

## ATTACHMENT A

### JAMES R. HERMAN CRUISE TERMINAL AND NORTHEAST WHARF PLAZA AT PIER 27 PROJECT

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS: FINDINGS OF FACT, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES, AND STATEMENT OF OVERRIDING CONSIDERATIONS

#### SAN FRANCISCO PORT COMMISSION

In determining to approve the James R. Herman Cruise Terminal and Northeast Wharf Plaza At Pier 27 Project described in Section I, Project Description below, (referred to here as both the "Project" and the "Cruise Terminal Project Variant") the San Francisco Port Commission ("Port Commission") makes and adopts the following findings of fact and decisions regarding the Project description and objectives, significant impacts, mitigation measures and alternatives, and adopts the statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and under the California Environmental Quality Act ("CEQA"), California Public Resources Code Sections 21000 *et seq.*, particularly Sections 21081 and 21081.5, the Guidelines for Implementation of CEQA ("CEQA Guidelines"), 14 California Code of Regulations Sections 15000 *et seq.*, particularly Sections 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code. These findings comprise **Attachment A** to Port Resolution No. 11-75 ("Port Approval Resolution"), dated December 16, 2011. The Port Commission adopts these findings as part of the Port Approval Resolution and has incorporated these findings therein by reference.

This document is organized as follows:

**Section I** provides a description of the Project proposed for adoption, the environmental review process for the Project, the approval actions to be taken, and the location of records;

**Section II** identifies the impacts found not to be significant that do not require mitigation;

**Section III** identifies potentially significant impacts that can be avoided or reduced to less-than-significant levels through mitigation and describes the disposition of the mitigation measures;

**Section IV** identifies significant impacts that cannot be avoided or reduced to less-than-significant levels and describes any applicable mitigation measures as well as the disposition of the mitigation measures;

**Section V** evaluates the different Project alternatives and the economic, legal, social, technological, and other considerations that support approval of the Project and the rejection of the alternatives or elements of the alternatives analyzed; and

**Section VI** presents a statement of overriding considerations setting forth specific reasons in support of the Commission's actions and its rejection of the alternatives not incorporated into the Project. The Project is analyzed as the "Cruise Terminal Project Variant" in the 34<sup>th</sup> America's Cup & James R. Herman Cruise Terminal and Northeast Wharf Final EIR, Case No. 2010.0493E, certified by the San Francisco Planning Commission on December 15, 2011 ("Final EIR"). A Mitigation Monitoring and Reporting Program ("MMRP") containing the Final EIR mitigation measures proposed for adoption is attached as **Attachment B** to the Port Approval Resolution. The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. The MMRP provides a table setting forth each mitigation measure listed in the Final EIR that is required to reduce or avoid a significant adverse impact. The MMRP also specifies the agency responsible for implementation of each measure and establishes

monitoring actions and a monitoring schedule. The full text of the mitigation measures is set forth in the MMRP.

These findings are based upon substantial evidence in the entire record before the Port Commission. The references set forth in these findings to certain pages or sections of the Draft Environmental Impact Report ("Draft EIR"), the Comments and Responses document, and in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings. The Draft EIR and the Comments and Responses document, along with any Errata Sheets, comprise the Final EIR.

## **I. APPROVAL OF THE PROJECT**

### **A. Project Description**

By this action, the Commission approves the Project, which comprises physical improvements, uses, and operations planned for the improvements at Pier 27-29, a 14.8 acre pier under the jurisdiction of the San Francisco Port Commission, located at The Embarcadero near Bay Street in the northeast waterfront. The improvements and activities that constitute the Project are fully addressed in the Final EIR, including updates and refinements specifically defined in the "Cruise Terminal Project Variant", described in Chapter 11 of the Final EIR, which is the Project approved by the Port Commission. These CEQA findings for the Project support the Port Commission's approval of all design, construction and funding requirements necessary to implement the Project.

The Project involves the development of a new passenger cruise terminal at Pier 27 designed to meet modern ship and operational requirements of the cruise industry. Currently, the Port's primary cruise terminal is located at Pier 35, and Pier 27 serves as a secondary terminal when there are multiple cruise calls. Pier 35 has become increasingly constrained for accommodating modern cruise ship operations. Under the Project, Pier 27 will become the primary cruise terminal, and Pier 35 will be retained as a secondary terminal. In concert with the Cruise Terminal facility, the Port will construct the Northeast Wharf Plaza, a public open space along the west end of Pier 27, consistent with the policies of BCDC's *San Francisco Waterfront Special Area Plan*.

Site and construction planning for the Project has been coordinated with improvements programmed for Pier 27-29 to support the 34<sup>th</sup> America's Cup (AC34) international sailboat racing competition. If separately approved by the Port Commission and the City, the AC34 project will include Pier 27-29 as the America's Cup Village ("AC Village") during the 2013 race events. Under a Host and Venue Agreement between the America's Cup Event Authority and the City, the creation of the AC Village will require demolition of the entire Pier 27 shed and a portion of Pier 29 shed. Phase 1 of the Cruise Terminal construction will house a portion of the AC34 entertainment and hospitality activities of the AC Village. After conclusion of AC34, Phase 2 of the Project will be constructed, which will include full buildout of the Cruise Terminal building to function for cruise ship operations and construction of the landscaping and open space improvements for the Northeast Wharf Plaza. The Final EIR thus evaluated the impacts associated with the Project and the AC34 project due to their interrelated construction and shared use.

For Cruise Terminal operations, the Final EIR assumes the Port will receive 80 ship calls per year, which represents the high end of the range of 40 to 80 calls that currently occur annually. In anticipation of the current trends in the cruise ship industry towards larger cruise ships, the Project is designed to better accommodate newer, larger ships holding larger numbers of passengers than are currently served at Pier 35. The Cruise Terminal building will be sited within the larger footprint of the existing Pier 27 shed,

which will be demolished in its entirety as part of the AC34 project. The Cruise Terminal building will contain a large baggage claim area; check-in and waiting/seating areas, Customs and Border Protection and other security offices, processing and screening facilities, storage, utilities, and other facilities. The existing shoreside power substation at Pier 27 will be decommissioned during the end of the events of the AC34 project, and during the Phase 2 construction period of the Project. The shoreside power facility will be relocated onsite and upgraded from 12 megawatts (MW) to 20 MW to support larger cruise ships starting with the 2014 cruise season.

Vehicular access to and from The Embarcadero will be provided at a new driveway located just south of the Pier 29 shed. This access point will provide direct connection to the cruise facility's ground transportation area located within the center of the triangular-shaped pier. The approximately 3-acre ground transportation area will provide off-street space for access, drop-off, and exiting by trucks, taxis, buses, and passenger vehicles, to remove congestion on The Embarcadero such as currently created by the Pier 35 cruise terminal. A separate provisioning area located east of the cruise terminal building will accommodate access and staging for loading by large trucks, buses and delivery vehicles, consistent with federal security regulations.

The approximately 2½-acre Northeast Wharf Plaza will be located along the west end of Pier 27, fronting The Embarcadero promenade. The plaza site will be created with the demolition of Pier 27 shed in Phase 1 and be initially improved to support the AC Village. The design includes a large lawn, walkways and landscaping, a "piazza" feature that integrates the historic Pier 29 Belt Line office building. The updated concept design for the plaza is described and analyzed in Chapter 11 of the Final EIR.

*Additional Components of the Project as Described in Chapter 11 of the Final EIR*

As discussed above, the Project approved by the Commission is described as the Cruise Terminal Project Variant in Chapter 11 of the Final EIR. As such, the Project includes a number of updates and refinements that differentiate it from the Draft EIR Cruise Terminal project described in the Draft EIR. These updates and refinements are summarized here.

Under the Project, the proposed provisioning area, and associated security fencing and vehicle circulation would provide for public access on the west side of Pier 29 on all days, regardless of whether a cruise ship is in port. The provisioning truck access circulation would be shifted towards the Pier 27 portion of the pier to serve the reconfigured provisioning area. The Cruise Terminal sally port and security gate fencing would be configured such that only a portion of the area at the end of Piers 27-29 would be closed off when a cruise ship is in port, instead of closing off the entire end of Piers 27-29 as under the Draft EIR Cruise Terminal project. As with the proposed security fence proposed along the Pier 27 apron, the configured security fence at the end of Piers 27-29 would be retracted to allow free passage by the public to this area from the Ground Transportation Area when a cruise ship is not in port. The provisioning area immediately northeast of the Pier 27 cruise terminal building would not be available for public access except for designated perimeter walkways connecting to the Pier 27 apron, which would be open to the public on non-cruise days.

