

Port of San Francisco Governance



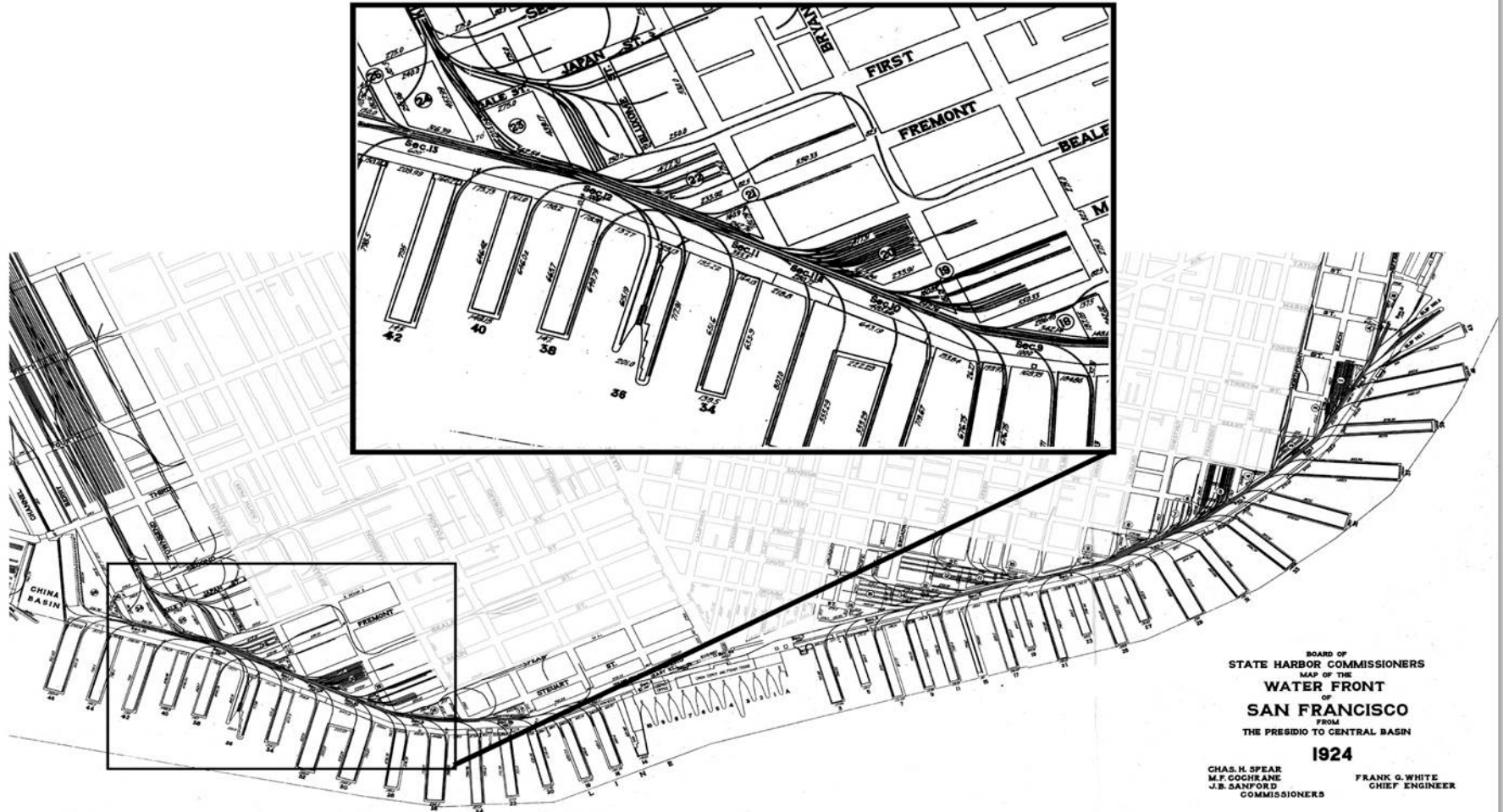
The Port of San Francisco is a public enterprise committed to promoting a balance of maritime, recreational, industrial, transportation, public access and commercial activities on a self-supporting basis through appropriate management and development of the waterfront for the benefit of the public.

