



SAN FRANCISCO PORT COMMISSION

**MARCH 11, 2025
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

**HON. KIMBERLY BRANDON, PRESIDENT
HON. GAIL GILMAN, VICE PRESIDENT
HON. WILLIE ADAMS, COMMISSIONER
HON. STEPHEN ENGBLOM, COMMISSIONER
HON. STEVEN LEE, COMMISSIONER**

**ELAINE FORBES, EXECUTIVE DIRECTOR
JENICA LIU, COMMISSION AFFAIRS MANAGER**

CITY & COUNTY OF SAN FRANCISCO

PORT COMMISSION

MINUTES OF THE MEETING MARCH 11, 2025

1. CALL TO ORDER / ROLL CALL

Port Commission President Kimberly Brandon called the meeting to order at 2:30 p.m. The following Commissioners were present: Kimberly Brandon, Gail Gilman, Willie Adams, Stephen Engblom, and Steven Lee.

2. APPROVAL OF MINUTES – FEBRUARY 25, 2025

ACTION: Vice President Gilman moved approval of the minutes. Commissioner Adams seconded the motion. The minutes were approved unanimously.

3. PUBLIC COMMENT ON EXECUTIVE SESSION

No Public Comment on Executive Session.

4. EXECUTIVE SESSION

A. Vote on whether to hold a closed session and to invoke the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel.

ACTION: Commissioner Adams moved to go into closed session and invoke attorney-client privilege for Conference with Legal Counsel. Vice President Gilman seconded the motion. The motion passed unanimously.

(1) CONFERENCE WITH LEGAL COUNSEL AND REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. *This session is closed to any non-City/Port representative: (Discussion Item)

(a) Property: Ferry Plaza East Building (“FPEB”)
Person Negotiating: Port: Scott Landsittel, Deputy Director, Real Estate and Development; Ricky Tijani, Waterfront Development Project Manager
Negotiating Parties: Sara Hill, CEO of Handcrafted Restaurants, LLC
Under Negotiations: ___ Price ___ Terms of Payment X Both

The Port staff seek direction regarding how best to structure a potential new long-term lease for the FPEB, including negotiation direction regarding price and terms of payment. The executive session discussions

will enhance the capacity of the Port Commission during the public deliberations and actions to set the price and payment terms that are most likely to maximize the benefits to the Port, the City and People of the State of California.

Present: President Kimberly Brandon
Vice President Gail Gilman
Commissioner Willie Adams
Commissioner Stephen Engblom
Commissioner Steven Lee

Also present: Elaine Forbes, Port Director
Michael Martin, Assistant Port Director
Jenica Liu, Commission Affairs Manager
Scott Landsittel, Deputy Director, Real Estate and Development
Ricky Tijani, Waterfront Development Project Manager
Justin Bigelow, Deputy City Attorney
Michelle Sexton, General Counsel

5. RECONVENE IN OPEN SESSION

- A. Possible report on actions taken in closed session pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

No Report.

- B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

ACTION: Vice President Gilman moved to reconvene in open session without disclosing closed session discussions. Commissioner Adams seconded the motion. The motion passed unanimously.

6. RAMAYTUSH OHLONE LAND ACKNOWLEDGEMENT

The Commission Affairs Manager read the Ramaytush Ohlone Land Acknowledgment.

7. ANNOUNCEMENTS

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones and similar sound-producing electronic devices are prohibited at this meeting. The Chair may order the removal from the meeting room of any person

responsible for the ringing of or use of a cell phone or other similar sound-producing electronic device.

- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make public comments on each agenda item unless the Port Commission adopts a shorter period on any item. Public comment must be in respect to the current agenda item. For in-person public comment, please fill out a speaker card and hand it to the Port Commission Affairs Manager. For remote public comment, instructions are on the first page of this agenda. During public comment, dial *3 to be added to the queue. An audio prompt will signal when it is your turn to speak.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction that is not an agenda item. No Port Commission action can be taken on any matter raised other than to schedule the matter for a future agenda, refer the matter to staff for investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

No Public Comment on Items Not Listed on the Agenda.

9. EXECUTIVE

A. Executive Director's Report

- Economic Vitality
- Equity
- Resilience
- Key Project Updates

Director Forbes: Good afternoon, President Brandon, Vice President Gilman, commissioners, members of the public and Port staff. I am Elaine Forbes, the executive director. March is Women's History Month. Did you know that women make up nearly half of the global workforce but still earn, on average, 16 percent less than men for the same work?

And despite making up nearly half of the workforce, women still hold less than 10 percent of the future Fortune -- Fortune 500 CEO positions? Women's History Month is not just about celebrating achievements. It's about a continuing fight for equity.

It's also about pushing forward and celebrating the trailblazers among us and really people who have shattered barriers and are change makers for shaping the future. And with that, I want to recognize President Brandon and Vice President Gilman for being those women.

It's really wonderful to have two women on the Port Commission as our officers. And you are really giants for the Port and Port staff. And I also want to recognize the many, many women in the Port's staff who provide major contributions including many of us who are on the leadership team.

So first, to economic vitality, return to office four days a week -- our mayor is boldly tackling the city's deficit, which looks to be \$1.1 billion, and is asking for return to office. This return to office is -- no slide deck yet, please. This return to office is across agencies. It's across the city, the state and the federal government.

We expect that our workforce's return to office four days a week will incentivize and push economic development here at the waterfront. I do want to acknowledge that more than half of our staff have been in the workplace the whole time.

So we are moving toward not only returning to the office but making Port offices one of the greatest places to work in the city. So we're using this opportunity to talk with our staff about what makes it vibrant and wonderful to be at the Port and to ensure we have a place of welcoming. We will -- the mayor aims to have us back in the office by April 28th. And the Port is committed to meeting this target.

Now, to the Crab Crawl, which you see on your screen -- as we revitalize our workplace and city economy, events like the Crab Crawl play a critical role in attracting visitors back to our waterfront. This last Sunday, for the first time, March 9th, the Fisherman's Wharf CBD along with Port, especially Amy Cohen, hosted the first-ever Crab Crawl to celebrate National Crab Day.

This was well received and brought residents and visitors alike to experience really a one-of-a-kind seafood experience. And it highlights the incredible dining we have and also our unique ability to have bay-to-table cuisine. Six wharf restaurants participated the event. And I understand that our own VP Gilman attended and look forward to hearing her review.

To equity -- we are having our contracts open house this Thursday. And it will be the eighth year that we've had what is now a renowned Port contract open house. We're hosting it again at the cruise ship terminal because, honestly, it's too big of an event now to host in the Port offices.

This event is designed for small contractors, local small businesses, especially diversely owned contractors, to know what's coming up for Port contracts and city contracts but also to have a really amazing opportunity to partner with larger firms, so they can leverage relationships and partnerships to bid on Port and citywide work.

I encourage all small, micro and LBE businesses to join us and get prepared for contracts. Okay. On more equity, on Saturday, March 29, the Ferry Building is hosting a pop-up event from 9:00 to 2:00 p.m. This will be a day of delicious food, crafts and community. And entry is free and open to the public.

This is to highlight black, indigenous and women of color makers. The pop-ups on the plaza is a series of events celebrating Bay Area BIPOC entrepreneurs. And Foodwise is a major partner here, as is the Port, in funding the effort. I encourage everyone to put it on their calendars and to come.

To resilience -- we achieved two milestone agreements with the Army Corps of Engineers this last couple of weeks. This lays the groundwork for securing federal funding for long-term flood protection, as you know. And it paves the way for the city to complete the design necessary for this generational effort.

The city and the Army Corps signed off on the third amendment to the feasibility cost-sharing agreement and officially entered what you heard about from Brad last Port Commission, a 221 design and construction memorandum of understanding. The feasibility and cost-sharing agreement does pave the way for completion of the flood study.

The 221 MOU allows us to take the lead in design, which we have asked for, while preserving the opportunity to gain credit for that work towards our required local match. Today's consent calendar items authorizes us to advertise two large engineering and design contracts that will allow us and sister agencies to lead the design work and the vision for the waterfront that is befitting of our great city and, of course, is ready for earthquake and sea-level rise.

Through close collaboration within the Port, the public and city partners, the City of San Francisco will develop a coordinated vision, which will enable the draft plan to advance.

Onward to key projects -- American Rescue Plan investment -- we were so lucky to earn our \$114 million in ARPA funds from the federal government during the pandemic to spur economic activation and recovery. And we're working hard internally to deliver on that promise.

We've been underway with spending the \$114 on operations and our facilities to ensure that we can update -- we can have responsible leasing and bring revenues to the city. But we're also advancing major capital works too. And here, I'm going to show you some slides of the work that our engineering team is leading with an integrative approach to delivering essential capital works to ensure that the ARPA funds are invested by January 2027, which is our deadline.

You know the Port desperately needs investments in our facilities. So I'd like to show you how our engineering team, with coordination of other divisions, is doing just that. Okay. To Amador Street -- this project will improve

infrastructure and utilities in the southern waterfront and provide, finally, a safe and reliable roadway for our industrial tenants to travel.

It also improves a pump station to mitigate flooding issues due to storm events that are occurring now. An official notice to proceed will be on March 7th. This milestone kicks off construction for the project.

Then, we go to Dry Dock #2 repair. This achieved substantial completion on February 21. This project used in-house construction management team to oversee repairs and stabilize Dry Dock #2 and reduce the potential for further degradation of the dry dock. This obviously reduced Port's financial risk for future unexpected or significant requirements for repairs.

Pier 50 south apron demolition -- this does not look good. [laughs] The construction will begin on May 31st. The project demolishes a red-tag portion of the south apron fronting Shed B. And this has been partially collapsed into the water, as you see in this slide.

The project preserves critical egress, however, for one of our tenants. And it mitigates the risk of a damaged apron that would potentially collapse if we are not able to act.

Pier 27 bollard project will provide additional mooring flexibility for cruise ships, increasing the capacity to host deep-water cruise vessels. And as you know, cruise business continues to be such an important part of our economic vitality. The notice-to-proceed date was February 10, which was a kickoff for the project.

Hyde Street Harbor repairs -- this one was substantially complete on February 10. This performed general maintenance repairs on the commercial fishing docks, which included installation of new walers, repair of concrete spalls and restoring freeboard to the concrete floats. It also installed a new power pedestal and dock lighting, all with safe and reliable space for local commercial fishers.

And here to Pier 27 fender, this is actually not ARPA funded. But I wanted to point it out. This repaired f -- repairs to Fender Seven, as it was damaged in a cruise ship collision. They're underway and will be completed by the spring of this year. This will allow us to continue to operate cruise successfully for another record-breaking year.

And finally to Wharf J11, temporary repairs to replace a degraded pile cap have been completed. Wharf J11 plays a very important role to support Port operations, commercial fishing and SFPD marine unit as access to the harbor and access to the harbor master's office, the joint operations security center, SFPD boat dock and commercial fishing slips in Hyde Street Harbor that are all accessed via Wharf J11.

You can see from these photographs and updates on these projects here these are very critical maintenance repairs for us. And I want to acknowledge that we have a small PMO office. And our PMO office has geared up and has worked very, very hard to ensure that all of these projects move through and are implemented timely. So I'm very pleased to say they're doing a great job.

