




MEMORANDUM

June 7, 2024

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Gail Gilman, Vice President
Hon. Willie Adams
Hon. Ed Harrington
Hon. Steven Lee

FROM: Elaine Forbes 
Executive Director

SUBJECT: Request waiver of (1) Port of San Francisco commercial Salmon boats berthing fee for a period of five months (May 15, 2024, through October 15, 2024); and (2) Port of San Francisco Dungeness Crab pot storage fees for a period of five months (May 15, 2024, through October 15, 2024) in light of economic disruption caused by closure of the 2023 and 2024 commercial Salmon season and the multiple shortened commercial Dungeness Crab seasons.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 24-29

EXECUTIVE SUMMARY

Commercial fishing is one of the Port's and City's most important maritime industries. Its origin predates the Port, and commercial fishing continues today despite both environmental and industry challenges. The industry employs a wide range of San Franciscans and Bay Area residents and has historically generated strong revenues for the Port through its chain of economics.

The local salmon and the local Dungeness crab seasons have been severely compromised in recent years due to environmental challenges such as the increased presence of whales along the Pacific Coast, the impacts of drought, and the lingering economic impacts of the 2019 coronavirus pandemic.

Port staff recommend that the Port Commission approve a five-month (May 15, 2024, through October 15, 2024) waiver of salmon boat berthing and crab gear storage fees.

STRATEGIC PLAN OBJECTIVES

The Crab and Salmon Fisher Relief Plan supports the goals of the Port's Strategic Plan as follows:

Evolution:

Evolve the waterfront, and waterfront management practices to respond to changing public and Port needs by supporting legacy Port of San Francisco industries such as commercial fishing as needs change due to economic and environmental conditions.

Productivity:

Attract and retain tenants to build an economically successful and vibrant waterfront, and in doing so, preserve and enhance commercial fishing at Fisherman's Wharf and Hyde Street Harbor.

BACKGROUND

The commercial fishing industry has faced numerous challenges ranging from overfishing, commercial development, ocean pollution, non-native species, and other environmental challenges over many decades. Despite these challenges, Pier 45 and Hyde Street Harbor / Fisherman's Wharf remains one of the West Coast's major commercial fishing centers, and much has been done to "keep the fish at Fisherman's Wharf." Major Port initiatives include the 1995 rebuilding of the earthquake-damaged Pier 45 and the 2001 construction of the \$21 million Hyde Street Commercial Fishing Harbor, the 2012 construction of a new \$2 million Harbormaster's office, and the 2016 Crab Industry Relief Program. Upcoming projects that support the commercial fishing industry include the interim J-9 replacement float project and a new ice machine at Pier 45. Over the past two years, San Francisco's most important seafood seasons, Dungeness crab and salmon, have either been delayed in opening, closed early, or closed for the season. For the Dungeness crab season, the delays and closures are a result of determinations made by the California Department of Fish and Wildlife (CDFW) ahead of each season that the presence of whales was high along the Pacific Coast. With respect to the salmon season, the CDFW determined the fishery and salmon population to be well below historic averages, which resulted in the cancellation of the last two commercial salmon seasons.

Economic Impacts to Commercial Fishers

In 2021, CDFW reported that 2.7 million pounds of fish with a gross value of \$10.6 million were landed at the Port of San Francisco. This is a significant reduction from years past and a disturbing trend. The main legacy fishing seasons in San Francisco are salmon (April to fall), crab (November to spring), and herring (December to February). The 2021 reporting period was the last year full year for the salmon season.

Following 2021, the local commercial fishing fleet has suffered a double hit as years of drought conditions have severely impacted the salmon run resulting in the cancellation of both the 2023 and 2024 commercial salmon season.

Over the past five years, Dungeness crab fishing has also been directly impacted by limited seasons. One of San Francisco's most important seafood seasons and a legacy Thanksgiving delicacy, Dungeness crab, has suffered delayed openings, sometimes not opening until after the holiday season, and early closures by the State of California's Departments of Fish and Wildlife due to migratory whales and crab gear entanglements.

As a result of the limited or closed seasons, many of the Port's salmon and crab fishers have been pushed to the economic brink of collapse. Port staff have engaged members of the San Francisco commercial fishing industry to assess their economic status in light of the closed seasons. Most of the fishing fleet are small businesses and the economic impacts have been dramatic. Many of the crab and salmon fishers earn the majority of their annual revenue in a few months, depending on the fishery. The proposed "Crab and Salmon Fisher Relief Plan" will offer rent relief for a short five-month period as described below:

Salmon Boat Berth Fees

Port staff recommends a five-month (May 15, 2024, through October 15, 2024) waiver of berthing fees for permanent San Francisco berth holders with (a) valid commercial 2023 or 2024 Salmon fishing permits from the CDFW, and (b) whose vessels were designed and outfitted for and are primarily used for the commercial catching of salmon, and (c) who subsequently sell or deliver said salmon to a processing plant or receiving station. To qualify for the salmon boat berthing fee waiver, the boat owner applicant must provide the Port evidencing the following:

- The vessel is a permanent berth holder in Hyde Street Harbor/Fisherman's Wharf; and
- The vessel holds a 2023 or 2024 commercial salmon permit from the CDFW; and
- The vessel owner is a tenant in good standing.