Under the Project, the proposed cruise terminal driveway is moved to the south by approximately 30 feet, consistent with Mitigation Measure M-TR-83 in the Draft EIR. This relocation would provide additional distance for vehicles exiting the Cruise Terminal site to access the northbound left turn pocket at the approach to Chestnut and Sansome Streets without blocking the adjacent travel lane.

The Project also includes refinements to the design of the Northeast Wharf Plaza. The Draft EIR Cruise Terminal project proposed several ancillary structures for commercial and recreational services (e.g., snacks, bike rentals) in the park/piazza design. Under the Project, no commercial or recreational service structures would be constructed at the Northeast Wharf Plaza. However, the Project includes potential future construction of a restroom facility structure within the landscaped buffer area between the plaza and the proposed Cruise Terminal Ground Transportation Area.

#### *Shared Uses*

The Cruise Terminal building also will accommodate shared uses in down times between cruise ship calls. These shared uses could include events such as conferences, public or private gatherings, and maritime-oriented events. It is estimated that up to 100 shared-use events could occur at the cruise terminal site annually.

#### *Port Tenant Relocation*

The Project requires the relocation of existing tenants currently leasing and occupying Pier 27-29 pier shed and facilities. A description of Pier 27 tenant displacement and relocation is included in a discussion on pp. 3-85 and 86 of the Final EIR. In support of these actions, the Port Commission will approve a Tenant Relocation Plan, as required by state law, which sets forth relocation benefits available to those vacating facilities.

#### *BCDC Plan Amendments*

As part of the Project, the Port has proposed amendments to the San Francisco Bay Conservation and Development Commission ("BCDC") Special Area Plan ("SAP"), an element of the San Francisco Bay Plan. Any such revisions to the Special Area Plan also will involve amendments to the Port's Waterfront Land Use Plan to maintain consistent policies of the two agencies. The proposed amendments are required to build the proposed James R. Herman Cruise Terminal and the Northeast Wharf Plaza and to allow berthing of cruise vessels in the Northeast Wharf Open Water Basin. The Project updates in Chapter 11 of the Final EIR present an updated description the SAP amendments, which would deliver a package of public benefits to expand and improve waterfront public access to offset public benefit reductions caused by the Project to the Northeast Wharf Open Water Basin and existing policies in the SAP.

The list below summarizes the proposed package of public benefits to replace the public benefits agreed to by the Port and BCDC with adoption of the 2000 amendments to the SAP, subject to funding availability and agreement by BCDC and the Port as to timing of implementation. As part of the SAP amendment review process, fill removal sites will be considered. The following fill removal sites were analyzed in the Draft EIR: Pier 98 LASH Terminal, Pier 84 and 88 along Islais Creek, Pier 70, Wharves 6, 7 and 8 and area adjacent to Pier 68, Pier 64, and the former site of Carmen's restaurant in China Basin channel. In addition, Chapter 11 of the Final EIR analyzed Pier ½ north of the Ferry Building as a possible fill removal site.

- **Pier 27 Shed and East Wall of Pier 29.** Remove the northeast portion of the Pier 27 shed and reconstruct the east wall of Pier 29 consistent with *Secretary's Standards*.
- **Beltline Piazza.** Either in conjunction with construction of Phase 2 improvements to the James R. Herman Cruise Terminal, or at a later date determined jointly by BCDC and the Port, increase the

size of Northeast Wharf Plaza to include a Beltline piazza adjacent to the Embarcadero Promenade.

- **Open Space at End of Piers 27-29.** Submit a plan for review by the BCDC Design Review Board and the Waterfront Design Advisory Committee for use of the open space at the end of Piers 27 and 29 resulting from the removal of the northeastern portion of Pier 27 that addresses wind impacts in this location and provides for public assembly, active recreation, water-oriented recreation, or other uses that take advantage of the panoramic views at this location.
- **Phased Public Access Improvements, Piers 27, 29, 31, 33.** Implement phased public access improvements to the Pier 27 and the Pier 29 north apron and provide public access through Pier 29 or Pier 29½ to the Pier 29 apron, including a Bayside History Walk, triggered by a major permit for a new long-term lease or major rehabilitation project at Pier 29 or Pier 29½ or an earlier date agreed by BCDC and the Port. Implement phased public access improvements to the Piers 31-33 areas, triggered by a major permit for a new long-term lease or major rehabilitation project at Pier 31 or Pier 33 or an earlier date agreed to by BCDC and the Port.
- **Open Water Basin at Piers 29-31.** Submit a plan for review by the BCDC Design Review Board and the Waterfront Design Advisory Committee for a new Open Water Basin at Piers 29-31, and potentially to Pier 33, that provides for water-oriented recreation access, triggered by a major new lease at one or more of any these locations.
- **Easternmost Portion of Pier 23 Shed.** If the Open Water Basin at Piers 29-31 (or Pier 33) and the open space at the end of Pier 29 is approved by BCDC, eliminate the requirement to remove the easternmost 315 feet of the Pier 23 shed.
- **Phased Improvements to the Pedestrian and Bicycle Experience.** Develop design standards for phased improvements to the pedestrian and bicycle experience on the east and west side of The Embarcadero from China Basin to Fisherman's Wharf, in consultation with the San Francisco Planning Department, SFMTA, and BCDC, and, for the east side of The Embarcadero, in consultation with the BCDC Design Review Board. These standards would improve the pedestrian experience by building wider sidewalks that allow for improved landscaping, public seating and opportunities for public art, with pedestrian bulb-outs, consistent with the City's Better Streets guidelines. On the west side of The Embarcadero, the pedestrian experience would be enhanced by a series of open spaces, triggered by adjacent development.
- **New Openings to View the Bay through Pier 19½.** Implement phased, new openings to view the Bay through Pier 19½, or phased removal of Pier 19½ in its entirety, with the option to build new maritime or other trust-consistent facilities, including structures to support such uses within a portion of the existing footprint of Pier 19½, in the Piers 19-23 basin. Such phased improvements would require reconstruction of the north wall of the Pier 19 bulkhead and the westernmost portion of the Pier 19 shed, consistent with the Secretary's Standards, and public access along the Pier 19 north apron, the Pier 19½ apron and the Pier 23 south apron, including a Bayside History Walk, timed with a new long-term lease of Piers 19-23 or an earlier date agreed by BCDC and the Port.
- **Pier 43 Promenade and Plaza Project.** By a date to be determined jointly by BCDC and the Port, expand the Pier 43 Promenade Project to incorporate the renovation of the public plaza at the Pier 43 Historic Arch and adjacent areas, consistent with the Secretary's Standards, to further improve public access and views along the Fisherman's Wharf shoreline. For purposes of this requirement, no improvements that trigger a seismic upgrade will be required.

## **B. Project Objectives**

The objectives of the proposed Project are to:

- Design a new, modern cruise terminal that optimizes current and future operational needs and retains an important historic maritime use along San Francisco's northeastern waterfront that is compatible with and respects the physical form and characteristics defining the Embarcadero Historic District, which is listed on the National Register of Historic Places
- Provide a highly visible berth for ceremonial and visiting ships and vessels, as well as cruise ships, that preserves and promotes the maritime character of San Francisco's historic waterfront
- Integrate a ground transportation area that serves all cruise ship and passenger access and support needs off-street to avoid traffic impacts on The Embarcadero
- Develop an efficient facility that will lower the Port's operational and maintenance costs by the use of effective space planning and equipment to handle passenger circulation and provisioning, and will meet the evolved security and passenger handling demands of the cruise ship industry
- Maintain shoreside power in a new, modern cruise terminal facility to promote and expand access and use of San Francisco's electrical grid while ships are in port to avoid cruise ship diesel emissions
- Configure the cruise terminal in a way that will create opportunities for the Port to allow special event uses when the terminal is not occupied for cruise purposes to enable year-round, people-oriented uses at Pier 27, generate revenue to help finance public improvements, and create an inviting amenity that supports and activates use and enjoyment of the Northeast Wharf Plaza
- Develop the Northeast Wharf Plaza, a major public open space integrated with public access on Pier 27; create new views and access to San Francisco Bay; promote recreational enjoyment along San Francisco's public waterfront; and preserve open water areas for passive and active enjoyment of the Bay
- Develop a project that embodies the City's commitment to sustainability principles by following the guidelines from the U.S. Green Building Council to achieve a Leadership in Energy and Environmental Design (LEED) Silver or better rating
- Integrate the design and construction of the Cruise Terminal project with the proposed AC34 race facilities and operations

## **C. Environmental Review**

### *Project Final EIR*

Pursuant to and in accordance with the requirements of Section 21094 of the Public Resources Code and Section 15152 of the CEQA Guidelines, the San Francisco Planning Department prepared a Final EIR for 34<sup>th</sup> America's Cup and James R. Herman Cruise Terminal and Northeast Wharf Projects.

