

**PORT OF SAN FRANCISCO
NORTHEAST WATERFRONT ADVISORY GROUP**

FINAL Minutes – September 9, 2015 Meeting

NEWAG Members in Attendance:

Leah Baumbach
Jane Connors, Co-Chair
Jon Golinger
Stephanie Greenburg
Bob Harrer
Bruno Kanter
Stewart Morton

Port/City Staff in Attendance:

Diane Oshima, Port
Ricky Tijani, Port
Anne Cook, Port
Kanishka Burns, Board of Supervisors, Dist 3
Teresa Yanga, MOHCD
Faith Kirkpatrick, MOHCD

NEWAG Members Not in Attendance:

Alec Bash
Arthur Chang
Michael Franklin
Michael Gougherty
Bob Iwerson
Wai Ching Kwan
Flicka McGurrin
Cathy Merrill
Carol Parlette
Marina Secchitano

1. Call to Order, Roll Call

Co-Chair Jane Connors called the meeting to order.

2. Approval of Draft Minutes

The July 8, 2015 minutes were approved.

3. Waterfront Plan Working Group – Select NEWAG Liaison

Diane Oshima recapped discussion from July 8th NEWAG meeting regarding Port efforts to create a Waterfront Plan Working Group to advise the Port on the update to the Waterfront Land Use Plan. This Working Group includes a slot for a member of the each standing Port advisory committee, including NEWAG. NEWAG had deferred on selecting a representative until after the Working Group roster was announced. Diane explained that the Port received 128 applications of interest, which required extra time for review and consideration, and that a final roster had not yet been established. Port efforts are focused on ensuring diverse viewpoints

and issues, and representation from all San Francisco districts as well as Bay Area residents, with members that have varying knowledge levels about the Port. Port staff was preparing to report the final roster in an informational presentation at the September 22, 2015 Port Commission meeting. While the roster has not been set, Port staff invites the NEWAG to identify a representative. The Fisherman's Wharf, Central Waterfront and Maritime Commerce advisory committees have designated representatives; Southern Waterfront Advisory Committee representative is still outstanding.

Stewart Morton expressed interest in being the NEWAG representative, citing many years of service on the NEWAG, attendance of other Port advisory committee meetings, a founding member of San Francisco Architectural Heritage, and experience in preservation planning. Jane Connors also expressed interest, as a SF resident, and business operator of a major Port waterfront development, the Ferry Building. Jon Golinger reported that he has been contacted by the Port as a possible member of the Working Group and that NEWAG should withhold designating a representative until the full roster is known. Some desired further exchange, and some suggested email amongst NEWAG members because many members were missing at this NEWAG meeting. Jane Connors indicated that she would follow up with NEWAG members on this, and the Working Group delegate selection was deferred.

4. Project Updates

Pier 15 Exploratorium Water Taxi Project Status

Phil Williamson introduced Wendy Fisher, of Power Engineering provided a briefing and slides illustrating the construction of a new water taxi dock at the Exploratorium, located on the north side of Pier 15. Construction is anticipated to start October 26th and be completed by November 6th, mostly working from the water side, using construction barges. Phil indicated that the lease requires Exploratorium to build this berthing facility which will then be transferred to the Port to operate for water taxis only; unlike Pier 1½, this facility will not be used for guest docking of private use boats. The Port has two water taxi operators that provide service along the Port waterfront as well as charter service for cross-bay water transport.

Teatro Zinzanni/Seawall Lot 324 Project Update

Ricky Tijani reported that at its September 8th meeting, the Port Commission approved an Exclusive Negotiation Agreement (ENA) with Teatro ZinZanni and its financial partner, Kenwood Investments No. 6, LLC, operating together as TZK Broadway, LLC (TZK), for the lease and development of a dinner-theater and a maximum 200-room hotel at SWL 324, at the corner of Broadway and The Embarcadero. The Port staff report provides further development details, which include that the project is to be 40-foot high boutique hotel, and creation of an approximately 7,500 square foot privately financed public park. The ENA sets terms and conditions to guide the developer negotiations with the Port, and does not approve any project. The ENA also sets criteria for the entitlement schedule. TZK must complete CEQA review and entitlements, which they seek to complete in about

a year, with possible time extensions allowed in the ENA. Jay Wallace and Annie Jamison, representing TZK, were present to hear discussion and field questions. Jay Wallace indicated that project concept design is anticipated to be available in 2-3 months for presentation to NEWAG and other community organizations. The project concept remains consistent with previous discussions.

