

Request for Interest Concept
Publicly-Oriented Uses and Development Qualifications for
Embarcadero Historic District Pier Properties
(Draft 10/25/17)

<p>Objective</p> <p>Proposed Approach</p>	<p>Rehabilitate Embarcadero Historic District bulkhead and pier structures, and maximize opportunities for maritime and publicly-oriented uses and other public trust objectives through financially feasible asset management and development models that support project repair, seismic upgrade and/or historic preservation capital requirements.</p> <p>Solicit market-based interest on two tracks:</p> <ol style="list-style-type: none"> 1) Request for Information/Interest (RFI) for Public-oriented Uses – identify market interest /focus, and types of uses and operators of maritime and public-oriented uses, including information about rental and capital capacity for improvements, for piers in Embarcadero Historic District 2) Request for Qualifications (RFQ) from Interested Developers – develop a list of qualified developers (private or non-profit) interested in rehabilitating Embarcadero Historic District piers that include maritime and public-oriented uses <p>The Port has several piers that are vacant and others with near-term capital needs that could benefit from this proposed solicitation process. Public comments and recommendations coming from the Waterfront Plan Update process include priority attention to increase public-oriented uses along the waterfront, and new strategies to support maritime and Embarcadero Historic District pier leasing and development. The 2-track RFI/Q process would allow the Port and public to: 1) understand market-based interest and opportunities for public-oriented use businesses, 2) test Waterfront Plan Working Group’s recommended strategies for the Embarcadero Historic District; and 3) understand developer interest in implementing trust-consistent projects that are financially feasible.</p>
<p>Why:</p>	<p>This 2-track approach is proposed in light of real estate market research analysis that indicates lower/moderate rental rates for many public-oriented uses and operations, which present challenges to meeting financial requirements for pier leasing and development projects. Historic bulkhead and pier repairs are expensive, and public-oriented uses may trigger required seismic upgrades that increase project costs substantially. Furthermore, all repairs and improvements must meet Secretary of Interior historic preservation standards which add to project cost. Many maritime and public-oriented use operators do not have sufficient capital resources of their own to meet these requirements. The proposed approach provides for identifying interested, qualified, and capitalized developers that may provide partnering opportunities with public-oriented use sponsors to support projects that are financially feasible and respond to public trust objectives.</p> <p>The capital repair needs of the Embarcadero Historic District exceed Port resources. Recommendations developed to date in the Waterfront Plan Update process include</p>

	<p>new strategies to facilitate improvement and active use of the Port’s aging but beloved finger piers and bulkhead buildings. The RFI/Q process allows the Port and public to receive market-based responses and answers to questions such as:</p> <ul style="list-style-type: none"> • What types of maritime and public-oriented uses can effectively utilize Embarcadero Historic District piers and enhance the maritime and public experience on the waterfront? • What rental rates and capital funding can publicly-oriented uses contribute to the overall project? • What are comparable public-oriented projects and business plans that have been successfully implemented in other locations? • Which piers are more or less desired for different types of uses? 	
Who:	<p><u>Track 1</u> (further details below): Public-oriented uses, with particular focus on opportunities for Arts, Museums/Cultural, Education, Academic Institutions, Maritime, Recreational Enterprise, Assembly & Entertainment Tenants/Operators, to expand diversity of waterfront uses, in addition to Retail and Restaurants and</p> <p><u>Track 2</u> (further details below): Experienced Waterfront and/or Historic Rehabilitation Development Partners (including for-profit and non-profit entities)</p>	
What:	<p>Identify lease, development and partnering opportunities to promote public-oriented use and support maritime business in projects that achieve the following goals:</p> <ol style="list-style-type: none"> 1. Significant capital repairs to Embarcadero Historic District bulkhead buildings and piers, which may include seismic improvement and pier substructure repair 2. Historic rehabilitation work that meets Secretary of Interior Standards 3. Pedestrian-friendly frontage in bulkhead buildings along the Embarcadero Promenade, and activities and points of interest that appeal to diverse populations (e.g. arts, cultural, institutional, recreational) 4. Maritime berthing, public access or other public trust improvements 5. Mix of uses that support the financial requirements of the project and generate fair market rent revenue for the Port 	
Where:	<p>Invite ideas for vacant, underutilized Embarcadero Historic District piers, including those with near-term capital repair needs: Piers 45 Shed A, Pier 35 (maintaining 2nd cruise ship berth operations), Pier 33 (pier shed only), Pier 31 (pier shed only), Pier 29 ¹/₂, Pier 29 (pier shed only), Pier 23, Pier 19½, Pier 19, Pier 26, Pier 28, Pier 38, Pier 40 (maintaining water recreation uses)</p>	
How:	<p>Track 1 – Public Oriented Uses</p> <p>Arts, Museums/Cultural, Education, Academic Institutions, Maritime, Recreational Enterprise, Assembly &</p>	<p>Track 2 – Developer</p> <p>Experienced developers (waterfront development and/or historic rehabilitation of Port piers requiring significant capital</p>

