SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, OCTOBER 8, 1996
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CALIFORNIA

AGENDA

/96

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - September 24, 1996

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Resolution adopting findings under the California Environmental Quality Act (CEQA) related to a portion of the preferred alternative as set forth in the Final Environmental Impact Report (EIR) entitled "Alternatives to the Replacement of the Embarcadero Freeway and the Terminal Separator Structure," dated August 25, 1996. (Resolution No. 96-102)

   C. Resolution approving the Department of Parking & Traffic (DPT) Variant with a split roadway design for the Mid-Embarcadero Roadway and provision of replacement parking, and authorizing the Executive Director to negotiate an agreement regarding the review and final approval process for the project. (Resolution No. 96-103)

4. **SPECIAL ITEM**

   A. Request by Commissioner James Herman to make a presentation on cargo.

5. **TENANT & MARITIME SERVICES**

6. **FACILITIES & OPERATIONS**

7. **PLANNING & DEVELOPMENT**

   A. Approval of contract amendment for Simon, Martin-Vegue, Winklestein, Moris for graphic design and planning communication materials for the Waterfront Plan. (Resolution No. 96-96)

8. **ADMINISTRATION**

9. CONSENT CALENDAR

A. Approval of travel authorization for one Port representative to be a panelist at an event sponsored by the New York Maritime Law Association (New York City, October 17-18, 1996) and to speak at an event sponsored by MASSPORT for travel and maritime leaders on domestic cruise itineraries (Boston, October 16, 1996), in accordance with the Port's Fiscal Year 1996-97 budget. (Resolution No. 104)

10. NEW BUSINESS / PUBLIC COMMENT

11. EXECUTIVE SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓__ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

12. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 8, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Resolution adopting findings under the California Environmental Quality Act (CEQA) related to approval of a portion of the preferred alternative as set forth in the Final EIR entitled "Alternatives to the Replacement of the Embarcadero Freeway and the Terminal Separator Structure", dated August 25, 1996

DIRECTOR'S RECOMMENDATION: Approve the attached resolution.

Background

The City and County of San Francisco proposes to construct a new roadway, freeway ramps and associated street improvements in place of the elevated Embarcadero Freeway and ramp connection known as the Terminal Separator Structure (TSS), both of which were demolished as a result of damage sustained during the Loma Prieta Earthquake of October 1989. The transportation improvements are proposed as alternatives to an in-kind replacement of the former facilities which constituted State Route 480, and provided access to and from the regional freeway system and downtown San Francisco.

THIS PRINT COVERS CALENDAR ITEM NO. 3B

The City Planning Commission certified the Final EIS/EIR for the proposed new Embarcadero Roadway on September 19, 1996 (File No. 92.202E/94.060E). The EIS/EIR includes six project alternatives, including a preferred alternative. The final EIS/EIR was distributed to the Port Commission members at their most recent meeting on September 24, 1996 for their review.

The project described in the EIS/EIR includes two distinct elements: the Mid-Embarcadero Roadway Project (which is proposed to be constructed primarily on property under the jurisdiction of the San Francisco Port Commission) and the Terminal Separator Structure, which is not located within Port jurisdiction.

Under CEQA, the Port Commission must prepare written findings of fact that explain how it has dealt with each significant impact and alternative identified in the EIS/EIR. The attached resolution sets forth environmental findings for each significant impact set forth in the EIR/EIS. The findings address the following issues:

- Project Alternatives rejected as infeasible
- Mitigation Measures adopted and rejected
- Mitigation Monitoring Program
- Significant effects on the environment and positive benefits related to approval of the Mid-Embarcadero Roadway Project

A separate resolution has been prepared regarding the Port Commission's approval of the preferred alternative for the Mid-Embarcadero Roadway Project.

Prepared by: Sharon Lee Polledri,
Director of Planning and Development

POfj/H: Agd4.709

SAN FRANCISCO
PORT COMMISSION
RESOLUTION NO. 96-102

ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT RELATED TO A PORTION OF THE PREFERRED ALTERNATIVE AS SET FORTH IN THE FINAL EIR ENTITLED ALTERNATIVES TO REPLACEMENT OF THE EMBARCADERO FREEWAY AND THE TERMINAL SEPARATOR STRUCTURE, DATED AUGUST 25, 1996

WHEREAS, The City and County of San Francisco, as project sponsor, has proposed a project to replace the Embarcadero and Terminal Separator freeway segments of I-480 that were damaged by the 1989 Loma Prieta earthquake and were subsequently demolished; and

WHEREAS, The City and County of San Francisco, acting through the Department of City Planning (hereinafter "Department") fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., hereinafter "CEQA"), the State CEQA Guidelines (Cal. Admin. Code Title 14, Section 15000 et seq., hereinafter "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31"), as follows:

a. The Department determined that an EIR was required and provided public notice of that determination by publication in a newspaper of general circulation on August 21, 1992 and February 18, 1994. A duly advertised public scoping meeting was held on February 28, 1994.

b. On August 25, 1995, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the City Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.

c. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site by Department staff on August 28, 1995.

d. On August 25, 1995, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.

e. Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on August 25, 1995.

f. The Planning Commission held two duly advertised public hearings on said Draft Environmental Impact Report on September 27, 1995, and September 28, 1995, at which opportunity for public

comment was given, and public comment was received on the DEIR. The period for acceptance of written comments ended on October 16, 1995.

g. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 52-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Volume II Summary of Comments and Responses, published on September 3, 1996, was distributed to the Planning Commission and to all parties who commented on the DEIR, and was available to others upon request at Department offices.

h. A Volume I, Final Environmental Impact Statement/Environmental Impact Report (hereinafter "Final EIS/EIR" or "Final EIR") has been prepared by the Department, consisting of the DEIR, a Section 4(f) Evaluation, any consultations and comments received during the review process, any additional information that became available, including minor text revisions to the DEIR resulting from the Summary of Comments and Responses, all as required by law.

I. Project Environmental Impact Report files have been made available for review by the Port Commission and the public, and these files are part of the record before the Port Commission. The administrative record is available for review at the Department of City Planning Offices at 1660 Mission Street, San Francisco, CA 94103; and

WHEREAS, the City and County of San Francisco is the Project Sponsor for the Mid-Embarcadero portion of the Project, which would be built mainly on property under the jurisdiction of the San Francisco Port Commission; and

WHEREAS, a Final EIS/EIR for the Alternatives to Replacement of the Embarcadero Freeway and the Terminal Separator Structure (the "Project"), File No. 92.202E/94.060E was certified as complete by the San Francisco Planning Commission on September 19, 1996; and

WHEREAS, the Port Commission has reviewed and considered the information contained in the Final EIR; and

WHEREAS, the Final EIR described and analyzed a No Build Alternative and five Build Alternatives, including one Preferred Alternative, for the Project; now therefore, be it

RESOLVED, that the Port Commission hereby adopts the following findings regarding the Project Alternatives analyzed in the Final EIR:

1. The No Build Alternative is rejected because it would result in the greatest number of future cumulative congested downtown traffic intersections of all the Alternatives discussed in the Final EIR; it would result in a future freeway off ramp demand-to-capacity ration greater than one during the a. m. peak period; it would not improve the appearance of the project area; and it would not improve physical and visual access between the downtown and the waterfront.

2. Alternatives Two and Four are rejected because they would not provide a level of service for traffic flow capacity compared to the pre-earthquake condition; off-ramp travel demand would exceed ramp

capacities during the AM peak period, constraining traffic entering and exiting the street network; surface street operations during the PM peak period would be worse at key intersections on Market Street (Fifth and First Streets) and at Fourth and Folsom; 371 parking spaces would be lost along The Embarcadero; and the paired roadway alignment would establish a barrier between pedestrians and the waterfront, defeating one of the major purposes of the project;

3. Alternative Three is rejected because although it would provide a comparable level of service compared to the pre-earthquake condition for traffic traveling to and from the regional freeway system, the increased number of vehicles would result in poorer level of service operations at critical surface street intersections at peak periods, particularly at First and Market and Fourth and Harrison; the concentrated access points in the congested South of Market area would create new traffic conflicts between traffic trying to access the Bay Bridge and Traffic trying to access U.S. 101 south; and the paired roadway alignment would establish a barrier between pedestrians and the waterfront, defeating one of the major purposes of the project;

4. Alternative Five is rejected, because although it would provide a comparable level of service compared to the pre-earthquake condition for traffic traveling to and from the regional freeway system, the increased number of vehicles would result in poorer level of service operations at critical surface street intersections at peak periods, particularly at First and Market and Fourth and Harrison; the concentrated access points in the congested South of Market area would create new traffic conflicts between traffic trying to access the Bay Bridge and Traffic trying to access U.S. 101 south; the extensive intrusion into Justin Herman Plaza would result in a significant impact on the users of this heavily utilized open space area; and, be it

FURTHER RESOLVED, that the Port Commission hereby finds that the following Mitigation Measures are feasible and will avoid or substantially reduce the magnitude of the significant environmental effects identified in the EIR/EIS, and hereby adopts them as part of the project;

A. <u>Land Use</u>

1. To minimize the impact on Justin Herman Plaza that would occur under the Preferred Alternative, the City will be required to redesign and reconstruct the transitional open space area between the roadway and Justin Herman Plaza. The transitional open space area will be designed within the context of the new roadway rather than a freeway, and will be more sensitive to pedestrian needs. Existing landscaping in this area will be replaced with new landscaping that is consistent with the proposed landscaping along The Embarcadero. *(Added since DEIR to address potential impacts of the Preferred Alternative)*

2. To assure a finished edge where the Embarcadero roadway would adjoin Justin Herman Plaza and parkland on Assessor's Block 202, the Department of Public Works (DPW) will be required to coordinate design and construction of the roadway and sidewalk with the staff of the Port and the City's Recreation and Park Department. Design and construction of the portion of roadway adjacent to Block 202 would be coordinated with the Port of San Francisco, which has jurisdiction over a portion of the Block. *(Modified from DEIR to reflect transfer of Waterfront Transportation Projects Office from CAO to DPW responsibility, and to clarify that Port of San Francisco would be consulted for Block 202 work.)*

B. Visual Quality/Urban Design

1. To minimize the impact on Justin Herman Plaza that would occur under the Preferred Alternative, the City will be required to redesign and reconstruct the transitional open space area between the roadway and Justin Herman Plaza. The transitional open space area will be designed within the context of the new roadway rather than a freeway, and will be more sensitive to pedestrian needs. Existing landscaping in this area will be replaced with new landscaping that is consistent with the proposed landscaping along The Embarcadero.

   Any mature trees removed will be replaced with the same or greater number of trees along the transition area or in the adjacent park. Tree removal and new plantings will be determined in conjunction with and approved by the Recreation and Park Department. *(Added since DEIR to address potential impacts of the Preferred Alternative)*

C. Light/Glare

1. To prevent or reduce glare from temporary lighting during construction periods, the City will be required to divert any lighting for nighttime or early morning construction away from traffic and residential areas. *(As in DEIR)*

D. Transportation

1. *Traffic*

   a. In order to reduce inconveniences associated with temporarily reduced street capacity and restricted circulation during construction, the City will be required to restrict any street lane reductions to off-peak or nighttime hours and notify the public of such occurrences in advance. Alternatively, if lane closures are required in peak periods, alternate lanes would be made available by restricting curb-side parking and loading. To the maximum extent feasible, three traffic lanes will be maintained in each direction along The Embarcadero between Broadway and Howard Street at all times. *(Modified from DEIR to reflect that while every effort will be made to maintain maximum traffic flow, construction activities may necessitate use of traffic lanes for limited periods of time)*

   b. In order to reduce the potential effect of construction traffic on local streets, the City will be required to restrict construction traffic and stage construction activities so as to prevent concentration of construction traffic on corridors with limited capacity or corridors used by commute traffic. *(As in DEIR)*

2. *Transit*

   a. To minimize or eliminate inconveniences associated with relocation of bus stops during construction, the City will be required to contract each transit operator (primarily MUNI and GGBHTD) whose bus stops would be moved during construction and determine the best temporary location for these stops during each phase of the construction period. The

ability of buses to stop along The Embarcadero would be considered in developing the final construction staging plans, and bus stops would be relocated no more than one block from their existing locations. The City would also be required to contact other transit operators, including CalTrain, to ensure that there is coordination regarding construction of planned transit improvements in the vicinity. *(As modified from DEIR to include coordination with sponsors of other planned transit improvements.)*

3. *Pedestrian/Bicycles*

a. During construction, large volumes of pedestrians walking in front of the Ferry Building and on the Ferry Building crosswalk may be inconvenienced by capacity reductions and/or temporary closure of pedestrian facilities. To reduce this inconvenience, the City will be required to require the construction contractor to devise and implement a construction plan that would maintain maximum pedestrian flow capacity around the Ferry Building by avoiding closure of any pedestrian facilities wherever possible and by providing temporary alternate facilities as appropriate. Access would be maintained to nearby businesses, and signs would be used to indicate paths of travel to ferries and businesses. *(As in DEIR)*

E. Noise

1. To reduce potential disturbances due to construction-related noise levels, the City will be required to strictly adhere to the San Francisco Noise Ordinance and will require the following additional steps to be taken:

a. Implementation of a careful maintenance and lubrication program for heavy equipment;

b. Installation of temporary noise barriers, mats or blankets where San Francisco Noise Ordinance limits cannot be met with available equipment;

c. Pre-drilling piles where soil conditions permit;

d. Use of construction equipment modified to lessen noise such as welding instead of riveting, using electric-powered equipment instead of pneumatic tools, using electric instead of air or gasoline-driven saws, and use of effective intake and exhaust mufflers on internal combustion engines and compressors;

e. Maximizing physical separation, as far as practical, between noise generators and noise sensitive receptors, such as providing enclosures for stationary equipment and barriers around particularly noise areas on the site, using shields, impervious fences or other physical sound barriers to inhibit transmission of noise into the surrounding community, and locating stationary equipment so as to minimize impact on the community;

f. Scheduling of noise-generating activities outside early morning and nighttime hours.

(As in DEIR)

F. Air Quality

1. To reduce construction period PM_{10} emission levels by 75 percent (BAAQMD 1985, updated 1991), the City will be required to implement dust control measures. Measures to reduce dust include watering construction areas, covering haul trucks and storage piles containing dirt and debris, imposing a speed limit in the construction area, paving the area as quickly as possible, and planting the non-paved areas as soon as possible. *(As in DEIR)*

2. Ordinance 175-91, passed by the San Francisco Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, City will be required to require the project contractor to obtain reclaimed water from the Clean Water Program for this purpose. *(As in DEIR)*

3. To reduce exhaust emissions during construction, the City will be required to not allow the equipment to idle unnecessarily, keep the engines well-tuned, and use newer equipment. *(As in DEIR)*

G. Topography/Geology/Soils/Seismicity

1. To reduce the possibility of differential settlement affecting relocated utilities, the City will implement the following measures during construction:

   a. Provide temporary support for utilities that are not relocated;

   b. Provide pile-supported foundations where possible for relocated utility segments that are previously pile-supported; and

   c. Use special connections between utility segments with different foundation types.

   Any necessary utility relocation and/or protection will be implemented in accordance with the City's franchise agreement with the affected utility companies. *(Modified from DEIR to clarify relationship between the City and utility franchise holders)*

2. To reduce the potential for settlement of existing structures caused by construction activities, the City will conduct a pre-construction survey of existing structures adjacent to the construction area and undertake necessary soil improvement (compaction and chemical grouting or underpinning) beneath affected structures, and to monitor their movements during construction. Where private structures are in such proximity that they might be affected, the City will follow appropriate rules and procedures for acquisition of temporary and/or permanent rights to do such work. However, no construction work within the basements of buildings adjacent to the roadway alignment is anticipated. *(Modified from DEIR to clarify scope of the project work)*

3. Existing SFWD facilities, including mains, valves, valve boxes, hydrants, etc., identified from available drawings and reconstruction surveys, will be protected during construction, including temporary support during construction, and relocation or adjustment if necessary. Costs associated with work required to be done to protect existing water department facilities would be included in

the total cost of whichever alternative is selected. *(Modified from DEIR to clarify scope of the project work)*

H. Hydrology and Water Quality

1. To minimize the exposure of site workers and the public to dewatering effluent, the City will design and implement a wastewater management program. Groundwater samples will be collected from well points installed as part of the dewatering system. The samples will be analyzed for chemical constituents as specified by the City's Department of Public Works' requirements for batch wastewater discharge. This will provide groundwater quality data specific to locations, so that disposal options could be considered and decided upon prior to generation of large volumes of water. *(As in DEIR)*

2. To mitigate potential hazards associated with dewatering, the City will develop and implement a written health and safety plan consistent with the existing Site Mitigation Plan (SMP) for the Waterfront Transportation Projects. The health and safety plan will require the identification of safety and health risk analyses for each site task and operation (including dewatering activities), employee training assignments, implementation of a monitoring program, and medical surveillance. In addition, all wells, piping, and discharge points will be within fenced areas to reduce the likelihood of the public coming into contact with contaminated groundwater. *(Modified from DEIR to clarify scope of construction period health and safety plan)*

I. Hazardous Materials

1. To mitigate the potential effect of exposing workers to hazardous materials during construction, the City will comply with the Site Mitigation Plan (SMP) approved for the Waterfront Transportation Projects, including preparation and implementation of a site-specific health and safety plan during construction that would comply with all OSHA requirements, effectively mitigating the potential for public exposure to hazardous materials. *(Modified from DEIR to clarify SMP and OSHA requirements))*

2. To mitigate the potential effect of exposing utilities maintenance and repair workers to hazardous materials during operation of the Mid-Embarcadero Roadway, the City will require notification to entities who will be performing utilities relocation work in connection with the Mid-Embarcadero portion of the project. The notification will include information on the types of contaminants likely to be encountered during relocation work. *(Modified from DEIR to reflect that Underground Services Alert (USA) does not keep hazardous materials information on file; therefore, notification of the presence of contaminants should be made by the City to utilities companies with work in the area. The utilities can then determine whether during relocation they wish to backfill with the original material or replace with clean fill, thereby minimizing the hazard to future workers.)*

J. Cultural Resources

1. The Historic Properties Survey Report (HPSR) and Evaluation of Effects prepared for this project includes a number of recommendations for the protection of potentially affected archaeological resources in the project area. Specific mitigation measures consistent with these recommendations

to protect archaeological resources have been developed through consultation with the State Historic Preservation Officer (SHPO) and the Advisory Council on Historic Preservation (ACHP). This consultation process has resulted in a Memorandum of Agreement (MOA), executed among and between the City and County of San Francisco, the Federal Highway Administration (FHWA), and California Department of Transportation (Caltrans), SHPO, and ACHP, which describes the measures to be taken to reduce or eliminate adverse effects. The MOA requires:

a. Undertake expanded, detailed archival research on the Northern (Mid-Embarcadero) portion of the Project APE to bring documentation and identification of potential archaeological resources in that area up to the degree of specificity achieved for the Southern area. This should be undertaken and the results presented in the same block-by-block format employed in the Southern area. This effort should include the area of the Parking Remediation Option in Assessor's Block 202.

b. Formulate and implement a testing/evaluation/data recovery program for indicated archaeological resources.

c. If the subsurface parking structure remediation option on Assessor's Block 202 is selected, formulate a testing/evaluation/data recovery program for archaeological resources on the block. This would include a search for and evaluation of the Elizabeth which might be buried on that block.

d. An archaeological monitoring program should be formulated and implemented during construction related drilling or excavation for all locations.

e. In the event that buried cultural materials are unearthed during site preparation, grading or construction of the project, work will be halted in the vicinity of the find until a qualified archaeologist can assess its importance.

f. A report of findings resulting for archaeological testing/evaluation/date recovery procedures will be compiled and submitted at the conclusion of field work and analysis. Significant artifacts and samples will be prepared and curated at an appropriate facility after completion of research and report preparation. *(Modified from DEIR to reflect that the MOA has been executed by the various parties)*; and be it

FURTHER RESOLVED, that the Port Commission finds that the modifications to the Mitigation Measures as described above do not result in new significant environmental impacts or a substantial increase in the severity of an environmental impact; and, be it

FURTHER RESOLVED, that the Port Commission adopts the Mitigation Monitoring Program as set forth in Attachment A; and be it

FURTHER RESOLVED, that the Port Commission finds that it does not have the legal authority to impose the following Mitigation Measures recommended in the Final EIR as they are within the responsibility and jurisdiction of other public agencies and not the Port Commission. However, the Commission recommends that all of those Mitigation Measures, and the relevant parts of the Mitigation

Monitoring Program as presented in Attachment B, be adopted by the agencies with jurisdiction to adopt them:

A. Visual Quality/Urban Design

1. To enhance the appearance of the modified off-ramp at Fourth and Bryant Streets proposed under the Fourth Street Option of Alternatives Three and Five, and the Preferred Alternative, the landscaping that would be removed will be replaced with similar landscaping, and/or new street trees in the vicinity. *(As modified from DEIR to reflect incorporation of the Preferred Alternative)*

B. Transportation

1. *Traffic*

a. In order to reduce peak period traffic congestion on Battery and First Streets, install signs on Battery and Clay Streets directing southbound drivers to use Clay, Davis, and Beale Streets as an alternate route to South of Market destinations, including ramps to the Bay Bridge. Also, eliminate the nine left-side curb loading/parking spaces on Battery Street between Pine and Bush Streets in the AM peak period. (Stopping is already prohibited in the PM peak period.) *(As in DEIR)*

b. In order to reduce delays in accessing the freeway, restripe the Harrison Street approach to the I-80 on-ramp at Fourth Street to add another exclusive lane to the freeway. This restriping would require either removing the existing safety cones on Fourth Street, which force southbound traffic at the west curb lane to turn right, or by adding striping through the intersection, directing westbound through traffic on Harrison Street around the cones. The restriping would require removal of up to 76 on-street parking spaces in the area, and would be accompanied by a sign program alerting South of Market drivers to other on-ramps farther west.

The existing configuration of Harrison Street includes one shared left-turn lane and freeway access lane, one shared freeway access and through lane, and two through lanes. The final configuration of Harrison Street would include one left turn-only lane, two freeway-only lanes, and three through lanes. All changes would be implemented when the intersection's level of service degrades from its existing LOS of B, to LOS E or F in the PM peak hour, as projected to occur by 2015. *(As in DEIR)*

3. *Pedestrian/Bike*

a. For Alternatives Three, Four and Five, and the Preferred Alternative, the triple right turn at the unsignalized intersection of Folsom and Essex Streets could pose a safety problem for pedestrians who ignore the absence of a designated crosswalk, and cross Essex Street. To reduce the potential for automobile and pedestrian conflicts, the City should install pedestrian signs and barriers to direct pedestrians away from the crossing of Essex Street, and install a crosswalk on the east side of Essex Street to complement the one on the west side, so that pedestrians on the south sidewalk of Folsom Street can detour around the

triple right-turn. *(Modified from DEIR to reflect incorporation of the Preferred Alternative)*; and, be it

FURTHER RESOLVED, that the Port Commission rejects the following mitigation measures for the reasons stated on pages 428A and 428B of the Final EIR, regarding the potential costs and benefits of such measures. Those pages of the Final EIR are incorporated herein by reference. In summary, a noise wall could provide sound protection to the Golden Gate Swim and Tennis Club, at a cost of aobut $144,000 to $216,000, and would narrow sidewalks, eliminate street trees, have negative aethestic effects, and be contrary to the objective of reconnecting the City to the waterfront:

E. Noise

1. To reduce the potential for future roadway noise effects upon the Golden Gateway Tennis and Swim Club (GGTSC) facilities, a solid concrete block wall would be constructed along Washington Street (from Drumm to The Embarcadero), and along The Embarcadero, from Washington to the northern end of the GGTSC facilities (Noise Barrier "A"). The wall would be approximately 3.0-3.6 meters (10-12 feet) tall, and would afford about 9 to 11 dBA of noise reduction to the GGTSC. Such a reduction would result in future noise levels of about 56 to 59 dBA at the GGTSC. The cost of such a wall is estimated to be approximately $216,000. A solid concrete block wall approximately 1.5-1.8 meters (5-6 feet) would afford about 5 dBA sound reduction, at a cost of about $144,000. *(Modified from DEIR to reflect expanded data and discussion.)*

2. To reduce the potential future roadway noise at Assessor's Block 202, an earthen berm or a soundwall of approximately 1.5-1.8 meters (5-6 feet) would be constructed along Washington Street (from Drumm to The Embarcadero) and along The Embarcadero, from Washington to the Boundary of Block 202 and Justin Herman Plaza. The berm or wall would achieve about 5 dBA of sound reduction and would be constructed at 1.5-1.8 meters (5-6 feet) in order to balance the desire for noise reduction with other project purposes, such as enhancing visual and pedestrian access to and from public parks and the waterfront. The cost of constructing such a berm or wall is estimated to be approximately $70,000. *(Modified from DEIR to reflect expanded data and discussion.)*; and, be it

FURTHER RESOLVED, that the Port Commission's approval of the Mid-Embarcadero Roadway Project, a portion of the Preferred Alternative as set forth in the Final EIR, would have significant effects on the environment, as described in the Planning Commission Motion No. _____, and as set forth below:

1. The preferred alternative would perpetuate unacceptable future cumulative traffic conditions at the intersections of Fourth and Harrison and Fourth and Folsom during the pm peak hour. Such cumulative future traffic conditions could cause violations to particulate standards in San Francisco, with concomitant health effects and reduced visibility.

2. The Preferred Alternative would require the use of up to 390 square meters (4,300 square feet) at the eastern edge of Justin Herman Plaza for roadway purposes. About 290 square meters is under the jurisdiction of the Port of San Francisco, while about 150 square meters is under the jurisdiction of the Recreation and Park Department.

3. The Preferred Alternative has the potential to affect archaeological resources that may exist in the vicinity of the project; and, be it

FURTHER RESOLVED, that the Port of San Francisco finds that for the reasons set forth below, the economic, social and other considerations of the preferred alternative outweigh the potential unavoidable traffic, open space and archaeological resource impacts identified in the above findings:

1. The construction and operation of the project will improve public access to transit, which will decrease travel time within the City and to destinations in other parts of the region consistent with current City land use policies.

2. The construction and operation of the project will, by extending transit south of the Bay Bridge, enhance the movement of transit-dependent individuals and reduce the relative transit isolation of areas south of downtown.

3. The project would provide for a net gain of approximately one acre of public open space potential in the project area, creating a "Central Plaza" area in front of the Ferry Building, and facilitating the creation of Rincon Point Park, by rerouting the roadway inland and allowing for the creation of a park at the water's edge;

4. The project would improve open space opportunities to residents, workers and tourists by widening the Embarcadero Pedestrian Promenade and implementing the Bay Trail;

5. The project would make a number of improvements for pedestrians and bicyclists by widening the Embarcadero Pedestrian Promenade and including bicycle lanes in the north and southbound curb lanes;

6. The project would fulfill the City's urban design objectives of creating a setting that lends importance to the Ferry Building, a Federal and City landmark, and establishing a terminus for Market Street.

7. The project would reconnect the City with the waterfront by introducing numerous signalized intersection and midblock crosswalks.

8. The project would improve future levels of service at certain downtown intersections in terms of traffic congestion, relative to the No Build Alternative.

9. The Project could improve future freeway off ramp capacity to the downtown; and, be it

FURTHER RESOLVED, that the Port Commission, after balancing the significant adverse effects of the Project on the environment, and the benefits of the Project, concludes that the benefits of the Project override the significant adverse effects; and, be it

FURTHER RESOLVED, that the Port Commission finds that no new information of substantial importance has become available, no modification to the project has occurred that would require important revisions to the FEIR, and no substantial changes have occurred with respect to the circumstances under which the project is under taken,

since the Planning Commission certified the FEIR, therefore, there is no need to prepare an addendum or supplement to the FEIR or recirculate the FEIR; and, be it

FURTHER RESOLVED, that the Port Commission shall record the action taken in this Resolution and shall certify a copy thereof to the Board of Supervisors and the Mayor.

I hereby certify that the foregoing Resolution was ADOPTED by the Port Commission at its regular meeting of **October 8, 1996.**

_____

Secretary

Mitigation Measure Monitoring Program
City and County of San Francisco[1]
Mid-Embarcadero Roadway and Terminal Separator Structure Projects

Mitigation Measures	Responsibility for Implementation[2]	Action Required	Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
LAND USE					
1. To minimize the impact on Justin Herman Plaza that would occur under the Preferred Alternative, the City would redesign and reconstruct the transitional open space area between the roadway and Justin Herman Plaza. The transitional open space area will be designed within the context of the new roadway rather than a freeway, and will be more sensitive to pedestrian needs. Existing landscaping in this area will be replaced with new landscaping that is consistent with the proposed landscaping along The Embarcadero. *(Final EIR p. 252)*	DPW/BOE and the Recreation and Park Department	DPW/BOE would design the specifications in coordination with the Recreation and Parks Department and the Port.	Design prior to bid.	Recreation and Park Department to provide letter approving specifications to OER; DPW/BOE to send copy of specifications to OER.	Receipt of approval letter and specifications by OER.
2. To assure a finished edge where the Embarcadero Roadway would adjoin Justin Herman Plaza and parkland on Assessor's Block 202, the Department of Public Works (DPW) would coordinate design and construction of the roadway and	DPW/BOE; DPW/BCM; Recreation and Park Department; Port of San Francisco	DPW/BOE would design the specifications in coordination with the Recreation and Parks Department and the Port.	Design prior to bid; monitoring during construction phase.	Recreation and Park Department and Port of San Francisco to send letters approving design of finished edge to OER;	Receipt of approval letters, specifications and certification by OER.

[1] For abbreviations, see endnotes.
[2] Unless otherwise indicated, all references to DPW shall mean "Department of Public Works on behalf of Project Sponsor Port of San Francisco."

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sidewalk with the staff of the Project Sponsor and the City's Recreation and Park Department. Design and construction of the portion of roadway adjacent to Block 202 would also be coordinated with the Port of San Francisco, which has jurisdiction over a portion of the Block. *(Final EIS/EIR p. 252)*		DPW/BCM would monitor the construction of the finished edge.		DPW/BOE to send copy of specifications to OER; DPW/BCM to send certification of completed construction to OER.	
VISUAL QUALITY/URBAN DESIGN					
1. To minimize the impact on Justin Herman Plaza that would occur under the Preferred Alternative, the City would redesign and reconstruct the transitional open space area between the roadway and Justin Herman Plaza. The transitional open space area will be designed within the context of the new roadway rather than a freeway, and will be more sensitive to pedestrian needs. Existing landscaping in this area will be replaced with new landscaping that is consistent with the proposed landscaping along The Embarcadero. Any mature trees removed will be replaced with the same or greater number of trees along the transition area or in the adjacent park. Tree removal and new plantings will be determined in conjunction with and	DPW/BOE and the Recreation and Park Department	DPW/BOE would design the specifications in coordination with the Recreation and Parks Department and the Port.	Design prior to bid.	Recreation and Park Department to provide letter to OER approving specifications; DPW/BOE to send copy of specifications to OER.	Receipt of approval letter and specifications by OER.

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approved by the Recreation and Park Department *(Final EIS/EIR p. 263)*					
2. To enhance the appearance of the modified off-ramp at Fourth and Bryant Streets proposed under the Preferred Alternative/DPT Variant, the landscaping that would be removed will be replaced with similar landscaping, and/or new street trees in the vicinity. *(Final EIS/EIR p. 264)*	DPW and Caltrans	DPW to coordinate with Caltrans to plant new street trees if necessary. City to recommend that Caltrans adopt mitigation measure, and request coordination.	Recommendation following all City project approvals; DPW to coordinate with Caltrans during design of TSS.	City to send copy of recommendation/ coordination letter to OER.	Receipt of recommendation by OER.
LIGHT AND GLARE					
1. To prevent or reduce glare from temporary lighting during construction periods, the Project Sponsor would require project contractors to divert any lighting for nighttime or early morning construction away from traffic and residential areas. *(Final EIS/EIR p. 265)*	DPW/BOE (Mid-Embarcadero) and Caltrans (TSS)	For the Mid-Embarcadero, DPW/BOE would prepare contract specifications for this requirement. For the TSS, the City would recommend that Caltrans adopt this mitigation measure.	For the Mid-Embarcadero, design prior to bid. For the TSS, The City would send a recommendation to Caltrans following all project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of Mid-Embarcadero specifications to OER. For the TSS, City to send copy of Caltrans recommendation to OER.	Receipt of specifications by OER (Mid-Embarcadero); receipt of City recommendation by OER (TSS).

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TRANSPORTATION					
1. Traffic					
a. In order to reduce peak period traffic congestion on Battery and First Streets, install signs on Battery and Clay Streets directing southbound drivers to use Clay, Davis and Beale Streets as an alternate route to South of Market destinations, including ramps to the Bay Bridge. Also, eliminate the nine left-side curb loading/parking spaces on Battery Street between Pine and Bush Streets in the AM peak period. (Stopping is already prohibited in the PM peak period). *(Final EIS/EIR p. 322)*	Department of Parking and Traffic	Install signage to accomplish mitigation.	When LOS degrades to Level E or F in the PM Peak Hour.	DPT to notify OER when work is performed.	Receipt of notification by OER.
b. In order to reduce delays in accessing the freeway, the Harrison Street approach to the I-80 off-ramp at Fourth Street would be restriped to add another exclusive lane to the freeway. This restriping would require either removing the existing safety cones on Fourth Street, which force southbound traffic at the west curb lane to turn right, or by adding striping through the intersection, directing westbound through traffic on Harrison Street around the cones. The restriping would require removal of up to 76 on-street parking spaces in the	Department of Parking and Traffic	Perform restriping and other operations to accomplish requirements.	When LOS degrades to Level E or F in the PM Peak Hour.	DPT to notify OER when work is performed.	Receipt of notification by OER.

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area, and would be accompanied by a sign program alerting South of Market drivers to other on-ramps farther west. The existing configuration of Harrison Street includes one shared left-turn lane and freeway access lane, and two through lanes. The final configuration of Harrison Street would include one left turn-only lane two freeway-only lanes, and three through lanes. All changes would be implemented when the intersection's level of service degrades from its existing LOS of B, to LOS E or F in the PM peak hour, as projected to occur by 2015. *(Final EIS/EIR p. 322)*					
c. In order to reduce inconveniences associated with temporarily reduced street capacity and restricted circulation during construction, the City would require construction contractors to restrict any street land reductions to off-peak or nighttime hours and notify the City of such occurrences in advance. Alternatively, if lane closures are required in peak periods, alternate lanes would be made available by restricting curb-side parking and loading. To the maximum extent	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS).	For the Mid-Embarcadero, DPW/BOE would include this requirement in the project specifications; DPW/BCM would monitor the requirements. For the TSS, the City would recommend that	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.

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feasible, three traffic lanes will be maintained in each direction along The Embarcadero between Broadway and Howard Street at all times. *(Final EIS/EIR p. 328)*		Caltrans include this requirement in the TSS project specifications.			
d. In order to reduce the potential effect of construction traffic on local streets, the City would require construction contractors to restrict construction traffic and stage construction activities so as to prevent concentration of construction traffic on corridors with limited capacity or corridors used by commute traffic. *(Final EIS/EIR p. 328)*	DPW/BOE and DPW/BCM (Mid-Embarcadero) Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.
2. Transit					
a. To eliminate the potential deficiency of transit passenger loading space in front of the Ferry Building, under Alternatives Two, Three, Four and Five, which could substantially affect traffic circulation along the northbound lanes of The Embarcadero if buses were to stop along the curb during peak periods,	DPW/BOE	DPW/BOE would prepare contract specifications for this requirement.	Design prior to bid.	DPW/BOE to send copy of Mid-Embarcadero specifications to OER.	Receipt of specifications by OER.

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the City would provide supplemental loading adjacent to the Ferry Building. Current design calls for this supplemental loading area to be provided in loading zones along the northbound lanes of The Embarcadero, immediately adjacent to the Ferry Building. The zone would extend from the Agriculture Building in the south to Pier One in the north with interruptions for pedestrian crossings. The loading zones would be a combined length of 268 meters (880 feet). The roadway configuration in the Ferry Building area under the Preferred Alternative already reflects this design. *(Final EIS/EIR p. 365)*					
b. To minimize or eliminate in conveniences associated with relocation of bus stops during construction, the City would contact each transit operator (primarily MUNI and GGBHTD) whose bus stops would be moved during construction and determine the best temporary location for these stops during each phase of the construction period. The ability of buses to stop along The Embarcadero would be considered in developing the final construction staging plans, and bus stops would be	DPW/BOE and DPW/BCM (Mid-Embarcadero) Caltrans (TSS)	For the Mid-Embarcadero, DPW/BCM would coordinate with the affected transit agencies as necessary with during the Mid-Embarcadero construction period. For the TSS, City would recommend that Caltrans adopt	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BCM to send regular reports to OER during Mid-Embarcadero construction period. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.

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relocated no more than one block from their existing locations. The City would also contact other transit operators, including CalTrain, to ensure that there is coordination regarding construction of planned transit improvements in the vicinity. *(Final EIS/EIR p. 367)*		the mitigation measure.			
3. Pedestrian/Bicycles					
a. For Alternatives Three, Four and Five, and the Preferred Alternative, the triple right turn at the unsignalized intersection of Folsom and Essex Streets could pose a safety problem for pedestrians who ignore the absence of a designated crosswalk, and cross Essex Street. To reduce the potential for automobile and pedestrian conflicts, the City would install pedestrian signs and barriers to direct pedestrians away from the crossing of Essex Street, and install a crosswalk on the east side of Essex Street to complement the one on the west side, so that pedestrians on the south sidewalk of Folsom Street can detour around the triple right-turn. *(Final EIS/EIR p. 385)*	DPT	Specify installation of pedestrian signs and barriers as part of TSS Street Improvements project.	Design phase.	DPT to send copy of Street Improvements specifications to OER.	Upon receipt of specifications by OER.
b. During construction, large volumes of pedestrians walking in front of the	DPW/BOE and DPW/BCM	DPW/BOE to include requirements in Mid-	Design and construction	DPW/BOE to send copy of Mid-	Receipt of specifications and final monitoring

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Ferry Building and on the Ferry Building crosswalk may be inconvenienced by capacity reductions and/or temporary closure of pedestrian facilities. To reduce this inconvenience, the City would require the construction contractor to devise and implement a construction plan that would maintain maximum pedestrian flow capacity around the Ferry Building by avoiding closure of any pedestrian facilities wherever possible and by providing temporary alternate facilities as appropriate. Access would be maintained to nearby businesses. Signs would be used to indicate paths of travel to ferries and businesses. *(Final EIS/EIR p. 385)*		Embarcadero specifications; DPW/BCM to monitor during construction.	phases.	Embarcadero specifications to OER. DPW/BCM to send regular report to OER.	report by OER.
NOISE					
1. To reduce potential disturbances due to construction-related noise levels, the City will strictly adhere to the San Francisco Noise Ordinance and will require the following additional steps to be taken: *(Final EIS/EIR p. 429)*	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.

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		recommend that Caltrans include this requirement in the TSS project specifications.	approvals.	to send copy of recommendation to OER.	
a. Implementation of a careful maintenance and lubrication program for heavy equipment	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.
b. Installation of temporary noise barriers, mats, or blankets where San Francisco Noise Ordinance limits cannot be met with available equipment	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from

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		For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	all City project approvals.	For the TSS, City to send copy of recommendation to OER.	City.
c. Pre-drilling piles where soil conditions permit	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.
d. Use of construction equipment modified to lessen noise such as welding instead of riveting, using electric-powered equipment instead of pneumatic tools, using electric instead of air or gasoline driven saws, and use of effective intake and exhaust mufflers on internal combustion engines and compressors	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommenda-	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of

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		For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	tion following all City project approvals.	For the TSS, City to send copy of recommendation to OER.	recommendation from City.
e. Maximizing physical separation, as far as practical, between noise generators and noise sensitive receptors, such as providing enclosures for stationary equipment and barriers around particularly noisy areas on the site, using shields, impervious fences or other physical sound barriers to inhibit transmission of noise into the surrounding community, and locating stationary equipment so as to minimize impact on the community.	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.
f. Scheduling of noise-generating activities outside early morning and nighttime hours.	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS,	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction.

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		requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	recommendation following all City project approvals.	during construction. For the TSS, City to send copy of recommendation to OER.	For the TSS, receipt of recommendation from City.
AIR QUALITY					
1. To reduce construction period PM_{10} emission levels by 75 percent, the PORT/CITY would require project contractors to implement dust control measures. Measures to reduce dust included watering construction areas, covering haul trucks and storage piles containing dirt and debris, imposing a speed limit in the construction area, paving the area as quickly as possible, and planting the non-paved areas as soon as possible. *(Final EIS/EIR p. 453)*	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.
b. Ordinance 175-91, passed by the San Francisco Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, City will require	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project	For the Mid-Embarcadero, prior to contract bid and during	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at

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the project contractor to obtain reclaimed water from the Clean Water Programs for this purpose. *(Final EIS/EIR p. 453)*		specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	construction. For the TSS, recommendation following all City project approvals.	OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	completion of construction. For the TSS, receipt of recommendation from City.
c. To reduce exhaust emissions during construction, the City will not allow the equipment to idle unnecessarily, keep the engines well-tuned, and use newer equipment. *(Final EIS/EIR p. 453)*	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.
TOPOGRAPHY, GEOLOGY, SOILS, AND SEISMICITY					
To reduce the possibility of differential	DPW/BOE and	DPW/BOE would	For the Mid-	For the Mid-	For the Mid-

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settlement affecting relocated utilities, the City will implement the following measures during construction: a. Provide temporary support for utilities that are not relocated; b. Provide pile-supported foundations where possible for relocated utility segments that are previously pile-supported; and c. Use special connections between utility segments with different foundation types. Any necessary utility relocation and/or protection will be implemented in accordance with the City's franchise agreement with the affected utility companies. *(Final EIS/EIR p. 469)*	DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.
2. To reduce the potential for settlement of existing structures caused by construction activities, the City would conduct a pre-construction survey of existing structures adjacent to the construction area and undertake necessary soil improvement (compaction and chemical grouting or underpinning) beneath affected structures, and to	DPW/BOE (Mid-Embarcadero)	Develop and implement testing program as part of design phase work.	Design phase	DPW/BOE to send copy of reports generated by testing program to OER.	Receipt of reports by OER.

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monitor their movements during construction. Where private structures are in such proximity that they might be affected, the City would follow appropriate rules and procedures for acquisition of temporary and/or permanent rights to do such work. However, no construction work within the basements of building adjacent to the roadway alignment is anticipated. *(Final EIS/EIR p. 469)*					
3. Existing SFWD facilities, including mains, valves, valve boxes, hydrants, etc., identified from available drawings and reconstruction surveys, would be protected during construction, including temporary support during construction, and relocation or adjustment if necessary. Costs associated with work required to be done to protect existing water department facilities would be included in the total cost of which ever whichever alternative is selected. *(Final EIS/EIR p. 469)*	DPW/BOE and DPW/BCM (Mid-Embarcadero); Caltrans (TSS)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements. For the TSS, City to recommend that Caltrans include this requirement in the TSS project specifications.	For the Mid-Embarcadero, prior to contract bid and during construction. For the TSS, recommendation following all City project approvals.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction. For the TSS, City to send copy of recommendation to OER.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction. For the TSS, receipt of recommendation from City.

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HYDROLOGY AND WATER QUALITY					
To minimize the exposure of site workers and the public to dewatering effluent, a wastewater management program would be designed and implemented. Groundwater samples would be collected from well points installed as part of the dewatering system. The samples would be analyzed for chemical constituents as specified by the City's Department of Public Works' requirements for batch wastewater discharge. This would provide groundwater quality data specific to locations, so that disposal options could be considered and decided upon prior to generation of large volumes of water. *(Final EIS/EIR p. 480)*	DPW/BOE and DPW/BCM (Mid-Embarcadero)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements.	For the Mid-Embarcadero, prior to contract bid and during construction.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction.
To mitigate potential hazards associated with dewatering, the City will develop and implement a written site-specific health and safety plan consistent with the existing Site Mitigation Plan (SMP) for the Waterfront Transportation Projects. The health and safety plan would require the identification of safety and health risk analyses for each site task and operation (including dewatering	DPW/BOE and DPW/BCM (Mid-Embarcadero)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements.	For the Mid-Embarcadero, prior to contract bid and during construction.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction.

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activities), employee training assignments, implementation of a monitoring program, and medical surveillance. In addition, all wells, piping, and discharge points would be within fenced areas to reduce the likelihood of the public coming into contact with contaminated groundwater. *(Final EIS/EIR p. 480)*					
HAZARDOUS MATERIALS					
1. To mitigate the potential effect of exposing workers to hazardous materials during construction, the City would require contractors to comply with the Site Mitigation Plan (SMP) approved for the Waterfront Transportation Projects, including preparation and implementation of a site-specific health and safety plan during construction that would comply with all OSHA requirements, effectively mitigating the potential for public exposure to hazardous materials. *(Final EIS/EIR p. 499)*	DPW/BOE and DPW/BCM (Mid-Embarcadero)	DPW/BOE would include this requirement in the Mid-Embarcadero project specifications; DPW/BCM would monitor the requirements.	For the Mid-Embarcadero, prior to contract bid and during construction.	For the Mid-Embarcadero, DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER during construction.	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final monitoring report at completion of construction.
2. To mitigate the potential effect of exposing utilities maintenance and repair workers to hazardous materials during operation of the Mid-	DPW/BOE and DPW/BCM (Mid-Embarcadero)	DPW/BOE would include this requirement in the Mid-Embarcadero	For the Mid-Embarcadero, prior to contract bid	For the Mid-Embarcadero, DPW/BOE to send copy of	For the Mid-Embarcadero, receipt of specifications by OER and receipt of final

Mitigation Measures	Responsibility for Implementation[2]	Action Required	Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
Embarcadero Roadway, the City would require notification to entities who will be performing utilities relocation work in connection with the Mid-Embarcadero portion of the project. The notification would include information on the types of contaminants likely to be encountered during relocation work. *(Final EIS/EIR p. 500)*		project specifications; DPW/BCM would monitor the requirements.	and during construction.	specifications to OER; DPW/BCM to send regular reports to OER during construction.	monitoring report at completion of construction.
CULTURAL RESOURCES					
1. A Memorandum of Agreement (MOA) executed among and between the City and County of San Francisco, the FHWA, Caltrans, SHPO and ACHP describes the measures to be taken to reduce or eliminate adverse effects. The recommendations include: *(Final EIS/EIR p. 506)*	City and County of San Francisco, FHWA, Caltrans, SHPO and ACHP	Execute MOA	Design phase	City to send copy of MOA to OER.	Receipt of MOA by OER.
a. Undertake expanded, detailed archival research on the Northern (Mid-Embarcadero) portion of the Project APE to bring documentation and identification of potential archaeological resources in that area up to the degree of specificity achieved for the Southern area. This effort should include the area of the Parking Remediation Option in Assessor's Block 202.	DPW/BOE	Engage qualified archaeologist to prepare archival research report.	Design phase	DPW/BOE to send copy of research report to OER.	Receipt of report by OER.

