

MEMORANDUM

August 10, 2018

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. Gail Gilman
Hon. Victor Makras
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Presentation on Waterfront Plan Update Part 3 Public Process and Request for Port Commission endorsement of recommendations to prepare draft amendments to update the Waterfront Land Use Plan (Resolution 18-45)

DIRECTOR'S RECOMMENDATION: Approve Resolution 18-45

EXECUTIVE SUMMARY

The public process to update the Port of San Francisco Waterfront Land Use Plan (Waterfront Plan Update) was initiated in late 2015, led by the Waterfront Plan Working Group (Working Group) and supported by seven Waterfront Plan Advisory Teams. The Working Group followed a three-part public process. Part 1 consisted of public meetings that provided an extensive orientation about the Port. During Part 2, the Working Group broke into three subcommittees to develop Land Use, Transportation, and Resilience recommendations to guide draft amendments to update the Waterfront Plan, which were accepted by the full Working Group. Port staff has provided several Port Commission briefings on the Part 2 Recommendations.¹

This staff report summarizes the results and public comments produced during Part 3 of the Waterfront Plan Update process. Part 3 consisted of public walking tours and

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¹ The [Part 2 Working Group Recommendations Report](#) describes the Working Group's Port-wide recommendations for the Waterfront Plan Update, which were presented in a Port Commission briefing and [February 23, 2018](#) Port Commission staff report. Port staff provided follow-up presentations and staff reports with further details in: [April 6, 2018 Port Commission report on Land Use Recommendations](#); [May 4, 2018 Port Commission report on Resilience/Environmental Sustainability Recommendations](#); [June 8, 2018 Port Commission report on Transportation Recommendations](#).

workshops to provide information on the following topics, which are discussed in further detail in **Attachment A, Waterfront Plan Update, Part 3 and Next Steps Report, June 22, 2018:**

- The Embarcadero Public Realm – Presentation of Waterfront Plan urban design, open space and public access policies, and how they would be updated to improve the “public realm”, the setting for civic life comprised of the network and relationship of streets, parks, open spaces, and the buildings that frame them
- South Beach and Northeast Waterfront subareas – How Part 2 recommendations to support more Embarcadero Historic District pier rehabilitation would update objectives for these areas, along with other recommendations to guide infill development of remaining seawall lots, and public realm improvements
- Piers 30-32 and Seawall Lot 330 – Presentation of existing conditions and possible future options for Piers 30-32, including discussion of implications for Seawall Lot 330

The Part 3 public conversations allowed Port staff to share and test the Working Group’s Part 2 Recommendations with more members of the public, many of whom were new to the Waterfront Plan Update process, and to receive additional comments, ideas, and insights. The public comments from these gatherings reinforced direction provided from the Working Group, and advanced public understanding about the Port and the Waterfront Plan. Port staff invites Port Commission and further public comments on this body of work. The outcomes and comments together with the Working Group recommendations, if endorsed by the Port Commission, will provide the foundation and direction for drafting amendments to update the Waterfront Plan, the next phase of work to be performed by Port staff.

This report also describes the next steps to update the Waterfront Plan. Port staff seeks Port Commission approval of a resolution to endorse the Part 2 Working Group Recommendations and conclusions from the Part 3 meetings. This will allow Port staff to perform the following work:

- Produce draft Waterfront Plan amendments, which will be published for public review and comment, anticipated by the end of 2018 or early 2019;
- Work with staff of the San Francisco Bay Conservation and Development Commission (BCDC) to develop draft amendments to the BCDC San Francisco Waterfront Special Area Plan to align with Waterfront Plan amendments for public review and comment, anticipated in early 2019;
- Work with staff of the San Francisco Planning Department (SF Planning) to develop amendments to the San Francisco Planning Code, Zoning Map and other planning documents as determined, to align with Waterfront Plan

amendments and waterfront design review procedures, for public review and comment, anticipated in early 2019;

- Complete consultant selection process and seek Port Commission authorization to initiate California Environmental Quality Act (CEQA) environmental review of the Waterfront Plan amendments and accompanying BCDC and SF Planning amendments, anticipated in late fall 2018.

The CEQA environmental review process must be completed prior to approval of Waterfront Plan amendments and associated planning approvals by the Port Commission, BCDC, SF Planning, Board of Supervisors or other decision-makers. Some of the Working Group's Part 2 Recommendations affect procedural changes to improve communications and operational efficiencies that are not subject to review under CEQA, which may be implemented at the direction of the Port Executive Director and/or Port Commission.

PORT STRATEGIC PLAN

The Waterfront Plan describes the Port's long-term policy goals, objectives and policies for land use and improvement of Port properties, which sets a framework for ongoing operations, initiatives and priorities reflected in the Port's Strategic Plan.

Renewal Objectives:

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

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

Engagement Objectives:

Regularly engage in meaningful public participation and incorporate community feedback into Port initiatives.

Livability Objectives:

Expand the Port's diversity in lease opportunities through increased outreach to underserved community and through developing partnerships.