	<p>Entertainment Tenants/Operators, in addition to Retail and Restaurants respond under Track 1</p> <p>Information to include in responses:</p> <ul style="list-style-type: none"> • Entity and team description • Use description • Supporting narrative describing how use serves the public, types of populations served, how use is a positive addition to the Embarcadero • Identify preferred Port pier locations • Site requirements (size, dimensions, utilities, etc) • Business plan • Estimated rent and estimated capital improvements contribution to fit out space for use and a lease term needed to amortize such improvements • Financial wherewithal to construct and operate use 	<p>investment) respond under Track 2</p> <p>Information to include in responses:</p> <ul style="list-style-type: none"> • Entity and team description • Conceptual use program (compared against Waterfront Plan Update recommendations for Embarcadero Historic District leasing & development) • Approach and ability to complete historic pier rehabilitation, comply with Secretary Standards • Approach to community engagement process, demonstration of experience successfully gaining community support for high-profile projects • Demonstration of experience successfully completing complex, similar projects • Identify preferred Port pier locations • Financial wherewithal to complete entitlements, construct, and operate project
<p>Process Steps</p>	<p>Follow Land Use Subcommittee Process Recommendations</p> <ol style="list-style-type: none"> 1) Port Commission RFI informational presentation to consider RFIs 2) Public/community input on RFI objectives 3) Port Commission authorization to issue RFIs, define RFI Review Panel process 4) Implement media and outreach campaign 5) Receive RFI responses on both tracks 6) Review Panel scores both tracks 7) Port Commission hearing on responses, consideration of any short-lists for the two tracks, next steps regarding any selection or second proposal phase, including direction on partnering of public-oriented use operators and developers 	



September 19, 2017 Working Group Meeting

Comments Requiring Revisions to Resilience Subcommittee Recommendations

Proposed additions are shown underlined in italics; deletions are shown in ~~strikethrough~~.

1. **Issue referred by Working Group for further review:** The Port should serve as a guardian/leader for research, monitoring and education about Bay water quality.

Proposed New Resilience Recommendation for the Waterfront Plan:

Pursue leadership opportunities and deepen partnerships with regulatory agencies, research institutions, and advocacy groups (e.g., Regional Water Quality Control Board, California Coastal Conservancy, Bay Planning Coalition, BCDC, SF Baykeeper, Mission Creek Conservancy, Save the Bay, etc.) to improve water quality in the Bay through research, data collection and sharing, and broader public education and communication.

In support of this new recommendation, Port staff will add the following updates to the October 26, 2016 background report "[Environmental Sustainability at the Port of San Francisco](#)":

The Port currently participates in collaborative efforts to monitor and improve water quality in San Francisco Bay. For example, the Port provides financial support to the San Francisco Estuary Institute's Regional Water Quality Monitoring Program (RMP) and serves on its Technical Review Committee. The RMP has collected chemical and biological data to characterize long term status and trends in water quality and biological health of San Francisco Bay since 1993. The Technical Review Committee oversees the technical content and quality of scientific investigations conducted for the RMP, serves as an advisory body, and provides a critical link between the Estuary Institute and the organizations charged with implementing recommendations aimed at improving water quality.

