

## MEMORANDUM

May 6, 2010

**TO:** MEMBERS, PORT COMMISSION  
Hon. Rodney Fong, President  
Hon. Stephanie Shakofsky, Vice President  
Hon. Kimberly Brandon  
Hon. Michael Hardeman  
Hon. Ann Lazarus

**FROM:** Monique Moyer  
Executive Director

**SUBJECT:** Request to authorize real estate developer solicitations to implement the April 2010 Preferred Master Plan for the Pier 70 project area.

**DIRECTOR'S RECOMMENDATION:** Approve Attached Resolution

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### Executive Summary

In April 2010, the Port published its Preferred Master Plan ("Master Plan") for the 67-acre Pier 70 area following an extensive community planning and technical feasibility analysis effort. Pier 70's historic buildings are fast deteriorating calling for implementation efforts to begin. This staff report requests the Port Commission authorize two development solicitation efforts to attract partners to realize the Master Plan vision.

- The first offering would be the southeast corner of the site, almost 20 acres with capacity for 2.5 million square feet of new development, termed, the "Waterfront Site". This site's rent and tax revenues will support investment in parks, infrastructure and historic buildings for all of Pier 70.
- The 20<sup>th</sup> Street Historic structures are proposed as the second offering. Partnering with developers, businesses, or institutions that can re-purpose these buildings will advance the case for public and private investment.

With this authorization, the Port Commission would be setting parameters for submittals and their evaluation and establishing priorities for public funds at Pier 70. The complexities of redeveloping Pier 70 require a market based approach driven by qualifications, capabilities, and vision to choose the best partners to help the Port take this project to fruition. Each of these developer solicitations will retain the right to negotiate with respondents for all or part of the properties offered in response to interest expressed in Pier 70 opportunities.

**This Print Covers Calendar Item No. 10B**

## **Summary of Pier 70 Master Plan**

The Pier 70 Preferred Master Plan for the 67-acre area allocates land use among ship repair, new waterfront parks, rehabilitated historic buildings, and new development opportunities. The Plan is available on the Port's website at [www.sfport.com/pier70](http://www.sfport.com/pier70). Exhibit A shows the overall concept plan for Pier 70 which is bounded generally by Mariposa Street to the north, Illinois Street to the west, 22<sup>nd</sup> Street to the south and San Francisco Bay, to the east. Specifics of the Pier 70 Master Plan include:

- Continued operation of the ship repair yard on approximately 15 acres;
- Establishment of a Pier 70 National Register Historic District and adaptive reuse of approximately 700,000 square feet of historic buildings;
- 3,000,000 square feet of new infill development compatible with the historic district predominately for job creating uses such as office and technology space;
- 6,000 – 8,000 new jobs;
- Approximately 11 acres of waterfront open space and an additional 9 acres of internal open space; and
- Environmental remediation and infrastructure to support the Plan's land uses.

The Plan includes policies to guide historic preservation, built form of new development, open space and public access, transportation and parking.

The goals and objectives of the Master Plan will guide the Port's implementation efforts. Rather than seeking a new plan or ideas for Pier 70, the Port is now seeking partners to join in realizing the vision identified. The Master Plan was the result of an extensive community process and has garnered policymaker and citizen support. In the Fall of 2008, voters passed Proposition D which established specific City Charter provisions for the Pier 70 project including expedited approvals and provisions to capture the growth in payroll taxes. (In 2006, the Port secured State legislation allowing for the capture of property tax growth.) On March 9, 2010, Staff presented to the Port Commission proposed implementation priorities for Pier 70 including Port led efforts to secure additional funding, near term building stabilization, and design improvements for the initial phase of Crane Cove Park; that staff report and the Preferred Master Plan are incorporated herein by reference.

## **Financial Context for Pier 70 Implementation Actions**

As the Preferred Master Plan lays the ground work for physical revitalization of Pier 70, the Port has also made great strides to secure financial tools to fund the project. Realigning the public trust land use restrictions at the site will reduce development uncertainty. Pier 70's complex ownership history and partial upland status offers the ability to develop higher land value uses such as office, research and development, and residential on portions of the site that will be removed from the public trust. Additionally, through federal, state, and local efforts, the Port has secured funds or funding mechanisms that can assist in the development of the project.