Mitigation Measures	Responsibility for Implementation[2]	Action Required	Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
b. Formulate and implement a testing/evaluation/data recovery program for indicated archaeological resources.	DPW/BOE	Engage qualified archaeologist to prepare recovery program.	Design phase	DPW/BOE to send copy of recovery program to OER.	Receipt of program by OER.
c. If the subsurface parking structure remediation option on Assessor's Block 202 is selected, formulate a testing/evaluation/data recovery program for archaeological resources on the block. This would include a search for and evaluation of the Elizabeth which might be buried on that block.	DPW/BOE	Engage qualified archaeologist to prepare recovery program.	Design phase	DPW/BOE to send copy of recovery program to OER.	Receipt of program by OER.
d. An archaeological monitoring program should be formulated and implemented during construction related drilling or excavation for all locations.	DPW/BOE and DPW/BCM	Engage qualified archaeologist to prepare archaeological monitoring program and monitor during construction phase	Design and construction phases	DPW/BOE to send copy of monitoring program to OER; DPW/BCM to send regular monitoring reports to OER.	Receipt of monitoring program and final monitoring report by OER.
e. In the event that buried cultural materials are unearthed during site preparation, grading, or construction of the project, work would be halted in the vicinity of the find until a qualified archaeologist can assess its importance.	DPW/BOE and DPW/BCM	DPW/BOE to include requirements in specifications; DPW/BCM to monitor during construction.	Design and construction phases.	DPW/BOE to send copy of specifications to OER; DPW/BCM to send regular reports to OER.	Receipt of specifications and final monitoring report by OER.
f. A report of findings resulting from	DPW/BOE	DPW/BOE to	Construction	DPW/BOE to send	Receipt of final report

Mitigation Measures	Responsibility for Implementation[2]	Action Required	Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
archaeological testing/evaluation/date recovery procedures should be compiled and submitted at the conclusion of field work and analysis. Significant artifacts and samples should be prepared and curated at an appropriate facility after completion of research and report preparation.		engage a qualified archeologist to prepare a report of findings and arrange for preparation and curating of any significant artifacts and samples.	phase.	final report to OER.	by OER.

[i] Abbreviations:
DPW Department of Public Works (City and County of San Francisco)
BOE DPW Bureau of Engineering
BCM DPW Bureau of Construction Management
DPT Department of Parking and Traffic

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 8, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Resolution approving the DPT Variant with a split roadway design for the Mid-Embarcadero Roadway and provision of replacement parking, and authorizing the Executive Director to negotiate an agreement with other City departments regarding the review and final approval process for the project

DIRECTOR'S RECOMMENDATION: Approve the attached resolution.

Background

The City and County of San Francisco proposes to construct a new roadway, freeway ramps and associated street improvements in place of the elevated Embarcadero Freeway and ramp connection known as the Terminal Separator Structure (TSS), both of which were demolished as a result of damage sustained during the Loma Prieta Earthquake of October 1989. The transportation improvements are proposed as alternatives to an in-kind replacement of the former facilities which constituted State Route 480, and provided access to and from the regional freeway system and downtown San Francisco.

THIS PRINT COVERS CALENDAR ITEM NO. 3C

The overall project includes two distinct elements: the Mid-Embarcadero Roadway Project (which is proposed to be constructed primarily on property under the jurisdiction of the San Francisco Port Commission) and the Terminal Separator Structure, which is not located within Port jurisdiction. Because most of the Mid-Embarcadero Roadway Project would be located on Port property, the San Francisco Port Commission must approve the project. The approval that is before the Commission at the October 8, 1996 meeting is to select a roadway alignment. The Port Commission will have an opportunity to approve and adopt urban design criteria for the roadway in the future.

The purpose of the project is fourfold:

1. Restore local and regional transportation connectivity affected by the 1989 Loma Prieta Earthquake and the loss of the Embarcadero Freeway and TSS;

2. Provide ramp capacity without building the amount of elevated structures formerly occupied by the Embarcadero Freeway and TSS, taking advantage of surface streets and transit to accommodate travel demand;

3. Enhance the integration of different modes of transportation in the project area including automobiles, ferries, buses, light rail, trucks, and pedestrians and bicycles; and

4. Improve the appearance of the project area; maximize physical and visual access to the waterfront and minimize physical intrusions into commercial and residential areas of San Francisco, pursuant to long-standing goals and urban design concepts of the Northeastern Waterfront area Plan, an element of the San Francisco General Plan.

Six project alternatives are under consideration and are analyzed in the EIS/EIR at an equal level of detail; they include a "No Build" alternative and five "Build" alternatives. Two of the "Build" alternatives include variations in the proposed treatment for the I-80 eastbound off-ramp from the Peninsula. The preferred alternative, which is a modified version of one of the "Build" alternatives, is also analyzed at an equal level of detail as the other project alternatives.

The DPT Variant with a split Roadway was endorsed as the Preferred Alternative by the Board of Supervisors in January, 1996 and incorporated into the Final Environmental Impact Report as Statement (FEIS/EIR) as such.

Project Description

The Mid-Embarcadero Project would realign and upgrade the surface roadway section along the section of The Embarcadero between Folsom Street and Broadway as a four-to-six lane roadway, to match the Embarcadero Roadway to the north and south. A parking garage and surface street improvements are also proposed as part of the project. The Mid-Embarcadero segment of the F-Line would also be implemented in conjunction with this project, as would the Muni Metro Extension/F-Line Connector, contingent upon securing full funding.

Roadway and Transit Improvements

The new Embarcadero Roadway would begin at the present intersection of Steuart and Folsom Streets, and would curve northeastward (towards the Bay) to meet the existing Embarcadero alignment at Howard Street, and continue north along The Embarcadero to Broadway. The area east of the realigned roadway between Howard and Harrison Street would become part of the planned Rincon Point Park. Steuart Street would be closed to through traffic between Folsom and Howard Streets, and a portion of the street would be vacated. The southbound roadway between Folsom and Howard Streets would be completed as part of the Muni Metro Turnback project in late 1996. A realigned northbound roadway between Folsom and Howard Streets and a new pedestrian promenade between Folsom and Harrison Streets would be completed as part of this project.

Between Howard Street and Broadway, the northbound lanes of the new Embarcadero Roadway would generally follow the alignment of the existing roadway. The southbound lanes of the roadway would curve west to form a central plaza between the north and south bound roadways directly in front of the Ferry Building. This realignment of the southbound roadway would result in use of the edge of the landscaped transition zone between the roadway and Justin Herman Plaza for pedestrian circulation and landscaping. See Exhibit A for an illustration of the roadway alignment.

Between Howard Street and Broadway, the new Embarcadero Roadway would have three continuous travel lanes during the peak period. In the off-peak period, parking would be allowed in the curbside lane on the entire southbound roadway, and on the northbound roadway between Folsom and Howard Streets, and between Piers 1 and 5. During these off-peak periods, the number of travel lanes would therefore be reduced to two in each direction. Turn lanes would be provided at key intersections: two left turn lanes at Broadway and at Washington Street in the northbound direction and one left/U-turn lane at Washington in the south bound direction. U-turns would be permitted mid-block between Mission and Washington Streets at either end of the new central plaza.

The roadway would also accommodate an exclusive transit right-of-way and bicycle lanes in each direction. The F-Line would be constructed in conjunction with the Mid-Embarcadero Roadway Project in an exclusive right-of-way in the roadway median north of Mission Street and would run parallel to the northbound roadway along the eastern edge of the central plaza. The Muni Metro Extension/F-Line Connector would be constructed in the roadway between Mission and Folsom Streets in conjunction with the roadway project, if funding can be secured.

The outside parking/traffic lane would be 15 feet wide to accommodate motor vehicles and a Class Three Bicycle route. During the peak periods, the bicycle lane would operate as a 4 foot wide lane adjacent to an 11 foot wide travel lane. During off-peak periods, the bicycle lane would operate as a 7 foot wide lane adjacent to an 8 foot wide parking lane.

Central Plaza

The realignment of The Embarcadero and the removal of parking in front of the Ferry Building will result in the creation of a new central plaza located between the north and southbound roadways. At its widest, a 131 foot wide central open space would accommodate a central plaza (90 feet wide) and the planned Muni F-Line historic streetcar.

Pedestrian Improvements

A broad pedestrian promenade would be constructed on the Bay side of the roadway. The pedestrian promenade would be 25 feet wide between Folsom and Mission Streets and 35 to 50 feet wide in front of the Agricultural Building. The current parking lots to the north and south of the main Ferry Building entrance would be removed to provide a promenade width of 40 to 64 feet. North of the Ferry Building, the promenade would be 27 to 31 feet wide between Pier 1 and Pier 5.

On the west side of The Embarcadero, new 15 foot wide sidewalks would be constructed with certain exceptions. Between Mission and Howard Streets, the sidewalk width would vary from 6 feet (adjacent to Bayside Plaza at the south end of the block) to an average of 40 feet mid-block. North of Mission Street, the sidewalk width would be a minimum of 10 feet.

All intersections of the reconstructed Embarcadero Roadway would be at-grade and signalized, including Folsom, Howard, Mission and Washington Streets and Broadway. Market Street would remain closed to vehicular traffic at The Embarcadero. Signalized, mid-block pedestrian crossings would be provided on The Embarcadero between Mission and Market Streets, between Market and Washington Streets and between Washington Street and Broadway.

Parking

There are currently 135 on-street parking spaces and 423 off-street parking spaces in the Mid-Embarcadero Project area. The existing median parking and the parking directly in front of the Ferry Building would be removed as part of the project. After implementation, there will be approximately 219 on-street parking spaces. Off-peak parking would be provided in the southbound and northbound curbside lanes, as described above. Passenger loading bays would be located in the northbound roadway adjacent to and immediately north and south of the Ferry Building.

If the off-street parking spaces are not replaced, there would be a resulting net loss of 339 parking spaces. This parking is proposed to be replaced with an underground parking garage of up to 350 spaces on the southern half of Assessor's Block 202, with access from Clay Street. Please refer to Exhibit B for a preliminary parking garage layout.

On July 9, 1996 the Port Commission adopted Resolution No. 96-74 endorsing the inclusion of the parking garage as part of the preferred alternative for the Mid-Embarcadero Roadway Project. Based on a recommendation by the Housing and Land Use Committee, the Board of Supervisors has also adopted a resolution endorsing the inclusion of the garage as part of the project. The timing of the construction of the garage, however, is linked to the timing of the redevelopment of the Ferry Building.

Surface Street Improvements

A number of surface street improvements would be included as part of the Mid-Embarcadero Roadway Project; a more detailed description of these improvements is included in Exhibit C.

Previous Port Commission Presentations and Actions

This project has been presented to the Port Commission on numerous occasions over the past several years, as described and summarized below.

September 9, 1992: An informational presentation was made by Port staff on design alternatives for the replacement of the Embarcadero Freeway.

October 11, 1994: An informational presentation was made by the Waterfront Transportation Projects Office regarding the Mid-Embarcadero Roadway and Open Space.

June 13, 1995: The Port Commission adopted Resolution 95-44, urging the

Public Transportation Commission to provide a connection between the F-Line and the Muni Metro Extension and to provide continuous rail service along the northern waterfront.

October 10, 1995: The Port Commission adopted Resolution No. 95-85, recommending the paired roadway as the preferred alternative for the Mid-Embarcadero Roadway.

July 9, 1996: The Port Commission adopted Resolution 96-74, approving the inclusion of an underground parking garage on Block 202 as part of the preferred alternative for the Mid-Embarcadero Roadway Project.

Project Review and Approval

The attached resolution would approve the preferred alternative for the general alignment of the Mid-Embarcadero Roadway Project, which includes a split roadway in front of the Ferry Building. There are a number of outstanding issues that remain, including the urban design for the project, the replacement of lost parking due to the project, the final engineering and design review and approval process to be followed, and other construction related issues such as traffic routing, access to Port facilities, etc.

The staff is hereby requesting approval for the Executive Director to negotiate an agreement with the Department of Public Works and other City departments regarding these and other project related issues. In addition, an urban design concept has been prepared for the Mid-Embarcadero Roadway Project under the direction of the Waterfront Transportation Projects Office. The Port staff is recommending that urban design criteria be developed for the project, which would be approved by the Port Commission in conjunction with the above referenced agreement.

Prepared by: Sharon Lee Polledri,
Director of Planning and Development

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-103

WHEREAS, under City Charter Section B3.581 et. seq., the Port has the exclusive power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, the Embarcadero and Terminal Separator freeway segments of I-480 were severely damaged by the 1989 Loma Prieta earthquake and were subsequently demolished and removed by the California Department of Transportation (Caltrans); and

WHEREAS, the San Francisco Port Commission approved a cooperative agreement between the Port and Caltrans regarding the demolition of the portions of the Embarcadero Freeway within the Port's jurisdiction on December 16, 1992 through Port Commission Resolution No. 92-131; and

WHEREAS, the Board of Supervisors of the City and County of San Francisco ("Board of Supervisors") adopted Resolution No. 100-96 on January 29, 1996 endorsing the DPT Variant, with a Mid-Embarcadero split roadway, as the Preferred Alternative for the Replacement of the Mid-Embarcadero Roadway and the Terminal Separator Structure; and

WHEREAS, The Board of Supervisors adopted Resolution 896-96 preliminarily endorsing an underground parking garage for the Port of San Francisco as replacement for parking lost due to the implementation of the Mid-Embarcadero Roadway Project providing that there be no construction on the proposed parking garage until a contract has been executed with a developer for a major redevelopment or renovation of the Ferry Building; and

WHEREAS, the Draft EIS/EIR, "Alternatives to Replacement of The Embarcadero Freeway and the Terminal Separator Structure", was published and circulated for public comment on August 25, 1995; and

WHEREAS, the Final EIS/EIR and Section 4(f) evaluation, "Alternatives to Replacement of the Embarcadero Freeway and the Terminal Separator Structure", was certified by the Planning Commission on September 19, 1996 (File No. 92.202E/94.060E); and

WHEREAS, the Port Commission has read and considered the information contained in the Final EIS/EIR; and

WHEREAS, on October 8, 1996 the Port Commission approved Resolution No. 96-102 adopting findings under the California Environmental Quality Act (CEQA) related to a portion of the preferred alternative as set forth in the Final EIS/EIR; and

WHEREAS, under the preferred alternative the Mid-Embarcadero Project would realign and upgrade the surface roadway along the section of The Embarcadero between Folsom Street and Broadway Street as a four-to-six lane roadway, to match the north and south portions of the Embarcadero, and would include an underground parking garage on Block 202 and surface street improvements, as generally shown on the attached Exhibits A and B; and

WHEREAS, the preferred alternative is consistent with the Port's public trust obligations in that the proposed roadway will maximize roadway access to the waterfront, will maximize visual and physical public access to the waterfront, will enhance integration of different modes of transportation within Port jurisdiction, including maritime-serving truck and ferry traffic and public-serving pedestrian, bicycle and automobile traffic, and will create significant public open spaces and promenades oriented towards the Bay; and

WHEREAS, under the direction of the Waterfront Transportation Projects Office an urban design concept has been prepared for the Mid-Embarcadero Roadway Project, with participation from Port and other City agency staff members; now, therefore be it

RESOLVED, that the Port Commission does hereby approve the DPT Variant, including the split roadway alignment for the Mid-Embarcadero Roadway and replacement of parking removed due to the project, as shown on Exhibits A and B ; and, be it

FURTHER RESOLVED, that the Port Commission does hereby authorize the Executive Director to enter into negotiations with the Department of Public Works and other City agencies regarding an agreement governing the design, engineering and construction review and approval process for the Mid-Embarcadero Roadway Project, including the replacement of parking removed as a result of the project; and, be it

FURTHER RESOLVED, that the Port staff is hereby authorized to work with the Waterfront Transportation Projects Office to develop recommendations regarding the urban design criteria for the Mid-Embarcadero Roadway Project, which shall be presented for approval to the full Port Commission along with the above referenced agreement between the Port and other City agencies; and, be it

FURTHER RESOLVED, that Port staff is hereby directed to bring the project agreement and the urban design criteria back to the Port Commission for its approval as soon as is practically possible.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 8, 1996.

_____

Secretary

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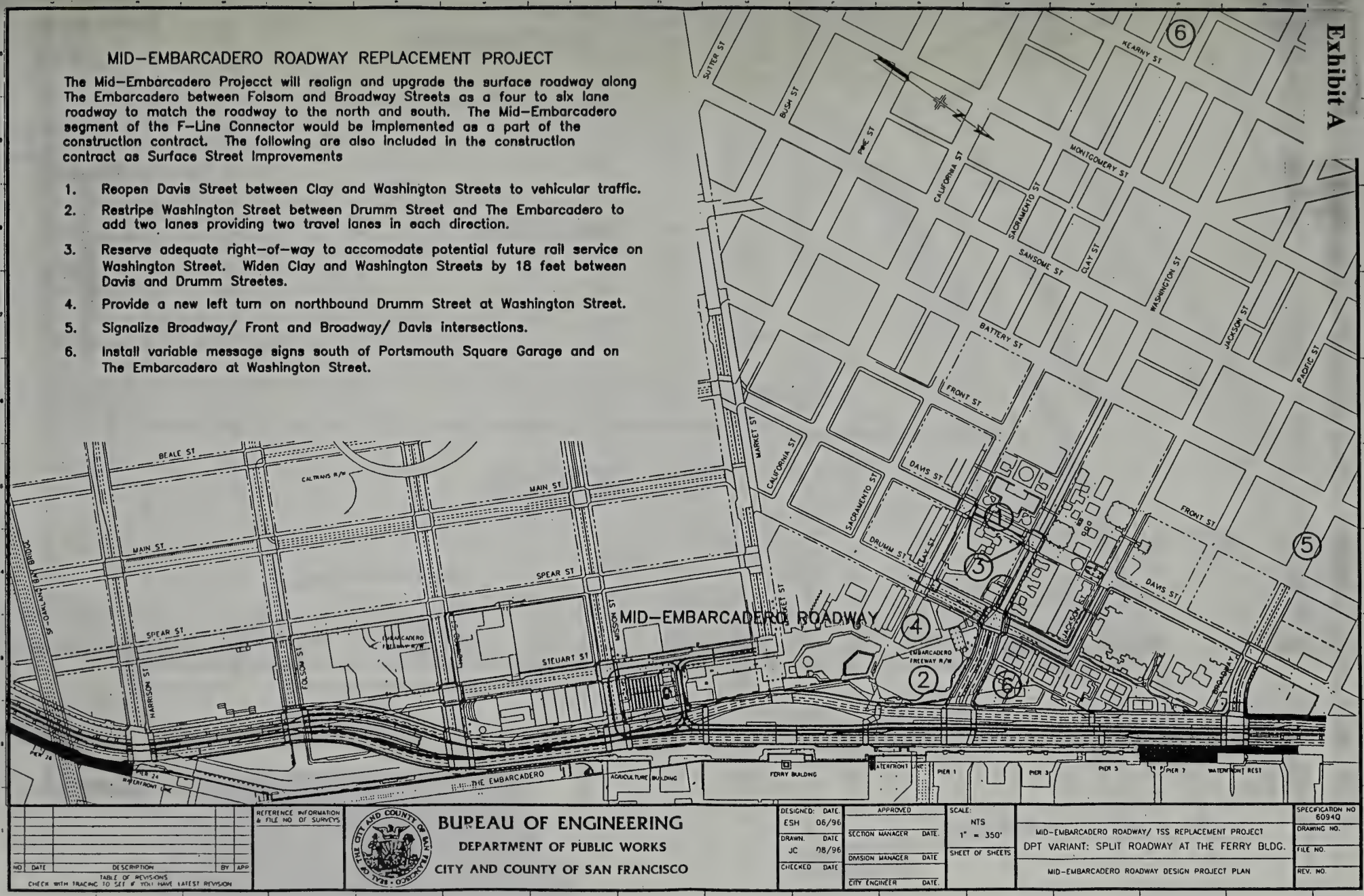
MID–EMBARCADERO ROADWAY REPLACEMENT PROJECT

The Mid–Embarcadero Projecct will realign and upgrade the surface roadway along The Embarcadero between Folsom and Broadway Streets as a four to six lane roadway to match the roadway to the north and south. The Mid–Embarcadero segment of the F–Line Connector would be implemented as a part of the construction contract. The following are also included in the construction contract as Surface Street Improvements

1. Reopen Davis Street between Clay and Washington Streets to vehicular traffic.
2. Restripe Washington Street between Drumm Street and The Embarcadero to add two lanes providing two travel lanes in each direction.
3. Reserve adequate right–of–way to accomodate potential future rail service on Washington Street. Widen Clay and Washington Streets by 18 feet between Davis and Drumm Streetes.
4. Provide a new left turn on northbound Drumm Street at Washington Street.
5. Signalize Broadway/ Front and Broadway/ Davis intersections.
6. Install variable message signs south of Portsmouth Square Garage and on The Embarcadero at Washington Street.



NO	DATE	DESCRIPTION	BY	APP

TABLE OF REVISIONS
CHECK WITH TRACING TO SEE IF YOU HAVE LATEST REVISION

REFERENCE INFORMATION & FILE NO OF SURVEYS

BUREAU OF ENGINEERING
DEPARTMENT OF PUBLIC WORKS
CITY AND COUNTY OF SAN FRANCISCO

DESIGNED: ESH	DATE 06/96	APPROVED	SCALE: NTS 1" = 350'
DRAWN. JC	DATE 08/96	SECTION MANAGER DATE	SHEET OF SHEETS
CHECKED	DATE	DIVISION MANAGER DATE	
		CITY ENGINEER DATE	

MID–EMBARCADERO ROADWAY/ TSS REPLACEMENT PROJECT
DPT VARIANT: SPLIT ROADWAY AT THE FERRY BLDG.
MID–EMBARCADERO ROADWAY DESIGN PROJECT PLAN

SPECIFICATION NO 6094Q
DRAWING NO.
FILE NO.
REV. NO.

Figure 1

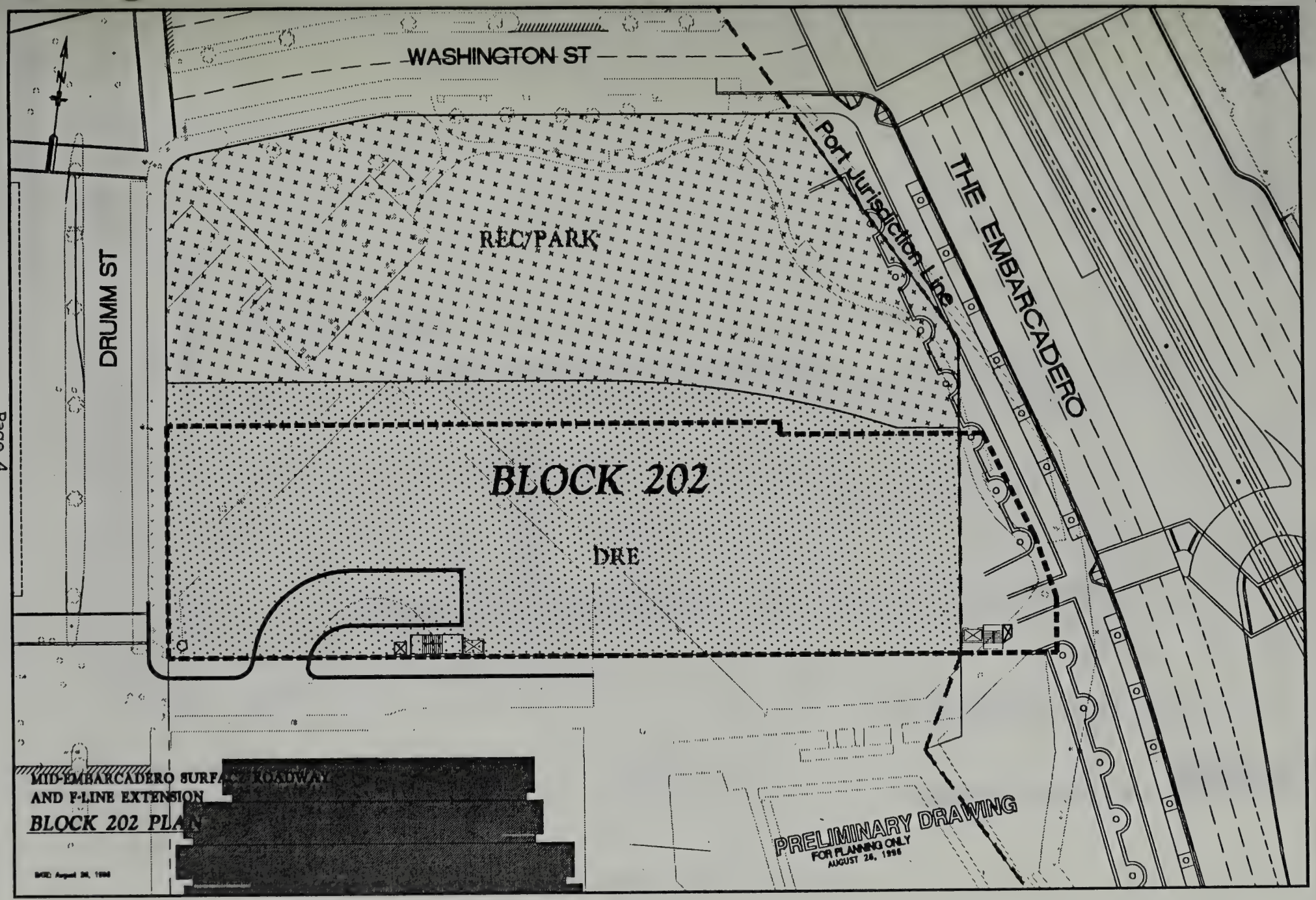
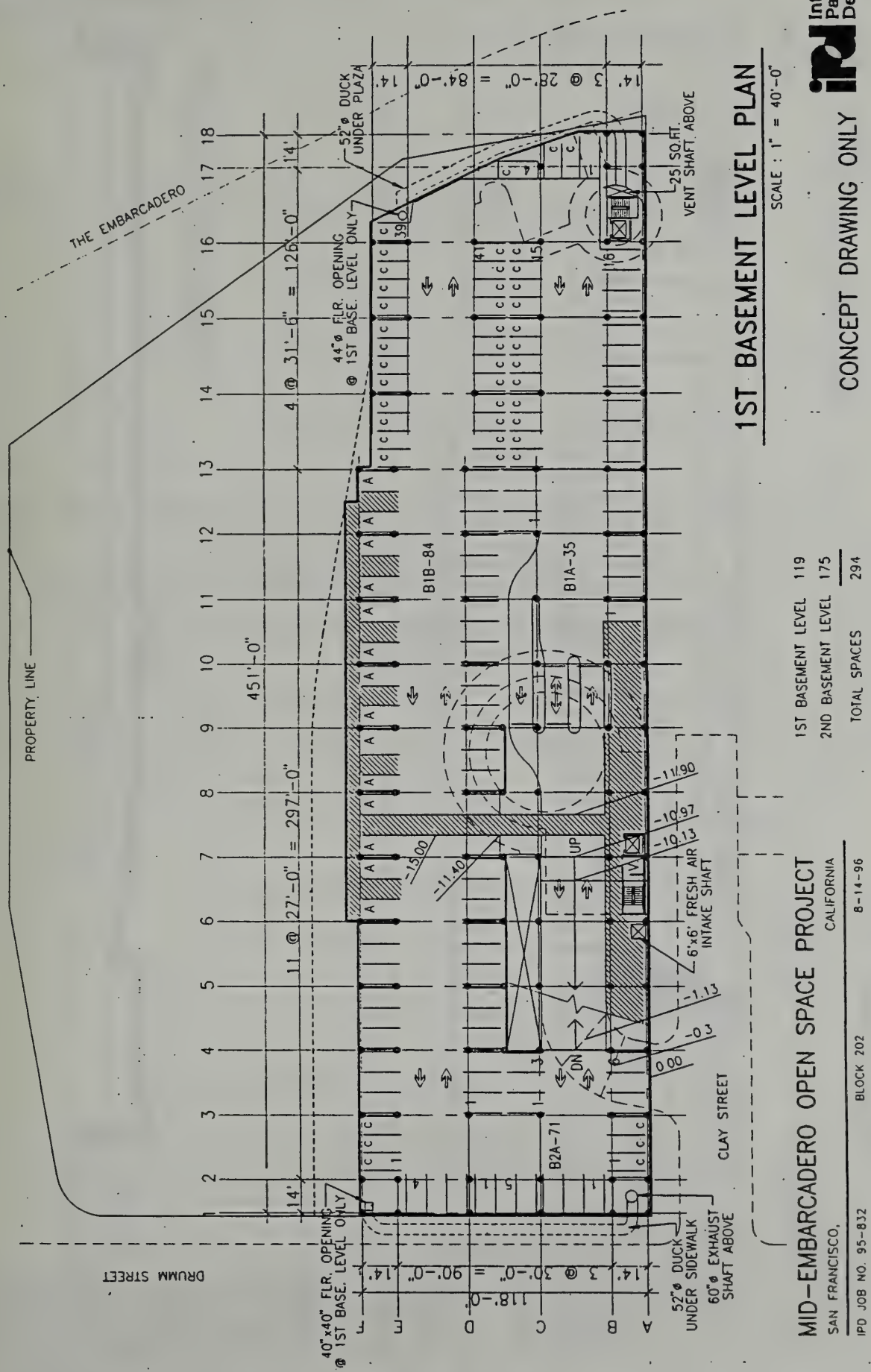

WASHINGTON ST
DRUMM ST
REC/PARK
Port Jurisdiction Line
THE EMBARCADERO
BLOCK 202
DRE
MID-EMBARCADERO SURFACE ROADWAY
AND F-LINE EXTENSION
BLOCK 202 PLAN
PRELIMINARY DRAWING
FOR PLANNING ONLY
AUGUST 28, 1996

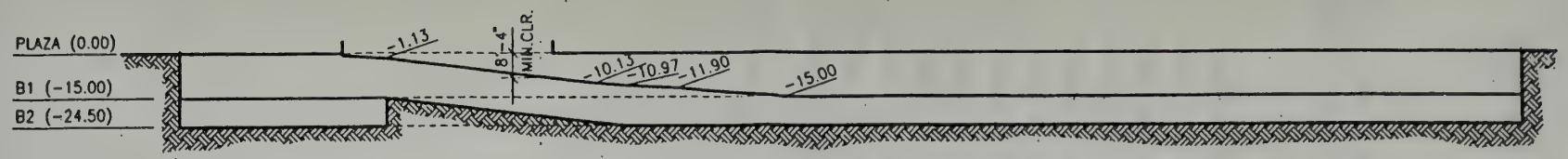
Figure 2

Exhibit B

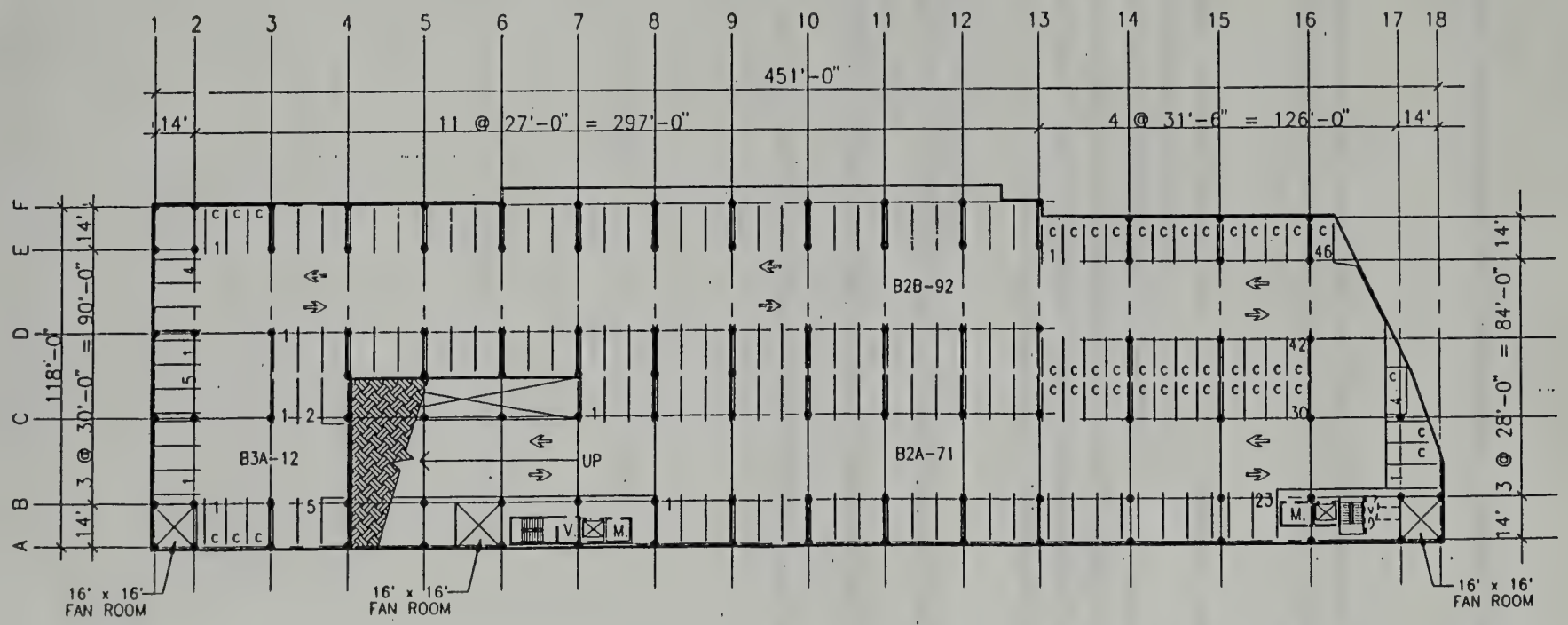


Garage Layout - Floor 1

Figure B-2



LONGITUDINAL SECTION



2ND BASEMENT LEVEL PLAN

SCALE : 1" = 40'-0"

CONCEPT DRAWING ONLY

Garage Layout - Floor 2

Figure B-3

Exhibit C: Surface Street Improvements, Mid-Embarcadero Roadway Project

NOTE: Some of the improvements described here, while part of the Mid-Embarcadero Roadway Project, are outside of the Port's jurisdiction and are described for informational purposes only.

- Restripe Washington Street between Drumm Street and The Embarcadero to add two lanes providing two travel lanes in each direction
- Reserve adequate right-of-way on Washington and Clay Streets to accommodate traffic flows to and from Chinatown and potential future rail service on Washington Street
- Provide variable message signs south of Portsmouth Square Garage and on the Embarcadero at Washington Street to notify motorists when the Portsmouth Square Garage is full.
- Extend Muni Route #83 to The Embarcadero
- Signalization of the Broadway/Front and Broadway/Davis intersections to facilitate traffic flows (for information only)
- Reopen Davis Street between Clay and Washington Streets to vehicular traffic (for information only)
- Provide a new left turn pocket on northbound Drumm Street at Washington Street (for information only)

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

September 26, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: **Approval of Contract Amendment for Simon, Martin-Vegue Winkelstein, Moris, for graphic design and planning communication materials for the Waterfront Plan.**

DIRECTOR'S RECOMMENDATION: APPROVE THE PROPOSED CONTRACT AMENDMENT.

In September 1994, the Port entered into a contract with a graphic design team to design the graphics and assist in the preparation of the text for a finished printing of the Draft Waterfront Plan and an accompanying poster. The team consists of the architectural and planning firm of Simon, Martin-Vegue, Winkelstein, Moris (SMWM), the graphic design firm of Tenazas Design, and illustrator C. Tolon.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

The Draft Waterfront Plan and Poster were recently printed and circulated to the Commission, City agencies, and numerous interest groups and citizens. To best serve the needs of the Port in communicating the land use objectives to the broadest possible audiences, Port staff requested presentation materials for public meetings from the Plan, along with changes to the design and printing of the plan and poster that are estimated to exceed the approved project budget by $5,200. The amount of the contract amendment dedicated to a HRC certified minority and women owned firm is approximately 90 percent.

Sharon Lee Polledri
Director, Planning & Development

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-96

WHEREAS, The Draft Waterfront Plan is the result of an extensive citizen-based planning effort spanning four years and over 75 public meetings;

WHEREAS, In September 1994, the Port entered into a contract with a graphic design team to design the graphics and assist in the preparation of the text for a finished printing of the Draft Waterfront Plan and an accompanying poster. The team consists of the architectural and planning firm of Simon, Martin-Vegue, Winkelstein, Moris (SMWM), the graphic design firm of Tenazas Design, and illustrator C. Tolon.

WHEREAS, An Environmental Impact Report is currently being prepared to evaluate the potential impacts created by the Draft Waterfront Plan;

WHEREAS, The public will continue to review and comment on the Draft Waterfront Plan prior to anticipated adoption in the Summer of 1996;

WHEREAS, Preparation of a Waterfront Plan and Poster aides in communicating to the public the goals and objectives of the Draft Waterfront Plan;

WHEREAS, Changes in the scope of work to prepare the Waterfront Plan Poster will enable the Poster to communicate to a broader audience than originally anticipated; therefore be it

RESOLVED, That the Port Commission approves amending the Waterfront Plan and Poster design contract for the team led by Simon, Martin-Vegue, Winkelstein, Moris, for an additional $5,200, increasing the total contract amount to $65,046.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 8, 1996

_____
Secretary

MEMORANDUM

PORT OF SAN FRANCISCO

October 1, 1996

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James R. Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Travel Authorization for One Port Representative to be a Panelist at Event Sponsored by the New York Maritime Law Association (New York City, October 17-18) and to Speak at an Event Sponsored by Massport for Travel and Maritime Leaders on Domestic Cruise Itineraries (Boston, October 16, 1996), in Accordance with the Port's Fiscal Year 1996-1997 Budget.

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION

A Port representative has been invited by the Maritime Law Association of New York to speak on a panel regarding the future of U.S. Flag vessels. The Port representative's remarks will focus on the cruise industry and on the need for changing the Passenger Services Act to open up domestic cruises. The Association has invited two other panelists from the Maritime Administration to discuss U.S. Flag cargo vessels and the Jones Act. The association has made an special effort to highlight the work of women in the maritime industry by inviting all women speakers for this event.

While on the East Coast, the Port representative has been asked to return to Boston for a special event that will be hosted by MASSPORT to brief travel industry leaders regarding the Passenger Services Act. The event was recently rescheduled to attract a greater number of travel industry and maritime leaders from throughout the New England region.

Airfare and hotel expenses will be paid by the host of the New York event. The estimated cost for the trip is as follows:

Hotel (1 night in Boston)	$190.00
Transportation (airport transfers, cabs in NY & Boston)	$200.00
Meals ($40/day x 4 days)	$160.00
Telephone Calls	50.00
Total	$600.00

These funds are available for expenditure in the Port's FY 96-97 budget.

Prepared by: Veronica Sanchez, Manager, Governmental Affairs

THIS PRINT COVERS CALENDAR ITEM NO. 9A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-104

WHEREAS, the Executive Director is requesting travel authorization for one Port representative to be a panelist at Event Sponsored by the New York Maritime Law Association (New York City, October 17-18) and to speak at an event sponsored by Massport for travel and maritime leaders on domestic cruise itineraries (Boston, October 16, 1996), in accordance with the Port's Fiscal Year 1996-1997 Budget.

WHEREAS, Part of the expenses for the trip are being funded by the host of the New York event. The remainder of the funds needed are included in the Port Commission's Fiscal year 1996-1997 budget; now, therefore, be it

RESOLVED, that the Port Commission hereby approves this travel request.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of October 8, 1996.

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Secretary

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE MEETING
OCTOBER 8, 1996

1. ROLL CALL

The meeting was called to order by Commission President Michael Hardeman at 4:06 p.m. The following Commissioners were present: Michael Hardeman, Frankie Lee, Preston Cook, James Herman and Denise McCarthy.

2. APPROVAL OF MINUTES - September 24, 1996

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the minutes of the meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report: Mr. Bouey reminded the Commission that Fleet Week will take place this week. Large crowds are expected to attend the event and staff hopes that the event will go as smoothly as last year's. He also reported that Serpac made its first call last week. Between SSA and the Longshoremen we were able to turn their ship around in six hours, which is half of what it would normally take and Serpac indicated that it was their best turnaround in any West Coast port ever.

B. Resolution adopting findings under the California Environmental Quality Act (CEQA) related to a portion of the preferred alternative as set forth in the Final Environmental Impact Report (EIR) entitled "Alternatives to the Replacement of the Embarcadero Freeway and the Terminal Separator Structure," dated August 25, 1996. (Resolution No. 96-102)

Commissioner Cook requested that Items B and C be voted on separately. With Commissioner Cook's approval, Mr. Bouey responded that the two items will be discussed together and votes will be taken separately at the conclusion of speakers' comments.

Mr. Bouey stated that the City proposes to construct a new roadway freeway ramp and associated street improvements in place of the elevated Embarcadero Freeway. The transportation improvements are proposed as alternatives to an in kind replacement of the former facility which constituted Route 480. The City Planning Commission certified the final EIR/EIS for the proposed new Embarcadero roadway on September 19, which includes six project alternatives including a preferred alternative. The project described in the EIS/EIR includes two distinct elements: the mid-Embarcadero roadway which is within the Port's jurisdiction and the terminal

separator structure which is not located within the Port's jurisdiction. Under CEQA, the Port Commission must prepare written finding of facts that explain how it has dealt with each significant impact. The findings addressed the following issues: (1) project alternatives rejected as infeasible; (2) the mitigation measures adopted and rejected and (3) and mitigation monitoring program and significant effects on the environment and positive benefits related to the approval of the mid-Embarcadero roadway project. He stated that Rebecca Kohlstrand, project manager for the Waterfront Transportation project, will describe the preferred alternative and how it became the preferred alternative and what it means to the Port and the Port Commission. He mentioned that the Commission is voting only on the roadway alternative not the design. The design of the Embarcadero roadway and the plaza will be brought to the Commission at a later date.

Ms. Kohlstrand gave an overview of the last seven years of planning on this project. In 1990, the City made the decision not to rebuild the Embarcadero freeway and in doing so, began an evaluation process of many different alternatives for replacement of that elevated freeway. Last fall, this item came to the Port Commission for preliminary recommendation for incorporation into the final environmental document. At that time, the Port Commission endorsed the paired roadway, which provided for a major plaza directly in front of the Ferry Building and had the roadway pushed toward the Justin Herman Plaza. There was a debate that occurred at the Art Commission about whether the roadway should be split or paired and that carried forward to the Board of Supervisors. In January of this year, the Board of Supervisors officially endorsed the split roadway concept which is before the Commission today. The Board accepted those parameters, incorporated them into the draft environmental document and used them in terms of the urban design planning they have undertaken in the last several months. It assumes a surface roadway treatment in the Embarcadero that would have three lanes of traffic operational on each direction during peak hours and during off peak hours, two lanes of traffic. There will be passenger bus loading zones directly in front of the Ferry Building. Consistent with the rest of Embarcadero, we have maintained a multi modal approach in the mid-Embarcadero. They have incorporated an exclusive right of way for the F-Line that will provide connecting service from the foot of Market Street around the south of Justin Herman plaza area, coming out into the median of the roadway, and extending an exclusive right of way north into Fisherman's Wharf along Jefferson Street to Jones Street where it would loop coming back to Beach Street. That project will become operational once the mid-Embarcadero project is concluded. It also includes the provision for the extension of the Muni Metro to the south. They are just completing the Muni Metro Turnback project which tunneled underneath Justin Herman Plaza and provide a rail extension to the south connecting into the surface tracks at Folsom Street. The mid-Embarcadero project also incorporates the opportunity to connect that Muni Metro Extension project with the F-Line by establishing a set of tracks between Mission and Folsom Streets, which is known as the Muni Metro Extension and F-Line Connector. To date, they have funds obligated for the design of the trackway and they are trying to put in place funds to construct the transit project in conjunction with the mid-Embarcadero roadway. It also includes a major pedestrian promenade along the waterfront, continuing the promenade that

was established on both the north and south Embarcadero, maintaining the minimum 25 feet distance and increasing that distance in front of the Ferry Building to 40-60 feet, creating additional space for pedestrian crossing and using that area. They have also accommodated bicycles in the area by providing a bicycle lane. They are proposing a 15-foot bicycle lane and are also considering adding and an additional foot of that bicycle lane to respond to some of the concerns bicyclists have raised about the safety of the existing bicycle lane.

The project also includes a parking garage. In September of this year, the Board of Supervisors endorsed the incorporation of the replacement of a parking garage for the Port in this project with the stipulation that it move ahead in conjunction with the rehabilitation of the Ferry Building. It also includes a series of surface street improvements to facilitate access into and around Chinatown and facilitate access along the Embarcadero. Most of the improvements incorporated in the mid-Embarcadero portion are along the Clay/Washington corridor. The Planning Commission certified the environmental document in September of this year and they are now poised for the Port Commission to endorse the project and forward that recommendation to the Board of Supervisors.

The next steps in this project will be to conclude the approval process once they get approval through the City process, which they hope to conclude in early November. They still have to take the project forward to BCDC, Metropolitan Transportation Commission for approval and get the final record of decision from FHWA. They hope that process will be concluded by the end of this calendar year. If they meet that deadline, they would be able to complete their final design drawings during the first half of 1997, go out to bid mid 1997 with the intent of beginning construction of this project the first of 1998. Their current assessment is that it is a two-year duration construction project. They hope to conclude by the end of 1999. They hope to have a great New Year's Eve Party for the year 2000. Today, they are brining two resolutions: (1) for adopting the findings and (2) for endorsing the project. They will also be back in two weeks for further discussion on the Urban Design concept associated with the Central Plaza in front of the Ferry Building.

Commissioner Cook inquired if the EIR fully discussed the paired alternative. Ms. Kohlstrand responded to the affirmative.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion.

Commissioner Hardeman inquired about the difference in time for the tunnel version of the project. Ms. Kohlstrand responded that it will take one year for construction and an additional year for the environmental work.

Ms. Eula Walters representing over 2200 citizens who have signed a petition that no building be placed on Ferry Park stated that the open spaces should be designed for multiple-purpose uses. She enumerated the committee's concerns:

1) A minimum of palms along the open space area.
2) Ferry Plaza - the square footage should approximate an area which could accommodate the Ferry Farmer's Market.
3) Paving should be a simple dark color like that which exists today in the middle of the Embarcadero promenade. The stripes that are shown on the Roma model are gaudy, impractical, costly to keep clean. The pavement should be smooth to accommodate women's high heels.
4) No Art Work. Placing any permanent art work would limit the plaza to merely an area to walk through or drive through. The F-Line cars should be stationed at the corner lot of Stuart and Mission. Stationing the F-Line cars in front of the Ferry Building obstructs the view of the Ferry Building. The cable cars should remain beside the Hyatt Regency.
5) Grass means dirt which would clog the rail tracks and it would be costly to maintain. Grass would make the plaza dysfunctional for other occasions.
6) Parking on Ferry Plaza is an ideal place for patrons of the Port Club and other restaurants to park.
7) Special uses for Ferry Plaza: Grandstand seating (removable) for special events and parades.