The Port is also active in the Bay Planning Coalition (BPC), a group of regulatory, local government, industry, and advocacy organizations that collaborate to advance maritime industry that supports a sustainable San Francisco Bay. The Port participates in BPC's technical and scientific programs and public outreach efforts. For example, Port staff recently participated in a workshop about potential water quality impacts and best management practices to reduce impacts of wood preservatives on water quality; this public workshop was hosted by BPC and the Regional Water Quality Control Board and attended by regulatory agencies, academics, and industry representatives. The Port will use this information in its own operations and to inform the recommendations and requirements that the Port imposes on others' activities under Port jurisdiction. The Port conducts annual training for Port staff and contractors on best management practices to protect water quality during maintenance and construction in and over water. This training includes, among other things, procedures to prevent the spread of invasive seaweed during in-water maintenance and construction.

These are just a few examples of how the Port supports existing programs and partnerships to advance understanding of and improvement in water quality throughout

the Bay. The proposed policy recommendation will highlight the Port's intent to continue seeking such opportunities.

- 2. Issue referred by Working Group for further review:** The section on water quality and conservation should include stretch policies that go beyond continuing to implement the City's existing plans and policies (e.g., they should address how to reduce wastewater releases into the Bay).

Proposed Revision to Resilience Recommendation #3

3. Engage City Agencies and private development partners to maintain and repair existing, and construct new wastewater infrastructure (e.g. wastewater storage, transport, treatment and discharge structures to reduce combined sewer overflows (CSOs) and make such infrastructure more resilient to sea level rise and extreme weather). Continue to implement the City's existing Stormwater Management Requirements and, whenever feasible, stretch beyond them to incorporate ~~promote~~ additional ~~implementation of~~ "green infrastructure" to reduce the volume of CSOs and improve the quality of sewer and stormwater runoff, ~~where feasible, incorporate improvements to~~ and reduce the spread of garbage into the Bay.

Proposed Revision to Recommendation for the Strategic Plan (first bullet on page 10)

- ~~Continue~~ Expedite the Port's ongoing program of inspection and repair of under-pier utilities to reduce discharges of wastewater and potable water to the Bay; seek additional opportunities to relocate utilities above-board during ~~in~~ renovation or new construction.

In support of these changes, Port staff will add the following updates to the October 26, 2016 background report "[Environmental Sustainability at the Port of San Francisco](#)":

Many of the Port-owned water and wastewater lines are suspended on hangars from beneath piers, where they are exposed to salt water and impact from floating debris, and where leaks and breaks are difficult to detect and repair. The Port has undertaken a comprehensive and systematic program of inspection, repair, and replacement of such sewer lines to prevent and mitigate releases of potable water or sewage to the bay. Since 2011, the Port has annually inspected approximately 8 miles of under-pier utilities. Repairs are made as needed to prevent failure. Additionally, wherever feasible, (i.e. in conjunction with substantial reconstruction of a pier) the Port seeks to relocate under-pier utilities so that they are better protected and more readily inspected and repaired.

- 3. Issue referred by Working Group for further review:** The water quality recommendations should address aquatic-borne invasives (e.g., bilge water can carry invasive seaweed and crabs).

Proposed New Resilience Recommendation for the Waterfront Plan:

Educate maritime tenants and visitors about the water quality risks associated with waterborne invasives (e.g., seaweeds, worms, mollusks, crabs, etc.) and regulations adopted to reduce the spread of invasive aquatic species. Where feasible, implement leasing policies, services and facilities to help reduce their spread.

In support of this new recommendation, Port staff will add the following updates to the October 26, 2016 background report "[Environmental Sustainability at the Port of San Francisco](#)":

Ballast water is water carried in ships' ballast tanks to improve stability, balance and trim. Ballast water, and the aquatic organisms in it, is taken into or discharged from ballast tanks when cargo is unloaded or loaded, or when a ship needs extra stability in foul weather. Ballast water is the primary vector for dispersion of invasive species associated with Port and maritime activities.