I see Wendy Proctor. I see Erica Petersen in the audience. And they are two of the major contributors. And happy Women's History Month, by the way. Okay. So in closing, we are going to honor our staff at a breakfast of champions event, which is Friday, March 21.

We will announce our employees of the year for 2024 and our teams of the year. These staff went way above and beyond. I'm really excited for the celebration. Our staff really are the reasons for our success on the waterfront. And many of them are unsung heroes. So we have a day to break through that.

I'm just excited because so many employees went way above and beyond. And this event is a democratic process where employees nominate other employees. So it's really wonderful to read all the nominations and see who ultimately rises to the top and excited for the event.

So in closing, thank you, commissioners, for your vision for the San Francisco waterfront and all that you do to support and encourage staff in moving our mission along. Thank you. And that concludes my report.

President Brandon: Thank you, Elaine. Great report. We will now open it up for public comment. Is there any public comment on the executive director's report? Seeing none in the room. Do we have anyone on the phone?

No Public Comment on the Executive Director's Report.

Commissioners' Discussion on the Executive Director's Report:

Commissioner Engblom: Thank you, Director Forbes, for the report. Thanks for opening your comments with the acknowledgement of Women's Month and appreciate you acknowledging our president and my fellow commissioner. But also, I want to say that -- you know, I want to recognize you and your leadership as a model for young women in our city. I think it's really inspirational to work with you.

And then, I just want to pick up on -- you know, the theme that I'm always impressed by is sort of the -- not just the volume of work but also the various scales at which the work is really addressing very difficult and important issues for the city.

So I think this theme that I heard is like, you know, you talk about some micro programs that have a big impact like some of the cultural events you talked

about at the beginning but then also macro like, for right now, how important this is for -- and how -- I just want to really emphasize that, at a time where it's very difficult to walk the line, you know, navigating these really tumultuous times that we're living in, the fact that we're, you know, signing major agreements with the Army Corps and implementing projects in a way that are, in my mind, really important key infrastructure for our industrial and workforce.

It's really critical. And I think that's something that, the more we can emphasize that for the people of San Francisco and also, you know, for all levels of government to understand how critical, you know, that the -- some of the projects you talked about are really ensuring the heartbeat of our jobs economy from fishermen to the construction industry and the industrial industry -- like that's how I think -- you know, what these investments are ensuring is business continuity, jobs creation and not only in good times. But also, they're critical infrastructure in case of emergencies.

You know, that Amador corridor that you talked about is really critical infrastructure for us in case of an emergency. And I think the more we can do to emphasize how important that is right now about security, flood protection, protection from seismic events -- that's what we want to really have people take away from this presentation. So thank you.

President Brandon: Thank you. Commissioner Adams?

Commissioner Adams: Stellar report, Director Forbes. Also Women's History Month -- a special shout out not only to you but to President Brandon, Vice President Gilman and also -- you never hear their names mentioned very often -- but Michelle and Jenica. Jenica goes beyond the call of duty. I don't care. She's one of those unsung heroes that continues to give until she can't give anymore and to all the Port staff and just to all the women in our country and throughout the world.

I just wanted to say in the report -- it's good to hear everything that's going on. But also the reality is that this country is going to be going through some hard times. And we're going to have to be able to grapple with that and get our brains around how things are going to be.

And San Francisco is going to have to be San Francisco. And we're not -- let's not get too thinking that we can count on the federal government because we might not be able to count on them. And our new mayor is coming in. And he's concentrating on taking care of San Francisco.

And so I think, under your leadership and Mike Martin's, that the Port staff and -- under the direction of our president and vice president of our commission, we've got to be strong. We've got to stay tough because, you know, a lot of times things go good.

But we're going to have some ups and downs, I think, probably for the next four years. And we've got to really just keep our focus and stuff like that and count our victories and be smart and continue to play chess while others are playing checkers and stay that.

So thank you for that report. And let's not lose sight of all the small victories that we got. And it's really nice to see people back into the city, back to work. We would like to see the city thriving again and on all cylinders. So thank you.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: Well, I echo Commissioner Adams's thoughts about our staff women supporters and our fellow commissioners. I'm glad the mayor is asking for this four days -- come back to work. And I'm hoping that you take Monday off and come on Friday so that the restaurants and the bars can have their happy hours again because we've been waiting for a long time.

Just a few comments on like the -- the activities that the CBD at the wharf are doing is great. I mean, the Crab Crawl was -- what I saw on the news -- what seemed to be fun. But I wish -- I think our communication department needs to help with them because there wasn't enough outreach. Otherwise, we could have gotten more people to participate. I think we should look into that.

I like the equity program because there's a lot of small-business contractors who always ask me, "How do I get to bid on a job? And where do I go? And who do I call?" And I think for the Port to have a model like that is great because there -- I mean, obviously, you see how much work we have to do.

Corps of Engineers -- finally -- but do we get the money? [laughs] That's going to be an issue coming up if Washington is going to go ahead and still honor their plan.

Pier 50 -- I've never seen something like this where the whole thing just falls in the water. And this kind of reminds us what we have to do, you know, with the upcoming Pier 45 development and the conversations that Commissioner Gilman and I had with the fishermen yesterday.

And they realize that this could happen to their livelihood. So it's important that we keep it up and keep the communications open and focus on keeping that pier and that area alive. Otherwise -- that's kind of our economic engine right now is northern waterfront.

I'm glad J9 is working. I want to keep that up. I really want that to be kind of known as the place you can buy fresh fish. I'm hoping that the gas station there -- so all the visiting boats can come in and start fueling. So the more people

we can get that come in to use our facility, the more people we'll get on the pier -- on our waterfront.

So let's just keep that up. And I think we're making great progress, but it's a lot of work. So thank you for your leadership on that.

President Brandon: Thank you. Vice President Gilman?

Vice President Gilman: Well, first off, Director Forbes, thank you for your leadership and for such leadership of the staff. And it's so great to see that from women who participate in our trades to women in leadership, that the Port has great representation of women to folks that also -- I'm going to get the terminology wrong -- but who are stewards of our maritime and of our -- our harbor masters. Some of them are women as well.

So I just really want to appreciate all -- the women and President Brandon for Women's History Month. And I do want to say, as someone who got to participate -- or chose to participate in the Crab Crawl, it was a great event. It sold out and had over 280 participants. They actually ran out of crab ears.

And I think, with some feedback and some support from us, we can support the CBD to make the event stronger, better and more vibrant for next year. The majority of the people who came were locals, according to the CBD from, I guess, monitoring how they bought on Eventbrite.

And I do know that, at least the staff I spoke to at the venues that participated and the people I know on the northern waterfront, we hope that it will happen again. And that actually dovetails -- I'd like to do it now with folks in the room.

It also dovetails to something that I wanted to uplift today. So I'm going to have everyone indulge me because I want to do it with the room. You know, we talk a lot about the Army Corps and the obligations that we have for resiliency, which I think are so critically important for the infrastructure of San Francisco and our community.

And we talk about equity, which is something that we should always maintain for our values in these tumultuous times that we live in, and economic vitality. But I think sometimes we forget that we actually have residents that live on our waterfront. And we have liveaboards, who live on our marina.

And these folks -- many of them are -- some of them are nurses and professionals. But a lot of them are working-class individuals or wanderers who find their home here at the Port. So I'm moving that we close today's meeting in the honor of Christopher Matthew Kaniewski, who was a liveaboard at Pier 39 for the past 25 years.

Chris was born October 15, 1972 in Eastern Pennsylvania. And he was a man who lived his life with purpose. And he -- I want to celebrate his legacy today. And I was requested by the liveboards at Pier 39 to close the meeting in his memory.

First and foremost, he loved the sea. Sailing wasn't just a hobby for him. It was his soul's calling. His stories of the sea, full of adventures, danger and discovery, will forever resonate in the hearts of people who live at Pier 39. He lived on the boat, the Cappar] and later the Farr and the Aweigh at Pier 39 for 23 years.

The community is close-knit. And he loved hosting barbecues and often invited everyone to join. Chloe, his wife, enjoyed cooking for many of the elders who also live on Pier 39 and nourished many of the sailors, and they spent time on many other people's boats, looking after boats for folks who don't live there fulltime.

And he taught many people how to sail also along the bay. He always looked out for his neighbors when they weren't around, fixing lines and ensuring everything was secure. He also helped the older pier neighbors, checking on them and often bringing them food.

He had a deep love for animals, whether caring for Mewow, who he found as a newborn kitten covered in ants, a testament to his kindness. He nurtured that kitten back to health. And Mewow flourished and continues to this day to rule and terrorize Dock B.

He also shared his love of all the many pets who live on the piers. He showed kindness and compassion to every creature. His gentle spirit was reflected in his interactions with them. And he taught us the importance of empathy and respect for all living beings.

Chris would surprise you. He has over 20 patents, and he was a gifted engineer, who invented the brakes for strollers that are common today. He met his wife, and they fell in love. And he promised to teach her how to sail, so they could one day sail back to her home country of Thailand.

Unfortunately, he became very ill and passed of pancreatic cancer. And everyone at Pier 39 really misses him. I close today's meeting in his honor and remembering that we have residents that live on our waterfront. And they're the maritime history that I think make the Port great. Thank you.

President Brandon: Thank you. Thank you. Very much appreciate it. Happy Women's History Month, everyone. As you can tell, the Port has great women leadership. [laughter] We have our phenomenal director, who has just done such a wonderful job here at the Port.

And just from hearing your report and all that's accomplished each month is incredible. And it's a testament to your leadership and all of the women working here at the Port along with my vice president, Vice President Gilman. [applause]

Again, it's just incredible all that is accomplished here. And I want to thank Amy Cohen for the Crab Crawl. I think that was such a wonderful idea. And hopefully, it becomes an annual event. It seems like it was extremely successful. It's hard to believe that we're at our eighth contract open house.

It seems like we just started a couple years ago. And pretty soon, it's going to outgrow Pier 27. We're going to have to look for a larger location. But it's so wonderful that the Port has really demonstrated that we really want our small local businesses to be engaged in all that we have going on here at the Port.

It's also exciting to hear about the pop-up and how that's expanded in Ferry Plaza and what a great program that has become. So thank you so much for that investment and involvement. I think it's a major accomplishment that we have signed the MOU with the Army Corps of Engineers. And we just have such a great partnership. And I sure hope that that continues throughout this long-term project.

And all the ARPA funds -- we were incredibly lucky to get \$114 million in ARPA funds and to see the investments along the waterfront that we are doing, another great recognition for the Port staff, who is doing most of the work. So thank you so much.

And I look forward to honoring all of our champions at the breakfast in a couple of weeks. So I'm excited to see who the winners are because I know we all are. So thank you so much for your commitment to the Port. Thank you, Director Forbes and Jenica and Michelle. Happy Women's History Month. Next item, please.

10. CONSENT

A. Request authorization to advertise for competitive bids for Construction Contract No. 2858, Pier 90 Buildings and Wharf Demolition. (Resolution 25-12)

B. Request authorization to advertise one request for proposals for two professional services contracts each with an initial term of 10 years: one contract for the Southern Waterfront, with a not-to-exceed value of \$50 million, and one contract for the Northern Waterfront with a not-to-exceed value of \$65 million, each contract to advance (1) preconstruction engineering and design of the Flood Study Recommended Plan for coastal flood defenses, and (2) detailed design

**and design during construction of early implementation actions.
(Resolution 25-13)**

ACTION: Vice President Gilman moved approval of the consent calendar.
Commissioner Adams seconded the motion.