As part of the planning process, consultant studies of the building conditions and rehabilitation costs, a market study and a comprehensive financial feasibility analysis were prepared to shape the plan. The financial reality, underscored by these studies, is

that re-purposing vacant land at Pier 70 generates significant land rent. Short of securing public funds not backed by Pier 70 taxes, new buildings are the economic engine that Pier 70 requires to preserve its historic structures and provide new waterfront parks. However, even with the financial tools in place, the financial feasibility assessment showing a \$46 million feasibility gap prepared as part of the planning efforts suggests that as a single 50 acre project (excluding the ship repair area), Pier 70 would have difficulty attracting investment. More of a challenge than the magnitude of the gap is the need for substantial investment (over \$100 million) prior to receiving a return. By narrowing the development offerings, the Port seeks to fashion partnerships that can be undertaken in a staged process and to have several partners join with the Port to realize the Pier 70 vision.

The first phase of the Pier 70 project will include infrastructure, transportation, and other technical studies needed to rezone the site and secure approval of the Pier 70 Finance and Land Use plan as called for in the San Francisco Charter. The Port will work closely with its development partners to secure these approvals and expects that such a partnership will expedite the process and build on the overwhelming public support shown for this project through the planning process.

Pier 70 is identified as part of the Blue Greenway project and may receive funds for park improvements ahead of development of the rest of the site; this park investment can be a catalyst to drawing investment and users to the Pier 70 waterfront. The Port, and its public and private partners, will continue to seek out innovative funding sources for the project. Partners will bring to the table access to grants or tax credits that the Port cannot secure on its own.

Staff proposes that in making future policy decisions regarding the Waterfront Site and the 20<sup>th</sup> Street historic buildings that the Port Commission establish priorities for the use of the public funds created by new tax revenues at Pier 70. The proposed priority order of use of public funds from growth in payroll and property taxes is:

1. Historic preservation **capital** costs – including provision of infrastructure, remediation, or “gap” funding for key buildings. Tenants will need to fund all operating costs of buildings and programs.
2. Catalyst park and open space projects
3. Infrastructure costs – to the extent that they cannot be borne by assessment district financing on new development

The financial principle guiding all development at Pier 70 is fair market value transactions taking into account the costs and conditions of historic buildings as warranted. Transaction valuation will reflect appropriate risk premiums and include Port “upside” participation as much as possible. Staff anticipates development transactions will be phased to capture changing market value as the site is entitled.

### **20th Street Historic Structures – Recommendation to Seek Partners**

The 20th Street buildings form the historic core of Pier 70 and will require expertise in historic rehabilitation and substantial investment to restore this street to its prior grandeur. These buildings (in particular, Buildings 113, 101, 102 and 104) are high on the Port’s priorities in seeking local, state and federal capital funding. Partnering with

developers, businesses, or institutions that can re-purpose these buildings will advance the case for investment and aid in refining the plans for the area as a whole. Historic building rehabilitation is complex, seeking partners and initiating due diligence related to specific buildings is worth starting early to accelerate the revitalization of the site.

The historic buildings at Pier 70 are unique buildings that call for creative reuses. For the right user, Pier 70 structures offer an identity location and the ability to partner with the Port to secure public and philanthropic funding. The initial feasibility estimates find that buildings on the northern side of 20th Street are the closest to financially feasible on the site. Additionally, the Port would like to attract the appropriate development partner for the Union Ironworks Machine Shop, early in the Plan implementation. The Plan has identified this building as essential to a revitalized Pier 70 for a publicly oriented function such as an institution (school, museum, etc), a cultural or performance event facility, or a market hall.

The developer solicitation process recommended for these buildings is a Request for Interest (RFI) from users for the 20<sup>th</sup> Street core buildings (shown in Exhibit B). Port staff is seeking authority to solicit statements of interest that would include the proposed use, the development entity, and the type of financial structure required for the project. After review of the statements of interest, the Port Commission would determine which, if any, parties to ask to make more refined proposals. In particular, the RFI initiative would reach out to cultural, institutional, and educational users who could bring life to Pier 70's vacant buildings. The RFI is a more flexible means to seek partners than a formal request for proposals or qualifications process. The Port may use separate RFI's for individual buildings or a general RFI for the 20<sup>th</sup> Street core.

Interested users for historic buildings would be considered on their fit to the Pier 70 vision, their capability to secure the resources needed to undertake the project, and if the use is appropriate for the building considered. The Port would not be able to commit to subsidizing capital costs for historic buildings in the RFI until resources are available; however, identifying interest and which of these buildings may require public investment will hasten the revitalization of 20<sup>th</sup> Street. At this time, it is expected that the public contribution to initial projects will be limited to infrastructure connections, remediation, and inclusion in the overall project entitlement effort.

