Port of San Francisco

Strategic Plan

2016 - 2021

A Vibrant and Diverse Waterfront
Building A Diverse Waterfront

Port of San Francisco
2016 - 2021 Strategic Plan
Updated August 2016
A Message From the Port

As the Port of San Francisco embarks upon its 153rd year of enterprise it is building new uses to serve the City while continuing its maritime heritage. The Port’s great diversity of uses draws more than 24 million people to the waterfront for employment, transportation, exploration, entertainment, recreation, or simply to enjoy the Bay. The richness and diversity of these experiences, connected by generous public open spaces at the edge of San Francisco Bay make the Port’s waterfront a world-renowned attribute of a top international city – yet the Port remains true to its heritage – preserving its working waterfront and its history.
The Strategic Plan

The Strategic Plan is an operating guide to achieving the Port’s vision of a vibrant and diverse waterfront. The Strategic Plan functions alongside the Port’s 10-Year Capital Plan, which provides an assessment of capital needs and available resources, and the Waterfront Land Use Plan, which provides goals and policies for long-term use and improvement of Port property. Together the Capital Plan and the Waterfront Plan provide the framework for the Strategic Plan. The Strategic Plan sets the projects, programs, partnerships and stewardship work over the next five years, to achieve the Port Commission’s policy objectives for the waterfront.

Who We Are

The Port of San Francisco is a public enterprise agency of the City and County of San Francisco, responsible for managing 7½ miles of waterfront property for the people of California as mandated by the Burton Act that entrusted the Port to the City and County of San Francisco in 1969. As trustee of the property, the Port is obligated to promote maritime commerce, navigation and fisheries, as well as to protect natural resources and develop recreational facilities for public use.

What We Do

With an annual operating budget of approximately $80 million, the Port of San Francisco owns and operates maritime facilities and commercial real estate, and manages most of San Francisco’s waterfront property. The Port oversees a broad range of maritime, commercial, and public activities, and is involved in a diverse range of businesses, including real estate property management, cargo and cruise shipping, ferries and excursion boats, ship repair, commercial fishing, and harbor services.
Our Facilities

From Aquatic Park in the north to Heron’s Head Park in the south, the 7½ miles of Port property is a complex mix of piers, structures, seawall, and open land, and is home to more than 500 tenants. Most of the piers’ bulkhead buildings, seawall, and waterfront structures along the Embarcadero were built before World War II and many have historical distinction. The Port’s Pier 70 is endowed with the West Coast’s oldest collection of resources associated with the historic ship building, steel manufacturing, and ship repair industries.

The Port is also home to many of San Francisco’s leading tourist attractions, including the Ferry Building, AT&T Park, the Exploratorium, Alcatraz Landing, Pier 39, Fisherman’s Wharf, and Hyde Street Pier, which draw more than 24 million visitors annually to the Port’s northern waterfront.

Our Challenges

In the coming years, the Port faces mounting threats from natural disasters and aging infrastructure. The Port’s three-mile seawall, constructed over 100 years ago, is the foundation of the City’s edge, protecting businesses and transportation and enabling them to thrive. With a century of erosion and structural deterioration, plus the threat of earthquakes and predicted sea level rise, the seawall must be upgraded and improved to continue to function today and for generations to come.
Mission
The Port of San Francisco manages the waterfront as the gateway to a world-class city and advances environmentally and financially sustainable maritime, recreational, and economic opportunities to serve the City, Bay Area region, and California.

Vision
Deliver vibrant and diverse waterfront experiences that enrich the City and San Francisco Bay.

Goals
The Port will realize its Mission and Vision and address its challenges through seven goals.
RENEWAL

Enhance and balance the Port’s maritime and economic purpose, rich history, and changing relationship with the City, so the waterfront continues to be a treasured destination.

RENEWAL OBJECTIVES:

1. Update the Waterfront Land Use Plan to provide long-term land use policy direction that includes renewed subarea planning for the Northeast and South Beach waterfront areas.

2. Prioritize three projects for 2020 – Pier 70, Seawall Lot 337/Pier 48 and the Blue Greenway – to create vibrant new neighborhoods for residents, commercial and industrial/PDR businesses and employees. Incorporate major new waterfront parks and public access while maintaining the integrity of industrial maritime berthing and ship repair operations.

3. Engage in an adaptive reuse strategy for the historical preservation of pier and shed maritime and commercial assets.

4. Create a Maritime Eco-Industrial Strategy for southern waterfront lands from Pier 80 to Pier 96 to maintain a core area for maritime cargo and industrial uses that are designed and managed compatibly with the Blue Greenway open space network.

5. Expand the Port’s necklace of public open spaces and provide a broad array of recreational amenities and activities.
Promote the richness the Port has to offer through education, marketing, and maintaining strong relationships with Port users and stakeholders.