Resiliency Objectives:

Work with City leadership to develop resilience and adaptation strategies that support needed seismic repairs to the Port's Seawall and protect the Port and City from flood risk due to climate change and rising sea levels.

Sustainability Goal:

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

Economic Vitality Goal:

Attract and retain maritime and non-maritime commerce to contribute to the long-term viability of the Port and the City.

Stability Goal:

Maintain the Port's financial strength for future generations by addressing the growing backlog of deferred Port maintenance and managing waterfront assets to meet the City's and the Port's long-term goals.

PART 3 OF THE WATERFRONT PLAN UPDATE

Part 3 of the Waterfront Plan Update public process was designed to educate and build public understanding of how the Working Group's Guiding Principles and Part 2 Recommendations will guide updates to the Waterfront Plan's policies for the use and improvement of Port lands and facilities. Port staff partnered with SF Planning to lead public "walkshop" walking tours in the Ferry Building/Northeast and South Beach areas, and open house workshops in April and May 2018 which focused on two distinct but interrelated topics:

- How Waterfront Plan urban design, open space and public access policies will be updated to incorporate "public realm" policies for The Embarcadero; and
- How Waterfront Plan objectives for the South Beach and Northeast Waterfront subareas will be updated consistent with The Embarcadero public realm policies and Part 2 recommendations for Embarcadero Historic District piers and seawall lots.

The tours focused on the Ferry Building/Northeast and South Beach waterfront subareas because they contain the majority of the remaining vacant or unimproved finger piers in the Embarcadero Historic District, which were identified by the Working Group as a priority for historic rehabilitation and improvement. As has been discussed in detail in past Port Commission briefings on the Waterfront Plan, the Working Group recommended Public Trust Objectives, and land use, financing and leasing tools and strategies tailored to facilitate financially feasible and desirable projects in the

Embarcadero Historic District, which extends from Piers 45 in Fisherman’s Wharf to Pier 48 south of China Basin Channel.²

Part 3 also included a separate public workshop to focus on the unique challenges and opportunities of Piers 30-32, located in the South Beach waterfront area. Because it is one of the few northern piers excluded from the Embarcadero Historic District, the Working Group’s recommendations for historic pier facilities would not apply to Piers 30-32. Piers 30-32 development is more constrained by public trust, waterfront land use and permit regulations than the Port’s historic pier facilities, and cannot access federal historic tax credit program financing, an important resource for historic pier rehabilitation projects. This workshop was designed to support discussion and public comments about these issues. The discussions also solicited public comments about Seawall Lot 330, located across from Piers 30-32.

Attachment A, Waterfront Plan Update, Part 3 and Next Steps Report, June 22, 2018, describes these walking tours and meetings in greater detail, includes the maps, handouts, presentation boards and full record of public comments received during these proceedings. This report was circulated for review and comment by the members of the Waterfront Plan Working Group and Advisory Teams; no comments or concerns have been received regarding the information and conclusions presented. This report also has been circulated to the general public and is posted on the Port’s Waterfront Land Use Plan webpage.

Port staff expresses special thanks to Anne Brask, Robin Abad, and Neil Hrushowy of Planning for their expertise and collaboration to help produce and support these meetings. The joint efforts will ensure that City and Port land use, urban design, and public realm policies will be updated and aligned as part of the Waterfront Plan Update.

South Beach & Northeast Public Walkshops

For both the South Beach and Ferry Building/Northeast public walkshops, Port and Planning staff produced maps and handout materials that described the characteristics and key focus issues discussed during the tours:

- *Embarcadero Historic District* – Identified unimproved Historic District bulkhead and pier facilities that need seismic retrofit and rehabilitation, and described the new Public Trust Objective Framework recommended by the Working Group to promote financially viable leases that include public-oriented and maritime uses.
- *Maritime and Harbor Operations* – Identified the Port’s unique maritime and water-dependent industries and activities, and Part 2 Recommendations about balancing maritime berthing and public access needs.

² In August 2018, The Port issued a Request for Interest (RFI) for public-oriented concepts that may be adapted to pier facilities with the Port’s Embarcadero Historic District. The [Embarcadero Historic District RFI](#) resulted from these Waterfront Plan Update public discussions and recommendations.

- *Waterfront Parks and Open Space* – Described the Port’s water-side and city-side network of parks and public access, and solicited feedback and ideas about how to activate and expand recreational use and enjoyment, as recommended by the Working Group. Described the Port’s desire to create a new civic public plaza on the Bay side of the Ferry Building (location of Saturday Farmer’s Market) to complete the necklace of parks along The Embarcadero waterfront.
- *Development Sites* - In addition to The Embarcadero Historic District pier facilities, discussed Working Group recommendations for Seawall Lot uses and design that complement neighborhood character, activate the ground floor and pedestrian environment, and generate Port revenue.
- *Transportation Needs* – Described needs for improved public transit service in line with the City’s Transit First Policy; safer bicycle and pedestrian crossing and circulation; prioritization of seawall lot parking lots for waterfront visitor parking; and advancing Transportation Demand Management policies. Planning also described how City “Complete Street” principles could be applied to further improve The Embarcadero public realm.