Port staff is seeking funding sources for historic buildings with a priority on the Union Iron Works Machine Shop. Reuse of this grand building will require a partner to identify, design, and operate the facility. Public funding sources for Building 113, when identified, could fund the capital costs related to seismic retrofit and core building improvements and would not be used for use-specific capital costs or on-going operating costs.

### **Waterfront Site Development Solicitation – Recommendation to Issue RFQ**

As shown in Exhibit C, the Waterfront Site can accommodate up to 2.5 million square feet of new buildings and includes the large-scale Building 12 historic rehabilitation project, Slipway Park, and the Central Plaza. Port Staff is recommending a Request for Qualifications (RFQ) be issued for the Waterfront Site. With the number of uncertainties associated with this scale of project and the current financial climate, an RFQ will result in a better outcome for the Port than asking for specific financial or design proposals at

this early stage. Exhibit D presents the proposed development parameters for the Waterfront Site. This site is ideal for jobs generating uses in offices, research and development facilities or laboratories. It is one of the only large scale corporate/technology campus opportunities in San Francisco. Innovative, high growth industries often start in San Francisco and relocate as they expand; Pier 70 can capture this business expansion as the economy rebounds in the next five years.

The Master Plan is intended to encourage creative proposals from the development community that balance the constraints of the site, the concerns of the community, and the opportunity of a waterfront development. Proposals could range in use, scale, and revenue to the Port. In the best scenario, the Port Commission will be choosing from market-based options presented by capable, well-funded developers with the resources to realize both economic and community value on the site.

#### *RFQ Submittal Requirements*

Potential developers or end users would be required to submit the following information:

1. **Waterfront Site Vision:** including approach to the project, identified uses or users and market rationale in particular addressing how to foster uses that create near term, high quality jobs.
2. **Benchmarks and Schedule:** to realize the project approval specifically including entitlement strategy, approach to creating the Pier 70 financial and land use plan, and a demonstrated commitment of funds available to invest in securing approvals for the project.
3. **Qualifications:** developer experience with similar projects to Pier 70.
4. **Financial Capabilities:** description of the resources available to the developer to execute the project.

#### *Evaluation Criteria*

The Port intends to select a developer to enter into exclusive negotiations for the potential development project based on the information contained in the responses to the RFQ, an investigation of the developer team's financial capability, past projects and performance, interviews with the developer team, if the Port elects to hold such interviews, public input and comment, and other pertinent factors. The RFQ will delineate both required submittal materials and the evaluation criteria. At the policy level, the evaluation will address:

- How well the proposed vision and approach realizes the goals of the Master Plan, in particular, its likelihood of generating tax and lease revenues needed to fund Pier 70 public benefits. Will the approach succeed in a San Francisco, waterfront, and Pier 70 context? Can the developer and the project deliver in the near term?
- The proposer's incentive to complete the project – including the strength of the targeted market sector or tenants – and the staying power of the developer to weather market fluctuations.
- The caliber of the developer based on their experience in similar projects.
- Financial strength of the developer including funds on hand and track record of securing investment.

### *RFQ Selection Process*

Port staff recommends a developer selection process consisting of the following steps:

1. Request for Qualifications Staff will prepare an RFQ requiring submittal of vision, benchmarks and schedule, qualifications, and financial capability. Respondents would be required to tender an earnest money deposit of \$10,000 that would be refundable to all respondents except the one with whom the Port enters into exclusive negotiations.
2. Evaluation of Responses Submittals will be screened for responsiveness to the RFQ. Responsive proposals from qualified developers will undergo technical evaluation. Respondents may be required to make a presentation either at a Port Commission meeting, community meeting, or both. Staff anticipates using consultants and a review panel with industry expertise to evaluate the proposals.

Following the review, Staff would recommend next steps to the Port Commission. It is possible that some or all of the proposers would be asked to provide additional information to further evaluation. The Port would reserve the right to consider all or part of any proposal and to consider options for all or part of the 20 acre site. If an appropriate proposal is received, the Port Commission would select a developer based on the evaluation of submittals and direct Staff to enter into negotiations.