No Public Comment on the Consent Calendar.

All Commissioners were in favor.

Motion passed unanimously. Resolutions 25-12 and 25-13 were adopted.

11. ENGINEERING

- A. Request authorization to enter into a Memorandum of Understanding with the San Francisco Bay Ferry for the funding, design, and project delivery of the Mission Bay Ferry Landing to be located at 16th Street and Terry A. Francois Boulevard. (Resolution 25-14)**
- B. Request authorization to accept and expend a grant from the Water Emergency Transportation Authority to fund the Mission Bay Ferry Landing in the amount of \$28,000,000. (Resolution 25-15)**
- C. Request authorization to accept and expend a grant from The Regents of University of California at San Francisco (UCSF) to fund the Mission Bay Ferry Landing in the amount of \$4,000,000. (Resolution 25-16)**

President Brandon: I would like to request that we take 11A, B and C as one item. Is that okay? Thank you.

Simon Betsalel: Good afternoon, commissioners. My name is Simon Betsalel. I'm a project manager with engineering's project management office. And I'll give you an overview of the Mission Bay Ferry Landing project. It's been around a long time. There's going to be a number of items coming to the commission or recently have. So this is an opportunity to present the project, its history and its current status.

For some high-level background, Mission Bay Ferry Landing is a part of the SF Bay Ferry Landing system. It's located at Terry Francois Boulevard and 16th Street. It's shown on the map in front of you in orange. It's been identified by a number of stakeholders. It's in the Port's waterfront plan identified by MTC and ABAG and Bay Area 2050 and in San Francisco Bay Ferry's 2050 service vision as part of their expansion projects.

And to tie it directly to the Port's strategic initiatives, front and foremost is equity. Multimodal transit to this area is a priority for the Port. Moving away from private vehicles and the barriers that they represent for access is an opportunity

to expand on those who can come to this area. And connecting it to a regional system opens it up to the full bay.

And sustainability is integrated as front and center in this project as well, moving away from passenger vehicles to mass transportation as a baseline. But then, we were fortunate to receive a grant from EPA from the Clean Ports Program to electrify this ferry service. So it will be part of the first -- the nation's first passenger electric ferry service, which is a testament to evolution.

This picture rendering shown here shows how much Mission Bay and the Dogpatch neighborhood have changed. You can see the brand-new Chase Center, Bayfront Park, a lot of amazing Port assets. The Port continues to evolve. And not even shown here is Mission Rock. So really, this ferry asset continues to build upon the vibrancy of this area.

For project history, it's been around for a while, almost 10 years, initiated in 2016. We got to work with awarding a design contract to COWI. Early engineering work discovered contaminated sediment in the former area of Pier 64. That contaminated sediment was part of the legacy of petroleum that happened there.

So remediating that sediment caused cost increases for the project of about 10 percent. In 2019, design was finalized. And we moved to try and deliver this project with an alternative project delivery contracting method, CMGC, or construction manager as general contractor.

At that time, the project cost was estimated at about \$47 million. We received three bids for that project. But they were over our estimated budget. So the advertisement was deemed failure. Unfortunately, from then on -- or actually, as a positive note, project managers then decided to split the project into phases to try and accomplish incremental work.

Phase one, dredging and site preparation, was awarded and completed in 2020 -- or 2019 -- no, 2020. Sorry. But then, funding was frozen through litigation for RM3, which represents a significant source of funding for the project. That litigation was resolved. But there was still a funding gap that remained.

In 2024, just last year, the Port was successfully awarded the EPA grant, the Clean Ports grant, which electrified not only this ferry landing but a portion of SF Bay Ferry service. So now, with the funding gap closed, we are proceeding with work.

The project is now estimated at \$74 million. That's a 37 percent cost increase since 2019. That accounts for the contaminated sediment, the expansion of the design scope as a part of the EPA grant for electrification and the amended permitting for our projected timeline. It also includes, importantly, five years of material and labor cost escalation.

Shown on the screen here is a funding table. There's a lot of information here. So I'll keep it kind of high level but really wanted to just highlight there are many different sources that are contributing to this project and many discrete scopes.

To call out specifically, UCSF has contributed \$4 million of private funds. That's a testament to their belief that this project really benefits the hospital users as well as employees. The funds here identified as RM3 and TRCP are part of the accept-and-expend item 11B, and the UCSF funds are part of item 11C.

One note to call out is city funds here are listed as \$19.8 million. Port funds represent \$7 million of that with 5.6 having already been spent. So, again, a lot of information here. This table appears in the MOU with SF Bay Ferry and in the staff report.

And this is maybe a more helpful way of thinking about the project scope. This is a reduced version from what is in the MOU and staff report. But really, it outlines the work of the MOU and the many different scope items that are a part of this project.

To run through it quickly, on the land side, dark blue is Ferry Landing Plaza. Light blue is Agua Vista Park. The red represents the EFWS, or emergency fire water system manifold. That was requested by the Public Utilities Commission. It's a part of their system to help fight fires in case the land-side system is broken.

And then, in yellow is the electric charging infrastructure that runs from the intersection of 16th and Terry Francois out to the ferry landing where the vessels will be charged. And then, moving towards the water side, orange represents the fixed pier, yellow -- or light green, the Mission Bay Ferry Landing gangway, and dark green, the charging float where vessels will pull up and electrify.

The MOU details the design, construction and maintenance of these elements. For the most part, design will be carried out by the Port. Construction will also be carried out by the Port. But maintenance is delineated by the different users. In broad strokes, the access control gate shown as the red line represents where the passengers will go on to SF Bay Ferry.

Water side of that gate, maintenance, belongs to SF Bay Ferry. Land side of that gate, all assets are to be maintained for the most part by the Port of San Francisco.

So to bring us to where we are today, last month on the consent agenda was authorization to advertise for phase 2a. That's the remaining portion of the marine demolition and sediment cap or mattress. The design is completed. We are expecting to advertise that in the coming weeks and hope to be back within the next few Port Commission meetings to award that contract.

Construction will happen this summer. Marine construction happens in an in-water work window. That roughly runs from June to November. That's to protect spawning fish that live in the Bay over the winter. So the work will be done over the summer and early fall -- or fall into early winter.

Phase 2b -- we're wrapping up with design now. The anticipated contracts will come before you probably in early 2026. And construction will be that in-water work window of the ferry landing, going in to 2027 with the upland improvements of Ferry Plaza and Agua Vista Park. We anticipate our first ferry riders in spring of 2027.

So part of the reason for the overview today is there are so many commission items that were coming. Recently was the authorization for advertising of phase 2a. We have three items today.

And upcoming will be an extension to COWI's contract, both through the inclusion of the electrical scope but also for extending their duration, and then moving towards additional funding sources for accepting and expending and then the authorization and award of Mission Bay Ferry Landing phase 2.

So for today's meeting, we'd like to request the acceptance and authorization of the following items: item 11A, acceptance of Port and SF Bay Ferry MOU; item 11B, authorization to accept and expend SF Bay Ferry grant; and item 11C, authorization to accept and expend UCSF grant. Happy to answer any questions.

President Brandon: Thank you. Great report. Can I have a motion?

ACTION: Vice President Gilman moved approval of all three resolutions. Commissioner Adams seconded the motion.

Public Comment on Items 11A, 11B and 11C:

Amiee Alden: Good afternoon, Madam Chair and commissioners and Director Forbes. It's really lovely to see all of you. I'm Amiee Alden. I am UCSF's senior director of local and state government relations. On behalf of UCSF Chancellor Sam Hawgood, I want to congratulate the Port and the commission on completing financing for the Mission Bay Ferry Landing.

UCSF is so delighted to contribute to this really important project, which will connect our campus at the foot of 16th Street. It was back in 2017 that then Mayor Ed Lee asked our chancellor to support the ferry landing with a \$4 million contribution. Chancellor Hawgood agreed immediately.

He understood the positive impact on the city and on our campus. Ferry terminal will serve UCSF employees, students, outpatients and visitors. It will

help reduce traffic and parking congestion around our Mission Bay campus, which as was pointed out in the presentation, adjoins the Chase Center.

The ferry connection will also link to other UCSF campuses through our USCF shuttle system which, like the ferries, are all electric. UCSF is committed to San Francisco. We're very pleased to be part of this really wonderful project that will connect more communities to Mission Bay and to San Francisco at large. And we urge your support for the accept and expend. Thank you very much.

Commissioners' Discussion on Items 11A, 11B and 11C:

Commissioner Adams: I'm in support of all three resolutions. And I appreciate you mentioning the late Mayor Edwin Lee. This was one of his pet projects that he would like to have seen done. And also, I live down in that area. And I think it so connects to where the Warriors, to where the Giants, to UCSF hospital, just to that area but also to -- we have to also realize that millions of people a year come to San Francisco to ride our ferries wherever they go.

And even a lot of people take the ferries from Oakland to go to the Giants game. So this is a way of people going in and out, avoiding a lot of traffic, cutting down on gasoline, cutting down on pollution. And also, it helps people to get exercise. Americans can frankly use more exercise. So I support it.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: I have no comment other than we do need this system and not just from Vallejo side north. I know Redwood City is opening a ferry terminal. And I know a lot of people take Caltrans to go to the baseball game. So this is a great alternative and to bring more people to the neighborhood.

I think it would be nice to get -- and we talked to Director Forbes about water taxis. You know, maybe some short-term drop-offs there would be great, so the locals can experience the waterfront as well. But I know that might be in the future. But let's just get this project going. I support all three items.

President Brandon: Thank you. Commissioner Engblom?

Commissioner Engblom: Thank you for the presentation. It's exciting to hear. I guess I'm very supportive of all three items. I would just say that, going forward, it feels to me like the 37 percent cost escalation, the way that it's handled in here, I think, when you dig into it, it sounds like a shocking number.

But really, I think we could do a better job of communicating that there were a lot of additional items that went in there. So when you hear about cost escalation, I would think that, you know, just -- since the beginning of this project, I think it's very conservative to say that there's probably 25 to 30 percent cost escalation on materials alone.

And then, the fact that we're able to accommodate a lot of important life-safety elements that other agencies asked to be put in there -- I think it's a little unfair to the project to say that -- you know, just put it in as 37 percent. Maybe we could break it down and help people understand that this has been managed very wisely. And actually, there's a lot of collaboration between agencies on this project. Thank you.

President Brandon: Thank you. Vice President Gilman?

Vice President Gilman: Thank you for the presentation. I'm super happy we have this in-water work window to get this moving. So I completely support the items.

President Brandon: Thank you. Simon, thank you for a great report. And you outlined it very well. I think our staff does an incredible job in finding funding sources to complete our projects and invest in our waterfront. So I really want to thank you all, whoever had anything to do with this project. Even though there was escalation in cost over time, it's such a needed project in that area because it's growing so much.

And it's -- you know, not only are the Giants expanding and the Warriors expanding, UCSF is expanding. So Mission Bay is just -- you know, it's a prime location for this project. So thank you. Okay. We have a motion and a second. All in favor?

Resolutions 25-14, 25-15 and 25-16 passed unanimously.

