



# PORT OF SAN FRANCISCO WATERFRONT LAND USE PLAN 1997 – 2014 REVIEW



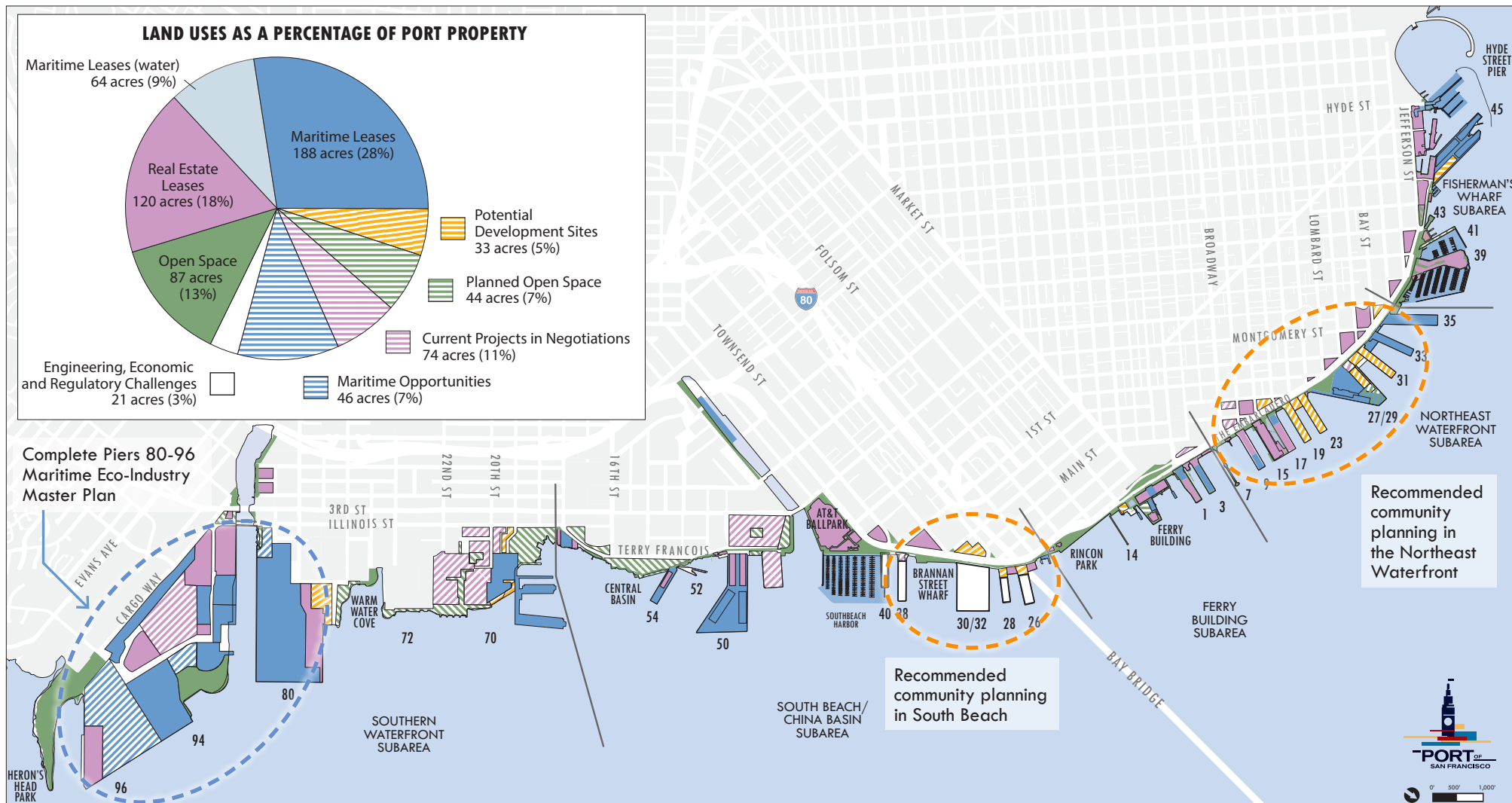
*June 2015*

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# PORT OF SAN FRANCISCO AT A GLANCE

Port lands extend for 7½ miles, from Fisherman's Wharf at the north, to India Basin/ Bayview Hunters Point at the south. This map summarizes the breakdown of Port property by use. Many are not aware of how much land is needed for the Port's 10 diverse maritime and water-dependent industries, or improved for waterfront parks. Further, Port piers and facilities are leased to over 530 different tenants, many small and local businesses. The revenues from Port leases are essential to repair and maintain the waterfront, as the Port does not receive ongoing City or State General Fund funding.

One hundred and forty one acres are planned for new neighborhoods, maritime, and public open space. The orange hatched sites reflect the relatively few remaining opportunities for new development. The white areas mark sites that have engineering, economic or regulatory challenges. The Port Commission has directed further work to complete a Maritime Eco-Industrial Strategy near Cargo Way in the Southern Waterfront. Staff has recommended more community planning for the Northeast and South Beach segments of the Port waterfront.



We invite your comments on the Port's Review of the Waterfront Land Use Plan: [SFPORT.COM/WLUPREVIEW](http://SFPORT.COM/WLUPREVIEW)

## PREFACE

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The Waterfront Land Use Plan (Waterfront Plan) sets forth the policies that govern land use and improvements of property under the jurisdiction of the Port of San Francisco. In August 2014, the Port conducted a comprehensive review of land use changes, development and improvement efforts under the Waterfront Plan and released this report in draft form for public review and comment. The Port has incorporated revisions based on the numerous public comments received to finalize this Review of the Waterfront Land Use Plan, 1997 – 2014.

Beyond documenting land use changes at the Port of San Francisco over the past 18 years, the Port's assessment identified a number of policy needs and challenges that dictated recommendations for a targeted update of the Waterfront Plan. Any such undertaking necessitates a robust public process that maximizes opportunities for citizen involvement. With the support of the Port Commission, Port staff will initiate a public process to update the Waterfront Plan in September 2015. The information in this report will provide a key resource to broaden understanding of the Port of San Francisco to support an update of the Waterfront Plan. It includes information about the Port's relationship to the City and State, the financial framework for improving Port lands, and lessons learned from past efforts.

The process to update the Waterfront Plan will be conducted through regular public meetings of a newly created Waterfront Plan Working Group, and supporting Advisory Teams. Recommendations developed from these bodies, vetted in public meeting discussions, will be forwarded to the Port Commission for its review and ultimate action. All interested citizens are invited to learn and participate so that the Port maintains a solid policy foundation to guide future improvements that uphold its maritime purpose, coupled with a vibrant array of activities for the public use and enjoyment of San Francisco's waterfront. Detailed reports, public meeting information and online comment opportunities for this project are available to the public at [www.sfport.com/wlup](http://www.sfport.com/wlup).

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<sup>1</sup> The Waterfront Plan has been amended several times, up through 2009. The most comprehensive amendments were approved in 2000 to align the Waterfront Plan's policies with the BCDC San Francisco Waterfront Special Area Plan.

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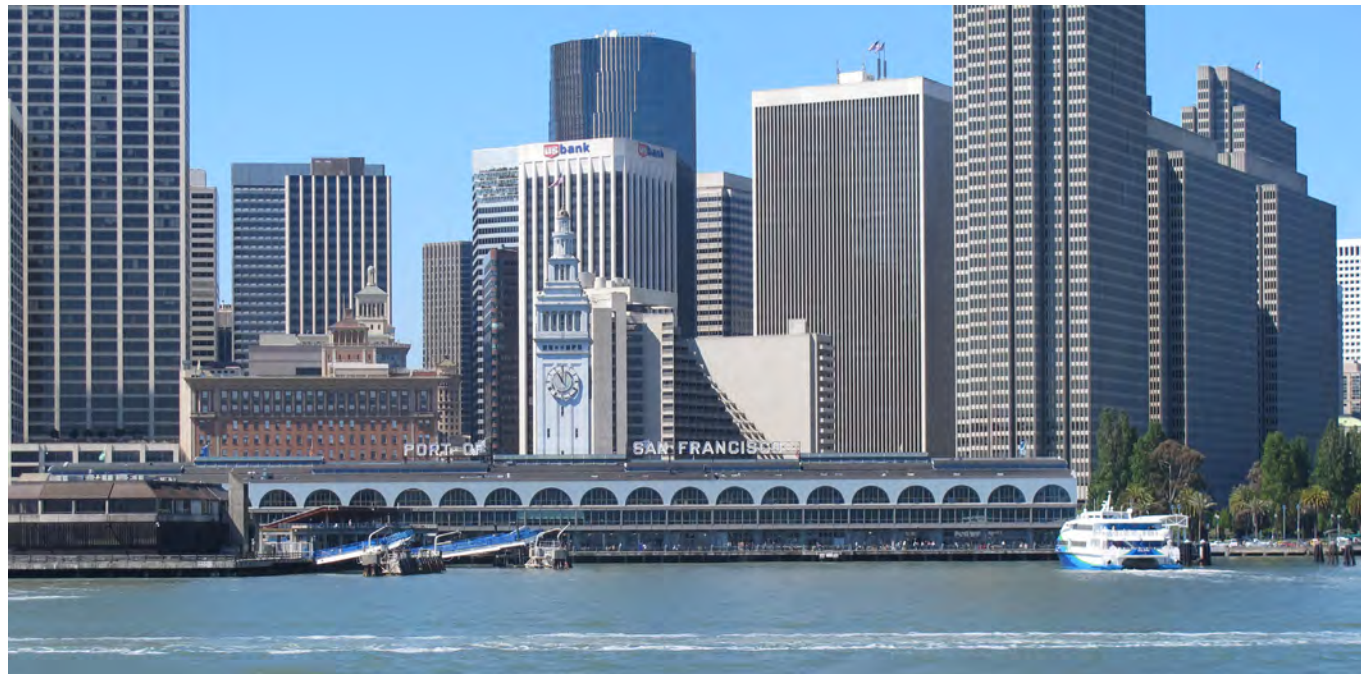
Chapter 3 highlights accomplishments in each of the Port's waterfront neighborhoods, including subarea maps showing improvements delivered through development, leasing and the efforts of Port and City agency staff, including recommendations to inform opportunities ahead.

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Chapter 4 provides an overview of Port improvements on a project-by-project basis, including photos that illustrate the profound changes along the waterfront since 1997. Chapter 4 also includes a review of projects that were abandoned, including analysis and lessons learned.

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Chapter 5 discusses projects that are currently underway, including new neighborhoods planned for Port property in Mission Bay and in Dogpatch.





## EXECUTIVE SUMMARY

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Today, San Francisco is more united with its waterfront than it has ever been. The number and diversity of uses drew more than 24 million to the Bay's edge in 2013, more than the Waterfront Plan Advisory Board, the original authors of the Waterfront Plan, could have hoped for back in 1997. This renewed waterfront is no simple accomplishment, having required a balancing of interests through each step of the way. Consider for a moment one of our waterfront's most distinguishing characteristics and one of its greatest challenges: industry, commerce and residential neighbors all existing in a harmony of contrasts. Precious few waterfronts around the world offer such an integration of disparate uses.

In 1997, the Port Commission adopted the Port of San Francisco's Waterfront Land Use Plan ("Waterfront Plan"), as recommended by the Waterfront Plan Advisory Board following six years of investigation, research and collaboration. The overarching goal of the Waterfront Plan is to reunite the City with its waterfront.

In 2013, millions of people came to the waterfront for employment, transportation, education, exploration, entertainment, recreation or simply to engage passively with the Bay. The color and diversity of these experiences, connected by generous public open spaces with stunning views of San Francisco Bay are what makes the Port waterfront a unique and world-renowned attribute of a top international city. Yet, the Port remains true to its heritage, preserving both its historic architecture and its working waterfront, dedicated to promoting Bay access to all of its maritime users. Highlights of the 17 years since adoption of the Waterfront Plan include:

- \$1.6 billion in public and private investment guided by the Waterfront Plan
- 63+ acres of waterfront open space
- 19 Port historic resources have been fully or partially rehabilitated

- 7 derelict piers and wharves have been removed from the Bay (Pier 64 removal underway)
- 1,000,000 square feet of new development completed
- 6.3 million square feet of new residential and commercial development is pending
- 22 new acres of waterfront open space is planned

The Port's 2014 Waterfront Land Use Plan Review ("Waterfront Plan Review") presents an assessment of land use improvements and changes that have taken place at the Port, guided by the Waterfront Plan since its adoption in 1997. These experiences inform the Port's outlook as it initiates a public process in Fall 2015 to update the Waterfront Plan.

The Port accomplishments over the past 17 years are a testimony to the vision of the Waterfront Plan Advisory Board. Port staff is indebted to the myriad of generous volunteers including numerous Port Commissioners, the Waterfront Plan Advisory Board members, the Port's advisory groups, City and State agencies, Port tenants and operators, developers, advocates and customers who serve the Port and public today. The quality, diversity and breadth of these accomplishments, the amount of public and private investment in the port area, and the thousands of hours of community volunteerism spent guiding Port development leave no doubt that the Waterfront Plan has been a success.

