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SAN FRANCISCO PORT COMMISSION - MINUTES OF THE MEETING

Meeting Date: August 11, 2026

Closed Session: 2:30 PM
Open Session: 3:15 PM

Port Commission Hearing Room
Ferry Building, Second Floor
San Francisco, CA 94111

PORT COMMISSIONERS

Stephen Engblom, President
Ken McNeely, Vice President
Willie Adams, Commissioner
Vanessa Tapia Hartigan, Commissioner
Rich Lee, Commissioner

EXECUTIVE DIRECTOR

Michael Martin

COMMISSION SECRETARY

Jenica Liu

LINK TO VIDEO RECORDING

https://sanfrancisco.granicus.com/player/clip/53000?view_id=92&redirect=true

1. **Call to Order / Roll Call**

   President Engblom called the meeting to order at 2:30 PM. All Commissioners – Engblom, McNeely, Adams, Hartigan, and Lee – were present.

2. **Approval of Minutes – July 14, 2026**

   ACTION: Motion by Commissioner Adams, second by Commissioner McNeely. Approved unanimously.

3. **Public Comment on Executive Session**

   No public comment received.

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: Motion by Commissioner Adams, second by Vice President McNeely. Passed unanimously.

   i. CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION: CITY AND COUNTY OF SAN FRANCISCO VS. CASTAGNOLA, INC. OF SAN FRANCISCO, A CAL. CORP ET AL, Superior Court of San Francisco County, Case No. CUD24674725; and CITY AND COUNTY OF SAN FRANCISCO VS. LOLMAN ENTERPRISES, INC., ET AL, Superior Court of San Francisco County, Case No. CGC23606678

      1. Discussion of terms and Port's response to Defendants' performance under the Settlement Agreement executed on December 5, 2025, pursuant to Port Resolution No. 25-23 and Board of Supervisors Resolution 481-25, for Castagnola Restaurant regarding Lease No. L-7493 (restaurant), including payments to the Port in amount of $300,000, construction to reopen the restaurant, and restaurant operations, enforceable through stipulated judgments in the cases listed above.

   ii. 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)

      1. Property: 286 Jefferson Street, San Francisco, CA.
         Person Negotiating: Port: Michael Martin, Executive Director, Scott

Landsittel, Deputy Director, Real Estate & Development.
Negotiating Parties: Lou Giraudo, Seth Hamalian, and Chris Larsen as individuals.
Under Negotiation: __ Price __ Terms of Payment X Both

Port's negotiators seek direction from the Port Commission on factors affecting the price and terms of payment, including price structure, new or additional term, and financing significant infrastructure and real property investments at 286 Jefferson Street. The executive session discussions will enhance the capacity of the Port staff to negotiate a term sheet for future public deliberations and consideration by the Port Commission.

PRESENT:
President Stephen Engblom
Vice President Ken McNeely
Commissioner Willie Adams
Commissioner Vanessa Tapia Hartigan
Commissioner Rich Lee

ALSO PRESENT:
Michael Martin, Executive Director
Jenica Liu, Commission Secretary
Scott Landsittel, Deputy Director, Real Estate and Development
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: Commissioner Adams moved to reconvene in open session without disclosing closed session discussions. Vice President McNeely seconded the motion. Passed unanimously.

6. Ramaytush Ohlone Land Acknowledgement

The Commission Secretary read the Ramaytush Ohlone Land Acknowledgment.

7. **Announcements** – Quiet noise-making devices, how to make public comment

   The Commission Secretary read the announcements.

8. **Public Comment on Items Not Listed on the Agenda**

   Two individuals provided public comment. One commenter was identified as Chris Ward Kline. The second commenter's name and remarks could not be captured due to technical audio issues.

9. **Executive**

   A. Executive Director's Report
   - **i. Economic Vitality**
   - **ii. Equity**
   - **iii. Resilience**
   - **iv. Key Project Updates**

   Director Martin welcomed newly appointed Commissioner Vanessa Tapia Hartigan and highlighted her extensive background in institutional finance, technology, governance, and nonprofit leadership.