12. REAL ESTATE & DEVELOPMENT

A. Informational presentation with possible action regarding amendments to the Mission Rock Housing Plan, amendments to the Parcel A Lease, and revisions to the Phase 1 Submittal for the Mission Rock Project at Seawall Lot 337, bounded by China Basin Channel, Third Street, Mission Rock Street and San Francisco Bay. (Resolution 25-17)

Wyatt Donnelly-Landolt: Good afternoon, President Brandon, Vice President Gilman, commissioners. Wyatt Donnelly-Landolt with the Port's development team here to present. I'm joined by Carrie Morris, who was critical to this effort, and members of the Mission Rock Partners team and Maria Benjamin from the Mayor's Office of Housing and Community Development, who we've been coordinating with throughout these changes.

So I'm here to provide an update on housing, Parcels A and F. This follows an update from last year on Parcel F and some changes. The story is similar, as a preview, to what it was last year, and the changes that we're proposing are similar. And I'll get into details in the presentation.

So I'll open with just some background on key documents governing housing at the Mission Rock site, give a recap of that Parcel-F adjustment from last spring and then give an update on residential leasing at Mission Rock, provide some additional proposed modifications to Parcel A -- that's the Canyon - is the official name of it now. For the Port, it's still Parcel A -- and then talk about next steps.

So the key documents here are the DDA -- the housing plan is an exhibit to the DDA. That's the disposition and development agreement between the Port and Seawall Lot 337 governing the development. The parcel leases are the leases for each individual building. There's four. We'll talk about one today, Parcel A.

And then, the VDDAs are the agreements that govern the vertical development of each building. For the housing plan, just some key points here -- the project-affordability goal across all phases is 40 percent. The minimum phase affordability for any single phase is 30 percent. And there's a good amount of flexibility on the size, location and AMI levels from 45 percent AMI all the way up to 150 percent AMI. And I'll talk about the range there and how that's implemented in phase one later.

So to recap the Parcel F modifications, these were in response to leasing activity at the Canyon. To briefly summarize, the 150-AMI units -- and for background, that's for households making 150 percent of the area median income. So if 100 percent is area median income, this would be 50 percent above that.

We're leasing much slower than other sites. The 120-AMI units had some progress. But we're still a little low whereas the 90-percent-AMI units leased very quickly and filled up. So Parcel F decreased the number of 150 and 120-AMI units and increased the number of 90-AMI units.

Now, to balance the revenues of the building and the financial goals under lending documents and a variety of other reasons, this results in a net decrease in the total units that are affordable. But you have a deeper level of affordability in those 90-percent-AMI units. So you can see here we're going from 13 90s to 35, 55 120s to 24 and eliminating the 150s.

This has been largely successful. Parcel F, the BMR -- below-market-rate units -- are 61 percent leased as of the latest reporting. It's actually probably slightly higher because this is a little dated as of a week or so ago when we put these numbers together.

Seventy-seven percent of the 90-percent-AMI units are leased. And 38 percent of the 120-percent-AMI units are leased. This is actually outpacing the market-rate leasing ever so slightly at that unit whereas Parcel A is at 68 percent.

And while it is ahead, it was open a year earlier. So pace wise, it's going much slower.

You can see the 90s are at 100 percent, completely filled. They've been filled for a while. The 120s are at 81 percent. We're close to full occupancies. But the 150s remain challenged only at 39 percent. And there's been, just as a point of reference, 71 percent -- 268 units -- of all the market-rent units are leased across the whole site.

So in coordination with the developer and MOHCD, we're bringing proposed changes to Parcel A. This would increase the 90-percent-AMI units from 10 to 19. It maintains the 120-percent-AMI units at 54. And it eliminates the 150-percent-AMI units and redistributes these to a combination of 90 and 120-percent-AMI units.

The reason that there is some redistribution there is some of the existing 150s will actually keep tenants in place. Rents will go down. And no one will be displaced. The tenants will receive the lower rate. And when that tenant moves out, it will fully convert to that target-AMI level.

So here is where we would land at the end of the day, which is 73 percent total -- 73 total units, 26 percent, an increase of nine 90-percent-AMI units. So where we were last year at the end of the approval put us at 30 percent total affordable for phase one. That was the minimum allowed under the housing plan that I mentioned at the beginning of the presentation.

This proposal would lower us below that to 25 percent across all of phase one. So we're requesting an additional change, which is to the housing plan itself, lowering that phase minimum from 30 to 20. The 20 is just a round number. It would still land at 25. I think it's 24.8 if you go down to the decimal. So that is the additional change here.

To summarize the actions here, we're requesting the amendment to the housing plan to lower that phase minimum to allow for these changes to proceed at Parcel A. And then, we'd have conforming changes to the Parcel A lease. There's an exhibit outlining the number of units to that lease.

And then, we would revise the declaration of special restrictions, which restricts affordability at each parcel and recommend approval to the Board of Supervisors. The next steps would be to go to the Board of Supervisors to approve this change as well.

As I mentioned, many colleagues here from MOHCD and MRP, the Mission Rock Partners team, and we are all available to answer questions. Thank you.

President Brandon: Thank you. Can I have a motion?

ACTION: Commissioner Adams moved approval of the resolution. Vice President Gilman seconded the motion.

President Brandon: We will now open it up for public comment. Is there any public comment in the room? Seeing none. Do we have anyone on the phone?

No Public Comment on Item 12A.

Commissioners' Discussion on Item 12A:

Commissioner Lee: I don't really have any immediate questions. I'll kind of wait -- I'll kind of reserve my comments. I want to hear the rest. For me, I mean, there's got to be a good reason for all this. Right. I mean, are you readjusting all your -- reducing affordable -- do you find that you're getting more people that -- or more potential people that are willing to pay? And then, we're having less issues for -- because I mean, the whole idea is to get people in housing. So --

Wyatt Donnelly-Landolt: And I think that's the goal here is to get people in housing. These numbers were set pre-pandemic. The market was in a very different environment. The median rent across San Francisco is not at the same level it was. So the 150-AMI units are not competitive in today's market for -- against a market-rate unit.

And you really have to think about a market-rate unit not just in San Francisco but across the Bay Area because, if someone's looking for a rental unit, they might look in San Francisco first. But they're also going to look in Oakland and across the Bay.

So you have to think about what's competitive for that median. Rents are still, you know, not where they were at in 2019. And incomes are much higher than they were in 2019. So you have kind of this blend of factors that's made it very challenging to lease out those units. This is responding to that.

While it lowers that topline percentage figure, we are maintaining the same discount across the entire project for affordable housing. It's just targeted at that deeper level for people making 90 percent of area median income rather than the 150 AMI, which is more of a middle-income-target classification.

Commissioner Lee: How is the commercial-leases business? Are you getting -- are they getting more companies moving in to the area to help with that -- you know, people like to live --

Wyatt Donnelly-Landolt: Mission Rock? Or --

Commissioner Lee: Mission Rock area.

Wyatt Donnelly-Landolt: So the Warriors signed a lease at Building B. Visa has moved in. And there's been a bunch of retail moving in. Arsicault opened yesterday. I encourage everyone to go try croissants. I think there's going to be some additional retail leasing updates. And there's active leasing efforts at Building B, the other office.

Commissioner Lee: I'm talking more like companies like, you know -- is Visa increasing their back-to-work program, you know, where people will have more incentive to live in Mission Bay? Are you finding that they're still not filling up their buildings, and people still don't want to live nearby their work?

Wyatt Donnelly-Landolt: I'd have to get back to you on that. I don't know all the interworkings of the leasing and return to office at those workplaces but happy to follow up on that issue and talk about, you know, engagement in the Mission Bay area.

I think there's been a lot of coverage about Mission Bay generally. I think the interest here has been very high. It's a hot area in the city that's been successful. It's a challenging environment though. It's a challenging real estate market. And that -- it's hard on office and residential. And those are both coming into play here.

Commissioner Lee: Okay. No more questions.

President Brandon: Thank you. Commissioner Engblom?

Commissioner Engblom: Thanks, Wyatt, for the presentation. I guess I'm very supportive of -- you know, more people living there is in everyone's interest. I'm just wondering if there's a way that we can still emphasize that this project is -- it's still -- it exceeds the city's inclusionary-housing targets. I know that -- you know, just I think that would be worth somehow putting that in context.

Wyatt Donnelly-Landolt: Yeah. So the current city target, I believe, is around 12.5 percent. So we're doubling that here. And some recent development agreements that have been signed have been well below this. So it's still a huge accomplishment. And I think the deeper level of affordability and accelerating leasing here is really critical to make sure that people are taking advantage of and there's people living here.

Like the goal for affordable units is to have people live in them. We want that to occur. And this accelerates that, so people can take advantage of that. Thank you.

Commissioner Engblom: Thanks.

President Brandon: Thank you. Commissioner Adams?

Commissioner Adams: I appreciate you coming because things are always constantly changing. I make a reference -- a metaphor to when I watch the Super Bowl. The Kansas City Chiefs never made new adjustment at half time, and they got killed. Philadelphia did. So you've got to always make adjustments.

And I live in that area. Jack knows I live right there. And I run past that development every morning. And you were asking, Stephen, were they doing some stuff down there? They've got sandwich shops. They've got gyms. They've got a bicycle. They've got things coming in in that area.

You've got the Warriors. You've got Mission Bay Hospital. A lot of the -- this is a really cool area. But I can think that the economy is not the same as it was. And when they originally came to us, you know, we were in -- we thought things were going to get better. And this thing has constantly been moving back and forth.

And they'll be here again probably. I mean, they're talking about right now we might be going into a recession. That's what they're saying. There's a 50 change that we could be in a recession in this country. So it's always a moving target. And we've got to always look at it with open eyes and be able to make the adjustment.

And they're coming to the commission. And I support it. And I really don't know what is a living wage, basically, to live in San Francisco, the most expensive city, in the United States. I don't really know what that is because -- you remember when we were going through this -- Jack, you heard there's a lot of people that retired here -- firemen, schoolteachers and other people said they could no longer afford to live in the city of their birth. They were born and raised in this city.

And I don't know how you rein it in. I really don't know how it's going to happen. But I'll tell you what -- I mean, all of us here that live in San Francisco -- we pay higher prices to live here. And this is the price to look out at the Bay and the lifestyle and the different things that we've come to enjoy living here in San Francisco.

It costs a little bit more. So you have my support. And it's good to see Visa down there. And the energy that I feel down there -- I feel that it's a new energy down there. And it's a lot of younger people down there. And whenever you get an area where there's a lot of younger people, the youth, people going to the games -- the Giants are going to be starting. People are still going to the Warriors.

It's just something. And then, UCSF Hospital is just a cool area. Then, we talk about the ferry terminal. It's a lot of good things happening down in that area. And you know what? We're all in now. We're all in. We all agreed to do this. So now, we have to see it through.

And just because you're on a boat, a boat's not meant to be in a harbor. It's meant to be out at sea. And then sometimes when it's out at sea, you get -- it gets rough out there. It's rocking and rolling and taking you all over the place. And you've got to get used to it.

But I appreciate the questions from my fellow commissioners. But you know what? I get it. And that's why I live here too. So sometime, that's just the price of doing business. Thank you.

President Brandon: Thank you. Vice President Gilman?

Vice President Gilman: Thank you so much. I am absolutely supportive of the item. And I just think it's important, you know, to note that the affordability requirement of 40 percent, even though -- I mean, we have changed it. Right. I think that's something that we have to remember too, that the inclusionary requirement for the City and County of San Francisco does change with a cadence.

