office
	Restaurant/Retail
	Outdoor Dining
	Affordable Food/Vendor
	1A - Public & Maritime Access
	Public History Walk
	P.D.R.
	1B - Ticketed/Berthing Charge
	Stacked Parking