In accordance with Sections 15063 and 15082 of the CEQA Guidelines, the San Francisco Planning Department, as lead agency, published a Notice of Preparation ("NOP") on February 9, 2011, and conducted scoping meetings for the EIR on February 23 and 24, 2011. The NOP was circulated to local,

state, and federal agencies and to other interested parties on February 9, 2011, initiating a public comment period that extended through March 11, 2011.

As indicated in the NOP, the EIR addressed the full range of environmental impacts of the Project. The NOP included a preliminary list of the potential environmental impacts. The NOP provided a general description of the Project, locations, and objectives (see Appendix NOP-1 in Volume 4 of the Final EIR for a copy of the NOP).

Pursuant to CEQA Guidelines Section 15083, the San Francisco Planning Department held two public scoping meetings on February 23, 2011 at the Port of San Francisco office at Pier 1, and on February 24, 2011 at San Francisco City Hall, both located in San Francisco. The purpose of the meetings was to present the proposed Project to the public and receive public input regarding the scope of the EIR analysis. Attendees were provided an opportunity to voice comments or concerns regarding potential effects of the Project.

The public scoping process and the comments received in response to the NOP yielded oral and written comments. The comment letters, transcript of the scoping meeting, and reproductions of the comment cards are available for public review at the Environmental Planning Division of the San Francisco Planning Department, 1650 Mission Street, San Francisco, CA. The comments issued during the scoping meeting addressed concerns regarding land use, plans and policies, aesthetics, air quality, long term development, transportation, biological resources, cultural resources, hydrology and water quality, and cumulative impacts.

The San Francisco Planning Department then prepared the Draft EIR, which describes the Project and the environmental setting, identifies potential impacts, presents mitigation measures for impacts found to be significant or potentially significant, and evaluates Project alternatives. The Draft EIR analyzes the impacts associated with the Project, and identifies mitigation measures applicable to reduce impacts found to be significant or potentially significant. It also includes an analysis of two alternatives to the Project, including the No Project Alternative and a Renovated Pier 27 Shed Alternative. In assessing construction and operational impacts of the Project, the EIR also considers the combined effects of the Project with AC34, and the contribution of Project impacts to cumulative impacts associated with the Project in combination with other past, present, and future actions with potential for impacts on the same resources.

Each environmental issue presented in the Draft EIR is analyzed with respect to significance criteria that are based on the San Francisco Planning Department Environmental Planning Division ("EP") guidance regarding the environmental effects to be considered significant. EP guidance is, in turn, based on CEQA Guidelines Appendix G, with some modifications.

On July 11, 2011, the Draft EIR was circulated to local, state, and federal agencies and to interested organizations and individuals for review and comment during a 45-day public review period, which closed on August 25, 2011. A public hearing was held by the Planning Commission on the Draft EIR to accept written or oral comments on August 11, 2011. During the public review period, the San Francisco Planning Department received 235 written comments sent through the mail or email and 45 oral comments from speakers at the public hearings. A court reporter was present at the public hearing, transcribed the oral comments verbatim, and prepared a written transcript, which is provided in the Comments and Responses document, described below.

The Comments and Responses document was published on December 1, 2011, and it included copies of all of the comments received on the Draft EIR as well as responses to those comments. The Comments and Responses document provided additional, updated information, and clarification on issues raised by commenters. As stated above, the Final EIR includes updates and refinements the

Draft EIR project description, presented in Chapter 11, Cruise Terminal Project Variant. The Cruise Terminal Project Variant represents the Project now approved by the Port Commission. The refinements include revisions to the cruise ship provisioning area to create a public access area at the tip of Pier 27-29 that would remain open to the public during cruise ship calls, refinements to the Northeast Wharf Plaza design to remove ancillary commercial structures, add a restroom facility, and landscaping modifications to respond to historic preservation design performance criteria. In addition, new air quality mitigation measures that reduce but do not eliminate the extent of significant air quality impacts described in the Draft EIR will be implemented as part of the Project, including a new shoreside power facility at the Pier 70 drydock shipyard. The Pier 70 shoreside power installation will mitigate the emissions generated during the period when the Pier 27 shoreside power substation is out of commission.

The Planning Commission reviewed and considered the Final EIR, which includes the Draft EIR, the Comments and Responses document, and all of the supporting information. The Final EIR also analyzed the potential effects of the Project on achieving the Cruise Terminal project objectives specified in the Final EIR. In certifying the Final EIR, the Planning Commission determined that the Final EIR does not add significant new information to the Draft EIR that would require recirculation of the EIR under CEQA because the Final EIR contains no information revealing: (1) any new significant environmental impact that would result from the Project or from a new mitigation measure proposed to be implemented; (2) any substantial increase in the severity of a previously identified environmental impact; (3) any feasible project alternative or mitigation measure considerably different from others previously analyzed that would clearly lessen the environmental impacts of the Project, but that was rejected by the Project's proponents; or (4) that the Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded. This Commission concurs with the determination of the Planning Commission. The Final EIR fully analyzed the Project proposed for approval by the Port Commission. No new impacts have been identified that have not been analyzed in the Final EIR.

#### **D. Environmental Analysis of the Cruise Terminal Project Variant**

As discussed, the Final EIR included a description and analysis of the Project, referred to in that document as the "Cruise Terminal Project Variant," in the Comments and Responses document, Chapter 11, including a detailed description of the Cruise Terminal Project Variant in Chapter 11.4 and analysis of impacts in Chapter 11.4.2. As stated above, the Cruise Terminal Project Variant is the Project approved by the Commission and may be referred to either as the "Project" or the "Cruise Terminal Project Variant" in these findings. The Comments and Responses document analysis concluded that the potential environmental effects of the Cruise Terminal Project Variant are similar to or less than the environmental effects of the Draft EIR Cruise Terminal project. The differences in the project elements and the impacts and mitigation measures between the Cruise Terminal Project Variant and the Draft EIR Cruise Terminal Project are described in Section I(A) above.

The updated and refined design and related elements included in the Project do not result in increased impacts as compared to the Draft EIR Cruise Terminal project. The Project would either result in the same or reduced impacts as compared to the Draft EIR Cruise Terminal project. The Comments and Responses document, Chapter 11, Section 11.4.2 Environmental Effects of the Cruise Terminal Project Variant, Table 11-6 Comparison of the Significant Environmental Impacts of the Draft EIR Cruise Terminal project and the Cruise Terminal Project Variant, provides a summary of how the impacts and mitigation measures of the Cruise Terminal Project Variant (i.e. the Project) compares to the Draft EIR

Cruise Terminal project. The Impacts associated with the Draft EIR Cruise Terminal project that would be reduced under the Project are:

- The Project would result in realignment of the cruise terminal access driveway 30 feet to the south consistent with Mitigation Measure M-TR-83 (Relocate Cruise Terminal Vehicular Access) in the Draft EIR. This relocation would provide additional distance for vehicles exiting the cruise terminal site to access the northbound left turn pocket at the approach to Chestnut and Sansome Streets without blocking the adjacent travel lanes.

In sum, the Project would have the same or reduced impacts as compared to the Draft EIR Cruise Terminal Project, and specifically would reduce impacts related to transportation and circulation, thus obviating the need to implement Mitigation Measure M-TR-83.