Public Comments

The vast majority of comments reinforced the values and objectives expressed in the Working Group’s Part 2 Recommendations. There is strong appreciation of and public support for retaining maritime uses and views along The Embarcadero because they are character-defining features of San Francisco’s historic waterfront. There is also strong support for expanding the range of recreational uses and amenities in Port parks and open spaces, including playground equipment, events like SF Symphony performances at Pier 27, public restrooms, signage or features to attract people to public access out over the water, and improvements to pocket parks and landscaped spaces on the quieter, west side of The Embarcadero. Several comments focused on transportation improvements, including suggestions for additional pedestrian crossings, signal timing changes and measures to improve public safety, including bicyclists.

Embarcadero Public Realm Open House Workshop

Over the last 15 years, the Port, BCDC, Planning, and the San Francisco Municipal Transportation Agency (SFMTA) have developed planning and design criteria to improve or enhance the “public realm”. Planning defines the public realm as the setting for civic life comprised of the network and relationship of streets, parks, open spaces, and the buildings that frame them. Along The Embarcadero, the public realm also includes public access, plazas, and pier aprons.

The Waterfront Plan’s urban design and open space goals and policies will be amended to incorporate and align with current City and BCDC public realm and public access principles and policies, including San Francisco’s Complete Streets and Vision Zero plans which incorporate standards targeted at improving pedestrian and public safety among all modes of transportation. The update of Waterfront Plan design policies also

will incorporate recommendations from a prior BCDC/Port Working Group planning effort in 2015. Many of the Working Group's Part 2 Recommendations reinforce public realm principles and city policies, which were presented at The Embarcadero Public Realm Workshop. The workshop and public discussions were organized across topics:

- *Diversity of Activities* – Provide activities that draw the widest range of users to the waterfront; Complement neighborhood character and provide transitions between City-side and water-side areas; Improve the public and pedestrian experience.
- *Urban Waterfront Character & Experience* – Preserve and enhance the Embarcadero Historic District pier facilities; On the City-side, guide infill development that enhances neighborhood character and provides a transition from the City to the Bay; Protect and expand the Port's diverse maritime industries; Create interpretive signage and displays that highlight points of interest, maritime history, public views, and the Bay ecology; Improve wayfinding systems that draw the public out onto piers and increase use and enjoyment of the waterfront.
- *Open Space & Public Access* – Activate waterfront parks with more recreational uses and activities that serve a wider range of users; Provide continuous public access along the water, where compatible with maritime operations; Provide more restroom, furnishings, and food concession amenities; Expand locations for water recreation, including recreational fishing; Create more resting spots along the west side of The Embarcadero; Support habitat and environmental enhancements.
- *Complete Streets & Transportation* - Along The Embarcadero, orient west-side improvements to enhance upland neighborhoods and districts, and east-side improvements to the needs of Port businesses, visitors and recreational users; Promote sustainable, multi-modal transportation and Transportation Demand Management policies; Improve neighborhood, pedestrian and transit pathways and connections across The Embarcadero; Improve pedestrian, bicycle and transit passenger safety; Improve curb management for Port tenant and visitor parking, passenger drop-off, delivery and service vehicles; Incorporate green infrastructure and sustainable construction and operations in public realm improvements.

Public Comments

Many comments and ideas highlighted the desire for a more diverse range of activities for the public, including recreational uses on and off the water (e.g. floating swimming pools, playgrounds, destination sport/recreation park, kayak and water taxi access, ground floor activation uses including food and drink options, pop-up retail businesses and temporary installations, arts and music, museum and cultural uses). Other comments focused on improved amenities, wayfinding signage, art and other installations that enhance the public's experience while strolling along The

Embarcadero Promenade, and similar features to attract people out onto the piers. Further examples include wayfinding improvements that tell stories about the waterfront, its history, and other features that would increase public interest and public space experiences. The comments also included suggestions for improvements to open spaces, particularly Harry Bridges Plaza in front of the Ferry Building. Numerous concerns and suggestions were aimed at improving public safety, including: bicycle access and facilities that improve public safety for cyclists and pedestrians, additional and improved pedestrian crossings of The Embarcadero, and increased Muni and ferry service and facilities to relieve traffic congestion.

Piers 30-32 & Seawall Lot 330 Open House Workshop

At 13 acres, Piers 30-32 is the Port's largest undeveloped pile-supported pier north of China Basin. Due to a 1984 fire which burned down the historic shed structures, Piers 30-32 is also one of the few northern waterfront piers not included in the Embarcadero Historic District. Thus, the Working Group's Part 2 recommendations for Embarcadero Historic District facilities do not apply to Piers 30-32. The workshop was therefore designed to elicit public input about different options and approaches for improvement of this unique site. The Port staff presentation and workshop information described Piers 30-32's structural condition and cost considerations, which pose unique challenges for improvement of this facility. The information was drawn largely from a prior Port Commission staff report of existing conditions, past development proposals, and possible future options for Piers 30-32, which included a discussion of implications for Seawall Lot 330.³