The U.S. Coast Guard, U.S. EPA and California State Lands Commission all regulate ballast water management in order to reduce the spread of invasive species, and Port leases and berthing agreements explicitly require compliance with existing and subsequently promulgated regulations. The State Lands Commission recently adopted more stringent ballast water regulations: New requirements effective October 2017 govern operations such as where ballast water can be exchanged (mid-ocean), and how ballast water tanks are cleaned; require vessels over 300 gross tons to develop and implement “biofouling management plans”; and require reporting by ship operators and inspection and enforcement by regulatory agencies. The regulations apply to vessels over 300 gross tons in capacity because those are most likely to use ballast water. Most vessels that call at the Port of San Francisco (including federal maritime agency reserve vessels, cruise ships, auto carriers) are subject to these regulations. Smaller vessels (including most fishing boats, tugs and ferries), are designed so that they do not use ballast water or they don’t need significant ballast capacity because they do not carry cargo and do not experience large changes in weight during normal operations.

The Port currently distributes educational material produced by the California Department of Boating and Waterways about dispersion of invasive species to berth holders and visitors to its small craft harbors at Hyde Street, Fisherman’s Wharf, and South Beach.

Additionally, as part of our specified maintenance and construction procedures, the Port inspects for invasive seaweed wherever maintenance or new construction might encounter invasive seaweed that would be disturbed and potentially dispersed by the work. When it is found, Port divers remove it in a manner that prevents dispersion of spores before the work begins.

4. **Issue referred by Working Group for further review:** There does not appear to be any cohesive thinking about how sea level rise might dramatically affect which land uses are appropriate along the waterfront.

Proposed Revisions to Resilience Recommendations # 32 and 34:

32. Develop a strategy that includes short, mid- and long-term planning and implementation timeframes and guidelines to ensure that new Port land uses are appropriate in light of rising seas and that new Port projects include appropriate flood protection and SLR adaptations that advance the Port’s and City’s goals; develop near-term adaptation plans for higher risk assets and areas.

34. Consider a wide range of strategies for managing SLR, including armored edges, elevated land or floors, floating development, floodable development, living shorelines or wetlands, limiting land uses, and managed retreat; choose multi-benefit strategies that reflect the unique character, location, and land uses of adjacent neighborhoods as well as the need to maintain resilience in the face of sea-level rise potentially increasing storm intensity and frequency.

5. **Issue referred by Working Group for further review:** The recommendation for the Port Strategic Plan that addresses tenants earthquake preparedness (first bullet on p. 13) should require, rather than suggest, that tenants evaluate their earthquake risk

Proposed Revision to Emergency Preparation Planning Recommendation for the Strategic Plan - first bullet at top of page 13:

- ~~Encourage tenants~~ Complete Tenant Emergency Guidelines to educate tenants about the nature of potential emergencies and disasters at the Port including how to evaluate their earthquake risks and Work closely with ~~them~~ City agencies, first responders, Port tenants and neighbors to maximize emergency preparedness and disaster recovery operations at the Port; foster

tenant-to-tenant and tenant-to-neighbor connections to advance disaster readiness and response.

Explanation for Change: As discussed during the Resilience Subcommittee meetings, the Port's emergency planning is overseen by the Port's Homeland Security Division, in close coordination with the CCSF Department Emergency Management (DEM). As a department of the CCSF, the organizational and planning principles of the CCSF Emergency Operations Plan (EOP) and, ultimately, the Port EOP are based on a myriad of local, state and federal regulatory documents and operating procedures for conducting and supporting emergency operations. Many of these activities were discussed in background reports for, and with agency experts present at, Resilience Subcommittee meetings. The EOP is reviewed and exercised periodically and revised as necessary to meet changing requirements and information.