## **E. Approval Actions**

### **San Francisco Planning Commission**

- Certification of the Final EIR

### **San Francisco Port Commission**

- Approval of the Cruise Terminal project; adoption of CEQA findings and a Mitigation Monitoring and Reporting Program for each project

### **United States Customs and Border Protection**

- Approval of cruise terminal design as it applies to Customs and Border Protection facility guidelines

### **San Francisco Bay Conservation and Development Commission**

- Approval of *San Francisco Bay Plan*, *San Francisco Waterfront Special Area Plan* amendments
- Approval of one or more Administrative and Major Permits for fill and uses in San Francisco Bay and the Bay shoreline

### **California State Lands Commission**

- Consultation regarding use plan and Public Trust determination

### **California Regional Water Quality Control Board, San Francisco Bay Region**

- Section 401 Water Quality Certification and any associated\_Waste Discharge Requirements; Construction General Permit coverage and Industrial Stormwater Permit Coverage, as applicable

### **Bay Area Air Quality Management District**

- Authority to Construct and Permit to Operate applicable facilities

## **F. Content and Location of Record**

The record upon which all findings and determinations related to the Project are based includes the following:

- The Draft EIR and all documents referenced in or relied upon by the EIR (The references in these findings to the EIR or Final EIR include both the Draft EIR and the Comments and Responses document.)
- All information (including written evidence and testimony) provided by City staff before the Planning Commission and the Port Commission relating to the EIR, the Project, and the alternatives set forth in the EIR.
- All information (including written evidence and testimony) presented to the Port Commission and the Planning Commission by the environmental consultant and sub-consultants who prepared the EIR or incorporated into reports presented to the Commissions.
- All information presented at any public hearing or workshop related to the Project and the EIR.
- The Mitigation Monitoring and Reporting Program.
- All other documents available to the Port Commission, the Planning Commission, and the Planning Department and the public, comprising the administrative record pursuant to Public Resources Code Section 21167.6(e).

The Port Commission has relied on all of the documents listed above in reaching its decision on the Project, even if not every document was formally presented to the Port Commission. A copy of all letters regarding the Draft EIR received during the public review period, the administrative record, and background documentation for the Final EIR are available at the San Francisco Planning Department, 1650 Mission Street, San Francisco. **Linda Avery** is the Custodian of Records for the Planning Department. Materials concerning approval of the Project and adoption of these findings are maintained at the Port of San Francisco, Pier 1, San Francisco, California 94111. The Custodian of Records for the Port is Amy Quesada. All files have been available to the Port Commission and the public for review in considering these findings and whether to approve the Project.

#### **G. Findings About Significant Environmental Impacts and Mitigation Measures**

The following Sections II, III and IV set forth the Commission's findings about the Final EIR's determinations regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide the written analysis and conclusions of the Commission regarding the environmental impacts of the Project and the mitigation measures included as part of the Final EIR and adopted by the Commission. To avoid duplication and redundancy, and because the Commission agrees with, and hereby adopts, the conclusions in the Final EIR, these findings will not repeat the analysis and conclusions in the Final EIR, but instead incorporate them by reference in these findings and rely upon them as substantial evidence supporting these findings.

In making these findings, the Commission has considered the opinions of City staff and experts, other agencies, and members of the public. The Commission finds that the determination of significance thresholds is a judgment decision within the discretion of the City and County of San Francisco; the significance thresholds used in the Final EIR are supported by substantial evidence in the record, including the expert opinion of the Final EIR preparers and City staff; and the significance thresholds used in the Final EIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the Project. Thus, although, as a legal matter, the Commission is not bound by the significance determinations in the Final EIR (see Public Resources Code, Section 21082.2(e)), the Commission finds them persuasive and hereby adopts them as its own.

These findings do not attempt to describe the full analysis of each environmental impact contained in the Final EIR. Instead, a full explanation of these environmental findings and conclusions can be found in the Final EIR, and these findings hereby incorporate by reference the discussion and analysis in the Final EIR supporting the determination regarding the Project impacts and mitigation measures designed to address those impacts. In making these findings, the Commission ratifies, adopts, and incorporates in these findings the determinations and conclusions of the Final EIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings.

As set forth below, the Commission adopts and incorporates all of the mitigation measures set forth in the Final EIR and the attached MMRP to substantially lessen or avoid the potentially significant and significant impacts of the Project. The Commission intends to adopt each of the mitigation measures proposed in the Final EIR for the Cruise Terminal Project Variant to reduce or eliminate significant impacts resulting from the Project, and, as such, does not adopt Mitigation Measure M-TR-83, which is not required for Project for the reasons set forth in Chapter 11 of the Final EIR. Accordingly, in the event a mitigation measure recommended in the Final EIR for the Cruise Terminal Project Variant has inadvertently been omitted in these findings or the MMRP, such mitigation measure is hereby adopted and incorporated in the findings below by reference. In addition, in the event the language describing a mitigation measure set forth in these findings or the MMRP fails to accurately reflect the mitigation measures in the Final EIR for the Cruise Terminal Project Variant due to a clerical error, the language of the policies and implementation measures as set forth in the Final EIR shall control. The impact numbers and mitigation measure numbers used in these findings reflect the information contained in the Final EIR.

In the Sections II, III and IV below, the same findings are made for a category of environmental impacts and mitigation measures. Rather than repeat the identical finding to address each and every significant effect and mitigation measure, the initial finding obviates the need for such repetition because in no instance is the Commission rejecting the conclusions of the Final EIR or the mitigation measures recommended in the Final EIR for the Project.

## **II. IMPACTS FOUND NOT TO BE SIGNIFICANT AND THUS DO NOT REQUIRE MITIGATION**

Under CEQA, no mitigation measures are required for impacts that are less than significant (Public Resources Code, Section 21002; CEQA Guidelines, Sections 15126.4 (a)(3), 15091). The Final EIR identified impact areas found not to be significant for the Cruise Terminal Project Variant as well as areas for which the Project had no impact. Based on the evidence in the whole record of this proceeding, the Port Commission finds that the implementation of the Cruise Terminal Project will result in less-than-significant impacts (or, where indicated, no impact) in the following areas and that these impact areas, therefore, do not require mitigation:

### **Project-Level Impacts**

#### **Land Use**

- **Impact LU-4:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza at Piers 27–29 would not physically divide an established community.
- **Impact LU-5:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not conflict with any plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect.
- **Impact LU-6:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not have a substantial adverse impact on the existing character of Piers 27–29.

### **Aesthetics**

- **Impact AE-5:** Construction and operation of the Cruise Terminal and Northeast Wharf Plaza would not have a substantial adverse effect on a scenic vista
- **Impact AE-6:** Construction and operation of the Cruise Terminal and Northeast Wharf Plaza would not affect scenic resources (vistas, roadways, and designated scenic areas) or the visual character of the project sites and surroundings.
- **Impact AE-7:** Construction and operation of the Cruise Terminal and Northeast Wharf Plaza at Piers 27–29 would not substantially damage scenic resources or other features of the built environment that contribute to a scenic public setting.
- **Impact AE-8:** Construction and operation of the Cruise Terminal and Northeast Wharf Plaza at Piers 27–29 would not create a new source of substantial light or glare that would adversely affect daytime or nighttime views in the area.

### **Population and Housing**

- **Impact PH-4:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not induce substantial population growth in the area, either directly (for example, by constructing new homes) or indirectly (for example, by establishing substantial new employment opportunities that attract employees to an area through extension of roads or other infrastructure).
- **Impact PH-5:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not displace existing housing units or create demand for additional housing.
- **Impact PH-6:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

### **Cultural and Paleontological Resources**

- **Impact CP-5:** Construction and operation of the proposed Pier 27 Cruise Ship Terminal would not result in a substantial adverse change in the significance of a historic resource.
- **Impact CP-7:** Proposed fill removal within Port properties associated with amendments to the BCDC Special Area Plan for the AC34 and Cruise Terminal projects would not cause a substantial adverse change in the significance of a historic resource.
- **Impact CP-9:** Construction and operation of the proposed Pier 27 Cruise Ship Terminal and Northeast Wharf Plaza would not directly or indirectly destroy a unique paleontological resource or site or unique geological feature.

### **Transportation and Circulation**

- **Impact TR-81:** Implementation of the Cruise Terminal project would have a less than significant impacts at two study intersections that would operate at LOS F under Existing plus Cruise Terminal project conditions.
- **Impact TR-82:** Implementation of the Cruise Terminal project would have less than significant impacts at 20 study intersections that would operate at LOS D or better under Existing plus Cruise Terminal project conditions.
- **Impact TR-83:** Implementation of the Cruise Terminal project would not affect traffic operations on The Embarcadero.
- **Impact TR-84:** Implementation of the Cruise Terminal project would not cause a substantial increase in transit demand at the Muni Downtown and the Regional Transit Screenlines that could not be accommodated by adjacent transit service, or cause a substantial increase in transit delays or operating costs.
- **Impact TR-86:** Implementation of the Cruise Terminal would not create potentially hazardous conditions for bicyclists or otherwise substantially interfere with bicycle accessibility to the project site and adjoining areas.