   He recognized August as Transgender History Month, noting San Francisco's leadership in honoring the Compton's Cafeteria riots and reaffirming the Port's commitment to inclusion and equity.

   Director Martin reported strong early interest in the Port's Blue Economy Initiative following the Commission's action in July. The Port recently hosted a networking event at Pier 1 with approximately 70 attendees from maritime, environmental, technology, and investment sectors. Eight leasing applications have been received as part of ongoing outreach and ecosystem-building work.

   He announced upcoming waterfront activations, including:

   • Pier Play San Francisco, a music festival at Pier 70's new Elevation Sky Park.

   • The San Francisco Historium Spotlight at Pier 35, an immersive Gold Rush–themed event produced by Red Barn Productions and the San Francisco Historical Society.

   He celebrated the Mission Rock project's Phase 1 receiving a 2026 ULI Americas Award for Excellence and noted continued progress toward Phase 2, including infrastructure design and transaction updates.

   He provided updates on waterfront mobility and infrastructure:

   • Award of the construction contract for Mission Bay Ferry Landing, with work expected to begin in the coming months and continue through late 2027/early 2028.

• Advancement of the Illinois Street Parking Access Project to increase parking supply in the central waterfront, expected to open after approximately two months of construction.

Director Martin concluded by emphasizing the Port's ongoing work to revitalize the waterfront through partnerships, innovation, cultural programming, and improved public access.

Public Comment

One caller, Captain Maggie Hallahan, provided public comment. She requested that the Port ensure "rec-one" water quality testing for areas planned for kayaking and stand-up paddleboarding, especially along India Basin and the shoreline. She emphasized the importance of publishing test results to support safe youth and family recreation.

Commissioner Comment

Vice President McNeely thanked Director Martin for the report and highlighted the strong interest in the Blue Economy Initiative. He asked about opportunities to cluster prospective tenants, provide shared or drop-in space for early-stage operators, and support long-term incubation. Director Martin responded that the Port is currently in an early "locationless incubator" phase focused on small, short-term operators; staff is assessing how best to curate future dedicated space, possibly through partnerships or repurposing underutilized facilities. McNeely also inquired whether the Mission Bay Ferry Landing would support commuter service. Director Martin confirmed that the landing is designed for commuting, with initial operations focused on event service before transitioning to regular commuter ferries.

Commissioner Hartigan congratulated staff on recent progress, expressed enthusiasm for activation programming, and asked whether additional Port-controlled properties could be considered for future activations. Director Martin stated that activation is a strategy across the waterfront, noting both master-tenant-driven activations and areas directly controlled by the Port. Staff is developing approaches to expand direct Port-led activation opportunities and may return to the Commission with strategies at a future meeting.

Commissioner Adams commended the leadership behind the Blue Economy Initiative and recognized the excitement reflected in recent applications. He emphasized the importance of ferry service for residents and visitors, highlighted current positive momentum in the city, and spoke about the need for continued creation of affordable housing to maintain community balance. He also reflected on opportunities arising from the Mission Rock development and broader activation efforts.

Commissioner Lee expressed appreciation for the report and noted that the current level of innovation and activity feels like a "new Gold Rush."

President Engblom welcomed Commissioner Hartigan and thanked staff for recognizing Transgender History Month, noting ongoing collaboration with the City's Human Rights Commission on researching historic transgender and LGBTQ leadership connected to the Port. He praised the Mission Rock ULI award and commended staff, partners, and the community for their role in delivering an innovative, nationally recognized project. He expressed excitement about the momentum behind the Blue Economy Initiative and encouraged staff to continue pursuing partnerships with other agencies and philanthropic efforts, including opportunities related to Crankstart's recent major grant program. He also suggested inviting an economic historian to speak about the Port's historical role during the Gold Rush era as part of future waterfront activation and educational programming.

Commissioner Adams requested acknowledgment of a recent maritime accident involving a capsized vessel (Volare) and loss of life. Director Martin described the Port's coordination with emergency responders and noted ongoing work to restore gas fueling at Hyde Street Harbor to support future emergency operations. President Engblom expressed condolences to the families affected and stated that the meeting would be adjourned in their honor.