While the successes are many, the Waterfront Plan is a living document that must continue to adapt to changing conditions and needs. This comprehensive review of the Port's work to improve the waterfront serves as a reference for public conversations to guide the update to the Waterfront Plan.





## CHAPTER 1 THE WATERFRONT THEN & NOW

### THE WATERFRONT THEN



In 1997, following passage of Proposition H, the transformation of the City's waterfront was being revealed. The Port Commission adopted the Waterfront Land Use Plan ("Waterfront Plan") and in 1998, the San Francisco Planning Commission and the Board of Supervisors adopted conforming amendments to the City's Planning Code and Zoning Map and updated the City's General Plan. The Embarcadero Freeway – removed in 1991 – would eventually be completely replaced by The Embarcadero Roadway Project and Herb Caen Way in 2001.

The City set the table for implementation of the Waterfront Plan with its decision to remove the Embarcadero Freeway and to fund and construct a new waterfront boulevard. Removal of the elevated Embarcadero Freeway structure revealed the architecture of the Ferry Building area, but the Port's pier sheds and bulkhead buildings along most of the central and northeast waterfront offered no impetus for the public to visit Port property. The Port's northern waterfront pier sheds were primarily used for maritime operations such as harbor services and excursion uses, or for light industrial warehouse space. Facilities such as Pier 1 were used for parking. Pier 9 was slowly being built out as a multi-tenant space with a mix of office space and maritime use.



*Pier 1 then used for parking and Pier 1 now as Port offices*

Public appreciation of the waterfront was focused on Fisherman's Wharf and Pier 39, which were vibrant then, but not as vibrant as they are today. The City's first area plan for the waterfront – the Rincon Point-South Beach Redevelopment Plan – had sparked a new, emerging neighborhood with the construction of South Beach Harbor, South Beach Park, Delancey Street, and the Steamboat Point housing development. The South Beach area was vastly improved, but was not a major destination for San Francisco residents and visitors. The Mission Bay project had just been approved and work to transform this industrial area was in its nascent stages, starting with light rail service to Caltrain. The port area from the site now occupied by AT&T Ballpark to the Port's southern border was entirely industrial, with a focus on heavy maritime industrial commerce, including Port maintenance facilities. San Francisco Drydock operated ship repair facilities at Pier 70. Pier 80 was a containerized cargo terminal struggling to compete with the Port of Oakland. Much of the southern waterfront area from Piers 90-96 and the adjacent Backlands was unimproved.



## AND NOW

The Port and its partners have made significant strides improving the port area since the adoption of the Waterfront Plan. The Port has enjoyed much success promoting maritime commerce, rehabilitating historic resources, and building parks and open space. Early successes in waterfront development, including Hyde Street Harbor, AT&T Ballpark, the Ferry Building, Pier 1, and Piers 1½-3-5, awakened the public to the waterfront and its benefits beyond Fisherman's Wharf. The public has been most satisfied when a strong community planning process or public site selection process preceded major development efforts, consistent with the implementation process outlined in the Waterfront Plan. However, the Exploratorium at Pier 15 is a successful development that came instead from the City seizing an once-in-a-life-time opportunity.

Today, Herb Caen Way is among the most popular destinations in the City, an urban waterfront edge punctuated with open space, restaurant and retail destinations, maritime operations, museums and commercial



^ Pier 15 Exploratorium then (top) and now (bottom)

< Pier 9 - multi-tenant, mixed-use space



*Pier 43 Promenade then and now*

businesses. Over 6 million passengers transit the Ferry Building to multiple destinations on San Francisco Bay annually. AT&T Ballpark, which opened in 2000, has drawn 4 million visitors to the waterfront each year, and almost 60 million visitors since it opened. Port staff led the effort to relocate Port Maintenance facilities from the ballpark site to Pier 50 Shed D. The Exploratorium at Piers 15-17 opened in 2013, and already enjoys 1.2 million visitors annually. With the international focus of the 34th America's Cup, the volume of people attracted to the Port has grown significantly in the past three years. More than 20 years of planning will culminate in the formal opening of the James R. Herman Cruise Terminal at Pier 27, fronted by the 2½ acre Cruise Terminal Plaza, in September, 2014.

The Embarcadero Historic District, listed on the National Register of Historic Places in 2006, has created a defining character for the northern half of the Port waterfront. The newly registered Pier 70 Union Iron Works Historic District is on the cusp of emerging as its own, distinct industrial and mixed use neighborhood in Dogpatch at the foot of Potrero Hill. Through the public process for individual projects, the Mayor, the Board of Supervisors and general public have a higher level of understanding of the challenges of waterfront development, including high costs triggered by major structural repair needs and historic rehabilitation.

The Port's Southern Waterfront has witnessed dramatic improvement as well. The Port's Piers 92-96 complex is home to an eco-industrial park that has expanded maritime commerce, while providing jobs to local residents and improvements through the Port's Southern Waterfront Beautification Fund. Port creativity and investment in Heron's Head Park, the Eco-Center and the Pier 94 wetlands have created some of the most exciting, natural parks on Port property. Bayview Rise, an



art installation on the unused Pier 90 Grain Silos, is a visionary way to reposition a derelict Port structure and enhance the neighborhood.

In addition to being an entity that oversees complex waterfront development in a heavily regulated environment, the Port is an operating department of the City with an annual operating budget, including annual capital projects and reserves, of \$118 million, with approximately 250 employees. It has become evident since the adoption of the Waterfront Plan that the Port – through its own initiative – can and should be a major contributor to waterfront improvements. The Illinois Street Bridge, the Pier 14 breakwater and public walkway, parks waterfront-wide, and the James R. Herman Cruise Terminal all share a common thread: all were designed and delivered by the Port.

## **WATERFRONT PLAN**

To provide specific direction for the different facets of the Port, the Waterfront Plan establishes five geographic subareas, each with a tailored set of subarea objectives that reflect adjacent neighborhoods and districts, balanced with broader City and regional needs. The Waterfront Plan includes a Waterfront Design & Access Element to address public interest in expanding waterfront open space, protecting historic resources, and promoting strong urban design and architectural excellence.

The voices that developed the Waterfront Plan comprised the Waterfront Plan Advisory Board, a 27 member body appointed by Mayor Art Agnos, the Board of Supervisors and the Port Commission. Representatives included a broad variety of stakeholder perspectives, including maritime interests, residents from diverse waterfront neighborhoods, environmentalists, businesses and open space and recreation advocates. For Waterfront Plan Advisory Board members and Port staff alike,



*Brannan Street Wharf then and now*

the process was an education about the complex laws and policies that govern the waterfront and the physical constraints affecting Port property. The process was a true collaboration rather than a competition among interest groups. The Waterfront Advisory Board concluded that the Port should continue to prioritize maritime industries, but that there were many new opportunities to create a vibrant mix of commercial and public-oriented activities to reunite San Francisco with its waterfront. The Port Commission approved the Waterfront Advisory Board's recommended Waterfront Plan with almost no change in 1997, except to incorporate the Waterfront Plan Design and Access Element.

Subsequent work with the San Francisco Bay Conservation and Development Commission ("BCDC") resulted in amendments to the BCDC Special Area Plan for the San Francisco Waterfront ("Special Area Plan"), along with conforming amendments to the Waterfront Plan in 2000. These amendments were necessary to implement the Waterfront Plan vision for mixed use development opportunities to complement the Port's maritime portfolio, interspersed with major new parks and public access to the Bay provided by new projects.



The Waterfront Plan's overarching objective to *Reunite San Francisco with its Waterfront*, is guided by the following goals:

- **A Working Waterfront** — Reserve lands to meet current and future maritime needs
- **A Revitalized Port** — New investment for waterfront revitalization, new jobs, revenues, and public amenities benefitting the Port, City and State of California
- **Diversity of Activities and People** — A diverse array of maritime, commercial entertainment, civic, open space and recreation activities for San Franciscans and visitors
- **Access Along the Waterfront** — A network of parks, plazas, walkways and open spaces, integrated with transportation improvements to improve public access and enjoyment
- **An Evolving Waterfront, Mindful of its Past and Future** — Respecting and enhancing the waterfront's historic character, while also creating new opportunities
- **Urban Design Worthy of the Waterfront Setting** — Highlighting visual and physical access to the Bay and respecting the waterfront's history and adjacent neighborhoods and districts
- **Economic Access that Reflects San Francisco's Diversity** — Economic opportunities accessible to persons of both sexes and from a representative variety of ethnic and cultural backgrounds



These goals have served as a guide for the myriad projects and activities that have evolved at the Port over the last 17 years. This review examines the Port's progress implementing the Waterfront Plan in the context of these goals.

Chapter 2 of this review describes the Waterfront Plan in more detail, and how Port staff developed a more accurate and nuanced understanding of Port capital investment needs through development of the 10 Year Capital Plan. Where the Waterfront Plan directs how Port lands should be used and improved, the 10-Year Capital Plan and the Port's capital budget process define which priorities and improvement projects are funded and implemented using the Port's limited financial resources.

Given the comprehensive scope of the Waterfront Plan, there have been situations that called for additional planning study to focus on specific sites or issues that required a more fine-grained analysis. In the past 17 years, the Port has produced or supported 21 community planning studies which enable the Port to stay current with new trends and ideas, and to track whether the Waterfront Plan continues to provide the foundation for sound land use planning of the Port. Each of these community planning studies and projects are described in Chapter 4A.

## **WATERFRONT PLAN ACCOMPLISHMENTS**

The adoption of the Waterfront Plan and subsequent amendments approved in 2000 by BCDC and the Port Commission to align agency land use policies were the reward for a period of uncommon cooperation among many stakeholders who for years prior to these efforts had competing visions of how the port area should interface with the City and the Bay.

The years immediately following the adoption of the Port and BCDC

plans yielded major successes. AT&T Ballpark, Pier 1, the Ferry Building, South Beach Park and Rincon Park each show how collaborative public project planning – coupled with attention to detail and cooperation with the public and the Port's regulatory partners – can achieve great success.

Over the past 17 years, the Port, through each of its divisions, and the Port's partners have realized many improvement projects including 123 summarized in this review (see Chapter 4), spread through each of the five Waterfront Plan subareas. Table 1-1 below provides a Port-wide summary of these efforts.



## EVALUATING 7½ MILES OF THE PORT

The Port has undergone transformative change over the last 17 years. Port lands stretch for seven and one-half miles of shoreline and upland property, from Fisherman's Wharf at the north to India Basin at the south, in the Bayview-Hunters Point neighborhood. The projects and changes that have occurred are as diverse as the neighborhoods and districts adjacent to the Port. Port staff has attempted not only to inventory these many different efforts as a result of the Waterfront Plan, but also assess their collective effect of changing the public's understanding of, and relationship with, the Port of San Francisco waterfront.

**Table 1-1 Waterfront Plan Accomplishments**

	NUMBER OF PROJECTS	INVESTMENT
PLANNING	21	-
MARITIME	17	\$160,800,000
OPEN SPACE	19	\$84,865,000
ENGINEERING, MAINTENANCE & SECURITY	18	\$54,669,000
ENVIRONMENTAL PROTECTION & SUSTAINABILITY	16	\$21,337,800
TRANSPORTATION	9	\$29,145,000
REAL ESTATE	14	\$337,600,000
DEVELOPMENT & HISTORIC REHABILITATION	6	\$417,400,000
UNIQUE DEVELOPMENT OPPORTUNITIES	3	\$570,816,000
TOTAL	123	\$1,676,632,800

This report was presented for review and comment by the public, the Port Commission, the City and the Port's regulators in August 2014 and finalized in June 2015. It is intended to provide a reference resource to foster and support ongoing and future public discussions about the Port waterfront. What uses of Port property have been successful? Have the Port's projects over the past 17 years met the goals of the Waterfront Plan? What did the Waterfront Plan not account for that should be accommodated, such as sea level rise? Has the Port been successful in rehabilitating its historic maritime assets? How is the Waterfront Plan functioning for various waterfront neighborhoods? The Port Commission and the public discussion of these and other questions will ensure that the Waterfront Plan remains a relevant document able to guide high-quality, future development, balance uses and continue to shape a vibrant and world-renowned waterfront.

### Public Trust Uses

The focus of waterfront planning from 1990 to 1997 was primarily on uses of the waterfront, including which areas of the waterfront should be reserved exclusively for maritime use. The addition of the Design and Access Element to the Waterfront Plan, and the BCDC Special Area Plan established urban design criteria and a package of BCDC public benefits such as parks, open water basins and removal of Bay fill to complement development of maritime and other, new uses.

There was a general recognition that key maritime functions should be fostered throughout the port area, but due to changes in cargo shipping favoring containerized



*Embarcadero Promenade*

due to changes in cargo shipping favoring containerized cargo, many of the Port's finger piers were no longer needed solely for maritime commerce. There was also consensus that the Port's land west and south of The Embarcadero – the Port's seawall lots created and filled when the City's seawall was initially built – were cut off from the water and should be developed in a manner consistent with surrounding neighborhoods to generate needed revenue to operate and maintain the port area and its growing amount of public space.

