



March 3, 2011

Subject: **Request for Interest**, Pier 96 Bulk Cargo Marine Terminal
Development and Leasing Opportunity

Dear Interested Parties:

The Port of San Francisco ("Port") is soliciting interest from qualified respondents for developing and operating a bulk marine cargo handling terminal on approximately fifteen acres of open land with direct berthing access located at the Port's Pier 96. Additional land on the Port's adjacent Backlands area may also be made available for lease to support the cargo handling operation.

The Port's objectives for this Request for Interest is to identify one or more qualified maritime cargo terminal operators with a proven capability of designing, financing, developing and operating bulk cargo terminals at other ports who may be interested in expanding into the Port of San Francisco market.

The information gathered by the Port through this RFI process will assist the Port in determining the appropriate next steps. This is not a Request for Proposals (RFP) or other competitive solicitation. Potential next steps include but are not limited to the following: proceeding with a formal RFP process, entering directly into an Exclusive Right to Negotiate Agreement (ENA) with one of the respondents, or taking no further action. The decision regarding the next steps shall be made in the Port's sole discretion.

Background and Current Context

The Port of San Francisco seeks to expand its maritime portfolio while providing employment opportunities for local residents and commercial opportunities for maritime businesses. In recent months, Port staff has received multiple expressions of interest regarding proposed bulk export cargo uses for the Pier 96 site. There has been particular interest from mining companies and maritime terminal operators for developing a facility to accommodate the export of magnetite and iron ore, which would be transported to the Port by rail and transferred to ships at Pier 96 for transport to Asian markets. Estimated volume projections have ranged from 1.5 million to 3 million metric tons per year or more. This site is also being studied as a possible terminal for handling and moving the City's solid waste by barge and/or rail to Northern California landfills in conjunction with Recology's adjacent recycling facility.

The Pier 96 Opportunity Site

Pier 96 was previously used as a container handling facility. After the Port terminated this use in the late 1990s, parts of the Pier 94-96 container terminal have been leased to Recology San Francisco for a recycling facility and Hanson Aggregates for a dry bulk handling facility, with other portions of the site leased on an interim basis for various purposes. The 15-acre parcel that is the subject of this RFI has been used at times for dredge material drying and storage and for police driver training.



The characteristics of the opportunity site include:

- 15 acres of paved land within 100 feet of waterside;
- A deep-water berth approximately 1,000 feet in length dredged to a depth of 40 feet MLLW, with an opportunity for preferential berthing rights;
- An opportunity for additional non-exclusive berthing rights at an adjacent Pier 94 715-foot berth, subject to negotiations with current tenant;
- An opportunity to lease additional space at Pier 96 and in the Port's Backlands area to support the bulk cargo handling operation;
- On-dock rail access at the site as well as access to the Port's 5-track rail yard with the opportunity for rail expansion.

Pier 96 offers a prime West Coast site for a bulk cargo handling terminal operation. Located within two hours steaming time of the Golden Gate, the site's on-dock rail provides quick land transport access to and from the greater Northern California, Nevada, Utah and other western markets via Union Pacific Railroad. Several harbor and cargo service facilities are located at the Port, offering easy access to tug and barge companies, heavy lift crane services, a Foreign Trade Zone, and full service ship repair. The Port anticipates that the to-be-negotiated terms and conditions of a Lease Disposition and Development Agreement (LDDA) and/or long-term Lease agreement would include a commitment from the terminal developer / operator to provide the investment capital for whatever infrastructure improvements to the site are required for the operation, including any necessary code upgrades and environmental mitigations.

Response Requirements

The Port would appreciate receiving a written response from any interested parties, briefly outlining the following information as relates to the opportunity described above:

- General company information, qualifications, and history;
- Prior firm experience designing, building and operating bulk cargo terminals at other ports;
- A long-term vision for the terminal including anticipated products to be handled;
- Financial capacity for developing the terminal;
- Local hiring track record; and any additional feedback or suggestions the respondent may have for the Port.

Interested parties are requested to submit their Letters of Interest by **Friday, March 18, 2011 5:00 pm (PDT)** to:

Port of San Francisco
Pier 1, The Embarcadero
San Francisco, California 94111 USA
Attention: Jim Maloney

Additional supporting documents can be located on the Port's website at:
<http://sf-port.org/index.aspx?page=1726>



Public Records Act / Sunshine Ordinance

Responses to this RFI become the exclusive property of the City and subject to the California Public Records Act (California Government Code Section 6250 et seq.) and San Francisco's Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code). Those elements in each submittal which are trade secrets as that term is defined in Civil Code section 3426.1(d) or otherwise exempt by law from disclosure and which are prominently marked as "TRADE SECRET," "CONFIDENTIAL," OR "PROPRIETARY" may not be subject to disclosure. The City of San Francisco, including the Port, shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked if disclosure is deemed to be required by law or by an order of the Court.

Thank you in advance for your interest.

Sincerely,

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