The Waterfront Plan currently identifies Piers 30-32 and SWL 330 as a Mixed Use Development Opportunity Site, and characterizes Piers 30-32 as a facility that is in good structural condition. The underlying assumption of these policies was that a financially feasible maritime mixed use development project on Piers 30-32 and SWL 330 could be created to improve the South Beach waterfront and generate significant Port revenues. However, the Port has learned from past unsuccessful development attempts that, in fact, Piers 30-32 is in deteriorating structural condition and the cost to repair and seismically improve the pier substructure exceeds the City's sources to repay the private investment required for that public infrastructure, even when factoring in revenues from development of SWL 330. While a project might address a clear capital need for the Port to repair Piers 30-32, it would not generate base rent revenues to the Port from either site. Moreover, the level of structural and seismic improvement work for the pier triggered complex regulatory and permitting requirements that further increased development cost and risk. To reduce such uncertainty, past project sponsors sought State legislation to define a framework and conditions for creating a public trust-consistent project. However, even with State legislation, the financial feasibility and entitlement approval process for Piers 30-32 development has proven very challenging, frustrating each development effort to date.

³ Link to June 2016 [Piers 30-32/SWL 330 Port Commission staff report](#).

Going forward, in addition to navigating these requirements, development proposals will also need to incorporate sea level rise adaptation and seismic improvement of the adjoining seawall. In addition, any proposal that increases building heights above Piers 30-32's existing 40 foot height limit would require approval by San Francisco voters, consistent with Proposition B (2015) height limit restrictions on Port property. Based on past experience and as emphasized in the Part 2 Recommendations, Port development projects require skillful management in a political environment with many diverse stakeholder interests. Development projects require a robust public process to obtain public support and facilitate regulatory approvals. This is particularly applicable to Piers 30-32, in light of the financial and development entitlement approval challenges described above. The Working Group's Part 2 recommendations include measures to improve and strengthen community engagement and public process to build public understanding and support to reduce development uncertainty. They include procedures for public review of sole source development proposals that may emerge outside of a competitive development solicitation process.

Piers 30-32 – Possible Uses

The Piers 30-32 Workshop invited public comments and ideas on different types of concepts and uses which were developed by staff for discussion purposes only and are described below. Any future development concepts for Piers 30-32 could include some or all of these possibilities.

- **Existing Uses** - Piers 30-32 has provided an important and valuable berth for deep-water vessels along the east face of the pier, where dredging is not necessary. The pier also provides one of the last large parking lots in the area, providing general and waterfront visitor parking, including for ballgames and events at AT&T Park. The pier also has been used for temporary special events and seasonal uses, including Delancey Street Holiday Tree sales. Existing uses generate \$903,000 in annual revenues to the Port, however increasing structural deterioration has reduced the pier's load carrying capacity and use intensity, and this trend is expected to continue over time. Targeted capital repairs have enabled continuation of these existing uses, but Piers 30-32 is expected to be restricted in 10 years, and is unlikely to be usable beyond 20-25 years.
- **Public Trust Uses** – Maritime, public access, and open space are core public trust uses. The workshop included a conceptual layout of a new deep-water berth, a marina, and a new public park space within the Piers 30-32 footprint. Floating and pile-supported structures were considered, with an estimated cost range of \$55 million to \$200 million (2015 cost). Even if combined with visitor-oriented retail or event facility use, a development program with only public trust uses is not financially feasible in the absence of significant public subsidy or other funding sources.

- Pier Removal – Given its deteriorated condition and high cost of improvement, removal of some or all of Piers 30-32 has been suggested as an option. The estimated cost for full pier removal was over \$40 million in 2015.
- A Big Idea – Piers 30-32’s one-of-a-kind location offers a unique opportunity for distinctive architecture and activity next to Brannan Street Wharf. However, the financial feasibility challenges may limit interest to entities with a “Big Idea”, for which cost is overcome with external benefits and/or cost is not the determining factor. This would likely require an experienced development partner to obtain State legislation to authorize the development program, with the patience and resources needed to navigate the complicated Federal, State and City regulatory and political approval process.

Seawall Lot 330

SWL 330 is a 2.2 acre parking lot across The Embarcadero from Piers 30-32, which generates almost \$700,000 in annual revenues. SB815, approved by the State Legislature in 2007, lifted the trust use restriction from SWL 330 to allow development of non-trust residential, office, and commercial uses that complement the land use character of the South Beach neighborhood, and generate revenue for historic rehabilitation, public access, and other Port capital improvements along the shoreline. As discussed above, in the past the Port has offered development of some or all of SWL 330 for mixed use development to help subsidize the costs of rehabilitating Piers 30-32. However, those projects have shown that, even with such subsidy, the high costs of Piers 30-32 yield a negative land value. The Port’s capital needs are so significant that Port staff has recommended that the value of SWL 330, and associated tax increment, be reserved for high priority Port capital needs that score well under the Port Commission’s adopted capital planning criteria.