January 13, 2016

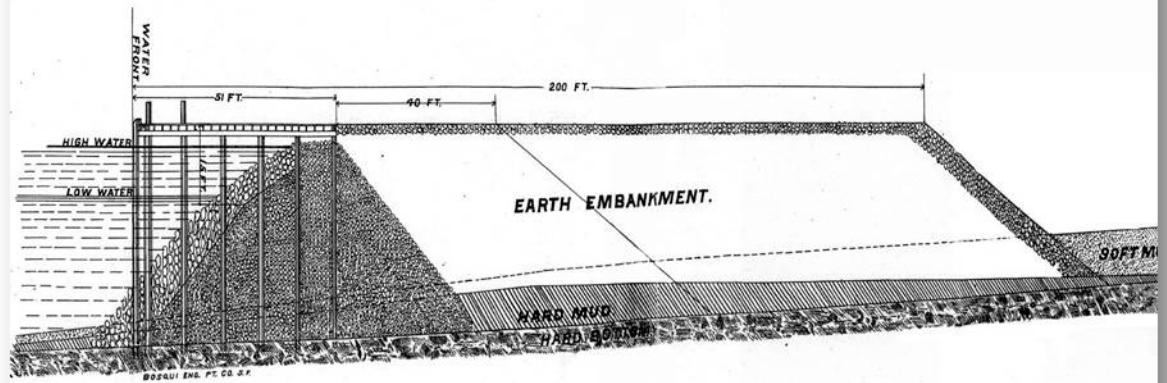
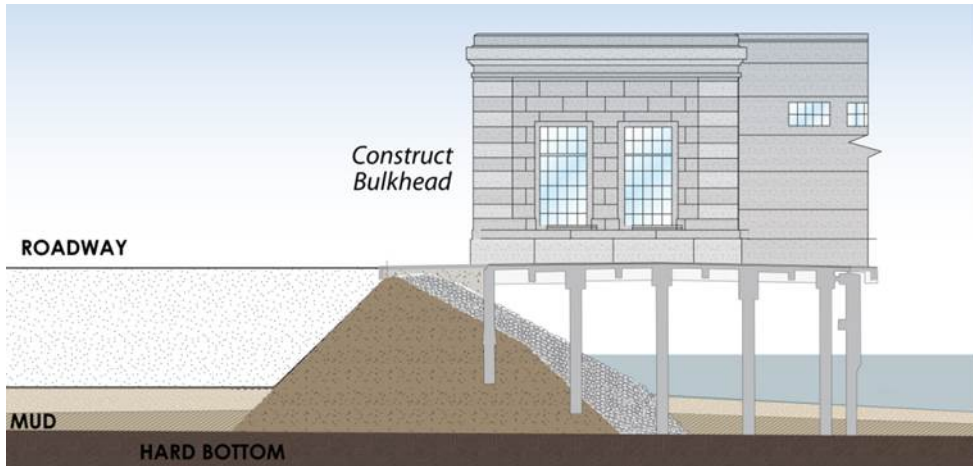
1857: The First Seawall



1878: the Great Seawall



Construction of the Great Seawall



TRANSVERSE SECTION of SEA WALL and THOROUGHFARE.

SCALE 20 FT. = 1 INCH.