3. Exclusive Right to Negotiate Staff will negotiate an Exclusive Negotiation Agreement (ENA) to be utilized while the development agreement and lease are being negotiated, due diligence investigations and preliminary design work are being done, and environmental review of the project is being conducted. The ENA would include precise milestones to advance the project with appropriate commitments of funds and resources by the developer.
4. Approval of Transaction Upon completion of any required environmental review and finalization of negotiations by Port Staff, the Port Commission would consider the development agreement, lease and related documents. The Port anticipates securing Board of Supervisors approval of the Pier 70 land use and financial plan consistent with current City Charter provisions at the time the environmental review of the project is completed.

### *Project Entitlement Process*

Issuance of the RFQ does not commit the Port Commission to approve any project. Until the environmental review process is completed in compliance with the California Environmental Quality Act (CEQA), Port cannot enter into a development agreement or ground lease. The Port anticipates working closely with its partners to secure the development approvals required for the Pier 70 Project.

During the entitlement phase, the Waterfront Site developer will take the following roles:

- Further the vision for Pier 70 (with the Port) and develop site plans with private sector expertise.
- Develop the financing plan for roads, utilities, and other infrastructure that

includes the full 65 acres, off-site needs (if any) and, perhaps, addresses the Potrero Power Plant or other neighboring sites.

- Negotiate term sheet with the Port for waterfront site land lease.
- Rezone (with Port participation) the entire Pier 70 site with a flexible entitlement structure, including building form-based zoning to ease responding to differing market conditions.
- Secure Prop D Land Use and Finance Plan approvals through Board of Supervisors.

### **Next Steps**

If the Port Commission concurs, Staff will issue the RFQ for the Waterfront Site in June 2010 and a Request for Interest in historic buildings in Summer 2010. By choosing partners now, the project will be well positioned to garner end user interest as the economy recovers and new facilities are needed. With a strong response to these offerings, ground breaking could occur as early as 2013 and occupancy by 2015 of both new and historic structures. Exhibit E shows the schedule for the Pier 70 project.

Immediate next steps include:

June 2010	Issue RFQ
Summer 2010	Issue RFI for 20 <sup>th</sup> Street Buildings
August 2010	Responses Due to RFQ
Fall 2010	Evaluate RFQ and RFI responses
Late 2010	Chose Waterfront Site Developer
Early 2011	Identify Partners for Historic Buildings

### **Recommendation**

Port Staff recommends that the Port Commission authorize and direct staff to issue an RFQ for the lease of the 20 acre Waterfront Site and a Request for Interest in 20<sup>th</sup> Street historic buildings at Pier 70, which incorporate the terms indicated above. The attached resolution authorizes the actions and establishes the policy parameters for public funds resulting from these real estate actions.

Prepared by: Kathleen Diohep, Project Manager  
Through: Jonathan Stern, Assistant Deputy Director,  
Waterfront Development  
For: Byron Rhett, Deputy Director, Planning &  
Development

### **Attachments Resolution**

Exhibit A	Concept Plan, April 2010, Pier 70 Preferred Master Plan
Exhibit B	Recommendations for Key Historic Buildings
Exhibit C	Waterfront Site Map
Exhibit D	Waterfront Site Development Parameters
Exhibit E	Pier 70 Project Schedule

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

**RESOLUTION NO. 10-27**

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and
- WHEREAS, The Port owns an approximately 67-acre site, located on San Francisco's Central Waterfront, between 18th and 22nd Streets and east of Illinois Street, known as Pier 70, as shown on the attached site plan; and
- WHEREAS, The State Historic Preservation Office has determined that the site is eligible for listing as a historic district in the National Register of Historic Places; and
- WHEREAS, The Port Commission designated a substantial portion of the site as a Development Opportunity Area in the Waterfront Land Use Plan ("Waterfront Plan") to provide revenues for the Port's effort to preserve the Union Iron Works and Bethlehem Administration buildings; and
- WHEREAS, In 2001, the Port issued an RFP for the portion of the site identified in the Waterfront Plan as an Development Opportunity Area for mixed use development, which was not successful; and
- WHEREAS, In late 2006, the Port initiated a community planning process to develop a master plan for Pier 70 to address regulatory, economic, maritime, historic preservation, open space and shoreline access challenges to redevelopment; and
- WHEREAS, In November 2008, San Francisco's electorate added section B7.310 to the Charter by approving Proposition D, which authorizes the Board of Supervisors to approve: (1) a Pier 70 land use plan under which leases at conforming to Charter section B7.310's requirements would be deemed approved under Charter section 9.118; and (2) a financing plan for waterfront improvements such as maritime terminals, remediating environmental conditions, seismically strengthening existing structures, and rehabilitating historic maritime resources in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties; and
- WHEREAS, The City does not currently provide funds to the Port from City tax revenues for waterfront improvements; and
- WHEREAS, Consistent with the Port's 10-Year Capital Plan, the Port intends to form infrastructure financing districts ("IFDs") (Cal. Gov. Code §§ 53395 et seq.) and community facilities districts ("CFDs") (Cal. Gov. Code §§ 53311 et seq.) to finance infrastructure and other publicly-oriented waterfront improvements for the Development Site; and