The Commission Secretary read the following amendments to the resolution:

Page 9, 1st paragraph:	Typographic error (Attachment B now read Attachment A)
Page 10, 4th paragraph:	Planning Commission Resolution No. 14193
Page 10, last paragraph:	Significant effect No. 2 (use of Justin Herman Plaza for a roadway edge) has been determined to be not significant, due to proposed mitigations involving urban design treatment.
Page 11, throughout:	Punctuation changes

Changes in Mitigation Monitoring Program - Attachment A - Mitigation Measure 3A (pedestrian barriers at Essex Street) has been deleted.

ACTION: Commissioner Cook moved approval to adopt the substitute resolution; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. The resolution, as amended, was adopted.

C. Resolution approving the Department of Parking & Traffic (DPT) Variant with a split roadway design for the Mid-Embarcadero Roadway and provision of replacement parking, and authorizing the Executive Director to negotiate an agreement regarding the review and final approval process for the project. (Resolution No. 96-103)

Vernon De Mars of DeMars & Maletic showed and gave the Commission a copy of a drawing of the Ferry Plaza. He gave a brief description of his alternative plan.

Carl Maletic of DeMars & Maletic stated that the only difference in design that they have been promoting over the last five and a half years is the alignment of the southbound roadway. In the EIR document, the former general manager of the Rec & Park, Mary Burns, stated that Alternative 5 would "adversely affect the forward

resource." They disagree with that statement. They propose to have a land swap between the Port and the City on this small parcel of land. They have outlined the following procedures for the City to accomplish the land swap.

(1) Letter of agreement between Rec & Park and the Port and a formal offer made to Rec & Park to acquire the square footage.

(2) Notice of public hearing posted in Justin Herman plaza 45 days prior to meeting. The meeting should be held in McLaren Lodge and Ferry Building.

(3) Rec & Park meeting that would make a determination that offer compensation that meets the requirements of the California Park and Preservation Act.

(4) Meeting of the Port that would pass a resolution to transfer the land between Rec & Park.

(5) The Port request in writing opinion from State Lands Commission regarding acceptability.

(6) Meeting of the State Lands Commission that would make a finding that the acquired land is an equal or greater value than exchanged land.

(7) Port to meet and determine that the swap is in compliance with the Burton Act.

In conclusion, they feel that this plan can still be accomplished. He and Mr. DeMars were part of the group that initiated the movement of the split roadway along with Supervisor Bierman hoping that there will be better access to the waterfront. They feel that this is the space required to make a grand plaza in front of the Ferry Building. Mr. DeMars added that this decision will be there for the next 50 to 100 years. He emphasized to make the decision in the right way, to leave it as open as possible to get a comfortable plaza as possible.

Ernestine Weiss lives in the Golden Gateway center, heartily endorses DeMars and Maletic's proposal to swap the land for the plaza which will make a world of difference in design and beauty and hope that the Commission will consider this seriously. The design of the stripes is horrible and hopes that it should be done over.

Commissioner Cook commented that he is troubled by this resolution. In the first "resolved," it does say that the Port Commission hereby approves a split roadway alignment. He cannot support a split roadway alignment. He does not think that this is the grand plan that should be adopted for the City. He's not sure of the plan but there are some great thinkers that have great ideas, including the two architects who spoke. He thinks that what will happen is if it this plan goes through, in a few years it will be reassessed as a poor plan; a plan that does not work, a plan that is not hospitable to people, it does not bring people into the waterfront as a great plaza would. This plan is not creative, not dramatic. The space is totally unusable. He does not see any function that could be held in this space. It boggles him that this

plan that is not grand, visionary, not deserving of the Port, not deserving of the City is being discussed. He would like to see more citizen input.

Commissioner Hardeman stated that he understands Commissioner Cook's position but this plan has taken seven years and a lot of time and effort have been expended to get to this point. Ms. Kohlstrand responded to some of Commissioner Cook's concerns. There are two different issues: (1) the alignment of the roadway which is the Commission is being asked to vote today; whether a paired or split roadway. They are carrying forward the alternative that was endorsed by the Board of Supervisors. (2) There is, however, room for additional input for the design of the plaza. They have been meeting with representatives from the Planning Commission and looking at ways to soften the plaza. They want to try to get a direction from the City collectively by the end of this year so it can be carried forward.

ACTION: Commissioner Lee moved approval; Commissioner McCarthy seconded the motion. Four of the Commissioners were in favor; Commissioner Cook cast the dissenting vote. The resolution was adopted.

4. SPECIAL ITEM

A. Request by Commissioner James Herman to make a presentation on cargo.

Commissioner Herman stated that this issue was scheduled on his motion for a special public meeting so as to allow public input. He then corrected the description of this item. The genesis of this Port Commission meeting is as a result of an article that was written in a public newspaper, The Examiner, by Commissioner Preston Cook and distributed to a civic organization, SPUR, advising the citizens of the City and County of San Francisco that the Port of San Francisco is out of the cargo business. It was ambiguous and a declaration without authority and completely inaccurate. The article urges that the vast, unusable acreage now reserved for cargo should be put to full productive, and sound economic uses such as a university campus, a biotech multimedia industrial park. He understood that it is important to have this hearing and make a clarification about some of the premises of Commissioner Cook's arguments. We owe it to the citizens of San Francisco who have historically supported keeping this Port in the container business and shipping business and other maritime industries. Most recently, in 1990, the citizens of San Francisco voted Proposition H and it was unequivocal in its declaration as to the requirement that there be maritime access on the waterfront. This article urges that the vast, unused and unusable acreage now reserve for cargo should be put to productive and sound economic uses such as the university and the biotech and industrial park use. It violates not only Proposition H but it violates the waterfront plan that approximately thirty people diligently worked on for three years in order to offer a program in keeping with Proposition H. It defies both of those issues and that is a startling happenstance. To begin with, it is ridiculous to propose these types of uses next to marine terminals because universities and biotech companies don't need work. Why have expectations for that the land addressed in the article, hopefully if we do the work we should be doing, we will need that land for maritime purposes. That land,

many years ago, would be a land bank and a good part of the southern waterfront would be a land bank and that the northern waterfront, while it wouldn't be written off, the real estate from the waterfront would provide income for the changes scheduled to take place particularly in that area. There already is ample space for these types of uses, elsewhere in the City. This hearing is a result of an obligation to repudiate this erroneous argument that can only have a dire result of discouraging steamship lines, shippers and maritime tenants from even thinking of coming to our great City. This hearing is a result of the representation that cargo has no future at the Port is completely wrong. There is a danger of having this argument become a self-fulfilling prophecy if we don't meet our obligations to concentrate on maritime cargo objectives. He happens to believe that real estate is crucial to this Port. It should be cared for, it should be developed, maintained. The rent should be appropriate. This argument amounts some proposition that real estate and maritime cargo are mutually exclusive. Real estate and maritime have lived amicably together for a long time. Clarifying the errors of Commissioner Cook's arguments that are the basis of his conclusion that cargo has no hope at this Port is owed to three groups of people. The first and foremost to the citizens of San Francisco, who have with absolute regularity, with unfailing commitment historically supported keeping this Port in the container and other cargo business. Most recently, in 1990, the citizens of 'San Francisco passed Proposition H, which specifically says in its preamble that the land must be reserved for maritime purposes and other particular purposes as well. Secondly, we owe a clarification to our existing maritime tenants like Parker Warehouse, to newsprint terminal operator at Piers 27/29, the pilots and tugboats companies, Foreign Trade Zone operator, ship repair yards and stevedoring companies. Many of these companies have been doing business here for decades. They have invested in this Port and we don't help their business by creating hysteria about this Port pulling out of the cargo business. While the article might not explicitly deter that, it is inferentially unavoidable. There are also trucking and warehousing companies that operate on Port property that are not our tenants but help us enormously to maintain industrial jobs in the City. If we were to shut down this Port's cargo terminals, the full impact would not be limited to the southern waterfront. At risk are other maritime tenants up and down the waterfront and businesses throughout the City. We have already seen evidence of this with the relocation of coffee warehouse facilities. He made it clear that he is an admirer of the skillful work that has been done at the Port of Oakland and other ports and by commenting on them is not intended to be a negative observation in any respect. Maritime deals of public ports cannot be evaluated on how much dollars per square foot they produce. Certainly, the Port must stay in the black. But equally important is the contribution that maritime arrangements produce for the diversity of employment in the City like San Francisco where the base of blue collar and other work has been diminished drastically. There's a limit to how many people can work in boutiques and other shops. Maritime facilities give the residents of this City and region other types of employment opportunities. In the article, Commissioner Cook suggests closing cargo terminals and at a recent Commission hearing, he has spoken against future dredging at Piers 27/29. He advocated relocating the newsprint operator to the southern waterfront even though our newsprint operator is completely satisfied at Piers 27/29 and cannot and will not be shotgunned out of the facility he

has enjoyed. What Commissioner Cook is advocating is getting rid of a long time tenant whether they want to be moved or not. By doing this , we risk losing this tenant to another terminal, probably in another port in the Bay Area. That would be shameful. These types of arguments and proposals by Commissioner Cook validate the claim that he has a real estate obsession. Albeit Commissioner Cook comes from a real estate background, but from his years of the shipping business, he knows that you cannot measure the success of marine terminals or cargo warehouses as you do office buildings or shopping centers. You cannot just count the dollars per square foot that you generate for the marine terminal to measure its success. To do this, you ignore counting the amount of money and jobs produced by other businesses on and off Port property. We heard the Director compliment the work force we have on this waterfront. In this instance, the longshoremen who provided spectacular productivity but there are other workers such as teamsters and seafaring people. There are people who provide goods and services. The multiplication effect of a marine terminal is incredible but if we reduce it to a buck, it may not look much but he intends to effectively repudiate that foolishness. The inference made in Commissioner Cook's article that universities, multimedia and industrial parks are "more productive" than cargo facilities is highly objectionable to workers who for years have earned a good living off maritime business on this waterfront.

Thirdly, we have a proud obligation to give full clarification to our potential customers that they are welcome warmly at this Port as they always have been and not write articles for public consumption that transmits anything but a welcome that tells them if you are thinking of coming to San Francisco, you are impractical and you are not living in the real world. While the article did not use those words, they are his and he believes that is the interpretation that must be given to this article. We must provide this assurance beyond words with specific actions that transmit clear commitment to cargo at this port. We have an unmistakable mandate from Mayor Brown to concentrate on what has always been a primary objective and that is to secure the maximum amount of shipping available to this Port.

Our messages are mixed. Port officials are giving newspaper interviews and speeches about doing business in San Francisco. In Commissioner's Cook article, for example, he lists eight negative reasons as to why San Francisco cannot compete as a cargo Port. Is this a new marketing technique where the leadership of the Port or a leader of the Port pretends to lure customers by citing all of those things that are negative or alleged to be negative. How may CEOs of major companies run around publicly touting all of the shortcomings of their products in the real and imaginary while their staff hassles business. This type of marketing is like the chairman of a tobacco company running around citing cancer statistics. It seems to him that lately there has been a lot of double talking that has gone on in the leadership of this Port and in Commissioner Cook's article is full of evidence of this. It is representative on the one hand that the Port has a cargo future and on the other hand, articles like the one written by Commissioner Cook undermine the confidence of the citizens of San Francisco in this Port. That confidence is ongoing. You can go to the bank with that declaration. There is no confusion among customers that the Mayor and the Commission stood behind the work of our experienced cargo staff who were all on

the same page when it came to bringing new shipping customers and make sure they stayed at our Port. We have done more than just talk about profits for public relations purposes. We went out and tried to close deals to make a profit for the Port and worked hard at building cargo facilities, the kind of cargo facilities that the citizens of San Francisco are indeed proud of. For example, he had the benefit of meeting of Chairman Chang of the large Evergreen Line at the Fairmont Hotel where a firm promise was issued for the San Francisco shipping industry. The Port committed to Chairman Chang that it would fix the tunnels for its double stacked cargo. This was a solid deal offered to him which we reneged on. He is not talking about contemporary figures. He is giving examples of some grievous errors that were made in the past. When Evergreen Line made that commitment to remain at Pier 94, it was a commitment based upon their survey and their skill as to the viability of that company being here with the one accommodation that was necessary and it was a commitment that we did not live with. We relied on the fact that we would meet our commitment to give them the infrastructure that they needed. That commitment didn't stop with modernizing Pier 94/96 and building the ICTF. Firing senior cargo marketing staff in two rounds of layoffs and reorganizing the Port Maritime staff so that cargo operations were no longer in one cohesive maritime division. Like at every major port in the country, steamship lines and shippers now have a false image with the welcome mat for cargo business in San Francisco has been rolled up. Potential customers are reluctant to look at this port seriously. Our cargo revenues will continue to decline and unless we reaffirm our commitment to the cargo industry and pledge all of us to be on the same team in serious pursuit of cargo. If he leadership of this port does not send a clear and unequivocal message that we want cargo here, it will be a self-fulfilling prophecy that is on its way to being accepted in the industry by government and by citizens of this magnificent City, who have never failed to support this Port. The Port has always been a great source of pride and loyalty. While this Port's cargo business volumes won't be in 1996 what they were in 1990 or 1980, there is without a doubt lots of cargo out there to be found that can, should and he hopes will come to San Francisco. Cargo volumes continue to grow rapidly and at least 5% increase per year is expected over the next few years. Let's not forget that this Port is in the middle of the four largest economic regions in the country. Evidence of the fact that there was still shipping business for this Port to claim is the return of Serpac, a consortium of three South American lines. Through the leadership and intervention of Mayor Brown, our Port docks will once again be used to unload cargo from Latin American and that includes wines, fruits and other cargoes.

Before discussing some of the specific issues raised in Commissioner Cook's article, he reminded everyone about the process of this Port's shipping terminal.

He personally toured Pier 80, which is a cargo terminal, where today there is not one pound of cargo being handled. He has seen the superior facilities that Pier 80 has to offer and have confirmed with shipping industry people who know the business that Pier 80 is one of the most outstanding terminals anywhere in the Bay Area. This is a 70-acre pier with four cranes and 225,000 square feet of shed space available for cargo storage for weather sensitive cargo such as lumber coffee and other items that

are perishable. The pier has repair shops and five deep water berths. During the Agnos administration, this Port spent over $6 million fixing the terminal. Pier 80 has refrigerated cargo spaces, state of the art underground utilities, improved storage areas, easy truck access to the freeways, to the Oakland Bay Bridge. The South Container Terminal at Piers 94/96 near Hunter's Point has 75 acres of land reserved for future cargo uses. The modern electronic improvements to the entrance gate with computers that provide fast cargo receipt and delivery are outstanding. There is over 185,000 feet of covered shed space, three deep water berths. San Francisco is currently one of a few ports with on dock or near dock rail service which allows container boxes to be transferred to and from ship to rail. The container does not have to leave the terminal to be placed at some distant location onto a rail car. It is done at the terminal. He does not know of any other place where that service is that available. There are other competitive advantages such as shorter steaming time to port. San Francisco is the closest port to the Golden Gate Bridge, allowing ships to avoid the long steam time and cost of sailing into Stockton or Sacramento. Our terminals are multiple use facilities. They conserve both container and breakbulk carriers with the highest degree of efficiency. We have flexible terminal use agreements that allow a customer to unload, store and assemble cargo at the terminal. The Port of San Francisco has as much shorter rail time for processing cargo than more congested terminals elsewhere. In fact, most of the terminals elsewhere are confronted with the congestion problem.

He offered a rebuttal to Commissioner Cook's other arguments. Commissioner Cook list eight negative reasons why the Port cannot stay in the cargo business.

Railheads and geography. The alleged problem that our Port has with rail has become bigger than the Ferry Building. Commissioner Cook's comment that there is only one railroad serving San Francisco and Oakland has three rail lines. This is totally inaccurate. Today, Oakland has one railroad serving its port-- the Union Pacific. The Union Pacific acquired the Southern Pacific, which has been San Francisco's traditional railroad. Therefore, it is indisputable that Oakland and San Francisco are served by the same number of railroads. It is served by one railroad -- Union Pacific in Oakland and Union Pacific in San Francisco. Until Oakland holds its JIT (the Joint Intermodal Terminal), it has no direct rail access to the Santa Fe railhead in Richmond. Like cargo originating in Richmond, that container box would also have to be trucked to Santa Fe's yard in Richmond. If there is such concern over this railroad problem, why haven't top level marketing efforts been directed at working with Union Pacific prior to and after the merger to ensure that efficient rail service to our terminal was maintained and if possible increased. He doesn't think that the overtures and discussions to UP at a high level like this Commission used to do years ago with SP had in fact taken place. These misrepresentations have a cold blooded effect of discouraging shippers and others from coming to this Port because the Port has been so badly misrepresented by all of these foolish conversations.

The next big railroad revelation that has recently preoccupied people here is the business about San Francisco cargo taking longer to reach the Midwest than Oakland cargo. He's sure everyone here has heard about that argument and everyone has been

deceived by that argument because it is not accurate. According to the argument, it would take two days for Union Pacific to take our railcars around the bay through Warm Springs to Oakland where it is assembled with Oakland cargo then hauled out to the Midwest. When the tunnel project was shelled, he's heard this article repeatedly and it was used to justify the shutting down of the tunnel project with a consequential loss of ships and cargo. When the tunnel project was shelled, he testified against it. He wasn't successful in changing the minds of people but since then he has done some research and has talked to a host of people knowledgeable of the shipping business because this argument is troubling when you evaluate the consequences. He's learned from the industry expert that there has been a fundamental flaw in this argument because it overlooks the logistics of handling intermodal container boxes at an ICTF. The whole reason for building the ICTF at Piers 94/96 was to avoid having to assemble railcars at the Oakland or Warm Spring yards. With a large transpacific carrier like Evergreen or Cosco, there would be sufficient boxes to make it worth the railroad's time to assemble the car at the ICTF and haul directly from our on dock terminal to the Midwest. The notion about two days or four days is hogwash. San Francisco cargo could reach the Midwest in equal time to Oakland cargo without any delays. Without the tunnel project, the Port places itself in a serious disadvantage in competing aggressively for transpacific lines with the volumes to assemble full unit trains at the ICTF at Piers 94/96.

There are still transpacific lines that could and will be persuaded to bring intermodal cargo dependent on rail to San Francisco. We have to work on it. We cannot make negative declarations and expect that suddenly by magic turn around. In the past, rail problem has been overcome by offering discounts on port fees, dockage, crane rentals, wharfage to offset the cost of trucking boxes across the bridge to Oakland railhead. Transpacific carriers like Evergreen and Cosco took advantage of these discounts and grew their business in San Francisco. Cargo not dependent on any type of rail service - local cargo, is another type of cargo that moves through Bay Area ports. With the cargo rail, geography is not a problem and San Francisco has historically competed very favorably in this market. There will always be small carriers looking for local markets.

Cargo origination - it is argued that San Francisco is at a disadvantage because only 15-20% of goods manufactured in the Bay Area originate in this side of the bay and San Francisco's manufacturing has diminished over the past several decades to now almost nonexistent level. At one time, this Port had 15-20% of the whole Bay Area cargo market. We were loading up those cargos from this side of the Bay more. Why is this all of a sudden a problem when it was not a problem before when this Port was not doing $6 million in cargo business that was just five years ago. He is not persuaded that in five years, there has been a massive relocation of manufacturing, assembling and distributing firms. This argument is weak because truckers travel hundreds of miles from the Central Valley with fruits, vegetables, hay to ports in Oakland and even to the Port of Los Angeles. The argument focuses on exports but what imports? There is still a big import market between San Francisco and San Jose with brokerage houses and distribution centers in the Peninsula and close to the airport. He thinks that the methodology of this in-house report that

reached this conclusion needs to be reviewed more carefully. Niche cargo may be a 1990s word but there is nothing new about it. Niche cargo is the same cargo that has been loaded and off loaded in this Port for over 80 years. Now, we can say that instead of working coffee at the docks of this Port as years ago, we worked niche cargo. Niche cargo is a catch-all phrase encompassing all cargo available to a Port by the existence of its marine terminal storage facilities, rail and/or highway access. For example, fruits and vegetables are niche market. For ports like Hueneme, San Diego, Philadelphia, Baltimore, who have built up cold storage facilities. All those have also become a niche for other ports like Boston, even Los Angeles and Piers 94/96. The point is that less time is needed to be spent talking about the niche cargo and more time spent going after it in a serious way. Let's put the success stories of Oakland, L.A., Long Beach and Seattle aside for one moment and look at the success stories of smaller ports that are producing impressive cargo tonnage and keeping workers employed at their terminals. Our sister port in the Bay Area, Redwood City, recent press reports that cover Redwood City's new success in the shipping business. Redwood City is now the fourth largest steel exporter in the country. Redwood City will report $1.4 million in revenue from their cargo operation. Redwood City relies 55% of their business from scrap metal export to Asia. This year in the ranking of small Bay Area ports, Redwood City is behind Stockton and Sacramento in tonnage of commodities. He's looked at the cargo moving in and out of Richmond. Beside their petroleum business, he's discovered that they are brining an impressive volume of meat, vegetables, coffee, beverage, wood and equipment. This year Stockton is generating the highest volume of tonnage for the Bay Area. In Central and Southern California, Hueneme and San Diego have grown their cold storage business, fruits and vegetables. These ports don't just sit idly around. They have sales people. They have people hustling cargo. They have people whose commitment is to b ring ships along with a variety of cargo to their respective ports. We have one person at this port, Jill Simpson who does an outstanding job for this port. She's out all the time, visiting as many people as she can visit. One person employed by this Port to solicit cargo, encourage steamship companies to come to this port. This is inexplicable. He complimented the work that she has done and confident that the work that she has done, with some help, will grow.

This Port of San Francisco does not have a Maritime Department. It does not have a Maritime Director. It has one salesperson, where for 80 years, we have had direction from skilled and confident Maritime Directors with a staff of competent people regularly hustling cargo with unbelievable success. We now have combined the Maritime Department with the Real Estate Department. We have a gentleman, who has just been hired, but has no maritime experience. If we think that there is something that make sense between real estate and maritime, it is a serious error. They are indivisible. Real estate properties of this port needs special attention. He's sure from this Director that real estate does get and continue to get that special attention and those services will grow but you cannot take a real estate manager and tell him that he will direct maritime and provide no back up staff, just simply give lip service to cargo and replace that vital department with empty offices. He takes strong and powerful exception to that. How can you talk about growing cargo, about being where cargo is, about being where the customers are. It will be tough enough after

the article but how can you sell that bill of goods. We don't have a Maritime Manager. We have one salesperson. It is outrageous. To add cargo to this Port, it takes staff just like it takes staff to perform the other functions at this Port. That is the gaping hole in San Francisco and that was the catalyst for this meeting and we would get public input commenting on these things where we know of cargo that is available in smaller ports. We know of the success of other ports that have never shared the success of this port of San Francisco, where they have people who are experienced, performing a steady skilled job and we don't have no one at this Port, excepting Jill. The only way it can be dealt with is by a motion that reinstates that department that employs a highly skilled, tested, competent, maritime/cargo director and appropriate staff. If you put people out on the streets, if you give people opportunity to adjust this Port to the cargoes that are available, there will be new jobs in the City. There will be new business for business enterprises. All sorts of businesses are viable. They make money. They support families. It cannot be done in this City. His motion is to reinstate that department. There are people who are enlisted who have the ability, who will work with you, who want very badly for this Port to be revitalized and urged the Director respectfully that this be done. He also urged that these negative articles that create a fundamental contradictions among the people who live in this community be stopped. This Port has to have a priority, dedication to its maritime. We have demonstrated that the cargo is there. We know that it takes us hustling the cargo and not using explanations that are not valid. He hopes that people support that proposition and he closed by thanking for their time and apologizing for taking more time than he should have.

Commissioner Hardeman stated that is the longest presentation he has ever heard in any Commission or Board he's sat on. He also commented that he has never saw one with more passion and more research done by anyone doing a presentation.

Commissioner Cook applauds Commissioner Herman for making his remarks. He hopes that they would turn out to be constructive. He hopes that this Port does look at the entire issue of cargo and what direction it is going in and what should be done, what can be done and what is practical. He thinks it is a tough challenge. His article expressed those challenges. He looks at it as a realistic view of the conditions of this Port. It is very tough and very difficult. It has not been addressed as he had addressed it. It has not been addressed as Commissioner Herman has now addressed. This is going to allow for some good dialogue. He'd like to see it and it will probably better this Port in knowing what direction to go in. He had a great deal of admiration for Commissioner Herman over the years. He is proud of his real estate background and he also has a maritime background, serving as the consultant to the Senate Maritime Committee for the State of California. Being appointed to this Commission three and a half years ago, he did not have preconceived notions about maritime. He felt it was a maritime port and he acted accordingly. He supports maritime all the way along until this year. This Commission has voted every vote to support maritime. The only negative vote that has been taken by him was not to continually subsidize container cargo. Though this Commission and this Port stand in the forefront all of the maritime uses up and down this Port. Most of the maritime uses, as we all know, are subsidized. He voted for those subsidies and that should

happen because it benefits this Port, the waterfront and San Francisco. It would be difficult and time consuming to try to counter some of the arguments that Commissioner Herman made about his article. He stands by his article. He thinks they are accurate. They are factual. They are very direct. They bring up a lot of emotion, a lot of anger about these issues on maritime. It's an issue that has been fought for many years. We have led a gallant battle over the years to try to maintain maritime industry and that is cargo in San Francisco. It has unfortunately been a losing battle. He recognized that but he also recognized Commissioner Herman's determination to try to do something about it. He would certainly be on board if there is a plan that would bring cargo back to this Port. Instead of countering all of those issues that Commissioner Herman brought up regarding his article, he submitted his two articles (one from the SPUR publication and one from the Examiner) for the record, instead of going over point by point the notes he's taken concerning Commissioner Herman's remarks. He differed with Commissioner Herman's statement that he had no authority to write these articles. He disagrees with that. Commissioner Herman is a very independent person. He has had opportunities in the past to go around this Commission. He feels that he went around this Commission by writing this article. He is an individual and like all of us, we all have a right for freedom of speech. He has written this article and if he is so inclined, he will write another article. He will be forthright as he has been for three and a half years on this Commission about his views on what should be done. For that matter, he disagreed with Commissioner Herman and he would never tell him not to write an article and would never tell him not to speak on issues he feels are important. He will always allow him that courtesy and he hopes he would do the same thing for him.

- Walter Johnson, S.F. Labor Council, agreed with Commissioner Herman's remarks. What Commissioner Herman was touching upon is the life of San Francisco, not only the Port. He represents 75,000 union members in the City. The job, the system and all the things involved, the Port has a golden opportunity if it follows Commissioner Herman remarks to begin the change and bring a new life not only to the Port but to the City of San Francisco.

- Christopher Martin, The Cannery, stated that he's been involved with Port related matters since the late 1970s when he was president of the Fisherman's Wharf Association. He also co-chaired various Port task forces over the years. He was an active supporter of the successful passage of the 1994 Revenue Bond Measure which provided the Port with $42 million for maritime related improvements. He has heard and it disturbed him when he hears that someone from the Port authorized soil testing for a Home Depot at Pier 80. Virtually every land use document over the past 30 years has reserved Pier 80 for cargo shipping and its future expansion. The ink is not yet dry on the waterfront land use plan and someone at the Port is running counter to the land use policies that it establishes. They had a similar manipulation of Commission policy of Fisherman's Wharf within the past two years when someone at the Port redirected federal funds which were provided for the purpose of analyzing the feasibility of a fisheries research center on Pier 45 to instead investigate the feasibility of a shopping center. It's important to understand the genesis of

Proposition H which stem from the public mistrust of the Port's land use policies. Prop H passed because of the widespread public sentiment that passed policy decisions by the Port adversely affected maritime uses. The voters have mandated that the Port's land use decisions be consistent with the vision to protect and foster maritime as well as recreational activities on the waterfront for future generations to enjoy. Shutting down the cargo marketing and development department, encouraging a home depot at the premier cargo handling facility is counter to the intent and spirit of Prop H. If the Port continues to ignore the voter mandate, there will be other ballot initiatives to direct policies and decisions. Planning by the initiative process is tedious and cumbersome. If the Port continues to run counter to the grain, evading common sense decisions and making consistent policy decisions, it would be inevitable. He urged the Commission to adopt the actions that Commissioner Herman recommends today and reestablish San Francisco's future with cargo.

- Brian McWilliams, President ILWU, reiterated the importance of maritime cargo and maritime presence at the Port. He too has participated in a number of port committees. On the Port's behalf, the Port is an unattainable position because they are constantly held accountable for the bottom line of the Ports budget and the Port does not have the ability to levy taxes. The impact that industrial jobs that this Port can create is incredible. There is no system that allows the Port to get credit for the impact they had on the community. It is unfair so many of the decisions have made over the years have been to address just that bottom line and not the ripple effect that happens to the community based on the actions of the Port. He indicated there is no question that the cargo volumes are there and will continue to be there and we can attract those back to San Francisco if we do it the right way. The issue of any kind of combination of maritime and real estate being represented by the same department is ludicrous. They are juxtaposed in their whole missions. The maritime resource has the potential always to create jobs and create maritime cargo opportunities. Once it's gone, it's gone forever. We have a wonderful resource and we need to maintain it. An independent maritime department inside the Port is vital to our ability to build cargo futures.

- Jane Morrison, Waterfront Plan Advisory Board and San Francisco Tomorrow, stated that everybody wants more shipping, ferryboats, water taxis, boat harbors and tugboats; whatever makes the waterfront looks alive and they urgently want more open space and more access to the waterfront. She recognizes it's difficult but she hopes that the Port continues to make maximum effort to increase the shipping and other uses of the water. She thinks it's great of what's happening with fishing and hopes that there is the same intensity for cargo and other water uses. The City needs a lot of good paying jobs here. She doesn't think that all cargoes go to the Midwest. A lot of cargo could come to San Francisco and it can be distributed here. We ought to concentrate on the railroad service and try to get better railway service in San Francisco. Let's keep the waterfront open.

- Sara Anne Towery, a Port Planning consultant with Jordan Woodman Dobson, stated that they have recently done the operating plans for all the major container

terminals on the West Coast and many international terminals. They know what the steamship lines want because they are their clients along with all the major terminal operators and stevedoring companies. They see this as less a marketing issue than the fact that the 1990s market has changed. The issue is service and cost. The fastest way to get the cargo from the ship to the rail and the truck and speed it on its way to the shipper is what is important to their clients. Time is money for each of the participant in this cargo chain. The market has changed. Now it's containers going to larger areas and being shipped inland. One of their clients mentioned that transportation infrastructure is the #1 criteria. She quoted her client, "Free and unrestricted access for ships, trucks, rail and all of that traffic to the hinterlands and to the region is what is critical. If they designed the fastest, most productive container terminal in the whole world, there is a problem when that container box leaves the terminal." The vast majority of the cargo destinations are east of San Francisco bay. The other impact that needs to be addressed is San Francisco's traffic. Even with the double stack tunnel, making up a train in San Francisco is slower. Time is money. Location is still important with real estate and shipping. San Francisco's location adds time and cost that the clients don't want. There are niche markets out there. Niche markets can be accessed and marketed. San Francisco was chosen as the number one travel destination for tourists in the U.S. and the number 2 favorite travel city in the world. The Port of Vancouver has been having tremendous success with cruise terminals. She suggested looking at the cruise ship terminals. She congratulated the fishing efforts put forth at the Port.

- Gunnar Lundeberg, Sailors Union of the Pacific, signed up to speak but left.

- Barry Binsky, IBU-ILWU Member, stated he has seen a lot of changes since the 1960s. They've heard a lot of talk of losing the fight for the waterfront. He doesn't know if the fight was lost or we just threw the towel in on a lot of things. The thinking was we could ship all of that to Oakland, they'd get the real work and we'd end up the boutiques and the tourists. We could have ended up with the boutiques, the tourists and the waterfront, maybe not the world's massive container terminal but certainly something that would sustain life and a living to the citizens of San Francisco. You see a resource that almost anyone in the world would do anything for, in terms of a cargo port. Somehow it has always been outside of our grasp. What he's seen happen in San Francisco really started at the Port and worked its way inland. He gave his greatest hopes to Commissioner Herman that there can be a separate department or a forum where we can look at what the market is for the port and what can we do with the port.

- Mike Comaich, from Diamond Freight System, stated that he's argued a lot of points with the Commission and lost them all. He agreed with Commissioner Herman's remarks.

- Edward Lortz, representing self, stated that he's been on the maritime industry for over 30 years. He had been involved in ship operation, maintenance, design and construction until taking early retirement recently. His remarks were

directed at container cargo, distinct from niche cargo. He thought that it's best to answer by reading a summary of his position in a letter he published in the Examiner, March 10, 1995. His letter reads, "My experience prompts me to comment on the editorial concerning the enlarging of the Bayview District Railroad Tunnels. The Port Commission absolutely made the correct decision in canceling plans for the tunnels. The Port of San Francisco should not compete with the Port of Oakland as a container port. Any attempt to increase our container capability simply ignores the logistics of the bay area. We are a City surrounded by water and congested bridges. Oakland is a natural for container handling logistics. Money spent in trying to upgrade container facilities in San Francisco is a waste. A port propositioned in the current financial picture. The two ports must compete as a team with the rest of the West Coast. Anything else is suicidal for the whole bay area as a maritime economic entity. San Francisco should concentrate on passenger service, ship repair and fishing. The new Waterfront Land Use Plan has many good suggestions." In looking over other resources of information, he strongly agrees with the points made by Commissioner Cook and backed up by SPUR including railroads, geography, cargo origination and high cost of competition. With the natural disadvantages of San Francisco as a container port, we shouldn't compete and competition will get hotter. Asian trade is shifting from Japan to north Asia, which was 75% of the Asian container cargo five years ago, to Singapore and southeast Asia as a source, which now accounts for 40%, up from 25% in the same five-year time frame. Twenty percent of all these southeast Asian trades now go to the East Coast because it is faster by as much as two days. The new longshoremen's contract does not help either. The new West Coast contract is two years shorter, more expensive and more restrictive than the new East Coast contract. To summarize, the greater return on investment and greater increase from jobs will come from niche cargo, passenger ships, fishing boats, ship repair, maritime uses and other uses outlined in the Waterfront Plan. He added that he supports Commissioner Herman's suggestion to solicit niche and non-container within the existing, logistics realities of today.

- Glen Ramiskey, representative of the ILWU, West Coast Dock Workers, applauds Commissioner Herman for raising this issue and bringing it to the attention the Commission and the community. He found the articles and the representations by Commissioner Cook to be bankrupt. What this Commission needs to do is provide a vehicle for dialogue to bring this issue to the forefront and get the Port of San Francisco back in the maritime industry.

- Graham Claytor, Senior Vice President for RailAmerica, Inc., a railroad holding company and intermodal operating company as well stated that one of the questions that has been asked was what happened to all the ships, what happened to the Port. It should be very obvious that what has happened is we stopped using steam power vessels and we stopped shipping everything on pelletized containers, we moved to boxes where the cargo can be moved expeditiously. We have some 80 piers headed this way and 35 of these piers are designed for handling these breakbulk cargos and so what sorts of maritime use are we going

to put these piers to - we have paper handling in one, passenger terminal, tugboat operators in one and fishing companies. For the rest of these piers, they sit empty because we can't find the maritime use for them. The Port does have excellent maritime facilities and they have done an excellent job in collecting customers and using these facilities. But for the rotting piers that we have that we need to maintain and the Port has to spend money on, those we need to address. Certainly, we give first preference to maritime use where we can find it, where we can attract it. But if we can't, we got to have some income, or these piers will just simply fall into the ocean. If we don't do something to generate some income to support these buildings, there won't be any buildings left to argue about.

- Jennifer Clary, on the Waterfront Committee of San Francisco Tomorrow stated that she disagrees with Commissioner Cook's article and Op Ed piece in the Examiner. The Waterfront Land Use Plan and the EIR that was published in May on that plan also voice the same sentiments by Port staff. She suggested changing our attitudes and accentuate the positive.

- Nan Roth, who served on the Waterfront Advisory Board, addressed two issues: (1) while she was on the Waterfront Plan Advisory Board, the Port had a workshop to study future demand for cargo facility in San Francisco, she didn't think any of the Port Commissioners were in attendance at the workshop. There were similar types of events held for the WFAB, although former Commissioner Halsted attend some of those events, rarely did any of the Commissioners attended them. At the workshop, everybody representing the cargo handling industry said there would be a significant demand for San Francisco's Port facilities in the future. The conclusions of that work shop should be made available to this Commission. What it boiled down to was there was going to be an incredible increase in shipping in the near future. The Port facilities that open would soon prove inadequate and given the disadvantages of the other potential port sites in the bay area, the San Francisco Port site was the most desirable, next to Oakland, despite the railroad problems which could be ironed out. (2) She feels that the critical issue within the Port management is the competition between real estate, maritime, fishing and cargo handling functions. If you look back at the history of Pier 45 and after a very checkered history, it is today a very successful handling facility. The Port and others who worked so hard for that facility deserved commendation for finally having achieved that. Nonetheless, there were many meetings like this one where there were people testifying there is going to be a need for this facility. All of these things go in cycles; they do come back. The fish came back, the cargo handlers came back because this is the location where they want to be and this is where their market was. She hopes that the Port is going to expand that facility and there will be more business.

- William Hallett, affiliated with the ILWU, stated that the ports of Long Beach and Long Angeles are expanding. The cities are building new railroads; they have the Alameda corridor. They are tearing down a naval base that is abandoned to accommodate a container facility. The work is booming; the City is booming.

He was curious of what happened to San Francisco.

- William Underwood, represents the Pacific Islanders Cultural Association, the Port's present tenant at Pier 29. They have been asked to move to Pier 26 because it is going to be retrofitted but now he hears that someone had planned to dredge it. He would like a clarification on this matter. He also requested a clarification as to why they were told to put up $10,000 to hold an event at Pier 45. Mr. Bouey suggested that Mr. Underwood meet with Mr. Lewis, Director of Tenant and Maritime Services, on these issues.

- Fred Pecker, with the ILWU, stated that we need to look at what having a working waterfront means and to ensure that we maintain this as a viable City for all people. He looks forward to the Commission's getting back on track and start bringing the tonnage back onto the piers.

- Marina Secchitano, is a member of Waterfront Advisory Committee and an employee at the Golden Gate Ferry, stated that she is in favor of Commissioner Herman's motion and thinks that it is important that the Commission rededicate itself on a monthly basis to maritime. The Committee spent a long time trying to identify the areas they felt should be kept for maritime. She suggested that we do everything possible to encourage any kind of maritime activity. She's saddened by the Commission's decision to return the funding back to the State on the tunnel project. She suggested keeping maritime a priority.

- N. Teresa Rea, Co-Chair of SPUR Waterfront Committee submitted the following written comments for the record:

  1) SPUR strongly supports the Waterfront Plan.
  2) SPUR supports the plan for non-maritime uses north of China Basin Channel.
  3) SPUR recognizes there are maritime uses north of the channel now and recognizes their right to stay but SPUR believes in the future maritime uses should be consolidated south of the channel.
  4) SPUR supports the allocation of land for maritime uses south of the channel. If the Port and Waterfront Advisory Committee in their plan believe that the allocated amount of land is needed for San Francisco's shipping future, SPUR will support that.
  5) SPUR believes that the Port Director's ongoing efforts and the Waterfront Plan represent the appropriate balanced approach to the use of these valuable resources.

- Dennis Andrade, Bay Merchants Warehouse and Deans Services provided the following written comments for the record: "I support Mr. Herman's position. Where other ports have blossomed, my business indeed has shrunk due to the lack of concern and drive by the Port of San Francisco. I do personally witness the aggressiveness of the Southern/Northern based ports. Many companies like mine have closed up or shrunk down to dribbles. Along with the loss of

businesses in San Francisco that support the port, also go many jobs, facilities and a future in this industry for our young."

Commissioner McCarthy stated that she has spent the last ten years working on various efforts on the northern waterfront and planning issues including the Waterfront Plan. The issue of maritime is near and dear to her. She is beginning to learn more about the operations of the Port and is concerned about cargo. About a month ago, the Commission, except Commissioner Cook, voted to again subsidize shipping in the amount of $750,000, which at the time, is the right thing to do. However it seemed it made sense to look at what was happening with cargo before we were in that position a year from now. She has spoken with the Executive Director and the Marketing department that there is a perception in the City and everybody who testified today agrees with that perception or feels that perception exists that this Port is no longer in the cargo business. We have to take changes and positive steps to change that perception. The Port has always intended and remains in the cargo business but this notion of the perception is very important. No matter what you do if the perception still remains, you have not in fact done enough. She had hesitations and was not certain where this hearing is headed and had spoken to Commissioner Herman about it. However, she is pleased that it took the form that it has and it is healthy and good that it is out in the open since people are talking about it. She believes that at least one step we can take to change this perception is to make certain that we do have an aggressive, dedicated cargo/sales marketing staff. She believes that we should not continue to subsidize if we are not giving our all to bringing in more cargo/maritime business. She is not prepared to support a plan that will move people around. She thanked the speakers for coming. This sends a message that there is real support from all sides.

Commissioner Lee stated that this is the most interesting Commission meeting he has ever attended in his two and a half year term. He thinks this is a very healthy discussion. He is saddened that there is a public perception that Port is not doing enough in maritime and cargo as well as everything else. This is a tough position to be in because the Port tries to juggle public demands while, at the same time, the Port only has limited resource. He agreed with Commissioner Herman that cargo/maritime, real estate leasing are not mutually exclusive. He is disturbed that there is a public perception that staff is not doing anything. Whatever staff does, the public does not seem to appreciate it.

To give credit to staff, Commissioner Lee then gave a presentation on the Port's history since he joined the Port Commission two and a half years ago. In one year, the Port lost $3.5 million; the following year, the Port gained back $1.9 million. The first year he joined the Port, the Port's income has gone up. In 1990, cargo revenue was $10 million; however, it declined every year since. Around the time he became a Commissioner, Cosco and Evergreen decided to leave San Francisco for Oakland. Under Dennis Bouey's direction, he combined the maritime and the leasing department which, in the past, the two departments were going after the same business or ignoring the same business. By combining the two departments, the commercial leases have gone up. Because the staff was more aggressive with leasing,

there was a perception that staff forgot about cargo but in reality there was no cargo coming to San Francisco. The commercial leasing revenues made up for the cargo revenue we lost, which put the Port in the black. Maritime refers to all activities happening in the waterfront related to water. All activities in the maritime are up except cargo. Ferry service is up. Commissioner Herman inquired about the significance of ferry passenger service to the Port. Commissioner Lee responded that we provide a service to the region. Commissioner Herman argued that the income from ferry service does not come to the Port. Commissioner Lee countered that we charge them rent. Mr. Bouey interjected that the chart depicts the increase in the number of ferry service passengers, not income. Mr. Bouey clarified that the Port is supports and encourages ferry service and encourages that type of mode of transportation. It's a business we run on a break-even basis and we're in the process of designing a whole new facility to accommodate even more traffic. If anything happens to Treasure Island, the Port of San Francisco would already have its part in place so that the City can benefit from the transition of that property to the City and County of San Francisco. Commissioner Lee added that one of the Port's mission is to provide waterfront services to the people using the Port. Commissioner Herman again raised his concern about cargo and stated that the issue on ferry service is irrelevant. Commissioner Lee disagreed with Commissioner Herman's assertion that ferry service is irrelevant. Commissioner Lee pointed out that the Port supports all maritime.

Commissioner Lee stated that the fishing industry is booming with the newly renovated Pier 45 facility and cruise business is up, with approximately 50 cruise ship calls at the Port of San Francisco. In 1994, we cut staff and trimmed our expenses. The total revenue divided by Port staff is $160,000 per person, reflective of a more efficient department. Commissioner Herman argued to the contrary. Commissioner Lee then talked about the Port's debt coverage ratio. Commissioner Lee summarized that it was difficult to juggle all the different demands. He added that the Port is very healthy, it's on the right track. A lot of people worked hard for many years on the Waterfront Land Use Plan. He then quoted a paragraph on the Plan, "In addition, marketing will be directed to what smaller shipping line would serve the regional market and do not necessary carry ships to rail intermodal cargo." The Port is pursuing niche cargo.

Commissioner Lee concluded that he grew up in a maritime family. He supports maritime, especially cargo. He also supports a sensible development along the waterfront, guided by a recommendation by the Waterfront Plan Advisory Board. Before a decision is made, he suggested consulting the Waterfront Plan to see what the people and the Advisory Board recommend. Commissioner Lee commended Jill Simpson for all her efforts in bringing Serpac to the Port of San Francisco.

Commissioner Herman reiterated his desire to reinstate the maritime department, hire a skilled, experienced, competent maritime director and hire staff as appropriate. The Port has combined real estate and maritime; while they are not mutually exclusive, they are not compatible.

Executive Director Bouey stated that he and Commissioner Herman had a number of conversations in the last few weeks. They both agree on the goal but differ on the process. He has been committed to cargo since his arrival at the Port. The Port at that time was on the brink of bankruptcy and a number of actions had to be taken to turn it around. In answer to Commissioner Herman's question, the Port used to have a maritime manager and three salesmen for cargo. The Port now has one and a half and have defined the target market. There have been a great number of changes since 1980. In 1984, the Shipping Act passed which allowed among other things, for consortiums to form. Where ports normally have 15 customers, they might only have three or four now because three or four lines have formed a consortium. As a result of that, in the past, when a shipper miss putting cargo on a ship, he may have to wait a week to catch the next ship. But with a consortium, you might miss one on Monday but you can get another member of the consortium on Tuesday or Wednesday and ship your cargo here. The outfall is that the industry became more effective and there has been a decline in the number of shipping lines calling on the West Coast. In fact, since 1988 to 1995, there are 25 fewer shipping lines calling on the West Coast.

In answer Commissioner Herman's question on why real estate and maritime are in the same department, Mr. Bouey indicated that there was conflict between them when separate and, as a result, the Port lost a number of prospects. By merging and having them under one person, we were able to get rid of that conflict and were able to increase revenue; revenue that we now plow back into our infrastructure and to subsidize maritime. The Port is subsidizing cargo in the amount of $750,000, ship repair ($500,000) as well as cruise ships and the fishing industry. As Commissioner Herman knows, he is supportive of hiring a maritime manager. At the same time, he echoed Commissioner Herman's sentiments that Jill Simpson and Peter Dailey have done a terrific job. When he started at the Port in 1994, the Port has already lost Cosco and Evergreen, in his first week here, advised that they were not going to renew their contract.