Port staff estimates that there are approximately 50 qualifying salmon boats permanently berthed at the Port paying a combined estimated average monthly berthing fee of \$14,912.30. The five-month revenue loss to the Port would be approximately \$74,561.30. (See attachment A to this Staff Report).

Crab Pot Storage Fees

Port staff recommends a five-month waiver of storage fees for San Francisco permanent berth holders who (a) possess a valid 2023 or 2024 commercial Dungeness crab fishing permit from the CDFW, and (b) are in good standing. This would cover the period from May 15, 2024, through October 15, 2024. This would be available to approximately 30 qualifying crab gear storage tenants totaling an estimated average monthly gear storage rent of \$8,921.10. The five-month revenue loss to the Port would be approximately \$44,605.50. (See attachment A to this Staff Report).

Revenue Impact on the Port

The Port’s proposed Crab and Salmon Fisher Relief Plan will result in a revenue impact of approximately \$119,166.80 to the Port as follows:

Crab Boat Berth fees	\$74,561.30
Crab Pot Storage fees	\$44,605.50
Total (Five months)	\$119,166.80

The proposed Crab and Salmon Fisher Relief Plan would throw a lifeline to the many small businesses, fishermen and women, and deckhands during a period of unprecedented financial impacts and provide tangible relief to help sustain this vital historic industry and demonstrate the Port’s ongoing commitment to our commercial fishing community.

RECOMMENDATION

Staff recommends that the Port Commission support the Crab and Salmon Fisher Relief Plan, approve the attached Resolution, and authorize the Executive Director to waive fees and rents as described above.

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 Assistant Deputy Director
 Maritime Division

For: Andre Coleman
 Deputy Director
 Maritime Division

Attachment A: Calculations

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 24-29

- WHEREAS, Section B3.581 of the Charter of the City and County of San Francisco empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the City and County of San Francisco; and
- WHEREAS, The commercial fishing Industry predates the origins of the Port and is one of San Francisco's most important maritime industries; and
- WHEREAS, Salmon and dungeness crab are synonymous with San Francisco's Fisherman's Wharf and provides a large share of annual revenue to the local commercial fleet; and
- WHEREAS, The local commercial fishing fleet has suffered as years of drought conditions have severely impacted the salmon run along with the cancellation of both the 2023 and 2024 commercial salmon seasons; and
- WHEREAS, One of San Francisco's most important seafood seasons, dungeness crab, has suffered delayed openings and early closures by the State of California's Departments of Fish and Wildlife due to migratory whales and crab gear entanglement; and
- WHEREAS, As a result of the closures and/or delays, local commercial salmon boat owners and crab gear owners, have suffered a devastating economic blow that threatens the viability of the local crab and salmon industry in San Francisco; and
- WHEREAS, Port staff, working with the local commercial fishing community stakeholders have created a Crab and Salmon Fisher Relief Plan that offers five months' rent relief on berthing fees and crab storage for qualified San Francisco crab and salmon fishers; now therefore be it
- RESOLVED, That the San Francisco Port Commission hereby authorizes the Executive Director of the Port, or her designee, to waive up to 5 months of rent and/or storage fees for commercial fishers that meet the qualifications described in the Staff Report prepared for the Crab and Salmon Fisher Relief Plan, all on terms substantially consistent with those described in said Staff Report; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director to modify the Crab and Salmon Fisher Relief Plan that the Executive Director, in consultation with the City Attorney, determines are in the best interest of the Port to implement the Crab and Salmon Fisher Relief Plan, and do not materially increase the obligations or liabilities of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 11, 2024.

Secretary

ATTACHMENT A

CALCULATIONS		
Salmon Berths		
Est. Berth Rent per month		\$ 13,556.60
Plus 10 % environmental fee		\$ 1,355.66
Monthly Subtotal		\$ 14,912.26
Total est. Montly Berth Rent		\$ 14,912.26
Total est. 5 mo. Berth Rent (May 15-Oct 15)		\$ 74,561.30
Crab Gear Storage		
Temp Outside storage P45 per month		\$ 1,575.00
Shed A per month		\$ 5,630.21
Shed D per month		\$ 1,715.89
Total est. Storage per month		\$ 8,921.10
Total est. 5 mo. Storage (May 15-Oct 15)		\$ 44,605.50