The Port's maritime projects have received enthusiastic support, reflecting continued public support for the Waterfront Plan's first two

goals – *A Working Waterfront* and *A Revitalized Port*. The Hyde Street Pier and Pier 45 Fish Processing projects, the James R. Herman Cruise Terminal equipped with shoreside power, expanded ferry service at the Ferry Building, Pier 70 ship repair and maritime industrial uses in the Port's Southern Waterfront have met with the greatest consensus, generating public and private investment that supports well-paid work along the water. The Port's Maritime staff continues to work actively with the Southern Waterfront Advisory Committee and Maritime Commerce Advisory Committee to develop new cargo shipping opportunities for Piers 80 and 94-96, including freight rail and supporting



industrial development. There is continuing unmet demand in a number of maritime sectors. There is frequent demand for large berths for layberthing, which the Port cannot always accommodate. A survey of San Francisco marinas indicates that there is much more demand than capacity for berthing recreational vessels. The Port has launched two water-taxi services – one along the waterfront and the other serving other Bay Area destinations – which the public is beginning to discover.

Restaurants and retail uses are the major revenue-generating, publicly-oriented uses that are 1) consistent with the public trust and 2) permitted on most Port-property. During the past 17 years, the Port and its partners have introduced a broad range of dining options, including Boudin's, Waterfront Restaurant, Waterbar, Epic Roasthouse, Slanted Door, La Mar Cebicheria, Coqueta, Hi Dive, Mission Rock Resort and many others. As a result, dining along the waterfront while enjoying Bay views has become popular throughout the entire 5-mile expanse from Fisherman's Wharf to Dogpatch.

Hotels – another generally recognized public trust use – were banned on Port property within BCDC's jurisdiction by Proposition H in 1990; but the Waterfront Plan permits this use on Port seawall lots outside of BCDC jurisdiction. Hotel Vitale, constructed by Joie de Vivre on City-owned property near the Ferry Building, has demonstrated that hotels can enliven the waterfront. Port efforts on the Broadway lots in the Northeast Waterfront in the early 2000s did not succeed, but developing a hotel on Port property remains a goal of Port staff.

While the public appreciates higher-end developments in the northern waterfront, there is a strong consensus that the Port should provide economic development opportunities that serve a range of income-levels and provide opportunities for business start-ups and non-profits. Consistent with the *Economic Access* goal of the Waterfront Plan, the Port manages 525 leases, many with small, local and non-profit businesses.



Rincon Restaurants

The Port Commission's Southern Waterfront Beautification Policy also promotes local economic development, job training and creation and investment in beautification projects.

The projects that have succeeded most at achieving the Waterfront Plan goal of a *Diversity of Activities and People* have often been for uses that, by their nature, cannot be competitively bid<sup>1</sup>. AT&T Ballpark has brought almost 60 million baseball fans from around the Bay Area and the world to enjoy the Bay, and the Exploratorium project at Piers 15-17 is bringing classrooms of children from the region to see the waterfront and become fascinated about science. It is not possible to hold a public

<sup>1</sup> As further described in Chapter 2, the Waterfront Plan establishes a process whereby the Port and the public will develop a proposed program of uses for a given mixed use development site, and the Port Commission will offer the opportunity through a competitive bidding process, either through a request for proposals or a request for qualifications.

bid for a professional baseball team, a science museum, or a museum of narrative art – these are opportunities a city must pursue for the benefit of residents and the surrounding region.

Most revenue-generating uses, including private office, residential, or local entertainment uses, are not inherently consistent with the public trust, but may be permitted in certain contexts. The Port has more flexibility to consider these uses in the context of rehabilitating historic buildings, when they provide a unique relationship with the Bay (such as AT&T Ballpark), or if they are part of an overall use program that furthers the public trust by providing major maritime functions or major new open space. As demonstrated by the Ferry Building, private office space coupled with publicly-oriented retail uses and maritime berthing has been a formula that has worked for several historic rehabilitation projects. Keys to the success of these projects include public support and understanding of the need for these uses.

At Seawall Lot 337 and Pier 48 in Mission Bay and at Pier 70, the Port and its partners are exploring the full range of uses that make neighborhoods successful, including residential, office, ground floor retail, parks and recreational access to the Bay. The Port's Seawall Lot 337 development partner – an affiliate of the San Francisco Giants – is courting Anchor Brewing for expanded brewing operations in Pier 48. The Port's Pier 70 Waterfront Site development partner, Forest City, is pursuing small scale local production, arts and cultural users, small business incubators, retail and innovation retail, and other publicly-accessible and activating uses to pioneer the area.

## Recommendations

In studying the first 17 years of the Waterfront Plan, Port staff has arrived at high level policy recommendations for the Port Commission, public, Board of Supervisors and Mayor to consider going forward to guide the next generation of waterfront improvements:

- Port staff should continue to pursue maritime opportunities Port-wide such as car import/export at Pier 80, iron-ore export at Pier 96, and continued ship repair at Pier 70. Port staff should consult with BCDC and the public as to whether there are additional, appropriate locations on the waterfront that could accommodate more recreational boating slips, and more locations for layberthing of vessels that balances the need to provide public access.
- Port staff should continue to work with the Office of Economic and Workforce Development, Port development partners and Port tenants to continue promoting broad economic access to Port property, including leasing to local business enterprises and non-profit organizations and fostering skilled and entry-level job opportunities for residents.
- The Port and waterfront neighborhood residents should develop a shared understanding of how unique opportunities that cannot be bid – such as museums or entertainment facilities – can appropriately be considered for Port property.
- To ensure ongoing consideration of public trust interpretations, the Port should continue to engage California State Lands Commission (State Lands) and BCDC staff in early discussions for any proposed development of Port property.

## Parks and Open Space

The Rincon Point-South Beach Redevelopment Area pioneered the concept of planned open space along the City's waterfront. The Waterfront Plan and the BCDC Special Area Plan embrace this notion. The combination of Herb Caen Way and the network of parks the Port is planning and building every five to seven minutes walking distance along the Port area is transforming the City's waterfront into one of the great urban waterfronts in the world. A visit to the Port most mornings, evenings and weekends reveals the public's strong passion for recreation by the Bay, as well as more passive appreciation of the waterfront setting.

The concept in both the Waterfront Plan and the BCDC Special Area Plan – that long-term development would facilitate the delivery of major new open space – has not actually produced planned major waterfront parks. In response, the City placed measures on the ballot and in 2008 and 2012, San Francisco voters generously approved Clean and Safe Neighborhood Parks bonds that included a total of \$68.5 million in funding for parks in the port area. These approvals were the catalyst for development of open space along the entire waterfront, substantially realizing the Waterfront Plan goals of *Access Along the Waterfront* and a *Diversity of Activities and People*.

Many of the new, public open spaces on the waterfront have been designed for passive recreational use or to provide Bay access for water-oriented active recreation opportunities. There are few areas on the Port specifically designed for other types of active or programmed recreation, which represents an opportunity to pursue as staff continues planning the waterfront.

The Port has realized the vision of major open space set forth in the BCDC Special Area Plan with the construction of the Brannan Street

Wharf, Cruise Terminal Plaza and the Pier 43½ Bay Trail. Port staff is working with BCDC to examine new opportunities such as Ferry Plaza behind the Ferry Building and expanded open space in Fisherman's Wharf.

The Blue Greenway Plan, which has resulted in park improvements in Mission Bay, Dogpatch and Bayview, is reconnecting the adjacent Eastern Neighborhoods to a stretch of San Francisco Bay that has been closed off to public access by heavy industrial uses for more than a century. The Blue Greenway Plan includes location-specific park design guidelines, multiple opportunities for recreational water access, and way-finding improvements to connect the Bay Trail through the Port's Central and Southern Waterfront. Heron's Head Park and the Pier 94 wetlands were the original Blue-Greenway parks and established natural



Rincon Park



habitat areas for a broad array of wildlife. The Eco-Center in Heron's Head Park serves as an environmental education center for youth Citywide.

Port staff has just completed design review with BCDC for Crane Cove Park Phase 1, another signature Blue Greenway park that will preserve important historic elements of the Port's ship building industry and ultimately provide a 9 acre urban park setting juxtaposed with active ship repair operations. This effort is allowing the Port to plan open space before the first phase of Pier 70 development and to build the park concurrent with rehabilitation of the 20th Street Historic Core.

Port staff has taken care to listen to the desires and needs of water recreation users while developing its parks, and has also installed or has plans to install access for human-powered water recreation enthusiasts at multiple points along the waterfront. Crane Cove Park will include a sandy beach – one of the few beaches in the port area – to enable human-powered boaters easy access to the Bay. Crane Cove Park will also include children's playground areas.

The addition of 63.5 acres in 20 new or planned Port parks and open space improvements through the entire waterfront are among the Port's greatest achievements since the Waterfront Plan, appreciated and used by the public in increasing numbers. This success has been delivered by Port staff through the City's normal public works contracting process. Port staff is grateful to San Francisco voters for their generosity in funding the vision of waterfront open space.

## Recommendations

Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements:

- Building on the success of the 2008 and 2012 Clean and Safe Neighborhood Park Bonds, Port and City staff should continue to identify more public funding, including General Obligation Bond funding, to deliver waterfront parks in advance of development, where possible.
- Given the strong public demand for active recreation along the waterfront, Port staff should continue consulting with the City's Recreation and Parks Department, State Lands, BCDC and the public to expand the type and programming of recreational activities on Port property.

## Historic Rehabilitation

The Port is now home to two of the City's National Register Historic Districts: the Embarcadero Historic District, recognizing the Seawall, the marginal wharf and the Port's finger piers, and the Union Iron Works Historic District at Pier 70, representing the history of ship repair in San Francisco and the Victorian, WWI and WWII-era industrial buildings that were constructed to support it. These listings on the National Register of Historic Places have enabled Port projects to obtain federal historic tax credits for up to 20% of eligible project costs – the earliest and most significant source of public subsidy to improve the Port, contributing to important early successes such as the Ferry Building, Pier 1, and Piers 1½-3-5. Projects undergo a detailed review by the State Historic Preservation Officer in order to qualify for federal tax credits.

As described in *Urban Design* below, the awards for Port projects that have rehabilitated and adaptively reused the structures are numerous. Even more gratifying is the way local residents and visitors interact with these buildings in the northern waterfront. Port staff looks forward to introducing the general public to Pier 70 in the not-too-distant future: the area is one of the best kept secrets in San Francisco. Port staff is confident that its development partners are ready to meet the high bar for historic rehabilitation set by its partners in the northern waterfront. These efforts are in keeping with the Waterfront Plan's goals of *An Evolving Waterfront, Mindful of its Past and Future* and *Urban Design Worthy of the Waterfront Setting*.

Port regulatory partners including State Lands and BCDC have embraced and facilitated these efforts by allowing uses in historic structures that would not be allowed elsewhere on public trust property in order to generate necessary revenue to help finance costly historic preservation projects.

As described in Chapter 4, in some circumstances, the Port and its development partners have found that rehabilitation costs at some locations are greater than available funding sources. During the process of developing Port finger piers, Port staff has gained a greater understanding of the costs of, and possible approaches to, upgrades of Port piers – a key source of information for the Port's 10 Year Capital Plan. For several years, Port staff has sought entry to a City program to finance historic rehabilitation with private money – the *transferable development rights* (“TDR”) program in the San Francisco Planning Code. The City's 2013 study of the TDR program recommended including potential properties such as Piers 19, 23 and 29, as properties eligible for the TDR program. The prospect for a California Historic Tax



Pier 70 Union Iron Works Historic District - looking down 20th Street from Illinois, 1941

Credit that is currently under consideration in the State Legislature may contribute to the ability to adaptively reuse Port structures that might otherwise be financially-infeasible to redevelop, and would otherwise become derelict structures along the waterfront.

## Recommendations

Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements:

- Port staff should continue conducting site-specific due diligence and analysis about potential costs of rehabilitating Port historic resources at a given location to better inform community planning about feasibility of uses at such sites.
- Port staff should access new sources of public funding for historic rehabilitation where possible such as the proposed California Historic Tax Credit and Port entry to the City's TDR program.

## Waterfront Development

The years immediately following the adoption of the Waterfront Plan and BCDC Special Area Plan amendments yielded major successes, including AT&T Ballpark, Pier 1, the Ferry Building, and Rincon Park, quickly realizing the overarching Waterfront Plan goal of reuniting San Francisco with its waterfront in many locations.

A founding principle of the 1968 Burton Act, which granted the Port to the City, was that the Port should be a self-sustaining enterprise department of the City. This principle has governed California ports since early in the State's history. Given the lack of City and State General Fund support for the Port in 1997, the Waterfront Plan assumed that long-term improvement of Port facilities would rely primarily on private real estate capital.