And it's now 12.5. I think, at the time, it was 20 or 25. But it was a voter-initiative-driven decision by the voters, which that's a topic for a different day about ballot-box initiatives. But I do think, you know, it's a striking difference on bringing economic diversity to the project.

And I am actually incredibly supportive of that. I think the difference between -- if you're looking at 150 percent AMI -- and the new levels are about to come out. And they're actually going to go up. But for 2024, you're looking at a difference for a single person of \$157 to a family of four of \$224.

We're dropping this now to \$94,000 for someone who is a single-person household to \$134,000 for a family of four. To me, that is truly -- that is a very low-income individual. If you make \$28 an hour, you're only making \$60,000 a year. You are considered extremely low income by the HUD standard, can't even afford these units.

So I'm going to support even if we have to shave a unit or two for the economics of the building, which I understand, to deepen that affordability and bring in more diversity to the project. I think it actually makes a better thriving community for Mission Bay so very supportive.

I have one question just because I do see Jack in the audience. Can you give me an update or can you let me know where it stands? My understanding, if I'm remembering it right, is there is a stand-alone affordable building for foster youth or TAY youth that was part of it. Could you remind me the phasing of that? Or Wyatt, if you can, I would just love to know where that sits.

Wyatt Donnelly-Landolt: Yeah. Jack, feel free to jump in, if [I'm wrong]. So the TAY building was contemplated in phase two, as part of Parcel D. We're looking

at kind of a holistic restructuring of Mission Rock to accelerate development. Obviously, it is a very challenged real estate market across the city on housing, on office, on construction costs, on interest rates.

Many other development agreements across the city have restructured. And we are in the process of doing that right now. What phase two looks like in the future is kind of up in the air and going to be based on the outcomes of that conversation. I think that TAY building with the deeper affordability that you were talking about at the 45 percent AMI --

Vice President Gilman: Yeah.

Wyatt Donnelly-Landolt: -- 55 percent AMI is still very much in the plan to keep and move forward with.

Vice President Gilman: Okay. Great.

Wyatt Donnelly-Landolt: I expect there will probably be other changes to housing as part of that renegotiation. I can't say what they are. And they will be with a large package of changes.

Vice President Gilman: Okay.

Wyatt Donnelly-Landolt: But we are in the very early stages of that and will be talking more in the future.

Vice President Gilman: Okay.

Wyatt Donnelly-Landolt: Yeah.

Vice President Gilman: Well, TBD then. I'm excited to hear about it, you know. I mean, that project was -- I just want to say for the -- in my opinion, if I'm remembering right, even at that affordability, you always needed subsidy to be brought in whether it was local subsidy, a project-based voucher or tenant-based vouchers.

And what's happening right now at the federal level -- there's going to -- no one is anticipating any kind of future v -- at least for the next four years any increase in future allocations of those to housing projects across the country that we're already six in the ground, under construction are all struggling right now.

So I really think it's smart that we're re-looking at it because that project cannot exist on resident rent alone. So it won't work. I'm happy to see that you're still open to it. You know, that was a key part of what the voters voted for. But I'm happy we're looking about how to make it happen even if we have to delay it because it has to have [subsidy] to make it work. So thank you so much.

President Brandon: Thank you. Jack, do you want to say anything?

Jack Bair: I think Wyatt answered it very well. Like Commissioner Adams indicated, we're in some choppy waters. So we're taking a look at everything so that we can get a second phase going and more housing, more office, more public amenities.

President Brandon: Thank you. Thank you, everyone, for your comments. And I've always been a fan of the 90 and 120 AMI. So I'm glad that we're able to increase the 120, and the 90s have sold out so fast. And I'm just extremely grateful for such a successful project and looking forward to the next phase, which we know will all be difficult.

But hopefully, the market improves and the success will continue. Thank you. So we have a motion and a second. All in favor?

Resolution 25-17 passed unanimously.

B. Informational presentation on a two-year license agreement for a proposed arts and culture activation at Pier 29 by Community Arts Stabilization Trust (CAST), a Bay Area nonprofit leader in arts real estate development.

Scott Landsittel: Good afternoon. I'm Scott Landsittel, deputy director of real estate and development for the Port. Good to see you, President Brandon, commissioners. Excited to have guests here today to present a concept for Pier 29.

Pier 29 is a facility that has been vacant for some time. The Port and Port staff have been working hard but struggling with opportunities or finding opportunities to generate interest in occupancy through traditional leases. And in the spirit of economic recovery, of bringing people down to the waterfront, we've been trying to find creative ways to get occupancy and interest in our spaces and facilities in order to drive activity and ultimately investment and long-term tenancy down the road.

And so with that, I'm happy to introduce our speakers today. Ken Ikeda from the Community Arts Stabilization Trust, who is the CEO, known as CAST, is presenting along with David Eggers of the Hawkins Project, and JD Beltran, an artist, who all have interest and are participating as members of the team.

We're here today to allow them to speak, to share the story and concept. And then, we'll be back with you to share terms of a temporary license agreement for use of the shed at a future session. So with that, I'll hand it over to Ken. Thank you.

President Brandon: Thank you.

Ken Ikeda: May I ask a tech question?

Scott Landsittel: You just press the arrow -- [crosstalk]

Ken Ikeda: Okay. Thank you. Hi. Good afternoon, President Brandon, commissioners, Director Forbes and Port staff and especially to the tireless and always accessible Port staff who have helped bring us to this point to share the story of Pier 29 that we hold. Thank you.

My name is Ken Ikeda, as Scott indicated. I want to talk a bit about CAST for just a moment, Community Arts Stabilization Trust. We are a nonprofit real estate arts organization -- or arts real estate organization. And we were founded in 2013 as an intervention to artist displacement and arts organization displacement.

The first two projects we took on were the Luggage Store at 1007 Market Street and 80 Turk, which is CounterPulse. Our historic focus has been around sustainability and ultimately community ownership for those organizations. So CounterPulse now fully owns their building. And we are in motion right now on 1007 Market Street being returned to the arts organization's ownership.

Sustainability is really core to what we do. So the story is really more focused here today around what happens within the walls, the mission, the programs and services that get housed. But over the time since 2013 when we were founded, we are now at roughly 300,000 square feet that we own or manage actively.

And that includes some interesting projects that have been in collaboration with city agencies, with Rec and Park, the Geneva Car Barn and Powerhouse site across from Balboa Park BART station. We are now in conversations actively around property and asset management of the new GLBT Historical Society home at 2280 Market Street.

So we have a number of unique sort of city collaborations and partnerships that are active that we have experience with. What we see in Pier 29 is a blank canvas. And we're extraordinarily excited by it. For us, our goal is to imagine a space that we can engineer and problem solve for. And there are a number of challenges specific to this site that we can activate and then ultimately, again, sustain.

Now, if I can ask for your imagination and help here, this is small, which I acknowledge. But on the right-hand side of your image -- and I'll introduce my partner shortly here from [Art+Water] -- is the yellow shaded area, which is -- I'll say the description. But it's essentially dedicated to their application. And that's on a daily usage.

CAST will be managing the middle portion of the orange block that you see there. And I'll talk about that specifically in a second. And then, the front is Embarcadero facing to the far left. That's right off the Embarcadero. And that's largely going to be curated and operated by Art+Water.

What's important though to imagine, if I can ask you to -- and I'll point this out in some of the images. I'll even go back here. That center top image is Pier 29 empty. So when we go back to being able to accommodate annual events, events the city would really like to see happen -- the Port especially has long-standing relationships -- essentially everything can be moved and pushed against the far-right wall.

So part of the unique challenge we have in this space is that everything has to be on wheels. So everything is movable. So we can go back to a blank slate to accommodate any sort of event you can imagine. And all of that stacked and pushed against the wall will take only roughly 20 percent of the space away. So you're talking about 122,000 square feet. It leaves quite a bit to work with.

From the beginning from CAST's perspective, we've been really designing our activation to meet the Port objectives and goals. And I'll talk about that through the other slides as well. But in these images, you can see these are generated within the actual Pier 29 space.

It could be music. It could be gallery exhibitions. It can be outdoor sort of engagement with the Port patio on the back. And we expect about 100,000 visitors. We are committed to two to three evening shows, music, film or lectures on a weekly basis. And this is separate from Art+Water's about to present, which is also incredible in terms of what their range of activities are.

The other thing is this is meant to be not just an experiential destination but a visual one. Because things can be moved, the vendor carts, the walls, the exhibition spaces, the film-screening areas, it's constantly going to look different. And so I think this is going to be set up as a space where people can come back time and time again.

And we're just being mindful of things that have low impact on the infrastructure. Again, we can't leave anything in place so really excited to introduce some of these innovations not just on design but on energy as well.

And this is one of the primary uses: events and assembly. What's really critical to note here is CAST, historically, has not been a programmer. So we're really looking to our network of artists and arts organizations to bring on, to curate and activate and program with us as partners.

This is meant to be, to our mission, a space that is accessible and affordable for many throughout San Francisco Bay Area. We have over 2,000 artists and arts organizations in our database that we're going to engage. We're

going to bring them in. We imagine this being a space for all ages, all disciplines. And again, just the general assembly area in the middle that we'll be managing as CAST can accommodate 2,500 people.

So that's the size of The Warfield Theatre audience. It's a sizable space. There's a lot of things that can happen and a whole range of activities. So I'll bring it over to JD and Dave.

JD Beltran: Hello, President Brandon and members of the commission and Port staff. My name is JD Beltran. Thank you so much for hearing our presentation. This project is the culmination of 30 years of dreaming. I attended the San Francisco Art Institute back in the late 90s and have taught as an art professor at SFAI at CCA and now at Stanford.

And what struck me all along is that advanced art instruction in this county and this county is not equitable. One year at other reputable private art schools now costs a student \$100,000 or more in tuition and board. And that is out of reach for all but wealthy students and those willing to incur crippling debt for decades.

I'm a case in point. I graduated in 1998 from the Art Institute. And two years ago, I still had \$115,000 in student loan debt. Joe Biden relieved me of that debt. But I carried it around for 25 years.

Dave Eggers: Hi. I'm Dave Eggers. I want to echo JD's gratitude to you all for listening to our presentation today. I, too, went to art school back in the 1990s. Thankfully, my state university tuition only cost \$3,000 a year. So I didn't - can you imagine this is true?

So I didn't have the exorbitant cost to deal with. But I did have what has become a well-known problem in the advanced education and the visual arts. And that is the lack of instruction in the fundamentals of drawing and painting and other hard skills.

Contemporary art schools emphasize theory and criticism over skills and professional development, often leaving students \$400,000 in debt and often without hands-on knowledge of their craft or how to make a living.

JD Beltran: We see an opportunity at Pier 29 to create a first-of-its kind program where talented artists in San Francisco and the Bay Area can get a free and rigorous artist residency and mentorship by professional artists in one of the most beautiful spots in the city.

While an emergent artist after I graduated from art school, I was evicted from my affordable San Francisco studio space four times in four years because of rising rents or real estate development. We plan to use Pier 29 to give local

emerging artists and seasoned artists work space to create in a mutually beneficial environment that is radically equitable.