- **Impact TR-87:** Implementation of the Cruise Terminal would not result in substantial overcrowding on public sidewalks, create hazardous conditions for pedestrians, or otherwise interfere with pedestrian accessibility to the project site or adjoining areas.
- **Impact TR-88:** Implementation of the Cruise Terminal project would not result in a loading demand during the peak hour of loading activities that could not be accommodated within the proposed loading supply, or within on-street loading zones.
- **Impact TR-89:** Implementation of the Cruise Terminal project would not result in a significant emergency vehicle access impact.
- **Impact TR-90:** Implementation of the Cruise Terminal project would not result in construction-related transportation impacts because of their temporary and limited duration.

### Noise

- **Impact NO-5:** Construction of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in exposure of persons to or generation of noise levels in excess of standards established in the San Francisco General Plan or San Francisco Noise Ordinance.
- **Impact NO-6:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in exposure of persons to or generation of noise levels in excess of standards established in the *San Francisco General Plan* or San Francisco Noise Ordinance.
- **Impact NO-7:** Construction of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels.
- **Impact NO-8:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels.
- **Impact NO-9:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project.
- **Impact NO-10:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project.

### Air Quality

- **Impact AQ-9:** Construction of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in localized, construction dust-related air quality impacts.
- **Impact AQ-11:** Construction resulting from the amendments to the Bay Conservation and Development Commission (BCDC) Special Area Plan would not result in emission of criteria pollutants and precursors that would violate an air quality standard or contribute substantially to an existing or projected air quality violation.
- **Impact AQ-12:** Construction of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not expose sensitive receptors to substantial concentrations of toxic air contaminants or respirable particulate matter (PM<sub>2.5</sub>).
- **Impact AQ-13:** Construction resulting from amendments to the Bay Conservation and Development Commission (BCDC) Special Area Plan (SAP) would not expose sensitive receptors to substantial concentrations of toxic air contaminants or respirable particulate matter (PM<sub>2.5</sub>).
- **Impact AQ-14:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not violate an air quality standard or contribute substantially to an existing or projected air quality violation.
- **Impact AQ-15:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not expose sensitive receptors to substantial concentrations of toxic air contaminants or respirable particulate matter (PM<sub>2.5</sub>).

- **Impact AQ-16:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not conflict with or obstruct implementation of applicable air quality plans.
- **Impact AQ-17:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not create objectionable odors affecting a substantial number of people
- **Impact AQ-18:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in carbon monoxide concentrations in excess of state or federal standards.

#### **Greenhouse Gas Emissions**

- **Impact C-GG:** The proposed project would not generate greenhouse gas emissions at levels that would result in a significant impact on the environment or conflict with any policy, plan, or regulation adopted for the purpose of reducing greenhouse gas emissions.

#### **Shadow**

- **Impact SH-2:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not create new shadow in a manner that would substantially affect outdoor recreation facilities or other public areas.

#### **Recreation**

- **Impact RE-2:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza at Piers 27-29 would not increase the use of parks and recreational facilities such that substantial physical deterioration of the facilities would occur and would not otherwise result in physical degradation of existing recreational resources.

#### **Utilities and Service Systems**

- **Impact UT-8:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not exceed wastewater treatment requirements of the San Francisco Regional Water Quality Control Board.
- **Impact UT-9:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities.
- **Impact UT-10:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which would not cause significant environmental effects.
- **Impact UT-11:** The City and County of San Francisco would have sufficient water supply available to serve the James R. Herman Cruise Terminal and Northeast Wharf Plaza from existing entitlements and resources, and would not require new or expanded water supply resources or entitlements.
- **Impact UT-12:** Operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in a determination by the wastewater treatment provider that would serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments.
- **Impact UT-13:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs.
- **Impact UT-14:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would comply with federal, state, and local statutes and regulations related to solid waste.

#### **Public Services**

- **Impact PS-4:** Construction and operation of James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in substantial adverse physical impacts associated with the

provision of or the need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for fire protection and emergency medical services.

- **Impact PS-5:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in substantial adverse physical impacts associated with the provision of or the need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for law enforcement services.

#### **Biological Resources - Upland Biological Resources**

- **Impact BI-7:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would not have a substantial adverse effect on any riparian habitat or other sensitive natural upland community identified in local or regional plans, policies, or regulations.
- **Impact BI-8:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would not have a substantial adverse effect on federally protected wetlands.
- **Impact BI-10:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would not conflict with any applicable local policies or ordinances protecting upland biological resources.

#### **Biological Resources - Marine Resources**

- **Impact BI-17:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza would not have a substantial adverse effect, either directly or through habitat modifications, on marine or estuarine species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations.

#### **Geology and Soils**

- **Impact GE-7:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not expose people or structures to substantial adverse effects related to fault rupture.
- **Impact GE-10:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in substantial slope instability or expose people or structures to substantial adverse effects related to earthquake-induced landslides.
- **Impact GE-11:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not result in substantial erosion or loss of topsoil.

#### **Hydrology and Water Quality**

- **Impact HY-6:** Operation of the Cruise Terminal and Northeast Wharf Plaza would not exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff.
- **Impact HY-7:** The Cruise Terminal and Northeast Wharf Plaza would not expose people or structures to a significant risk of loss, injury, or death involving inundation by seiche or tsunami.
- **Impact HY-8:** The Cruise Terminal and Northeast Wharf Plaza would not expose people or structures to a significant risk of loss, injury, or death involving inundation from flooding as a result of climate change-induced sea level rise.
- **Impact HY-9:** Proposed fill removal within Port properties associated with amendments to the BCDC Special Area Plan for the cruise terminal and Northeast Wharf Plaza would not violate water quality standards or waste discharge requirements or otherwise substantially degrade water quality.

### **Hazards and Hazardous Materials**

- **Impact HZ-5:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not have a substantial adverse effect related to the routine transport, use, or disposal of hazardous materials.
- **Impact HZ-6:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not create a significant hazard to the public or the environment as a result of a release of hazardous materials in soil or sediment or location of project activities on a government list of hazardous materials sites.
- **Impact HZ-8:** The Cruise Terminal and Northeast Wharf Plaza would not expose people or structures to a significant risk of loss, injury, or death involving fires nor would it impair implementation of or physically interfere with and adopted emergency response plan or emergency evacuation plan.

### **Minerals and Energy Resources**

- **Impact ME-2:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not encourage activities that would result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner.

### **Agriculture and Forest Resources**

- **Impact AG-2:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would not (a) convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance; (b) conflict with existing zoning for agricultural use, or a Williamson Act contract; (c) conflict with existing zoning for or cause rezoning of forest land or timberland; (d) result in the loss of forest land or conversion of forest land to non-forest use; or (e) involve other changes in the existing environment that, due to their location or nature, could result in conversion of Farmland to non-agricultural use or forest land to non-forest use.

### **Cumulative Impacts**

The Project would result in a less than considerable contribution to cumulative impacts for the following impacts:

#### **Land Use**

- **Impact C-LU:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative land use impacts.

#### **Aesthetics**

- **Impact C-AE:** There would be no cumulative impacts on visual quality.

#### **Population and Housing**

- **Impact C-PH:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative impacts on population and housing.

#### **Transportation and Circulation**

- **Impact C-TR-6:** Implementation of the Cruise Terminal project would have less than significant impacts at six study intersections that would operate at LOS E or LOS F under 2035 cumulative conditions.
- **Impact C-TR-7:** Implementation of the Cruise Terminal project would have less than significant impacts at 11 study intersections that would operate at LOS D or better under 2035 cumulative conditions.

- **Impact C-TR-8:** The proposed project's contribution to cumulative transit trips would not contribute considerably to exceeding Muni's capacity utilization standard at the Downtown screenlines during the weekday a.m. and p.m. peak hours.
- **Impact C-TR-10:** The proposed project's contribution to cumulative transit trips on AC Transit, BART, Caltrain, Golden Gate Transit, SamTrans, and other ferry lines would not contribute considerably to the capacity utilization at the regional screenlines during the weekday a.m. and p.m. peak hours.

#### **Wind**

- **Impact C-WI:** The projects, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative wind impacts.

#### **Shadow**

- **Impact C-SH:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative shadow impacts.