The Port is developing Tenant Emergency Guidelines to further improve emergency preparedness and response on Port property. Tenant and public understanding of the nature of potential emergencies, the likely response of emergency services, and awareness of how to increase chances of survival are vital to ensuring partnerships required for successful response and recovery operations. These Guidelines should not be embedded in the Waterfront Land Use Plan; they should instead be part of the Port's EOP, ensuring that they sit within and build upon the body of complex rules, regulations, and practices that already govern emergency preparation and disaster response at the Port.

6. **Issue referred by Working Group for further review:** Consider asking the City to study a MUNI underground tunnel (big idea) from Mission Bay to Fisherman's Wharf to address MUNI and seawall/pier seismic issues. This Plan is a good place to come up with a big dream....vs how to park cars, get buses through, etc.

Proposed Revision to Resilience Recommendation #35:

35. Seek to achieve a broad range of Waterfront Plan urban design, historic preservation, public access, transportation, maritime, ecological, and recreational goals and other public benefits when designing and constructing Port projects to adapt to sea-level rise; Encourage exploration and consideration of long-term aspirational, holistic, multi-benefit solutions.

Proposed New Resilience Recommendation for the Waterfront Plan:

The Waterfront Plan goals and policies should guide the Port while long-range adaptation planning, engineering, and financing studies to respond to sea level rise and strengthen the Seawall are undertaken by the Port, along with the appropriate City, State, Regional and other authorities.

Explanation for Change: Although it is premature to address specific project solutions to sea level rise, the Waterfront Plan should support consideration of "big ideas" and multi-benefit solutions that are likely to emerge as broader multi-agency/jurisdiction adaptation planning continues over the next several years (e.g., through the Mayor's Sea Level Rise Coordinating Committee, Resilient by Design, etc.). As stated in Guiding Principle #1: "The Waterfront Plan Update should guide the Port while long-range adaptation planning, engineering, and financing studies to respond to sea level rise and strengthen the Seawall are undertaken by the Port, along with the appropriate City, State, Regional and other authorities.

City and regional studies required for the Port to successfully adapt to long-term sea level rise (SLR) and repair the historic Seawall will extend beyond the timeframe for the Waterfront Plan Update process. Part 2 discussions should therefore focus on defining the public values, design criteria and/or other policy guidance that will underlie and support these longer term resiliency planning efforts, without prescribing specific solutions..." This Guiding Principle should be incorporated into the Waterfront Plan.



September 19, 2017 Working Group Meeting Comments Requiring Revisions to Transportation Subcommittee Recommendations & Outstanding Issues

The following are suggested edits to the Waterfront Land Use Plan Transportation Sub-Committee Recommendations presented to the full Working Group on September 19, 2017. These suggested edits will be reviewed at the 10/25/17 Working Group meeting.

Policy Recommendation lettering and numbering below reflect those prepared and distributed for the September 19th Working Group meeting see below line: Section 3, page 18.

<http://sfport.com/sites/default/files/Planning/WLUP%20Documents/9.11.17%20Waterfront%20Update%20Part%202%20Summary%20Report.pdf>

The comments received at the 9.19.17 meeting which prompted the proposed edits are in ***bold italic***, prior to the Recommendation, suggested edits (additions) are in underline.

Issues requiring further discussion by the full Working Group are in **highlighted yellow text**.

A. Integrated Transportation Systems

Comment:

Review/augment the Transportation Recommendations to incorporate the concepts of inclusion, equity and diversity of access to the waterfront regardless of income level, age, visitor, or local. Consider importance of parking for parents carrying equipment for small children, neighborhoods that are underserved by transit, elderly or disabled, etc.

New Recommendation

Access to all forms of transportation should consider inclusion, equity and diversity of access to the waterfront regardless of income level, age, residents, visitors or individual abilities.

Requiring Further Discussion with full Working Group

Comment:

Is this the best hierarchy, should it be a hierarchy?