There will be room for 20 emerging artists and 10 established mentors on a rotating schedule. All will get free artist workspaces overseen by a seasoned artist and art-space administrator, Sherry Knutson -- Sherry, raise your hand -- in attendance today who, for decades, oversaw the artist studio spaces at the former San Francisco Art Institute.

Artist mentors will also get free space in exchange for their mentorship and teaching. And no one will pay anything. This will, perhaps for the first time in the city's history, make advanced artist workforce development affordable for aspiring Bay Area artists.

Dave Eggers: That's one pillar of the Art+Water program. There are two more. The first is the revenue-generating aspect of our plan. In the front of the building, we will feature world-class art exhibitions that will bring tens of thousands of visitors to the pier.

These visitors will pay a sliding scale for entry to exhibitions of the work of artists such as Shepard Fairey, Boots Riley, the Modern School of Van Gogh and other family-friendly shows. These shows, designed to appeal to general audiences, will be curated by Rene de Guzman, one of the most experienced and trusted curators in the Bay Area. Rene is here today.

These shows will bring in visitors from all over, including from the cruise ships that dock right next door. Once in the building, these visitors will see all the beautiful work being done by the students and faculty mentors of Art+Water.

JD Beltran: And that brings us to the third pillar of Art+Water, exhibition space for local artists. The emerging artists and faculty of Art+Water will have access to thousands of square feet of exhibition space on mobile, freestanding walls inside the pier. Visitors to a Shepard Fairey show can wander into these additional galleries and see new work by local artists and purchase this work.

This is another crucial thing for the survival of local artists, not only free work space but free exhibition space that will allow them to actually make a living. There is nothing like this in this city or any other city: accessible gallery space adjacent to world-class exhibition space.

Dave Eggers: Together, we think these three pillars will present a new paradigm where local artists are empowered, where equity is actually seen in action and where world-class training in the arts can be attained for free. It will remind the world that San Francisco is a city not only friendly to artists but a city that leads the world in ideas that bring the arts to the people and seeks always to make access to the arts equitable.

Thank you again for your time and consideration. And I also want to thank everybody from the Port that's helped us to get to this stage to present to you today. Thank you so much for your time.

President Brandon: Thank you.

Ken Ikeda: A couple more quick ones -- so CAST is here as the future applica -
- potential applicant for the master license agreement.

Director Forbes: Can you grab the microphone, please? Thank you.

Ken Ikeda: Yes. I'm sorry. I'm a mumbler. My apologies and to all those people online. CAST is intending to be positioned to be the master license holder in this. But I think, as Dave and JD shared, you know, CAST never works alone. We really work in support and collaboration with a partner. So Art+Water represents this incredible anchor. And they possess this depth of expertise.

I'm not going to go into details on our end. But unfortunately, my colleague David Keenan is not here. He worked for hundreds of hours with engineers and Port staff to really navigate how we can actually activate this space, right, how we can address load-bearing issues, how we can establish occupancy and use with movable barriers and infrastructure that we can utilize on a regular basis but that's not permanent.

So I just want to make note of that both David's efforts here but also the collaborative side of the Port that helped make that possible. And again, enough can't be said about the team that's being assembled from Art+Water. So I recognize this is small text. But I hope you take a moment to look in these biographies.

This experience is really critical. Sustainability is built on experience in many cases. So we're entering into a new environment. And we're relying on that. But we are values aligned. And this is the other piece of the partnership which I want to just underscore and how we're going to bring in our partners throughout the city, whether it's an individual artist or a relatively new organization that aspires to have space to bring an audience into that they don't have of their own.

We're going to do so around values alignment. Fundamentally, it's about accessibility and affordability. But secondly, it's around their willingness to be open and to make it accessible to their own communities.

And finally, we're excited as CAST because, again, for us, we believe, as Mayor Lurie said, that arts are going to lead the way in transforming downtown. We believe arts are the driver, the heartbeat, the reason for so many to feel so attached to their communities and have a sense of place.

And so we want to demonstrate that in every step of the way. So taking this blank canvas and activating it, as you see in this image, to moments where there are so many people doing so many different things, and it all works. Right. It's the magic of art.

So we're looking for that opportunity. And we're thankful that we're able to share this with you. And here is our contact information. We hope we can answer any questions you have. Thank you.

President Brandon: Thank you. Is that the end?

Ken Ikeda: That's the end. I went to a blank space. [laughter] This is the better picture. [laughter]

President Brandon: Thank you so much. [applause] Great presentation. I will now open it up for public comment. I have Ana Teresa Fernandez.

Public Comment on Item 12B:

Ana Teresa Fernandez: Hi, everyone. My name is Ana Teresa Fernandez. And I am an artist residing in the Outer Sunset in San Francisco. Having worked as a full-time artist since 2008, my work has been exhibited worldwide and belongs in art collections such as the de Young collection, the Denver Art Museum, Indiana Museum. I've taught at Stanford, Berkeley, USF, been in residence with the ACLU.

I've lectured at Harvard, Notre Dame and many prominent institutions. So you would think that, with a resume like this, I would have gotten my pick at university when I was in high school. However, when I went to school most of my entire life, it was without art.

In high school, I belly flopped with Cs and B minuses no matter how hard I tried. I was rejected by all universities that I applied to. So I went to community college. There, I pursued my love of languages and went to do a semester abroad in Florence.

It was here where I first came across a large open door not too far away from the Duomo filled with people painting. At 19 years old, I walked into what would change my life forever. It was the equivalent of five dollars that I would pay to use an easel in a communal space where I learned from a practicing painter.

It was called an atelier. Culture -- so does anyone know what the etymology of the word culture comes from? No? [laughs] Okay. It actually -- it's from Latin. It means "to tend to," "to cultivate." Florence has ateliers across the entire city for all sorts of trades.

This energy of everyone working and learning to create was something that I would come to pursue for the rest of my life. On my return to the U.S., I was offered a scholarship to receive my BFA and MFA from the San Francisco Art Institute. I was afforded this once-in-a-lifetime opportunity thanks to the merit scholarship.

Since then, since I've received my education, I have made it my life mission, similar to JD and Dave, to bring access to this type of experience of learning somatically, bringing it to youth, nonprofits and schools without resources. Your world changes as it expands through this type of learning.

But first, you need access to it. Art schools are closing everywhere. And the ones left in charge are, like JD said, either 75,000 or 100,000 a year. What is San Francisco cultivating? More techies? When studio rents are excruciatingly expensive and the creative drain is occurring daily, what is San Francisco doing to preserve and tend to its creative population?

This here is an opportunity of a lifetime to so many people who deserve to bring forth a different type of currency, a richness, a vibrancy to the city that is so desperately needed, not just open-source art, but it's free-source art. Thank you.

President Brandon: Thank you. Just in time. [applause] Verda Alexander?

Verda Alexander: Hello. I'm super excited about this project. I'm Verda. And JD was my professor. And I am a graduate of San Francisco Art Institute. And I'm also a local resident of this neighborhood. I live on the border of North Beach. So I could easily walk to this project -- one of the reasons I'm excited about it.

But I feel that this project will activate a pier with the creative energy of artists and art. And I think this is just so important. It's well documented that local art scenes attract tourists. And I think it's just genius for this project to be in a tourist hotspot. And I really think that there's going to be some absolutely incredible creative energy and synergy that happens because of these two coming together.

And I know, because I'm in that neighborhood, that it's a bit of a desert for art galleries and artist spaces in that North Beach/Telegraph Hill area. I've lived in South Beach. I have an office in South of Market. I've seen small, experimental emerging art galleries and mostly go because of high rents. And it would just be - - but I also know the kind of energy that they can bring and the events that they can have and the impact that they can have on a community.

What else do I want to see -- yeah. I mean, now -- right now, I have to drive to Dogpatch or across the bridge to the Headlands to see art. And the Headlands does an amazing programming. They do dinners. They do open houses. So all of this type of stuff could happen right here.

And I really feel that Pier 29 is close enough to the downtown to add to that vibrancy that the downtown really needs. And artists -- like it was said before, art and artists lead the way in this. Thank you.

President Brandon: Thank you. [applause] Is there any other public comment in the room? If not, do we have anyone on the phone?

Operator: At this time, there are no callers for public comment.

Commissioners' Discussion on Item 12B:

Commissioner Engblom: I'd like to thank everybody for a very exciting presentation. And also, thank you for all your work in the other projects that you've done across the city. I think it's really important for our city to be engaged in these types of endeavors.

I guess I don't have any specific questions. You know, we had a good briefing. And the presentation was very clear. So no. I just would like to express my gratitude for your efforts. I think it would be a very exciting addition to the waterfront.

President Brandon: Thank you. Commissioner Adams?

Commissioner Adams: First of all -- that just shows you how excited I am. [laughter] A thing about me you wouldn't know -- I am a big, big fan of the arts. As a young kid, I read Picasso's book. I was also a big fan of the painter, Jacob Lawrence.

And artists -- they need space. They need a place to [immerse]. They need a place to grow. And I believe it's on the San Francisco waterfront. This will be something that will be vibrant. I can just say recently I was just thinking about the thirst that I have for arts.

Two weeks ago, I was in Berkeley. And I saw the play, Uncle Vanya by Chekhov. And then, two weeks ago, I was in the city to see the musical about the Temptations, Ain't Too Proud to Beg. And this thing is important. And I'm going to New York to see Denzel and Jake on Broadway in Othello.

And Denzel said something recently. He said, "I was never a movie star." He says, "I'm an artist." And he said, "The love that I found in my life was being on the stage." He said, "I did Othello at 20. Now, I'm doing it at 70." He says, "Now, I realize what being an artist is about. It's not about the money."

It's not about the fame. It's interacting with the public, being on a stage with a bunch of other actors or an artist painting, doing what you do, that gift that you've got because you'll never get monetary what you've put into your art. And I think this is so important.

But also, we had an issue -- another issue today that we talked about. But as we emerge with this new waterfront and San Francisco is having a new day, a new dawn, having something like that on our waterfront will be a beacon of light but also, for this younger generation, to be able to go to learn from you older artists that understand, to know and to encourage them never to give up on their dreams.

And it can never be about the money. It's got to be about the art. The money and the fame, if it ever happens, it will come. But you've got to be happy because you're doing it from the depth of your soul. So I know it's not an item that we're voting on. But I'm really excited about it.

That's just one more weapon in our [arsenal] here to the Port of San Francisco that people come up from cruise ship. And one day, maybe we'll get back up to 25-30 million people a year coming to our great city that they can drop down. And I know now that I don't have to go to New York or Berkeley, that I can just walk down the street and go into a studio and watch future artists doing their work and they're showcasing to the world. So thank you.

President Brandon: Thank you. Commissioner Lee?

Commissioner Lee: Well, I mean, I'm -- I think on this panel, would know that I'm the biggest supporter for art because I own an art gallery [laughter], number one. I've supported an art person for a while. But I'm a small business person, you know. And it's all about sustainability.

So I'm just -- you know, the art part and the front space is great. We need that. And it's a good addition to the wharf. And then, you've got the event space in the back. So I'm curious now -- let's -- aside of what this whole concept is -- it's great. And I support the arts. How do we manage -- or who is managing? Is it CAST going to manage the events? Is it something that the city can -- like we get a lot of calls for events that we can maybe collaborate.