The Working Group Recommendations for improving SWL use and development would apply to SWL 330, which align well with the provisions of SB815. They include: 1) Complement the character of surrounding neighborhoods; 2) Provide a pleasing transition from the City-side to the Bay and ground floor activation to enhance the pedestrian environment; and 3) Generate revenues for Port capital improvements. The Piers 30-32 Workshop included information about current zoning, building height and bulk limits that apply to SWL 330. Like for Piers 30-32, any proposal to increase the building height of SWL 330 (the current height limit is 105 feet) would require SF voter approval pursuant to Proposition B.

Comments

Port staff observed that the comments and interactive exchange between neighbors, citizens, Working Group and Advisory Team members, and staff advanced public understanding of the work and recommendations produced during the Waterfront Plan Update process and the challenges and trade-off issues associated with future reuse of Piers 30-32 and SWL 330.

General comments pertaining to the South Beach neighborhood included suggestions for improvement of sidewalks and public spaces, traffic mitigation and egress to/from The Embarcadero, and consistency with other adopted plans, including Rincon Hill, Better Streets, and Eastern Neighborhoods Plan. Ideas suggested for SWL 330 included residential or hotel uses, which would be consistent with the Working Group's SWL recommendations. Several comments focused on design details of potential future development on SWL 330.

Comments for Piers 30-32 covered a wide range of topics. Regarding current uses on Piers 30-32, comments called for more security to prevent the illegal car sideshows which have become a significant nuisance in the area. There is need to plan for improvements now given the diminished time horizon for continuing existing uses. Regarding public trust uses, several comments support retention or continuation of ship berthing, as well as new marina and public access improvements. Comments regarding pier removal ranged from demolishing the entire pier to retaining the center section built in 1950, which could be used for new development along with ship berth and/or marina or other public trust uses. Another comment suggested that the pier should not be removed before consideration of whether a portion of the site could be reused to support a public "Big Idea".

There were many different ideas about new development and "Big Ideas": Open space and multi-use sports, playground and water-oriented recreational uses; Coordinate pier redevelopment with regional transportation planning for a potential second Transbay Tube and transit stop at SLW 330; Restaurants and pop-up activities; Hotel; Museum; Multi-vendor fish market; and Design with an outdoor ambience. Several commenters called for low-scale development consistent with the 40 foot height limit.

While a broad range of desired pier use ideas were recorded, the public workshop advanced public understanding about the financial feasibility challenges of improving Piers 30-32 in light of its poor structural condition, public trust land use and city height limits, and complex regulatory requirements. Some comments reflect concern that decoupling development of SWL 330 from Piers 30-32 would render pier redevelopment infeasible. One comment suggested that pier removal costs could perhaps be bundled with the Seawall project, while another disagreed with that idea. Comments also included various funding ideas, including seeking general obligation park bond funding for recreational uses, and seeking new state funding legislation.

Staff Assessment

The Waterfront Plan Update has provided an effective forum to comprehensively address the Port's overall responsibilities as a public trust grantee, including its fiduciary and capital improvement obligations and duties. In the past, the primary public discussions about improvements for Piers 30-32 and SWL 330 have been through the lens of past development proposals where the merits and shortcomings were evaluated in a project-only context. In the Waterfront Plan Update process, the unique opportunities and challenges of Piers 30-32 have been reviewed in the context of the Port's many competing needs, including the Port's Seawall and stewardship of the

Port's historic resources. The Port's 10 Year Capital Plan FY 2018-2027 identifies \$1.5 billion of unmet need of which Piers 30-32 represents over \$100 million for substructure and seismic improvements; these estimates do not include costs for sea level rise adaptation improvements. The Port's capital needs are so significant that staff recommends that the value of Seawall Lot 330, and associated tax increment, be reserved for high priority Port capital needs that will score well under the Port Commission's adopted capital planning criteria.

Notwithstanding these challenges, Piers 30-32's location still offers potential for an entity with a compelling vision, seasoned experience and significant financial resources to pursue a special project or "big idea". The public discussion and comments in the Waterfront Plan workshop on Piers 30-32 reflect a recognition that big ideas may be appropriate to consider for this site, and the Working Group has recommended procedures for public review of development proposals that may be advanced outside of a competitive development solicitation process. However, Piers 30-32 is a situation where location may need to matter more than cost to a developer, who possesses the credentials and patience required to obtain public support and navigate the very challenging regulatory process for this unique site. New state legislation developed in consultation with State Lands and BCDC may very well be required for such an effort. In the view of Port staff, the Port's other capital needs including the Seawall will preclude Port subsidy of such a redevelopment effort. The Waterfront Plan policies for Piers 30-32 and SWL 330 should be amended to recognize these new circumstances.

In response to a prior Port Commission request, Port staff will schedule a separate informational presentation and public discussion this fall regarding the needs and options to consider for Piers 30-32.

