



Waterfront Plan Working Group
Land Use Subcommittee Meeting
Final Meeting Notes: July 12, 2017

Present: Alice Rogers (chair), Ellen Johnck, Dee Dee Workman, Jon Golinger, Stewart Morton, Jane Connors, Corinne Woods, Kirk Bennett, Ron Miguel

Not Present: Larry Beard, Jasper Rubin, Karen Pierce

Other Working Group and Advisory Team Members Present: Linda Fadeke-Richardson

Port Staff: Diane Oshima, Kari Kilstrom, David Beaupre, Mike Martin, Anne Cook, Byron Rhett

Agency Staff: Reid Boggiano (State Lands via conference call)

1. Introductions

2. June 21, 2017 Land Use Subcommittee Draft Meeting Notes: accepted, with the following edits:

- a. Page 1: Add Jane Connors, not present
- b. Page 2: Note that further refinements were made to Seawall Lot Recommendations
- c. Page 5: Clarify that Brown Act meeting rules allow time limits to be set for public comment; and that Port Commission limits public comment to 2-3 minutes.

3. Edits to recommendations re Port Seawall Lots (see final edits, attached)

Comments re Seawall Lot Recommendations

- Land Use Subcommittee recognizes that Transportation Subcommittee will have recommendations about parking, and the Working Group can discuss crossover issues and related recommendations at a later date, including:
 - Parking is an interim use that serves a purpose. But in the long-run, Port should be looking to develop for other uses.
 - Parking in the long-run should serve Port businesses and visitors; in the short-run, interim parking generates revenue for the Port. It's an evolutionary process.
 - Subcommittee is not saying parking is "highest and best use", but can't imagine families (say, from Sonoma) coming to Exploratorium and not driving.
 - Visitor-serving parking is preferred over commuter parking.
 - Plan can have goals to reduce commuter and long-term parking, but until MUNI provides better transit, parking remains important and is a trust use for the purpose of accommodating visitors to the waterfront
 - A transportation study that includes delivery, transit and bike use patterns is in order
- From maritime commerce perspective, the seawall lot policies should enable the Port to carry out its public trust mandate for maritime, recreation, public access, etc.; the Subcommittee recommendations do not inhibit those mandates.

Questions

- In past 30 years, we've had many transportation studies: do we need another?
Challenge is doing a meaningful study of Port property without considering the rest of the City. Can't always get to the right answer.
- Water Transportation Assessment was Part 1 (by MTA). The original intent was "this is the big picture" and later we'll drill down into specifics, and that never happened. Do we push MTA to drill down? That could be a separate from the visitor/worker study.
- When will we see results of all three subcommittees? Each subcommittee will generate a succinct, summary Part 2 report of their recommendations for review at full Working Group meeting (anticipated mid-September, more details to come); draft to be circulated to each subcommittee for review before combining into a single report on Part 2 recommendations to full Working Group. Staff will also provide information on financial resources and requirements associated with the subcommittee recommendations.

4. Discussion/Recommendations re Public Process for Port leasing and development projects

Diane Oshima, Port Deputy Director of Planning and Environment began:

- On March 15, 2017, the Subcommittee discussed this topic, and developed an initial set of comments that Alice organized into subtopics, for further discussion.
- Last meeting on June 21st, the Subcommittee focused on Port Waterfront Advisory Committees, and developed ideas for improving communication to the Port Commission through those committees. Alice asked Port staff to create a summary of that discussion in the form of Draft Recommendations for Port Advisory Groups/Committees, which the Subcommittee has received as a handout for review/acceptance.
- Tonight, we are discussing ways to improve public process and comments for long-term leases, and intermediate-term lease opportunities for an entire pier. These may arise through either competitive solicitation process initiated by the Port, or sole source proposals that do result from a competitive process. The handout provided to Subcommittee indicates current competitive solicitation and sole source public process in black type, and proposed additional steps in orange type, for review and discussion, based on prior Subcommittee public process comment and ideas.
- Intermediate-term leases for an entire pier are proposed to be subject to the competitive and sole source public processes, because of the length of the lease term would likely be for a considerable time-frame (up to 49 years; long-term leases assumed to be 50-66 years).

Discussion/Questions

- Currently, there is public review of interim leases, correct? Retail and restaurant lease opportunities undergo a competitive request for proposal (RFP) process regardless of lease term, based on current Port Commission leasing policy. Generally, Port Commission

receives informational presentation of RFP opportunity followed by meetings with Port advisory group to provide input on RFP objectives, prior to Port Commission authorization to issue RFP.