But obviously, you can make the revenue. You can run the bars. You can run the staffing. But we want to know -- we want you to succeed. And we don't want like, in two years, you guys say, "It was a good trial, but we couldn't make it." So we're kind of here to help you. You know, we're investing money into it. So I kind of want to hear -- who is running that part of it?

Ken Ikeda: I think it's a combination of events. So Art+Water is going to be doing quite a bit of curating particularly on the front side, the Embarcadero-facing side. And some of that is ticketed. Some of that is intended, as Dave said, to bring world-class artists, to make that accessible, that experience. And there is a fee. So that will be largely coordinated and operated by Art+Water.

CAST, overall, however, will be bringing in vendors. We've been building our pro formas with a presumption that we'll have a chance to be in that space

with music operators, with film festival operators. So we know what the market rate is. We know we can support and again, building out the models, that we're not simply guessing. But we're committed to a blend of ticketed events, free set-asides and fully free events as well.

Commissioner Lee: I was just recently at Fort Mason. And they have a lot of art events and pop-ups and wine events. And they cater to different things. But they're not booked every da -- every week.

Ken Ikeda: Yeah.

Commissioner Lee: So I mean, are you prepared for that where you possibly cannot book every week?

Ken Ikeda: Yes. Absolutely. And I think, you know, we forecast in the first year that we will not be sort of a net-positive operation. And that's why that second year is so critical. Right. So community is going to drive this forward. So it takes time to both bring community in and have them understand and experience and appreciate it. And then, from there, we have to grow.

Commissioner Lee: So for me -- I mean, it's a great thing. I think -- you know, but I know how hard this -- in the art world to support, you know, the materials, I mean, everything. I've been there.

Ken Ikeda: Yeah.

Commissioner Lee: So I just hope that we can work something out that -- so I feel comfortable that, as a small business person to another group of small businesses, that you can sustain yourself. And maybe we have to collaborate, you know. I mean, we don't have events every week either, you know.

But hey, if we could give you an event that brings 500 people and also exposes your work and your artists, why not, you know? Because we tend to sometimes give leases and then, okay, just give us whatever. And then, you do what you want. But I think, in this case, we have to kind of work together.

Ken Ikeda: Yeah. And we welcome that. And the Port staff have been really clear articulating that there will be some events -- again, the annualized things, the long-history commitments of events that we will absolutely accommodate. And we're prepared to. And that's one of the benefits of having everything on wheels.

Commissioner Lee: Right.

Ken Ikeda: We can set up and --

Commissioner Lee: You have to be mobile.

Ken Ikeda: -- yeah. And start -- [crosstalk]

Commissioner Lee: So I'm totally in support as long as we can kind of work it out, you know, because we're here to help you too, not just take your rent.

Ken Ikeda: Thank you.

President Brandon: Thank you. Vice President Gilman?

Vice President Gilman: Well, thank you so much. I'm super excited about this. I have a couple of questions. Yeah. Just really excited -- I'm really excited also too -- my husband is a proud MFA photography 1984 graduate of the Art Institute. He texted me and wanted me to say he's so excited that it's being anchored by folks from AI.

But just a couple of question -- are both entities -- and I apologize if it was in the staff report. I'm familiar with CAST. But is Art+Water -- are you a nonprofit as well?

Dave Eggers: Yeah. We're a [fiscally sponsored project] -- [crosstalk]

Director Forbes: Could you please stand up and speak into the microphone?

Dave Eggers: Yeah. Art+Water is a fiscally sponsored project of the Hawkins Project, which is a 501(c)(3) here in the city.

Vice President Gilman: Okay. So I'm assuming the goal is a revenue positive for operations. We're not looking at -- I just wanted to clarify. We're not looking at a revenue model where we need to make profit. The profits go back into the project. So that year two is to sustain the losses from year one and to generate more activity. I just think that's important for the public's -- from a public perspective.

Dave Eggers: And they're separate. CAST's --

Vice President Gilman: Right.

Dave Eggers: -- finances are different than Art+Water. We're a nonprofit raising money to -- from donors that will --

Vice President Gilman: Okay.

Dave Eggers: -- that will support it just like we have a nonprofit 826 Valencia that you might be --

Vice President Gilman: Yeah.

Dave Eggers: -- familiar with --

Vice President Gilman: Mm-hmm.

Dave Eggers: -- 22 years now and same model: free education and --

Vice President Gilman: Yeah.

Dave Eggers: -- donor supported. Yeah.

Vice President Gilman: Yeah. And I know we're not talking about terms today. I just wanted to say it's a little different than a for-profit business model.

Dave Eggers: For sure.

Vice President Gilman: And then, I have a capacity question. And then, I just have a mayb -- and I don't want to meddle because I'm not in the art space. But for CAST, am I -- just also remind me if I also got this wrong. But am I understanding too that you just took over management or ownership of the Warfield building?

Ken Ikeda: Correct.

Vice President Gilman: So you're confident in capacity? Just wanted to gut check.

Ken Ikeda: Yes. Yes. We recently purchased the Warfield office building at 988. And we have a great anchor partner there in KALW. It's already 30 percent occupied. Yeah.

Vice President Gilman: Okay.

Ken Ikeda: We absolutely have the capacity. That's our bread-and-butter work.

Vice President Gilman: Okay. Just want to make sure because, you know, nonprof -- we always want to do everything, and we can't. [laughter] So I guess my only -- just want to do a shout out that one thing that I feel has always been important to us at the Port is to involve -- for the whole waterfront, for the whole seven-and-a-half miles, is to really try to embrace the communities that are adjacent and impacted by our activities from the waterfront, whether that be Bayview and Dogpatch or Chinatown and North Beach.

So I just really hope -- both Chinatown and North Beach actually have very thriving artist communities. I will just say -- I think you called them -- I can't remember the terminology -- but the more stately, established, non-emerging artists I know exist in North Beach.

And a bunch of new art galleries have popped up on the edge of Chinatown. So I just really hope for -- if the residents rotate, if they're not permanent, I really hope that we could do concertive outreach into the Bayview and Dogpatch to ensure that maybe some of these more stately or emerging artists come from communities that are impacted by Port activities.

I just think, for me, at least would be sort of a cherry on top and a nice city as a community benefit. So I just wanted to put that out there for whatever community outreach you could do. I just think it's important. You know, we've had, in the past, industrial waste. We've had construction. We still have things happening.

We have a PG&E cleanup coming. I mean, we have all sorts of stuff. And that has impacted people who live along the waterfront historically. And I just think if we can always try to anchor them in our community work, it's important. But beyond that, I'm fully absolutely supportive of this item and hope we can move it as quickly as possible at our next session. Thank you.

President Brandon: Thank you. Thank you all for this presentation. I think it's a wonderful concept. And I think it would definitely be a space that brings people to the waterfront and a great activation. But I also know, with my fiduciary hat, that the Port is going to have to make a huge investment in this to make it happen.

So can you just tell me a little bit about your selection process. Who is going to be able to use this space? And how are you going to get the word out that this space is available?

Ken Ikeda: I can speak to the sort of center-convening space. Again, we have a really robust network of contacts in our database who we're in regular contact with so, again, from imagining and dreaming with the Noonan artists from Pier 70's work to, you know, folks in Chinatown too.

So I think, for us, it's to be able to articulate to our partner network, what are the resources that are in place? We hope to have the capacity to do film screenings, conversations, musical performances, dance. And we'll also want to combine that, right, for the sake of discovery and audience engagement, better-known acts as well. Right.

The question is always around, how do you assure that there's real discovery opportunities? How do you assure that there's really broad distribution or understanding that something is happening there? And the reality is you need some better-known folks to support the lesser-known folks at the same time so that managing that synergy -- and we're going to bring in professional operators.

So we're going to bring in folks who are used to putting on shows. And we're going to bring in festivals that already exist and provide them an additional

venue site. So that expertise is embedded. And then, we're there to make sure the outreach is happening. That is our commitment.

So again, we're in it to sort of -- how do we problem solve? How do we activate? How do we sustain? Those are our principles.

President Brandon: And you said you're going to have 20 to 30 pods, and it's going to be rotating space.

JD Beltran: Thank you, President Brandon, for that question and also for the other questions about how Art+Water will work. Yes. What we are planning on is having a co-directorship between myself -- and I've been 25 years in the Bay Area. I'm also a San Francisco native -- but 25 years in higher education -- higher arts education so very familiar.

And I also used to be an arts columnist for the Chronicle so very familiar, deeply familiar with the Bay Area art scene. And we also have the honor of having part of this collaboration -- Rene de Guzman, who in 1999, I believe, was a cofounding curator of Yerba Buena Center for the Arts, whose roots, as you all know, is in equity, particularly for artists for shows and exposure of artists to advance the careers for artists of color and particularly in the Bay Area.

So the two of us, along with other artists who we plan to be as part of a committee, will determine who these candidates are who will be able to enjoy both the mentor pods, be the teaching mentors, as well as who the 20 will be. And we hope to make that both as equitable in terms of our selection process and diverse in terms of age, background, where they come from, make sure that they can actually make use of the space and that they don't get the space and then never show up.

So we are going to maximize those sorts of factors to hopefully create as diverse and equitable a group of artists in there as possible. I hope that answered your question.

Yes. Thank you for reminding me. And we are also planning in the beginning to do six-month rotations. And that way, the artists can have the free studio space for the six months and then rotate. And another set of artists can come in. So we can spread the opportunity.

President Brandon: Great. Great. So artists that aren't in your particular network that may be emerging or may not have the resources to be at a level that you may be looking for, how are you going to --

JD Beltran: They won't only be artists from the net -- we are actually going to have an application process. So it will be a public application process that we will have a set of factors for. And perhaps, Rene, did you want to speak to any of this?

Rene de Guzman: First of all, thanks for considering this great project. A lot of these qu -- that's a great question, you know, how -- and something that I think I've grappled with my whole career. I started out as an artist. I actually was a preparator and an administrative assistant at the San Francisco Arts Commission Gallery.

So some of us [that have] workforce development and training goals that this project is aspiring to I definitely benefitted from as a curator. Without that early training, I don't think I could have become a curator of large mainstream institutions.

So as far as -- I think I understand the concern. And there are a number of ways to make sure that there's equitable access to this program. For instance, one of the models that we did when we initiated this triennial exhibit that surveyed contemporary [Bay Area] art was, from the very beginning, make sure that we had good relationships with people who knew artists from different neighborhoods.

So from the very get-go, the folks recommending artists were already diverse and represented the broadest possible range of communities and ways of making art. So I imagine we will develop an informal group of advisors, you know, folks from the Tenderloin, folks from different neighborhood arts organization like SOMArts or the Western Addition Cultural Center. Bayview has a really strong cultural scene as well.

So we would definitely partner with folks who have stakeholders to represent their communities. And that's the spirit of the program.

President Brandon: That'd be great. So are you going to have like an advisory committee? Or there -- each of these institutions will be engaged in --

Rene de Guzman: Well, if not a formal advis -- we would have relationships with them, knowing -- they would know that we'd be very open to hearing their best suggestions and factor those in to our cycles of selection and invitation.

President Brandon: Okay. And are you going to have a focus on San Francisco? Or is this Bay Area? Or is this nationwide? Or is -- who -- [laughs]

Rene de Guzman: Yeah. No. That's also a great question. So when we started Yerba Buena Center for the Arts, it was built on two pillars. One is to focus on local artists. And the other is to focus on diversity. So I feel like some of the considerations we had, sort of creating the artistic voice for Yerba Buena Center for the Arts applies.