NEXT STEPS

Preparing Draft Waterfront Plan Amendments

On February 27th, 2018, Port staff provided the Port Commission with an overview of all Working Group recommendations developed from Part 2 of the Waterfront Plan Update process. Port Commission requested additional briefings to review the Land Use, Resilience, and Transportation recommendations produced by the Working Group Subcommittees in greater detail; these discussions occurred in April to June 2018.⁴ Port Commissioner comments and discussions helped build more substantive understanding of the recommendations and issues, and did not generate new questions or issues requiring further Working Group review.

⁴ The [Part 2 Working Group Recommendations Report](#) describes the Working Group's Port-wide recommendations for the Waterfront Plan Update, which were presented in a Port Commission briefing and [February 23, 2018](#) Port Commission staff report. Port staff provided follow-up presentations and staff reports with further details in: [April 6, 2018 Port Commission report on Land Use Recommendations](#); [May 4, 2018 Port Commission report on Resilience/Environmental Sustainability Recommendations](#); [June 8, 2018 Port Commission report on Transportation Recommendations](#).

Port staff invites Port Commission and public comments and further direction on the work completed in the Part 3 public meetings or other Part 2 issues previously presented. The public values and recommendations from these public proceedings, and the documents produced to describe analyses, conclusions, and public comments will provide the foundation for Port staff to prepare draft amendments to the Waterfront Plan (Draft Amendments). Port staff seeks approval of the attached Resolution 18-45 to endorse the recommendations, conclusions and public comments from the public process to develop Draft Amendments.

It is anticipated that producing Draft Amendments will involve a significant reorganization of the Waterfront Plan to integrate and more clearly present the updated goals, policies and criteria. This work is anticipated to be released for public review and comment at the end of 2018 or early 2019, and will include the following:

- Reduce and update background information;
- Merge the now separate open space, design and historic preservation policies in the Design & Access Element with Waterfront Plan's land use policies;
- Incorporate new and update existing goals and policies for maritime berthing; public access, recreation and activation; historic preservation, policies for public-oriented uses; resilience and environmental sustainability; Blue Greenway open space network, transportation, mobility and public realm;
- Update and strengthen public engagement and review processes per the Part 2 Recommendations (many are already being implemented);
- Reflect new and evolving City/regional plans and policies discussed throughout the Working Group public process.
- Update subarea plans by, for example, eliminating direction for projects that have been completed (e.g. Ferry Building); incorporating the Embarcadero and Pier 70 Historic Districts; recognizing approved plans for Pier 70 and Mission Rock; updating objectives in rapidly changing neighborhoods such as in the Mission Bay and Southern Waterfront areas;
- Review the Fisherman's Wharf Community Business District Retail Strategy to identify and align amendments to Fisherman's Wharf policies in the Waterfront Plan (see below discussion on Fisherman's Wharf).

San Francisco Seawall Earthquake Safety and Disaster Prevention Program

The Waterfront Plan Update public process has been managed alongside the work program that the Port has developed for the San Francisco Seawall Earthquake Safety and Disaster Prevention Program (Seawall Program). The Working Group established Guiding Principles as a framework for the policy issues and recommendations produced by its Subcommittees during Part 2. The first Guiding Principle reflects the consensus that: *"The Waterfront Plan Update should guide the Port while long-range adaptation planning, engineering, and financing studies to respond to sea level rise and strengthen the Seawall are undertaken by the Port, along with the appropriate City, State, Regional and other authorities."* It was recognized that current efforts by the Port and City to advance the Seawall Program would extend beyond the Waterfront Plan Update public process. The Working Group therefore focused on defining public values, design criteria and other policy guidance for the Waterfront Plan, which should underlie and

support the Seawall Program and the Port's longer term resiliency planning efforts without prescribing specific solutions. In addition, the Resilience Subcommittee also developed specific seawall recommendations which have been forwarded for consideration to the Seawall Program team:

- Improve earthquake safety of the historic Embarcadero Seawall and reduce the potential for seismic damage and disruption to Port facilities, and City transportation and utilities within The Embarcadero and upland properties, without delay.
- Develop a planning framework so that near-term Seawall seismic improvements are informed by an outlook and strategy for short-, mid-, and long-term sea level rise adaptation.
- Implement feasible near-term measures that can improve life safety, protect critical infrastructure and assets, and control damage of historic structures.
- Recognize and support the public commitment to maintenance and rehabilitation of structures in the Embarcadero Historic District (including the Seawall), which is a defining feature of San Francisco.
- Include opportunities for ecological and environmental enhancements to the Bay in the Seawall Program.
- Limit disruption during construction, especially to business and transportation, and especially to legacy and maritime tenants.
- Seek a wide variety of local, state, federal and private funding sources.
- Ensure transparency and accountability to the public and all stakeholders.

In keeping with the last bullet, the community engagement process for the Seawall Program is now underway, which incorporates and will build upon the public values and recommendations from the Waterfront Plan Update process. Seawall Program details and community meeting information is available at: <https://sfseawall.com>.