- Non-maritime leases of 10 years or longer and annual lease revenue greater than \$1 million require approval by the Board of Supervisors. Generally, the more agency approvals that are required (e.g. Port Commission, Board of Supervisors) then the more review that is undertaken by the Port advisory groups.
- The RFP process for Pier 29 bulkhead lease opportunity was good. Intermediate lease terms for bulkhead buildings should go through some public review.
- Public process for intermediate term leases for master tenants is good, but don't slow down or thwart the subtenant leasing. Advisory groups should not be looking at every 11+ year lease.
- Short-term leases in the Southern Waterfront Eco-industrial area are discussed at SWAC for consistency Eco-industrial policies.
- The public engagement process for long-term/intermediate leases should be clear to all of Port staff – a set of guidelines to indicate where some advanced notification is required to allow the public to weigh-in. For Pier 70 and 80-96, Port established a leasing policy to identify appropriate uses for appropriate locations, and provisions for which leases would go to Advisory Groups and which are handled administratively.
- Could create a set of policies for public review for intermediate leases, so Port staff have a guideline.
- Is a pre-application-type community meeting appropriate here? Not for small leases but for some cases, or sole-source leases?
- Add a definition of what types of leases will be included in the Competitive Solicitation process. People recognize that smaller leases are de minimis. There is some desire to look at retail-type uses in bulkhead buildings. It will help to have a better definition of leases that this process is applied to, without adding too much bureaucracy to the system.
- For leases less than 10 years – you won't make any deals if it's complicated. You want industrial/retail tenants/office; leasing will stop if too complicated. Long-term leases, intermediate-leases for a whole pier, and retail leases go to competitive bid, so strike a bright line to indicate that this process applies to those leases that go to competitive bid. Leave the rest alone.
- Community may not see RFPs before they go out; a question is how the content/objectives of the RFP are affecting the quality of the submittals.
- Jamestown had many meetings at CAC; the process was pretty consistent with these public process recommendations. The difference: once the winning bid was identified by the review panel, the recommendation goes to the Port Commission. NEWAG (Northeast Waterfront Advisory Group) had very little time between the Port staff report recommending a winning bid and the Port Commission meeting to approve the selected developer; maybe a few days, which wasn't enough time to formulate comments. Felt like NEWAG was in the dark; some did not know that the Port Commission item was calendared or the staff report was available. The NWAG shouldn't substitute its

judgement for the review panel, but NEWAG may have some comments that could be beneficial.

- **Before next meeting**, recap of items that Subcommittee should be thinking about
 - a) Sole source recommendations
 - b) For competitive solicitations: All intermediate leases, or whole pier, or just bulkhead
 - c) How do we deal with non-pier issue: what is appropriate notification of for various leases
 - d) Recommendations for Advisory Group process (see separate handout of Port Advisory Group focus and functions, based on past Subcommittee meeting comments):
 - Re Port Advisory Group Recommendations: Item 4) add “regular” outreach; at parenthesis (e.g. SPUR, “as well as neighborhood and business associations”)
 - Are we going to recommend that Port Commissioners attend CAC meetings? Advisory groups should advise directly – some reliance on Port staff, but not the same as direct Advisory Group input.
 - Advisory Group could report to Port Commission, as needed. Every CAC meeting, ask: Do we need to make a report to Port Commission? And a regular agenda item on Port Commission to hear those Advisory Group reports? Each group can use this as desired; each CAC has a different dynamic.
 - Items on Commission calendar are not limited to 3 min rule; like a staff report
 - e) Subcommittee will review the handout for Competitive Bids for long-term, or intermediate-term and provide specific comments/questions to staff before the next meeting. Same with the Sole Source recommendations. Ideally, by Monday.

5. Meeting adjourned.

Summary of Comments/Recommendations re Port Seawall Lots (SWL) from June 7 and June 21 Meetings (June 7 in green; June 21 in blue) with corrections by Subcommittee on July 12, 2017

Design and development of seawall lots including ideas to improve integration with upland areas

- 1) The Waterfront Plan should continue to encourage SWL uses that integrate and connect with the surrounding neighborhood and waterfront.
- 2) Seek opportunities to improve connections between east and west sides of the Embarcadero.
- 3) SWL developments should achieve two desirable goals:
 - a. Incorporate public-oriented uses that can enliven the pedestrian/ground level experience in the neighborhood in a variety of ways (e.g. day/evening commercial-retail uses, pedestrian and landscape enhancements); research SF Planning Department design policies and criteria that promote ground floor pedestrian activation for inclusion in the Waterfront Plan
 - b. Generate revenue from development of a broad range of uses, including non-trust uses if needed (e.g. office, residential, general retail) to support Port capital improvements; non-trust uses would require State legislation to lift trust use restrictions for SWLs north of Market Street. Not opposed to more development ~~intensity~~ if it supports public goals and is accompanied by robust urban design.
- 4) SWL developments should emphasize access - physical and visual - from the street and sidewalk - to The Embarcadero, piers, and Bay, as well as access to a diverse range of users
- 5) Activate and clean-up underutilized seawall lot areas, which may be incorporated with public realm plans for the west side of the Embarcadero.

Acceptable uses and legislation to lift trust restrictions

- 1) 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.
- 2) The Plan should allow a broad range of uses and a flexible approach that invites new ideas to enhance surrounding neighborhoods, and physical and visual connections between the west and east sides of The Embarcadero and the Bay. ~~Give planners the freedom to think creatively.~~
- 3) State legislation which has lifted trust use restriction and allowed SWLs to develop consistent with adjacent neighborhoods generates significant financial benefits to support historic rehabilitation of piers and BCDP-recognized waterfront parks and public access
- 4) Use of SWLs should as much as possible support the most diverse population (whether oriented to residents or visitors or workers)

Parking on Seawall Lots

- 1) ~~5)~~ 5) Parking on SWLs is a trust use ~~and which~~ furthers trust objectives by:
 - a. accommodating Port visitors ~~to the waterfront~~ 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 in waterfront attractions (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
- 2) 6) Seawall lot parking uses should be in line with policy recommendations in the report recommended by the Transportation Subcommittee, and be informed by the results of further recommended transportation studies that develop data, Recommend a visitor study, including number, origin and transportation mode of people visiting waterfront, delivery needs, transit and bike use, that includes origin and destination points, and mode(s) of transportation used
- 3) 1) Any parking garage design should improve the pedestrian experience at ground level