Seawall Lots



Burton Act of 1968

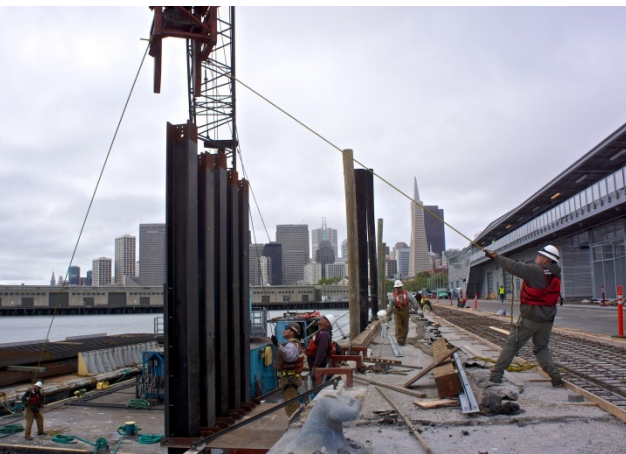
- Authorized negotiation to **transfer all title and rights** in land held by the San Francisco Port Authority **to the City and County of San Francisco to be held in trust** for purposes of commerce, navigation, and fisheries
- Through a “Harbor Commission”, authorized the City to “use, conduct, operate, maintain, manage, regulate, improve and control the harbor of San Francisco...”
- City inherits San Francisco Port Authority debt service on \$55 million in state bonds (spent on the Pier 96 Lash Terminal) and agrees to invest \$100 million in harbor improvements (later reduced to \$25 million)



Burton Act Uses



- The improvement and conduct of the harbor
- The construction and operation of public buildings, parks, playgrounds
- The preservation or restoration of marine resources
- The grant of [leases] for up to 66 years for trust purposes
- Port Commission may lease land for uses that the Commission finds to be in the public interest, with resulting lease revenues to be in the furtherance of commerce and navigation



5 Member Port Commission

- Port Commission approves:
 - annual budget (\$113 M FY 2015-16)
 - leases and other contracts
 - Port Building Code and Port Parks Code
 - Port revenue bonds
 - delegation of certain authority to the Executive Director or her designee
- Mayor and Board of Supervisors approve:
 - annual budget (**may not appropriate Harbor Funds to non-Port purposes**)
 - non-maritime leases of 10 years or more or with revenues of \$1 million or more
 - revenue contracts of \$1 million or more and expenditure contracts of \$10 million or more
 - issuance of debt
 - changes to zoning for Port property

Port Governance

- Port Commission and staff manage improvements, facility leases, 10 maritime industries, environmental and historic resources and real estate assets extending along 7½ miles, with over 500 tenant leases
- The Port Commission adopted and periodically amends Port of San Francisco Tariff #5 establishing the rules, regulations, rates, and other provisions applying to the services and for the use of the wharfinger facilities under the jurisdiction of the Port
- Port is generally subject to City's broad police powers, including zoning and other City codes





Pier 1



Piers
1.5-3-5



Exploratorium



Ferry
Building



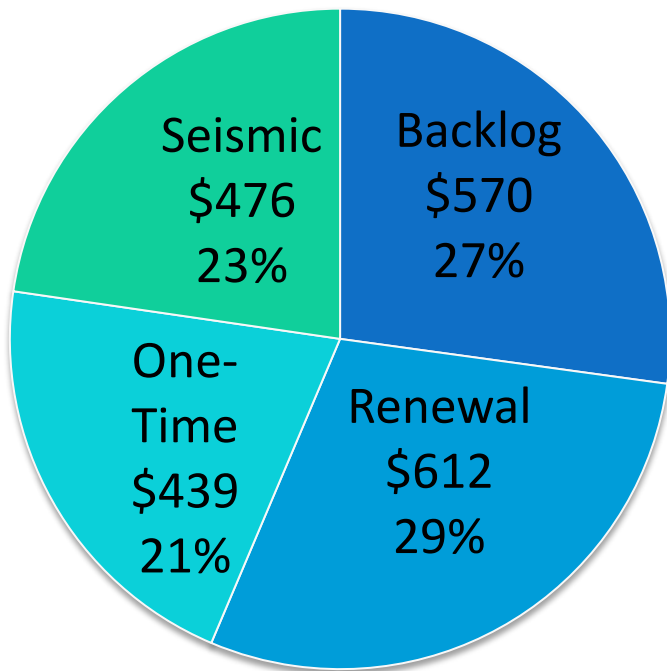
Rincon
Restaurants



AT&T
Park



State of Good Repair:
\$1,622.3



in millions

\$1.6 billion to address “state of good repair”