Fisherman's Wharf

Port staff supports the Fisherman's Wharf Community Benefit District (FWCBD), which includes Port tenant and upland businesses in the Fisherman's Wharf waterfront area. FWCBD focuses on preserving and enhancing the Wharf's fishing industry, and the district's commercial and public improvements, and is led by Executive Director Troy Campbell, a member of the Working Group. In June 2018, the FWCBD approved a Retail Strategy report ([FWCBD Report](#)), the result of a year-long collaborative effort. The FWCBD Report reflects a renewed effort to strengthen Fisherman's Wharf commercial mix, celebrate the fishing industry, and create new interest in the area for both local residents and visitors, while preserving the area's unique maritime and fishing industry history and ambiance.⁵ The FWCBD was instrumental in completing Phase 1 of the Jefferson Street Public Realm in 2013. The FWCBD Report includes direction to advocate and secure funding to complete Phase 2 of the Jefferson Street Public Realm

⁵ The project was partially funded by a grant from the Mayor's Office of Economic and Work Force Development and can be viewed at FWRetailStrategy.com.

to widen sidewalks, increase lighting, improve vehicle circulation, and enhancement public plazas at key intersections.

Over the coming months, Port staff will be working closely with the FWCBD, BCDC staff, the fishing industry, other Port tenants, neighbors, and stakeholders, including the Port's Fisherman's Wharf and Maritime Commerce Advisory Groups, to determine the extent to which the goals and objectives of the FWCBD Report should affect updates to the Waterfront Plan's discussion of the Fisherman's Wharf subarea.

Mr. Campbell will provide a separate informational presentation on the FWCBD Report at the August 14th Port Commission meeting.

BCDC and SF Planning Amendments and Agency Coordination

Port staff will not be preparing these Draft Amendments in isolation. Port staff have ongoing discussions with State Lands Commission, BCDC, SF Planning, and other agency staff to determine how best to align our respective planning and regulatory documents.

The Port has submitted an application to amend BCDC's San Francisco Waterfront Special Area Plan to update and align BCDC and Port Waterfront Plan policies. Port staff has initiated meetings with BCDC staff to provide an overview of the policy issues to address in the BCDC Plan amendments, including: 1) the Public Trust Objectives for the Embarcadero Historic District; 2) increasing the diversity of public-oriented uses at the waterfront; 3) policies for maritime berthing and public access along piers, and criteria to determine shared vs. exclusive use; 3) activation of public open spaces and public access; 4) addition of the Blue Greenway and Bay Water Trail networks; 5) Fisherman's Wharf public benefits and removal of the 50% Rule Policy. The draft BCDC Special Area Plan amendments are anticipated to be available for public review in early 2019.

The Port also will continue working with SF Planning to determine whether the Waterfront Plan amendments trigger the need for amendments to the City's General Plan. There are no proposed changes to land use classifications or building height limits. However, the Port will seek amendments to the San Francisco Planning Code and Zoning Map to modify waterfront design review procedures and application to a geographic area that is expanded to include the Port's 7 ½ mile waterfront; these amendments will involve modifying Zoning Map boundaries of Waterfront Special Use Districts 1 and 3. The proposed amendments are anticipated to be drafted at the end of 2018 or early 2019.

CEQA and Other Public Review and Outreach

Across all these efforts, Port staff is committed to on-going, robust public outreach. We also will provide multiple opportunities for public input when the Draft Amendments are released for public review and comment, including:

- Informational meetings with the Port Commission and Port tenants and advisory groups
- Informational meetings with other City-wide neighborhood and stakeholder organizations
- Presentations to City and regional agency partners and commissions in furtherance of amendments to align their plans with the Draft Amendments
- Public comment through the California Environmental Quality Act (CEQA) environmental review process

Most Waterfront Plan amendments must undergo CEQA review before they can be approved by the Port Commission or other decision makers. The Port Commission authorized a Request for Proposals hire a CEQA consultant to conduct environmental review under the direction of the SF Planning, the City's lead CEQA agency.

Some of the Working Group's Part 2 Recommendations affect procedural changes to improve communications and operational efficiencies that do not result in a physical change to the environment are not subject to review under CEQA. When possible, and with the approval of the Port Executive Director and/or Port Commission, as appropriate, Port staff will improve procedural and administrative practices advanced by the Working Group, including public process improvements recommended by the Working Group.

CONCLUSION

Completion of Part 3 of the public planning process is a major milestone in the Port's effort to build upon the Part 2 Recommendations and the public values and priorities that should be incorporated into the update of the Waterfront Plan. Port staff seeks Port Commission approval of Resolution 18-45 to undertake the next steps described in this staff report to complete the Waterfront Plan Draft Amendments, interagency coordination and conforming plan amendments. Port staff will return to the Port Commission in early 2019 for authorization of the CEQA consultant.

Port staff propose to continue to recognize the Working Group and Advisory Teams, preserving the option for periodic meetings to provide progress reports and comment opportunities on the work ahead. Port staff expresses its deep gratitude and respect to the Working Group, Advisory Teams, agency partners and all members of the public for their dedicated commitment to protecting and continuing to improve San Francisco's waterfront.

