



May 9, 2025

TO: MEMBERS, PORT COMMISSION
Hon. Gail Gilman, Vice President
Hon. Willie Adams
Hon. Stephen Engblom
Hon. Steven Lee

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational presentation on Hudson Pacific Properties proposed enhancements, leasing, and activation of the Ferry Building Marketplace and Ferry Plaza areas.

DIRECTOR'S RECOMMENDATION: Information Only – No Action Required

EXECUTIVE SUMMARY

In 2018, Hudson Pacific Properties (“Hudson”) acquired the ground lease for the Ferry Building. Since then, Hudson has been working with Port staff on proposed enhancements to the Ferry Building, Ferry Building Plaza, and South entry area. These enhancements have included ongoing maintenance such as façade restoration of the clock tower from 2020 - 2023, under-pier deck repairs in 2023 and 2024, and other improvements to meet the needs of the office and retail evolving market conditions. Hudson has also been actively renewing and piloting new leasing in the Marketplace focused on local merchants and has expanded its programming of public events in both the Marketplace and Ferry Plaza.

The retail market continues to evolve post-pandemic, and Hudson has been planning enhancements to the Marketplace and Ferry Plaza areas to attract a diverse set of commercial tenants to expand the offering and hours of the Marketplace and Ferry Plaza areas.

Many of the proposed enhancements are subject to design review by both the City and the San Francisco Bay Conservation & Development Commission (BCDC) design review bodies. The proposed enhancements went through a design review process with both

groups through joint meetings, with a final recommendation of support for the proposed enhancements. Hudson presented their proposed improvements to the San Francisco Historic Preservation Commission (HPC) on July 17, 2024, as an informational item because the Ferry Building is City Landmark No. 90. The HPC commented on the appropriateness of the proposed alterations to the landmark and its setting. The focus of the HPC meeting was not on the proposed internal enhancements but on the exterior enhancements. Additionally, Hudson presented the proposed enhancements to the Port's Northern Advisory Committee (NAC) in March 2024. The NAC was generally supportive of the proposed enhancements described in this staff report.

STRATEGIC OBJECTIVE

Enhancements, leasing, and activation of the Ferry Building and Ferry Plaza areas support the Port's Strategic Plan goals:

Economic Recovery

Work with tenants to recover from the COVID-19 Pandemic.

Productivity

Attract and retain tenants to build an economically successful and vibrant waterfront.

Equity

Empower Black, Indigenous, and other People of Color (BIPOC) in Port operations and opportunities through equitable policies and practices.

Evolution

Evolve the waterfront to respond to changing public and Port needs.

Engagement

Engage constituents and the public on Port functions and activities.

BACKGROUND

The Ferry Building opened in 1898 as the Union Depot and Ferry House and functioned as a main transportation hub connecting the City of San Francisco with communities throughout the Bay Area. Initially, the ground floor was used primarily for ticketing services, baggage and freight handling, and storage, while the second floor served as the primary circulation path for ferry arrivals and departures.

The Ferry Building was designated a City and County of San Francisco Landmark in 1977 and listed in the National Register of Historic Places (National Register) in 1978. The Ferry Building underwent a complete rehabilitation in 2003 through a public-private partnership between the Port of San Francisco and Equity Office that cost approximately \$110 million and was respectful of its status as a landmark and its position on the National Register. In 2006, the Ferry Building became a contributor to the Port of San Francisco Embarcadero Historic District and was again listed in the National Register. In 2018, the Ferry Building ground lease was acquired by Hudson, who has since invested in a number of

improvements and plans future enhancements to both the building and Ferry Plaza area to expand offerings and public amenities.

The Ferry Building is a major attraction and ranks among the City's top 10 destinations for locals and visitors alike. The primary attraction is the ground floor Marketplace, with a variety of restaurants, food-related merchants, and the farmers market operated by Foodwise on Tuesdays, Thursdays, and Saturdays. Additionally, Hudson and its tenants and partners have programmed a variety of events that draw visitors to the building and plaza areas. These events range in celebration of cultural activities such as Lunar New Year, Juneteenth, Love Bites Valentine's Event, SF Tea Fest, Pride Week, Trick or Treating, Holiday Open House, Head West Artisan Market, Cheese Festival, Movie Nights, Let's Glow SF, and SF Made Market and music performances – all free and open to the public.

Since the building reopened in 2003, the Marketplace has been curated with a variety of local Bay Area vendors and restaurateurs, which has led to its success. The Marketplace and farmers market, as well as the variety of events, have focused on daytime and occasional early evening activities. Post-pandemic, this short duration of activation, generally from 10 AM to 6 PM, has made it difficult for the Marketplace vendors to generate the revenue necessary to operate successfully and has led to increased turnover of tenants. Hudson proposes enhancements to the building and plaza area that will attract Marketplace uses to activate the building into the evening hours, which will make the Marketplace tenants more successful.

TENANTING AND EVENTS

The Ferry Building Marketplace has been committed to providing opportunities to diverse small businesses since its opening in 2003. This curated mix of uses led to the success of the marketplace and the destination it is today. Subsequent to the initial set of tenants in the Marketplace, Hudson continues to work with small local businesses consistent with the Port's equity goals. A few of the featured local merchants who bring a variety of tastes, influenced by their heritage and the Bay Area's local food ethos, include:

- Peaches Patties – Jamaican Kitchen
- Lunette Cambodia
- El Porteno Empanadas Argentinas
- Senor Sisig Filipino Fusion
- Cholita Linda
- Obours Hummus
- Red Bay Coffee Truck
- Ocean Malasada Donuts
- Far West Fungi
- Fog City Flea, which showcases and supports dozens of local artisans

The Ferry Plaza Farmers Market remains one of the Marketplace's most important partners. Hudson is proud to sponsor two of Foodwise's annual fundraisers, supporting their ongoing educational initiatives. The market plays a vital role in connecting urban communities with local farmers, small food businesses, and artisan producers. Through

Foodwise, visitors of all ages benefit from free educational programs, including Saturday cooking demonstrations and school field trips designed to inspire the next generation of food lovers.