He responded to Commissioner Herman's comment on CEO's touting the Port's shortcomings. He pointed out that we do not touting our shortcomings. However, when people ask why are we not like Oakland, we explain the obstacles that we face. About ten months ago, the Port changed cargo strategy. Jill Simpson has just brought the first dividend of that strategy through Serpac. Staff is again working on a few other shipping lines and he hopes to report that we will have more in the near future. We try to accentuate the positive. We have never said we have bad maritime facilities, in fact, we advertise the opposite. The Port is selling a first class operation in conjunction with SSA as evidenced by last weekend's Serpac turnaround. We refocused our targets, instead of going after transpacific intermodal shippers, we have now pursue lines that we can better serve, which will ironically make more money for the Port and create more jobs.

He also addressed Commissioner Herman's comment that the commitment to the tunnel was withdrawn. He stressed that was absolutely, unequivocally wrong. Port staff has made several commitments to Evergreen to create the capability for double stacked the tunnels. When Evergreen indicated that they would not be renewing the

contract, he probed as to why, they indicated the rail service took so long to move cargo to the other side; and most of the cargo is already located on the other side of the Bay. They did mention the failed commitment. In an effort to try to keep them, the Port moved ahead and designed the tunnel project. He spent over $700,000 at a time when the Port was on the brink of bankruptcy to demonstrate to Evergreen the Port's commitment to them that we could deliver. They said, "Don't build it for us." When they served us notice that they would be leaving San Francisco, then and only then did he not build the tunnel project. The reason the tunnel project was not built was that it did not solve the fundamental problem of the length of time it takes our cargo to get to the other side of the bay. Staff has also offered trucking equalization rates. Staff has offered shippers subsidies to equalize trucking costs between San Francisco and Oakland.

In response to Commissioner Herman's comment on the cargo market ten years ago, he stated that despite the downtrend of cargo over the last five or six years, even ten years ago, we only held two percent of the West Coast's market share. Today, we hold about one percent. We hope to build it back up but we weren't a power ten years ago. What we've tried to do with the refocused marketing strategy is to bring more business to the Port of San Francisco and provide a basis of creating not only jobs in the longshore and those industries directly associated with cargo but all support businesses as well.

In response to Commissioner Herman's comment on no effort being made to hold discussions with Union Pacific, staff, the day after the merger, sent a letter and followed up with phone conversations asking for those meetings he speaks of. Staff would like to improve rail service at the Port. Staff is not sitting around waiting for things to happen. Staff is out there trying. As Commissioner Lee indicated, all of our maritime businesses are up except cargo and staff is working as hard as it can. The Land Use Plan reserves 66 and two thirds for maritime. Staff will meet that commitment. With regard to Jane Morrison's comment on open space, staff is already in a dialog with BCDC and Save the Bay to develop a public access plan, and created a technical advisory committee to develop a design guideline. He concluded that if the Port wants to play in the big leagues in the cargo game it takes a lot of money. As one of the speakers mentioned, Long Beach and L.A. are spending billions of dollars for the Alameda corridor to make freight movements easier in Southern California. Oakland, even though its cargo is growing, it's West Coast market share has gone down each of the last four years. While those ports are investing in this market billions of dollars, this Port's annual budget is only $33 million. It is tough to compete which is yet again another reason for our refocused maritime strategy.

He stated that Christopher Martin's comments about Home Depot and a shopping center at Pier 45 were wrong. A consultant performing a study on Pier 45, analyze different alternatives. One of the alternatives included 40,000 square feet of retail space as part of a larger fishing oriented project. Port staff rejected that alternative. It was never our intent to open a shopping mall and it is disingenuous for Mr. Martin to raise it as an issue. Port staff over the last two and a half years, have done a

wonderful job, they pitched in under the most of difficult circumstances.

Commissioner Herman stated that it's the first time he's heard that Mr. Bouey canceled the maritime department because there was in-house fighting. Because people could not agree, the two departments were collapsed into one another, neither of which was compatible. Mr. Bouey replied that Commissioner Herman was at the Commission when the reorganization was done. Commissioner Herman believed that he was not on the Commission at the time.

Commissioner Herman stated that the niche cargo that exists in every port has always been a fact of life. The fact of the matter is the port never went after it. Mr. Bouey replied that the Port's refocused strategy is now to go after niche cargo and intermodal container cargo.

Commissioner Herman reiterated his motion to reinstate the maritime department with a maritime director. If there is no maritime department that is a declaration that we are giving lip service to cargo.

Commissioner Lee made a suggestion that a committee be formed to work with staff and the Executive Director and report back to the Commission with a plan. A discussion between the two Commissioners ensued. Commissioner Hardeman interjected and reiterated Commissioner Lee's recommendation of having two Commissioners do research on the feasibility of Commissioner Herman's desire to have a maritime director. With Commissioner Herman's approval, Commissioner Hardeman appointed Commissioner McCarthy and himself to work with staff to work out a resolution to be presented at the next Commission meeting.

5. TENANT & MARITIME SERVICES

6. FACILITIES & OPERATIONS

7. PLANNING & DEVELOPMENT

A. Approval of contract amendment for Simon, Martin-Vegue, Winklestein, Moris for graphic design and planning communication materials for the Waterfront Plan. (Resolution No. 96-96)

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

8. ADMINISTRATION

9. CONSENT CALENDAR

A. Approval of travel authorization for one Port representative to be a panelist at an event sponsored by the New York Maritime Law Association (New York City,

October 17-18, 1996) and to speak at an event sponsored by MASSPORT for travel and maritime leaders on domestic cruise itineraries (Boston, October 16, 1996), in accordance with the Port's Fiscal Year 1996-97 budget. (Resolution No. 104)

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

10. NEW BUSINESS / PUBLIC COMMENT

Jacob Shin from Asian, Inc. read a letter from Aileen Hernandez which states "The Coalition for Economic Equity hereby requests the Port Commission to schedule a full discussion of its leasing policy and its application to the utilization of M/WBEs as soon as possible. Members of the Coalition would like to be present for that discussion to indicate our concerns about the failure of the Port staff to implement a program that would result in the participation of M/WBEs in Port leases and in renovation work related to existing leaseholds. Please notify us when the meeting is scheduled."

Mr. Bouey replied that according to the City Attorney Section 12D does not apply to leases but he agreed to meet with representatives of the coalition to listen and address their concerns.

Commissioner McCarthy commented that she, too, has questions regarding the Grand Jury Report. She requested the Executive Director to report back after his meeting with the Coalition and she'll follow up with her concerns at that time.

Mr. Romulus Asenlod, Business Director of Asian Inc. spoke on behalf of Harold Yee, President of Asian, Inc. He read a letter from Mr. Yee concerning the Port of San Francisco Waterfront Land Use Plan and Affirmative Action Policies which states, "We are all aware of the differences in opinion between the Grand Jury (in its findings regarding the Port of San Francisco's performance in (i) working with the Human Rights Commission and (ii) its contracting practices with respect to the City's Affirmative Action Requirements) and the statement issued by the former Human Rights Director, Mr. Ed Lee, in support of the Port in his response to the Grand Jury's findings.

These conflicting verbal statements are non-constructive and will not lead to a comprehensive solution of providing access for MBEs to the many businesses (i.e. leasing) and public contract opportunities that the Port has to offer.

What is needed in order to move forward is quantitative data on the Port's performance in specific business industries. This would allow the Port to make management decisions on exactly how it intends to insure inclusion of MBEs in the respective bidding processes, and provide the Commission with concrete evidence of progress and monitoring.

In order to provide a tracking system through which Port management would be in a better position to document the need for better minority participation and narrowly tailor efforts in providing better access for MBEs to participate in the Port's economy.

More importantly, in accordance to the 12D Ordinance, the Port of San Francisco must take responsibility for attainment of goals, with HRC monitoring and assisting for the City."

Commissioner Lee stated that he belongs to Asian Architect and Engineers, a sister group of Asian, Inc. He stated that the Port actually made a conscious decision earlier last year. The Commission approved a resolution for MBE/WBEs participation in leasing in Port property. At the time, Mr. Bouey was going to implement it but the Board of Supervisors halted the process in implementing this plan because a study has not been done. The Port identified and approved a firm to perform the study and went to Civil Service for processing and it was at that point, the Board of Supervisors stepped in and requested HRC to perform a Citywide project and the Port agreed to participate financially. HRC, thus far, has not implemented it.

Commissioner McCarthy suggested looking at both areas, leases as well as construction. Commissioner reiterated that the Port is in compliance with Sections 12C and 12D.

Jane Morrison commented that the Waterfront Plan Advisory Board unanimously agreed that an affirmative action is implemented and that the Port includes and reaches out to the City's diverse minority groups. Mr. Bouey replied that the Port's overall goals exceed all the City goals.

11. EXECUTIVE SESSION

At 7:45 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment ✓ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark. This is specifically authorized under California Government Code Section 54956.8.

At 8:25 p.m., Commissioners Hardeman, Lee, Cook, Herman and McCarthy returned from executive session and convened in public session.

ACTION: Commissioner Lee moved approval to not disclose any information discussed in the executive session; Commissioner Cook seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 8:30 p.m.

SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, OCTOBER 22, 1996
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - October 8, 1996

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Presentation and review of Urban Design Concepts for the Mid-Embarcadero Roadway Project (Information Only).

4. **LEGISLATIVE**

5. **TENANT & MARITIME SERVICES**

   A. Approval of Marine Terminal Agreement for Madrigal-Wan Hai Lines for use of Pier 94/96. (Resolution No. 96-111)

6. **FACILITIES & OPERATIONS**

   A. Fisherman's Wharf Lighting, informational presentation and authorization to advertise for bids for Construction Contract No. 2631, "Fisherman's Wharf Lighting Improvements, Phase I." (Resolution No. 96-106)

   B. Authorization to award Contract No. 2632 "Pier 68 Shipyard Cranes Improvements" to Sheedy Drayage Company. (Resolution No. 96-108)

7. **PLANNING & DEVELOPMENT**

   A. Approval of final conceptual design for Pier 52 Public Boat Launch, Cafe, Bait and Tackle Shop and endorsement of preparation of construction documents. (Resolution No. 96-107)

8. **ADMINISTRATION**

9. SPECIAL ITEM

A. Port Commission Subcommittee's Recommendation on Cargo and Marine Terminals Organization. (Resolution No. 96-105)

10. CONSENT CALENDAR

A. Approval for one Port representative to travel to the 10th Annual International Awards Program of the Waterfront Center in Boston Mass. in accordance with the Port's Fiscal Year 1996-97 budget. (Resolution No. 96-109)

B. Approval of Ground Lease Attornment and Nondisturbance Agreement between Port, Clip Clop III Partners, Ltd. and proposed tenant of Francisco Bay Office Park (SWL 315, 316, 317). (Resolution No. 96-110)

11. NEW BUSINESS / PUBLIC COMMENT

12. EXECUTIVE SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓__ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark. This is specifically authorized under California Government Code Section 54956.8.

B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

1) Initiation of litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (1 case).

C. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

13. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 22, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Presentation and review of urban design concepts for the Mid-Embarcadero Roadway Project

DIRECTOR'S RECOMMENDATION: No action requested; information only

Background

The Mid-Embarcadero Roadway Project would realign and upgrade the surface roadway along The Embarcadero between Folsom Street and Broadway. The roadway would accommodate an exclusive transit right-of-way and bicycle lanes in each direction, as well as pedestrian promenades, sidewalks and a large central plaza located between the north and south bound roadway lanes directly in front of the Ferry Building. In addition, an underground parking garage of up to 350 spaces is proposed to replace parking that would be lost as a result of the project.

THIS PRINT COVERS CALENDAR ITEM NO. 3B

On October 8, 1996 the Port Commission adopted Resolution No. 96-103 approving the alignment of the Mid-Embarcadero Roadway Project. The resolution also authorized Port staff to work with the Waterfront Transportation Projects Office to develop urban design criteria for the project, as well as to negotiate an agreement regarding the design, engineering and construction review and approval process for the projects.

An urban design concept for the Mid-Embarcadero Roadway Project has been prepared under the direction of the Waterfront Transportation Projects Office by a consultant team led by ROMA Design Group. A copy of a report titled "Mid-Embarcadero Roadway and Open Space Design Concept, August, 1996" was distributed to the Port Commission along with the EIS/EIR documents for this project prior to the September 24, 1996 Port Commission meeting.

The purpose of today's presentation is to allow the Commission the opportunity to view the model that has been prepared for the project, as well as to ask questions and receive information from the Waterfront Transportation Projects Office staff, the design consultant and Port staff. As provided for in Port Commission Resolution No. 96-103, the Port staff will work with the Waterfront Transportation Projects Office in developing urban design principles and specifications for the project, which will be brought back to the Port Commission for its formal review and approval.

No action is required on this item at this time.

Prepared by: Sharon Lee Polledri,
Director of Planning and Development

PO/f: AGDWTP.108

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 17, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: APPROVAL OF THE MADRIGAL-WAN HAI LINES MARINE TERMINAL AGREEMENT

DIRECTOR'S RECOMMENDATION: APPROVE THE 5-YEAR MARINE TERMINAL AGREEMENT WITH MADRIGAL-WAN HAI LINES AT PIER 94/96 AND AUTHORIZE THE EXECUTIVE DIRECTOR TO SEEK APPROVAL BY THE SAN FRANCISCO BOARD OF SUPERVISORS TO AMEND THE AGREEMENT TO INCLUDE A MUTUAL INDEMNITY CLAUSE.

The Port has concluded negotiations for a Five-year Marine Terminal Agreement with Madrigal-Wan Hai Lines for use of Pier 94/96. Madrigal-Wan Hai Lines offers service to and from the Far East with calls in Busan, Manila, Hong Kong, Xiamen. Their vessels are expected to make bi-weekly calls. Their first vessel call is expected on November 8, 1996.

Material provisions of the agreement include the following: (i) five year term, commencing on November 1, 1996, with the ability of either party to terminate as of each June 30th; (ii) reduced wharfage and dockage rates based on the total annual volume; (iii) nomination of Pier 94/96 as their regular published Bay Area port of call.

If SSA ceases operations at Pier 94/96, the Agreement also allows termination by either Port or Carrier if they are unable to reach agreement with a new management contractor.

THIS PRINT COVERS CALENDAR ITEM NO. **5A**

The Agreement contains an indemnity whereby Madrigal-Wan Hai agrees to indemnify Port and City for claims resulting from its acts or omissions at the facility. The Port's standard exculpation clause, under which the Carrier waives all claims against Port and City including claims due to Port on City's negligence, has been deleted from this Agreement pursuant to Madrigal-Wan Hai's request. In addition, Madrigal-Wan Hai has requested an indemnity from Port and City against claims caused by Port or City's negligence. The City's charter requires any indemnities by the City or Port to be approved by the Board of Supervisors. The Agreement provides that upon approval by the Board, parties will sign an amendment to the Agreement to include the Port's and City's indemnity. If the Board disapproves the indemnity, Madrigal-Wan Hai may terminate the Agreement upon 30-days' prior written notice.

Estimated annual revenue for the agreements is approximately $250,000 from wharfage, dockage, and crane rental. A copy of the agreement is attached hereto.

Prepared by: Lewis Wiseman, Director Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-111**

WHEREAS, Madrigal-Wan Hai Lines desire to enter into a Marine Terminal Agreement with the Port, for use of Port's marine terminal facilities; and

WHEREAS, said Agreement grants Madrigal-Wan Hai Lines reduced dockage and wharfage charges for the utilization of the Carrier of Pier 94/96 as their regularly scheduled Northern California port of call; and

WHEREAS, the Agreement requires the parties to enter into an amendment to include an indemnity clause by Port and City in favor of Madrigal-Wan Hai Lines, upon the approval of the San Francisco Board of Supervisors: now, therefore, be it

RESOLVED, that the San Francisco Port Commission approves the Marine Terminal Agreement with Madrigal-Wan Hai Lines, in substantially the form of which is on file with the Secretary of the Port Commission for this agenda item; and be it further

RESOLVED, that the Port Commission authorizes the Executive Director (i) to enter into the Agreement, (ii) to make any necessary refinements to the Agreement as are approved by the City Attorney; (iii) to obtain approval from the Board of Supervisors to amend the Agreement to include a Mutual Indemnity clause and to execute such amendment; (iv) to file the Agreement with the Federal Maritime Commission; and (v) to take all such further actions as are necessary to put the Agreement into effect.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 22, 1996.

_____
Secretary

MEMORANDUM

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

October 16, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Fisherman's Wharf Lighting presentation and approval to advertise for Phase I construction

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ADVERTISE FOR BIDS FOR CONSTRUCTION CONTRACT NO. 2631, "FISHERMAN'S WHARF LIGHTING IMPROVEMENTS, PHASE I." AN INFORMATIONAL PRESENTATION WILL BE MADE TO THE COMMISSION.

The Commission approved the award of a professional services contract to F.W. Associates, Inc. for the design of the Fisherman's Wharf Lighting Improvements at the regular meeting of March 26, 1996. The design contract is divided into three parts as follows:

Part 1: The consultant shall develop a cost effective conceptual lighting design proposal for the Fisherman's Wharf area including the inner and outer lagoon, the Embarcadero from Powell to Pier 45, Jefferson Street from Jones to Hyde, and the Ferry Arch at Pier 43. In developing this conceptual design, the consultant shall make presentations to the Fisherman's Wharf representatives and the Port Commission to obtain broad base input and approval.

Part 2: The consultant shall prepare and furnish the Port with the necessary plans, technical specifications and a cost estimate for lighting at the inner and outer lagoons and Pier 45 Sheds 'A' and 'B.' At this time, there is only sufficient funding for the construction of these improvements. The consultant shall also prepare plans, specifications and a cost estimate for the other components of the Fisherman's Wharf lighting and when funds become available, this phase of the project will be implemented.

THIS PRINT COVERS CALENDAR ITEM NO. **6A**

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Part 3: The consultant shall provide bid and construction support services during the bidding phase, prepare the necessary addenda, respond to contractor's Request for Information ("RFIs"), review shop drawings, attend construction meetings and perform job site observations during the course of construction.

In accordance with the requirements of Part 1, the consultant has developed a cost effective conceptual lighting design for those locations identified and made presentations to the Port Design Advisors, the Fisherman's Wharf Association and the Fisherman's Wharf merchants. All of these groups have given a favorable response to the concept. The consultant is here at this meeting to present the concept to the Commission for input.

If the conceptual lighting design meets the approval of the Commission, the Port and its consultant will proceed to finalize the construction and bid documents. The Port will then advertise for bids for construction of Phase I which includes the lighting improvements to the inner and outer lagoons and Pier 45, Sheds 'A' and 'B.' Construction of Phase I of the lighting improvements is scheduled for completion in May, 1997.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

PORT OF SAN FRANCISCO
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-106**

WHEREAS, the Port consultant for the Fisherman's Wharf Lighting Improvement project, has developed a cost effective conceptual lighting design for those locations identified in the overall project; and

WHEREAS, the consultant made presentations of the design to the Port Design Advisors, the Fisherman's Wharf Association and the Fisherman's Wharf merchants; and

WHEREAS, all of those representatives and groups have given a favorable response to the concept; and

WHEREAS, staff and the consultant are at the Commission meeting today to present the concept to the Commission; and

WHEREAS, the next step is for the Commission to give approval to the concept and authorize staff to advertise for bids for the construction of Phase I, therefore be it

RESOLVED, that the Commission authorizes staff to advertise for bids for the construction of the Phase I Fisherman's Wharf Lighting Improvements which includes the lighting improvements to the inner and outer lagoons and Pier 45 Sheds "A' and 'B,' at an estimated cost of $300,000.

I hereby certify that the foregoing resolution was adopted at the Port Commission at its meeting of October 22, 1996.

_____
Secretary

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PORT OF SAN FRANCISCO **MEMORANDUM**

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

October 16, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Contract 2632, "Pier 68 Shipyard Cranes Improvements Rebid," authorization to award

DIRECTOR'S RECOMMENDATION: AWARD CONTRACT TO THE LOWEST RESPONSIVE BIDDER, SHEEDY DRAYAGE COMPANY, IN THE AMOUNT OF $1,717,505.00, AUTHORIZE THE EXECUTIVE DIRECTOR TO APPROVE UP TO ANOTHER 10% FOR CONTINGENCIES, AND AUTHORIZE THE EXECUTIVE DIRECTOR TO ACCEPT THE WORK UPON COMPLETION.

Resolution No. 96-86, approved by the Port Commission on August 27, 1996, authorized staff to re-advertise for bids for improvements to Cranes No. 33 and No.34 at Pier 68. Cranes No.33 and No.34 serve drydock No.2 which is the drydock on which most ship repair work is conducted. The bid documents were modified to allow the Port to select and award any combination of bid items it deemed appropriate. On October 4, 1996, two bids were received. Because the total price of all forty-two bid items for both bids received exceeded the available funding, staff determined the priority items to award. Staff recommends that all items be awarded with the exception of Bid Items Nos. 25 and 26. Based on the items to be awarded, Sheedy Drayage Company submitted the lowest responsive bid of $1,717,505.00. The bid summary is attached.

The items to be excluded are for Crane No. 34 and are Bid Items No. 25 "Clean exterior" and No. 26 "Prime and coat exterior." With Crane No. 34 scheduled for work in January during the rainy season, it is doubtful that there will be proper weather conditions for the contractor to perform Bid Item No. 26 which is to prime and coat the repaired, replaced and cleaned areas before the contract completion date of March, 1997. Similarly, Bid Item No.25 which requires cleaning the rusted exterior surface areas is only necessary if done in conjunction with and prior to Bid Item No. 26. The tenant has also assigned a low priority to these two items.

THIS PRINT COVERS CALENDAR ITEM NO. 6B

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This contract is being financed by a grant of $1,500,000 from the United States Department of Commerce, Economic Development Administration, portions of the remaining funds of $250,000 from the California Trade and Commerce Agency, and $250,000 in Port funds.

Sheedy Drayage Company exceeded the recommended 6% MBE and 2% WBE subcontracting goals for this contract.

Staff recommends the Commission award the contract to Sheedy Drayage Company as specified, authorize the Executive Director to approve up to another 10% for contingencies, and authorize the Executive Director to accept the work upon completion.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-108**

WHEREAS, Resolution No. 96-86, approved by the Port Commission on August 27, 1996. authorized staff to re-advertise for bids for improvements to Cranes No.33 and No.34 at Pier 68; and

WHEREAS, these cranes serve Drydock No.2 which is the drydock on which most ship repair work is conducted; and

WHEREAS, the bid documents were structured to allow the Port to select and award any combination of bid items it deemed appropriate; and

WHEREAS, on October 4, 1996, two bids were received; and

WHEREAS, because the total price of all forty-two bid items for both bids received exceeded the available funding, staff determined the priority items to award, recommending that all items be awarded except for Bid Items No. 25 and 26; and

WHEREAS, with Crane No. 34 scheduled for work in January during the rainy season, it is doubtful that there will be proper weather conditions for the contractor to perform Bid Item No.26 which is to prime and coat the repaired, replaced and cleaned areas before the contract completion date of March, 1997; and

WHEREAS, Bid item 25 which requires cleaning the rusted exterior surface areas is only necessary if done in conjunction with and prior to Bid Item No. 26; and

WHEREAS, based on the items recommended for award, Sheedy Drayage Company submitted the lowest responsive bid of $1,717,505.00; and

WHEREAS, sufficient funding for this contract will be provided by grants from the United States Department of Commerce Economic Development Administration and the California Trade and Commerce Agency, and Port matching funds; therefore be it

RESOLVED, that the San Francisco Port Commission hereby approves the contract award. Contract No. 2632 (formerly known as Contract No. 2610 Rebid), "Pier 68 Shipyard Cranes Improvements," to Sheedy Drayage Company for $1,717,505.00, authorizes a contingency amount equal to 10% of this bid to fund possible Type 1 contract modifications during the contract, and authorizes the Executive Director to accept the work upon completion.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of* October 22, 1996.**

_____
Secretary

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BID SUMMARY
PORT OF SAN FRANCISCO

Prepared By: S. Zeller / C. Ng
Checked By: C. Ng
Date: 10/17/96

Project: Pier 68 Shipyard Cranes Improvements
Contract No.: 2632 **Project Engineer: S. Zeller** **Bids Opened: October 4, 1996**

Bid Item #	Description	Estimated Quantity	Sheedy Drayage Co. 1215 Michigan street san Francisco, CA 94107 Phone (415) 648-7171 Lump Sum Price	Total	Rigging International 965 Atlantic Avenue Alameda, CA 94501 Phone (510) 865-2400 Lump Sum Price	Total
1	Remove asbestos	Lump Sum	$11,380.00	$11,380.00	$14,126.00	$14,126.00
2	Nondestructive testing	Lump Sum	$21,382.00	$21,382.00	$32,860.00	$32,860.00
3	Repair/replace damage	Lump Sum	$22,600.00	$22,600.00	$71,693.00	$71,693.00
4	Clean exterior	Lump Sum	$66,780.00	$66,780.00	$144,259.00	$144,259.00
5	Prime and coat exterior	Lump Sum	$120,897.00	$120,897.00	$71,768.00	$71,768.00
6	Swinger assembly	Lump Sum	$3,680.00	$3,680.00	$11,868.00	$11,868.00
7	Main hoist clutch, brake	Lump Sum	$15,430.00	$15,430.00	$25,224.00	$25,224.00
8	New maint. platform	Lump Sum	$8,232.00	$8,232.00	$18,448.00	$18,448.00
9	Weather seals, windows	Lump Sum	$3,130.00	$3,130.00	$6,225.00	$6,225.00
10	New HVAC unitrs	Lump Sum	$11,380.00	$11,380.00	$9,328.00	$9,328.00
11	Electrical work	Lump Sum	$62,380.00	$62,380.00	$76,797.00	$76,797.00
12	Fed-OSHA guards	Lump Sum	$31,560.00	$31,560.00	$11,803.00	$11,803.00
13	Lubrication	Lump Sum	$2,360.00	$2,360.00	$11,327.00	$11,327.00
14	Repair 4 gantry trucks	Lump Sum	$443,596.00	$443,596.00	$330,779.00	$330,779.00
15	Crane #s and ratings	Lump Sum	$2,880.00	$2,880.00	$11,060.00	$11,060.00
16	Air tank permit	Lump Sum	$3,130.00	$3,130.00	$3,065.00	$3,065.00
17	2 new railhead clamps	Lump Sum	$20,380.00	$20,380.00	$67,849.00	$67,849.00
18	New operator's seat	Lump Sum	$6,980.00	$6,980.00	$5,866.00	$5,866.00
19	Repair Gleason reel	Lump Sum	$39,980.00	$39,980.00	$61,588.00	$61,588.00
20	Load test & recertify	Lump Sum	$8,530.00	$8,530.00	$4,797.00	$4,797.00
21	Replace bearings	Lump Sum	$45,924.00	$45,924.00	$4,409.00	$4,409.00
22	Remove asbestos	Lump Sum	$11,380.00	$11,380.00	$14,216.00	$14,216.00
23	Nondestructive testing	Lump Sum	$21,382.00	$21,382.00	$32,860.00	$32,860.00
24	Repair/replace damage	Lump Sum	$22,600.00	$22,600.00	$71,693.00	$71,693.00
25	Clean exterior	Lump Sum	$66,780.00	$66,780.00	$144,259.00	$144,259.00
26	Prime and coat exterior	Lump Sum	$120,897.00	$120,897.00	$71,768.00	$71,768.00
27	Swinger assembly	Lump Sum	$3,680.00	$3,680.00	$11,868.00	$11,868.00
28	Main hoist clutch, brake	Lump Sum	$15,430.00	$15,430.00	$25,224.00	$25,224.00
29	New maint. platform	Lump Sum	$8,232.00	$8,232.00	$18,448.00	$18,448.00
30	Weather seals, windows	Lump Sum	$3,130.00	$3,130.00	$6,225.00	$6,225.00
31	New HVAC unitrs	Lump Sum	$11,380.00	$11,380.00	$9,328.00	$9,328.00
32	Electrical work	Lump Sum	$62,380.00	$62,380.00	$76,797.00	$76,797.00
33	Fed-OSHA guards	Lump Sum	$31,560.00	$31,560.00	$11,803.00	$11,803.00
34	Lubrication	Lump Sum	$2,360.00	$2,360.00	$11,327.00	$11,327.00
35	Repair 4 gantry trucks	Lump Sum	$443,596.00	$443,596.00	$330,779.00	$330,779.00
36	Crane #s and ratings	Lump Sum	$2,880.00	$2,880.00	$11,060.00	$11,060.00
37	Air tank permit	Lump Sum	$3,130.00	$3,130.00	$3,065.00	$3,065.00
38	2 new railhead clamps	Lump Sum	$20,380.00	$20,380.00	$67,849.00	$67,849.00
39	New operator's seat	Lump Sum	$6,980.00	$6,980.00	$5,866.00	$5,866.00
40	Repair Gleason reel	Lump Sum	$39,980.00	$39,980.00	$61,588.00	$61,588.00
41	Load test & recertify	Lump Sum	$8,530.00	$8,530.00	$4,797.00	$4,797.00
42	Replace bearings	Lump Sum	$45,924.00	$45,924.00	$4,409.00	$4,409.00
Total of all Items except 25 and 26				**$1,717,505.00**		**$1,774,341.00**

Bid Item #	Description	Estimated Quantity	Unit Price	Total	Unit Price	Total
43	Extra weld repairs	100 joints	$425.00	$42,500.00	$1,600.00	$160,000.00
44	Extra lead paint removal	500 sq. ft	$14.00	$7,000.00	$180.00	$90,000.00
45	Extra asbestos removal	10 drums	$1,100.00	$11,000.00	$600.00	$6,000.00

Note Unit prices are for extra work items only as required

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BID SUMMARY
PORT OF SAN FRANCISCO

Prepared By: S. Zeller / C. Ng
Checked By: C. Ng
Date: 10/15/96

Project: Pier 68 Shipyard Cranes Improvements
Contract No.: 2632 **Project Engineer: S. Zeller** **Bids Opened: October 4, 1996**

		Sheedy Drayage Co. 1215 Michigan street san Francisco, CA 94107 Phone (415) 648-7171		Rigging International 965 Atlantic Avenue Alameda, CA 94501 Phone (510) 865-2400		Bidder Name Address City, State, Zip Phone #		Bidder Name Address City, State, Zip Phone #		Bidder Name Address City, State, Zip Phone #	
Required Forms	Document #	Yes (Y)	No (N)	Yes (Y)	No (N)	Yes (Y)	No (N)	Yes (Y)	No (N)	Yes (Y)	No (N)
Proposal	00300	Y		Y							
Addenda Acknowledgement		Y		Y							
Schedule of Bid Prices	00302	Y		Y							
Schedule of Unit Prices	00304	Y		Y							
Bid Bond	00411	Y		Y							
Experience & Financial Qualifications	00420	Y		Y							
List of Subcontractors	00430	Y		Y							
Non-Collusion Certification	00481	Y		Y							
HRC Form 1		Y		Y							
HRC Schedule A (as applic, by 5pm)		NA		NA							
HRC Schedule L (as applic, by 5pm)		NA		NA							
HRC Form 2A		Y		Y							
HRC Form 2B		Y		Y							
Apprenticeship Program	00490	Y		Y							
Business Tax Reg Declaration	00491	Y		Y							
Highest General Prevailing Wage	00492	Y		Y							
Equal Opp Empl & Bus Practices: LD	00493	Y		Y							
MacBride Principles	00494	Y		Y							
Deemed Responsive by Engin & HRC (Y/N) ?		Y		Y							
Total of all items except 25, 26 and 40		$1,677,525.00		$1,712,753.00							
PREFERENCES (as applicable):											
MBE	10%	($)									
WBE	10%	($)									
LBE	5%	($)									
JV	5%	($)									
JV	7.5%	($)									
JV	10%	($)									
Adjusted Bid ►		NA		NA							

rl:g:\rlim\p68\bidsumm.wk4

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 15, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey DPB
Executive Director

SUBJECT: Approval of Conceptual Design of Pier 52 Public Boat Ramp, Bait Shop and Cafe and endorsement to proceed with preparation of construction documents

DIRECTOR'S RECOMMENDATION: APPROVE CONCEPTUAL DESIGN

Since the informational briefing on the project before the Commission on August 13, 1996, the design team, ARCUS Architecture and Planning, has refined the project design in response to comments by the Commission and the public. The final conceptual design has been reviewed and recommended for approval by the Port's Design Advisors. Port staff has held two informational briefings on the project for the general public on October 1st. The final conceptual design for the project includes the following key project elements:

- A double boat ramp and maneuvering area, designed to meet State of California, Boating and Waterways Design standards.
- Accessible gangway with guest dock to tie up boats and launch kayaks.
- A small support structure, adjacent to the boating facilities that will provide for a small cafe and a bait and tackle sales area, public restrooms and indoor/outdoor eating areas.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

- Public access and landscape improvements throughout the site.

- A parking lot on the west side of Terry A. Francois Blvd. for 20 vehicle/trailer parking spaces.

Staff has reviewed the additional features that were desired through the community planning process and analyzed the costs of providing these in light of available funds. Based on the cost estimates at this stage of conceptual design, the above improvements can be funded within the project budget. Other features identified in the community planning process may be incorporated in the project at a later date, based on available funds. A major variable to the construction cost at this time is the utility relocation cost. Staff is currently investigating several avenues to decrease the cost of this work.

Cost Breakdown:

Double boat ramp with boarding float	$375,000
Accessible gangway	160,000
Bait & Tackle, cafe and restrooms	423,000
New shoreline protection & removal of old dock & derelict boat ramp	168,000
Public access and landscape improvements	255,000
Parking lot for 20 vehicle/trailer parking spaces*	212,000
Tenant improvements	30,000
Architectural, engineering and geotechnical consulting fees	270,000
TOTAL	$1,893,000

*Utility relocation costs to be confirmed

Funding Sources:

Port of San Francisco Capital Plan	$1,400,000
California Boating & Waterways grant to repair original boat ramp	295,000
Pending Grant from California Boating & Waterways for parking lot	198,000
TOTAL	$1,893,000

Staff seeks the Commission's approval of the conceptual design and endorsement for proceeding with the preparation of construction documents. Staff anticipates returning to the Commission in November, to seek authorization to advertise for construction bids and in a separate action, to seek authorization to advertise for request for proposals for an operator of the facility. The Planning & Development Division is coordinating these efforts closely with the Facilities & Operations and Tenant & Maritime Divisions to meet a target opening date of mid-summer 1997.

Prepared by: Sharon Lee Polledri
Director of Planning & Development

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-107**

WHEREAS, the Port Commission previously adopted Resolution No. 95-7 accepting the responsibility for the management of grant funds from the State of California, Department of Boating and Waterways (Cal Boating) and authorizing staff to issue a Request for Proposal for architectural and engineering services for a public boat ramp, bait shop and cafe, and open space at Pier 52; and

WHEREAS, the Port Commission convened the seven member Pier 52 Advisory Group in August 1996, with expertise and experience in recreational boating, food service operations and waterfront design, to provide professional and community input in refining the project concept; and

WHEREAS, the Port Commission previously adopted Resolution 95-94 authorizing the award of the consultant contract to Arcus Architecture; and

WHEREAS, the Port Commission previously adopted Resolution 96-87 to accept responsibility for managing any new Cal Boating funds that may be awarded for the Pier 52 project; and

WHEREAS, the Port Commission held an informational presentation on the conceptual design of the project at its August 13, 1996 meeting and received public comment; and

WHEREAS, Port staff held two public presentations of the conceptual design of the project on October 1, 1996 to receive public comment; and

WHEREAS, the Port's Design Advisors have reviewed the conceptual design and recommend proceeding with detailed construction documents; now, therefore, be it

RESOLVED, the Port Commission hereby approves the conceptual design of the Pier 52 Public Boat Ramp, Bait shop and Cafe and endorses proceeding with the preparation of construction documents.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 22, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 278940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Water

MEMORANDUM

October 22, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: **Port Commission Sub-Committee Recommendation on Cargo & Marine Terminals Organization**

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION

At the Commission Meeting of October 8, 1996, a public hearing was held, at the request of Commissioner James R. Herman, to discuss cargo marketing. The Commission agreed to form a sub-committee consisting of Commissioners Hardeman and McCarthy to review the Port's policy and organization of cargo marketing. Under the current organization, marketing resources are located in the Marketing Division and operations are located in the Tenant & Maritime Services Division.

After reviewing the issues with the Executive Director, the Sub-Committee and the Executive Director recommend the following:

THIS PRINT COVERS CALENDAR ITEM NO. 9A

- The Tenant & Maritime Services Division be organized into two separate departments within the division, as follows:

  - Cargo & Marine Terminals Department
  - Commercial Department

- The Cargo & Marine Terminals Department be headed up with a position of "Maritime Manager"

- That two Sections be organized within this department, as follows:

  - Operations
  - Marketing

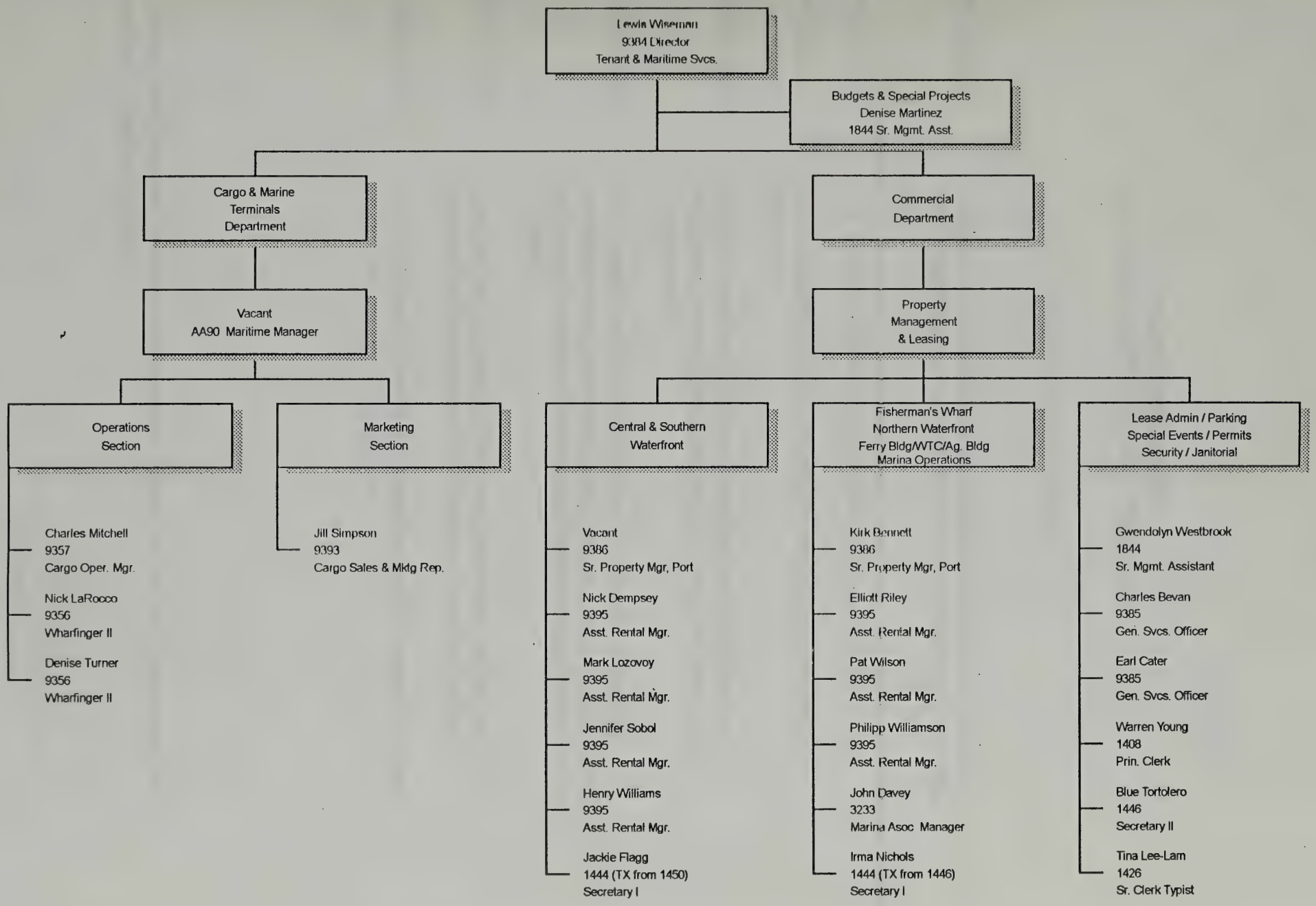
Jill Simpson will be reassigned from the Marketing Division to the Cargo & Marine Terminals Department of the Tenant & Maritime Services Division.

The Executive Director will fill the Maritime Manager position as soon as possible. A detailed job description will be developed and the position advertised in the next few weeks.

A proposed organization chart is attached that further delineates the suggested changes.

Prepared by: Benjamin A. Kutnick

Tenant & Maritime Services Division



PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-105**

WHEREAS,	concerns were expressed at the Commission meeting of October 8, 1996, regarding the policy of the Port concerning cargo marketing, and
WHEREAS,	it is the intent of the Port to maximize its cargo business, and
WHEREAS,	a sub-committee of the Commission was formed to review this issue, and
WHEREAS,	the sub-committee, including Commissioners Hardeman and McCarthy reviewed the issues with the Executive Director, and therefore be it
RESOLVED	the Commission Sub-Committee and the Executive Director recommend that a separate Cargo & Marine Terminals Department be created within the Tenant & Maritime Services Division, and be it further
RESOLVED	that the Cargo & Marine Terminals Department include separate sections for Operations and for Marketing, and be it further
RESOLVED	that a position of Maritime Manager be hired to manage the Cargo & Marine Terminals Department.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 22, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 15, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. Denise McCarthy
Hon. James Herman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval for one representative to travel to the 10th annual International Awards Program of the Waterfront Center in Boston Mass. in accordance with the Port's Fiscal Year 1996-97 budget.

DIRECTOR'S RECOMMENDATION: APPROVE THE TRAVEL AS BUDGETED.

The successful renovation of Pier 45 in Fisherman's Wharf and the corresponding revitalization of San Francisco's commercial fishing industry is one of the Port's major accomplishments. This multi-million dollar renovation has received accolades from the fishing industry and government officials as being one of the finest commercial fishing and fish processing facilities in the United States.

The Waterfront Center is a non-profit educational organization based in Washington, D.C. which strives through its conferences, publications and workshops to assist cities on how to make the wisest use of their urban waterfront resources. The Waterfront Center launched an awards program in 1987 to recognize high quality waterfront work of varied kinds from around the world.

The Port of San Francisco along with Moffatt & Nichol Engineers, AGS Inc. Consulting Engineers and Kwan Henmi Architecture/Planning, Inc. submitted the Fisherman's Wharf Commercial Fishing Center at Pier 45 for the Waterfront Center's 1996 Excellence on the Waterfront Honor Awards competition.

We recently received word that the Pier 45 project has been selected by the Waterfront Center jury to receive the 1996 Honor Award.

THIS PRINT COVERS CALENDAR ITEM NO. **10A**

The award will be given to the Port at the Waterfront Awards Presentation awards ceremony in Boston on November 15, 1996. We have budgeted the following amounts from our current fiscal year to cover this activity.

Airfare	$ 1,000.00
Hotel	300.00
Meals	100.00
Car rental	100.00
TOTAL	**$ 1,500.00**

Prepared by: Peter Dailey
Senior Marketing Executive

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Resolution No. 96-109

WHEREAS, the Executive Director is requesting authorization for one representative to travel to the "Excellence on The Waterfront" awards presentation of the Waterfront Center in Boston Massachusetts; and

WHEREAS, the Waterfront Center is a well renowned non-profit educational organization that strives to help cities make the wisest use of their urban waterfront resources; and

WHEREAS, the Waterfront Center holds an annual awards program to recognize high quality waterfront work from around the world; and

WHEREAS, the Port submitted for this competition the recent renovation of the Fisherman's Wharf Commercial Fishing Center at Pier 45; and

WHEREAS, the Port has recently been notified by the Waterfront Center that the project has been judged to win the 1996 Honor award; and
that it has the costs of this trip have been included in the Port Commission's Fiscal 1995-96 budget; be it

RESOLVED, that the Port Commission hereby approves this travel request.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 22, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 16, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: **Approval of Ground Lease Attornment and Nondisturbance Agreement between Port, Clip Clop III Partners, Ltd. and proposed tenant of Francisco Bay Office Park (SWL 315, 316, 317)**

A portion of the lands comprising of Francisco Bay Office Park (SWL 315, 316 and 317) is leased by Clip Clop III Partners, Ltd. ("Clip Clop") from the Port pursuant to the terms and provisions of a Lease Agreement dated June 28, 1974, originally entered into between the Port and Francisco Bay Office Park, a limited partnership. The lease was amended by the terms and provisions of a First Amendment to Lease dated December 8, 1976, between the Port and Francisco Bay Office Park, and by the terms and provisions of a Second Amendment to Lease dated June 21, 1995, between the Port and HHC Investments, Ltd. (collectively, the "Master Lease").

Houston's Restaurants, Inc. ("Houston's") plans to enter into a lease with Clip Clop III Partners, Ltd. ("Clip Clop") to demolish the existing restaurant located at Francisco Bay Office Park, and to construct a new restaurant. Houston's would like to have an Attornment and Nondisturbance Agreement ("Agreement") with the Port so that in the event that the Master Lease terminates early, Houston's will still be able to maintain its lease.

Houston's proposes a twenty-year lease beginning no later than June 1, 1997, with two ten-year options to extend. Material provisions of the Agreement include the following:

- The Port will recognize Houston's under the terms of the lease between Houston's and Clip Clop if the Master Lease ends before its scheduled termination in 2040;

THIS PRINT COVERS CALENDAR ITEM NO. 10B

- Houston's will recognize the Port as its Landlord under the terms of the lease between Houston's and Clip Clop if the Master Lease to Clip Clop ends before its scheduled termination in 2040;

- Should the Port become the Landlord of Houston's, the Landlord shall not interfere or otherwise interrupt Tenant in its use and quiet enjoyment of the Premises pursuant to the lease as long as Tenant is current in the payment of all rentals and charges required under the lease and is not otherwise in default;

- The Port shall not be liable for (i) any security or cleaning deposits paid to Clip Clop under the lease, (ii) any rent or additional rent that may have been paid in advance to Clip Clop for a period in excess of one (1) month, or (iii) any act or omission of any prior landlord.

A copy of the proposed Agreement is attached hereto and is on file with the Port Commission Secretary. Port staff believes that approval of this Agreement is necessary for Houston's to enter into the lease with Clip Clop. The Port has entered into similar agreements for the benefit of tenants of Francisco Bay Office Park, most recently with Levi Strauss and Catholic Healthcare West.

The Lease does not require Port Commission consent for subleasing. However, the Lease does require Port Commission consent for demolition of the existing improvements. Port staff anticipates bringing a separate item to the Commission in the near future, requesting the Commission's consent for the demolition.