As mentioned earlier, the main public source of funding available to Port project investment when the Waterfront Plan was adopted was the



federal historic tax credit program. Public benefits – notably public access and open space – were intended to be delivered through development of the Port’s land. The Waterfront Plan Advisory Board assumed that public private partnerships funded by private capital would be the principal means of delivering waterfront improvements. While some projects successfully delivered these benefits, others encountered difficulty or were unable to meet the financial requirements and/or public demand for public benefits.

Controversy regarding waterfront development re-emerged in 2000 with debates about the revitalization of Pier 45 Shed A in Fisherman’s Wharf as a public, Bay-oriented attraction; the design of a hotel at Broadway and The Embarcadero; and the development of a mixed-use recreation facility at Piers 27-31. The public consensus that followed adoption of the Waterfront Plan began to erode, at least in the Northeast Waterfront. In contrast, there was public support in South Beach for the Port’s Bryant Street Piers project, a proposed mixed-use project at Piers 30-32 with a modern two berth cruise terminal. That project, although fully entitled, never proceeded due to higher-than-expected substructure costs.

The Port’s 10-Year Capital Plan – initiated in 2005 – ushered in a new understanding of the Port’s capital backlog. Most of the revenue generated from Port facility leases is required to fund maintenance projects to protect historic structures and meet basic Building Code structural and safety compliance. Funding for long-term historic rehabilitation, seismic upgrades and new public parks relies heavily on private and other public sources.

Port rehabilitation with private capital alone is infeasible in most cases for a number of reasons. The poor condition of Port facilities, many of which are 80-100 years old and are well beyond their useful life,

often requires expensive rehabilitation consistent with Secretary of the Interior Standards for the Treatment of Historic Properties. Virtually the entire port area exists in a liquefaction zone and un-engineered fill was used to fill the seawall lots, often requiring expensive piles to support new construction. A change of use or significant investment in Port facilities typically will trigger facility upgrades and/or geotechnical improvements to meet modern seismic standards. Most Port projects require completely new utility infrastructure and improvements to manage and treat stormwater before it flows to San Francisco Bay. Finally, pile-supported, public open space imposed through the regulatory process – both in the form of major waterfront plazas such as the Brannan Street Wharf and as dedicated public access on the aprons of Port finger piers – has been more costly to construct and maintain than initially estimated. Port planners, the public and City policymakers have come to understand that significant public funding is necessary to rehabilitate and develop a high-quality waterfront due to the high costs of addressing the condition of Port facilities and building on fill or in a marine environment.

Increasingly, Port staff, the public and Port policymakers are seeking sustainable development of the Port’s property. The Port is home to the City’s first LEED<sup>2</sup> Platinum, off-the-grid facility – the Eco-Center in Heron’s Head Park. The Port is pursuing LEED certification for the James R. Herman Cruise Terminal. City law, among the first proposed by Mayor Edwin Lee, now requires construction on public property to achieve a standard of LEED Gold or better. Planning for new neighborhoods at Seawall Lot 337 and Pier 70 is examining best practices to

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2 According to the U.S. Green Building Council, “LEED, or Leadership in Energy & Environmental Design, is a green building certification program that recognizes best-in-class building strategies and practices. To receive LEED certification, building projects satisfy prerequisites and earn points to achieve different levels of certification. Prerequisites and credits differ for each rating system, and teams choose the best fit for their project.”





*Early waterfront development successes included AT&T Ballpark*

realize Eco-Districts in these areas, with strategies such as district-scale energy, stormwater management and water recycling.

While early projects like Pier 1 and the Ferry Building that tiered off of the Waterfront Plan Environmental Impact Report were entitled quickly, many projects have experienced 7 or more years of public planning and entitlement efforts. The risk capital to support this predevelopment process is very expensive, and encourages developers to seek more intensive and profitable uses, which can in turn extend the public process and complicate the regulatory process. In 2009 and 2010, Port staff negotiated possible changes to the Port's Waterfront Plan with State Lands and BCDC that could allow for streamlined review and approval of Port finger pier projects, based on lessons learned from developing Pier 1, the Ferry Building, Piers 1½-3-5 and the Exploratorium. The negotiations were largely successful, but were paused due to the Port's focus on negotiating and delivering the 34th America's Cup.

These conditions have ushered in a new understanding that in order to rehabilitate the waterfront in a manner consistent with public expectations, a combination of local, state, and federal funding is required to complement private investment. This understanding allowed the Port to secure enabling legislation to form Infrastructure Financing Districts ("IFDs") to capture growth in Port property taxes to fund public infrastructure improvements and to obtain voter approval of General Obligation bond funding for parks. While IFDs represent a potentially powerful financing tool to improve the port area, IFDs require development to generate the increase in property value that creates new property tax growth. As the intervening years have demonstrated, Port staff has learned that these financial tools do not always generate sufficient sources of funding to address some waterfront challenges.

#### Recommendations

Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements:

- The Port should continue its efforts to obtain public funding for waterfront improvements by expanding the use of IFDs from specific projects to the entire Port area to finance and maintain new, sustainable public infrastructure along the waterfront through growth in Port property taxes.
- Waterfront neighborhood planning should examine methods to expedite local approval processes where there is public support for this strategy. Options include Port-led programmatic CEQA analysis for a given subarea or entitling project sites (particularly seawall lots) before the Port chooses a development partner, so Port projects can be delivered more quickly and efficiently and in a manner that meets public expectations established through the planning process.

- Port staff should continue efforts to negotiate a streamlined approval process with State Lands and BCDC to allow historic pier rehabilitation projects with leases of up to 30 or 35 years if projects meet identified public trust, historic rehabilitation, maritime and public access criteria. As discussed below, 30-35 year leases of finger piers would allow the Port and its tenants to evaluate and respond to projected sea level rise beyond 2050.

## Transportation

In recent years, transportation has become a primary consideration in planning for Port projects. Neighborhood-scale projects, such as those proposed for Pier 70 and Seawall Lot 337, have the wherewithal to develop transportation solutions to foster biking, walking and transit. Most other Port projects do not have this capacity. As the proposed Warriors project for Piers 30-32 demonstrated, The Embarcadero south of the Ferry Building is already at (and often beyond) capacity.

To achieve the Waterfront Plan goal of *Access Along the Waterfront*, the Port should closely coordinate medium-term and long-range transportation planning with the San Francisco Municipal Transportation Agency (“SFMTA”) and San Francisco County Transportation Authority. Fortunately, the 34th America’s Cup events were seized by City staff as an opportunity to significantly refresh and advance City and regional transportation agency planning and coordination and transportation improvements. SFMTA has continued to build on those efforts through development of the Waterfront Transportation Assessment (“WTA”). The WTA targets transportation planning for the Port waterfront and adjacent upland districts where substantial growth is projected, to identify local and regional transportation strategies to address transportation needs proactively. Recent community discussion with South Beach residents indicate a need to prioritize improvements to The

Embarcadero, particularly increasing service frequency of E-line service between Fisherman’s Wharf and the 4th and King Street Caltrain station. Port staff is proud to be working with SFMTA staff on the Embarcadero Enhancement Project, to develop a concept design for a bikeway that will allow bicyclists and pedestrians to more safely use The Embarcadero and Herb Caen Way.

Other Port streets deserve the same attention, including Cargo Way and Illinois Street in the Southern Waterfront, and for the remaining blocks of Jefferson Street from Jones Street to Powell Street in Fisherman’s Wharf.

### Recommendations

Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements:

- Port and SFMTA staff should collaborate to identify transportation funding for projects such as the E-Line, the Embarcadero Enhancement Project and other transportation improvements that will address congestion on The Embarcadero and allow all modes to move more freely.
- The Port, SFMTA and the Mayor’s Office should collaborate to identify the funding required to reconstruct important Port streets such as Illinois Street, Cargo Way and the remainder of Jefferson Street.
- Port staff will consult with SFMTA staff regarding studies and conceptual plans to seismically strengthen the City’s seawall, so the seawall can continue to protect SFMTA’s transportation investments along the waterfront.





photo credit: Dave Rauenbuehler

Historic F Streetcar on the Embarcadero

## Urban Design

The Waterfront Plan sets a noble goal of *Urban Design Worthy of the Waterfront Setting* – a goal that major waterfront developments have exceeded in almost all circumstances. Waterfront Plan Advisory Board members realized the potential to connect the City with its Bay, and clearly understood the architectural significance of the Port’s historic structures.

The Waterfront Design and Access Element speaks articulately to the relationship between the Port and the City:

*“San Francisco has a unique ‘city pattern’ comprised of several elements: water, hills and valleys, open spaces, streets, and buildings and structures such as the piers. The varying juxtapo-*

*sitions of these elements create the physical and visual image and character of San Francisco. The waters of San Francisco Bay and the Pacific Ocean provide a distinct edge to the City along three sides, and affect the City’s climate and way of life...*

*The waterfront contributes to the City’s pattern in many ways. It is the edge where the City meets the Bay. It provides a comprehensive series of existing or planned open spaces along the waterfront that connect with the City. The Embarcadero roadway serves as one of the City’s most important streets because of its bold design, perimeter location, and ability to accommodate movement along the waterfront...”*

The urban design principles expressed in the Waterfront Design and Access Element examine waterfront form including the Port’s evolving shoreline, City connection areas, public access and open space, views, historic resources and city pattern. It also includes specific design criteria to address each distinct waterfront neighborhood, including architectural details pertinent to each area.

In 1997, no one could have forecast the remarkable architectural and urban design success of virtually every major Port development project since then. Port projects have garnered many awards and recognitions including the 37 listed in Table 1-2.

The City’s design review process for Port projects was created by Planning Code amendments that accompanied the Waterfront Plan which established a Waterfront Design Advisory Committee (“WDAC”), with appointees of the Mayor, Port Director and the Planning Director. Under the Planning Code, WDAC reviews major projects located north of Mission Creek. Recently, at the request of Port staff, the WDAC reviewed the proposed Crane Cover Park Phase 1 at Pier 70, a site outside of WDAC jurisdiction.

The WDAC sits together with the BCDC Design Review Board to consider major Port projects within BCDC jurisdiction. It is a testament to the efforts of sister-City agencies and the public design review process – with the countless hours that Port and BCDC professional design reviewers have volunteered on behalf of the waterfront – that so many Port projects have been recognized with major awards.

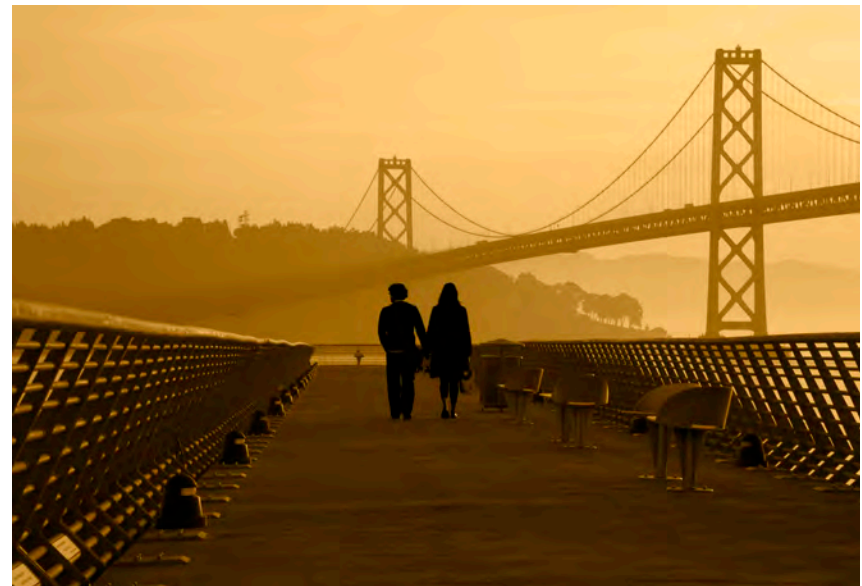
Port staff continues to appreciate its collaboration with the Planning Department in many areas of the waterfront to establish urban design standards. These efforts continue with the help of the Office of Economic and Workforce Development, which convened inter-agency planning efforts with the Port's development partners at Seawall Lot 337 and Pier 70. These interagency efforts will ultimately yield detailed design controls and guidelines to create a strong public realm character as part of developing new neighborhoods in these areas.

In other areas of the waterfront, Port staff has worked quietly to improve the public realm over time through the Bayside History Walk which includes interpretive exhibits of the Port's rich maritime and labor history inside rehabilitated pier bulkhead and shed buildings. Port staff has also implemented a series of projects to enhance The Embarcadero, including decorative banners within the roadway median; banners and commemorative pylons on the east side of The Embarcadero to celebrate the Port's 150th Anniversary; and a series of public art installations south of the Agriculture Building at Pier 14. Port staff has also begun to bring this level of attention to detail to the Port's industrial Southern Waterfront, through the Blue Greenway Planning Process and major public art such as Bayview Rise. With another round of General Obligation bond funding, and resources from major new projects in the Southern Waterfront, Port staff expects to further improve the Southern Waterfront area consistent with Blue Greenway Design Guidelines. Further efforts will need to find ways to create a stronger physical

connection at Lefty O'Doul's Bridge between the Blue Greenway and The Embarcadero.