1. Design streets, designate sidewalk and curb space, and tailor new development and major leasing decisions considering the following hierarchy of transportation considerations:
 - a. Walking
 - b. Bicycling
 - c. Transit/paratransit (including Water Transit)
 - d. Taxi/transportation network company/commercial transit/shared vehicles
 - e. Deliveries and truck loading
 - f. Zero emission vehicles
 - g. Other single-occupant vehicles.

B. Walking and Bicycling

Comment

Recommendation #14 (Walking and Bicycling): *Should the Port establish a policy that prohibits motorized vehicles (and bikes) on sidewalk (without eliminating motorized wheelchairs)? Port staff notes that the policy intends to reduce conflicts; enacting the policy may lead to a law that prohibits motorized vehicles, etc.*

14. Minimize conflicts between bicycles and motorized personal vehicles (e.g., scooters) and pedestrians and support and collaborate with MTA on the implementation of the Embarcadero Enhancement project to improve safety and efficiencies of all modes of transportation along the Embarcadero.

C. Public Transit (Land Transit)

Comment:

Consider adding reference to support the concept study of extending the Central subway from Chinatown to Fisherman's wharf.

21. Encourage local and regional transit providers to improve and expand fast, frequent, and reliable service connecting waterfront areas and the City and region. Focus capacity improvements in the following areas:
 - a. Peak and off-peak (midday, nights and weekends) service along The Embarcadero to and from Fisherman's Wharf;
 - b. South of China Basin, from Mission Bay to the Southern Waterfront/India Basin;
 - a. Accessibility improvements to E and F-lines; and
 - b. E-Line extension to Fort Mason.
 - c. Extension of Central Subway from China Town to Fisherman's Wharf

D. Water Transportation

Comment

Recommendation #26 (Water Transportation) *Is "water-taxi" service an appropriate term? Or is it "small-vessel ferry" or "water shuttle"? Consider adding expansion of these types of facilities.*

26. Coordinate with WETA, Golden Gate Ferry, California Public Utilities Commission and other commercial water taxi, small ferry and water shuttle operators to establish an integrated, accessible, and federally compliant water transit system, linking Port destinations to one another, and the Port to other destinations around the Bay.

G. Parking and Automobile Access

Comment:

Suggestion to revise to prohibit new development of parking spaces and eliminate non-essential parking

40. **Limit the development of new automobile parking spaces to achieve land use, transportation, and environmental goals, especially in locations with frequent transit service.**

Comment: There was a suggestion that Maritime Leases should be excluded from the Bundling Prohibition

43. Discontinue bundling of parking with Port leases, and keep parking leases short, flexible and at market rates to facilitate better uses of Port property

H. Transportation Demand Management (TDM)

Comment

Consider recommendations about ride-hailing, a growing mode of transportation for families. Note: Ride-sharing is referred to as “transportation network companies (TNCs)”. Also, separating modes that have dangerous conflicts, especially TNC’s and bikes.

50. Develop Port-wide and sub-area TDM plans that promote transit use, bicycle and pedestrian networks, shuttles, taxis, transportation network companies (TNC) and other projects and programs on area-wide basis (rather than on a project-by-project basis)



October 3, 2017 Working Group Meeting Recommendations Referred to Land Use Subcommittee for Discussion/Revision

Proposed additions are shown underlined in italics; deletions are shown in ~~strikethrough~~.

At its October 3, 2017 meeting, the Waterfront Plan Working Group reviewed and accepted the majority of the Land Use Subcommittee recommendations presented in the Waterfront Plan Update Part 2 Summary Report, dated September 12, 2017. There were comments or concerns raised for the recommendations identified below, which will be reviewed at the October 25, 2017 Working Group meeting.

Land Use Subcommittee Chair Alice Rogers and Port staff have consulted with several commenters to confirm an understanding of the issues to be addressed to help the Working Group complete its deliberations on the Part 2 recommendations. Alice and Port staff have proposed revisions for some of the recommendations, as well as additional proposed revisions and comments from commenters, as noted. The proposed revisions are intended to help focus discussion and resolution of issues at the October 25th Working Group meeting. The numbering of the Land Use recommendations is consistent with that presented in the [Part 2 Summary Report](#).