WHEREAS, In July 2009, after six informational Commission hearings, four community workshops, Central Waterfront Advisory Group policy discussions, and additional community outreach, the Port published its draft Preferred Master Plan for review; and

WHEREAS, The San Francisco Historic Preservation Commission and the San Francisco Planning Commission have commented on the draft Preferred Master Plan; and

WHEREAS, After an additional informational Port Commission hearing on March 9, 2010, the Port published its final Pier 70 Preferred Master Plan, which addresses policymaker and community comment and identifies about 3 million square feet of capacity for new buildings and 700,000 square feet of potential adaptive reuse capacity, and a system of infrastructure, roadways, shoreline parks, plazas and open space while retaining 17 acres for ship repair use; and

WHEREAS, Financial feasibility and market analyses project that rent and tax revenues from new construction can support a portion of the extraordinary costs associated with the effective redevelopment and adaptive reuse of Pier 70 but a feasibility gap of approximately \$45 million remains, largely due to high upfront costs; and

WHEREAS, The Port Commission recognizes that implementation of the Preferred Master Plan will be a long term effort that will require many funding sources, including private investment, growth in payroll and property taxes, tax credits, and grants; and

WHEREAS, Public and private sector real estate experts advise the Port that it would not be able to achieve the Preferred Master Plan vision area not reserved for ship repair was offered currently as a whole, due to extraordinary financial and regulatory challenges; and

WHEREAS, The southeast corner of Pier 70 (the "Waterfront Site") presents an opportunity for new development to accommodate San Francisco's job growth and to generate rent and tax revenues to support the Port's historic preservation goals, but a successful development of the Waterfront Site would require substantial private sector acumen to identify the target market, refine project details, including infrastructure design and costing, and craft a financial strategy for the site; and

WHEREAS, The 20<sup>th</sup> Street corridor of Pier 70 includes a cluster of several historic buildings in need of substantial rehabilitation (the "Historic 20<sup>th</sup> Street Corridor"), which, if adaptively reused would create an extraordinary showcase for 70's heritage, but the extent of interest in rehabilitating these buildings is unknown; and

WHEREAS, Staff recommends publicly soliciting development proposals for the Waterfront Site through a request for qualifications ("RFQ") process

guided by the Preferred Master Plan to garner the best market response and provide the Port with the best opportunity to meet its goals and objectives for Pier 70; and

WHEREAS, Staff recommends publicly soliciting interest in historic buildings in the Historic 20<sup>th</sup> Street Corridor through a request for interest (“RFI”) process guided by the Preferred Master Plan to allow both the potential future users and the Port to address most creatively the potential for rehabilitation and adaptive reuse of these buildings and provide the Port Commission with information upon which to direct staff on disposition of these important structures; and

WHEREAS, Issuance of an RFP or RFI does not commit the Port to proceeding with any development project, and the Port cannot approve a ground lease or development agreement for any project until after environmental review has been completed in compliance with the California Environmental Quality Act (“CEQA”) and now, therefore, be it

RESOLVED, The Port Commission has reviewed the Preferred Master Plan for Pier 70 and endorses its vision, goals, objectives, and design criteria; and be it further

RESOLVED, The Port Commission has reviewed the development parameters for the Waterfront Site included in the staff report accompanying this Resolution and authorizes staff to prepare and issue an RFQ for that site and manage the developer solicitation process consistent with the staff report; and be it further

RESOLVED, The Port Commission authorizes staff to use an RFI to market the 20<sup>th</sup> Street Historic Corridor buildings and obtain information that will enable the Commission to consider terms and conditions for disposition of those buildings; and be it further

RESOLVED, The Port Commission establishes the following priorities for the use of public funds generated by development of the Pier 70 Waterfront Site:

1. Capital rehabilitation costs for Very Significant and Significant historic resources, including infrastructure, environmental remediation, and financing to close feasibility gaps;
2. Catalyst parks and open spaces; and
3. Other infrastructure needs of the Development Site to the extent exceeding available IFD and CFD financing.