So on the one hand, definitely there's a wealth of talent that we need to project. Not only the kind of unique art but also I see the arts as something that represents more than just the field but sort of the expression of the genius

innovation of the society that it comes from. I think this project is very much a civic project as well.

And then, the other thing in terms of local, national, international, what we found at Yerba Buena Center for the Arts was, while we provided exhibit opportunities for local artists, it was also really important for them to see art from their national and international peers because, like the great city San Francisco is, there is this kind of local cosmopolitanism that is the reality of this region,.

Just the very fact that we're a port city, we have a city. But we have connections with regions elsewhere, you know, through trade, through the exchange of intellectual assets, through exchanges between business. And quite frankly, as an immigrant, I was born in Manila. And my family came to the Bay Area when I was four.

I see very much mu citizenship in the Bay as also having a link to my home country. So I think that kind of local cosmopolitan is also key because then we get a real expanse of the strength and vitality of this artistic region.

President Brandon: Thank you. Thank you so much. It's becoming a lot more clear to me. So we have CAST, who is a nonprofit, who will be doing most of the free stuff. And then, we have Art+Water that will be doing most of the ticketed events and the exhibitions and the --

Ken Ikeda: It's a com -- we're both doing both things.

President Brandon: Okay.

Ken Ikeda: Yeah. It's really a balance. And again, I think we aren't going to be engaging, you know, sort of touring artists from around the world, per se. We're really going to be featuring local talent and local organizations and making the focus on the free and accessible space.

We are going to intersperse that with ticketed events and shows. But it's really finding that balance again just to really, I think, for us, to make sure that we're managing that synergy between emerging, established and the experience for San Francisco and people who are here.

So that's the collaboration. That's really the partnership part of this is we're going to be in sync with each other coordinating events and calendars in how we're programming and marketing all of that.

President Brandon: Great. I think it's a wonderful concept. Did you have a question?

Commissioner Engblom: Yeah. Now that the creative conversation has really moved along, I'm just kind of thinking about one thing that I haven't -- I'd like to

give you an opportunity to talk about your -- a lot of this sounds like it's a philanthropic-driven project.

And I just wonder if you could talk a little bit about maybe some of your anchor philanthropies that you -- because I know it's a really challenging time for philanthropic projects. And I wonder if you could talk a little bit about strategy in that or anything else you'd like to mention about that.

Ken Ikeda: Happy to. CAST is -- we're roughly 50 percent dependent on philanthropic support for operations. We are prepared to self-finance to get started on this project. We haven't raised a single penny. And it's not because we can't. I'm highly confident we can.

It's because we don't have a license just yet. And we haven't presented. So it's a bit of a cart before the horse. But again, I think this speaks to the team. The high level of confidence we have is in our histories. [We had] a nonprofit executive director for 25 years.

We are constantly raising funds for CAST. The acquisition of property is quite expensive. And it's not all philanthropically driven. So we're very sophisticated as a nonprofit in our capital stack and where we can acquire funds. But we are already invested fully in this project. So we will capitalize it and make sure it happens.

And then, I think, from there there's that blending in of revenue generation and then recovery of funds as we can get underwritten with success. So that's why it's so critical that we have that second year. And we should just be hitting our stride in that second year when we hope to come back to the table to stay.

President Brandon: [laughs] I know. Did you have a question?

Commissioner Adams: Yeah. You said that they would be -- what kind of festivals? You mentioned that there would be certain type of festivals.

Ken Ikeda: Mm-hmm.

Commissioner Adams: What kind of festivals were you talking about?

Ken Ikeda: Yeah. Again, I don't think I can't commit names. But I mean, we've had conversations with CAAM. I was on board of Center for Asian American Media. They have the CAAMFest. You know, would it be interesting to have an alternative site?

I reached out to SF Film Society. I'm familiar with [IGBS]. There's a number of groups that are quite established. They have world-class films. They do global premiers. Can we find one where the vibe of that space meets the film? And can we be a host for it?

So again, lots of deeply embedded relationships in this space -- Dave mentioned Noise Pop. Again, nothing is formalized here just for the record if anyone is recording this. But we've had active conversations with groups that we think have, again, the track record, the capacity, the ability to move quickly and understand how it's done and done well.

Those are the folks we're going to really call upon. And then, you know, we can find the all-ages show. We can take that infrastructure we're building for those other ones and apply it for the other audiences. So there's going to be a lot of sort of calendaring and curating of moments to piggyback off of those bigger events.

Commissioner Adams: So will your artists -- you said like six-month intervals. So they'll reflect the diversity --

Ken Ikeda: Mm-hmm.

Commissioner Adams: -- the different type of artists from different communities and things like -- yeah.

Ken Ikeda: Yeah. That's the Art+Water residencies. Yeah. For CAST, we're going to be programming for everyone that comes through. Right. We're going to reach out to Root Division and, "Do you want to exhibit something?" We're going to go all over the city and say, "Who wants to get access and utilize the space?"

Dave Eggers: I might just add that there are groups like Smorgasburg -- you know, this is like a national festival that's a food festival that they take over like the parking lot of the Dodger stadium for a weekend in L.A. or Miami, brings in 100,000 people a shot in some of these larger cities.

They've been talking with the Port for years about a location. They're very interested. The guy that runs Smorgasburg I've known for a long time. He's interested in -- there are so many organizations like that and others that will be drawn to Pier 29 now that it's activated.

If it's activated and there are festivals going on once a week or activities, there's artists coming and going. There's gallery activity every single day. There's an exhibition in the front that people are coming to. And then, in the middle, you see 30,000 square feet that are convertible, rentable for galas, for small events, large events.

I think it's going to be a destination that so many -- and like you said, Mr. Lee, like clients that the city knows that want a space that -- maybe they don't need 100,000 square feet. Maybe they need 5,000. And this space is ready to go. It's occupied continuously.

All of the residents -- the artists will be there at all times, so it's a -- and being caretakers for this. So it's going to be sort of a very -- like a plug-and-play kind of destination that can host all kinds of activities at whatever scale if that makes sense.

So with CAST's help and with a continuous programming schedule, I think it's going to be one of the more desirable sort of event centers in the city and maybe the most convertible because it's so large and everything will be on wheels.

Commissioner Adams: Thank you.

Vice President Gilman: I just had one question. I just wasn't sure if I heard you right from CAST just because I just w -- because I know -- I mean, I know it's -- we'll be talking about it next month. And hopefully, it'll be an action item. But as a nonprofit executive, I just want to make sure.

What I heard you just say was that, once you have your licensing agreement, CAST will begin to fundraise. But CAST has a strong balance sheet. You do real estate development. I'm assuming you have unrestricted reserves, you have bank developer fee and that you will self-fund this if you need to --

Ken Ikeda: Yes.

Vice President Gilman: -- if you cannot come up with philanthropic support, you're going to make this happen?

Ken Ikeda: Yeah.

Vice President Gilman: I just want to make sure I heard you right.

Ken Ikeda: Yeah. It's on the Internet forever. [We're ready].

Vice President Gilman: Yeah. No. I just wanted to make sure because that's what I heard -- [two executives] -- I just want to make sure because I think that's really a testament to the commitment to this project.

Ken Ikeda: Yeah.

Vice President Gilman: And since we do have a fiduciary responsibility when we get the term, I think that should hopefully give us all comfort that we're not going to get eight months into this or into buildout and you come back to commission saying you need to renegotiate terms, or you can't make it happen. So I just think the fact that CAST has such a strong balance sheet and has a business model of real estate development is also a different kind of starfish in the art world compared to other nonprofits or other art nonprofits. And I just wanted to uplift that.

Ken Ikeda: Yeah. No. Thank you. And this is a new space for CAST. But as individuals, nothing we've talked about hasn't been done by one of us already on staff. So --

President Brandon: Commissioner Lee?

Commissioner Lee: So that's why I kind of want to follow up on that because, you know, this is -- you know, I applaud you for being the entrepreneur you are because these kind of concepts just come out of the sky. And you have to make the resources work. So my curiosity -- and I don't know if it might help Commissioner Gilman. But what motivated you to buy the Warfield building?

Ken Ikeda: [laughs]

Commissioner Lee: I mean -- [crosstalk]

Vice President Gilman: It's their mission.

Ken Ikeda: We wrap spaces around programs and mission.

Vice President Gilman: [Yeah. It's their mission].

Ken Ikeda: And so for KALW --

Vice President Gilman: Yeah.

Ken Ikeda: -- that is a home that makes sense. There is a history. There is -- I don't know if folks know this. They're an NPR operator. But they're also half music format.

Commissioner Lee: Of course.

Ken Ikeda: And they're part of the NPR Tiny Desk network and Live Sessions network. So the ability to activate that Warfield space as a partner -- a true partner in the facility was of deep interest to them to be present in Mid-Market and to really anchor that corner, which has a troubled history of late [crosstalk] was appealing. And to make news visible was really important to them.

Commissioner Lee: And Live Nation is still a tenant. Right?

Ken Ikeda: Yeah. It's Goldenvoice now, I believe.

Commissioner Lee: Goldenvoice.

Ken Ikeda: Yeah.

Commissioner Lee: Because I used to -- my printing company did printing for Live Nation and Bill Graham when Bill Graham was alive.

Ken Ikeda: Yeah.

Commissioner Lee: And I was in the Warfield a lot. But I was just curious how did that become your property and then now you want to come here. So I just -- make sure, again, stability is --

Ken Ikeda: Yeah.

Commissioner Lee: -- not to be overtaxed or overleveraged.

Ken Ikeda: No. I think this is the moment for arts. We've been in waiting for the right conditions. And you know, the driver of all of our activity are ready-and-waiting artists and arts organizations that have not had their moment. So I think this is the beginning. It's not the peak.

Commissioner Lee: All right. I'm good.

President Brandon: Any other questions or comments?

Vice President Gilman: [I wish we could be actually].

President Brandon: Thank you so much. This was a great presentation. You guys answered all of our questions. And we look forward to the terms.

Ken Ikeda: Thank you so much for your time and attention. Thanks.

President Brandon: Thank you. Next item, please.

13. NEW BUSINESS

Director Forbes: Commissioners, I haven't recorded anything through this meeting. But is there new business?

Commissioner Lee: I have something. When Commissioner Gilman and I went to meet the fishermen yesterday, we walked along Alioto's, Fisherman's Grotto. And you know, the outdoor kitchens that they have that are presently unused? And I now we're going to take time to rent out the main buildings.

But in the interim, now that summer's coming up, is there a way we could clean them up a little bit and offer them to pop-ups, you know, who might want to rent them out and have small businesses temporarily, you know, just to kind of clean up the spaces and try to give some other opportunities to small business people?

Because it's kind of a shame. They've got the crab pots there. They've got the hand-wash sinks. They've got everything they need. It's kind of a shame it just sits there unused. So I'd like to get a report on that.

President Brandon: Is there any other new business? If not, can I have a motion to adjourn?

14. ADJOURNMENT

ACTION: Vice President Gilman moved to adjourn the meeting in the memory of Christopher Matthew Kaniewski, a long-term onboard Pier 39 resident. Commissioner Adams seconded the motion. All commissioners were in favor.

The meeting was adjourned at 6:32 p.m.