+ \$476 million to address facility seismic upgrades

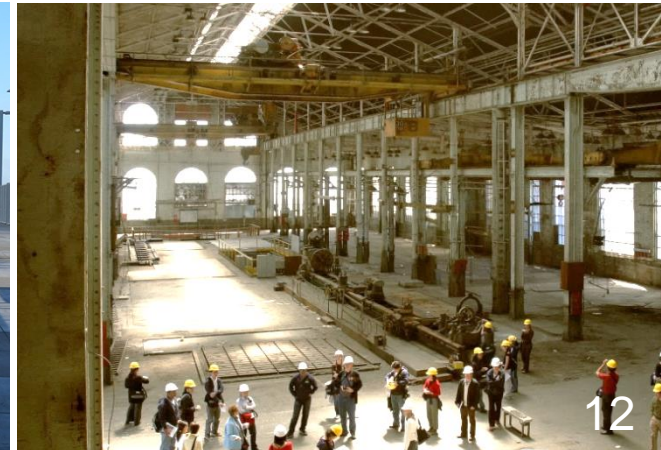
**Funding to address need:
\$488.2 million**

Excludes seismic improvements to the seawall.

Port Infrastructure Financing District (IFD)

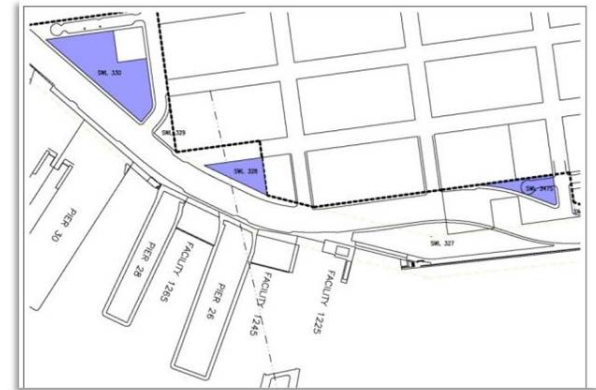
Amended IFD Law to:

- Allow IFDs to be formed on public trust land
- Authorized Port capital projects to be funded with IFD proceeds, including piers, wharves, historic buildings
- Extend potential IFD tax increment capture period from 30 to 40 years



- Terminates trust use restrictions on seawall lots 328, 330, & 347S, and on 337, after State Lands and BCDC approvals
- Authorizes non-trust, fair market value leasing for up to 75 years (up to 2094), w/net proceeds to fund historic pier repairs and BCDC parks
- Authorizes sale of paper streets not needed for trust purposes