Public realm improvements in Fisherman's Wharf have been the most dramatic in recent years, with major upgrades to the Pier 43½ Bay Trail, Jefferson Street and Taylor Street. Port and City staff have incorporated design principles from the City's Better Streets Guidelines in the design of these projects.

The west side of The Embarcadero deserves similar attention, which can be delivered through appropriate development of the Port's undeveloped seawall lots. In addition, the Port's partnership with SFMTA on the Embarcadero Enhancement Project is intended to improve the overall public realm, including the west side of The Embarcadero.



**Table 1-2 Port Project Awards**

<b>Pier 29 Bulkhead</b> <b>California Preservation Foundation</b> - Excellence as a Historic Reconstruction 2013	<b>Ferry Building</b> <b>San Francisco Business Times</b> - Real Estate Deals of the Year 2002 <b>Buildings Magazine</b> - Modernization Award 2003 <b>National Trust for Historic Preservation</b> -National Award 2003 <b>SF Heritage</b> - Architectural Heritage Award 2003 <b>State of California</b> - Governor's Award 2003 <b>California Heritage Council</b> - Award 2003 <b>American Society of Civil Engineering (Golden Gate Chapter)</b> - Outstanding Civil Engineering Project of the Year <b>Robert C. Friese Award</b> for Neighborhood Conservation (Part of "Mid-Embarcadero/South Beach Improvements") <b>Associated Builders and Contractors</b> - Excellence in Construction (local level) 2003 <b>American Institute of Architects San Francisco</b> - Award Winners 2004
<b>Exploratorium</b> <b>LEED Platinum</b> <b>American Society of Civil Engineers</b> - Sustainable Engineering Project of the Year 2013 <b>American Society of Civil Engineers</b> - Outstanding Museum/Educational Project in the State of California 2013 <b>San Francisco Business Times</b> - Best Rehabilitation/Renovation 2013 <b>American Institute of Architects</b> - Special Achievement Award 2013 <b>Urban Land Institute</b> - Global Awards for Excellence 2014	
<b>Pier 1½, 3, 5</b> <b>San Francisco Chamber of Commerce</b> - "Ebbie" Award <b>California Preservation Foundation</b> - California Preservation Award 2006 <b>San Francisco Business Times</b> - Best Historic Rehab 2006 <b>San Francisco Business Times</b> - Best Mixed Use Project Nominee 2006 <b>San Francisco Business Times</b> - Best Office Lease Nominee 2007 <b>San Francisco Business Times</b> - Best Retail Lease Nominee 2007 <b>San Francisco Business Times</b> - Best Retail LeaseNominee 2008 <b>San Francisco Architectural Heritage</b> - Excellence in Architectural Heritage/Adaptive Reuse 2009 <b>San Francisco Beautiful</b> - 2009 <b>Urban Land Institute</b> - Awards for Excellence Nominee 2010	<b>Pier 24 Annex</b> <b>San Francisco Business Times</b> - Best Rehabilitation/Renovation, Finalist 2011
	<b>Pier 26 Annex</b> <b>IIDA Northern California</b> - Notable Award for Work Small 2013
	<b>Pacific Bell / AT&amp;T Park</b> <b>LEED Silver</b> <b>Sports Business Journal</b> - Sports Facility of the Year 2008
<b>Pier 1</b> <b>Urban Land Institute</b> - Best Rehabilitation 2001 <b>San Francisco Business Times</b> - Best Rehabilitation/Renovation 2001 <b>Royal Institute of Chartered Surveyors</b> - Best Building Conservation 2001 <b>American Institute of Architects Committee on the Environment</b> - Top 10 Green Projects 2002 <b>Urban Land Institute</b> - Global Awards for Excellence 2014 <b>American Society of Civil Engineers</b> - Sustainable Engineering Project of the Year 2013 <b>American Society of Civil Engineers</b> - Outstanding Museum/Educational Project in the State of California 2013 <b>San Francisco Business Times</b> - Best Rehabilitation/Renovation 2013 <b>American Institute of Architects</b> - Special Achievement Award 2013	<b>Heron's Head Park</b> <b>California Coastal Management Program</b> - Outstanding Implementation Program 2001 <b>Eco Center at Heron's Head Park</b> <b>Environmental Protection Agency</b> - National Achievement in Environmental Justice 2010

## **Waterfront Building Heights**

In light of the attention generated around waterfront building heights, it is appropriate to discuss this issue in the context of waterfront urban design. Several factors are considered in determining urban form in San Francisco. The City's Urban Design Element calls for a graceful step down in height to the water, even in relatively flat areas of the waterfront. But urban design principles also recognize the value of building height and architectural design to mark important districts and transit nodes, to create stirring focal points that highlight a balanced relationship between the large scale of the open water and Bay, and the urban edge. The design, placement and configuration of buildings also should enhance public views, especially to and along the waterfront, which can be experienced serially as one walks through a city, or from key public viewpoints. Good urban design also stresses the human dimension and the importance of designs that create stimulating human activity and enjoyment.

The main focus of the Waterfront Plan was on uses of the waterfront and where these uses should be located. The height limits for most Port property at the time the Waterfront Plan was being formulated had been established in the Planning Code many years before, and for the most part addressed the concerns of participants in the process. Thus, the Waterfront Plan did not propose or establish new height limits for Port property. The Waterfront Plan recognized the value of the historic piers and bulkheads, and the corresponding need to maintain low heights in historic rehabilitation projects. The Planning Code permitted higher heights for some Port seawall lots that stepped down from taller, adjacent downtown heights or provided a transition from Rincon Hill and Telegraph Hill. The Waterfront Design and Access Element included urban design guidance regarding massing and urban form for

some areas of the waterfront, including the Northeast Waterfront. In general, building heights were seen as an element of the project design process that could be evaluated as part of the Waterfront Plan implementation process for individual projects.

As it initiates opportunities for new development projects, Port staff has often reached out to the Planning Department to provide a citywide perspective, especially as relates to urban design. This coordination also has tracked new planning and rezoning initiatives of the City that affect the context and setting for new Port development. The major undertakings to adopt plans and rezoning for Eastern Neighborhoods, Transbay Terminal Area and Rincon Hill all have influenced the Port's understanding and approach to planning new development on Port lands at Pier 70, Piers 30-32 and Seawall Lot 330. The experience and public assessment of development that has taken place as part of the Mission Bay North and South Redevelopment Plans also have provided food for thought for creating a development and open space vision for Seawall Lot 337.

In many areas of the Port, residents have welcomed height increases. The Waterfront Plan implementation process, which involves public project planning in concert with waterfront neighborhood stakeholders, enabled Port staff and residents to discuss heights, development program, parks and public benefits, and economic requirements as part of one conversation, to understand the choices and tradeoffs to arrive at a package that would be most suitable for their particular neighborhoods. Through this approach, Port staff initiated discussions with South Beach residents regarding the height of potential development on Seawall Lot 330 (a site at the foot of Rincon Hill), as part of planning for the Bryant Street Pier project. Early thinking about Rincon Hill suggested that some height would be appropriate for Seawall Lot 330, given higher building heights that were being considered for Rincon



Hill. Ultimately, a portion of the site was rezoned with neighborhood support to 220 feet to allow construction of the Watermark condominiums, with the remainder of the site stepping down to 105 feet.

In Mission Bay, prior to the Port's selection of a development partner for Seawall Lot 337 and Pier 48, residents welcomed a different urban form for the site, preferring smaller, more walkable blocks, a large public open space, and a skyline that would be distinguished from the surrounding Mission Bay neighborhood. With this feedback from its public planning workshops, the Port Commission's competitive solicitation for the site in 2007 suggested up to two slender towers up to 300 feet would be a welcome part of the development of the site. The Port's Pier 70 Preferred Master Plan included site massing analysis at 90 feet – consistent with the height of historic structures on the site – but did not make a final height recommendation because it was not apparent that 90 feet would support an economically feasible development strategy for Pier 70.

In each of these cases, Port staff has relied on a variety of inputs to formulate recommendations regarding proposed heights, including:

- discussions with neighborhood stakeholders;
- urban design deliberations with the Planning Department that factor in the surrounding context and consider San Francisco's skyline from the Bay and other reference points in the City; and
- where applicable, environmental review of proposed heights pursuant to CEQA, including analysis of shade impacts. CEQA allows a variety of different heights to be studied, presenting analysis and impacts associated with each, to provide decision-makers with optimal analysis before selecting a final height limit.



Photo credit: Flickr user Chris Murphy

The discussions about building heights in the northern waterfront have been more fraught. These discussions started with a hotel project that the Port proposed within existing zoning on the Port's Broadway seawall lots. The Port and its partner proposed a project at 65 feet within 84 foot zoning. Many residents considered the 84 foot zoning a remnant of The Embarcadero freeway, and thought a 65 foot project would be inconsistent with the scale of the Northeast Waterfront Historic District. Residents expressed similar concerns when the City rezoned private property, 8 Washington Street (a 2.5 acre site adjacent to the Port's ½ acre Seawall Lot 351), to accommodate a market rate condominium project, with a new swimming and athletic club and open space.

During consideration of the proposed Golden State Warriors pavillion at Piers 30-32, with companion mixed use development at Seawall Lot 330, many members of the public expressed strong opposition to the height of the proposed venue on the pier (which ranged from 135 feet to 125 feet in later designs). The Warriors also proposed increasing the height limit for one tower on Seawall Lot 330 to 170 feet (from 105 feet)—a proposal which drew opposition and was ultimately withdrawn in favor of a code-compliant 105 foot plan.

Local residents and environmental organizations who shared an intense concern about heights in several key instances – during the Broadway Hotel design process, the 8 Washington approval process, and during initial consideration of Piers 30-32 as a site for a Golden Gate Warriors pavilion – forged a coalition to pass Proposition B in June 2014, a measure requiring a public vote for any waterfront height increase on Port property. Proposition B has changed what was primarily a neighborhood planning discussion about appropriate heights into a Citywide discussion with statewide implications, as evidenced by the recent lawsuit that State Lands filed to challenge the measure.

Public planning for Seawall Lot 337 and Pier 70 has demonstrated a clear need to increase height limits to enable feasible redevelopment in

these areas. Potential maritime industrial uses in the Port's Southern Waterfront are also likely to require increases above existing height limits in some cases.

Port staff is still contemplating strategies for how best to incorporate neighborhood considerations, neighborhood context, the urban design judgment of the Planning Department, and the analysis afforded by CEQA in potential future rezonings of Port property now that Proposition B has been adopted by voters.

Pursuant to Proposition B, there are a number of ways voters could consider proposed height increases:

1. On a project-by-project basis, such as the Pier 70 rezoning proposed for the Waterfront Site on the November 4, 2014 ballot;
2. For distinct neighborhoods, such as Mission Bay; or
3. For broader areas of the waterfront, such as the area from Mission Creek to Pier 96.

As discussed above, building height is considered as only one element of project design and, if singled out separately from other equally important criteria, compromises the ability to foster high quality urban design. Port staff recommends a dialog with the Planning Department about how best to study and formulate height proposals, when they are needed, for the voters to consider pursuant to Proposition B.

#### Recommendations

Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements:

- The City's WDAC currently has Planning Code jurisdiction to review Port projects north of Mission Creek. A similar review process should be formally extended to the Port's entire waterfront.



- A review process like that of the WDAC should be augmented with additional expertise in historic rehabilitation and other subject-matter expertise that will assist the Port as it reviews planned new neighborhoods at Pier 70 and Seawall Lot 337.
- The west side of The Embarcadero deserves design and public realm enhancements to match the level of improvements on the water-side of The Embarcadero. Similarly, the public realm connection at Lefty O'Doul's Bridge between The Embarcadero and the Blue Greenway needs to be strengthened.
- Port staff recommends a dialog with the San Francisco Planning Department about how best to study and formulate height proposals, when they are needed, for the voters to consider pursuant to Proposition B. Future measures could address height on a project-by-project basis, heights within a distinct neighborhood, or heights in broader areas of the waterfront, such as the area from Mission Creek to Pier 96. The City should be afforded an opportunity to review and comment on waterfront height limits proposed for Port property before initiative ballot measures are submitted for voter consideration. The Port Commission and the Planning Commission may wish to establish a process for such reviews. Voter-approved maximum heights should establish a maximum height envelope for future waterfront development. Subsequent environmental review and urban design analysis (conducted with input from City staff) should establish design controls to implement voter-approved height limits, which could include lower heights at designated areas, subject to final approval by City policymakers after environmental review is complete.

### ***Resiliency and Adaptation***

The Port's seawall from Aquatic Park to Pier 50 was constructed in segments from 1878 to 1926. Virtually the entire Port lies within a liquefaction zone, making Port facilities, including the seawall, prone to major seismic events. Port engineers have concluded that portions

of the seawall and the marginal wharf above it may fail in a large earthquake. Given the important role the seawall plays in providing flood protection to the City, and in protecting key City assets such as The Embarcadero and SFMTA's subway system, the Port must identify design solutions and funding to seismically strengthen the seawall.

