



MEMORANDUM

November 14, 2025

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

FROM: Elaine Forbes
Executive Director 

SUBJECT: Request approval of amendment to Lease L-16662 with California Barrel Company LLC to allow the construction of interim open space improvements as a permitted use on Port shoreline property (portions of Seawall Lot 349 and Pier 72) being developed as part of the Potrero Power Station Mixed-Use Development Project.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 25-70

EXECUTIVE SUMMARY

The Potrero Power Station Mixed-Use Development Project (the "Project"), led by California Barrel Company, LLC ("Developer"), is a multi-phase, mixed-use development located on approximately 29 acres of land just south of Pier 70. The Project will include approximately 7 acres of publicly accessible open space, of which approximately 2 acres will be located on Port-owned property.

On February 25, 2020, the Port Commission approved transaction documents relating to the Project, including a consent to the Development Agreement between the City and the Developer and a 66-year lease between the Port and Developer to use Port lands for public parks and open space in compliance with the Public Trust (the "Port Lease"). The Project was finally approved by the Board of Supervisors on April 21, 2020, by Ordinance No. 62-20, a copy of which is in [Board File No. 200040](#).

Phase 1 of the Project is well underway. However, the Project's public access/open space improvements are tied to completion of vertical development, which is expected to be phased over the next 10-15 years. To provide earlier public access and activate the site, the Developer has proposed interim open space improvements ("Prequel Park"). The Developer hopes to start construction of Prequel Park in the first quarter of 2026 and open it to the public starting in the first quarter of 2027.

To effectuate the construction of Prequel Park, the Developer is seeking an amendment to the permitted uses under the Port Lease to allow for the construction of interim improvements (as opposed to the permanent improvements) that can be used and operated for public open space and park purposes. The Developer has also been working in consultation with Port staff to amend the Project's Bay Conservation and Development Commission ("BCDC") permit to authorize interim improvements located in the shoreline band.

STRATEGIC PLAN ALIGNMENT

The Port's participation and coordination in the Project will address two of the Port's Strategic Plan goals, including:

Evolution: To transform the waterfront to respond to changing public and Port needs. The Project will improve Port open spaces and provide public waterfront access consistent with the Public Trust; and

Resilience: To reduce seismic and climate change risks to protect the waterfront. The Project includes elevation of the shoreline to address projected sea level rise of 66 inches. The shoreline will also be adaptable if future sea level rise exceeds current projections.

BACKGROUND

The Project

The Potrero Power Station Mixed-Use Development Project, finally approved by the Board of Supervisors on April 21, 2020, is located on a 29-acre site just south of Pier 70, generally bounded by 22nd Street to the north, the San Francisco Bay to the east, 23rd Street to the south, and Illinois Street to the west. At full build-out, the Project will include up to 5.4 million square feet of uses, including up to 2,600 dwelling units (30% affordable), approximately 1.6 million square feet of commercial science uses, a 240,000 square-foot waterfront hotel, retail, and approximately 7 acres of publicly accessible open space.

Phase 1 of the Project is well underway. The Developer started Phase 1 street improvements in 2023 and anticipates receiving a Notice of Completion in the first quarter of 2026. Construction of the Sophie Maxwell Building, a 105-unit, 100% affordable, workforce housing building designed to serve middle-income households earning between 50-110% AMI, was completed in August 2025. At that same time,

construction started on the UCSF Life Sciences Building, an approximately 300,000 square-foot building containing an advanced cancer treatment center, multi-specialty clinic, and laboratory uses.

The Port Lease

At full build-out, approximately 2 acres of the Project's open space will be located on Port-owned shoreline property. Pursuant to the Port Lease, this shoreline property (the "Premises") is leased to the Developer for \$1/year for a term of 66 years (running through March 2087), in consideration for the Developer's agreement to improve, maintain, and operate the premises at its cost during the lease term.

The Premises will be improved to provide publicly accessible shoreline parks and open spaces that will ultimately connect to the Pier 70 open spaces to the north. The improvements will include sea-level rise protections and the following amenity types:

- Rip rap, Blue Greenway Pathways, and a potential boating dock along the waterfront;
- Plazas, public art, gardens, and picnic areas; and
- Informal play structures and site interpretation.