Meeting attendees raised questions and commented on the proposal. Fred Allardyce stated he represented owners across the street and criticized the Port and City's authorization of sole source development negotiation rights to TZK. He expressed concerns about the compatibility of the project design with the Northeast Waterfront Historic District, and suggested that the hotel project could be developed at another location; instead, this site should be developed for park space. Another attendee supported the call for more park space at this site, and questioned the Port's intentions to generate revenue when the site offers no maritime commerce opportunity. Ricky responded with a summary of the history for how Teatro Zinzanni became associated with SWL 324, following its relocation from Pier 29 to make way for the 34th America's Cup and Pier 27 cruise terminal. NEWAG members Jane Connors, Bob Harrer and Stephanie Greenberg expressed support for the ENA or project, acknowledging this history, the positive benefits and good neighbor relationship with Teatro Zinzanni, and its support of the arts and artist community. The ENA provisions include time for public review of the development plans, and the developer has been responsive to neighborhood viewpoints. Jon Golinger agreed that project review process will be important.

Proposed Design Guidelines for Seawall Lot 322-1 Affordable Housing

Teresa Yanga made a slide presentation on the July design workshop, which included architectural massing and neighborhood design analysis. The design workshop and community discussions led to definition of design criteria that MOHCD will include in the Request for Proposals from affordable housing developers. The workshop was led by Mark Cavagnero/Cary Bernstein joint venture, and their thoughtful site and building envelope assessment supported successful and collaborative community exchange to inform the design criteria. MOHCD will be meeting with the SWL 322-1 Working Group to share this information, and anticipates preparing for issuance of the RFP by the end of October 2015.

In response to NEWAG questions, Teresa described that negotiations have been underway with SF Public Works to add the adjacent parcel to SWL 322-1 for development of senior and middle-income housing, predicated on passage of the Proposition A in November, for a City affordable housing bond. Funding from that housing bond would be required to support the middle income housing units. The two sites combined are expected to support 150 housing units at a mix of income levels and unit sizes. Bob Harrer expressed enthusiasm over the idea of mid-block alley open space and desire to have that included as a requirement in the RFP, although recognized this could affect financial program proposals. He also expressed priority for ground floor retail and commercial uses and is opposed to a substantial amount of ground floor space dedicated to surface parking. Stephanie Greenberg expressed appreciation to Supervisor Christensen for supporting

neighborhood interest to include senior housing opportunity on the SF Public Works lot. In response to questions, Teresa indicated that the majority of the new units would be available to residents with 60% AMI or below. Housing bond funding would enable inclusion of middle income housing units at 120% AMI (maximum income of \$85,600 for single residents). Rental rate for studio units would be \$2140 or below. Teresa provided profile of income mix for the units. Teresa noted that, depending on their income levels, seniors could be eligible for senior units up to 60% AMI or 120% AMI units in the family project. Fred Allardyce raised concern about overly dense development and potential for units to be used for AirBnB. Teresa responded that MOHCD closely monitors fixed low income units, and that any AirBnB use is prohibited. Violators would lose rights to occupy the affordable housing unit.

Dreamforce Event on September 13-18 at Pier 27

Diane Oshima briefed the NEWAG on the Dreamforce event at Moscone Convention Center in San Francisco, sponsored by Salesforce, and a major fundraiser for UCSF Benioff Children's Hospital. To address a hotel room shortage in the City, Salesforce rented use of a cruise ship between cruise calls at Pier 27, for use by Dreamforce convention visitors. Salesforce signed the agreement with Metro Cruises, the Port's cruise terminal and special event operator, and conducted outreach with the community. The Port received a letter from Telegraph Hill Dwellers expressing concern about noise, lights and other potential neighborhood impacts. Salesforce responded to acknowledge those concerns and their efforts to carry out the Port/Metro's Good Neighbor standards to avoid these negative impacts. NEWAG members expressed concern or questions about whether hotel use of cruise ships is anticipated to be a regular occurrence. Diane responded that this is a new innovation that is being considered as a trial, to see whether it would be compatible with neighborhood and maritime operations. Jon Golinger pointed out that Proposition H which led to development of the Waterfront Plan prohibited hotels on piers and questioned whether a hotel ship would be in violation. NEWAG requested that this item be included in the next meeting agenda to review the experience of the Dreamforce hotel ship use, after the event.

The meeting was adjourned at approximately 7pm.