Port staff and the public did not understand the implications for climate change to produce sea level rise at the time the Waterfront Plan was adopted, but awareness has increased dramatically since that time. Sea level rise will be a game-changer for the Port and adjoining neighborhoods over the next one hundred years. Initial Port analysis of sea level rise suggests that historic finger pier rehabilitation projects are likely to be flood-proof through 2050-60, and may be extended beyond that date through adaptive management measures. Without major waterfront interventions, such as breakwaters outboard of piers, many Port finger piers are likely to be flood prone by 2070-80. The design and construction of future waterfront improvements to protect neighborhoods adjacent to the Port over the next 30-40 years – such as raising the City's seawall – may not allow the Port to retain most (or all) of its historic pier sheds and/or bulkhead buildings.



Neighborhood-scale development proposals at both Seawall Lot 337 and Pier 70 have factored in plans to elevate portions of these sites and improve the City’s shoreline edge in order to address projected sea level rise through 2100. The Port has also initiated preliminary planning efforts with BCDC to address unique areas such as Mission Creek that are likely to be prone to sea level rise first and represent a potential threat to both public and private property in the vicinity.

The Port is leading a City inter-departmental effort to examine seismic risk and conceptual design solutions to strengthen the City’s 4-mile seawall. This effort will also examine potential future improvements to the seawall to address sea level rise. The Port also is working with the U.S. Army Corps of Engineers to determine whether there is a federal interest in a project to strengthen the City’s seawall, which could lead to substantial federal matching funding for that project. Design efforts to address the seawall and future flood risk to areas inboard of the seawall will be ongoing for the next decade or more. These risks are reminders to the Port and public and underscore the Waterfront Plan goal to recognize that the waterfront is evolving – and that we must be mindful of its past and future.

### Recommendations

Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements:

- The Port should continue seawall seismic risk and sea level rise risk assessment and planning efforts with sister City agencies and regional and federal partners, such as BCDC and the U.S. Army Corps of Engineers. The Port should work with sister City agencies to engage the public regarding design solutions to the seawall and sea level rise and make sure the public understands City efforts in this area. Continued waterfront improvements are critical to secure the shoreline and protect public and private investment in the waterfront.

- Leasing finger piers for more than 35 years without a solution to sea level rise is no longer advisable.

### Progress in Waterfront Subareas

As explained in Chapter 2 of this review, the Waterfront Plan Advisory Board that developed the Waterfront Plan was a broadly representative cross-section of San Franciscans and waterfront stakeholders. The Waterfront Plan Advisory Board recognized that the Port intersects with a series of waterfront neighborhoods, each having a distinct character, setting and needs. Chapter 3 of this review provides a review of improvements, including continuing challenges and opportunities in each of the subareas identified in the Waterfront Plan: 1) Fisherman’s Wharf; 2) Northeast Waterfront; 3) Ferry Building; 4) South Beach-China Basin; and 5) Southern Waterfront. Major Port advisory groups for these areas have included:

- the Fisherman’s Wharf Advisory Group;
- the Northeast Waterfront Advisory Group, which also advises on Ferry Building subarea projects;
- Rincon Point-South Beach Citizen’s Advisory Committee (formed by the San Francisco Redevelopment Agency);
- the Central Waterfront Advisory Group;
- the Southern Waterfront Advisory Committee;
- the Maritime Commerce Advisory Committee; and
- the Piers 30-32 Citizen’s Advisory Committee (formed for the Golden State Warriors pavilion project).

As provided in the Waterfront Plan and further described in Chapter 2, Port staff has collaborated with advisory groups in each waterfront

neighborhood, both during project pre-planning to establish preferred uses for an available Port property, and after the Port Commission selects a development partner, to develop a site. Most Port properties require significant entitlement efforts, including more specific design controls for buildings and public realm improvements, environmental review pursuant to the California Environmental Quality Act (“CEQA”), and approvals from State Lands and BCDC, where applicable. Port staff and its development partners have used the Port’s advisory groups to publicly review projects during this entitlement period. This public review is augmented by BCDC design review for projects within the BCDC 100 foot shoreline band, and by design review by the WDAC for projects north of Mission Creek.

The subarea review in Chapter 3 is intended to start a dialogue about Port staff’s proposed approach to refreshing the Waterfront Plan on a subarea basis. Some of these subareas – such as the Ferry Building area and Fisherman’s Wharf – are nearly complete and require improvements at just a few locations. Others – such as Seawall Lot 337 and Pier 70 – have undergone recent, extensive public planning efforts that should be incorporated into the Waterfront Plan. Still others – notably the Northeast Waterfront and South Beach – have been the focus of recent development controversy and would benefit from renewed public planning to re-establish public consensus. In Fisherman’s Wharf, BCDC and the Port<sup>3</sup> are already at work planning additional public realm improvements with Wharf and other waterfront stakeholders.

<sup>3</sup> For more information on the BCDC-Port Planning Process, see Chapter 4A.

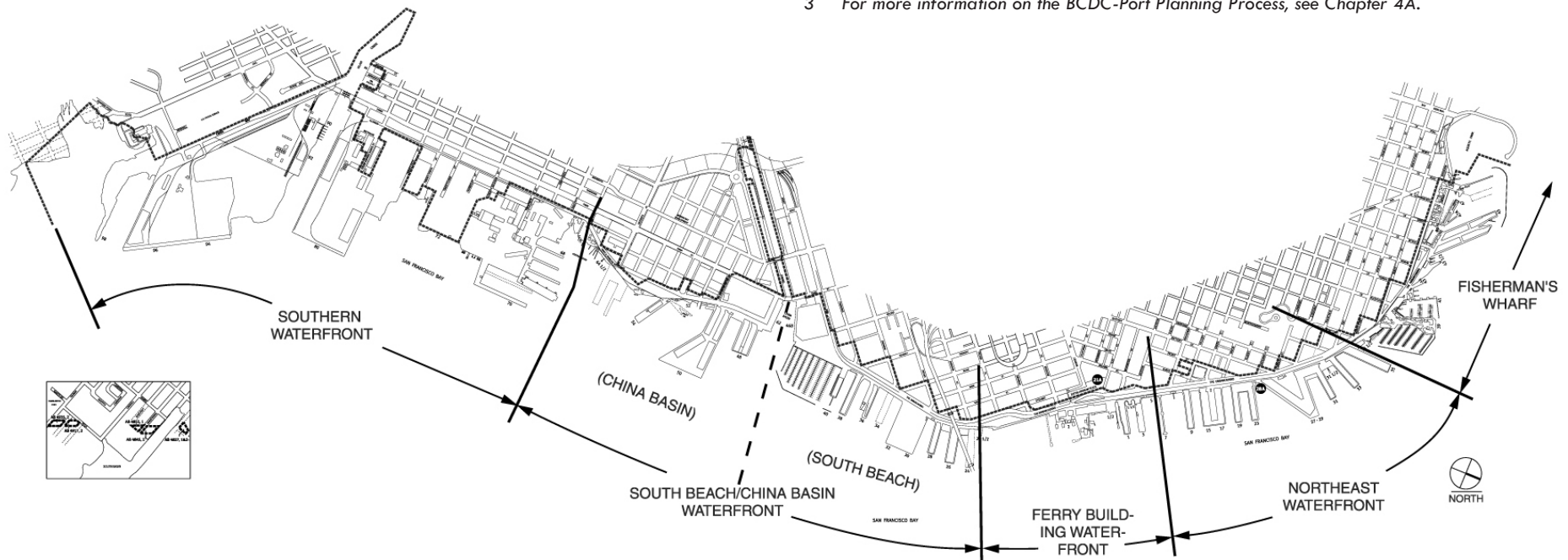


Table 1-3 below shows the variety of projects and total investment in each of the five waterfront subareas.

Chapter 3 includes details of accomplishments in each of the Port's waterfront neighborhoods, including subarea maps showing waterfront improvements made during the 17 years of the Waterfront Plan to date. A timeline summary of these accomplishments for each subarea follow Table 1-3.

#### Recommendations

In Chapter 3, Port staff includes a number of specific recommendations for the Port Commission and the public to consider for each waterfront subarea. Below, Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements.

- Port staff recommends examining the discrete context and needs of each waterfront subarea which may result in refreshing the Waterfront Plan. Future planning must balance statewide and local interests in the Port's property, and public participation in Port planning must involve a variety of waterfront interests. Subarea planning will require a different level of effort and time, depending on the subarea.
- Development projects underway should continue while subarea planning discussions occur.
- The South Beach and Northeast Waterfront neighborhoods are ready for additional, finer grain subarea planning. Port staff is pursuing subarea planning in the Fisherman's Wharf and Ferry Building areas in concert with BCDC and multiple constituents. Public planning for Seawall Lot 337 and Pier 70 has been underway for 7 years, and should continue through the environmental review process. Southern Waterfront constituents are reviewing Port staff implementation efforts to realize new maritime industrial and open space projects in the area.



**Table 1-3 Waterfront Plan Accomplishments by Sub Area**

	FISHERMAN'S WHARF	NORTHEAST WATERFRONT	FERRY BUILDING	SOUTH BEACH/ CHINA BASIN	SOUTHERN WATERFRONT	TOTAL
<b>PLANNING</b>	2	2	-	3	6	<b>13 Projects</b>
	-	-	-	-	-	-
<b>MARITIME</b>	1	4	2	2	3	<b>12 Projects</b>
	\$7,000,000	\$102,300,000	\$20,000,000	\$9,200,000	\$8,300,000	<b>\$160,800,000</b>
<b>OPEN SPACE</b>	1	3	3	5	5	<b>17 Projects</b>
	\$11,300,000	\$17,815,000	\$10,800,000	\$35,200,000	\$9,750,000	<b>\$84,865,000</b>
<b>ENGINEERING, MAINTENANCE &amp; SECURITY *</b>	3	5	1	3	2	<b>14 Projects</b>
	\$5,304,000	\$23,675,000	\$1,645,600	\$17,090,000	\$1,400,000	<b>\$47,469,000</b>
<b>ENVIRONMENTAL PROTECTION &amp; SUSTAINABILITY</b>	3	1	1	3	2	<b>10 Projects</b>
	\$3,371,100	\$5,200,000	\$1,645,600	\$3,721,100	\$7,400,000	<b>\$21,337,800</b>
<b>TRANSPORTATION</b>	2	-	-	1	4	<b>7 Projects</b>
	\$1,400,000	-	-	-	\$27,745,000	<b>\$29,145,000</b>
<b>REAL ESTATE</b>	3	2	-	3	6	<b>14 Projects</b>
	\$23,500,000	\$18,000,000	-	\$14,400,000	\$281,700,000	<b>\$337,600,000</b>
<b>DEVELOPMENT AND HISTORIC REHABILITATION</b>	-	-	4	1	1	<b>6 Projects</b>
	-	-	\$241,400,000	\$100,000,000	\$76,000,000	<b>\$417,400,000</b>
<b>UNIQUE OPPORTUNITIES</b>	-	2	-	2	-	<b>4 Projects</b>
	-	\$213,816,000	-	\$357,000,000	-	<b>\$570,816,000</b>
<b>SUBTOTAL</b>	15 Projects	19 Projects	11 Projects	23 Projects	29 Projects	<b>97 Projects</b>
	\$65,875,100	\$380,806,000	\$273,845,600	\$536,611,100	\$412,295,000	<b>\$1,669,432,800</b>
* ADDITIONAL PORTWIDE SECURITY & MAINTENANCE						<b>\$7,200,000</b>
<b>Total Investment</b>						<b>\$1,676,632,800</b>

Boudin's



Pier 43 Promenade



Jefferson Street Improvements



Capurro's



Pier 43 Arch



Chapel



Taylor Street Improvements



Hyde Street Fishing Harbor

## FISHERMAN'S WHARF SUBAREA ACCOMPLISHMENTS TIMELINE

The Fisherman's Wharf Waterfront subarea extends from the swimming club docks at the east end of Aquatic Park to the east side of Pier 39. In the past 17 years, the Port has reinstated Fisherman's Wharf as a major fishing industry center on the west coast, based at Pier 45 and the Hyde Street Fishing Harbor. \$17.7 million has been invested in strategic public works and open space improvements to rebuild Taylor Street and the first phase of Jefferson Street, and create the Pier 43 Promenade. Together with substantial capital investments made by several Port tenant restaurants, and the work of the Fisherman's Wharf Community Business District, Fisherman's Wharf enjoys strong community partnerships that have provided a major facelift for this area.