Prepared by: Lewis Wiseman, Director, Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-110**

WHEREAS, Charter Section B 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, regulate and control the Port area of San Francisco; and

WHEREAS, The Port entered into a lease with Francisco Bay Office Park. a limited partnership, in 1974; said lease was subsequently assigned to Clip Clop III Partners, Ltd. ("Clip Clop"); and

WHEREAS, Houston's Restaurants, Inc. ("Houston's") would like to enter a lease with Clip Clop for a new restaurant located at Francisco Bay Office Park; and

WHEREAS, Houston's has requested assurances that if the Master Lease to Clip Clop ends before its scheduled termination in 2040 that the Port will honor Houston's lease; and

WHEREAS, The proposed Attornment and Nondisturbance Agreement will provide the necessary assurances to Houston's and Houston's will recognize the Port as its landlord, and

WHEREAS, It is in the Port's interest to help Clip Clop attract a new operator for its restaurant parcel and to encourage the construction of a new restaurant facility on the premises; now, therefore, be it

RESOLVED That the Port Commission approves the Attornment and Nondisturbance Agreement substantially in the form on file with the Port Commission Secretary and authorizes the Executive Director or his designee to sign the Agreement in such final form as is approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 22, 1996.

_____
Secretary

I:\FBAY.MEM

Recording requested by
and when recorded return to:

W. Glenn Viers, Esq.
Houston's Restaurants, Inc.
8 Piedmont Center, Suite 720
Atlanta, Georgia 30305

GROUND LEASE
ATTORNMENT AND NONDISTURBANCE AGREEMENT

THIS GROUND LEASE ATTORNMENT AND NONDISTURBANCE AGREEMENT (this "Agreement") is entered into as of the ___ day of October, 1996, among HOUSTON'S RESTAURANTS, INC., a Delaware corporation ("Project Tenant"), CLIP CLOP III PARTNERS, LTD., a Colorado limited partnership ("Clip Clop"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating through the San Francisco Port Commission ("Landlord").

RECITALS

A. Clip Clop and Project Tenant are entering into a lease dated September 20, 1996 (which together with all addenda, modifications and amendments thereto from time to time is referred to as the "Project Lease"), pursuant to which Project Tenant is leasing from Clip Clop certain premises (the "Premises") comprising a part of the Francisco Bay Office Park in the City and County of San Francisco, State of California. The Premises are described on Exhibit A attached hereto.

B. A portion of the lands comprising the Francisco Bay Office Park is leased by Clip Clop from Landlord pursuant to the terms and provisions of a Lease Agreement dated June 28, 1974, originally entered into between Landlord and Francisco Bay Office Park, a limited partnership, a short form of which was recorded on June 28, 1974, in Book B-904, Page 557 of the official records of the City and County of San Francisco, California, as amended by the terms and provisions of a First Amendment to Lease dated December 8, 1976, between Landlord and Francisco Bay Office Park, and by the terms and provisions of a Second Amendment to Lease dated June 21, 1995, between Landlord and HHC Investments, Ltd. (collectively, the "Ground Lease").

C. Landlord has agreed to recognize the Project Lease and the rights of the Project Tenant thereunder in the event that the Ground Lease shall expire or be terminated for any reason.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration received by them, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

1. No Advance Payment of Rent. Project Tenant agrees that it will not pay rent or other charges due under the Project Lease more than one (1) month in advance of the date when the same are due and payable in accordance with the provisions of the Project Lease.

2. Attornment and Nondisturbance. In the event the term of the Ground Lease shall expire, or in the event that the Ground Lease shall be terminated prior to its expiration date for any reason other than condemnation, in either case prior to the expiration or termination of the Project Lease, then:

(a) Project Tenant shall be bound to Landlord under all of the terms, covenants and conditions of the Project Lease for the remaining term thereof, with the same force and effect as if Landlord were the lessor under the Project Lease, and Project Tenant hereby agrees to attorn to Landlord as its lessor, and Landlord agrees to accept such attornment from Project Tenant as its lessee, such attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties to this Agreement, immediately upon Landlord succeeding to the interest of lessor under the Project Lease;

(b) Subject to the observance and performance by Project Tenant of all of the terms, covenants and conditions of the Project Lease to be observed and performed on the part of the Project Tenant, Landlord shall recognize the leasehold estate and all rights of Project Tenant under the Project Lease for the remaining term thereof with the same force and effect as if Landlord were the original lessor under the Project Lease;

(c) Landlord shall not interfere or otherwise interrupt Project Tenant in its use and quiet enjoyment of the Premises pursuant to the Project Lease so long as Project Tenant is current in the payment of all rentals and charges required under the Project Lease and is not otherwise in default under the Project Lease;

(d) Landlord shall not be liable for (i) any security or cleaning deposits paid to Clip Clop under the Project Lease prior to the expiration or termination of the Ground Lease to the extent that such deposits have not been actually delivered or paid over to Landlord; (ii) any rent or additional rent that may have been paid in advance to Clip Clop for a period in excess of one (1) month; and (iii) any act or omission of any prior landlord;

(e) Landlord shall not be deemed to have made the representations of Clip Clop set forth in Section 7.3 of the Project Lease and shall not be responsible for the indemnifications undertaken by Clip Clop in Section 7.3;

(f) Landlord shall not be responsible for the indemnifications undertaken by Clip Clop in Section 11.2 of the Project Lease;

(g) Landlord shall not be responsible for the obligations or undertakings of Clip Clop with respect to the Garage (as defined in the Lease) or with respect to parking generally, including without limitation the obligations and undertakings set forth in Sections 9.5, 17.3 and 19.5 of the Project Lease, unless and until Landlord exercises its option under the Ground Lease to acquire the real property on which the Garage is located (it being agreed, however, that unless and until the Port exercises its option, Clip Clop shall continue to be responsible for such obligations and undertakings notwithstanding the expiration or termination of the Ground Lease); and

(h) Section 20.24 of the Project Lease shall be of no further effect, and all disputes and other matters that would have been resolved by arbitration under the Project Lease shall be resolved by proceedings in a court of competent jurisdiction.

3. Amendments to Ground Lease. Notwithstanding the provisions of Section 2 of this Agreement, Landlord shall not be bound by any amendment to the Project Lease, except and unless such amendment has been approved in writing by Landlord.

4. Notices. All notices, demands or other communications required or permitted to be given hereunder shall be in writing and any and all such items shall be deemed to have been duly delivered upon personal delivery; upon actual receipt, in the case of notices forwarded by certified mail, return receipt requested, postage prepaid, addressed as follows; or as of 12:00 noon on the immediately following business day after deposit with Federal Express or a similar overnight courier service, addressed as follows; or as of the third business hour (a business hour being one of the hours from 8:00 a.m. to 5:00 p.m. on business days) after transmitting by telecopier to the telecopy number set forth below:

If to Project Tenant, to: Houston's Restaurants, Inc.
8 Piedmont Center, Suite 720
Atlanta, Georgia 30305
Attn: Mr. W. Glenn Viers
Telephone No.: (404) 231-0161
Telecopy No.: (404) 231-4974

with a copy to: Alston & Bird
One Atlantic Center
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
Attn: Mr. H. Sandler Poe
Telephone No.: (404) 881-7000
Telecopy No.: (404) 881-7777

If to Clip Clop, to: Clip Clop III Partners, Ltd.
252 Clayton Street
Fourth Floor
Denver, Colorado 80206
Attn: Robert J. Jacobs
Telephone No.: (303) 393-0033
Telecopy No.: (303) 393-8636

If to Landlord, to: The San Francisco Port Commission
3100 Ferry Building
San Francisco, California 94111
Attn: Neil H. Sekhri, Deputy City Attorney
Telephone No.: (415) 274-0486
Telecopy No.: (415) 274-0494

5. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and assigns.

6. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute and be construed as one and the same instrument.

8. Attorneys' Fees. Each party shall be separately responsible for any attorneys' fees and costs it may incur in connection with the negotiation, preparation and recordation of this Agreement. If there is any legal action or proceeding between or among Project Tenant, Clip Clop and/or Landlord to enforce any provision of this Agreement, or to protect or establish any right or remedy of any party hereunder, then the prevailing party shall be entitled to all costs and expenses, including reasonable attorneys' fees and costs and expert witness' fees, incurred in connection with such action and any appeal arising therefrom, and the enforcement of any judgment(s) rendered in connection therewith.

9. Project Tenant Not a Party. Project Tenant shall not be joined as a party in any action or proceeding which may be instituted or taken by reason of any alleged default by Landlord or Clip Clop in the performance of their respective obligations under the Ground Lease.

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement as of the day and year first above written.

PROJECT TENANT:

HOUSTON'S RESTAURANTS, INC.,
a Delaware corporation

By: _____
Title: _____

CLIP CLOP:

CLIP CLOP III PARTNERS, LTD., a
Colorado limited partnership

By: Clip Clop Acquisitions Corp., a Colorado corporation, its sole general partner

By: _____
Title: _____

LANDLORD:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation operating by and through
THE SAN FRANCISCO PORT COMMISSION

By: _____
Title: _____

APPROVED AS TO FORM:

LOUISE H. RENNE
City Attorney

By: _____
Neil H. Sekhri
Deputy City Attorney

CITY AND COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE MEETING
OCTOBER 22, 1996

1. ROLL CALL

The meeting was called to order by Commission President Michael Hardeman at 4:04 p.m. The following Commissioners were present: Michael Hardeman, Frankie Lee, Preston Cook, James Herman and Denise McCarthy.

2. APPROVAL OF MINUTES - the Commission Secretary announced that the minutes of the October 8, 1996 meeting will be presented for approval at the next meeting.

3. EXECUTIVE

A. Executive Director's Report: Mr. Bouey reported the following:

1) Festa Italiana was held last weekend; it was a profitable event.
2) Fleet Week was a rousing success.
3) Brews by the Bay to held at Pier 45 on October 26 from 2 to 6 p.m.
4) Madrigal-Wan Hai Lines will be calling at the Port of San Francisco. They handle container cargo and breakbulk. They call on the West Coast, Korea, Hongkong, China and the Philippines. He commended Jill Simpson for all her efforts.
5) The Department of Transportation awarded the Port $2.4 million for the breakwater grant. It's a $15 million project; the Port has approximately $13 million in grant money. The design will be completed by the end of December. Construction will commence early spring. The estimated project completion date is late 1998 or early 1999. He commended Veronica Sanchez for her efforts in obtaining the grant money.
6) The Fish Processing center at Pier 45 has been selected by the Waterfront Center jury to receive the 1996 Honor Award. The award will be presented on November 15 in Boston. He commended Port staff and the consultants for all their efforts.
7) Carolyn Macmillan gave a brief presentation on the Port's web site. She stated that the web site is a combined effort of the Marketing, MIS and the Planning departments. This is the first phase and it can be updated anytime as necessary. The following six components were incorporated into the web site - General Overview, Port Commission, the Maritime Activities, Visitor Information, Leasing and the Waterfront Plan. There's also a "What's New"section which describes upcoming events at the Port. The General Overview gives a description of the Port as to its history, mission statement, the structure and geography of the Port. The Port Commission section gives the bios of the

Commissioners and the most recent agenda. The Visitor Information includes a section on Alcatraz, Herb Caen Way, parks, Pier 39, restaurants, the Jeremiah O'Brien, transportation and The Pampanito. The Leasing section provides available property at the Port, film locations available and special event sites. The Waterfront Plan provides the goals, the urban design guidelines, public access and enumerates the different special areas such as Fisherman's Wharf, northeast waterfront, the Ferry Building, South Beach, China Basin, Southern Waterfront and the waterfront planning process. The cargo services of the maritime section provides a description of our facilities and the services available at the Port. The web site's address is WWW.SFPORT.COM. She thanked Vincent Topaldo, a pro-bono consultant to the Port, for his help in putting the web site together.

B. Presentation and review of Urban Design Concepts for the Mid-Embarcadero Roadway Project (Information Only).

Mr. Bouey stated that the mid-Embarcadero Roadway Project would realign and upgrade the surface roadway along the Embarcadero between Folsom Street and Broadway. On October 8, 1996 the Port Commission adopted Resolution No. 96-103 approving the realignment of the mid-Embarcadero Roadway Project. The resolution also authorized Port staff to work with the Waterfront Transportation Projects office to develop urban design criteria for the project, as well as to negotiate an agreement regarding the design, engineering and construction and the approval process for the projects. The purpose of today's presentation is to allow the Commission the opportunity to view the model that has been prepared for the project, as well as to ask questions and receive information from staff. Port staff will work with the Waterfront Transportation Projects Office in developing urban design principles and specifications for the project. A handout was provided to the Commission which contains the draft design parameters. Over the next couple of weeks, staff will contact the Commissioners individually for their comments. As well, staff will hold a public workshop to which Commissioners will be invited to garner more public input before this item is brought back to the Commission for its formal review and approval.

Dan Hodapp, with the Planning & Development Division, stated that at the last meeting, the Commission selected a roadway alternative for the mid-Embarcadero project and approved findings for the final EIR of this project. He enumerated the following design parameters which outline the basic design concepts: (1) They are to continue the general urban design vocabulary expressed by the Embarcadero Roadway in the north and south which includes palm trees, lighting and art ribbon. The art ribbon will be flush with the pavement. (2) The central plaza would be predominantly a hard scape space with bold granite paving. (3) A reconstructed transition zone between the plaza area and the central park area should be designed as a tiered feature to create greater accessibility. (4) The southern portion of Block 202 should be the site of underground parking garage.

Per Commissioner Cook's request, the Commission examined the model prior to further

presentation.

Rebecca Kohlstrand, Project Manager for the Waterfront Transportation Project, gave the Commission an update of the process since it was brought to the Commission two weeks ago. The Recreation & Park Commission and the Parking & Traffic Commission have voted to endorse the DPT Variant. On Thursday, this item will be brought to the Housing and Land Use Committee of the Board of Supervisors for their endorsement and then onto the full board which will conclude the City decision making process for the roadway project. They are going forward with the split roadway alternative endorsed by this Commission and the Board of Supervisors. They would like to get the Commission's comments on the urban design concepts assuming that they are not going further into the park which is not endorsed or adopted by the Recreation and Parks Commission and also with the understanding that the underground parking garage was endorsed as part of the roadway concept. They are trying to get a sense of the urban design elements and how it will look. At this point, they are fairly certain that the roadway project will move ahead and within the next few weeks, approval from the Board of Supervisors will be sought and move ahead on the design and implementation of the project. She encouraged the Commission to give specific feedback on the urban design proposal as well as the concept so they can bring those concepts to the Board of Supervisors and other agencies for their review and approval.

Per Al Baccari's inquiry, Commissioner Herman inquired about the maintenance of the area. Mr. Bouey responded that under the MOU signed between the City and the Port Commission, the Department of Public Works will be responsible for the maintenance of the mid-Embarcadero roadway project. Ms. Kohlstrand concurred with Mr. Bouey and added that it is their intent to ensure that it gets proper maintenance.

Mr. Boris Dramov, consultant for the project, showed a slide presentation. He stated that the Loma Prieta earthquake gave us a second chance to look at connections to reinstate the linkage between Market Street, the waterfront and the Ferry Building and to create the continuity on the Embarcadero. Not only did the freeway obstruct the linkage at the Market Street but it also interfered with the continuous corridor along the waterfront. The City found that there were constraints about the idea of a fully depressed underground roadway and reconsidered all of the ramps that were related to the terminal separator. Not only could connections be made but the whole transbay terminal area was part of the idea of bringing the waterfront and the City closer together. After a period of time, they looked at a surface alternative. The Board of Supervisors came up with the alternative to put the roadway in the middle.

He then talked about the character of the split roadway alternative and what the basic value choice of where to put the additional space. The character that was most desirable and what the Board stated as a preference was to reinstate the crossroads of the Embarcadero and Market Street. The meeting point of pedestrians coming across the area and trolley cars or vehicles crossing is the character that was most looked at as appropriate for the center of the area. They also looked at the number of passengers that crossed the roadway. They also looked at the increase in ferry service and the enhancement of the ferry terminal. One of the major criteria is the meeting of pedestrians

that go back and forth through the area with the transit surface and the F-Line, which will come through the area. The second criteria that was discussed is the extent and the kind of civic events that occur on the waterfront. Major gatherings of people on the waterfront area is one of the considerations of how the area should be used in the future. The Farmer's Market has been a very important addition in terms of bringing people to the waterfront. New ideas of how the market could become a more permanent establishment on the waterfront is being discussed. During the construction period, there's discussion of relocating the market to the ferry terminal plaza. There's also a desire from the market to continue in a more significant role in the Ferry Building area. They are creating a linkage through the central area of the project that has begun to the north and the south. A very important consideration is how the linkage is made. The completion of the roadway will create a mix mode facility. They need to look at the goal of bringing the waterfront and the City closer together. The development of the ferry terminal is a very important step in reinstating the importance of this area to the community as a whole. The revitalization of the Ferry Building is another important step in bringing the two sides together. There are also a number of improvements to the existing recreational open space at Justin Herman Plaza and the two and half acres that were added to the inventory from the previous Washington, Clay ramps and transferred from CalTrans to the City of San Francisco. The overall program includes a whole number of improvements to create the open space on the City side to be attractive. These actions and improvements of the central section will create the kind of connection to the waterfront. Most specifically, one of the first things they have to deal with is the edge which was originally designed to buffer and divide the City from the freeway. They feel that it is critical that the wave wall be reinstated to bring the two sides together. One way to do that is to take the vocabulary of the roadway into shifted inland so it can be defined the new central space and at the same time announce the important meeting point of Market Street and Embarcadero. They are also looking at space that allows for major gatherings and pedestrian crossings while at the same time feels comfortable and have a human scale on those days when it isn't full of people and also the space itself create a shape which is more appropriate for the central location. They added the high branching trees to help redefine the space and give a human scale to the area. They have looked at paving, a very strong color that characterizes the Justin Herman Plaza area. They have a established vocabulary that reflects the working character of the waterfront and the robust nature of the San Francisco edge to the bay. They have proposed the use of bollards to protect the pedestrians from traffic. Some other aspects that could happen within the central space - the news kiosks, coffee carts, flower vendors. There is an extensive program of lighting the face of the entire Ferry Building and the surrounding areas and the opportunity for special events lighting. The implementation and ongoing maintenance and management of this area is critical and a part of the consideration of the overall project.

Commissioner Cook inquired if there will be a defined bicycle path along the roadway. Ms. Kohlstrand replied to the affirmative and added that it would be similar to what's being done at the north and south Embarcadero where we have 15 feet outside lanes, 11 feet for movement of traffic and 4 feet for the bicycles. However, they are considering a slight modification in the mid-section. The general layout of the mid-section will be different in that the third lane will be used for travel during the peak period but on off-peak period, it will be used as parking. When it is being used as parking it will function

as an 8 feet parking lane and 7 feet bicycle lane. They are also considering the concern expressed by the bicycle community that the 4 feet lane is not wide enough. They are working with the Department of Parking and Traffic to consider expanding to a 5 feet lane which would be carried through the mid-Embarcadero. They are trying to make additional provisions on the roadway to accommodate bicyclists.

Ernestine Weiss, tenant of Golden Gateway Center, addressed the Commission regarding the garage. She stated that the garage is at the wrong location and building it would be too expensive. It should be accessible on the Embarcadero instead of congesting all the streets around it. She opposed cutting up the park to make the roadway wider. She stated that making room for the F-line going to Chinatown is not necessary because a dry run with a mobilized cable car can be done. Cutting up Davis Street to make the roadway wider is also unnecessary. She opposes any development on, under or in the park. They love the idea of the plaza and the trees but they object to the black stripes on the pavement. She suggested having the City & County San Francisco seal or a maritime symbol in place of the black stripes.

Lee Gotshall Maxon, attorney representing the owners of One Maritime Plaza, and also working with the owners of the Golden Gateway complex, the Embarcadero Center, One Market Plaza and Hyatt Hotels stated that the owners have all agreed that : (1) the Muni layover should be moved; if it cannot be moved, the owners feel that it should be treated architecturally; (2) the paired curve roadway is a better alternative; however, given the Board of Supervisors and the Port Commission's endorsement of the split roadway alternative, the owners felt that this plan should go forward as a treatment for the urban design concept; (3) if there's going to be a use for Blocks 202 and 203, it should be low density, high quality development, no more than 40 ft. height. The owners of the Hyatt Hotels, Embarcadero Center, One Market Plaza, Golden Gateway, One Maritime Plaza all endorse this plan.

Mario Ciampi, Architect, showed his proposal that is opposite of the scheme that the City is considering. It is a unified plaza with a paired freeway going underneath an elevated plaza. It is a split level development because Market Street is higher than the Ferry Building and to give emphasis to a grand fountain. In doing this, the cut of the freeway that goes in front of the Ferry Building is lessen and at the same time broadening the approach with gardens on either side. One of the most beautiful plaza in the world can be borne here.

Vernon De Mars, Architect & Planner, stated that he has been working on this plan for a long time. He gave a brief presentation and invited the Commission to take a look at their proposal/drawing. He concluded that it would be a better plan if the roadway is moved a little further west.

Carl Maletic, Architect, complimented Boris Dramov's group and also gave a brief presentation of their proposal. He provided the Commission and the Executive Director a copy of their booklet outlining their proposal.

Mr. Bouey reiterated that this item is for information only. Mr. Hodapp will be in contact

with the Commissioners to solicit their comments and provide further briefings. Staff intends to provide a public workshop and this item will be brought back to the Commission for action in November or December.

Commissioner McCarthy inquired about the process of approval. She wondered if the Commission is approving exactly what is laid out today, e.g. the type of tree, or is it a general approach. Ms. Kohlstrand replied that it would be approving the general approach towards the design. The level of detail they are looking at is, for example, supporting a major central plaza with a high quality paving materials in a bold pattern with deciduous trees so it does not get down to the specificity but the approach they recommend. Commissioner McCarthy stated that it is important to know the detail of specificity when it comes down to voting on this item. Rebecca Kohlstrand replied that what they are trying to get in the next month or two is an endorsement from the City that this is the direction they want to move in so they can proceed with the more specific design so they can continue to put together a certain approach. The roadway project will start final design in January and conclude mid-1997. If we don't come to closure on the design aspects, design treatment of the roadway, we may be faced with the situation that we are left with those amenities. They would like to include the central plaza area, the promenade area and the transition zone as part of the transportation project.

Mr. Hodapp explained that the design parameters are very general in nature but also express certain concepts such as the bold stripes in the paving pattern. Although this may not be the same paving pattern specifically, they also express a strong edge from the far side of the plaza that divides the City side from the waterside. Those are the types of design parameters with the approval of the details at a later time.

Mr. Dramov stated that this project has been ongoing for seven years; five years of initial debate of what should happen in the central area and an additional year and a half of continued discussion of what further should happen. There had been numerous public hearings, public workshops, individual sessions, as well as small and large focus groups. By June 1997, the construction documents have to be completed. It is important at this point to have an agreement on the scope of the project.

4. LEGISLATIVE

5. TENANT & MARITIME SERVICES

A. Approval of Marine Terminal Agreement for Madrigal-Wan Hai Lines for use of Pier 94/96. (Resolution No. 96-111)

Mr. Bouey announced that the Port has concluded negotiations for a Five-year Marine Terminal Agreement with Madrigal-Wan Hai Lines for use of Pier 94/96. Madrigal-Wan Hai Lines offers service to and from the Far East with calls in Busan, Manila, Hong Kong, Xiamen. Their vessels are expected to make bi-weekly calls. In yesterday's conference, the agent for Madrigal-Wan Hai indicated that they are going to acquire two more ships and expect very shortly to call once-a-week. Madrigal-Wan Hai is a growing shipping line and it's a shipping line that fits well with our

marketing strategy as our facility can handle their containers and their breakbulk. The terms of the contract are the same as Serpac with one exception - the Port's Standard Exculpation clause has been deleted. Madrigal-Wan Hai has also requested an indemnity from the Port and City caused by the City or the Port's negligence. Since only the Board of Supervisors can provide that authority, it is written in the contract as such that the current language remains in place; however, Port staff have agreed to immediately ask the Board for a waiver of our standard clause and for the insertion of the clause that Madrigal-Wan Hai has requested. If the board should disapprove that indemnity, Madrigal-Wan Hai has 30 days to cancel the agreement. It is the Director's expectation, however, that the Board of Supervisors would not deny Madrigal-Wan Hai's request.

Commissioner Herman complimented all individuals involved in this effort. He hopes that it become a part of a new era when we have more shipping than we've enjoyed. It is good for the Port and the City as a whole.

ACTION: Commissioner Herman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

6. FACILITIES & OPERATIONS

A. Fisherman's Wharf Lighting, informational presentation and authorization to advertise for bids for Construction Contract No. 2631, "Fisherman's Wharf Lighting Improvements, Phase I." (Resolution No. 96-106)

Mr. Bouey stated that the Commission approved the award of a professional services contract to F.W. Associates, Inc. for the design of the Fisherman's Wharf Lighting Improvements at its March 26, 1996 meeting. The design contract is divided into three parts: (1) Part 1 - the consultant shall develop a cost effective conceptual lighting design proposal for all of Fisherman's Wharf. (2) Part 2 - the consultant shall prepare and furnish the Port with the necessary plans, technical specifications and a cost estimate for lighting at the inner and outer lagoons and Pier 45 Sheds "A" and "B." We only have sufficient funding for the construction of these improvements at this time. The consultant will prepare plans, specifications and a cost estimate for the remainder of the Fisherman's Wharf project and when funds become available, this phase of the project will be implemented. (3) Part 3 - the consultant will provide bid and construction support services during the bidding phase and during construction. Today, there will be a presentation on the concepts and staff hopes that there will be favorable response. If so, the Port will then advertise for bids for the construction of Phase 1. The construction of this phase is due to be completed by spring of 1997.

Mr. Cliff Jarrard introduced Sam Kwoong, the consultant for the project. Mr. Kwoong stated that he is part of the project team of F.W. Associates. Over the past few months, the project team has completed the concept plan for the Fisherman's Wharf Lighting project. As part of the initial study, the team looked at the ferry

arch, the facade of Pier 45, the inner and outer lagoons, the triangular parking lot and the adjacent streets next to Fisherman's Wharf. As part of the design process, the team met with the Fisherman's Wharf Tenant Association, the Port design advisors and the Fisherman's Wharf Board of Directors. Throughout the many meetings, they have obtained support from all the members of the associations and would like to see this project move forward. He briefly summarized the development of the design process and what the next phase will encompass. The study area of the Fisherman's Wharf consists of a variety of pictures. One of the problems they have identified is the glare caused by the light fixtures. The lighting design they came up with is a unifying theme to deal with the lighting and to also tie in to some of the lighting fixtures established along the Embarcadero roadway. The overall concept plan includes a ferry arch, which is the focal point at the end of the pier, the inner and outer lagoon, the facade treatment of Pier 45, and an electrical service upgrade to handle the new load that is anticipated for the special function. The other treatment they have looked at is creating a low level lighting where it's not glary. Along Jefferson Street, the rhythm of light will be treated similarly to how the Embarcadero roadway is treated and different fixtures are being considered for that portion. The acorn fixtures will be along the roadway. They are taking the theme back to a historical element that they have seen in historical photographs of how the Fisherman's Wharf used to be lit. The Fisherman's Wharf associations have expressed their support on this project.

Commissioner McCarthy wanted to ensure that this contract will go through all the HRC requirements and the extensive outreach. Mr. Bouey replied that all of Port's contract will go through HRC and would not bring one to the Commission for award without having received HRC approval. As indicated at the last meeting, 44% of Port contracts were awarded to MBE/WBE firms last year.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

B. Authorization to award Contract No. 2632 "Pier 68 Shipyard Cranes Improvements" to Sheedy Drayage Company. (Resolution No. 96-108)

Mr. Bouey stated that this project was originally before the Commission wherein the staff recommended rejection of bids over a mixed up of the priority of which issue should be addressed with the limited funding available.. The project was reviewed by outside consultants and by San Francisco Drydock, who uses these cranes. The project was rebid and bids were received. The lowest responsive bidder is Sheedy Drayage in the amount of $1.7 million. This contract is being financed by a grant of $1.5 million from the Economic Development Administration, $250,000 from the CA Trade and Commerce Agency and $250,000 in Port funds. Sheedy Drayage Company exceeds the recommended 6% MBE and 2% WBE subcontracting goals for this contract. Since there is a small portion of money available from funding sources, staff requests approval to modify the contract for up to 10% for contingencies.

Commissioner Herman inquired about the criteria for measuring the validity of the 10% overrun. Mr. Bouey replied that a request for 5% contingency for modifications is typically brought to the Commission for approval. In this case a 10% contingency is requested because of the complexity of the project, the uncertainty given the age of these cranes and the limited money available. Staff is only requesting for approval for modifications that are within the scope of the contract. If the modifications were to exceed the scope of the contract, staff will return to the Commission for approval.

Commissioner Herman inquired about the status of Ms. Aileen Hernandez' request at the last meeting to meet with the Executive Director regarding alleged grievances. Mr. Bouey responded that the two representatives from Asian Inc. requested the meeting and that meeting is scheduled for Friday, October 25, at 11 a.m. Commissioner Hardeman indicated that Commissioner Herman and Commissioner Lee will attend the meeting and will report back at the next Commission meeting.

ACTION: Commissioner McCarthy moved approval; Commissioner Cook seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

7. PLANNING & DEVELOPMENT

A. Approval of final conceptual design for Pier 52 Public Boat Launch, Cafe, Bait and Tackle Shop and endorsement of preparation of construction documents. (Resolution No. 96-107)

Mr. Bouey stated that the conceptual design was brought to the Commission for review. The suggestions made were incorporated into the final conceptual design. The biggest issue raised by the Commission was the inclusion of a double boat ramp, which has been incorporated into the design. In addition to the public boat launch, there is a provision for vehicles and trailers parking as well as a small cafe and bait & tackle shop. The budget is under $1.9 million. Upon the Commission's endorsement of the final design, the actual construction documents will be prepared and this item will be brought back to the Commission for approval of bid advertisement.

Sam Kwoong, Architect, stated that they have incorporated the Commissioners request of a double lane boat ramp and a larger maneuvering area into the design concept. They have met with Dept. of Public Works to ensure accessibility of this facility. They have also presented the revised design to the Citizens Advisory Committee and received their support. Part of the program in enlarging the boat ramp and the maneuvering area require additional fill to the bay, which is of a concern to BCDC. Their initial meeting, however, with BCDC seems to indicate that because this is a water related activity, the additional fill application may be accepted.

Commissioner Cook inquired about the size of the cafe. Mr. Kwoong responded that the footprint of the building is approximately 2300 sq. ft., including the public restroom facility. They also worked with the Port's Leasing Department to discuss the interior of the shell building and the consensus was to keep it as open as possible

for the tenant to decide how to best use the space. Commissioner Cook inquired if there's a criteria for the size of the cafe versus the size of the boaters' needs. Mr. Kwoong replied that the Port's Leasing Department will be formulating the RFP and that information will be included in the package. Commissioner Cook wanted to ensure that there is a balance between the cafe and the intended purpose of the users of the boat ramp, a facility where they can purchase supplies.

ACTION: Commissioner Cook moved approval; Commissioner Herman seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

8. ADMINISTRATION

9. SPECIAL ITEM

A. Port Commission Subcommittee's Recommendation on Cargo and Marine Terminals Organization. (Resolution No. 96-105)

Commissioner Herman requested that this item be held over to the next meeting or as soon as he has completed his review. Commissioner McCarthy, as member of the subcommittee, agreed to put this item over to the next meeting. Commissioner McCarthy apologized to the intended speakers of this item for having to put this item over to the next meeting.

ACTION: Commissioner Herman moved approval to put this item over to the next meeting; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

10. CONSENT CALENDAR

A. Approval for one Port representative to travel to the 10th Annual International Awards Program of the Waterfront Center in Boston Mass. in accordance with the Port's Fiscal Year 1996-97 budget. (Resolution No. 96-109)

B. Approval of Ground Lease Attornment and Nondisturbance Agreement between Port, Clip Clop III Partners, Ltd. and proposed tenant of Francisco Bay Office Park (SWL 315, 316, 317). (Resolution No. 96-110)

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; items on the consent calendar were adopted.

11. NEW BUSINESS / PUBLIC COMMENT

Mr. Ben Kutnick introduced Mrs. Kathy Mallegni, the Port's Personnel Officer. The Commission welcomed Mrs. Mallegni to the Port.

12. EXECUTIVE SESSION

At 5:45 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓__ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark. This is specifically authorized under California Government Code Section 54956.8.

B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

1) Initiation of litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (1 case).

C. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

At 7:20 p.m., Commissioners Hardeman, Lee, Cook, Herman and McCarthy returned from executive session and convened in public session.

ACTION: Commissioner Lee moved approval to not disclose any information discussed in the executive session. Commissioner Cook seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 7:22 p.m.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

NOTICE OF PUBLIC MEETING

REVIEW OF THE CONCEPTUAL DESIGN PARAMETERS FOR THE MID-EMBARCADERO ROADWAY PROJECT

THURSDAY, NOVEMBER 7, 1996, 4:00 PM

PORT COMMISSION ROOM, SUITE 3100, FERRY BUILDING

Port and City staff will be on hand to present the conceptual design of the Mid-Embarcadero Roadway Project and receive input and comments from the public regarding the design. Comments received at the meeting will be conveyed to the Port Commission for their consideration in adopting design parameters for the project, which is scheduled for the November 12, 1996 Port Commission meeting.

Contact Paul Osmundson (274-0546) or Dan Hodapp (274-0625) of the Port staff for additional information.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero Station located at Market and Steuart Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building. Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Kevin Jensen at (415) 274-0555. Late requests will be honored if possible.

- American Sign Language Interpreters
- A Sound Enhancement System
- Large Print of the Agenda
- The use of a reader during the meeting
- Minutes of the Meeting in Alternative Formats

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, NOVEMBER 12, 1996
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - October 8, 1996 and October 22, 1996

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Approval of Design Parameters for the Mid-Embarcadero Roadway and Plaza project. (Resolution No. 96-113)

   C. Approval of Harbor Traffic Code Amendment regarding restrictions on outdoor signs. (Resolution No. 96-112)

4. **LEGISLATIVE**

5. **TENANT & MARITIME SERVICES**

   A. Approval of lease with Flicka McGurrin, dba Pier 23 Cafe, at Pier 23, and approval of amendment to BCDC Permit No. M78-106 for the creation and dedication of public access adjacent to the Pier 23 Cafe. (Resolution No. 96-121)

   B. Approval of month-to-month lease with Joshua Pryor, dba China Basin Charter/Ruby Sailing, at Pier 23. (Resolution No. 96-122)

6. **FACILITIES & OPERATIONS**

   A. Public Hearing on the intention to issue permits to relocate and install J.C. Decaux Public Service/Advertising Kiosks on the south side of Jefferson Street between Hyde and Leavenworth Streets, and on the north side of Jefferson Street between Mason and Powell Streets. (Resolution No. 96-114)

   B. Authorization to issue Request For Proposals (RFP) for design services for the berthing facilities and dredging for the Hyde Street Fishing Harbor. (Resolution No. 96-120)

C. Authorization to accept the work for Construction Contract No. 2593, "Pier 45 Earthquake Repair Project, Pier and Buildings Repair." (Resolution No. 96-118)

7. PLANNING & DEVELOPMENT

A. Presentation on Wireless Telecommunications Services Facilities Siting Guidelines. (Information Only)

B. Resolution authorizing the Executive Director to execute BCDC Permit No. 5-96 (Pier 38 Maritime Recreation Center, Inc.) including the creation and dedication of public access areas. (Resolution No. 96-115)

8. ADMINISTRATION

9. SPECIAL ITEM

A. Port Commission Subcommittee's Recommendation on Maritime Services Organization. (Resolution No. 96-105)

10. CONSENT CALENDAR

A. Approval of travel for one Port representative to attend the International Trade Data and Information Conference in Seattle, WA, in accordance with the Port's 1996-97 budget. (Resolution No. 96-116)

B. Acceptance of Quitclaim Deed from Catellus Development Corporation of easement over approximately 4.417 acres of real property located at 6th and Channel Street (leased to Mission Creek Harbor Association). (Resolution No. 96-119)

C. Approval of Second Amendment to Lease and Consent to Encumbrance with Bundox Restaurant, Inc., dba the Waterfront Restaurant, at Pier 7½. (Resolution No. 96-117)

11. NEW BUSINESS / PUBLIC COMMENT

12. EXECUTIVE SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓__ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark.

This is specifically authorized under California Government Code Section 54956.8.

B. CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTER:

1) Neudecker v. CCSF, et. al., Superior Court No. 964-862 and 974-043; pursuant to subdivision (a) of California Government Code Section 54956.9

C. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

13. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 5, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: **Design Parameters for the Mid-Embarcadero Roadway Project.**

DIRECTOR'S RECOMMENDATION: APPROVE THE ATTACHED RESOLUTION OF DESIGN PARAMETERS FOR THE MID-EMBARCADERO ROADWAY PROJECT

The Mid-Embarcadero Roadway project includes realignment of the surface roadway, construction of the Embarcadero Promenade, and construction of a plaza on the City-side of the Ferry Building. The project extends from Folsom Street in the south to Broadway Street at the north. An urban design concept for the Mid-Embarcadero was prepared under the direction of the Waterfront Transportation Projects Office by a consultant team led by ROMA Design Group. A copy of a report titled "Mid-Embarcadero Roadway and Open Space Design Concept, August, 1996" was distributed to the Port Commission in September.

THIS PRINT COVERS CALENDAR ITEM NO. 3-B

On October 8, 1996 the Port Commission adopted a resolution approving the alignment of the Mid-Embarcadero Roadway. The resolution also authorized Port staff to work with the Waterfront Transportation Project Office to develop urban design criteria for the project. On October 24, The Waterfront Transportation Project's Office presented the urban design plan and proposed design parameters for the project to the Port Commission, and the Commission held a public hearing.

To ensure adequate public comment opportunities on the Mid-Embarcadero Roadway project, Port staff will hold a publicly noticed meeting on November 7, to elicit further comments on the urban design concept. Results from the November 7 public meeting will be relayed to Commissioner's at the Port Commission meeting on November 12.

The design parameters referenced in the attached resolution provide direction to the design team on acceptance of the arrangement of major spaces such as the central plaza and transition areas, major features within spaces, and general direction on use and quality of materials. Following approval of the design parameters, the Waterfront Transportation Projects Office and consultant team will refine the design, develop detailed cost estimates, and select materials. The refined design will be returned to the Port Commission for approval in early 1997.

Sharon Lee Polledri
Director, Planning & Development

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-113

WHEREAS, Removal of the freeway in the Ferry Building area has provided a unique opportunity to improve vehicle and pedestrian circulation to and from the waterfront and provide an appropriate and grand setting for the Ferry Building; and

WHEREAS, The Waterfront Transportation Projects Office has led the preparation of an EIR/EIS for the Mid-Embarcadero Roadway project to assess environmental impacts in the area; and

WHEREAS, The Waterfront Transportation Projects Office and consultant team led by the ROMA Design Group has prepared a report titled "Mid-Embarcadero Roadway and Open Space Design Concept, August, 1996" that was distributed to the Port Commission; and

WHEREAS, The design parameters attached at Appendix 'A' provide direction to the design team on acceptance of the arrangement of major spaces such as the central plaza and transition areas, major features within spaces, and general direction on use and quality of materials; and, now, therefore, be it

RESOLVED, That the Port Commission approves the Design Parameters for the Mid-Embarcadero Roadway attached at Appendix 'A'.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996

Secretary

Appendix A

Mid-Embarcadero Roadway Project
Design Parameters

November 12, 1996

1. The design vocabulary, including art elements, lighting, and landscaping, established for the North and South Embarcadero should be extended north from Harrison Street to Mission Street and south from Broadway to Washington Street as part of the Mid-Embarcadero Roadway Project.

    - The Art Ribbon should be incorporated into the seat wall of the promenade south of the Agriculture Building and the railing replaced.

    - The Art Ribbon shall be flush with the promenade between Pier 5 and the southern end of the Agriculture Building.

2. The central plaza should be predominantly a hardscape with high quality materials allowing flexibility for a variety of uses, including large scale gatherings and day to day human interaction.

    - The central plaza should be paved in a strong, bold, contrasting granite paving pattern to establish a strong east/west connection between the Ferry Building and the central plaza.

    - The plaza paving should be substantial enough to accommodate vehicular traffic during special events.

    - The trackway and plaza should be paved in the same material to give visual continuity. The trackway will be depressed three inches and a railing or seat wall installed for safety of pedestrians.

    - Deciduous trees should be used to define the plaza, while still maintaining a strong ground plane.

    - The central plaza design should incorporate two water or architectural features located on either side of the Ferry Building portico.

- The central plaza should incorporate street furniture such as news or flower kiosks, benches, potted plants and/or public art which add to the comfort of the user and add human interest and scale.

3. The transition zone between the park and the roadway, from the wave wall on the north end and the top of the berm on the south end east to the roadway, should be improved in conjunction with the roadway project. It should be designed as a tiered feature to create greater accessibility and yet maintain the function of buffering traffic noise.

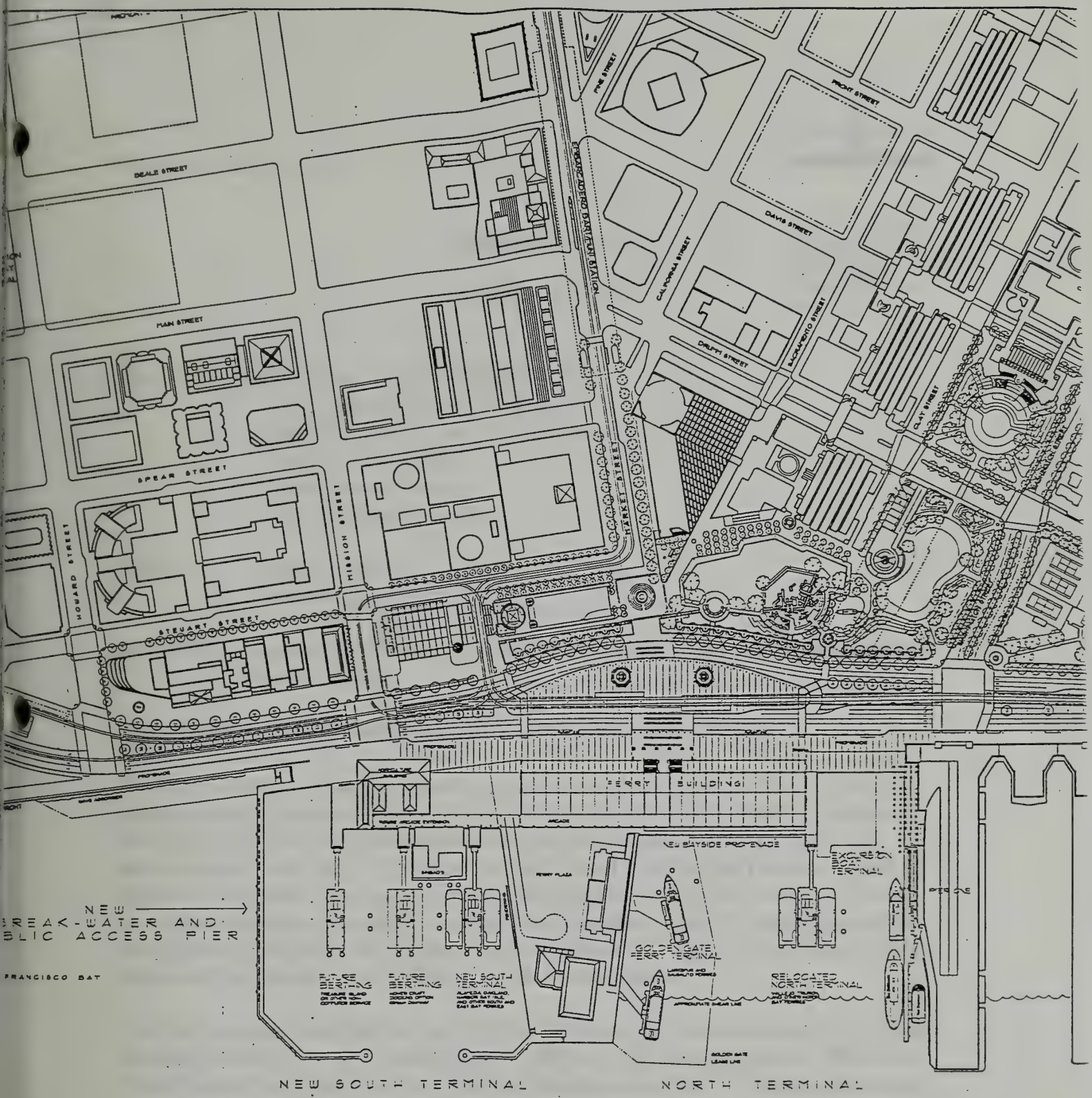
    - The continuity of the double row of palm trees should be maintained in the mid-section of The Embarcadero, shifting to the land side between Mission and Washington Street.

4. The southern portion of Block 202 should be the site of replacement underground parking garage, and should be re-landscaped in conjunction with the development of the garage.

5. An implementation program should be devised for the open space improvements that responds to the following priorities:

    - The central plaza and transition zone should be completed as part of the roadway project.

    - A maintenance/management entity should be assigned the responsibility of maintaining and programing these public spaces at a level commensurate with the investment.



Mid-Embarcadero Roadway and Open Space

DESIGN CONCEPT

Prepared for the City and County of San Francisco by Roma Design Group with associated consultants and artists

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Approval of Harbor Traffic Code Amendment Regarding Restrictions on Outdoor Signs

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION.

The Port Commission has the authority to amend the Harbor Traffic Code ("Code") to regulate outdoor signs and advertisements on Bay waters within the Port's jurisdiction. Recently, a tug and barge was employed for the purpose of displaying a very large advertisement on the Bay. I've been concerned, along with the San Francisco Board of Supervisors, various other agencies, the media and private individuals about this use. Issues that arise from this activity include visual pollution caused by such signs and the threat posed to the safety of vehicular and pedestrian traffic which may distracted by the signs which are visible from adjacent roadways and highways.

The City currently prohibits vehicles to be used exclusively for advertising on City streets, including streets within Port jurisdiction. In 1992 the City amended Section 680 of the Police Code to ban trucks that towed billboards around the City. To address this activity on Port waters, a similar amendment to the Code is now proposed whose fundamental provisions include the following:

1. Language extending the area covered by the Code to include all lands and waters within the Port's jurisdiction, and

THIS PRINT COVERS CALENDAR ITEM NO. 3C

2. Language banning outdoor signs and advertisements on all waterborne vessels, including but not limited to motorized, towed or sailing vessels of any kind, such as ships, boats, tugboats, barges and sailboats, unless the waterborne vessel is being used primarily to transport passengers or goods. By exempting vessels used primarily for the transportation of passengers or goods, this exemption will not prohibit advertising on ferry boats, excursion boats, passenger ships, cargo ships and similar vessels. Further, all vessels will continue to be able to display their names and logos since these do not propose a commercial transaction.