#### **Recreation**

- **Impact C-RE:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative recreation impacts.

#### **Utilities and Service Systems**

- **Impact C-UT:** The proposed project, combined with past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative impacts on utilities or service systems.

#### **Public Services**

- **Impact C-PS:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative impacts on public services.

#### **Biological Resources - Upland Biological Resources**

- **Impact C-BIa:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative impacts on upland biological resources.

#### **Biological Resources - Marine Resources**

- **Impact C-BIb:** The project, in combination with other past, present, and reasonably foreseeable future projects, could result in significant adverse cumulative impacts on marine and estuarine biological resources.

#### **Geology and Soils**

- **Impact C-GE:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative impacts related to geology and soils.

#### **Minerals and Energy Resources**

- **Impact C-ME:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative impacts on mineral or energy resources.

### **Agriculture and Forest Resources**

- **Impact C-AG:** The project, in combination with other past, present, and reasonably foreseeable future projects, would not result in significant adverse cumulative impacts on agricultural or forest resources.

### **III. FINDINGS OF POTENTIALLY SIGNIFICANT IMPACTS THAT CAN BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT LEVEL THROUGH MITIGATION AND THE DISPOSITION OF THE MITIGATION MEASURES**

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potential significant impacts if such measures are feasible (unless mitigation to such levels is achieved through adoption of a project alternative). The findings in this Section III and in Section IV concern mitigation measures set forth in the EIR. These findings discuss mitigation measures as proposed in the Final EIR and recommended for adoption by the Commission, which can be implemented by the Project Sponsors. The mitigation measures proposed for adoption in this section are the same as the mitigation measures identified in the Final EIR for the Cruise Terminal Project Variant. The full explanation of the potentially significant environmental impacts is contained in Chapters 5 and 6 of the Final EIR, (and in text changes to Chapter 5 found in Chapter 13 of the Final EIR). The full text of the mitigation measures is contained in the Final EIR in Chapter 13 and in **Attachment B**, the **Mitigation Monitoring and Reporting Program**. **Attachment B** also specifies the agency responsible for implementation of each measure, establishes monitoring actions and a monitoring schedule.

This Commission recognizes that some of the mitigation measures as explained below are partially within the jurisdiction of other agencies, including the U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, California Department of Fish and Game, San Francisco Bay Regional Water Quality Control Board, Bay Area Air Quality Management District, Marin County, and San Francisco Planning Department. The Commission urges these agencies to assist in implementing these mitigation measures, and finds that these agencies can and should participate in implementing these mitigation measures.

For purposes of these findings, significant project impacts have been organized into two categories: project impacts and cumulative impacts. The Commission adopts all of the mitigation measures proposed for the Cruise Terminal Project Variant as identified in the Final EIR. The Commission finds that all of the mitigation measures are appropriate and feasible and that changes or alterations will be required in, or incorporated into, the Cruise Terminal Project Variant that mitigate or avoid the significant environmental effects as identified in the Final EIR. Based on the analysis contained in the Final EIR, other considerations in the record, and the standards of significance, the Commission finds that implementation of all of the proposed mitigation measures will reduce the potentially significant impacts discussed in this Section III to a ***less-than-significant*** level.

### **Project-Level Impacts**

#### **Cultural and Paleontological Resources**

- **Impact CP-6:** Construction of the proposed Northeast Wharf Plaza could cause a substantial adverse change in the significance of a historic resource.
  - *Mitigation Measure M-CP-6: Northeast Wharf Plaza Performance Criteria*
- **Impact CP-8:** Construction and operation of the proposed Pier 27 Cruise Ship Terminal and Northeast Wharf Plaza could cause a substantial adverse change in the significance of an archeological resource, including shipwrecks.
  - *Mitigation Measure M-CP-2: Inadvertent Discovery of Archeological Resources or Shipwrecks*

- **Impact CP-10:** Construction and operation of the proposed Pier 27 Cruise Ship Terminal and Northeast Wharf Plaza could disturb any human remains, including those interred outside of formal cemeteries.
  - *Mitigation Measure M-CP-4: Inadvertent Discovery of Human Remains*

#### Wind

- **Impact WI-2:** Construction and operation of the Cruise Terminal and Northeast Wharf Plaza could alter wind in a manner that substantially affects public areas.
  - *Mitigation Measure M-WI-2: Warning Signs, Limiting Access and/or Design Features on the Eastern Aprons of Piers 27-29 During Hazardous Wind Events.*

#### Biological Resources – Upland Biological Resources

- **Impact BI-6:** The construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza could have a substantial adverse effect, either directly or through habitat modifications, on upland species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations.
  - *Mitigation Measure M-BI-6a: Bird-Sensitive Night Lighting at the Cruise Terminal*
  - *Mitigation Measure M-BI-6b: Bird-Building Collision Avoidance*
  - *Mitigation Measure M-BI-4c: Protection for Breeding Birds on Piers and Associated Structures*
- **Impact BI-9:** The James R. Cruise Terminal and Northeast Wharf Plaza could interfere with the movement of any native upland wildlife species or with established native resident or migratory wildlife corridors or impede the use of native wildlife nursery sites.
  - *Mitigation Measure M-BI-4c: Protection for Breeding Birds on Piers and Associated Structures*
  - *Mitigation Measure M-BI-4d: Protection for Bat Roosts on Piers and Associated Structures*

#### Geology and Soils

- **Impact GE-8:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza could expose people or structures to substantial adverse effects related to groundshaking.
  - *Mitigation Measure M-GE-2: Site-Specific Geotechnical Investigation*
- **Impact GE-9:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza could expose people or structures to substantial adverse effects related to liquefaction, lateral displacement, or earthquake-induced settlement.
  - *Mitigation Measure M-GE-2: Site-Specific Geotechnical Investigation*
- **Impact GE-12:** The James R. Herman Cruise Terminal and Northeast Wharf Plaza could be located on a geologic unit or soil that is unstable, or that could become unstable as a result of the project.
  - *Mitigation Measure M-GE-2: Site-Specific Geotechnical Investigation*

#### Hydrology and Water Quality

- **Impact HY-5:** Construction and operation of the Cruise Terminal and Northeast Wharf Plaza could violate water quality or waste discharge requirements or otherwise substantially degrade water quality.
  - *Mitigation Measure M-HY-1: Water Quality Best Management Practices*

#### Hazards and Hazardous Materials

- **Impact HZ-7:** Construction and operation of the James R. Herman Cruise Terminal and Northeast Wharf Plaza could create a significant hazard to the public or the environment as a

result of a release of hazardous building materials in structures that would be demolished and creosote-treated pilings and structures that would be removed.

- *Mitigation Measure M-HZ-3: Removal of Hazardous Building Materials*

### **Cumulative Impacts**

The Project would make a considerable contribution to cumulative impacts, which could be reduced to a **less-than-significant** level with the implementation of Project mitigation measures for the following impacts.

### **Cultural and Paleontological Resources**

- **Impact C-CP:** The combination of AC34 and Cruise Terminal projects, in combination with other past, present and foreseeable future projects, could have a cumulatively considerable effect on cultural resources.
  - *Mitigation Measure M-CP-2: Inadvertent Discovery of Archeological Resources or Shipwrecks*
  - *Mitigation Measure M-CP-4: Inadvertent Discovery of Human Remains*
  - *Mitigation Measure M-CP-6. Northeast Wharf Plaza Performance Criteria*

### **Hydrology and Water Quality**

- **Impact C-HY:** The project, in combination with other past, present, and reasonably foreseeable future projects, could result in significant adverse cumulative hydrology or water quality impacts.
  - *Mitigation Measure M-HY-1: Water Quality Best Management Practices*

### **Hazards and Hazardous Materials**

- **Impact C-HZ:** The project, in combination with other past, present, and reasonably foreseeable future projects, could result in significant adverse cumulative hazards and hazardous materials impacts.
  - *Mitigation Measure M-HZ-3: Removal of Hazardous Building Materials*

## **IV. SIGNIFICANT IMPACTS THAT CANNOT BE AVOIDED OR REDUCED TO A LESS-THAN-SIGNIFICANT**

### **A. Project Impacts**

Based on substantial evidence in the whole record of these proceedings, the Commission finds that, where feasible, changes or alterations have been required, or incorporated into, the Project to reduce the significant environmental impacts as identified in the Final EIR. The Commission finds that the mitigation measures in the Final EIR and described below are appropriate, and that changes have been required in, or incorporated into, the Project that, pursuant to Public Resources Code Section 21002 and CEQA Guidelines Section 15091, may substantially lessen, but do not avoid (i.e., reduce to less than significant levels), the potentially significant environmental effect associated with implementation of the Cruise Terminal Project. The Commission adopts all of the mitigation measures proposed in the Final EIR that are relevant to the Project (described as the "Cruise Terminal Project Variant" in the Final EIR) and set forth in the **MMRP**, attached hereto as **Attachment B**. The Commission further finds, however, for the impacts listed below, despite the implementation of any identified feasible mitigation measures, the effects remain significant and unavoidable. Based on the analysis contained within the Final EIR, other considerations in the record, and the standards of significance, the Port Commission finds that because some aspects of the Project could cause potentially significant impacts for which feasible mitigation measures are not available to reduce the impact to a less-than-significant level, the impacts are **significant and unavoidable**. For a detailed explanation of the lack of feasible mitigation measures for the following impacts, please see the relevant discussion within the Final EIR.