10. Consent

A. Request approval of the Second Amendment of and fee waiver for License No. 17173 with Pacific Cruise Ship Terminals LLC for the periodic use of approximately 20,000 square feet of Pier 19.5 shed for terminal worker parking during cruise calls at Pier 27. (Resolution 26-40)

B. Request approval of a proposed no-fee License No. 17484 with CP Development Co., LLC for approximately 36,300 square feet of non-contiguous unimproved and submerged land within the Candlestick Point Development site on a portion of Gilman Avenue and adjacent shoreline property land for an eight-year term after recovery of Port costs. (Resolution 26-41)

C. Request for authorization to modify Contract No. 2894, Fisherman's Wharf Forward – Taylor Street Public Plaza, to increase the contract value by $250,000 and extend the substantial completion date by 18 days. (Resolution 26-42)

D. Request authorization to name a new Plaza located on Taylor Street (Wharf J1) "Alioto's Plaza", consistent with the Port's newly adopted Recognition and Commemoration policy. (Resolution 26-43)

ACTION: Motion by Commissioner Adams, second by Vice President McNeely. No public comment received. Passed unanimously.

11. Real Estate & Development

A. Informational presentation on updates to the Pier 70 28-Acre Site Project, including potential amendments to the transaction structure that aim to accelerate Phase 1 vertical development and improve the feasibility of future phases.

Port Development Project Manager Christine Maher provided an update on the Pier 70 project, summarizing its background, current status, and proposed amendments aimed at improving feasibility and restarting vertical development. She noted that Phase 1 horizontal infrastructure is complete and Building 12 has been successfully rehabilitated and activated, but it remains the only vertical project due to a prolonged down-market delay. Maher outlined market challenges such as high office vacancy, lower residential rents, high construction costs, and elevated interest rates. She described proposed changes including new timelines for Phase 1 vertical parcels, breaking future phases into smaller sub-phases aligned with market demand, updating impact fees and zoning, adding flexibility for residential uses, increasing heights on select parcels, and adjusting affordable housing requirements to match current city policy while maintaining commitments to stand-alone affordable sites. Financial updates include reducing the developer's Phase 1 return, revising reimbursement sequencing, and limiting future down-market delays. She noted ongoing community outreach and stated that staff and Brookfield expect to return with proposed amendments in late 2026 or early 2027.

Brookfield representative Tim Bacon thanked the Commission and staff, emphasized the collaborative nature of the public-private partnership, and expressed Brookfield's confidence that the proposed changes will allow vertical development to move forward, positioning the project to advance beginning in 2027.

Public Comment

Ell Jennison asked for clarification on the proposed change to Pier 70's affordable housing requirements, specifically the reduction of the inclusionary rate from 30 percent to no less than 20 percent and the increase of total units due to height adjustments. Assistant Deputy Director Wyatt Donnelly-Landolt explained that the three stand-alone 100-percent affordable buildings, totaling 327 units, remain unchanged and may increase in density. He noted that the project-wide inclusionary rate is being aligned with current city policy – which has been reduced to 5 percent citywide – and that while the percentage will decrease, the total number of homes is projected to rise, resulting in a comparable or potentially higher number of affordable units overall. He stated that staff will continue coordinating with MOHCD to determine final targets during each phase. President Engblom sought clarification on the current citywide inclusionary rate, and staff confirmed it is 5 percent following recent policy changes.

Commissioner Comment

Commissioners had no questions or comments. No action was required on this informational item.

12. Waterfront Resilience Program

A. Informational presentation on the partnership between the U.S. Army Corps of Engineers and the Port on the San Francisco Waterfront Coastal Flood Study and Port advocacy efforts related to the Water Resources Development Act.

Waterfront Resilience Program Director Brad Benson presented a major program milestone, announcing the completion and federal publication of the U.S. Army Corps of Engineers' 100-year coastal flood study, concluding eight years of joint work. He summarized the study's findings, including significant long-term flood and seismic risks, and described the recommended $17.8 billion coastal defense plan, proposed phasing, design maturity, and next steps. Benson outlined upcoming design contracts funded by Proposition A, early implementation priorities near the Ferry Building, and continued legislative advocacy with federal partners. He also highlighted the importance of partnerships, community engagement, and coordination with federal, state, and city agencies.