Prepared by: Dennis P. Bouey, Executive Director

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-112**

WHEREAS, Section B 3.581 of the City Charter empowers the Port Commission of San Francisco (the "Commission") with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, recently, a tug and barge was employed for the purpose of displaying a very large advertisement on the bay. The Port Director, along with the San Francisco Board of Supervisors, various other agencies, the media and private individuals expressed concern about this use. Issues that arise from this activity include visual pollution caused by such signs and the threat posed to the safety of vehicular and pedestrian traffic which may be distracted by the signs which are visible from adjacent roadways and highways; and

WHEREAS, the City currently prohibits vehicles to be used exclusively for advertising on City streets, including streets within the Port's jurisdiction; In 1992 the City amended Section 680 of the Police Code to ban trucks that towed billboards around the City; and

WHEREAS, to address this activity on Port waters, the Commission has determined that it should prohibit outdoor signs and advertisements on all waterborne vessels, including, but not limited to motorized, towed or sailing vessels of any kind, such as ships, boats, tugboats, barges and sailboats, unless the waterborne vessel is being used primarily to transport passengers or goods; and

WHEREAS, this prohibition will be similar to Section 680 of the San Francisco Police Code; and, now therefore, be it

RESOLVED, that the Harbor Traffic Code is hereby amended as follows:

Article 1, Section 3 is hereby amended as follows:

3. Area covered by this Code. The provisions of this code shall be in force upon all lands and waters, including any street, wharf, bulkhead wharf, pier, quay, storage area, waterway, or navigable waters, within the control and jurisdiction of the Commission, as defined in the Burton Act, Statutes of 1968, Chapter 1333.

Article 13, is hereby added as follows:

Article 13. Advertising Vessels Prohibited on Port Waters

100. No person may exhibit, post or carry any banner, placard, poster, card, picture, sign or advertising display that proposes a commercial transaction on or by means of a waterborne vessel of any kind, including but not limited to motorized, towed or sailing vessels such as ships, boats, tugboats, barges, and sailboats, on any waters within the jurisdiction of the San Francisco Port Commission, unless the vessel is being used primarily to transport passengers or goods.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James R. Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with Flicka McGurrin, dba Pier 23 Cafe, at Pier 23, and approval of amendment to BCDC Permit No. M78-106 for the creation and dedication of permanent public access adjacent to the Pier 23 Cafe

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH FLICKA MCGURRIN, dba PIER 23 CAFE, AND AMENDMENT TO BCDC PERMIT NO. M78-106

BACK GROUND

Pier 23 Cafe

Flicka McGurrin has operated the Pier 23 Cafe since she purchased the business in August 1987. Her tenancy was on a month-to-month basis until the Port granted her a 3-year lease in 1994, pursuant to its Policy for Leasing Retail Business Sites (discussed below). The current lease expires April 30, 1997. While the existing premises contain 4,385 square feet, only 1,440 square feet are located inside the restaurant building. The current monthly base rent is $5,600.00, versus percentage rent calculated at 7% of gross receipts. During the 1995/96 Fiscal Year, the Pier 23 Cafe generated gross sales of $2,301,410 ($525 per sq. ft.) and paid $162,618 ($37.09 per sq. ft.) of rent to the Port.

Pursuant to the Port's Policy for Leasing Retail Business Sites, Ms. McGurrin has now requested a new long term lease following the expiration of her existing 3-year lease. She has submitted a business plan for redeveloping the restaurant, which includes a significant investment. Pursuant

to the Policy for Leasing Retail Business Sites, Port staff has reviewed the Tenant's compliance with the criteria for direct negotiation of a long term restaurant lease, and staff has negotiated a renewal lease for the Pier 23 Cafe.

Policy for Leasing Retail Business Sites

On April 28, 1993, the Port Commission approved the Policy for Leasing Retail Business Sites (Resolution No. 93-52). This policy reaffirms the Port's commitment to foster and encourage full and equitable opportunities for leasing retail sites on the waterfront through an outreach and competitive bid or request for proposal process (in accordance with Section 23.24 of the Administrative Code). However, the policy also allows for the direct negotiation of a lease with an existing retail tenant if the benefits of direct negotiation exceed the benefits of a public offering. The policy offered a one time opportunity for an existing month-to-month tenant to receive a short-term 3-year lease, provided the tenant was in good standing and was in compliance with affirmative action requirements. This short term lease opportunity was granted to provide time for the tenant to develop a business plan and strategy for capital investment.

For a longer lease to then be awarded to an existing retail tenant through direct negotiation, the Commission must determine that:

1. The tenant is in good standing;

2. The tenant is committed to making a significant capital investment supported by a sound business plan which will benefit the Port;

3. The tenancy is in the best economic interest of the Port, and the tenant is the best economic tenant available based upon sales and revenue to the Port, rent comparables, and a stable growth pattern; and

4. The tenant has a good record of affirmative action and nondiscrimination and is committed to future compliance.

As discussed below, Port staff believes that Flicka McGurrin, dba the Pier 23 Cafe, and her proposed business plan satisfy the criteria for direct negotiation pursuant to the Policy for Leasing Retail Business Sites.

1. **Good Standing**

   Flicka McGurrin has a consistent history of compliance with all of the obligations of her existing lease. Moreover, she has consistently demonstrated good business practices,

provided a dependable level of goods and service, and provided a welcoming atmosphere to customers of diverse background and ethnicity.

2. **Sound Business Plan**

The proposed premises are comprised of the existing freestanding restaurant building and portions of the adjacent wharf. The business plan proposes expansion of the restaurant operation and redevelopment of the premises through a three-phased project. It will also include development of an adjacent public access area required by BCDC. (A layout of the planned improvements are shown on the attached site plan.) The planned improvements, which are estimated to cost a total of approximately $202,935, will be made at the sole cost and expense of the Tenant. The improvements, which will be funded from the cash flow of the restaurant, will be undertaken in the following three phases:

a. Phase I will involve: Replacement and up-grade of sewer and wastelines; addition of a covered garbage and operational support area; construction of a new fence; and the development of the public access area required by BCDC. The cost for the Phase I improvements is estimated at $72,875.

b. Phase II will involve: The construction of partial cover over the existing exterior dining area; construction of two handicap restrooms including all required plumbing; complete remodel of interior dining area; and construction of new patio fence. The cost for the Phase II improvements is estimated at $90,060.

c. Phase III will involve: The complete remodel of the kitchen and bar areas. The cost for the Phase III improvements is estimated at $40,000.

The entire improvement project is scheduled to be completed by May 1, 1999.

3. **Best Economic Tenant**

The fatality rate for restaurants, especially so called "white tablecloth" restaurants, is very high. Yet, for nine years, the Pier 23 Cafe has been a stable tenant with a very positive growth trend, succeeding in a very competitive market despite the disruptions caused by the Loma Prieta Earthquake and by the construction of the nearby Waterfront Transportation Project. It has in fact established itself as one of the best and most consistently performing restaurants, not only on Port property, but also in San Francisco.

The excellent growth in sales of the Pier 23 Cafe since it was acquired by Ms. McGurrin in 1987 is demonstrated on the accompanying chart. Its sales grew by 865%, from $238,453 in Fiscal Year 1986/87 (before its purchase by Ms. McGurrin) to $2,301,410 in Fiscal Year 1995/96. This compares to growth of only 114% for all Port Restaurants during the same period.

In Fiscal Year 1995/96, Port restaurant tenants at Fisherman's Wharf generated average annual sales of $540 per square foot, and those on the Central and Northeastern Waterfront generated average annual sales of $502 per square feet. By comparison, the Pier 23 Cafe generated sales of $1,598 per square foot based on its interior area, and $525 per square feet based upon its entire premises (including the outside area). Its sales per square foot based upon the interior space make it the most productive restaurant on Port Property. The total rental of $37.09 per sq. ft. paid in Fiscal Year 1997/96 (based upon the entire premises area) is in the range of the minimum rent typically paid by competitive restaurants on the Northern and Central Waterfront that are not on Port property.

Implementation of this proposed business plan is expected to significantly increase the sales of the Pier 23 Cafe. After the proposed redevelopment and expansion is completed, the Pier 23 Cafe is projected to generate annual gross sales of $3,695,000. Based on these sales projections, the Port would realize annual rent of approximately $258,700, or $59.00 per sq. ft.

4. **Affirmative Action**

Port staff has determined that Flicka McGurrin has a good affirmative action record in employment, purchasing and contracting. In addition, Port staff has reviewed and approved the Affirmative Action and Nondiscrimination Plan prepared in conjunction with the lease negotiation, which would be enforceable by the lease. It should be further noted that Flicka McGurrin is a Certified WBE.

BCDC Permit

The improvements proposed by Flicka McGurrin require BCDC approval, and BCDC has agreed to approve these improvements through an amendment to BCDC Permit No. M78-106. One of the conditions imposed by BCDC in this amendment is the creation and dedication of an area of permanent public access adjacent to the Pier 23 Cafe, as shown on the attached site plan. The proposed amendment also establishes a maintenance obligation for the public access area. All responsibility for the public access area under this amendment will be assigned to the tenant under the proposed lease.

PROPOSED LEASE

1. **Premises**

   a. Building and Outdoor Dining Area: 4,385 sq. ft.

   b. Public Access Area: 3,750 sq. ft.

2. **Term**

   a. 10-Year term.

   b. Term and rent will commence upon occurrence of all of the following: (1) Obtaining BCDC permit; (2) issuance of the building permit for the Phase I improvements; and (3) completion of the Phase I improvements.

   c. Termination Rights of Port: The Port shall have the right to terminate the lease in the event that:

      (1) The Phase I improvements are not completed by May 1, 1997;

      (2) The Phase II improvements are not completed by the First Anniversary Date of the Lease; or

      (3) The Phase III improvements are not completed by the Second Anniversary Date of the Lease.

3. **Use:** Restaurant and banquet operation, plus dancing and live entertainment.

4. **Base Rent**

   a. Initial Base Rent: $10,962.50 per month. This equates to $2.50 per sq. ft., based on the entire Premises area, which is in line with competitive restaurants on the Northern and Central Waterfront that are not on Port property.

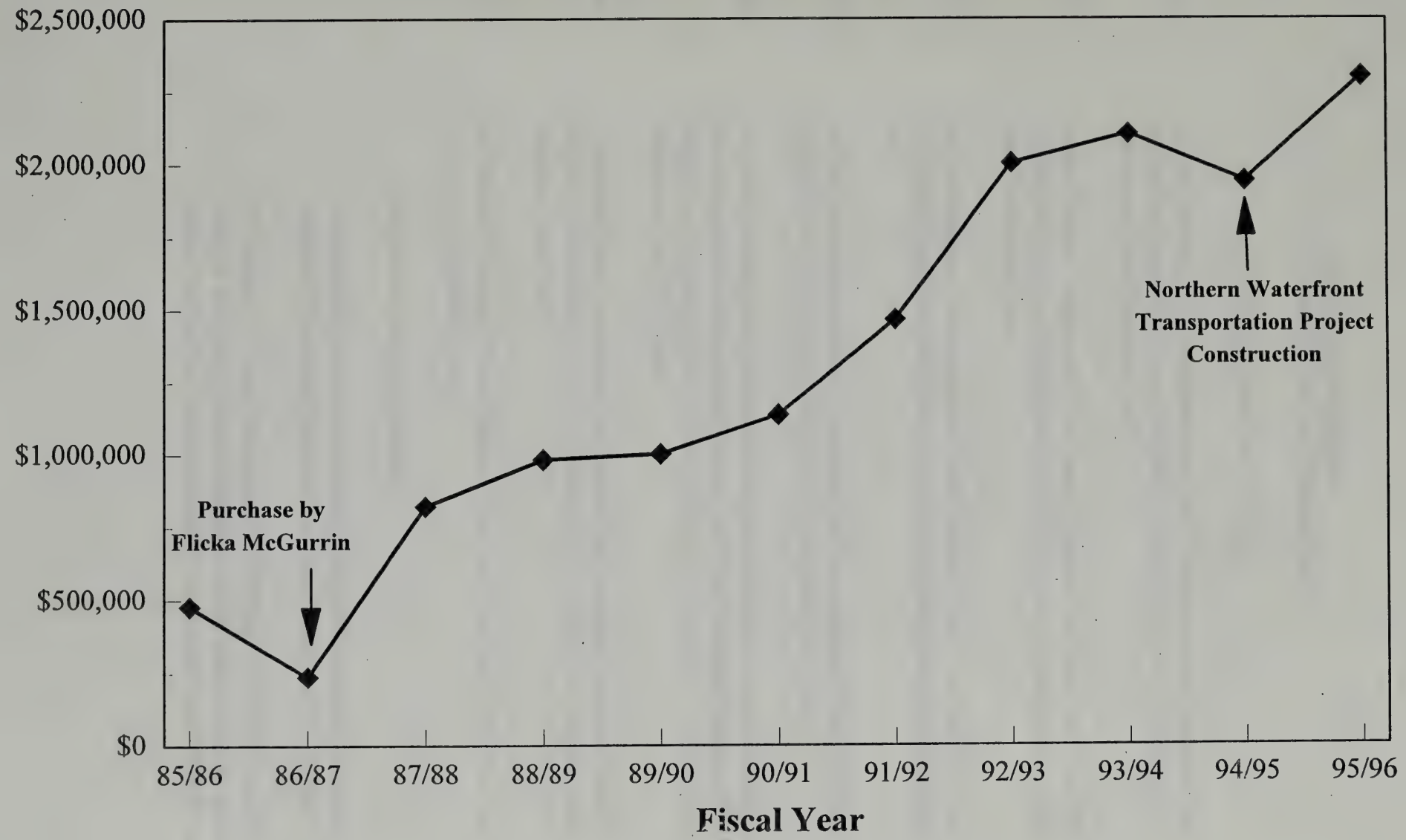
   b. Adjustments to Base Rent: Annual cost of living increases.

5. **Percentage Rent:** 7% of all gross receipts (offset by monthly base rent).

6. **Maintenance:** Tenant responsible for all maintenance to the Premises, including the public access area, except for the pier substructure.

Prepared by: Lewis Wiseman, Director, Tenant and Maritime Services

Pier 23 Cafe Gross Sales



PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-121

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581 leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the San Francisco Administrative Code, Section 23.24, provides that retail sites should generally be offered to the public through competitive bidding; and

WHEREAS, the Port remains committed to fostering and encouraging full and equitable opportunities for leasing of retail sites on the waterfront; and

WHEREAS, in order to balance the benefits of competitive bidding with the benefits of direct negotiation with existing tenants, the Port Commission adopted the Policy for Leasing Retail Business Sites on April 28, 1993 through Resolution No. 93-52; and

WHEREAS, Flicka McGurrin, an existing Port tenant, has requested a renewal lease for the Pier 23 Cafe site at Pier 23, pursuant to the Policy for Leasing Retail Business Sites; and

WHEREAS, the Policy for Leasing Retail Business Sites provides that a retail lease may be directly negotiated when:

1. The tenant is in good standing;

2. The tenant is committed to making a significant capital investment supported by a sound business plan which will benefit the Port;

3. The tenancy is in the best economic interest of the Port, and the tenant is the best economic tenant available based upon sales and revenue to the Port, rent comparables, and a stable growth pattern; and

4. The tenant has a good record of affirmative action and nondiscrimination and is committed to future compliance.

WHEREAS, the Policy for Leasing Retail Business Sites further requires that, prior to granting a lease pursuant to said policy, the Port Commission must make findings that the tenant satisfies the criteria for direct negotiation and that the benefits of direct negotiation outweigh the benefits of competitive bidding; and

WHEREAS, Port Commission approval is being sought for Lease L-12275 between the Port and Flicka McGurrin, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on November 12, 1996; and

WHEREAS, BCDC has required as a condition of approval of the new improvements, a proposed amendment to BCDC Permit No. M78-106 that would provide for the creation, dedication and maintenance of a permanent public access area adjacent to the Pier 23 Cafe, the responsibility for which has been assigned to the tenant under the terms of the proposed Lease; now, therefore. be it

RESOLVED, that the Port Commission finds that Ms. McGurrin, dba Pier 23 Cafe, satisfies the criteria for direct negotiation, qualifying her to directly negotiate with the Port for a long term lease pursuant to the Policy for Leasing Retail Business Sites, and finds that the benefits to the Port of directly negotiating a lease with Ms. McGurrin outweigh the benefits of competitive bidding; and be it further

RESOLVED, that the Port Commission hereby approves Lease L-12275 between the Port and Flicka McGurrin, dba Pier 23 Cafe, which incorporates the business terms set forth in the Memorandum for Agenda Item 5A for the Port Commission meeting on November 12,1996 and which is substantially in the form on file with the Secretary of the Port Commission for said agenda item; and that the Executive Director, or his designee, is hereby authorized to execute the Lease L-12275 on behalf of the Port in such final form as is approved by the City Attorney; and it further

RESOLVED that the Executive Director is hereby authorized to execute Amendment No. Five to BCDC Permit No. M78-106, which in part provides for the creation, dedication and maintenance of a permanent public access area adjacent to the Pier 23 Cafe, as shown on the attached Site Plan.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____

Secretary

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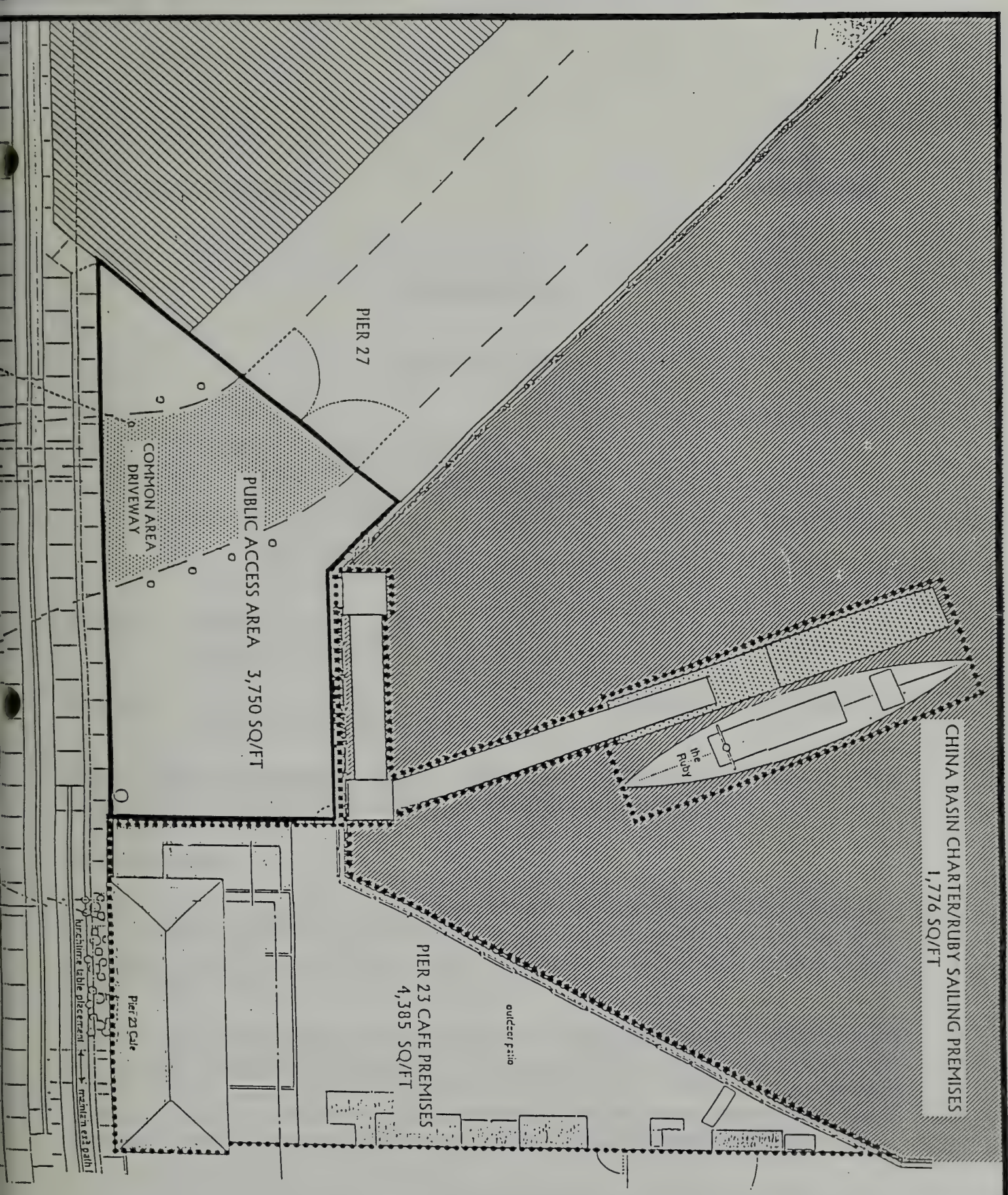


PIER 23 CAFE
&
CHINA BASIN CHARTER/RUBY SAILING

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James R. Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Approval of Month to Month Lease with Joshua Pryor, dba China Basin Charter/Ruby Sailing, at Pier 23

DIRECTOR'S RECOMMENDATION: APPROVE MONTH TO MONTH LEASE WITH JOSHUA PRYOR, DBA CHINA BASIN CHARTER/RUBY SAILING

BACKGROUND

Joshua Pryor, dba China Basin Charter/Ruby Sailing, is the owner of the 60 foot sailing yacht Ruby ("Ruby"), which he has operated as a sailing excursion yacht on San Francisco Bay for the past sixteen years. He currently berths the Ruby at Ramp Restaurant, which is operated by Saint Francis Marine Center under Port Lease No. L-11211.

Mr. Pryor now desires to operate the Ruby from his own layberth and landing facility located at Pier 23, under a lease directly with the Port. This proposed facility, which would be constructed by Mr. Pryor at his sole cost and expense, would include a 60 ft. long float with a handicap accessible ramp. It would be developed in conjunction with the redevelopment of the Pier 23 Cafe, and it would be covered by the same amendment to BCDC Permit No. M78-106.

THIS PRINT COVERS CALENDAR ITEM NO. 5B

Port staff has negotiated a month to month lease with Pryor for the proposed layberth and landing facility at Pier 23. Port Commission approval is required because this use is not included in the Leasing Parameters preapproved by the Port Commission.

At the direction of the Port Commission, Port staff in 1991 conducted an extensive study of the excursion vessel market. This study determined that there appeared to be market demand for additional excursion landing facilities on Port property, and it identified the general market rental parameters for excursion vessel leases. On October 28, 1992, the Port Commission approved the Policy for Accommodating Additional Excursion Boats at the Port of San Francisco (Resolution No. 92-112). This established rental guidelines for Port staff to negotiate excursion vessel leases, which included: (1) percentage rents equal to 5% to 7% of gross receipts; (2) minimum rent equal to 75% of annual percentage rent payments; (3) 5-year lease terms; and (4) possible rent credits. This policy also identified Piers 3 and 9 as suitable interim locations for accommodating excursion vessel facilities. Finally, the policy directed Port staff to announce the availability of leases for basing and operating excursion vessels. This announcement was made, including extensive outreach to potential tenants, but no leases were consummated. Since that time, the draft Waterfront Plan has identified many additional locations on Port property, including Pier 23, that would be suitable for excursion vessel facilities.

PROPOSED LEASE

1. **Premises:** Approximately 1,692 square feet of water space, and approximately 84 square feet of open wharf space.

2. **Term:** Month to Month, commencing June 1, 1996.

3. **Use:** Layberth and excursion vessel landing.

4. **Base Rent:**

   a. Initial Base Rent of $400.00 per month. (Due to the very seasonal nature of the business for sailing excursions, this monthly rent would approximate, and may actually exceed, the percentage rent during winter months.)

   b. Adjustments to Base Rent: Annual cost of living increases.

5. **Percentage Rent:** 6% of all gross receipts (offset by monthly minimum rent).

6. **Maintenance:** Tenant responsible for all maintenance to the Premises, except for the pier substructure.

7. **Tenant Improvements:** Tenant will install at Tenant's sole cost and expense all tenant improvements which shall include: a handicap accessible ramp; fence and security gate to ramp; and a 60 foot long float. The planned tenant improvements are estimated to cost a total of approximately $75,000. The removable improvements, such as the float, will remain the personal property of the Tenant.

Prepared by: Lewis H. Wiseman, Director, Tenant and Maritime Services

G:\WP51\AGENDAS\PRYOR.MEM\November 4, 1996

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-122

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581 leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

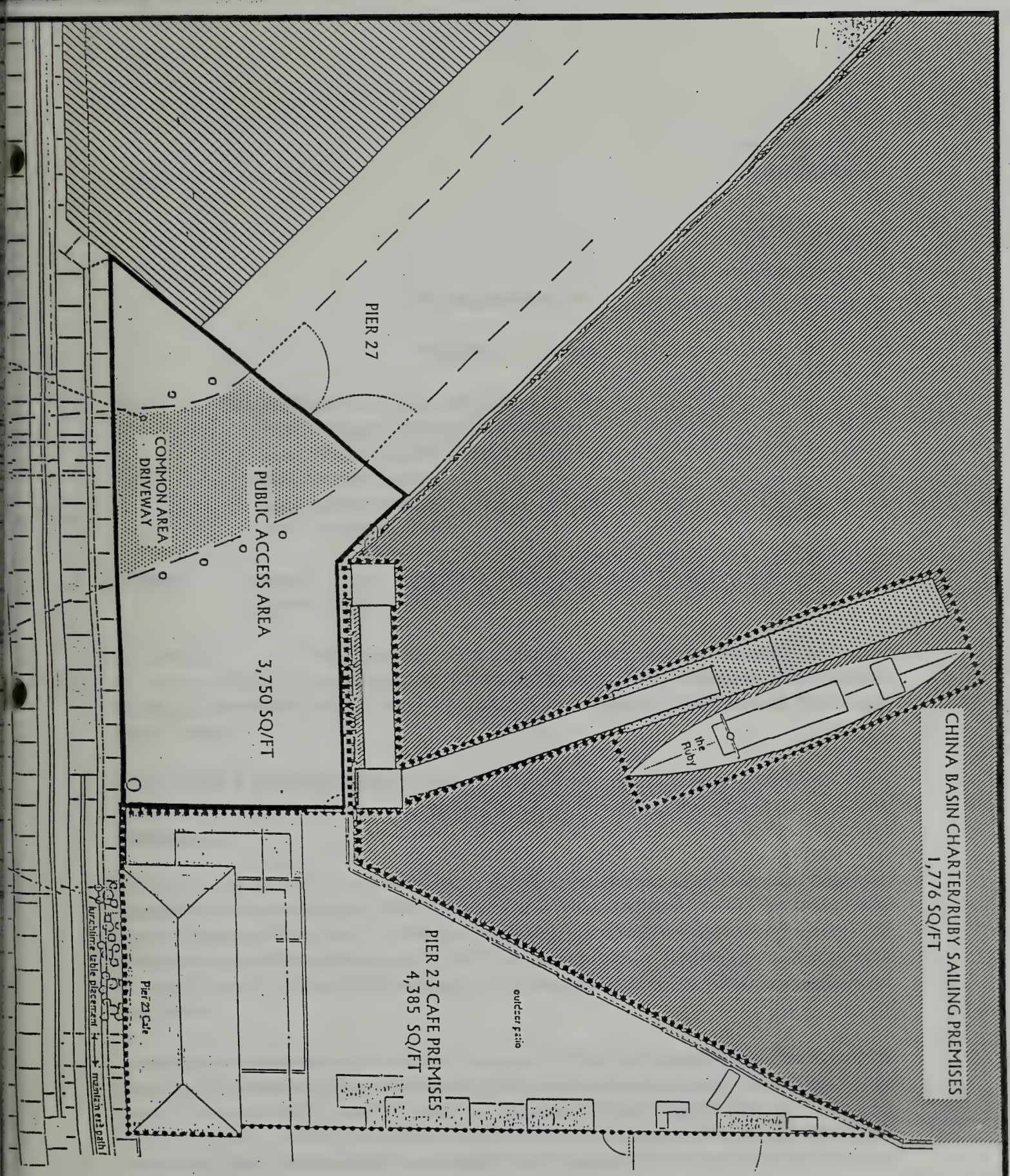
WHEREAS, Port Commission approval is being sought for Lease L-12294 between the Port and Joshua Pryor, dba China Basin Charter/Ruby Sailing, the terms of which are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on November 12, 1996; and

RESOLVED, that the Port Commission hereby approves Lease L-12294 between the Port and Joshua Pryor, dba China Basin Charter/Ruby Sailing, which incorporates the business terms set forth in the Memorandum for Agenda Item 5B for the Port Commission meeting on November 12,1996, and which is substantially in the form on file with the Secretary of the Port Commission for said agenda item; and that the Executive Director, or his designee, is hereby directed to execute the Lease L-12294 on behalf of the Port in such final form as is approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

G:\WP51\AGENDAS\PRYOR.MEM\November 4, 1996



PIER 23 CAFE
&
CHINA BASIN CHARTER/RUBY SAILING

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Public hearing on the intention to issue permits to relocate and install J.C. Decaux Public Service/Advertising Kiosks on the south side of Jefferson Street between Hyde and Leavenworth Streets, and on the north side of Jefferson Street between Mason and Powell Streets

DIRECTOR'S RECOMMENDATION: Amend Port Commission Resolution No. 95-38

Background

The Port Commission, the City and County of San Francisco and the J.C. Decaux Company entered into a contract in April, 1994 to install four self-cleaning public toilets and eight public service kiosks within the Port's jurisdiction. The originally intended locations of the toilets and kiosks were identified in Resolution No. 95-38, which is attached for reference. The purpose of today's item is to request an amendment to Resolution No. 95-38 to allow the relocation of two kiosks.

In meetings with representatives of the Fisherman's Wharf community, two of the approved locations (Jefferson and Mason Streets, and Jefferson and Hyde Streets), were identified as posing potential traffic conflicts with the proposed F-Line Historic Streetcar and with pedestrian traffic. The Port, the Mayor's Office and the J.C. Decaux Company identified new locations for these kiosks, which were identified and discussed at the September 24, 1996 Port Commission meeting.

THIS PRINT COVERS CALENDAR ITEM NO. **6A**

A proposed amendment to Port Commission Resolution No. 95-38 was introduced at the September 24, 1996 meeting (Port Commission Resolution No. 96-97) which would have approved the new locations. However, the revised locations were also problematic for some of the merchants in the Fisherman's Wharf community. With the affected merchant's concurrence, Resolution No. 96-97 was adopted on September 24, 1996 with the provision that the actual installation of the kiosks at their new locations would not commence without the approval of the affected parties.

Another series of meetings were held to identify mutually acceptable locations for the two kiosks. New locations have been identified for the kiosks, as shown in the attached drawings. They are described as follows:

Original Location	**Proposed New Location**
Mason and Jefferson	North side of Jefferson Street, east of the Mason Street intersection, at the back of the sidewalk
Jefferson and Hyde	South side of Jefferson Street, between Hyde and Leavenworth Streets, in front of the entrance to the Cannery courtyard, next to the curb

Due to the shift in location from those identified in the September 24, 1996 meeting, the decision was made to reissue the public notices and hold another public hearing. Public Notices were sent out and posted in compliance with Department of Public Works Order No. 169,739 to all property owners within a 150 foot radius of the proposed new locations. Additionally, notices were provided to all Port tenants immediately adjacent to the new locations and within the 150 foot radius.

There have been a number of technical and cost problems that have hindered finding an acceptable location at the Port for the fourth toilet, including load capacity of the seawall, availability and cost of utility connections and potential conflicts with other Port construction projects, including the Mid-Embarcadero Roadway Project. Accordingly, staff proposes transferring its right to this toilet to the City in exchange for assurances from the Mayor's Office that if the program is expanded in the future, the Port will have the right to locate another toilet on its property. The contract with Decaux does not need to be amended to effect this transfer, although the agreement will nevertheless be appropriately documented.

Prepared by:
Cliff Jarrard, Chief Harbor Engineer

I AGD.111

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-114

WHEREAS, in April, 1994 the Port Commission, the City and County of San Francisco, and the J.C. Decaux Company entered into a contract to install self-cleaning public toilets and public service kiosks on Port property; and

WHEREAS, the contract provides that a total of 4 public toilets and 8 public service kiosks will be located on Port property, and that all locations should be reviewed and approved by the Port Commission; and

WHEREAS, pursuant to the contract, the J.C. Decaux Company will install and maintain, at no cost to the Port, the public toilets and public service kiosks on Port property; and

WHEREAS, pursuant to the contract, the J.C. Decaux Company will submit engineering drawings to secure all necessary permits from the Chief Harbor Engineer and other regulatory agencies, with jurisdiction over the proposed facilities; now therefore be it

RESOLVED, the Port Commission amends Resolution 95-38 as follows to approve the installation of public services kiosks in the two specified locations:

Public Service Kiosks

***

~~5. Mason and Jefferson.~~ North side of Jefferson Street, between Mason and Powell Streets.

***

~~8. Jefferson & Hyde;~~ South side of Jefferson Street, between Hyde and Leavenworth Streets in front of the entrance to the Cannery courtyard;

and be it

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-114 (CONTINUED)

FURTHER RESOLVED, that the above mentioned locations are approximate and, if upon further technical investigations and discussions between the Executive Director and J.C. Decaux any of the sites prove unfeasible, the Executive Director is hereby authorized to modify the locations to accommodate the placement of the Decaux facilities; and be it

FURTHER RESOLVED, that the Port Commission hereby amends Resolution No. 95-38 to reduce the number of toilets on Port property from four to three and directs the Executive Director to appropriately document the transfer of this toilet to the City, including assurances from the Mayor's Office that if the program is expanded the Port will have the right to locate another toilet on Port property.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 95-38

WHEREAS, the Port Commission, the City and County of San Francisco, and the J.C. Decaux Company have entered (April 1994) into a contract to install self-cleaning public toilets and public service kiosks on Port property; and

WHEREAS, the contract provides that a total package of 4 public toilets and 8 public service kiosks will be located on Port property. All locations should be reviewed and approved by the Port Commission; and

WHEREAS, pursuant to the contract, the J.C. Decaux Company will install and maintain, at no cost to the Port, the public toilets and public service kiosks on Port property; and

WHEREAS, pursuant to the contract (Sec. 4.03, B) the Executive Director will review and approve all non-commercial advertising materials to be placed on wither the public toilets or the public service kiosks. As part of the Executive Director's approval under the contract, he will review and approve a map of the Port of San Francisco; and

WHEREAS, pursuant to the contract, the J.C. Decaux Company will submit engineering drawings to secure all necessary permits from the Chief Harbor Engineer and other regulatory agencies, with jurisdiction over the proposed facilities; now therefore be it

RESOLVED, the Port Commission approves the installation of public toilets and public service kiosks in the following locations:

Public Toilets
1. Pedestrian Promenade, near the Fire Station, Embarcadero and Folsom.
2. Marginal Wharf at Pier 7.
3 & 4. Powell, Jefferson and the Embarcadero, Fisherman's Wharf Triangle Parking Lot.

Public Service Kiosks

1. Market Street crosswalk, East side of Central Island along the Embarcadero, Ferry Building.
2. Pier 7.
3. Pier 35, Western end of the Bulkhead Building.
4. Powell and the Embarcadero, Pier 39 Garage.
5. Mason and Jefferson.
6. Pier 41.
7. Taylor and Jefferson, Octagon building.
8. Jefferson and Hyde;

be it further

RESOLVED, that the above locations are approximates and the J.C. Decaux Company is not in complete agreement with several kiosk locations and, if upon further technical investigations and discussions between the Executive Director and J.C. Decaux any of the site proves improbable, the Executive Director is hereby authorized to modify the locations to accommodate the placement of the Decaux facilities.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 23, 1995.

Secretary

PUBLIC HEARING

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

PUBLIC HEARING ON THE INTENTION OF THE PORT OF SAN FRANCISCO TO ISSUE PERMITS TO RELOCATE AND INSTALL **J.C. DECAUX PUBLIC SERVICE/ADVERTISING KIOSKS** AT THE FOLLOWING LOCATIONS:

Action	Intersection	Corner
Relocate	From Mid-Block Jefferson between Hyde and Leavenworth approximately 50 feet east ward	Southeast
Relocate	From North side, Mid-Block Jefferson between Mason and Taylor to North side, Mid-Block Jefferson between Mason and Powell	Southwest

The Port of San Francisco will hold a PUBLIC HEARING on this matter in Commission Room at the Ferry Building, Suite 3100, San Francisco, California on Tuesday, November 12, 1996 at 4:00 p.m.

Attached for your information is a drawing showing the area/intersection of the proposed installation, and a drawing of the proposed kiosk.

If you have any concerns about this proposal, you may testify at the November 12th hearing or you may write to Paul Osmundson, Manager of Waterfront Development Projects, Port of San Francisco, Ferry Building, Suite 3100, San Francisco, CA 94111. Written concerns must be received by Paul Osmundson at least one business day, (by Monday, November 11th) prior to the hearing date.

Further information on this matter may be obtained prior to the hearing at Commission Room, Ferry Building, Suite 3100, or by calling Paul Osmundson of the Port of San Francisco at (415) 274-0546.

DENNIS P. BOUEY
Executive Director
Port of San Francisco

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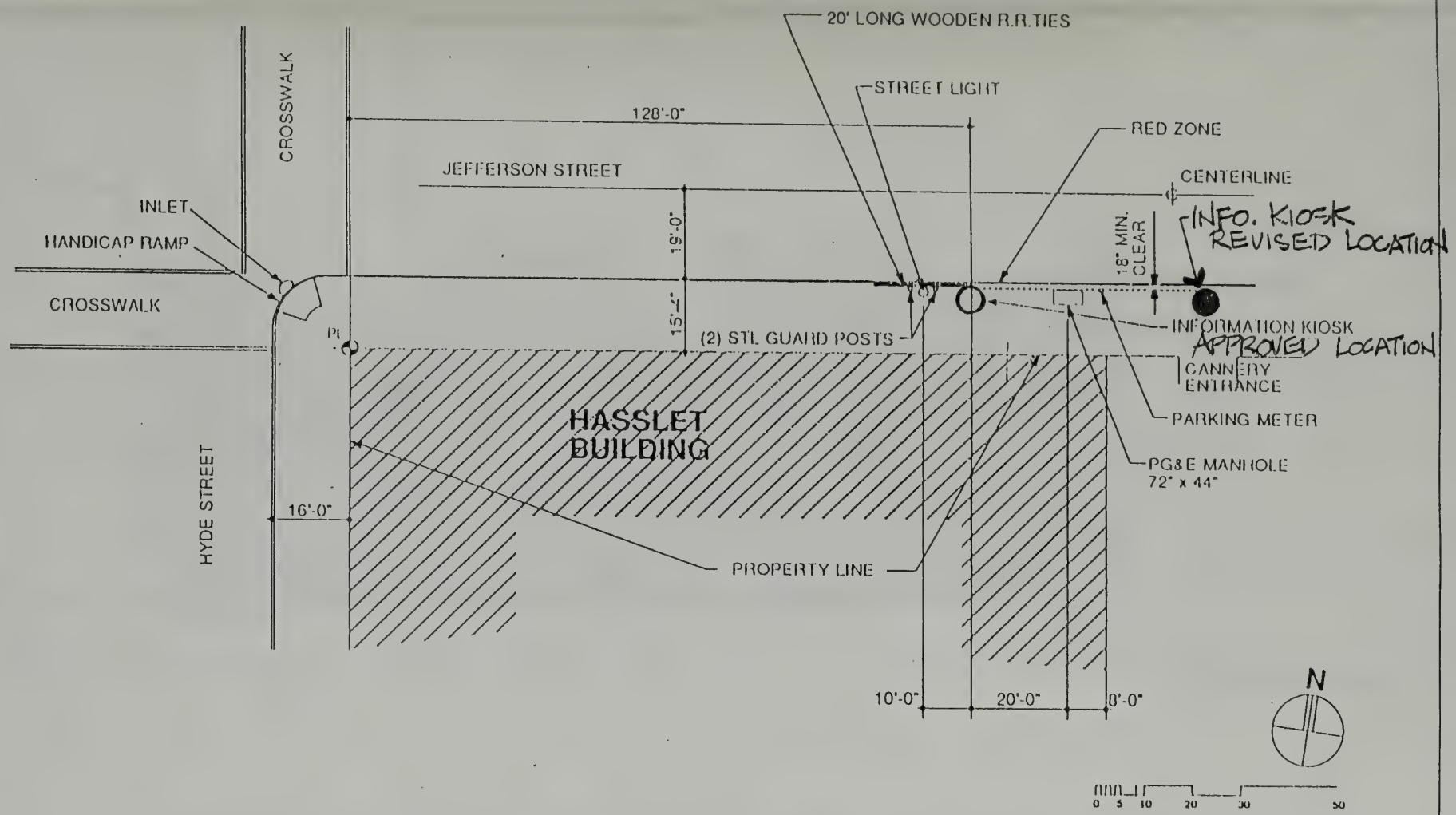
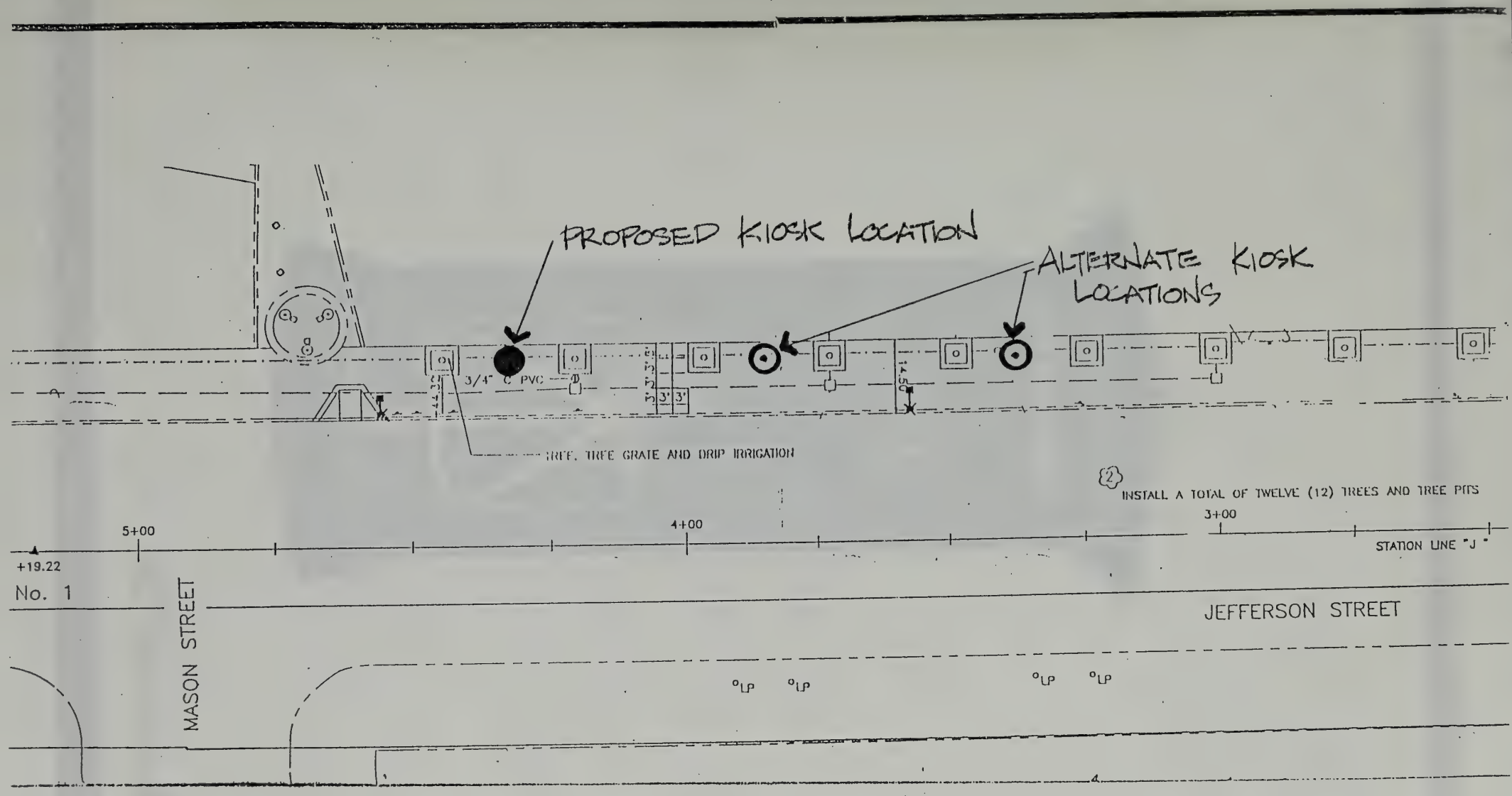


DATE: 08/06/96 SCALE: 1"= 20' DRAWN: EJL REV:	JOHN C. LEE ARCHITECTS/PLANNERS INC 116 NEW MONTGOMERY STREET SUITE 633 SAN FRANCISCO, CA 94105 tel [415] 882 4638 fax [415] 882 9866	JC DECAUX UNITED STREET FURNITURE, INC. INSTALLATION OF PUBLIC SERVICE KIOSK SAN FRANCISCO, CA	JEFFERSON & HYDE SOUTHEAST CORNER INFORMATION KIOSK PSK-#137 PUBLIC SERVICE KIOSK SITE SPECIFIC PLAN	PSK #137


PROPOSED KIOSK LOCATION
ALTERNATE KIOSK LOCATIONS
3/4" C PVC
TREE, TREE GRATE AND DRIP IRRIGATION
2
INSTALL A TOTAL OF TWELVE (12) TREES AND TREE PITS
5+00
4+00
3+00
+19.22
STATION LINE "J"
No. 1
MASON STREET
JEFFERSON STREET
LP
LP
LP
LP

JCDecaux

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

NOVEMBER 6, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Hyde Street Fishing Harbor, authorization to issue a Request for Proposals ("RFP") for design services for the berthing facilities and dredging

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ADVERTISE A REQUEST FOR PROPOSALS ("RFP") FOR DESIGN SERVICES FOR THE "HYDE STREET FISHING HARBOR" PROJECT BERTHING FACILITIES AND DREDGING

The Port has obtained a $3,500,000 loan from the State of California's Department of Boating and Waterways for design and construction of the Hyde Street Fishing Harbor project. In September, 1994, the Commission approved a professional services contract for the preparation of an EIR for the Hyde Street Fishing Harbor project. Work began on that EIR on January, 1995 and is anticipated to be certified in December, 1996 and no action on the project will be taken until after the EIR is certified.