Link to supporting documentation for Land Use Recommendations, by topic category:

<http://sfport.com/sites/default/files/Planning/WLUP%20Documents/Final%20Land%20Use%20Recommendations.pdf>

Public Engagement Process

Revisions to Recommendation #51- Competitive Solicitation: The Land Use Subcommittee Chair proposed adding the parenthetical sentence at end of bullet 3, taken from original recommendation language the Land Use Subcommittee. In response, one commenter proposed edit to bullet 3, which follows.

Port staff should provide Community Input Process for Competitive Solicitation for:

- Long-term, non-maritime development opportunities for Embarcadero Historic District piers (including bulkhead buildings), Seawall Lots, and other Port properties.
- Intermediate-term master lease opportunities for majority or entire Embarcadero Historic District piers (including bulkhead buildings).
- Lease opportunities that would convert industrial space to new retail, restaurant or public-oriented use in bulkhead buildings, piers or other Port facilities. (*Solicitations to re-tenant existing retail/restaurant spaces are not subject to this request*)

Proposed edit to bullet 3 by commenter: • Lease opportunities that would convert industrial space to *any new use* in bulkhead buildings, piers, or other Port facilities. (Solicitations to re-tenant existing retail/restaurant spaces are not subject to this request.)

Alternate edit to bullet 3 proposed by commenter: • Lease opportunities that would convert industrial space to new retail, restaurant, *office* or public-oriented use in bulkhead buildings, piers, or other Port facilities. (Solicitations to re-tenant existing retail/restaurant spaces are not subject to this request.)

Proposed edit to bullet 2 by commenter: Intermediate-term master lease opportunities for majority or entire Embarcadero Historic District piers (including bulkhead buildings), *except for intermediate-term leases for maritime-only businesses in the Embarcadero Historic District and other Port facilities.*

Revisions to Recommendation #55 - Other leasing: Edit requested by Land Use Subcommittee Chair to clarify that there is a review process in place, and to add item c regarding the re-leasing category that was in original discussion and endorsement language accepted by the Land Use Subcommittee. Discuss items at issue identified by commenter, as described below.

55. No additional required process - The following types of leases do not require separate public review:
- a. Short-term (0-10yr) leases (except in Southern Waterfront), and turnover leasing for maritime, light-industrial/PDR, existing office, retail, restaurant spaces.
 - b. Intermediate lease for a limited area (i.e. not a master lease) within industrial pier shed in the Embarcadero Historic District (consistent with industrial building occupancy limits, no seismic repairs) that supports amortization of capital repair and tenant improvement costs.
 - c. Intermediate lease renewal/re-lease for existing public-oriented use in historic bulkhead building

Commenter issues for discussion related to lead, a., b., c. above:

Re proposed edit to heading: 55. No required public review

Re item a. Where is community group review in short-term leases? Existing process entails staff/tenant negotiation and Port Commission action.

Re item b. Clarify the intent.

Re item c. Clarify definition of 'public-oriented' uses. Retail and Restaurant uses are commercial uses. Elsewhere, public-oriented uses have been called out as arts, cultural, recreational.

Comment on Recommendation #47 - Enhance communication between PACs and Port Commission; commenters are looking for teeth in this recommendation.

[Working Group discussion issue; no proposed revisions]

Comment on Recommendation #52 - Process for Sole Source Proposals: Commenter questioned where are the Port Advisory Committees in this process?

[Working Group discussion issue; no proposed revisions]

Embarcadero Historic District Development and Leasing

Comment on Recommendation #30 - Allow Intermediate-term leases (11-49 years): Commenter opposes this recommendation unless issues noted in Recommendations 51 and 55b are resolved.