Hudson, along with the Port, supports an initiative of Foodwise's [Building Equity program](#), Pop-Ups on the Plaza. Pop-Ups on the Plaza are a series of public events celebrating Bay Area BIPOC-owned businesses with delicious food, crafts, and community. Activating San Francisco's Ferry Terminal Plaza and Ferry Plaza Farmers Market, each free event takes place quarterly and showcases 12 to 20 BIPOC-owned food and craft businesses and attracts thousands of Bay Area visitors, providing economic opportunities and contributing to a diverse, inclusive, and vibrant San Francisco Waterfront.

PROPOSED ENHANCEMENTS

Hudson proposes enhancements to three distinct areas of their leasehold, including: 1) the interior and exterior of the building; 2) the Ferry Plaza; and 3) the South entry drive aisle and adjacent spaces. The below describes the proposed improvements (see Exhibits 1-2).

Building Interior and Exterior

The proposed enhancements to the interior and exterior of the building are modest and include new lighting in the market hall to bring more light and life to the space and minimize some of the dark spaces and corridors. Exterior architectural lighting will be enhanced, including improved lighting of the architectural features and enhanced lighting of the entry portico to signal in the evening hours that the building is open and welcoming.

Hudson proposes to combine the former Red Bay Coffee and Reem's space into a single space that will become a restaurant space to help bring more evening activity. The storefronts will be modified to make the space more open and welcoming.

Ferry Plaza and South End of the Ferry Building

The Ferry Plaza is a broad paved area that is currently used for over 200 daily deliveries to Ferry Building merchants (mostly before 11 a.m.), public seating, weekly markets, and special events. To make the Plaza more attractive for daily public use and special events, improvements would include:

- *Public Seating:* Movable tables and chairs for 80 people that can be relocated to the edges on market days.
- *Lighting:* To frame and better define the expanse of Ferry Plaza and to extend its use into the evening, light poles would be added along its south and west edges.

Improvements at the south end of the Ferry Building are proposed to soften the expanse of paving adjacent to the building and create a welcoming pedestrian character with café seating, public seating, planters, and lighting. Improvements will also better define pedestrian and vehicular circulation routes. The public spaces and circulation will have a clear visual structure with graphics on the pavement, crosswalks, and furnishings that welcome pedestrians and define accessible routes to and from Ferry Plaza and ferry gates. Changes to this area include:

- *Identity Features:* A new 20-foot-high by 24-foot-wide gateway sign over the drive aisle to direct pedestrians and vehicles to Ferry Plaza and ferry gates; at the southwest corner of the Ferry Building, a new granite cornerstone that mirrors the materials of the new WETA Plaza and anchors the pedestrian improvements at the south end of the Building; and a ground mosaic to mark the Ferry Building's southern entrance.
- *Outdoor Dining:* A café area at the eastern half of the south end of the Ferry Building with tables, chairs, umbrellas, and planters that can be moved for Farmers Market use.
- *Public Seating:* Movable tables and chairs at the south end of the Building near the Embarcadero and on Ferry Plaza.
- *Drive Aisle Graphic:* Pavement painting referencing the WETA Plaza paving on the drive aisle/fire lane adjacent to the Ferry Building to communicate the driveway being a shared-use space. The accessible path of travel would continue to be the walkway between the shared-use driveway and WETA Plaza.

DESIGN REVIEW

Proposed enhancements to the Ferry Building, Ferry Plaza, and South entrance are subject to design review through the City's Waterfront Design Advisory Committee (WDAC) and the San Francisco Bay Conservation and Development Commission (BCDC) Design Review Board (DRB). The WDAC and BCDC DRB meetings are open to the public and are publicly noticed. The proposed enhancements went through a joint design review with both committees sitting together. The WDAC and DRB met two times, including on April 10, 2023, and March 11, 2024. At the final meeting on March 11, 2024, each committee was supportive of the proposed enhancements. A summary of the joint committee's review concluded that: 1) conceptually, the WDAC and DRB supported the proposed activations but stated the implementation details will be key to ensuring the publicness of the spaces is maintained; 2) there was consensus among the Boards that the addition of lighting on the Ferry Plaza is a positive enhancement; and 3) the Boards favored activation of the South entrance and agreed that seating is a positive enhancement but communicated that special attention to the design details would be required. The WDAC and DRB directed Port and BCDC staff to work with Hudson to make certain appropriate design detailing was developed.

ENVIRONMENTAL REVIEW

Hudson submitted an Environmental Review Application to the San Francisco Planning Department on March 27, 2024, for the proposed enhancements. The San Francisco Planning Department determined the project was Categorical Exempt and issued the Categorical Exemption (Case No. 2023-006300ENC) for the project on January 8, 2025.

NEXT STEPS

Hudson Pacific has submitted pre-design applications for Port staff review for the lighting projects and anticipates submitting building permit applications in the spring and summer for the interior and exterior lighting. Hudson and the Port submitted a BCDC Permit Amendment Request on April 30, 2025, that will allow the enhancements to the Ferry Plaza and South entry area. It is anticipated that BCDC will issue an amended Permit in the summer of 2025. Hudson proposes enhancements to the Ferry Plaza and South Entrance to occur in 2026.

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Exhibits:

- 1 – Proposed Enhancement Locations (Interior and Exterior)
- 2 – Proposed Plaza and South Entry Enhancements