PREQUEL PARK

The Project's public access and open space improvements are tied to completion of vertical development, which is expected to be phased over the next 10-15 years. To provide earlier public access and activate portions of the site that would otherwise be inaccessible to the public, the Developer has proposed the construction of Prequel Park. As shown on Exhibit 1, Prequel Park will cover approximately 2 acres, of which approximately .4 acres will be located on the Premises. As shown on Exhibit 2, the park will include a multi-purpose lawn and sport courts, amphitheater seating, a quarter-mile walking and running track, water access, and restrooms, as well as programmatic components such as interactivity with historic structures, art, opportunities for food and beverage sales, and kids' play. Because much of the Project remains an active construction site, the Developer is proposing limited but regular hours of operation for Prequel Park from Thursday through Sunday for a period of at least five years beginning in 2027.

PROPOSED LEASE AMENDMENT

Per the Port Lease, once a permit has been issued by BCDC, the Premises can only be used to construct and operate certain permanent public open space and park improvements, including a portion of the Bay Trail, a public recreational dock, and ancillary uses, all in compliance with the Public Trust. BCDC issued a permit in July 2021. An amendment to the permitted uses in the Lease is therefore required to allow for the construction of interim improvements (as opposed to the permanent improvements) that can be used and operated for public and open space purposes. Pursuant to Section 3.1 of the Port Lease, this amendment can be implemented through

a resolution of the Port Commission, accepted in writing by the Developer, without the need to further amend the lease.

COMMUNITY OUTREACH

An update on the Project and preliminary plans for Prequel Park were reviewed by the Port's Southern Advisory Committee ("SAC") on October 22. The SAC was supportive of the Developer's plans and, in particular, its willingness to accelerate public access to the waterfront. An exhibit of support from the SAC is attached as Exhibit 3.

STAFF RECOMMENDATION AND NEXT STEPS

In order to provide earlier public access and activate portions of the site that would otherwise be inaccessible to the public, staff recommend amending the Port Lease to allow for the construction of interim improvements that can be used and operated for public and open space purposes as a permitted use.

In June, the Developer received a temporary use authorization for Prequel Park from the City's Planning Department. Currently, the Developer is working in consultation with the Port to secure approval of an amendment to its BCDC permit to allow the interim improvements and anticipates submitting plans to the Department of Building Inspection for review by the end of the year. The Developer then hopes to start construction of Prequel Park in the third quarter of 2026 and open it to the public in the third quarter of 2027.

Prepared by:	Christine Maher Development Project Manager
Through:	Scott Landsittel Deputy Director of Real Estate and Development
For:	Michael Martin Assistant Port Director

ATTACHMENTS

Exhibit 1: Proposed Interim Improvements on Port Property

Exhibit 2: Proposed Prequel Park Improvements

Exhibit 3: SAC Letter of Support

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

RESOLUTION NO. 25-70

- WHEREAS, The Potrero Power Station Mixed-Use Development Project (the “Project”), led by California Barrel Company, LLC (“Developer”), is a multi-phase, mixed-use development located on approximately 29 acres of land just south of Pier 70; and
- WHEREAS, The Project will include approximately 7 acres of publicly accessible open space, of which approximately 2 acres will be located on Port-owned property; and
- WHEREAS, On February 25, 2020, the Port Commission adopted Resolution No. 20-12 approving transaction documents related to the Project, including a consent to the Development Agreement between the City and the Developer and a 66-year lease between the Port and Developer to use Port lands for public parks and open space in compliance with the Public Trust (the “Port Lease”); and
- WHEREAS, Pursuant to Ordinance No. 62-20, the Project was finally approved by the Board of Supervisors on April 21, 2020; and
- WHEREAS, Per the Port Lease, Port is leasing to Developer, for a term of 66 years, the Port’s shoreline lands within the Project (the “Premises”) for publicly accessible open space uses, in consideration for the Developer’s agreement to improve, maintain, and operate the Premises at its sole cost during the term of the Lease; and
- WHEREAS, While Phase 1 of the Project is well underway, the Project’s public access and open space improvements are tied to completion of vertical development, which is expected to be phased over the next 10-15 years; and
- WHEREAS, To provide earlier public access and activate the site, the Developer has proposed two acres of interim open space improvements (“Prequel Park”), including a multi-purpose lawn and sport courts, amphitheater seating, a quarter-mile walking and running track, water access, and restrooms; and
- WHEREAS, Pursuant to the Port Lease, once a permit has been issued by Bay Conservation and Development Commission (“BCDC”), the Premises can only be used to construct certain permanent improvements that can be used and operated for public open space and park