The Hyde Street Fishing Harbor project consists of the following three (3) main components: construction of landside improvements, dredging, and construction of sixty (60) berthing facilities. The primary vessels to be docked will be commercial fishing boats. The Port engineering staff with assistance from the City and County of San Francisco Department of Public Works architectural staff, will design the Hyde Steet Harbor Pier and other landside component. The proposed RFP will solicit proposals for outside professional design services for the berthing facilities and dredging components.

THIS PRINT COVERS CALENDAR ITEM NO. 6B

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The professional services shall include the design of the following items: a disability accessible gangway, ramps, support float, sixty (60) berthing facilities, floating debris barrier, and reconfiguration of the existing rock breakwater.

The project budget is as follows:

Hyde Street Harbor Pier and other landside improvements:	$2,400,000
Dredging:	250,000
Berthing Facilites	1,850,000
Total:	$4,500,000

The MBE goal for the RFP is 23.1% and the WBE goal is 5%.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-120**

WHEREAS, the Port has obtained a $3.5 million loan from the State of California's Department of Boating and Waterways for design and construction of the Hyde Street Fishing Harbor project; and

WHEREAS, the EIR for this project is anticipated to be certified in December, 1996 and no action on the project will be taken until after the EIR has been certified; and

WHEREAS, the Hyde Street Fishing Harbor Project consists of three main components: Hyde Street Harbor Pier and other landside improvements, dredging, and berthing facilities; and

WHEREAS, Port staff with the assistance of DPW staff can design the Hyde Street Harbor Pier and other landside improvements; and

WHEREAS, outside professional services are needed for the design of the berthing facilities and dredging component; and

WHEREAS, a Request for Proposals ("RFP") must be issued to obtain the required outside professional services; and

WHEREAS, the estimated cost of the berthing facilities is $1,850,000 including design fees and financing costs; and

WHEREAS, the MBE goal for the RFP is 23.1% and the WBE goal is 5%; now, therefore, be it

RESOLVED, that the San Francisco Port Commission authorizes Staff to issue a Request for Proposals for design services for the berthing facilities and the dredging components of the "Hyde Street Fishing Harbor" project.

I hereby certify that the foregoing resolution was adopted at the Port Commission at its meeting of November 12, 1996.

_____
Secretary

I:\wp51\agd-rfp.cj

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 5, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Construction Contract No. 2593, "Pier 45 Earthquake Repair Project, Pier and Buildings Repair," authorization to accept the work, make payment to contractor to the amount of $9,929,488.47, and settle an outstanding claim.

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE EXECUTIVE DIRECTOR TO ACCEPT WORK ON CONTRACT NO. 2593, MAKE FINAL PAYMENT TO DAN CAPUTO COMPANY FOR A TOTAL CONTRACT AMOUNT OF $9,929,488.47, AND SETTLE AN OUTSTANDING CLAIM

On March 4, 1994, the Port Commission authorized the award of Contract No. 2593 to Dan Caputo Co. for $9,398,205 and authorized a contingency of 3% or $281,946 for possible contract changes. This contract included the pier and building earthquake damage repair and construction of fish processing facilities in Sheds B and D on Pier 45. Staff received previous Commission approval for a Type 1 contract modification in the amount of $265,468 to increase the total authorized contact amount to $9,945,151. Although the work was substantially completed by August 18, 1995, a "punch list" remained to be completed. All work has now been completed and inspected by Port Staff. Port Staff agrees to the contract amount of $9,929,488.47. The Port has received a signed "Agreement and Release of Any and All Claims" document from the Contractor which excludes one outstanding claim in the amount of $33,891.95.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 6C

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-118**

WHEREAS, on March 4, 1994, the Port Commission authorized the award of Contract No. 2593 to Dan Caputo Company at a contract price of $9,398,205 and authorized a contingency of 3% or $281,946 for possible contract changes; and

WHEREAS, staff previously received Commission approval for a Type I Contract Modification in the amount of $265,468 to increase the total contact amount to $9,945,151, which included the contingency amount; and

WHEREAS, although the work was substantially completed by August 18, 1995, a "punch list" remained to be completed; and

WHEREAS, all work is now complete and has been inspected by Port Staff; and

WHEREAS, Port has received a signed "Agreement and Release of Any and All Claims" document from the Contractor which excludes one outstanding claim in the amount of $33,891.95; therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes the Executive Director to accept the work of Contract No. 2593, "Pier 45 Earthquake Repair Project, Pier and Buildings Repair," make final payment to Dan Caputo Company for a total contract amount of $9,929,488.47, and settle an outstanding claim.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

I:\agd-2593.cj1

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Presentation on Wireless Telecommunications Services Facilities Siting Guidelines

DIRECTOR'S RECOMMENDATION: Information only; no action required

Background

The changes in the telecommunications industry that have occurred in the last several years have raised concerns in the public about the siting of Wireless Telecommunications Services (WTS) facilities. WTS include Personal Communications Services, Enhanced Specialized Mobile Radio and other similar wireless communication systems needed to support this rapidly growing industry.

The Department of City Planning has prepared a comprehensive report on this topic entitled "Wireless Telecommunications Services (WTS) Facilities Siting Guidelines" which has been attached for your reference and review. The City Planning Commission has adopted a resolution (which is included in the report) urging the Port Commission to utilize these guidelines in planning, evaluating and permitting WTS facilities within Port jurisdiction.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

h:wireless.wpd.fj

The Department of City Planning report is a comprehensive summary of the entire wireless telecommunications industry, and provides a sound basis on which to base City Planning Commission and Port Commission policies regarding these facilities. The report is summarized below.

The Port is currently in the process of developing an Urban Design and Public Access Plan (in conjunction with the Waterfront Plan) which will provide general design criteria for future use and development of Port property. Any guidelines for wireless telecommunications facilities adopted or developed by the Port will be coordinated and integrated with the Urban Design and Public Access Plan.

Summary of Wireless Telecommunications Services Facilities Siting Guidelines
(Prepared by the Department of City Planning)

Section 1 provides same background on the WTS industry, including a summary of the existing WTS facilities currently in operation in San Francisco.

Sections 2 and 6 summarizes public concerns that have been expressed about WTS, including health and safety, visual/aesthetics, costs and benefits.

Section 3 provides a description of wireless technologies, and the specific issues raised in an area such as San Francisco.

Section 4 summaries federal, state and local regulations affecting the WTS industry. The FCC is the primary federal agency regulating WTS operations. At the local level, the Planning Code has provided for the approval of communications towers for some time, but as mentioned above the rapid change in wireless technology is raising concerns in the public about the number of facilities required to accommodate the growth in the industry.

Section 5 summarizes the elements of the City's General Plan that affect WTS.

Section 7 includes proposed WTS facilities siting policies which are general statements about how the City and Port should approach the accommodation of these facilities.

Section 8 identifies location preferences for WTS facilities. (Note: Public use structures are identified as the top priority locations for these facilities).

Section 9 provides building siting criteria (i.e. methods for reducing the visual impact of WTS facilities).

Section 10 lists information required by the Department of City Planning for all WTS applications. (The Port may or may not require the same type and level of information identified in this report).

Section 11 identifies sample conditions of approval proposed by the Department of City Planning. Again, the Port may or may not require that all of these conditions be met for WTS facilities on Port property.

The Port and City Attorney's Office staff will be preparing a report and recommendation on Wireless Telecommunications Guidelines for the Port Commission's consideration. The intent is to bring this item to the Port Commission at the December 10, 1996 Commission meeting.

This is an informational item only; no action is required at this time.

Prepared by: Sharon Lee Polledri,
Director of Planning and Development

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey DPB
Executive Director

SUBJECT: Resolution authorizing the Executive Director to execute BCDC Permit No. 5-96 (Pier 38 Maritime Recreation Center, Inc.) including the creation and dedication of permanent public access areas

DIRECTOR'S RECOMMENDATION: Approve the attached resolution

Background

The Port was approached in 1995 by Mr. Carl Ernst and Pier 38 Maritime Recreation Center, Inc. ("MRC") regarding the development of a maritime recreation center at Pier 38. On August 29, 1995 the Port Commission adopted Resolution No. 95-70 approving an exclusive negotiating agreement with MRC. At the Port Commission meeting on February 13, 1996 the Port Commission adopted Resolution No. 96-20, which authorized a lease between the Port and MRC for a full service maritime recreation center at Pier 38. The lease was subsequently approved by the San Francisco Board of Supervisors pursuant to City Charter Section 7.402-1.

The Pier 38 Maritime Recreation Center will offer dry boat storage and boat launching, small boat rental, transient berthing, new and used boat sales, a maritime chandlery, a casual dining snack bar and full service restaurant, related customer parking, administrative offices and public facilities and public access.

THIS PRINT COVERS CALENDAR ITEM NO. 7B

On October 17, 1996 the San Francisco Bay Conservation and Development Commission, by a vote of 16 affirmative, 0 negative, and 0 abstentions, approved a permit for the Pier 38 Maritime Recreation Center project. Since the Port Commission has the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco, the Port of San Francisco is required to be "co-permittee" for the BCDC permit.

The BCDC permit addresses the following issues:

- Authorizes and permits work within the Bay and with the 100-foot shoreline band
- Establishes special conditions of the development, including conformity with specific plans, public access, public restrooms, garbage storage and handling, marina conditions and other construction related items
- Presents the Bay Commission's findings and declarations regarding uses, fill, public access, design and other issues
- Establishes standard conditions of the development

The attached site plan shows the location of the public access areas required as part of the project, which include approximately 22, 859 square feet of public access around the perimeter of the pier. The public access improvements are to be constructed in phases between the commencement of the permit and December 31, 2001 and include a pedestrian pathway with handrails and lighting, benches, trash receptacles and signage.

Resolution No. 96-115 would authorize the Executive Director to enter into BCDC Permit No. 5-96 which includes special conditions requiring the creation, dedication and maintenance of permanent public access areas. The lease between the Port and MRC assigns all of the responsibility for the public access areas to MRC. A public access dedication instrument will be recorded that creates legal rights for the public to use the public access areas for the term of the project.

Prepared by: Sharon Lee Polledri,
Director of Planning and Development

H: Agd2.nov

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-115

WHEREAS, under City Charter Section B3.581 the Port Commission has the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, on February 13, 1991 the Port Commission adopted Resolution No. 96-20 which approved a lease with Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc. ("MRC") for Pier 38; and

WHEREAS, the San Francisco Board of Supervisors approved the MRC lease pursuant to City Charter Section 7.402-1; and

WHEREAS, MRC and the Port submitted a permit application to the San Francisco Bay Conservation and Development Commission ("BCDC") for the Pier 38 Maritime Recreation Center Project on July 19, 1996; and

WHEREAS, on October 17, 1996 the BCDC, by a vote of 16-0, approved a permit for the Pier 38 Maritime Recreation Center Project; and

WHEREAS, since the Port of San Francisco has the power to use, control, etc. Port property (including Pier 38) the Port is required to be a "co-permittee" for the BCDC permit; and

WHEREAS, the BCDC permit includes requirements for the creation, dedication and maintenance of public access areas; and

WHEREAS, the responsibility for these public access areas has been assigned to MRC under lease L-12120; now, therefore be it

RESOLVED, that the Port Commission authorizes the Executive Director to execute BCDC Permit No. 5-96 for the Pier 38 Maritime Recreation Center Project, which permit includes requirements for the creation, dedication and maintenance of permanent public access areas; and be it further

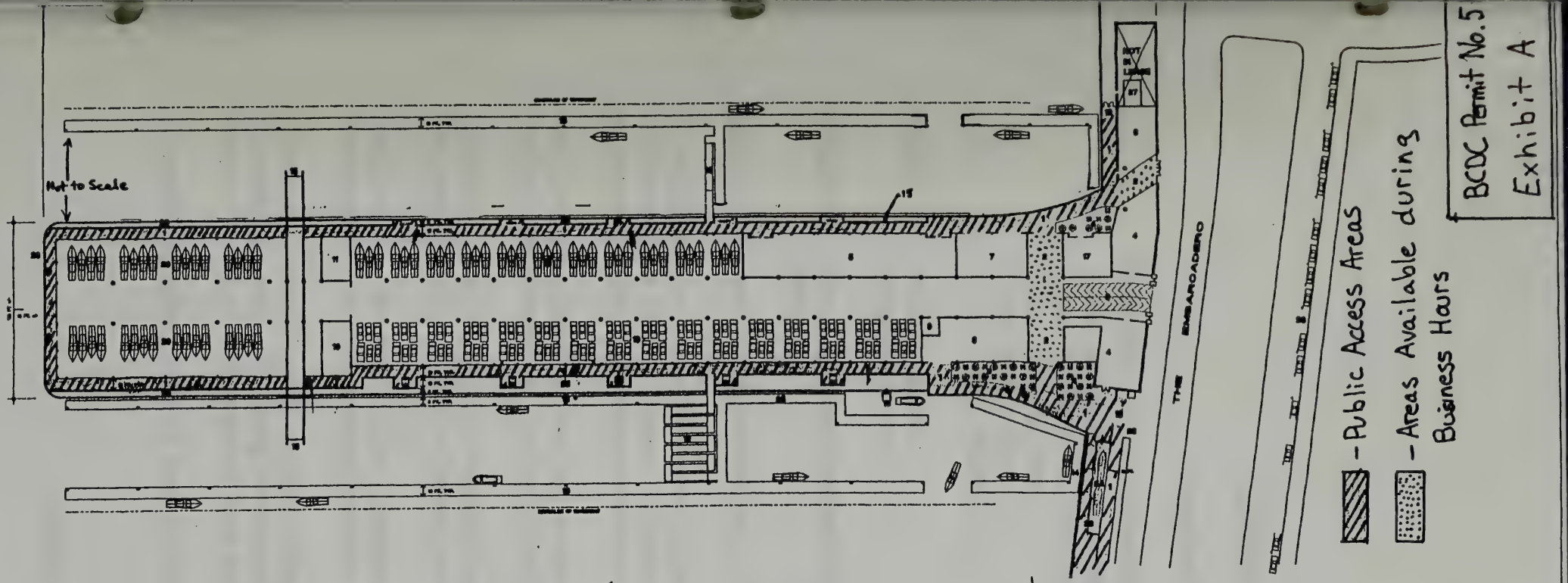
PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-115 (Page Two)

RESOLVED, that the Executive Director is authorized to enter into any other agreements necessary to implement BCDC Permit No. 5-96, including amendments thereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

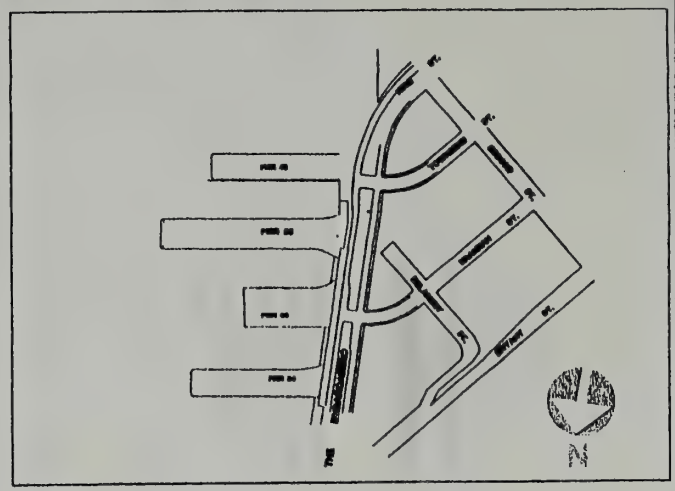


Public Access Phase IV | Public Access Phase III | Public Access Phase II | Public Access Phase I

SITE PLAN

1	PUBLIC ACCESS	10	STORAGE	19	VALET PARK/BOAT RACKS
2	CUSTOMER CIRCULATION	11	FUEL	20	BOAT STORAGE
3	VALET PARKING	12	RAMPS	21	BENCH
4	FOOD AND BEVERAGE	13	TRANSIENT FLOATS	22	PICNIC TABLE
5	BOAT SALES	14	DISPLAY FLOAT	23	FLAG POLES
6	CHANDLERY/BOAT SALES	15	BOAT HOIST	24	BOAT DISPLAY
7	RECREATION	16	GATE	25	OPERATIONS STAGING
8	OPERATIONS	17	LOCKERS/CHANGING ROOMS	26	PUBLIC PARKING
9	TRASH	18	BOAT STORAGE RACKS	27	PUBLIC TOILETS

LEGEND



VICINITY MAP

SITE PLAN

PIER 38

SCALE: 1"=30'-0"

MARITIME RECREATION CENTER, INC.
GARY GEE ARCHITECTS

1

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: **Commission Sub-Committee Recommendation Regarding Cargo Marketing**

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION

At the Commission Meeting of October 8, 1996, a public hearing was held, at the request of Commissioner James R. Herman, to discuss cargo marketing. Commissioner Herman expressed his concerns regarding the adequacy and organization of cargo marketing.

The Commission agreed to form a sub-committee consisting of Commissioners Hardeman and McCarthy to review the Port's policy and organization of cargo marketing.

Under the current organization, marketing resources are located in the Marketing Division and operations are located in the Tenant & Maritime Services Division.

After reviewing the issues, the Sub-Committee recommends a new Cargo Division to include sections for Operations and Marketing.

A position of AA90 Maritime Manager will head the Cargo Division. Jill Simpson will be reassigned from the Marketing Division and head the Marketing Section of the new division. The Chief Wharfinger will head the Operations Section.

A proposed organization chart is attached that further delineates the suggested changes.

Prepared by: Benjamin Kutnick

THIS PRINT COVERS CALENDAR ITEM NO. **9A**

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

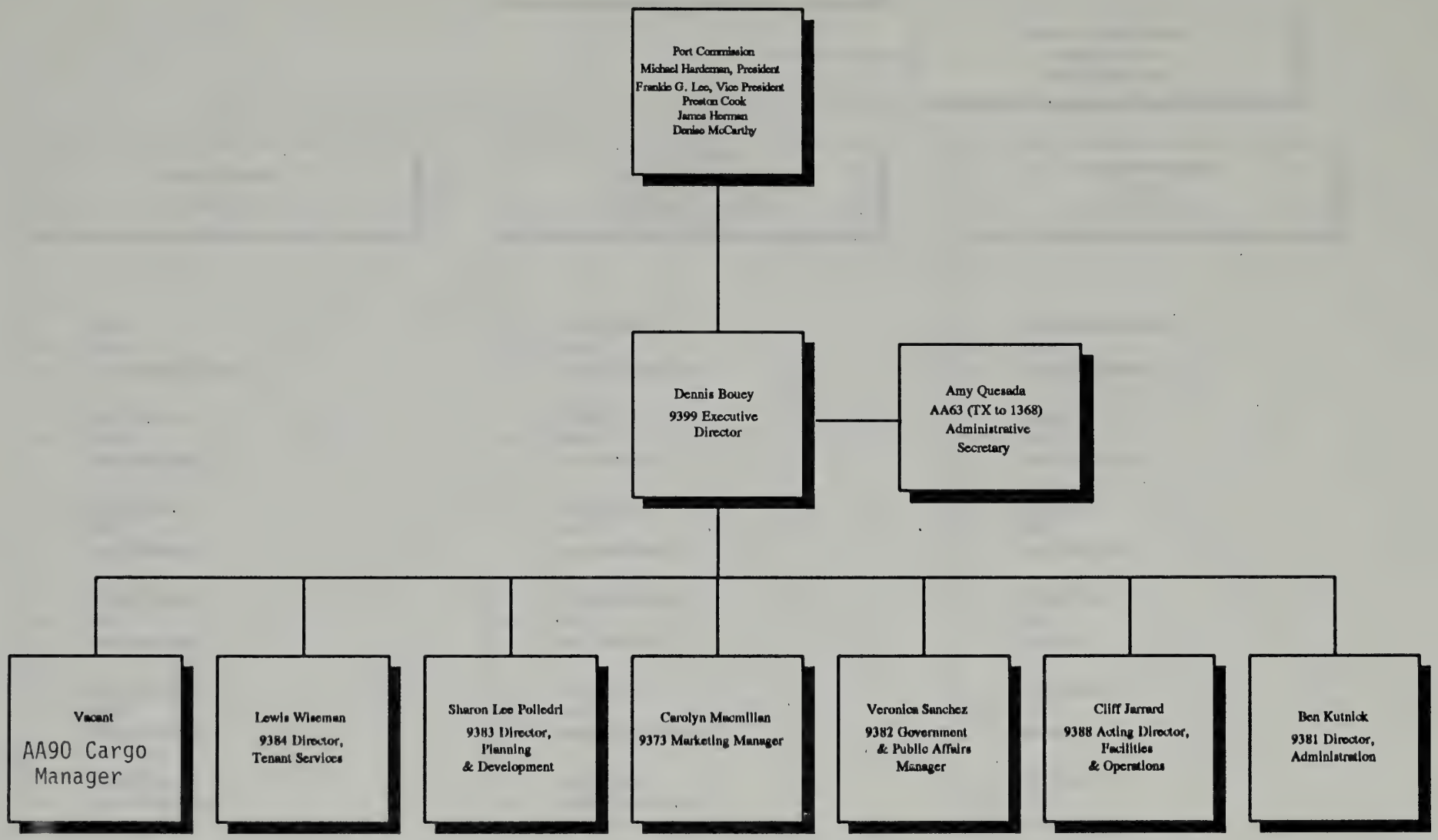
RESOLUTION NO. **96-105**

WHEREAS,	concerns were expressed at the Commission Meeting of October 8, 1996, regarding the policy of the Port concerning cargo marketing, and
WHEREAS,	it is the intent of the Port to maximize its cargo business, and
WHEREAS,	a sub-committee of the Commission was formed to review this issue, and
WHEREAS,	the sub-committee, including Commissioners Hardeman and McCarthy reviewed the issues, and therefore be it
RESOLVED	the Commission Sub-Committee recommends that a separate Cargo Division including sections for Operations and Marketing.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

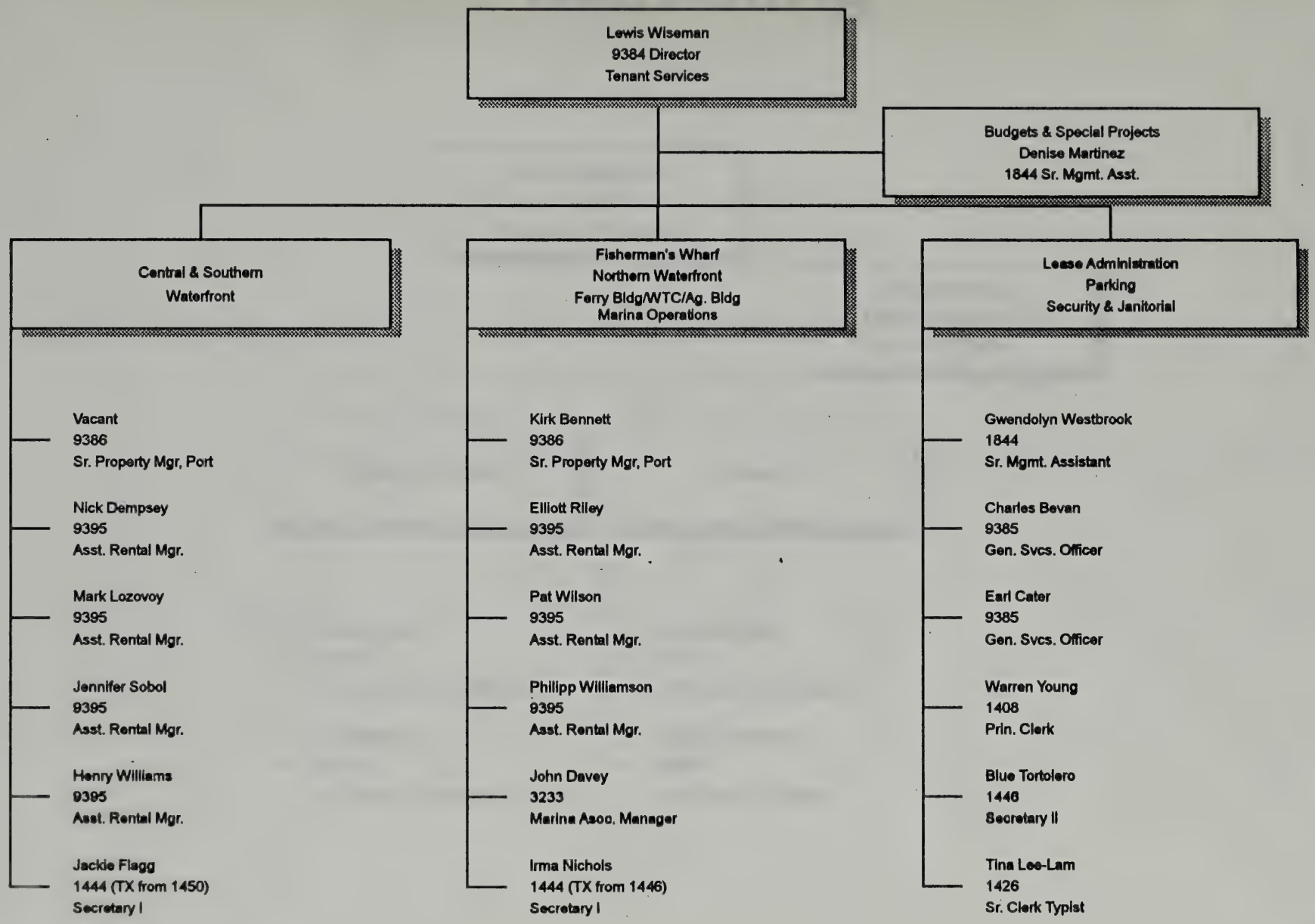
_____
Secretary

Port of San Francisco
Senior Management Staff

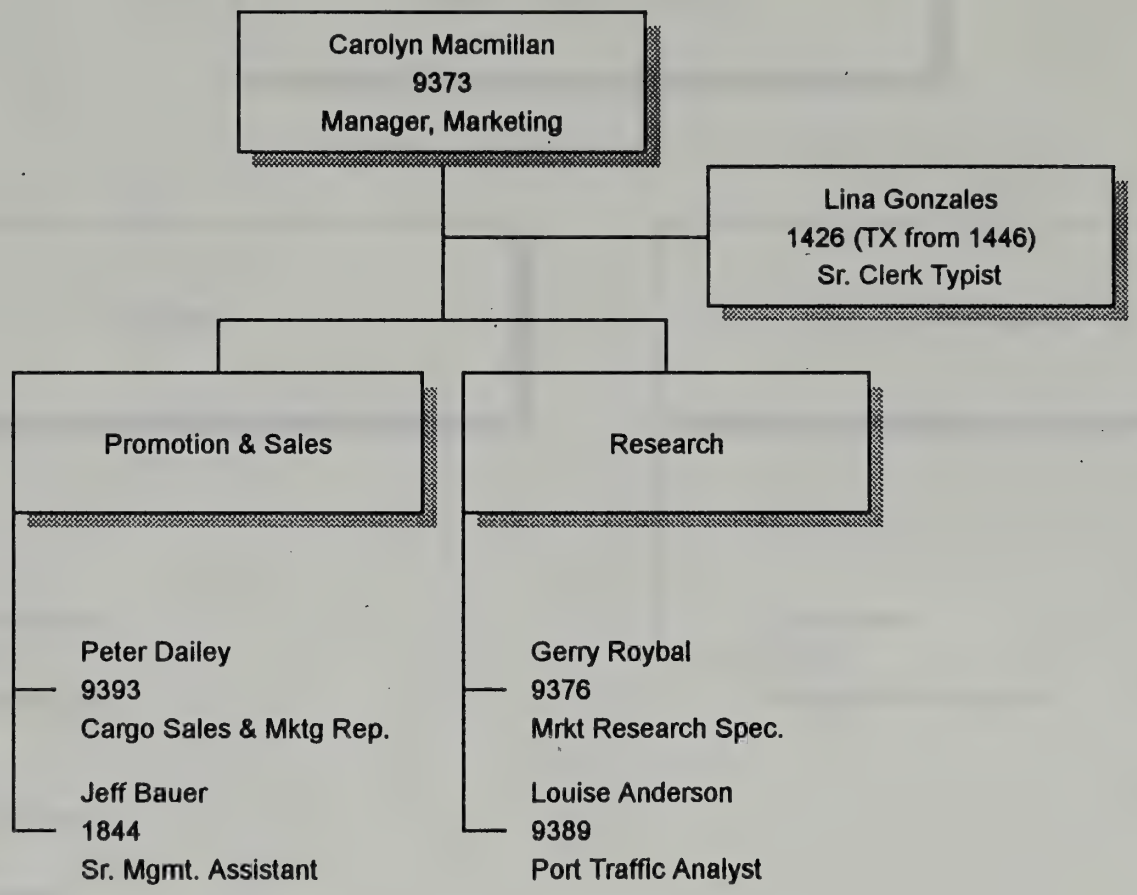


As of 11/96

Tenant Services Division

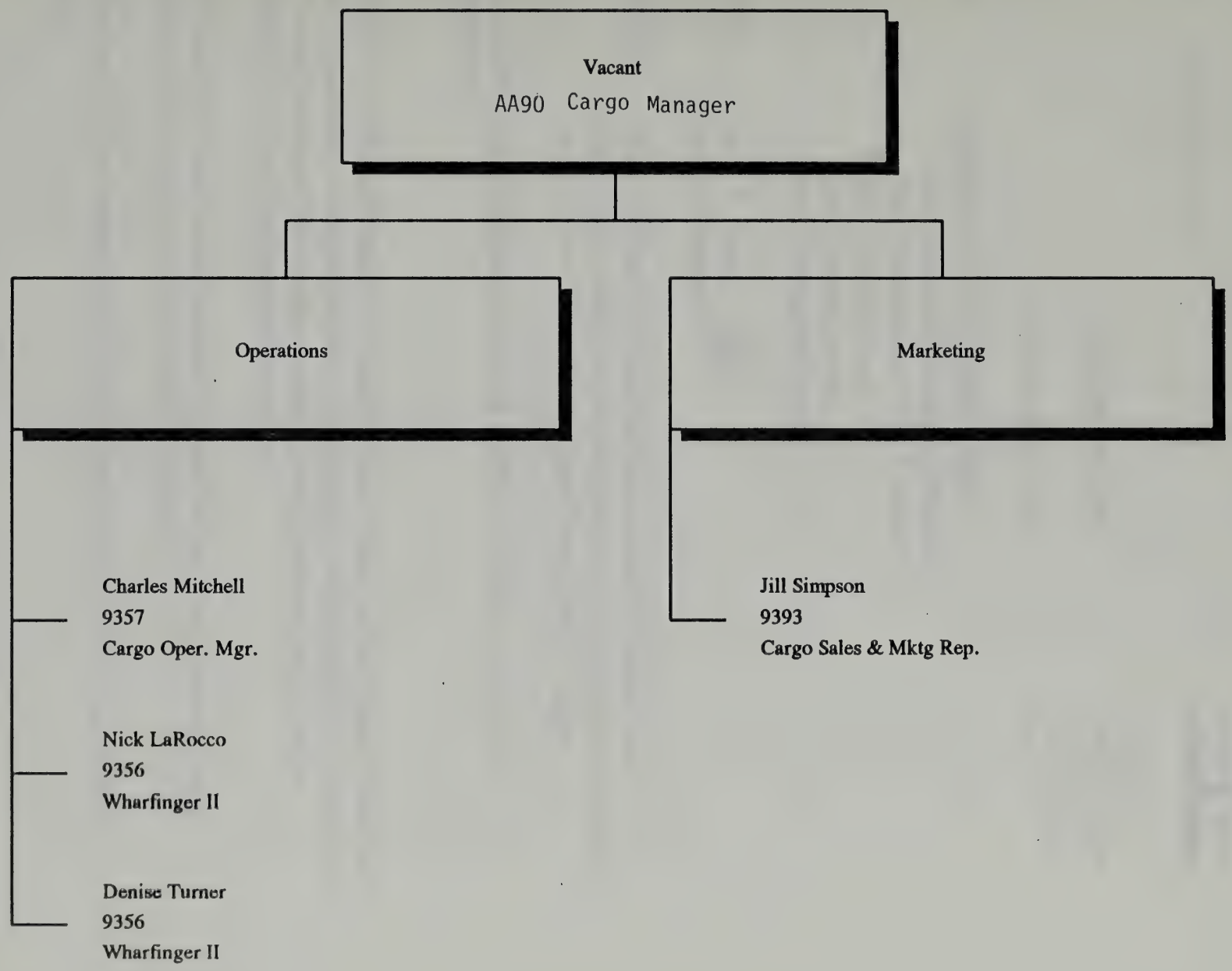


Marketing



As of 11/96

Cargo Division



PORT OF SAN FRANCISCO

Ferry Building
San Francisco CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 5, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Approval of travel for one Port representative to attend the International Trade Data and Information Conference in Seattle, WA, in accordance with the Port's Fiscal Year 1996-97 budget.

DIRECTOR'S RECOMMENDATION: APPROVE THE TRAVEL AS BUDGETED

The Port uses trade information to identify market trends, assist in sales efforts and make revenue and volume projections. Attendance at the conference will allow the Port to stay abreast of recent developments in trade information and online availability of private and government sources.

The Executive Director seeks approval of travel for one Port representative to represent the Port of San Francisco at the conference.

This request is in accordance with the Port Commission's Fiscal Year 1996/97 budget.

Prepared by: Carolyn Macmillan
Marketing Manager

THIS ITEM COVERS CALENDAR ITEM NO. **10A**

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-116**

WHEREAS, the Executive Director is seeking authorization for one Port representative to attend the International Trade Data and Information Conference in Seattle, Washington, on December 3 and 4, 1996; and

WHEREAS, attendance at the convention will allow the Port to learn about recent developments in trade information and on-line availability of private and government sources; and

WHEREAS, this request is in accordance with the Port Commission's Fiscal Year 1996/97 budget; now, therefore, be it

RESOLVED, that the Port Commission hereby approves this travel request.

I hereby request that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 5, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Acceptance of Quitclaim Deed from Catellus Development Corporation of easement over approximately 4.417 acres of real property located at 6th and Channel Street (leased to Mission Creek Harbor Association)

DIRECTOR'S RECOMMENDATION: ACCEPT QUITCLAIM DEED

I. BACKGROUND

Catellus Development Corporation owns a forty-foot wide easement for access and utilities, a portion of which encumbers approximately 4.417 acres of Port property located near 6th Street and Channel Street leased by Mission Creek Harbor Association ("MCHA"). Under its Lease with MCHA, Port agreed to obtain a waiver, consent or other agreement from Catellus to allow MCHA to use the leasehold property as though the easement did not exist. MCHA needs the easement property as part of its leasehold to comply with a BCDC Order requiring the construction of certain public access improvements.

In furtherance of its Lease commitment, on August 18, 1992, the Port entered into an agreement with Catellus, whereby Catellus agreed to deliver a quitclaim deed to the Port for the easement. The Port and MCHA entered into a Second Amendment to Lease, dated August 18, 1992, whereby the parties agreed that the Port's actions had satisfied its obligation to extinguish the easement. The Second Amendment to Lease was approved by the Port Commission by Resolution No. 92-62, and by the San Francisco Board of Supervisors Ordinance No. 241-92.

The Quitclaim Deed was not to be recorded until certain conditions occurred, including the recordation of a public access dedication and the full execution of an agreement between

Port, City Planning, MCHA and Catellus. The Quitclaim Deed has been executed and delivered to the Port by Catellus and is now ready for recordation. A copy of the Quitclaim Deed is attached hereto.

Under Government Code Section 27281, deeds conveying any easement in real estate to a governmental agency must be accompanied by a resolution of acceptance attached to or printed on the deed. Although the Commission and Board has already agreed to the transfer of the easement to the Port, the Recorder's Office has requested that a formal certificate of acceptance be attached. The attached resolution authorizes the Port's Executive Director to execute a certificate of acceptance in the form attached, so that the Quitclaim Deed can be recorded.

Prepared by: Neil Sekhri, Assistant Port General Counsel

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Port of San Francisco
3100 Ferry Building
San Francisco, CA 94111
Attn: Manager, Leasing and Commercial Property Management

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt and adequacy of which are hereby acknowledged, Catellus Development Corporation, a Delaware corporation, hereby RELEASES, REMISES AND QUITCLAIMS to the City and County of San Francisco, a municipal corporation, its successors and assigns, any and all right, title and interest Catellus may have in and to the real property located in the City and County of San Francisco, State of California, described on Exhibit A attached hereto and made a part hereof.

Executed as of this 18th day of December, 1995

CATELLUS DEVELOPMENT CORPORATION,
a Delaware Corporation

By: _____
DONALD PARKER
Vice President
Bay Area Development

Attest: _____
MAUREEN SULLIVAN
Secretary

EXHIBIT A

Commencing at the intersection of the northeasterly line of Sixth Street [NE6St] and the southeasterly line of Port Jurisdiction of Channel Street [SEPortJChSt] (POC); THENCE northwesterly 15 feet along said NE6St to the True Point of Beginning (POB) of this description;
THENCE, continuing northwesterly along said NE6St a distance of 85 feet;
THENCE, southwesterly along a line that is parallel to and 100 feet distant from said aforementioned SEPortJChSt a distance of 82.5 feet;
THENCE, southeasterly along the southwesterly line of Sixth Street, a distance of 85 feet;
THENCE, southwesterly along a line that is parallel to and 15 feet distant from said aforementioned SEPortJChSt a distance of 200 feet;
THENCE, northwesterly along a line parallel to said aforementioned NE6St a distance of 180 feet;
THENCE, northeasterly along a line parallel to and 195 feet distant from said aforementioned SEPortJCHSt a distance of 1,107.79 feet, to the southwest line of Fifth Street extended;
THENCE, southeasterly along said extended southwest line of Fifth Street, a distance of 180 feet;
THENCE, southwesterly along the line that is parallel to and 15 feet distant from said aforementioned SEPortJChSt a distance of 825.29 feet to the True Point of Beginning.

Being a parcel wholly within the jurisdiction of the Port of the City and County of San Francisco, containing 4.417 acres, more or less.

State of California)
) ss.
County of SAN FRANCISCO)

On DECEMBER 18, 1995, before me, BARBARA G. ZEYEN, personally appeared DONALD PARKER, personally known to me OR proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

BARBARA G. ZEYEN
COMM. # 975922
Notary Public — California
SAN FRANCISCO COUNTY
My Comm. Expires OCT 22, 1996

Barbara G. Zeyen
Signature of Notary

State of California)
) ss.
County of SAN FRANCISCO)

On DECEMBER 18, 1995, before me, BARBARA G. ZEYEN, personally appeared MAUREEN SULLIVAN, personally known to me OR proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

BARBARA G. ZEYEN
COMM. # 975922
Notary Public — California
SAN FRANCISCO COUNTY
My Comm. Expires OCT 22, 1996

Barbara G. Zeyen
Signature of Notary

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the deed or grant dated December 8, 1995 from Catellus Development Corporation to City and County of San Francisco, a political corporation and/or governmental agency is hereby accepted by order of the City and County of San Francisco by the undersigned officer or agent on behalf of the City and County of San Francisco by and through its Port Commission pursuant to authority conferred by resolution of the City and County of San Francisco by and through its Port Commission adopted on November 12, 1996, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____ By: _____

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-119**

WHEREAS, Charter Section B3.581 empowers the Port Commission with power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Catellus Development Corporation owns a forty-foot wide easement for access and utilities, a portion of which encumbers Port property located near 6th Street and Channel Street leased to Mission Creek Harbor Association ("MCHA") under Lease No. L-11451; and

WHEREAS, under the MCHA Lease, Port agreed to obtain a waiver, consent or other agreement from Catellus to allow MCHA to use the leasehold property as though the easement did not exist; and

WHEREAS, on August 18, 1992, the Port entered into an agreement with Catellus, whereby Catellus agreed to deliver a quitclaim deed to the Port for the easement; and

WHEREAS, on August 19, 1992, the Port and MCHA entered into a Second Amendment to Lease, whereby the parties agreed that the Port's actions had satisfied its obligation to extinguish the easement, which Second Amendment was approved by Port Commission Resolution No. 92-62, and by the Board of Supervisors Ordinance No. 241-92; and

WHEREAS, Catellus has delivered to Port a fully executed Quitclaim Deed, a copy of which is on file with the Secretary of the Port Commission for this item, for recordation by the City and County of San Francisco's Recorder; and

WHEREAS, Government Code Section 27281 requires deeds conveying any easement in real estate to a governmental agency to be accompanied by a resolution of acceptance attached to or printed on the deed, and the Recorder has requested such a document; now, therefore be it

RESOLVED, that the Port Commission hereby authorizes the Executive Director to execute a Certificate of Acceptance, in substantially the form on file with the Secretary of the Port Commission for this item, accepting from Catellus the easement described in the Quitclaim Deed on file with the Secretary of the Port Commission for this item, and to take such further action as may be necessary and proper to accomplish the acceptance of the easement and recordation of the Quitclaim Deed.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 5, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Second Amendment to Lease and Consent to Encumbrance with Bundox Restaurant, Inc., dba the Waterfront Restaurant, at Pier 7½

DIRECTOR'S RECOMMENDATION: APPROVE SECOND AMENDMENT TO LEASE AND CONSENT TO ENCUMBRANCE WITH BUNDOX RESTAURANT, INC. dba THE WATERFRONT RESTAURANT, AT PIER 7 ½

I. BACKGROUND

On October 25, 1994, by Resolution No. 94-133, the Port Commission approved Lease No. L-11859, a new twenty-year lease with Bundox for the Waterfront Restaurant and adjacent premises ("Lease"). Lease L-11859, was approved by the Board of Supervisors on December 19, 1994, by Ordinance No. 412-94.

Section 2 of the Lease provides that the Lease shall commence and be effective on the "Commencement Date" which shall be the date on which, among other things, Bundox procures financing for Phase I of the Tenant Improvements at commercially reasonable terms. Section 2 of the Lease further provided that if Bundox fails to receive a financing commitment on or before July 30, 1995, the Lease shall become null and void. Bundox was unable to obtain financing at commercially reasonable terms by June 30, 1995. As a result, the Lease became null and void.

In early 1996, Bundox entered into negotiations for financing with Bank of America and the Small Business Administration. In response to certain requests from those lenders, Bundox and Port negotiated a Reaffirmation and Amendment to Lease and Consent to

THIS PRINT COVERS CALENDAR ITEM NO. **10C**

Encumbrance ("Reaffirmation"). Under the Reaffirmation, the parties agreed to extend the condition precedent period for Bundox's financing until June 30, 1996. The parties also amended the Lease to accommodate certain requests by Bundox's lenders, and to clarify certain provisions of the Lease. The Reaffirmation was approved by the Port Commission and the Board of Supervisors. The Port's resolution and Board Ordinance authorized the Executive Director to enter into such additional agreement as necessary to effect the financing.

In June, 1996, Bundox's negotiations with Bank of America and SBA stalled, and Bundox entered into negotiations with Heller First Capital. The Reaffirmation was modified to replace BofA and SBA with Heller, and was signed by the Port and Bundox on June 28, 1996. On June 28, 1996, Heller provided the Port with satisfactory proof of a loan commitment to satisfy the Lease condition precedent, and the Lease went into effect on July 1, 1996.

Although Heller had conditionally agreed to provide financing for the project, Bundox was able to obtain more favorable financing terms from the City and County of San Francisco through the Mayor's Office of Community Development (City"). As a condition to the financing, City has requested the Port to consent to the encumbrance of the Lease. In addition, Port and Tenant desire to modify the Reaffirmation to delete provisions that had been negotiated to suit the requirements of the prior potential lenders. A copy of the proposed Second Amendment is attached hereto, and is on file with the Secretary of the Port Commission. The Second Amendment does not add any new provisions that had not been previously approved by the Port Commission and Board of Supervisors. Its purpose is to consent to the City as a lender, and to make non-substantial clerical corrections to the previous Reaffirmation and Amendment.

Prepared by: Neil H. Sekhri, Assistant Port General Counsel

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-117

WHEREAS, Charter Section B3.581 empowers the Port Commission with power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, on October 25, 1994, by Resolution No. 94-133, the Port Commission approved Lease No. L-11859 (the "Lease") with Bundox Restaurant, Inc., an existing Port tenant, and on December 19, 1994, by Ordinance No. 412-94, the Board of Supervisors approved the Lease; and

WHEREAS, on February 20, 1996, by Resolution 96-15, the Port Commission approved the Reaffirmation and Amendment to Lease and Consent to Encumbrance, which was also approved by the Board of Supervisors by Ordinance No. 261-96; and

WHEREAS, under the Reaffirmation, the parties agreed to extend the condition precedent period for Bundox's financing until June 30, 1996, amended the Lease to accommodate certain requests by Bundox's lenders (Bank of America and SBA), clarified certain provisions of the Lease, and authorized the Executive Director to enter into such additional agreement as necessary to effect the financing; and

WHEREAS, the Reaffirmation was modified to replace BofA and SBA with Heller Financial, and was signed by the Port and Bundox on June 28, 1996. On June 28, 1996, Heller provided the Port with satisfactory proof of a loan commitment to satisfy the Lease condition precedent, and the Lease went into effect on July 1, 1996; and

WHEREAS, Bundox has been able to obtain more favorable financing terms from the City and County of San Francisco through the Mayor's Office of Community Development (City"), and as a condition to the financing, City has requested the Port to consent to the encumbrance of the Lease. In addition, the parties desire to modify the Lease to delete provisions that had been negotiated to suit the requirements of the prior potential lenders, and to delete references to Heller Financial. A copy of the proposed Second Amendment is on file with the Secretary of the Port Commission; now, therefore, be it

RESOLVED, that the Port Commission hereby approves the Second Amendment to Lease and Consent to Encumbrance between the Port and Bundox Restaurant, Inc. ("Reaffirmation"), substantially in the form on file with the Secretary of the Port Commission, and that the Executive Director or his designee is hereby directed to execute the same; and be it further

RESOLVED, that the Executive Director or his designee is hereby authorized to execute such additional documents as requested by lender necessary to effect the financing for the tenant improvements, in such form as approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 12, 1996.

_____
Secretary

i:\waterfr2.agd

Recording Requested
By and When Recorded
Return To:

For Recorder's Use Only:

SECOND AMENDMENT TO LEASE AND CONSENT TO ENCUMBRANCE

This SECOND AMENDMENT TO LEASE AND CONSENT TO ENCUMBRANCE ("Amendment") is entered into as of _____, 1996, by and between BUNDOX RESTAURANT INC., a California corporation, its successors and assigns ("Tenant"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating by and through the SAN FRANCISCO PORT COMMISSION ("Port"), as Landlord, with reference to the following facts:

RECITALS

A. Port and Tenant entered into Lease L-11859, dated as of December 20, 1994 (the "Lease"), for the lease by Tenant of that certain real property, together with all improvements then located thereon, or to be constructed by Tenant thereon during the term of the Lease located at Pier 7, the Embarcadero at the foot of Broadway, City and County of San Francisco, State of California, all as more particularly described in Exhibit A attached hereto. Said real property and all improvements and additions thereto and alterations thereof are hereinafter referred to as the "Premises."