***I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of May 11, 2010.***

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Secretary

# EXHIBIT A Concept Plan Pier 70 Preferred Master Plan



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## Exhibit B: Recommendations for Key Historic Buildings

<b>Recommended Buildings to Include in RFI</b>	
	<p><b>Building 113-114 UIW Machine Shop</b>                      Size: 100,000 sqft                      Rehab Cost: \$50 Million                      Plan calls for publicly orient use:                      Very Significant Building                      Stabilization efforts in 2011. Vacant</p>
	<p><b>Building 115-116</b>                      Size: 34,000 sqft; could add 42,000 sqft                      Rehab Cost: \$31 Million                      Encouraged Uses: Office, Institutional, Cultural, Commercial, restaurant, parking                      Very Significant Building                      Port Maintenance Department use.</p>
	<p><b>Building 101</b>                      Size: 56,000 sqft                      Rehab Cost: \$25 Millon                      Encouraged Uses: Office, Institutional, Cultural, Commercial                      Very Significant Building                      Vacant</p>
	<p><b>Building 102</b>                      Size: 8,000 sqft                      Rehab Cost: \$4.5 M.                      Encouraged Use: Institutional, Cultural, Commercial, Retail, Restaurant                      Very Significant Building                      Vacant</p>
	<p><b>Building 104</b>                      Size: 38,000 sqft                      Rehab Cost: \$18 M.                      Encouraged Uses: Office, Institutional, Cultural, Commercial                      Very Significant Building                      Vacant</p>
	<p><b>Building 14 -- behind 113</b>                      Size: 16,000 sqft, could add 23,000 sqft                      Rehab Cost: \$21.5 M.                      Feasibility Gap: \$5 M                      Encouraged Uses: Office, Institutional, Cultural, Commercial, Industrial                      Context Building                      Vacant now.</p>
<b>Totals</b>	<p><b>Square Feet: 315,000</b>  <b>Feasibility Gap: \$49 million</b></p>

<b>WATERFRONT SITE RFQ BUILDINGS</b>													
	<p><b>Building 12</b>  Size: 120,000 sqft, 60,000 sqft foot print  Rehab Cost: \$84 Million  Encouraged Uses: Office, Institutional, Commercial, Industrial  Significant Building  Now leased to AutoReturn, SFMTA's tow operator</p>												
	<p><b>Building 2</b>  Size: 97,000 sqft  Rehab Cost: \$29 Million  Encouraged Uses: Office, Institutional, Cultural, Commercial, Industrial  Context Building; half leased now as storage  Port to upgrade in 2011 for additional interim rent</p>												
	<p><b>Building 21 Risdon Ironworks –</b>  Size: 10,000 sqft  Rehab Cost: \$6 Million  Encouraged Uses: Office, Institutional, Cultural, Commercial, Industrial  Very Significant Building  Port replaced roof in 2008. Leased for PDR use.</p>												
	<p><b>Noonan Building</b>  Proposed in Plan for demolition  Included in Waterfront site  Context building  Currently leased to artists; about half of which are on hold over at below market rates.</p>												
<b>BAE LEASEHOLD OR NEARBY</b>													
	<p><b>Building 111</b>  Size: 46,000 sqft  Rehab Cost: \$21 M  Encouraged Uses: Office, Institutional, Cultural, Commercial, Industrial  Significant Building  In Ship Repair leasehold; unused since 1989 quake</p>												
	<p><b>Building 6 –</b>  Size: 38,000 sqft  Rehab Cost: \$20 M  Encouraged Uses: Industrial, maritime  Context Building  Vacant</p>												
	<table border="1"> <thead> <tr> <th></th> <th><b>Waterfront</b></th> <th><b>BAE</b></th> </tr> </thead> <tbody> <tr> <td><b>Totals</b></td> <td><b>Square Feet: 227,000</b></td> <td><b>84,000</b></td> </tr> <tr> <td></td> <td><b>Rehab Costs: \$119 M</b></td> <td><b>\$41M</b></td> </tr> <tr> <td></td> <td><b>Feasibility Gap: \$23 M</b></td> <td><b>\$20M</b></td> </tr> </tbody> </table>		<b>Waterfront</b>	<b>BAE</b>	<b>Totals</b>	<b>Square Feet: 227,000</b>	<b>84,000</b>		<b>Rehab Costs: \$119 M</b>	<b>\$41M</b>		<b>Feasibility Gap: \$23 M</b>	<b>\$20M</b>
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# Exhibit C LOCATION OF PIER 70 WATERFRONT DEVELOPMENT SITE