[Working Group discussion issue; no proposed revisions]

Comment on Recommendation #31 - Allow long-term leases (50-66 years): Commenter requested that language about funding sources from the May 30, 2017 Land Use Subcommittee memo be incorporated into Recommendation 31. Proposed revision uses original recommendation text as accepted by Land Use Subcommittee; commenter proposed alternative revision presented below, for Working Group discussion:

Allow long-term (50-66 year) leases to support full seismic and structural rehabilitation of the historic piers, sea level rise adaptation, public-oriented uses in bulkhead buildings, maritime and/or public access on pier aprons. Long-term leases require high-revenue generating uses (e.g. public/visitor serving retail, general office/PDR) to finance seismic upgrade and facility improvements and generate Port rental revenue. Promote development of piers for public-oriented uses but recognize that this will likely require new sources of revenue and/or investment including private fundraising, targeted public investment, or other financially feasible uses to ensure financial feasibility.

Commenter's proposed revision:

Allow long-term (50-66 year) leases to support full seismic and structural rehabilitation of the historic piers, sea level rise adaptation, public-oriented uses in bulkhead buildings, maritime and/or public access on pier

aprons. Long-term leases require ~~high-revenue sources generating uses (e.g. public/visitor serving retail, general office/PDR)~~ to finance seismic upgrade and facility improvements and generate Port rental revenue. Promote development of piers for public-oriented uses but recognize that this will likely require new sources of revenue and/or investment including private fundraising, targeted public investment, or other financially feasible uses such as high-revenue generating uses (e.g. public/visitor serving retail, general office/PDR) to ensure financial feasibility.

Comment on Recommendation #35 – Sea level rise and flood protection measures: should be clarified in coordination with a similar Resilience Recommendation #32 regarding sea level rise/flood protection strategy for short-, mid- and long-term timeframes. These recommendations are similar, but Resilience Recommendation #32 is more comprehensive and focuses on developing the strategy and details to define roles, responsibilities to define flood risk and implementation responsibilities. Staff proposes that Land Use Recommendation #35 be deleted, and rely on policy direction from Resilience Recommendation #32:

“Develop a strategy that includes short, mid- and long-term planning and implementation timeframes and guidelines to ensure that new Port land uses are appropriate in light of rising seas and that new Port projects include appropriate flood protection and SLR adaptations that advance the Port's and City's goals; develop near-term adaptation plans for higher risk assets and areas.”

Hotel Use

Comment on Recommendation #36 - Support further consideration by the Port of allowing hotel use as a way to rehabilitate Embarcadero Historic District piers, possibly limited to one or two specific piers. Commenter proposes deletion of the recommendation.

Commenter proposed replacing ‘possibly’ with ‘but’: Support further consideration by the Port of allowing hotel use as a way to rehabilitate Embarcadero Historic District piers, ~~possibly~~ but limited to one or two specific piers.

[Working Group discussion issue; no proposed staff revisions]

Seawall Lots

Comment on Recommendation #41 - Lifting trust restrictions on Seawall Lots: Commenter agreed with using the original language accepted by the Land Use Subcommittee in its July 20, 2017 memo, below.

Legislation to lift trust restrictions on the remaining seawall lots north of Market Street should be considered on a case-by-case basis, if necessary, to realize SWL goals and objectives. Enabling legislation must ensure that SWL development opportunities include public-oriented use requirements to activate and enhance public realm experience in the neighborhood.

Comment on Recommendation #44 - Parking on seawall lots: Due to a format error in the Part 2 report, Recommendation 44 should have included three sub-items, not two. Proposed substitution is to use the original language accepted by the Land Use Subcommittee per its June 21, 2017 memo:

44. Parking on SWLs is a trust use which furthers trust objectives by:

- a. Accommodating Port visitors from the region/state who drive, especially families with children, seniors, those with disabilities, and tour buses;
- b. Supporting Port businesses, their service needs, and their employees who are currently underserved by transit (i.e. maritime operators, Fisherman's Wharf businesses, Ferry Building Marketplace, Exploratorium);
- c. Providing revenue stream for Port capital needs on an interim basis, until long-term development is approved.

Commenter disagrees with Item 44c, and proposes: “No new parking will be added to seawall lots solely for the purpose of providing a revenue stream; other public trust purposes such as those listed above must also be served.”