*More detail about Fisherman's Wharf accomplishments and further planning efforts are provided in Chapter 3. Details on individual projects are profiled in Chapter 4.*



Fisherman's Wharf Subarea Boundary



Northeast Waterfront Subarea Boundary

## NORTHEAST WATERFRONT ACCOMPLISHMENTS TIMELINE

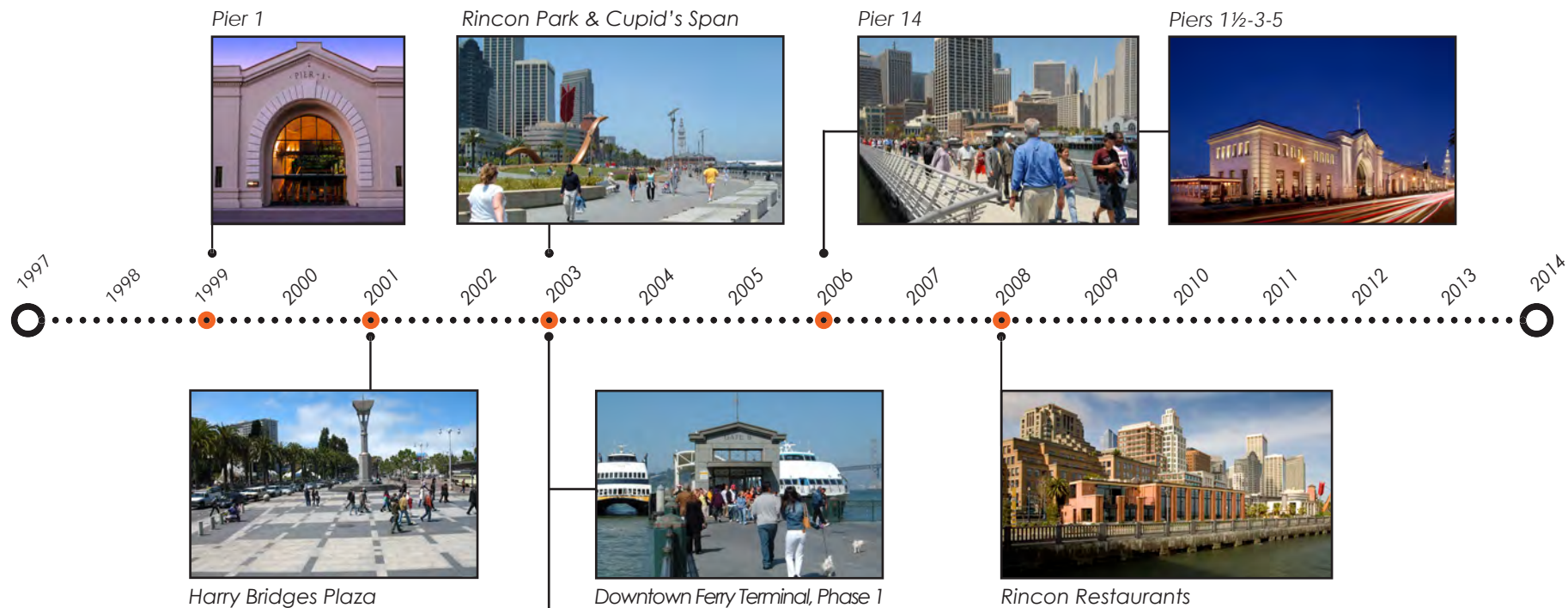
The Northeast Waterfront subarea extends from Pier 35 to Pier 7. The Waterfront Plan anticipated that cargo and maritime industrial uses still present in 1997 would relocate given changes in the larger area to mixed residential and office uses. This has been borne out as witnessed by the rehabilitation of Pier 15-17 to provide a new home for The Exploratorium, and the James R. Herman Cruise Terminal and Park, due to open at Pier 27 in September 2014. Other activities, including the 34th America's Cup have attracted growing numbers of people to this part of the waterfront for recreational enjoyment. The historic sheds and bulkhead buildings located between Pier 35 to Pier 9 are the richest segment of the Embarcadero Historic District. Port efforts are now focused on ways to provide public-friendly uses in some of these structures vacated by the America's Cup festivities.

*More detail about Northeast Waterfront subarea accomplishments and further planning efforts are provided in Chapter 3. Details on individual projects are profiled in Chapter 4.*



Pier 27 Cruise Ship Terminal





Ferry Building Restoration

### FERRY BUILDING SUBAREA ACCOMPLISHMENTS TIMELINE

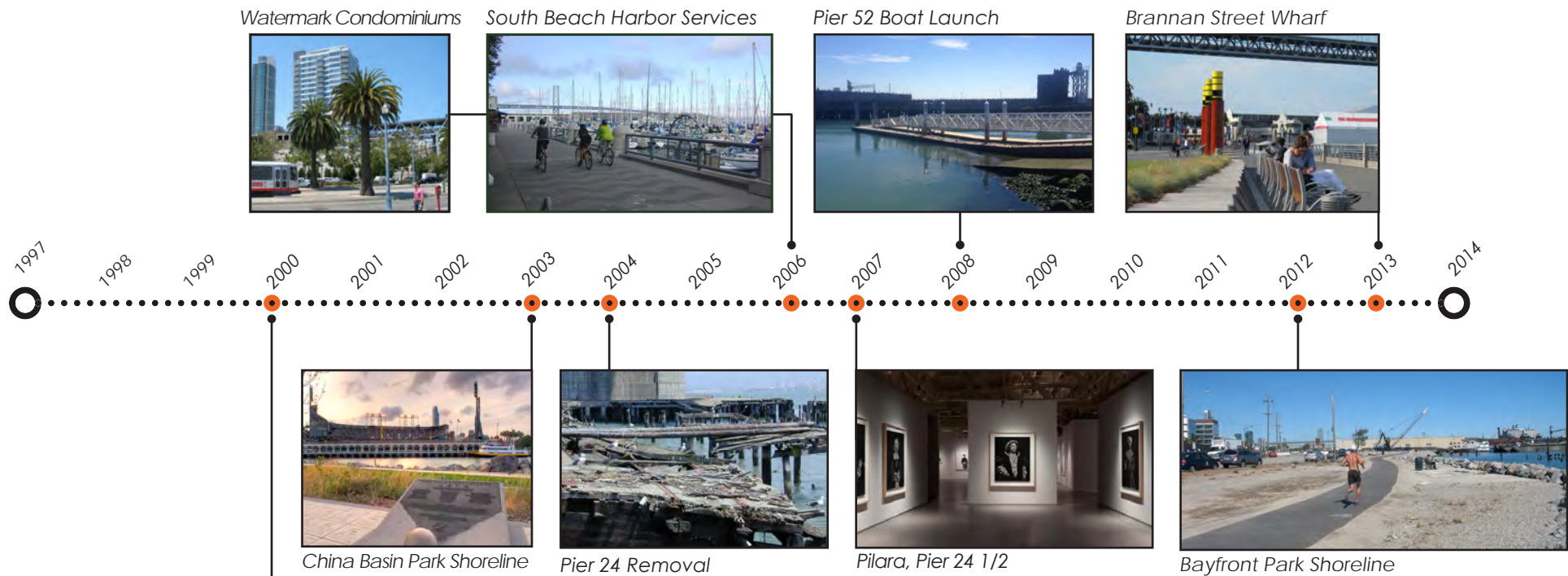
The Ferry Building Waterfront subarea extends from the Pier 5 bulkhead building to Rincon Park. The transformation of this subarea is one of the Port's proudest achievements. As masterful as the vision and skill of the Port's development partners, the historic rehabilitation of the Ferry Building, Pier 1 and Piers 1-1/2, 3, 5 is not solely an architectural success. These projects, together with the expansion of ferry landings at the Downtown Ferry Terminal and the creation of Pier 14 public access pier and Rincon Park, have created a homecoming of sorts. The Ferry Building has become San Francisco's new living room, where San Franciscans, commuters and visitors from around the world are all welcome. Ongoing efforts include work with BCDC to identify additional public benefits, in sync with expansion of ferry facilities sponsored by the Water Emergency Transit Agency.

*More detail about the Ferry Building Waterfront subarea accomplishments and further planning efforts are provided in Chapter 3. Details on individual projects are profiled in Chapter 4.*



Ferry Building Subarea Boundary



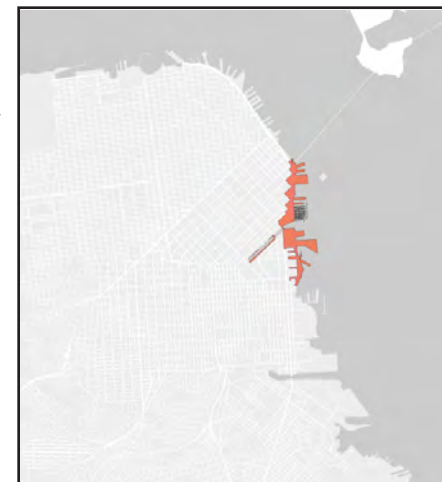


AT&T Park

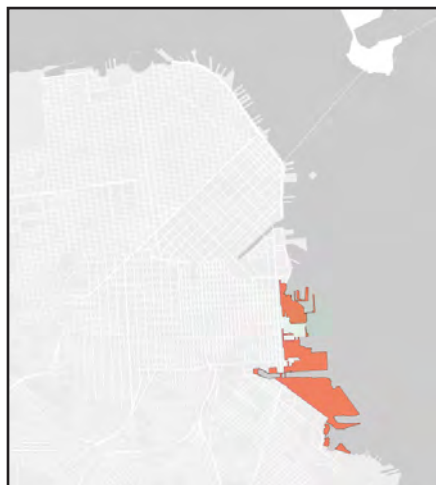
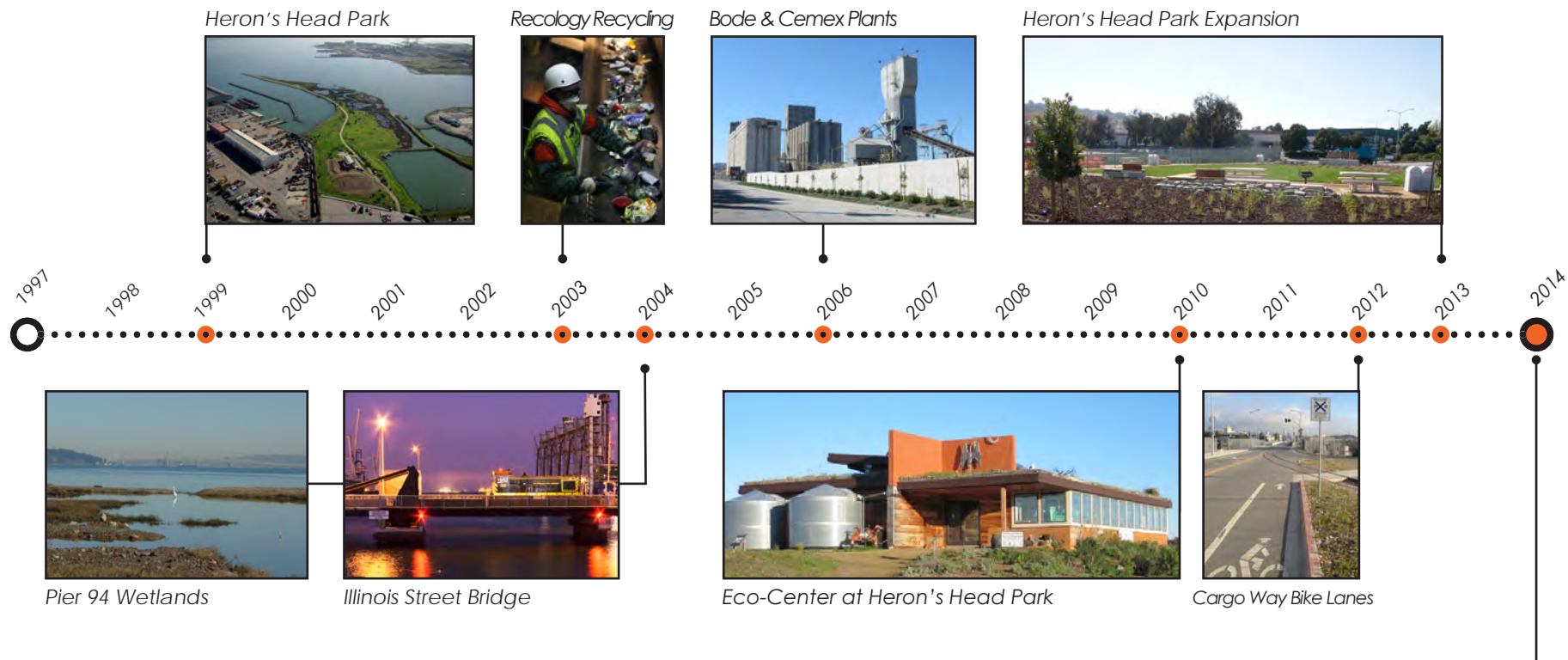
### SOUTH BEACH / CHINA BASIN SUBAREA ACCOMPLISHMENTS TIMELINE

The South Beach/China Basin Waterfront subarea spans China Basin Channel, extending from the Pier 22-1/2 Fireboat Station through Mission Bay to Mariposa Street. Voter approval and construction of AT&T Ballpark, together with new developments in the upland Rincon Hill, South Beach and Mission Bay neighborhoods elevated the profile and desirability of this part of the waterfront. While pier removals and new waterfront public open spaces such as Brannan Street Wharf have improved public access to the Bay, the high cost of seismic and repairs have challenged development projects and the Port's ability to preserve historic piers. Significant community planning efforts have been invested in creating the Blue Greenway, and to define a vision and development strategy for Seawall Lot 337, a development project now underway by the San Francisco Giants that includes major new public parks and historic rehabilitation of Pier 48.