Public Comment

Ell Jennison requested environmental testing at Pier 68 due to concerns about potential contamination and future cleanup costs. He urged the Port to evaluate toxicity levels and consider federal superfund designation if warranted. Alice Rogers, speaking on behalf of the South Beach/Rincon/Mission Bay Neighborhood Association, expressed appreciation for the Port's outreach and noted strong community interest in funding strategy, equity, and long-term resilience.

Commissioner Comment

Vice President McNeely praised the comprehensiveness of the presentation and asked about the reliability of federal funding in a shifting political environment, cautioning that broader administrative priorities could affect appropriations. He also asked how sea-level rise planning is being coordinated across all of San Francisco beyond the Port's jurisdiction; staff confirmed citywide efforts are underway.

Commissioner Hartigan commended the eight-year effort and requested clarification on how the Port plans to meet the Army Corps' new requirement for 35-percent design completion before federal authorization. Staff explained the strategy of advancing only the downtown coastal resilience segment to that level rather than designing the entire waterfront upfront.

Commissioner Lee expressed appreciation for the partnership and the extensive effort involved.

Commissioner Adams spoke at length about the importance of bipartisan advocacy, citing specific congressional committees and emphasizing the need for a broad coalition – other ports, business leaders, labor, environmental groups, and community organizations – to support federal investment. He underscored the generational significance of the project and the need for continuous education and outreach.

In follow-up remarks, Vice President McNeely asked whether a national coalition of coastal cities exists to strengthen collective lobbying; staff confirmed San Francisco participates in a national network created to coordinate with the Army Corps and advocate for coastal resilience funding.

President Engblom closed by thanking staff for their long-standing work, noting the project's national engineering leadership, and emphasizing the need to pair technical innovation with financial strategy to build bipartisan support and attract broader investment.

No action was required on this informational item.

B. Request authorization to submit an ordinance to the Board of Supervisors exempting publicly-funded resilience projects within the Port of San Francisco's jurisdiction from San Francisco Administrative Code Chapter 29. (Resolution 26-44)

Deputy Program Manager Devyani Jain and Project Manager Helen Balawejder presented a request for the Port Commission to authorize seeking a Chapter 29 fiscal feasibility exemption from the Board of Supervisors for publicly funded waterfront resilience projects. They explained that the exemption would allow the Port to initiate CEQA review and streamline delivery of long-term resilience projects, noting that the program has already completed extensive fiscal feasibility work and is subject to multiple existing oversight bodies. Staff highlighted that other major city agencies (SFMTA and SFPUC) have received similar exemptions, and that repeated Chapter 29 requirements would add cost and delay to the Port's multi-decade program.

Public Comment

No public comment received.

Commissioner Comment

Commissioners had no questions or comments.

ACTION: Motion by Commissioner Adams, second by Vice President McNeely. Passed unanimously. Resolution 26-44 adopted.

13. New Business

Director Martin noted he would return with an activation strategy focused on Port-managed properties. Commissioner Adams requested inviting former Commissioners Gail Gilman and Steven Lee to a future meeting to thank them for their service, and Director Martin agreed to convey the invitation. President Engblom asked staff to continue advancing the financial innovation lab effort in coordination with the Mayor's Office, with Director Martin confirming he would bring the work back as an informational item once the city committee is established. Vice President McNeely requested an update on dredging and potential opportunities to strengthen local capacity and reduce costs; Director Martin stated that staff is preparing an item for October that will include environmental considerations, market analysis, and expanded contracting options.

14. Adjournment

The Commission adjourned the meeting in memory of the victims of the Volare boating accident. Commissioner Adams made the motion to adjourn in honor of Clifford Boisa, Carol Boisa, and Tondra Madruga, as well as the dog that also perished.

ACTION: Motion by Vice President McNeely, second by Commissioner Adams. Passed unanimously.

Meeting adjourned at 5:02 p.m.