Prepared by: Diane Oshima, Deputy Director
Planning and Environment

Attachment A, Waterfront Plan Update, Part 3 and Next Steps Report, June 22, 2018

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 18-45

- WHEREAS, In October 2015, the Port initiated a public process to update the Port of San Francisco Waterfront Land Use Plan (Waterfront Plan Update) and created the Waterfront Plan Working Group (Working Group) and seven Waterfront Plan Advisory Teams (Advisory Teams) to include diverse participation and perspectives in public meetings and policy discussions; and
- WHEREAS, The Waterfront Plan Update has followed a 3-part process which started with an extensive orientation about the Port in Part 1 of the process from October 2015 – September 2016; and
- WHEREAS, From November 2016 - September 2017, the Working Group established Guiding Principles and broke into subcommittees in Part 2 of the process to review numerous Portwide policy issues and conduct analysis, and produced 161 Land Use, Transportation, and Resilience recommendations to update the Waterfront Plan; and
- WHEREAS, From September 2017 - December 2017, the Working Group reviewed and accepted all 161 recommendations collectively, as refined, of which 160 recommendations were accepted unanimously, and are documented in a report produced in December 2017; and
- WHEREAS, The Waterfront Plan Update meetings were supported and enriched by the participation of staff from many public agencies involved with various land use, public trust, transportation, environmental policies and issues along the waterfront, including the California State Lands Commission (State Lands Commission), San Francisco Bay Conservation and Development Commission (BCDC), San Francisco Planning Department (SF Planning), San Francisco Municipal Transportation Agency, Department of the Environment, and City Administrator’s Office of Resilience; and
- WHEREAS, The Port Commission received four informational presentations on the Part 2 recommendations and public comments on February 27, April 10, May 8, and June 12, 2018 to allow deeper review and additional public comment opportunities on the Land Use, Transportation and Resilience recommendations; and
- WHEREAS, In April - May 2018, Port staff conducted public walking tours and workshops during Part 3 of the process to share and test the Working Group’s Part 2 Recommendations with more members of the public, many of whom were new to the Waterfront Plan Update process, and to

build public understanding about how this work will guide updates to the Waterfront Plan;

WHEREAS, San Francisco Planning Department staff partnered with Port staff to support the public “walkshop” walking tours on April 11 and 14, 2018 in the Ferry Building/Northeast and South Beach areas, respectively, and an April 17, 2018 open house workshop that focused on updating urban design and open space policies related to The Embarcadero Public Realm; and

WHEREAS, Part 3 also included a May 2, 2018 public workshop to focus on the unique public trust, waterfront land use and permit regulations challenges and opportunities of Piers 30-32 and Seawall Lot 330; and

WHEREAS, Information produced for the walking tours and workshops, and public comments and ideas received during Part 3 were documented in a June 22, 2018 Port staff report which was circulated for review by the Working Group and posted on the Port’s website, which reflects that the comments and public feedback reinforced or complemented many recommendations produced by the Working Group during Part 2 and meeting discussions; and

WHEREAS, The June 22, 2018 report also describes additional staff review of the Seawall Earthquake Safety Program and Fisherman’s Wharf Community Business District’s Retail Strategy plan which information, in addition to the collective body of recommendations produced by the Working Group and public comments received to date in the Waterfront Plan Update process, will provide additional direction for Port staff efforts to prepare draft amendments to update the Waterfront Plan, which will be published for public review and comment; and

WHEREAS, Port staff will work with staff of BCDC and SF Planning Department to coordinate draft Waterfront Plan amendments with policy updates to BCDC’s San Francisco Waterfront Special Area Plan, and the San Francisco Planning Code and Zoning Map, and other planning policy issues and documents as determined, and continue consultation with staff of the State Lands Commission in the interest of establishing consistent and aligned policies and procedures across these public agencies; and

WHEREAS, The Port Commission authorized a Request for Proposals to hire a consultant to conduct environmental review of the Waterfront Plan Update to comply with the California Environmental Quality Act (CEQA) which must be completed prior to approval of Waterfront Plan amendments and associated planning approvals by the Port Commission or other decision-makers; and

- WHEREAS, Some Working Group recommendations affect procedural changes to improve communications and operational efficiencies which are not subject to CEQA and may be implemented with the approval of the Port Executive Director and/or Port Commission, as appropriate; now be it
- RESOLVED, That the Port Commission has reviewed and considered prior Port Commission reports and public comments on the Waterfront Plan Update, including the June 22, 2018 report included as Attachment A to the Memorandum to which this resolution is attached; and be it further
- RESOLVED, That the Port Commission endorses the recommendations produced by the Working Group to prepare draft Waterfront Plan amendments and supports the additional research and tasks to be conducted by Port staff to carry out the next steps for the Waterfront Plan Update as more particularly described in the Memorandum to which this resolution is attached; and be it further
- RESOLVED, That the Port Commission expresses its deepest appreciation to all the members of the Working Group and Advisory Teams and the many interested citizens who engaged open, informed public discussions with special recognition to Working Group Co-Chairs Rudy Nothenberg and Janice Li, whose extraordinary civic investment and leadership was instrumental to building strong public consensus and support for the future of the Port of San Francisco waterfront.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 14, 2018.

Secretary