**EXHIBIT D**  
**DEVELOPMENT PARAMETERS FOR WATERFRONT SITE**

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Gross Land Area:	Southeast corner of site, about 20 acres including park/plaza sites
Parks/Plazas:	Slipway Park and Central Plaza – 3 acres
New Development:	Maximum of 2.5 million gross building square feet above ground. Density analysis done for the Master Plan showed 2.3 million sq. ft. gross with 300,000 in use as parking. This area is illustrated at building heights of ranging from 50 to 90 feet.
Use:	Job Center Uses: office, research and development, light industrial. Incidental commercial uses to support project.
Design Guidelines:	Pier 70 Master Plan includes design criteria for infill development to ensure compatibility with the historic resources.
Height Limit:	No specific height limit in RFQ – rather a square feet cap and requirement that design is appropriate for historic district.
Parking:	Site must park itself; no more than one space per 1000 square feet of leasable area, subterranean parking does not count against square foot limit
Historic Buildings:	Building 12 – 60,000 SF foot print, now 2 stories, can be more. Building 2 – 6 Story, 100,000 sq. ft. – now PDR, likely remain. Responsible for rehabilitation, demolition, or relocation of other smaller buildings in this area.
Existing Tenants:	Port will work with developer so that existing users are kept informed of timing of future displacement. Building 2 can include light industrial space similar to buildings that may be removed in future. Major current use is SFMTA towed car storage under a short-term agreement. SFMTA will work with the Port to plan relocation.
Infrastructure:	Developer will collaborate with the Port, PUC, and other city agencies to design, construct and finance infrastructure for the Waterfront Site in the context of the planned development for all of Pier 70. As warranted, financing mechanisms will be structured to compensate the Waterfront Site developer for trunk infrastructure investment that will serve other portions of the Pier 70 plan area.
Public Funding:	IFD and Prop D funds generated from this site are for greater Pier 70 project benefit – planning costs, historic preservation and parks.
Timing on RFQ:	Issue Early June 2010 Responses Due August 2010 Evaluate Fall 2010 (possible short list asked for more specifics) Select end of 2010



## EXHIBIT E

### PIER 70 PROJECT SCHEDULE

#### **Waterfront Site/Overall Project**

Port Commission Authorize RFQ for Waterfront Site	May 11, 2010
Issue Waterfront Site Offering	June 2010
Responses for Waterfront Site	August 2010
Evaluate Responses	
Port Commission Review Responses chose next step.	Sept 2010
Choose Waterfront Site Developer	Late 2010
Develop Project Description/Entitlement Approach/ Initiate EIR	2011
Infrastructure design/funding mechanisms	2011
Entitlements/Approvals	2011/ mid 2012
Negotiate Waterfront Site Transactions	2011+
Port consider offering Illinois Parcels for development (after rezoned)	2012
Infrastructure/remediation work begins	Late 2012
Waterfront Site Break Ground	2013+
Waterfront Site Occupancy	2015+

#### **Historic Building Offering Schedule**

Port Commission Authorizes Request for Interest	May 11, 2010
Issue RFI for 20 <sup>th</sup> Street Buildings	Summer 2010
Initial Response Deadline	Fall 2010
Port Commission Review Interest	Late 2010
Request/Consider Historic Building Projects	Early 2011
North of 20 <sup>th</sup> Street Buildings Rehabbed	2013-16
Union Ironworks Machine Shop Occupancy	2015+

#### **Blue Greenway/Crane Cove Park Schedule**

Planning Process	Summer 2010
Develop long term vision and costs	End of 2010
Initial Design for Phase 1 Crane Cove Park	Spring 2011
Initiate Phase 1 Construction Crane Cove Park	2012
Complete Phase 1	2013

#### **Site-wide Environmental Investigations and Remediation**

Preliminary Results of Field Investigation	March 23,2010
Site Investigation and Risk Assessment Report	May,2010
Historic Building Hazardous Materials Identification	Fall 2010
Feasibility Analysis of Potential Remedial Alternatives	Fall 2010