More detail about the South Beach/China Basin subarea accomplishments and further planning efforts are provided in Chapter 3. Details on individual projects are profiled in Chapter 4.



South Beach / China Basin Subarea Boundary



Southern Waterfront Subarea Boundary

## SOUTHERN WATERFRONT ACCOMPLISHMENTS TIMELINE

The Southern Waterfront extends from Mariposa Street to India Basin in Bayview Hunters Point. The Southern Waterfront remains the home of the Port's ship repair and cargo maritime industries. The Port has worked closely with the Southern Waterfront Advisory Committee and Maritime Commerce Advisory Committee to define bulk cargo and other business opportunities to further eco-industrial development that has taken place over the past 17 years. At the same time, major City plans and initiatives have provided direction for increasing public open space and water recreational access. The Blue Greenway Planning and Design Guidelines are guiding \$39.5 million in GO Bond fund investments to develop 11 acres of new open space and amenities on Port lands. This includes Crane Cove Park, a major shoreline open space envisioned as part of the Pier 70 Preferred Master Plan and Union Iron Works Historic District at Pier 70.

*More detail about the Southern Waterfront subarea accomplishments and further planning efforts are provided in Chapter 3. Details on individual projects are profiled in Chapter 4.*



Bayview Rise

## **Public Process**

The implementation section of the Waterfront Plan established a process to work with the community to develop a shared vision of uses for development project opportunities prior to competitive bidding to choose to a development partner. The process calls for creation of advisory groups appointed by the Port Director. The Port initially created advisory groups on a project-by-project basis. Those groups eventually evolved into standing committees for the five Waterfront Plan subareas described above.

These groups have included volunteers with a variety of expertise and skills, including maritime, historic rehabilitation and neighborhood representatives, who have helped shape the successes described above and who also participated in the debates that have occurred. The Port has hosted literally hundreds of such advisory group meetings, all open to the public, in every area of the waterfront since 1997.

These advisory forums have provided the public with an opportunity to interface with Port staff and development partners. Chapter 4 of this review provides an overview of Port mixed use development efforts and unique opportunities that succeeded and were built, and more detailed analysis and lessons learned from those projects that did not go forward. These experiences reflect a new reality about the level of public interest in the Port that indicates the need for broader citywide engagement.

In anticipation of developing major sites, including Port efforts to create new neighborhoods at Seawall Lot 337 in Mission Bay and at Pier 70, the Port augments advisory group efforts with public planning processes to develop site uses, open space objectives and design criteria. In both cases, Seawall Lot 337 and Pier 70 will involve construction of whole new public infrastructure systems, and multiple phases of new

development. Port staff worked with members of the public and other waterfront constituents to develop a shared consensus and vision for these former industrial sites before offering the sites for development through a competitive solicitation. The Port's development partners at both locations subsequently engaged robust public outreach as they refined development plans for these new neighborhoods.

As the Port hosted these planning workshops and meetings, often at Port offices, but sometimes in local neighborhoods, growth and development along the waterfront increased public focus and attention on the Port. Groups and individuals, who previously had not participated in these meetings and planning workshops due to lack of time or because they did not know that they were happening, expressed interest in waterfront planning and development. Controversy often gains more sustained attention than the success of project openings, with the result that most residents hear about the Port when there is a significant debate about development.

As further described in Chapter 4, the Waterfront Plan did not anticipate the number and diversity of unique development opportunities – projects that cannot by their nature be competitively bid – at the Port. The Waterfront Plan does not articulate a process by which these opportunities should engage public review. By definition, these opportunities present themselves without an opportunity to conduct a public bid and subsequent evaluation process.

As a result, several of these opportunities, such as AT&T Ballpark and the Exploratorium, were constructed, but a number of proposals were not developed, including the International Museum of Women, the 34th America's Cup long-term development proposal, and the proposed Golden State Warriors pavilion on Piers 30-32. The Port Commission should consider a clearly articulated public process by which unique but



highly desirable projects – which cannot be competitively bid – can be considered for available Port property.

As suggested in the Urban Design discussion above, Port staff recommends a dialog with the Planning Department about how best to study and formulate height proposals, when they are needed, for the voters to consider pursuant to Proposition B. Final decisions about the heights presented to voters should be made pursuant to a process that City staff and policymakers control. In formulating future ballot measures to comply with Proposition B, policymakers may wish to engage voters on a fuller range of issues than height alone. In the experience of Port staff, open space, affordable housing, sustainability, economic access and transportation access are issues that have resonated with waterfront constituents as important considerations for development of the Port.



In response to Proposition B, Port staff is contemplating different methods for augmenting its waterfront advisory group deliberations with citywide outreach to inform important decisions about the Port. Port staff welcomes suggestions for how to provide access and a voice to those who do not attend planning workshops.

In July 2014, State Lands filed a lawsuit against the City and County of San Francisco requesting that the courts enjoin San Francisco from enforcing Proposition B, based on the legal argument that the State of California conveyed Port property to the City to manage on behalf of the people of the State and, through the 1968 Burton Act and Transfer Agreements, directed the City to manage the Port by and through the Port Commission. The lawsuit argues that Proposition B, by leaving decisions about maximum heights of new development on Port property exclusively to San Francisco voters, excludes the Port Commission – and by extension the California State Lands Commission – from zoning decisions about property held in trust for people of the state. The City Attorney is defending Proposition B from this legal challenge.

This Waterfront Plan review does not attempt any legal judgment about the validity of Proposition B or the lawsuit against it by the State Lands. Port staff offers the observation that residents and stakeholders have been involved in planning for Seawall Lot 337 in Mission Bay and Pier 70 for seven years. Given this level of effort, and the strong support that the process has revealed for development at both sites, more detailed project planning, including environmental review pursuant to CEQA, should continue in these areas, followed by implementation of the first phase of development in these neighborhoods. Extended litigation over Proposition B could, unfortunately, delay these important Port projects.



## Recommendations

Port staff offers the following high level recommendations for use in guiding the next generation of waterfront improvements:

- The Port's local community waterfront advisory group discussions should be augmented with citywide outreach to inform important decisions about the Port. Port staff welcomes suggestions for how to provide access and a voice to those who do not attend planning workshops.
- The Port Commission should consider a clearly articulated process by which unique but highly desirable projects — which cannot be competitively bid — can be considered for available Port property.
- Policymakers may wish to engage voters on a fuller range of issues than height alone. In the experience of Port staff, open space, affordable housing, historic preservation, sustainability, economic access and transportation access are issues that have resonated with waterfront constituents as important considerations for development of the Port.
- The City, State Lands and the original proponents of Proposition B should explore ways to resolve the legal controversy regarding Proposition B in an expedited manner.

## CONCLUSIONS

This review of the Waterfront Plan is provided by Port staff to enable the public, the Port Commission, the City and the Port's regulators to collectively craft a path for the Waterfront Plan that will be a bridge to future successes equal to those the Waterfront Plan has guided over the past 17 years.

Today, San Francisco is more united with its waterfront than it has ever been, with greater and more diverse uses drawing people to the Bay's edge than Waterfront Plan Advisory Board members could have hoped for in 1997. This renewed waterfront is no simple accomplishment, having required a balancing of interests through each step of the way. Consider for a moment one of our waterfront's most distinguishing characteristics and one of its greatest challenges: industry, commerce and residential neighbors all existing in a harmony of contrasts. Today, a South Beach resident might walk from her home to attend a San Francisco Giants game, and between innings, watch from her seat as one of the largest ships in the world is lifted out of the water for repair at the Port's Pier 70 shipyard.

This waterfront unity has come by way of a clear-eyed focus on the Waterfront Plan's goals: *A Working Waterfront, A Revitalized Port, Diversity of Activities and People, Access Along the Waterfront, An Evolving Waterfront, Mindful of its Past and Future, Urban Design Worthy of the Waterfront Setting, and Economic Access that Reflects San Francisco's Diversity.*

The Waterfront Plan has guided over \$1.6 billion in public and private dollars since 1997. More than 63 acres of waterfront open space, including 20 new parks and open space improvements, have been constructed since 1997, consistent with the goals of the Waterfront

Design and Access Element. The Blue-Greenway Plan creates the connective tissue to the Southern Waterfront for the public to appreciate the entire Port. Nineteen Port historic resources have been fully or partially rehabilitated consistent with federal or local historic standards and expectations. Seven derelict piers and wharves have been removed from the Bay (removal of Pier 64 is in progress). Just over one million square feet of new development has been completed in addition to AT&T Ballpark and 134 condominium units at the Watermark. Up to 6.3 million square feet of new residential and commercial development and 22 new acres of waterfront open space is planned in a series of efforts that will be as transformative of the Port's central and southern waterfront as the changes in the northern waterfront and Ferry Building area.

With all of this change, the Port remains a working waterfront, dedicated to promoting Bay access to all of its maritime users. Ship repair at Pier 70 is thriving in a way not seen during the past several decades. The Port has realized its vision of a new cruise terminal and is witnessing a record number of cruise calls. Cargo interest in the Port's southern waterfront for cargoes such as cars and iron ore is strong. Use of the Port's Foreign Trade Zone No. 3 has experienced a surge in volume not seen since WWII. The diversity of recreational activities on the Bay has greatly expanded, and the Port has built or is planning new facilities to support this access Portwide.

While the successes are many, the Waterfront Plan is a living document that must strive to improve and adapt. This report seeks to surface new ideas and concepts that might be woven into revisions and improvements to the Waterfront Land Use Plan. The Port staff analysis in this report grapples with the highest level set of issues, including uses of the port area, historic rehabilitation, open space, waterfront development, urban design, transportation, sea level rise and public process, including preliminary recommendations in each of these areas. These recom-

mendations are collected along with other report recommendations in Exhibit A at the end of this report. These recommendations are offered to the public, the Port Commission, the Board of Supervisors and the Mayor in the spirit of keeping the Waterfront Plan as relevant today as it was when it was adopted, and responsive enough to successfully guide the next generation of waterfront improvements.

The Port has enjoyed strong public participation in all phases of waterfront planning and implementation. Port staff also appreciates the thoughtful engagement and care given to Port waterfront improvement projects by the Port's regulatory partners, including State Lands and BCDP. Over the past 17 years everyone, including the Port, has learned so much from the experience of implementing projects to date, including the need for public as well as private capital to support waterfront upkeep and improvement. Port staff is constantly surprised by the creative and dynamic energy of the Port's development partners and tenants to respond to the promise and challenge of waterfront development.

On the largest scale, Port staff has looked to the shaping of entirely new neighborhoods. For the past seven years, Port staff has enjoyed discrete and detailed planning efforts with sister City agencies including the Planning Department, the Office of Economic and Workforce Development, the City Attorney and the San Francisco Municipal Transportation Agency to create new neighborhoods at Seawall 337 in Mission Bay and at Pier 70. Port staff is confident that planning for these areas will bring welcome enhancements benefitting not just the immediate area but also the broader San Francisco public and the region. Pier 70 is already being revealed to San Francisco residents and will begin to emerge as a new neighborhood in 2016.

In the view of Port staff, the accomplishments highlighted in this review confirm that the flexibility and site-specific planning implementation process provided in the Waterfront Plan continue to be relevant. The bones of the Waterfront Plan are strong, but the details of the Plan need to be refreshed through subarea planning efforts in a few key areas. This waterfront neighborhood planning effort needs to balance statewide and local interests, and will benefit from the participation of State Lands and BCDC.

The Port is a unique organization that plans, delivers and operates waterfront improvements in a variety of ways: through public-private partnerships to develop Port property, real estate and maritime leasing that often involves substantial private investment in Port facilities, and publicly-funded public works projects led by Port staff. The Port enjoys a diverse staff and Commission, with a hands-on approach to improving the waterfront and broad-ranging skills for the job, including engineering, real estate, maritime, finance, planning, development,

maintenance, and security expertise. Port staff is grateful to work in such a beautiful setting, and to work on such unique challenges.

The Port accomplishments over the past 17 years, delivered by development and through the Port's own efforts, are a testimony to the vision of the Waterfront Plan Advisory Board. Staff is indebted to the Waterfront Plan Advisory Board and to their heirs, the Port's advisory groups that serve the Port and public today. The quality, diversity and breadth of these accomplishments, the amount of public and private investment in the port area, and the thousands of hours of community volunteer hours spent guiding Port development leave no doubt that the Waterfront Plan has been a success. The crowds that are drawn to The Embarcadero each weekend and during Fleet Week or on Sunday Streets are an affirmative vote validating this success.