Seawall Lots 328, 330 & 347S

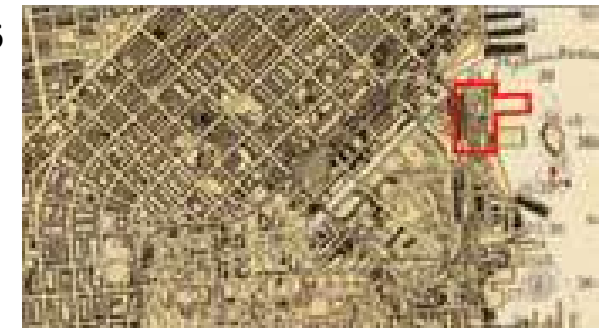


Seawall Lot 337

1859



1926



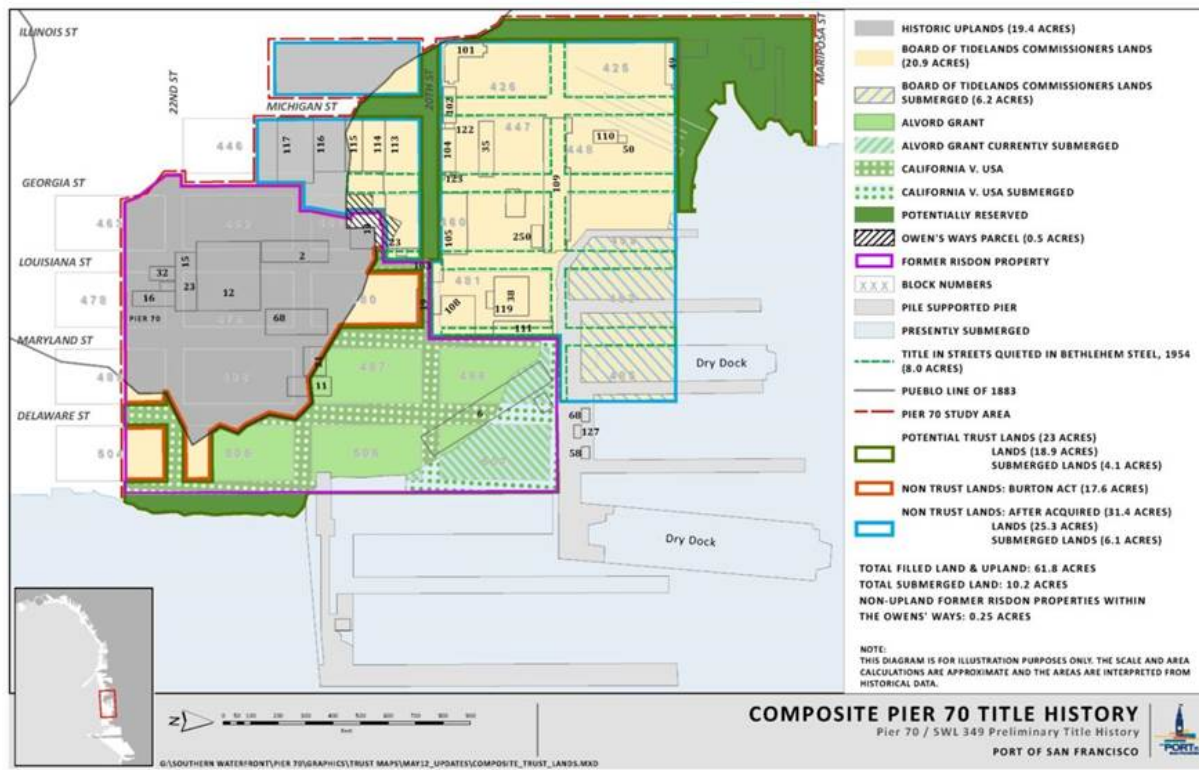
Amended Infrastructure Financing District (IFD) Law to:

- Add fill removal, shoreline restoration and maritime facilities as eligible uses
- Capture State ERAF share of tax increment for Pier 70
- Allow adjacent landowners to petition for inclusion in district
- Require that 20% of district proceeds be used for fill removal, shoreline restoration, waterfront public access or environmental remediation



AB 418 (2011)

- Authorizes State Lands to approve an internal trust exchange at Pier 70 approved by the Port Commission and Board of Supervisors with an approved environmental remedial action plan
- Authorizes the Port to lease and sell trust termination lands for fair market value
- Authorizes non-trust leasing of historic buildings under certain circumstances



- Authorizes State Lands to terminate trust use restrictions from SWL 322-1 to permit affordable housing at the site
- Authorizes below market rent for affordable housing on SWL 322-1 if the Port obtains reduced affordable housing fees at Pier 70



Q&A following
State Lands Commission and
BCDC presentations