The Commission determines that the following significant impacts on the environment, as reflected in the Final EIR, are unavoidable, but under Public Resources Code Section 21081(a)(3) and (b), and CEQA Guidelines 15091(a)(3), 15092(b)(2)(B), and 15093, the Port Commission determines that the impacts are acceptable due to the overriding considerations described in Section VII below. This finding is supported by substantial evidence in the record of this proceeding.

### **Project-Level Impacts**

#### **Transportation and Circulation**

- **Impact TR-85:** Implementation of the Cruise Terminal project would contribute to existing exceedance of capacity utilization standard on the F-Market & Wharves historic streetcar line.
  - *Mitigation Measure M-TR-85: Additional F-Market & Wharves or E-Embarcadero Service*

#### **Air Quality**

- **Impact AQ-10:** Construction of the James R. Herman Cruise Terminal and Northeast Wharf Plaza would result in emission of criteria pollutants and precursors that would violate an air quality standard or contribute substantially to an existing or projected air quality violation.
  - *Mitigation Measure M-AQ-2a: Construction Vehicle Emissions Minimization*
  - *Mitigation Measure M-AQ-2b: Off-Road Construction Equipment*
  - *Mitigation Measure M-AQ-2c: Off-Road Construction Equipment - Electricity Use*
  - *Mitigation Measure M-AQ-2d: Off-Road Construction Equipment - Best Management Practices (BMPs)*
  - *Mitigation Measure M-AQ-2f: Fuels for Off-Road Construction Equipment*
  - *Mitigation Measure M-AQ-4d: Return Pier 27 to the Port Within One Month after Completion of the Match for Reconnection of Shoreside Power*
  - *Mitigation Measure 4e: Long-term Shoreside Power at Pier 70*

### **Cumulative Impacts**

#### **Transportation and Circulation**

- **Impact C-TR-1:** Implementation of the Cruise Terminal project would result in significant project and cumulative impacts at the intersection of The Embarcadero/ Broadway.
  - *No feasible mitigation available.*
- **Impact C-TR-2:** Implementation of the Cruise Terminal project would result in a significant project and cumulative impacts at the intersection of The Embarcadero/ Washington.
  - *No feasible mitigation available.*
- **Impact C-TR-3:** Implementation of the Cruise Terminal project would result in a significant project and cumulative impacts at the intersection of The Embarcadero/ Mission.
  - *No feasible mitigation available.*
- **Impact C-TR-4:** Implementation of the Cruise Terminal project would result in a significant project and cumulative impacts at the intersection of The Embarcadero/ Howard.
  - *No feasible mitigation available.*
- **Impact C-TR-5:** Implementation of the Cruise Terminal project would result in a significant project and cumulative impacts at the intersection of The Embarcadero/Folsom.
  - *No feasible mitigation available.*

- **Impact C-TR-9:** The proposed project's contribution to cumulative transit conditions on the F-Market & Wharves historic streetcar line would be considerable, and would result in significant project and cumulative impacts on the F-Market & Wharves historic streetcar.
  - *Mitigation Measure M-TR-85: Additional F-Market & Wharves or E-Embarcadero Service*

#### Noise

- **Impact C-NO:** Cruise terminal project-related traffic, in combination with other past, present, and reasonably foreseeable future projects, would result in significant and unavoidable adverse cumulative noise impacts.
  - *No feasible mitigation available.*

#### Air Quality

- **Impact C-AQ-2:** The proposed Cruise Terminal project, in combination with other past, present, and reasonably foreseeable future projects, would result in significant adverse cumulative impacts on air quality.
  - *Mitigation Measure M-AQ-2a: Construction Vehicle Emissions Minimization*
  - *Mitigation Measure M-AQ-2b: Off-Road Construction Equipment*
  - *Mitigation Measure M-AQ-2c: Off-Road Construction Equipment - Electricity Use*
  - *Mitigation Measure M-AQ-2d: Off-Road Construction Equipment - Best Management Practices*
  - *Mitigation Measure M-AQ-2f: Fuels for Off-Road Construction Equipment*
  - *Mitigation Measure M-AQ-4d: Return Pier 27 to the Port Within One Month after Completion of the Match for Reconnection of Shoreside Power*
  - *Mitigation Measure M-AQ-4e: Long-term Shoreside Power at Pier 70*

## V. EVALUATION OF PROJECT ALTERNATIVES

This section alternatives to the Project and the reasons for approving the Project and for rejecting the alternatives. This section also outlines the Project's purposes and provides a context for understanding the reasons for selecting or rejecting alternatives. CEQA mandates that an EIR evaluate a reasonable range of alternatives to the Project or the Project location that generally reduce or avoid potentially significant impacts of the Project. CEQA requires that every EIR also evaluate a "No Project" alternative. Alternatives provide a basis of comparison to the Draft EIR project in terms of their significant impacts and their ability to meet project objectives. This comparative analysis is used to consider reasonable, potentially feasible options for minimizing environmental consequences of the Project.

The Final EIR analyzes two alternatives, discussed below, and the reasons for rejecting them in favor of approving the Project. In addition to these alternatives, the Final EIR includes a separate discussion of other Cruise Terminal site alternatives that were considered but rejected from further consideration and the reasons why, including Pier 30-32, Pier 50, Pier 70, Pier 80, Pier 94-96.

### A. Reasons for Selection of the Project

The Project, as analyzed in the Final EIR, directly contributes to achievement of the objectives of the Project Sponsors, including the City and the Port of San Francisco, and will provide the following benefits:

- A new, modern cruise terminal that optimizes current and future operational needs and retains an important historic maritime use along San Francisco's northeastern waterfront that is compatible with and respects the physical form and characteristics defining the Embarcadero Historic District, which is listed on the National Register of Historic Places

- A highly visible berth for ceremonial and visiting ships and vessels, as well as cruise ships, that preserves and promotes the maritime character of San Francisco's historic waterfront
- Integration of a ground transportation area that serves all cruise ship and passenger access and support needs off-street to avoid traffic impacts on The Embarcadero
- An efficient facility that will lower the Port's operational and maintenance costs by the use of effective space planning and equipment to handle passenger circulation and provisioning, and will meet the evolved security and passenger handling demands of the cruise ship industry
- Maintenance of shoreside power in a new, modern cruise terminal facility to promote and expand access and use of San Francisco's electrical grid while ships are in port to avoid cruise ship diesel emissions
- Configuration of the cruise terminal in a way that will create opportunities for the Port to allow special event uses when the terminal is not occupied for cruise purposes to enable year-round, people-oriented uses at Pier 27, generate revenue to help finance public improvements, and create an inviting amenity that supports and activates use and enjoyment of the Northeast Wharf Plaza
- The Northeast Wharf Plaza, a major public open space integrated with public access on Pier 27; create new views and access to San Francisco Bay; promote recreational enjoyment along San Francisco's public waterfront; and preserve open water areas for passive and active enjoyment of the Bay
- A project that embodies the City's commitment to sustainability principles by following the guidelines from the U.S. Green Building Council to achieve a Leadership in Energy and Environmental Design (LEED®) Silver or better rating
- Integration of the design and construction of the Cruise Terminal project with the proposed AC34 race facilities and operations

The development of a spacious, modern cruise terminal is a long-sought objective of the Port of San Francisco, and the City. The Project will provide a new welcoming gateway, designed in a manner that respects San Francisco's historic waterfront setting. The large size of the Project site also supports a ground transportation area that enables all passenger and ship access, loading and staging to occur off-street. The Project incorporates refinements that shift the driveway entry approximately 30 feet to the south, to enable exiting traffic from Pier 27 to more readily access the left turn lane at The Embarcadero and Bay Street, to avoid contributing to traffic further north on The Embarcadero. The terminal design integrates energy and sustainability systems and features for which the Port hopes to achieve LEED Gold certification. During non-cruise days, the Project will accommodate weddings, conferences and events and gatherings, activities that are attracted to human-scaled and inviting facilities, especially in a waterfront setting that incorporates the kind of major public open space that will be provided by the Northeast Wharf Plaza.