ENGAGEMENT OBJECTIVES:

1. Regularly engage in meaningful public participation and incorporate community feedback into Port initiatives.
2. Design and implement an integrated marketing plan with San Francisco residents and visitors to promote the Port’s attributes.
3. Maintain strategic partnerships and good customer service with Port tenants.
4. Enhance strategic partnerships with citizen advisory committees and government agencies.
5. Proactively market Port maritime and commercial leasing opportunities through a robust multi-dimensional marketing campaign promoting the Port as a unique brand.
6. Work closely with the Port Commission in setting vision, strategy, policy and fiscal goals for the Port.
7. Keep the public informed of the financial responsibilities of the Port.
Livability

LIVABILITY OBJECTIVES:

1. Promote living wage jobs at Port businesses by increasing the proportion of funds spent by the Port with local business enterprises (LBEs) and micro-LBEs and meet mandates for Local Hire in all current and future construction projects.

2. Expand the Port’s diversity in lease opportunities through increased outreach to the underserved communities and through developing partnerships.

3. Work with transportation agency partners to ensure an integrated transportation plan that includes programs to ease traffic congestion along the waterfront and expand public transit - including water taxis and ferries – as well as pedestrian and bicycle access.

4. Promote light manufacturing and industrial job opportunities in the City by marketing Port industrial facilities to boutique manufacturing businesses.

5. Sustain construction material industry operations at the Port, including bulk aggregate cargo shipping, concrete and asphalt batch plants, using state-of-the-art technologies to reduce air emissions, promote reuse and recycling of materials.

6. Retain affordable business space for non-profit entities and single proprietorships.

7. Meet or exceed mandates for affordable housing in new waterfront communities (Pier 70 and 337).
RESILIENCY

Lead the City’s efforts in addressing threats from earthquakes and flood risks through research and infrastructure improvements to the Seawall and Port property.

RESILIENCY OBJECTIVES:

1. Study and plan for Seawall repairs to address seismic and flood risk.
2. Assess all pending and new projects for the effects of rising sea level and ensure appropriate adaptation measures can be implemented.
3. Participate in local and state regulatory rule-making related to climate adaptation.
4. Work with City leadership to develop resilience and adaptation strategies that support needed seismic repairs to the Port’s Seawall and protect the Port and City from flood risk due to climate change and rising sea levels.
SUSTAINABILITY

Limit climate change and employ strong environmental stewardship principles through implementation of Port-wide practices that protect the environment and promote ecological balance.

SUSTAINABILITY OBJECTIVES:

1. Enhance the Port’s Climate Action Plan to meet the City’s Climate Goals by implementing policies to:
   a. Achieve zero waste in operations and construction throughout the Port by 2020;
   b. Have 50% of trips made by clean transportation for Port operations;
   c. Convert the Port operations to 100% renewable energy through alternative generation, efficiency upgrades, operations, and power purchase; and
   d. Protect the Bay’s ecology and other natural environment through sensitive development of open spaces, stormwater management, and management practices.

2. Implement leasing and development policies that support the City’s climate goals and protect the Bay’s ecology and surrounding natural environment.

3. Employ best environmental practices in Port operations such as green building, fleet management, and other operations.

4. Minimize carbon emissions and maximize carbon capture for Port operations, tenants, and developers.

5. Evaluate ‘carbon neutrality’ as a climate action goal for Port operations by 2017.
#6 Economic Vitality

**ECONOMIC VITALITY OBJECTIVES:**

1. Compete for global cargo shipping business, including bulk cargo.

2. Expand the system of active water berths for visiting commercial, transportation, and recreational vessels.

3. Ensure that commercial development of piers with deep water berths incorporate a maritime program to retain productive use of the berths and adjacent aprons.

4. Build a robust water taxi service and implement strategically placed water taxi landings to support special events and a daily “on call” service; position as part of an overall water transport system that includes ferries serving other counties.

5. Implement a balanced strategy to the real estate portfolio and asset management to maximize value and income stream to the Port.

6. Develop a long-term economic lease extension policy for existing retail and seawall lots.
Maintain the Port’s financial strength for future generations by addressing the growing backlog of deferred Port maintenance and managing waterfront assets to meet the City’s and the Port’s long-term goals.

STABILITY OBJECTIVES:

1. Seek traditional and innovative solutions to the Port’s capital plan funding gap by maximizing external investment capital for project funding, such as infrastructure financing districts, general obligation bonds, historic tax credits, and grants.

2. Target capital reinvestment in Port assets that maintain and improve current and projected financial performance.

3. Set aside 25% of annual net revenue to invest in the repair and replacement of Port facilities as described in the Port Commission Capital Policy.

4. Adhere to critical Port fiscal policies for maintaining prudent operating reserves, such as the Port Commission 15% Operating Reserve Policy, and enforce conservative debt policies, such as maintaining debt service coverage of at least 2 times net revenue.

5. Increase Port annual revenues to $125 million and continue to expand ongoing revenue sources.

6. Retain a diversified tenant base that will perform through economic cycles.

7. Balance the need for capital to sustain and maintain piers for revenue, with what is appropriate for the public benefit (i.e., in long-term lease renewals).