improvements, including a portion of the Bay Trail, a public recreational dock, and ancillary uses, all in compliance with the Public Trust; and

WHEREAS, Because BCDC issued a permit in July 2021, an amendment to the Permitted Uses authorized under the Port Lease is required to allow for the construction of interim improvements (as opposed to the permanent improvements) that can be used and operated for public open space and park purposes; and

WHEREAS, Pursuant to Section 3.1 of the Port Lease, the amendment to the permitted uses can be implemented through a resolution of the Port Commission, accepted in writing by the Developer, without a need to further amend the Port Lease; and

WHEREAS, On January 30, 2020, by Motion No. 20635, the San Francisco Planning Commission certified the Final Environmental Impact Report ("FEIR") for the Project pursuant to the California Environmental Quality Act ("CEQA"); and

WHEREAS, On September 9, 2020, the San Francisco Planning Department published an Addendum to the FEIR finding certain proposed changes to the Project's phasing plan did not change the conclusions of the FEIR and that the changes would not result in substantially more severe impacts than what was identified in the FEIR (the "FEIR Addendum"); and

WHEREAS, A copy of the FEIR and FEIR Addendum is on file with the Port Commission Secretary, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and are incorporated herein by reference; now, therefore be it

RESOLVED, That the Port Commission has reviewed the FEIR and the FEIR Addendum, and finds that the FEIR is adequate for Port Commission use as the decision-making body for the actions taken herein and incorporates the CEQA findings as set forth in Planning Commission Motion No. 20636 and the FEIR Addendum and further finds that, pursuant to CEQA Guidelines Section 15162, no additional environmental review is required because there are no substantial changes to the Project analyzed in the FEIR and the FEIR Addendum, no change in circumstances under which the Project is being undertaken, and no new information that was not known and could not have been known shows that new significant impacts would occur, that the impacts identified in the FEIR and the FEIR Addendum as significant impacts would be substantially more severe, or that mitigation or alternatives previously found infeasible are now feasible; and be it further

RESOLVED, That the Port Commission hereby amends the permitted uses set forth in the Port Lease to allow Developer to use a portion of the Premises to construct interim improvements that can be used and operated for public open space and park improvements; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director, or her designee, and any other appropriate officers, agents, or employees of the City and the Port to take any and all steps as they or any of them deem necessary or appropriate, in consultation with the City Attorney, in order to effectuate the purpose and intent of this Resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 18, 2025.

Secretary

Exhibit 1

Interim Improvements on Port Property

Interim improvements on Port property total ~ 0.4 acres and will include:

- ~ 0.15 acres for access to the future dock
- ~ 0.25 acres for a multiuse lawn

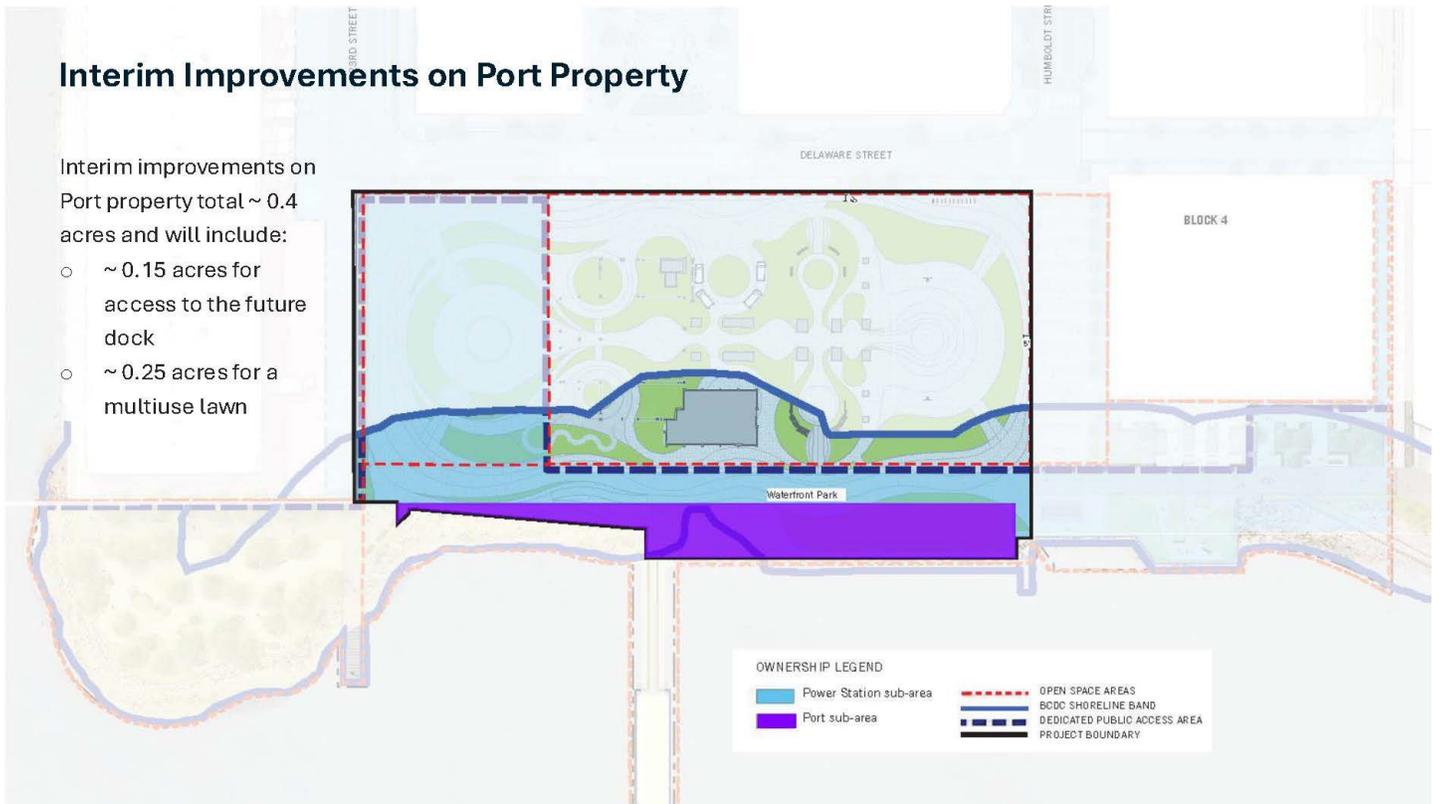


Exhibit 2

Proposed Prequel Park Improvements



Exhibit 3

SAC Letter of Support

Docusign Envelope ID: D94C6474-C4DF-47C7-B205-99DA4E20CA4C



San Francisco Port Commission
Pier 1, The Embarcadero
San Francisco, CA 94111

Dear Port Commissioners,

We are writing today on behalf of the Southern Advisory Committee to express our strong support for Prequel Park, the interim park proposed by the California Barrel Company as part of the Potrero Power Station Mixed-Use Project.

Prequel Park will provide a much-needed community gathering place and provide access to a section of the waterfront that has been closed to the public for more than 100 years.

We also applaud the developer's commitment to providing this public access now, rather than waiting for adjacent development to occur.

Edward Hatter, Co-Chair

Signed by:
Edward Hatter
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Howard Wong, Co-Chair

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Howard Wong
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