## **B. Alternatives Rejected and Reasons for Rejection**

The Commission rejects the Alternatives set forth in the Final EIR and listed below because the Commission finds that there is substantial evidence, including evidence of economic, legal, social, technological, and other considerations described in this Section in addition to those described in Section VII below under CEQA Guidelines 15091(a)(3), that make infeasible such Alternatives. In making these determinations, the Commission is aware that CEQA defines "feasibility" to mean "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, legal, and technological factors." The Commission is also aware that under CEQA case law the concept of "feasibility" encompasses (i) the question of whether a particular alternative

promotes the underlying goals and objectives of a project and (ii) the question of whether an alternative is “desirable” from a policy standpoint to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, legal, and technological factors.

Two alternatives are analyzed in the Final EIR: 1) No Project Alternative, 2) Renovation of Pier 27 Shed Alternative. They are summarized below, along with the discussion of the reasons they are rejected.

**Alternative 1: No Project Alternative**

Under the No Project Alternative, the James R. Herman Cruise Terminal and Northeast Wharf would not be constructed. The existing Pier 35 facilities would continue to serve as the primary cruise ship terminal, and the existing Pier 27 facilities would continue to serve as the backup cruise terminal, as currently occurs. Under a scenario where the AC34 project would be implemented, it is assumed that Piers 27-29 would still serve as the America's Cup Village in 2013, and the AC34 project sponsors would be responsible for partial to full demolition of the Pier 27 shed and partial demolition of the Pier 29 shed.

The Cruise Terminal No Project Alternative would meet only one of the Cruise Terminal project objectives—pursuant to applicable regulations, shoreside power would be implemented. It would not, however, result in a new and modern cruise terminal with associated amenities. The Cruise Terminal No Project Alternative would avoid all construction- and operation-related impacts that would occur under the proposed project. However, existing operational inefficiencies at Pier 35 would continue, including existing transportation and circulation issues in the surrounding area when cruise ships are in port. Under the No Project Alternative, the Port would have limited abilities to accommodate future demands in the cruise ship industry given the current trends in larger cruise ships and demands for more efficient operations. There would be no opportunities for year-round shared uses on an expansive waterfront parcel, and creation of a Northeast Wharf Plaza, as delineated in the BCDC Special Area Plan, would not occur. This alternative would not address the Port's cruise industry market and facilities needs in the future. Moreover, keeping primary terminal operations at Pier 35 would not enable maximum use and air quality benefits of the cruise ship shoreside power facility at Pier 27. There would be no public amenities like Northeast Wharf added to the waterfront. In light of these considerations, this alternative is rejected.

**Alternative 2: Renovation of Pier 27 Shed Alternative**

The Renovation of Pier 27 Shed Alternative would consist of renovating the existing facilities at Pier 27 with sufficient improvements to allow them to serve as the City's primary cruise terminal, allow development of the proposed Northeast Wharf Plaza, and accommodate the proposed America's Cup Village at Piers 27-29 in 2013. This alternative was selected for analysis because it would reduce environmental impacts associated with demolition and with bird strikes.

This alternative would meet, or partially meet, all of the project objectives. The facility would not be completely new and modern, which would result in some operational inefficiencies and limited shared uses, as compared to the proposed project. This alternative would have a shorter construction period than the proposed project, which would reduce construction-related transportation, air quality, noise, and hazardous materials impacts as compared to impacts under the Project. During project operations, bird strike impacts would be less than those under the Project. However, most of the same mitigation measures would still be required. The Renovation of Pier 27 Shed was identified as the environmentally superior alternative.

Prior to defining the Project analyzed in the Final EIR, the Port investigated the renovation of the existing Pier 27 Shed as an option to convert the cargo warehouse to a cruise terminal. The reduced construction requirements and, thus, reduced impacts of this approach, as acknowledged in the Final EIR, was a key consideration in favor of this option. But, there were several operational, financial and functional limitations that ultimately led the Port Commission to express its preference for construction of a new cruise terminal.

Specifically, conversion of the existing shed under this alternative would result in inefficiencies due to the differences between the space requirements and arrangements of cargo shipping and cruise operations. For example, the existing trusses within the shed limit the ability to develop a two story terminal building, which is optimal for passenger terminal operations, makes efficient use of building space and conserves energy resources. Thus, while the cost of initial capital improvements is somewhat lower than new construction, that savings would be offset by higher maintenance repair and operational costs over the lifetime of the facility. This alternative would have a larger building footprint than the Project, which would result in a smaller ground transportation area and less back-up staging area off The Embarcadero. This alternative would limit the viability of shared use of the terminal for conferences, events and gatherings on non-cruise days, compared to the Project. The existing shed is massive, with few windows or glazed openings to take advantage of waterfront views, compared to the amenities that are included in the Project design. Mitigation measures requiring the use of fritted glass will be implemented as part of the Project to reduce significant effects of bird strikes and still provide an aesthetically attractive facility for shared use. In light of these considerations, the Port Commission rejects this alternative.

## **VI. STATEMENT OF OVERRIDING CONSIDERATIONS**

Pursuant to CEQA section 21081 and CEQA Guideline Section 15093, the Commission hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the Project, as set forth, below independently and collectively outweighs these significant and unavoidable impacts and is an overriding consideration warranting approval of the Project. Any one of the reasons for approval cited below is sufficient to justify approval of the Project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission will stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this Section, and in the documents found in the Record of Proceedings, as defined in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, the Commission specifically finds that there are significant benefits of the Project to support approval of the Project in spite of the unavoidable significant impacts, and therefore makes this Statement of Overriding Considerations. The Commission further finds that, as part of the process of obtaining Project approval, all significant effects on the environment from implementation of the Project have been eliminated or substantially lessened where feasible. All mitigation measures proposed in the Final EIR for the Project (described therein as the "Cruise Terminal Project Variant") are adopted as part of this approval action. Approval of the Project does not result in any new or more severe impacts than those that would result from adoption of the Draft EIR Cruise Terminal Project. Furthermore, the Port Commission has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following specific overriding economic, technical, legal, social and other considerations.

For the past 20 years, the Port Commission has pursued the development of a modern new cruise terminal to address the needs of a vital maritime industry that would also complement the urban mix of activities along The Embarcadero waterfront. After two unsuccessful attempts to develop a new cruise terminal through public-private development projects, the Port has worked hard to manage its finances and resources to develop the Project on its own. Doing so will achieve multiple benefits for the Port waterfront:

- The Project's location at Pier 27 is in proximity to numerous, desirable visitor destinations, and plays an important role in supporting San Francisco's visitor and tourism industry, which is a major economic engine for the City and State.
- The Project supports current and future needs of the cruise industry. The trend toward larger cruise ships carrying greater passenger loads requires facilities that can support safe operations and provide a positive visitor experience.
- The Cruise Terminal portion of the Project serves a core maritime purpose for the Port, and the inclusion of the Northeast Wharf Plaza as an integrated feature at Pier 27 also addresses important public trust objectives for recreation , open space, and physical and visual access to the waterfront.
- Improving Pier 27 for optimal use and operation as a Cruise Terminal will maximize the use and environmental benefits of the Pier 27 cruise ship shoreside power facility.
- The Northeast Wharf Plaza provides a major new public open space that fills a gap in the Port's planned system of waterfront parks, providing an important resource in an area that has a deficit of open space.
- The Project also includes provisions for shared use of the Cruise Terminal for conferences, gatherings and events when not in use for cruise ship calls. This complementary mix of uses helps to keep the area vital and active, which also will support the successful use and enjoyment of the Northeast Wharf Plaza.
- The Project has been sensitively designed to meet *Secretary of Interior Standards for Historic Preservation* and to recognize its place within the Embarcadero Historic District, yet add a distinctive addition that enhances San Francisco's urban waterfront.