B. Section 2 of the Lease provides that the Lease shall commence and be effective on the "Commencement Date" which shall be the date on which the following, among other things, shall have occurred: (i) the procurement by Tenant of financing for Phase I of the Tenant Improvements at commercially reasonable terms. Section 2 of the Lease further provided that if the aforementioned requirements are not satisfied on or before July 30, 1995, the Lease shall become null and void.

C. Tenant was unable to obtain financing at commercially reasonable terms by June 30, 1995. As a result, the Lease became null and void. In early 1996, Tenant entered into negotiations for financing with Bank of America and the Small Business Administration. In response to certain requests from those lenders, Tenant and Port negotiated a Reaffirmation and Amendment to Lease and Consent to Encumbrance ("Reaffirmation"). Under the Reaffirmation, the parties agreed to extend the condition precedent period for Tenant's financing until June 30, 1996. The parties also amended the Lease to accommodate certain requests by Tenant's lenders, and to clarify certain provisions of the Lease. The Reaffirmation was approved by the Port Commission and the Board of Supervisors.

D. In June, 1996, Tenant's negotiations with Bank of America and SBA stalled, and Tenant entered into negotiations with Heller First Capital. The Reaffirmation was modified to replace BofA and SBA with Heller, and was signed by the Port and Tenant on June 28, 1996. On June 28, 1996, Heller provided the Port with satisfactory proof of a loan commitment to satisfy the Lease condition precedent, and the Lease went into effect on July 1, 1996.

E. Although Heller had conditionally agreed to provide financing for the project, Tenant was able to obtain more favorable financing terms from the City and County of San Francisco through the Mayor's Office of Community Development (City"). As a condition to the financing, City has requested the Port to consent to the encumbrance of the Lease. In addition, Port and Tenant desire to modify the Reaffirmation to delete provisions that had been negotiated to suit the requirements of the prior potential lenders, which provisions had not been acknowledged and agreed to by Heller in the Reaffirmation.

F. If not defined herein, all capitalized terms in this Amendment shall have the same meaning as in the Lease.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Consent to Encumbrance. Port and Tenant affirm for the benefit of City that (i) City is an approved "Lender" for purposes of Section 20 of the Lease regarding Security Interests, (ii) Port and Tenant's obligations thereunder shall be for the benefit of City, and its respective successors and assigns, and (iii) City and its respective successors and assigns each shall have all of the rights of the "Lender" provided thereunder. Port and its respective successors and assigns

consent to the following encumbrance of the Lease by City:

(a) Tenant's encumbrance of Tenant's Leasehold by a Deed of Trust With Assignment of Rents, and a Security Agreement (collectively "City Deed of Trust") in favor of City to secure a note in the principal sum not to exceed $3,250,000 made by Tenant, and other obligations set forth in City Deed of Trust which will be recorded in the Official Records of San Francisco County; and

(b) The terms and purposes of the City note and any extensions or renewals thereof, and any other obligations secured by the City Deed of Trust.

2. Assignment and Subletting. Sections 19.10 and 19.11 are hereby deleted from the Lease in their entirety.

3. Security Interests.

a. Sections 20 (o) of the Lease is hereby deleted in its entirety, and is replaced by the following:

Port's approval of a sublease or assignment from City to a third party pursuant to Section 20(d) hereof is subject to the reasonableness criteria set forth in Section 19.4 of this Lease.

b. Section 20(p) of the Lease is hereby deleted from the Lease in its entirety and is replaced by the following:

(p) **New Lease.** If the Lease shall terminate for any reason or be rejected or disaffirmed pursuant to bankruptcy or other laws affecting creditors' rights, City shall have the right to enter into a lease ("New Lease") of the Premises, exercisable by written notice to Port within sixty (60) days after the effective date of such termination. The term of such New Lease shall begin on the date the Lease terminates and shall continue for the remainder of the existing Lease term. Such New Lease shall otherwise contain the same terms and conditions as those set forth in the Lease, as amended by this Lease Amendment, except for requirements which are no longer applicable or have already been performed, provided that City shall have remedied all defaults on the part of Tenant which are susceptible of being

remedied by the payment of money, and provided further that such New Lease shall require the tenant thereunder promptly to commence, and expeditiously to continue, to remedy all other defaults on the part of Tenant to the extent susceptible of being remedied. It is the intention of the parties to this Lease Amendment that such New Lease shall have the same priority as the Lease, relative to other rights or interests to or in the fee estate in the Lease Property, and Port covenants to discharge or cause to be subordinated to such New Lease any lien or encumbrance which is subject to the Lease. The provisions of this Section shall survive the termination of the Lease and shall continue in full force and effect to the same extent as if this Section were a separate and independent contract among Port, Tenant and City. From the date on which City shall serve upon Port notice of the exercise of its right to a New Lease, City may use and enjoy the Leased Property without interference by Port.

4. Deletion of References to Heller. Sections 20 (q), (r), (s), (t), (u) and (v) are hereby amended to delete all references to Heller and the Heller Deed of Trust, and those sections will be for the sole benefit of the City.

5. General Provisions.

5.1 Further Assurances. Port and Tenant each agree to execute any and all documents and agreements reasonably requested by the other party to further evidence or effectuate this Amendment.

5.2 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

5.3 Reaffirmation. Except as amended hereby, all of the terms and conditions of the Prior Lease and the Lease shall remain in full force and effect and unchanged.

5.4. Conflicts. In case of any conflict between any term or provision of this Amendment and the Lease, the terms or provision of this Amendment shall govern.

5.5 Construction. In this Amendment, the singular number includes the plural whenever the context so requires.

5.6 Notices. Port shall send to City all notices of default required to be sent under Section 21 of the Lease at the same time the notice is sent to Tenant; however, failure to do so shall have no effect on the validity of the notice to Tenant. The address of City for such notices is the following:

Mayor's Office of Economic Development
25 Van Ness Avenue
San Francisco, CA 94102
Attn: Director

IN WITNESS WHEREOF, this Amendment has been executed at San Francisco, California as of the date first set forth above.

PORT

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating by and through the SAN FRANCISCO PORT COMMISSION

By: _____
LEWIS WISEMAN
Director, Tenant and Maritime Services

Port Commission Resolution No.
_____

APPROVED AS TO FORM:

LOUISE H. RENNE
City Attorney

By:_____
NEIL H. SEKHRI
Deputy City Attorney

TENANT

BUNDOX RESTAURANT, INC., a California Corporation

By: _____
AL FALCHI
President

Acknowledged and Agreed

"CITY"
CITY AND COUNTY OF SAN FRANCISCO

THROUGH THE MAYOR'S OFFICE OF
COMMUNITY DEVELOPMENT

By:_____
Title:_____

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CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE MEETING
NOVEMBER 12, 1996

1. ROLL CALL

The meeting was called to order by Commission President Michael Hardeman at 4:12 p.m. The following Commissioners were present: Michael Hardeman, Frankie Lee, Preston Cook, James Herman and Denise McCarthy.

2. APPROVAL OF MINUTES - October 8, 1996 and October 22, 1996

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the minutes of the October 8, 1996 meeting were adopted.

ACTION: Commissioner Lee moved approval; Commissioner Cook seconded the motion. All of the Commissioners were in favor; the minutes of the October 22, 1996 meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report - Mr. Bouey reported the following:

1) On October 28, there was an oil spill at Pier 70 which resulted in a significant amount of oil reaching the bay. San Francisco Drydock notified the Port and other appropriate agencies expeditiously. Port staff responded that night and thereafter. There was, however, a press release by Save the Bay which indicated that the Port had not closed its fishing piers, thereby exposing fishermen to potential problems with fish that were caught. Port staff met with appropriate authorities including the Department of Public Health and Fish and Game. After their survey of the area, they indicated there was no health threat and, therefore, it was not necessary to close the fishing piers. The Port is an integral part of the Unified Command consisting of, among others, the Coast Guard, Fish & Game and Dept. of Public Health. Also, Port staff has hired a consultant to assess any damage that may have occurred to our waterfront or our facilities.

2) On November 11, there was another oil spill. This was a result of an operation by B&C. The Port has had other problems with B&C, for example, they extended their operation beyond their leasehold on more than one occasion and they engage in activities which are not provided for in their lease. Staff will continue its investigation and may terminate their lease.

Commissioner Cook stated that it was his understanding that the Department of Fish and Game is responsible for the health of the fish and asked Mr. Bouey if his interpretation is accurate. Mr. Bouey responded that the Port has the responsibility as a landlord to ensure that our tenants do not do anything to endanger the fish or the quality of the water or soil. The Department of Fish and Game, however, has the direct responsibility. Commissioner Cook indicated that Save the Bay should understand that the Port does not have the facility to test water, to determine the health of the fish. A policy should be directed and made very clear that the Port has the authority to close fishing facilities but Fish and Game can make the analysis that the Port is unable to make. Mr. Bouey stated that the points the Port makes are (1) we were asking the right questions at the right time and (2) based on an analysis by those competent a decision was made that it was not necessary to close these facilities thereby decreasing the amount of inconvenience that had otherwise had occurred to those people who use the facility.

Commissioner McCarthy inquired about the location of the second oil spill. Mr. Bouey responded that the tenancy is adjacent to San Francisco Drydock.

B. Approval of Design Parameters for the Mid-Embarcadero Roadway and Plaza project. (Resolution No. 96-113)

Mr. Bouey stated that this item was before the Commission on two previous occasions. It is now back to the Commission for adoption. At the last meeting, it was discussed that staff would work at providing a synopsis to the Commission for its approval. To ensure maximum public input, a November 7th hearing was scheduled. More than 350 notices were sent out and only 10 members of the public came to the meeting. There were no major recommendations made at the meeting that would in any way change the recommendations. The design parameters are enumerated in the attached resolution. He then introduced Dan Hodapp who made a brief presentation.

Mr. Hodapp indicated that the purpose of this item is to approve the general design parameters for the project. At the October 24 Commission meeting, the Waterfront Transportation Project office and the consultant presented the design to the Commission. On November 7, a public hearing to elicit further comments was held at the Port. He mentioned that some of the comments were very positive. They were looking at how to handle many of the detailed design items of the project such as the trees, the size and the spacing of the trees, items that the consultant is now evaluating. The design parameters referenced in the attached resolution confirm the direction provided by other City departments and provide direction to the design team on acceptance of the major spaces such as the central plaza and the transition areas. It also mentioned that there is to be a strong bold paving pattern of granite to be used in the granite but it does not specifically say which pattern. One of the comments at the public meeting was people like the idea of the trees but they are very concerned of the views.

Commissioner Herman inquired about public comments regarding trees. Mr. Hodapp

replied that there was support for trees in the plaza area. There was concern about viewing of the Ferry Building, either above, below, or through the trees. There seem to be a general consensus for the two objectives of having trees and being able to see. The project designers and City staff believe that those two goals can be accomplished within the present design.

Commissioner Herman raised a constructive disagreement with trees in front of the Ferry Building. He stated that this is a major arterial area and that there are all kinds of vehicles diverging all hours of day and night. The Ferry Building has a rare and unique beauty. The trees, in his judgement, create confusion. He thinks the plaza should be wide open. The number of trees, the placement and the size of trees should be rethought so there is a clean drive-through area. Mr. Hodapp indicated that the final decision of the size and placement of trees has not been suggested by the consultant at this time. He showed the Commission a photo of the proposed plaza with and without the trees. The first design of the plaza by the consultant did not include the trees in the central plaza. Commissioner McCarthy reiterated that the tree situation is yet to be approved. Mr. Hodapp stated that we are looking at the general parameters. The general parameters do state, which the general public has expressed with consensus, that trees should be used in the plaza to soften the area. Mr. Bouey interjected that there will be an opportunity for the Commission to see the plan before it is effectuated. Mr. Hodapp stated that this will be brought back to the Commission after the first of the year when many of the design details can be worked out and there will be opportunities for the Commission to visit the model.

Commissioner Cook requested for a clarification of the seat wall and replacement of the railing as indicated in Appendix A. Mr. Hodapp responded that this project extends from Broadway in the north, all the way down to Folsom in the south. Between the Agricultural Building and Folsom Street, there is an existing promenade with a seat wall and a galvanized railing. The proposal is to replace that railing with a railing consistent with what is being designed as part of the Ferry Terminal improvements and not to have two types of seat wall. North of the Agricultural Building, the art ribbon shall be flushed with the pavement. The current design includes removing the concrete wall and replacing it with a railing. Commissioner Cook then inquired about how the ribbon will fit into the railing. Mr. Hodapp responded that the ribbon sits in front of the railing. The exact location of those raised elements has not been finalized by the design team. Mr. Hodapp stated that they have asked the design team to look at ways to minimize the type of impact caused by skateboarders. Commissioner Cook recommended taking a hard look if we want a raised ribbon in the area and have it flushed with the sidewalk. Mr. Hodapp stated that based on directions from this Commission in the past, they have told the design team that if they have raised section it should also include elements to it that prevents it from becoming a public nuisance but will pass onto them Commissioner Cook's recommendation.

Commissioner Hardeman commented that during special events, he envisions people on trees which would cause potential liability problems to the Port. He also concurred with Commissioner Herman's comment about open area in front of the

Ferry Building.

Lee Gotshall Maxon, representing the owners of One Maritime Plaza building and also work closely with the owners of the Embarcadero Center and two Hyatt Hotels in the area, One Market Plaza and Golden Gate Center, stated that those owners enthusiastically support this design concept and hope that the Commission adopts this item today.

Carl Maletic stated that, at the last meeting, they passed out an extensive brochure that outline an alternative design for this area. He too concurred with Commissioner Herman about the trees. There was a comment at the public meeting against the trees, blocking the elevation of the Ferry Building. Regarding the public meeting held November 7, there were only ten attendees, 5 of which were Port staff. He believed that there is inadequate public input into the design parameters. He requested the Commission to table this item and put another public notice for input on the design parameters.

Mr. Bouey stated that after having sent out 350 notices, and given the fact that this item has gone through 12 public hearings, people perhaps had said what they had to say and it's time to move on.

ACTION: Commissioner McCarthy moved approval; Commissioner Herman seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

C. Approval of Harbor Traffic Code Amendment regarding restrictions on outdoor signs. (Resolution No. 96-112)

Mr. Bouey stated that for some time now, it's been common knowledge that there is a tug and barge that have been employed for the purposes of displaying large advertisements on the bay. A number of agencies have looked into whether they could regulate them and concluded they do not have the capability. Port staff, requested the City Attorney to do an analysis of the Port's authority and found that the Port has the authority to amend the Harbor Traffic Code to regulate outdoor signs and advertisements on bay waters. Current City policy prohibits vehicles to be used exclusively for advertising on City streets including streets within Port jurisdiction. In 1992, the City amended Section 680 of Police Code to ban trucks that put billboards around the City. Staff requests that the Commission adopt this concept for the waters on the bay. Mr. Bouey stated that the Commission was given a substitute second page of the memorandum and second page of the resolution and he then enumerated the changes.

Commissioner Cook inquired if the advertisement on vessels transporting passengers is permitted. He wondered if the concept of an advertisement such as in Muni is covered in this resolution. Mr. Bouey replied that the City vehicles are exempt but that there is a move to incorporate them. Mr. John Rakow, Legal Counsel, replied that this language is to permit San Francisco ferry passenger ships to continue to

advertise on board. For example, on the Golden Gate ferry, there is an advertisement for a particular product in the bar. That type of advertisement is permitted; the advertising affixed to the sides of the vessels is prohibited. In the resolution, advertising that occurs on board the vessels is exempted. Mr. Rakow stated that our provision is more restrictive than Muni. The Port is trying to avoid any constitutional limitations on free speech. The Port is trying to be content neutral, and not interfere with ongoing business relationships. Mr. Bouey stated that if there is a problem, staff can bring it back to the Commission and amend the Harbor Code. Commissioner Cook stated that he prefers the resolution to state advertising inside the passenger vessel is permissible. The way the current resolution is written it connotes that advertisement on the exterior is allowed. If the intent of the resolution is to allow advertising on the inside of passenger boats but not on the outside, he is satisfied with the resolution.

Corinne Woods pointed out that most of the big boats that race on S.F. Bay, including the America's Cup, have a lot of advertising on them. A lot of boats have advertising on their sails as well. She does not think that it is the intent of the Port to eliminate the possibility of having America's Cup boat here or nor it's the intent of the Port to eliminate the East Navy banners that go up during Fleet Week.

ACTION: Commissioner Lee moved approval; Commissioner Cook seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

9. SPECIAL ITEM

A. Port Commission Subcommittee's Recommendation on Maritime Services Organization. (Resolution No. 96-105)

Commissioner Herman requested that Item 9A be heard first and offered a substitute "resolved" for the resolution to read as follows, "Resolved that the Commission's subcommittee recommends that a separate Maritime Services Division be created to include cargo and ship repair industries. The new division shall be headed by a Director of Maritime Services and will include marketing and operations staff." He indicated that he is displeased with the proposal that is before the Commission. He believes that the Commission should have the opportunity to vote on this proposal and urged the Commission to adopt this as a substitute for Item 9A.

Commissioner Cook stated that this is not a substitute motion but rather a major staff reorganization. The resolution from two weeks ago is different. This substitute resolution is different from what is scheduled to be heard today. He feels it is inappropriate to discuss a major staff reorganization at the last minute. He requested this item be heard at the next meeting so staff can have the opportunity to investigate and analyze the reorganization and allocation of resources at the Port.

Commissioner Herman indicated that this substitute resolution is the exact proposition that was offered originally. It carried with it a long verbal argument. It is a

substitute for what is in Item 9A. He urged the Commission to vote on this proposal. He indicated that there is nothing wrong, damaging or inappropriate of this proposal since it was what's originally offered.

Commissioner Cook countered that this is not the original resolution. This is the third change in two Commission meetings. He is not prepared at this time to vote on it. He believes that a delay is appropriate at this time because this is a major change from the resolution that is before the Commission. The substitute resolution is a major change in reorganization of staff. It is inappropriate without due notice to the public and the Commission. He requested a delay on this item and hear this at the December meeting.

Commissioner McCarthy indicated that she is unsure if this is a matter of semantics or a major reorganization. The major difference between the proposed resolution and the proposal that was on the agenda was this position would report directly to the Executive Director. The position before was under Tenant and Maritime Services and reported directly to the Tenant and Maritime Services Director. She asked for clarification.

Commissioner Herman stated that his proposal is for a Maritime Division. He mentioned that what the Executive Director offered was cargo manager rather than maritime director. Mr. Bouey clarified that when he met with the subcommittee, they indicated that they would like to have a separate division and wanted a director. Mr. Bouey indicated that the position of Director would have to be approved by Civil Service. Traditionally, at the Airport, Port, DPW, there are four deputy directors. The Port would be adding a fifth which would mean Civil Service approval. The Port might have to eliminate another position which will then have an impact on the organization. He suggested to the subcommittee that he would contact Civil Service to get a fifth deputy director position. Subsequent to that conversation, the subcommittee came back and indicated that they decided to have a manager, reporting directly to the executive director and head up the cargo division. Mr. Bouey concluded that staff will support whatever the Commission wants to do.

After further discussion, Mr. Bouey suggested that first thing in the morning, staff will contact Civil Service and bring back to the Commission its findings.

Commissioner Lee commented that he respects and appreciates Commissioners Hardeman and McCarthy for chairing the subcommittee. However, since Mr. Bouey is leaving, he commented that the Commission should wait until the new executive director is on board. He suggested meeting with the new executive director to express what the Commission wants. He stated that the Director manages the Port, not the Commission. Commissioner Herman disagreed.

In response to Commissioner Lee's inquiry of the Commission's role, Legal Counsel Julie Van Nostern stated that the role of the Commission is to set policies. The role of the Commission is not to direct the day-to-day functions of the Port or to set up administration. It's the Commission's job to set policy; it's the Commission's job to

tell the Director what its goals are. If the Commission is not happy with how it is being administered, the Commission has recourse. However, there are provisions in the Charter that provide for repercussions to Commissioners interfering with the charges of the Director. She added that what is happening here is a little unique because there is an issue whether or not the Commission is going over the line in terms of actually running the day-to-day functions of the Port. The Burton Act, which is implemented under the Charter, sets out the management responsibilities of the Director and the responsibilities of the Commission. The fact that the Director was willing to sit down and consider what the reorganization would be and how it would be implemented is his prerogative. Ms. Van Nostern indicated that if she was asked if it is the Commission's responsibility to manage the Port, she would respectfully say no. That would be considered interference. She added that it does not mean that the Commission does not have a role; it does not mean that the Commission does not have authority and that it cannot oversee the Director. If the Commission is not happy with the Director, it can choose to remove the Director.

Commissioner Herman requested a copy of the Charter covering the rules, duties and obligations of the Director. Ms. Van Nostern replied that a copy will be provided to the Commission.

Commissioner Lee urged the Commission to take this reorganization seriously. He is all for maritime, all for cargo but, according to the Charter, the Commission is not to micro manage the day-to-day business of the Port. He suggested delaying this item until the new executive director is on board.

Commissioner McCarthy commented that she is concerned that the process of finding another Port Director may take a great deal of time.

Mr. Bouey commented that he respects the institution of the Commission, its relationship to the Mayor and the citizens of San Francisco. In deference to the Commission, he will assist the Commission in what they want to achieve.

ACTION: Commissioner McCarthy moved approval to put this item over to the next meeting; Commissioner Cook seconded the motion. Four of the Commissioners were in favor; Commissioner Herman cast the dissenting vote.

4. LEGISLATIVE

5. TENANT & MARITIME SERVICES

A. Approval of lease with Flicka McGurrin, dba Pier 23 Cafe, at Pier 23, and approval of amendment to BCDC Permit No. M78-106 for the creation and dedication of public access adjacent to the Pier 23 Cafe. (Resolution No. 96-121)

Mr. Bouey stated that this proposed lease is a result of a new policy put in place by this Commission a few years ago to allow a great many of our retail tenants who have

been operating on a month-to-month to get some permanence so that they could run their businesses in a more businesslike way. In 1994, the Port granted Pier 23 a lease which expires in April 1997. The existing premises are about 4300 sq. ft. 1400 of which are inside the restaurant. The current monthly base rent is $5600 versus a 7% percentage rent. Last year, Pier 23 grossed sales of $2.3 million. Through all the problems of the Embarcadero and the roadway work, Ms. McGurrin's increased her business ten fold. The policy for retail businesses reaffirms the Port's commitment to foster and encourage full and equitable opportunities for leasing retail sites on the waterfront. The policy does allow for the direct negotiation of a lease with an existing tenant provided they meet the following criteria: (1) tenant is in good standing; (2) tenant has a sound business plan; (3) the tenancy is in the best economic interest of the Port; (4) the tenant has a good record of affirmative action. With regard to these four criteria, Flicka McGurrin has a consistent history of compliance with all obligations of its lease. With regard to sound business plan, she increased her business ten fold, an indication of her ability and sound assessment as a businesswoman and as well, she plans to invest a total of $200,000 into the premises. With regard to the Port's best economic interest, Pier 23 is one of the best and most consistently performing restaurants not only on Port property but in San Francisco. With regard to affirmative action, Ms. McGurrin has a wonderful affirmative action record and is also a certified WBE. There are certain required improvements which require a BCDC permit which the Port will co-sign. With regard to the terms of the proposed lease, the building and the outdoor dining area is 4385 feet. The term will be ten years. There are three phases of improvements and if they are not concluded in the allotted time, the Port has the right to terminate the lease. The initial base rent is almost $11,000 a month. As well, she's agreed to pay 7% of all gross receipts and agreed to maintain the premises including the public access area.

ACTION: Commissioner McCarthy moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

B. Approval of month-to-month lease with Joshua Pryor, dba China Basin Charter/Ruby Sailing, at Pier 23. (Resolution No. 96-122)

Mr. Bouey stated that adjacent to the Pier 23 lease is another lease for the Ruby Sailing, which currently berths at the Ramp Restaurant. Mr. Pryor desires to operate the Ruby at Pier 23. The proposed facility will be constructed at Mr. Pryor's sole cost and expense. It includes a 60 ft. float and a handicap accessible ramp. It will require a BCDC permit. Port Commission is required because this use is not included in the leasing parameters. On October 28, 1992, the Commission approved the policy for accommodating additional excursion boats at the Port. However, that policy identified Piers 3 and 9 as the suitable interim location for accommodating excursion vessel facility. This lease includes 1692 sq. ft. of water space and 84 sq. ft. of wharf space. The term is month-to-month. The use will be for excursion landing. The initial base rent is for $400. The percentage rent is 6% and the tenant is responsible for maintenance to the premises. The tenant improvement is estimated at $75,000. The removable improvements such as the float will remain the personal

property of the tenant if the Port should terminate its month-to-month lease.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

6. FACILITIES & OPERATIONS

A. Public Hearing on the intention to issue permits to relocate and install J.C. Decaux Public Service/Advertising Kiosks on the south side of Jefferson Street between Hyde and Leavenworth Streets, and on the north side of Jefferson Street between Mason and Powell Streets. (Resolution No. 96-114)

Mr. Bouey stated that at the September 24 Commission meeting, two locations for the kiosks were identified and discussed. After listening to numerous speakers, staff agreed to find alternative locations. Staff proposes that the Mason and Jefferson Streets location be moved to north side of Jefferson Street, east of Mason and the Jefferson and Hyde Street location be moved to the south side of Jefferson Street, between Hyde and Leavenworth Streets, in front of the entrance to the Cannery courtyard. Notices were provided to all Port tenants immediately adjacent to the new locations and within the 150-foot radius.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

B. Authorization to issue Request For Proposals (RFP) for design services for the berthing facilities and dredging for the Hyde Street Fishing Harbor. (Resolution No. 96-120)

Mr. Bouey stated that the Commission approved a professional services contract for the preparation of an EIR for the Hyde Street Fishing Harbor project in September 1994. Work began on the EIR on January 1995, and is anticipated to be certified in December 1996 and no action on the project will be taken until after the EIR is certified. However, staff would like to move ahead with the project which consists of three main improvements: (1) construction of landside improvements, (2) dredging, (3) and the construction of sixty berthing facilities. The primary vessels to be docked will be commercial fishing boats. The proposed RFP will solicit proposals for outside professional design services for the berthing facilities and dredging components.

In response to Commissioner McCarthy's inquiry about the responsibility of overseeing the landside improvements, Mr. Bouey replied that the Port will assign a project manager to work with DPW. The Port will purchase design services from DPW for those portions of the project.

ACTION: Commissioner Cook moved approval; Commissioner McCarthy

seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

C. Authorization to accept the work for Construction Contract No. 2593, "Pier 45 Earthquake Repair Project, Pier and Buildings Repair." (Resolution No. 96-118)

Mr. Bouey stated that the work at Pier 45 is completed. The original contract amount was $9.4 million and provided for contingency of approximately $281,000. Approximately a year later, staff requested that the Commission approved an additional $265,468, which increased the contract amount to $9,945,151. Staff is requesting Commission to accept the work for the price of $9,929,000 (about $17,000 less than anticipated). At the same time, the contractor has agreed to release all claims, except one in which he believes he is entitled to $34,000; staff requests the authority to settle that claim.

Commissioner Herman wondered why the Port is paying the contractor $34,000, if he is not entitled to it. Mr. Bouey clarified that the Port will not give him $34,000. The contractor put in a claim for $34,000, staff believes he is entitled to something but not that entire amount.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. Four of the Commissioners were in favor; Commissioner Herman cast the dissenting vote. The resolution was adopted.

7. PLANNING & DEVELOPMENT

A. Presentation on Wireless Telecommunications Services Facilities Siting Guidelines. (Information Only)

Mr. Bouey stated that the City's Planning Department has spent some time analyzing wireless telecommunications services. The Port would like to mirror, where appropriate, the City's policy on this issue. A wireless telecommunications policy will be presented to the Commission in December or January for its adoption. He then introduced Susanna Montana from the Planning Department.

Ms. Montana presented the Planning Department's recommended guidelines. She stated that the Planning Department has had zoning regulations which regulated wireless telecommunication facilities since they adopted their first zoning regulations. The Planning Commission developed siting criteria, facilities guidelines and conditions of approval. The zoning rules require a conditional use application for each carrier's set of antennas for each location. The Port issues its own permit as well as the Redevelopment Agency but do not have a conditional use process. The Planning Commission requested staff to present its guidelines to the Port Commission and Redevelopment Commission for their consideration and adoption of the conditions of approval. They believe that a monitoring process for the radio frequency and the electro magnetic radiation needs to be established. The Planning Commission requests that each Commission establish as a condition of permit approval that there

be a pre-installation reading report. The report will then go to the Health Department to make sure it meets FCC Health & Safety standards. Once the installation is installed and operational, the Planning Commission requires another report and every two years thereafter to ensure they are meeting the FCC Standards. The Planning Commission and the Board of Supervisors have requested that the highest preference for siting of these facilities be on public buildings. When the Port Commission issues permits, the Planning Commission also requests the address, name of the carriers and number of antennas of the carriers so they could map them on their map info system, a citywide inventory, because the public wants a report every year to find out how many antennas are going up.

In response to Commissioner McCarthy's inquiry about the appearance and size of the antennas, Ms. Montana responded that in suburban areas, they are usually towers or flag poles. In San Francisco, it is a panel antenna which is about 4 feet by 6 inches by 4 inches that looks like a fluorescent light ballast that is attached to the buildings, painted the same color of the building. In some cases, they are on a little pole (7 feet tall on top of a roof).

Commissioner Lee inquired about the equipment when installing the antennas. Ms. Montana replied that there is a base transceiver unit which is usually located in the basement or the garage area.

Ms. Montana added that they encourage all City departments to develop a streamline permit process because they would like to have the installations be placed on City properties. The market rent for each of these installations is about $1500 a month, 30 year lease. City-owned buildings appear to be less obtrusive.

Lynn Bunim, from Pacific Telesis, stated that she is pleased with the guidelines that have been developed. For almost a year, there has been a lot of community discussion in the development of these guidelines. It is their hope and intention to return in December to propose two sites they would like to obtain leases and move forward. She offered the Commission an opportunity to view the sites of their antennas. It is their objective to make it as unobtrusive as possible. One of the issues they've looked at very carefully is there is an economic benefit to San Francisco for having this technology.

John Newman, counsel for Pacific Bell mobile services, reiterated Ms. Bunim's comments that they welcome the opportunity the Commissioners, staff and counsel the proposed locations. They are working with Port staff regarding the two locations (Pier 39 and Pier 22-1/2) under consideration.

In response to Commissioner McCarthy's inquiry about rent generated from the Pier 39 location, Mr. Bouey replied that staff will have to negotiate rent because the site is within their leasehold but is not a permitted use under their current lease. Since this is a new use, staff will negotiate a new rent structure.

Ms. Montana added that with the permit, the Port can establish a fee system whereby

time and materials can be charged, which the carriers pay, for the work that the Health Department does for the Port.

B. Resolution authorizing the Executive Director to execute BCDC Permit No. 5-96 (Pier 38 Maritime Recreation Center, Inc.) including the creation and dedication of public access areas. (Resolution No. 96-115)

Mr. Bouey stated that the Commission previously approved a lease for the Maritime Recreation Center which offers dry boat storage, public boat launching, etc. The lease was also approved by the Board of Supervisors. A month ago, BCDC voted unanimously to issue a permit which includes public access area. Because the Port controls these properties, we are designated as a co-permittee. The site plan shows the location of the public access areas required as part of the project, which include approximately 22,859 square feet of public access around the perimeter of the pier. Resolution No. 96-115 would authorize the Executive Director to enter into BCDC Permit No. 5-96 which includes special conditions requiring the creation, dedication and maintenance of permanent public access areas.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

8. ADMINISTRATION

10. CONSENT CALENDAR

A. Approval of travel for one Port representative to attend the International Trade Data and Information Conference in Seattle, WA, in accordance with the Port's 1996-97 budget. (Resolution No. 96-116)

B. Acceptance of Quitclaim Deed from Catellus Development Corporation of easement over approximately 4.417 acres of real property located at 6th and Channel Street (leased to Mission Creek Harbor Association). (Resolution No. 96-119)

C. Approval of Second Amendment to Lease and Consent to Encumbrance with Bundox Restaurant, Inc., dba the Waterfront Restaurant, at Pier 7½. (Resolution No. 96-117)

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the items on the Consent Calendar were adopted.

11. NEW BUSINESS / PUBLIC COMMENT

Patsy Love, stated that she has been a Port employee 23 years. Fifteen of those years, she has received harassment from Mr. Kutnick because she refused to tell a lie for him and advised another employee to tell the truth. This harassment has become more severe since Mr. Kutnick became Director of the department. She has informed the Human Resources

department and the deputy director about this harassment but it has continued to the point that she is now under the doctor's care and making her life very difficult. She requested the Commission to conduct an investigation regarding this matter. Mr. Bouey indicated that he will have the Personnel Director look into these issues.

Theresa Koller, Street Artists, asked for the Commission's assistance. About 15 months ago, the Art Commission directed Kathy Hallinan and herself to represent the Street Artists to regain the use of J8 and J9. Over the last 15 months, she has written numerous letters to the Port but has only gotten a few replies. She'd like to get this matter resolved. Mr. Bouey replied that most of Ms. Koller's correspondence did not warrant a response. He had asked Mr. Bennett to set up a meeting with Mr. Lazar two and a half weeks ago. Mr. Bouey has looked at the J8 & J9 issue for a couple of months and will discuss it at the meeting with Mr. Lazar and Ms. Koller. Commissioner McCarthy requested a clarification of the matter. Mr. Bouey replied that the Commission previously approved a number of locations for the street artists but did not approve J8 and J9 because there is a provision that allows the Commission to exempt certain locations with doors. However, the Commission can waive this provision and locate street artists on those locations. The Commission requested staff to look at J8 & J9 and return to the Commission with a recommendation.

Mr. Edward Lortz stated that he's lived in San Francisco 20 years, not affiliated with any organized group, has been in the maritime industry over 30 years and involved in the operation, maintenance, design and construction. He stated that San Francisco is never going to be a major container Port. We can go after niche cargo, passenger and cruise lines, fishing, ship repair, ferries and commercial. The Commission is working on a proposal to create a cargo department and will also be looking for a new director. In the 1950's and 1940's, cargo was 80% of this port. In the future, with that container cargo, cargo and ship repair are never going to be more than 20 or 30% of this Port. To set up a cargo department does not make any sense.

12. EXECUTIVE SESSION

At 6:30 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment ✓ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark.

This is specifically authorized under California Government Code Section

54956.8.

B. CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTER:

1) Neudecker v. CCSF, et. al., Superior Court No. 964-862 and 974-043; pursuant to subdivision (a) of California Government Code Section 54956.9

C. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

At 7:10 p.m, Commissioners Hardeman, Lee, Cook, Herman and McCarthy returned from executive session and convened in public session.

ACTION: Commissioner Lee moved approval to not disclose any information discussed in the executive session; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 7:12 p.m.

SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, DECEMBER 10, 1996
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - November 12, 1996

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Approval of Annual Payment Agreement between the Port Commission and the City & County of San Francisco regarding payment of Parking Violation Fine Revenues by City to Port. (Resolution No. 96-127)

   C. Approval of Revision of Resolution No. 96-112, Harbor Traffic Code Amendment regarding Restrictions on Outdoor Signs (Revised Resolution 96-112)

4. **LEGISLATIVE**

5. **TENANT & MARITIME SERVICES**

   A. Approval of relocation of two street artist spaces on Port property along the south side of Jefferson Street between Jones and Hyde Streets (Resolution No. 96-125)

6. **FACILITIES & OPERATIONS**

   A. Informational briefing on Fisherman's Wharf Environmental Quality Advisory Committee.

   B. Authorization to award a Professional Services Contract for the "Pier 48 New Maintenance Facility" to Kendall Young Associates/Beverly Prior Architects, a Joint Venture. (Resolution No. 96-128)

7. **PLANNING & DEVELOPMENT**

8. **ADMINISTRATION**

9. **SPECIAL ITEM**

10. CONSENT CALENDAR

A. Approval of a declaration of emergency to obtain assistance in damage assessment resulting from the oil spill at Pier 70. (Resolution No. 96-126)

B. Approval of a declaration of emergency for repairs to Pier 43-½ Franciscan Restaurant parking deck failure. (Resolution No. 96-129)

11. NEW BUSINESS / PUBLIC COMMENT

12. EXECUTIVE SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓__ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark.

This is specifically authorized under California Government Code Section 54956.8.

B. CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND PENDING LITIGATION:

1) Discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (1 case).

2) Joseph Peters v. CCSF; CCSF (cross-complainant) v. Somerset Insurance Services, et.al.
San Francisco Superior Court No. 963-495

3) Republic Insurance Company et.al. v. CCSF
U.S. District Court C94-2627-FMS

C. CONFERENCE WITH LEGAL COUNSEL REGARDING PERSONNEL MATTER

1) Discuss personnel matter pursuant to California Government Code Section 54957.

D. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

13. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero Station located at Market and Steuart Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building. Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Kevin Jensen at (415) 274-0555. Late requests will be honored if possible.

- American Sign Language Interpreters
- A Sound Enhancement System
- Large Print of the Agenda
- The use of a reader during the meeting
- Minutes of the Meeting in Alternative Formats

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

December 4, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Annual Payment Agreement Between the Port Commission and the City and County of San Francisco, Regarding Payment of Parking Violation Fine Revenues by City to Port

DIRECTOR'S RECOMMENDATION: AUTHORIZE APPROVAL OF THE ANNUAL PAYMENT AGREEMENT

BACKGROUND

The Port currently has approximately 1,000 parking meters on its property from which it charges and collects parking meter revenues. Between the time that the Port acquired jurisdiction over the Port property and around 1975, the Port's police officers enforced parking violations on Port property and the Port also received revenue from fines issued for parking violations.

Pursuant to the Burton Act and the Transfer Agreement, the Port is allowed to retain the City to perform services on its behalf. Around 1975, the City took over parking enforcement functions on Port property, with the Port's consent. Since that time, all fine revenues generated by parking violations on Port property have been administered, collected and retained solely by the City.

Between 1975 and December 31, 1993, the Port did not reimburse the City for providing its parking enforcement activities on Port property and the City retained all revenues paid by

THIS PRINT COVERS CALENDAR ITEM NO. **3B**

parking violators on Port property. Beginning January 1, 1994, the Port has paid the City an annual administrative fee of approximately $250,000 for performing this service. However, the City and the Port acknowledge that the charges incurred by the City in performing parking enforcement services on Port property are less than the total amount of parking fine revenues received by the City since 1975 and that some portion of the revenues previously collected is owed to the Port pursuant to the Burton Act and the Transfer Agreement.

However, the City does not retain data regarding the number of parking citations issued or the amount of parking fine revenues collected on Port property. Consequently, neither the Port nor the City have an accurate measure of the amount of parking fine revenues generated by violators on Port property and retained by the City. Both the City and the Port agree that it would be extremely difficult or even impossible to calculate the actual amount.

PROPOSED ANNUAL PAYMENT AGREEMENT

The Port and the City intend to enter into an Annual Payment Agreement to resolve the issues regarding (1) amounts owed to the Port from parking fine revenues collected and retained by the City and (2) amounts owed to the City for previously unreimbursed City services. As part of such resolution, the Annual Payment Agreement will set forth a payment arrangement for both past and future amounts. The term of the Annual Payment Agreement will commence with its execution by the Commission and the Board of Supervisors and will expire on June 30, 2017.

Reimbursement for Past Parking Fine Revenues

Within 30 days following approval of the Annual Payment Agreement by the Port's Commission and the City's Board of Supervisors, which ever is later, the City shall pay the Port $1,200,000 (the "Reimbursement Amount") for a portion of the Port's share of past parking fine revenues.

Guaranteed Annual Payment Amount

As part of the resolution of past parking fine revenues, and in payment of the Port's share of ongoing collections, the Annual Payment Agreement will provide that the City pay the Port $1,200,000 annually through June 30, 2017 (the "Guaranteed Annual Payment").

The Guaranteed Annual Payment is payable in monthly installments due on the first day of each month commencing on July 1, 1997. Upon termination of the Annual Payment Agreement (either upon expiration of the term or at the Port's discretion), the City's responsibility for the Guaranteed Annual Payment will cease and revenues from parking citations attributable to parking spaces on Port property will be received by the Port in amounts equal to actual ticket collections or as otherwise required by law. To the extent that the City continues to provide enforcement services on the Port's behalf, the Port will continue to reimburse the City for its actual administrative costs.

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-127

WHEREAS, Charter Section B3.581 empowers the Port Commission with power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under the Burton Act and Transfer Agreement, the State transferred its interest in San Francisco's tidelands to the City and County of San Francisco to be held in trust for navigation, commerce and fisheries; and,

WHEREAS, Section 4 of the Burton Act and Section V of the Transfer Agreement require all revenues generated on trust property to be deposited into a trust fund for the Port's benefit, which include revenues from parking citations attributable to parking spaces on Port property belonging to the Port; and,

WHEREAS, Section VI of the Transfer Agreement allows the City to undertake all or part of the services performed by the Port if economies will result therefrom and further provides that the Port is not required to contribute to City services to the extent such contribution will result in expenditures greater than those required; and,

WHEREAS, Around 1975, the City took over parking enforcement functions on Port property, with the Port's consent, consistent with the Transfer Agreement, and has collected and retained all revenues derived from parking fines from use of Port property; and,

WHEREAS, Between 1975 and January 1, 1994, the Port did not reimburse the City for the parking enforcement activities on Port property, and although since January 1, 1994, the Port has paid the City an annual administrative fee of approximately $250,000 for this service; and,

WHEREAS, The parties have negotiated an Annual Payment Agreement to resolve the issues regarding the parking fine revenues and unreimbursed City services in the past, and, as part of such resolution, to set forth a payment arrangement for both past and future revenues, subject to the terms of the Agreement which is on file with the Clerk of the Board of Supervisors in File No. _____; and,

WHEREAS, Such Agreement provides for releases of claims in accordance with the terms and conditions of the Agreement; and,

WHEREAS, That upon termination of the Agreement, City's payment of the guaranteed annual payment will cease and revenues from parking citations attributable to parking spaces on Port property will be received by the Port in amounts equal to actual ticket collections or as otherwise required by law; now, therefore be it

RESOLVED, That the Port Commission hereby approves the Annual Payment Agreement in substantially the form attached hereto and approves receipt of the payments from the City to the Port required pursuant to the Agreement; and be it further

RESOLVED, That, upon approval of the Agreement by the Board of Supervisors, the Port Commission hereby authorizes the Executive Director to enter into the Annual Payment Agreement and to execute any required documents or actions necessary to fulfill the terms of the Agreement in such form as approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 10, 1996.

_____
Secretary

ANNUAL PAYMENT AGREEMENT

THIS ANNUAL PAYMENT AGREEMENT is entered into as of _____, 1996, by and between the City and County of San Francisco ("City"), acting by and through the Board of Supervisors, and the San Francisco Port Commission ("Port").

RECITALS

A. The Port was established by the City pursuant to the Burton Act (Stats.1968, ch.1333) and Transfer Agreement, dated January 24, 1969. Under the Burton Act and Transfer Agreement, the State transferred its interest in San Francisco's tidelands to the City and County of San Francisco. The Port holds the property as trustee of the public trust for navigation, commerce and fisheries.

B. Section 4 of the Burton Act and Section V of the Transfer Agreement require all revenues generated on trust property to be deposited into a trust fund for the Port's benefit. Revenues from parking citations attributable to parking spaces on Port property belong to the Port.

C. Section VI of the Transfer Agreement allows the City to undertake all or part of the services performed by the Port if economies will result therefrom. The Transfer Agreement also provides that the Port is not required to contribute to City services to the extent such contribution will result in expenditures greater than those required.

D. The Port currently has approximately 1000 parking meters on its property. Between the time that the Port acquired jurisdiction over the Port property and around 1975, the Port's police officers enforced parking violations on Port property, and the Port received the revenues from parking fines. Around 1975, the City took over parking enforcement functions on Port property, with the Port's consent, consistent with the Transfer Agreement. Since that time, all revenues derived from parking fines from use of Port property have been collected and retained by the City.

E. Between 1975 and January 1, 1994, the Port did not reimburse the City for the parking enforcement activities on Port property. Since January 1, 1994, the Port has paid the City an annual administrative fee of approximately $250,000 for this service. The City and Port acknowledge that the charges incurred by the City in performing parking enforcement services on Port property are less than the total amount of parking fine revenues received by the City since 1975.

F. The City has not retained data regarding the number of parking citations issued or parking fine revenues collected on Port property. Consequently, the parties do not have an accurate measure of the amount of parking revenues received by the City attributable to Port property over the years. It would be extremely difficult or impossible to calculate the actual amount.

G. The parties intend to enter into this Agreement to resolve the issues regarding the parking fine revenues and unreimbursed City services in the past, and, as part of such resolution, to set forth a payment arrangement for both past and future revenues, subject to the terms of this Agreement. Upon termination of this Agreement and pursuant to the Burton Act and the Transfer Agreement, or as governed by applicable law then in effect, the Port will retain the use and control of all revenues from parking citations attributable to parking spaces on Port property for the benefit of the public trust subject to the reimbursement of the City for its actual administrative costs if the City elects to provide such services.

AGREEMENT

1. Effective Date. The Effective Date of this Agreement is _____.

2. Term. The term of this Agreement shall commence on the Effective Date and shall terminate on June 30, 2017, unless earlier terminated in accordance with Section 5 of this Agreement.

3. Reimbursement for Past Parking Fine Revenues. Within 30 days following approval of this Agreement by the Port's Commission and the City's Board of Supervisors, which ever is later, the City shall pay the Port $1,200,000 (the "Reimbursement Amount") for past parking fine revenues. The parties agree that this amount, together with the City's commitment to make Guaranteed Annual Payments (as defined in Section 4) for the term hereof, regardless of whether actual ticket collections are less than such sum, represents payment in full for the City's obligation to pay the Port parking fine revenues that accrued prior to the Effective Date, less those unreimbursed costs previously incurred by the City in administering the parking violation ticketing and fines on Port property.

4. Payment of Future Parking Fine Revenues.

a. Guaranteed Annual Payment Amount. As part of the resolution of past parking fine revenues, the parties have agreed that the City shall pay to the Port a specified amount annually for the term of this agreement (the "Guaranteed Annual Payment") as payment for parking meter fine revenues collected by the City.

Based on a survey by the Department of Parking and Traffic, the parties have agreed that approximately $1,200,000 in parking meter fines are collected on Port property annually. The parties acknowledge that this sum has been agreed upon as the parties' estimate of parking revenues that would be collected by the City annually during the term hereof.

The Guaranteed Annual Payment is payable in monthly installments due on the first day of each month. Subject to Section 5 hereof, payment of the Guaranteed Annual Payment will commence on July 1, 1997, and continue for the term of this Agreement. Upon termination of this

Agreement, City's responsibility for the Guaranteed Annual Payment will cease and revenues from parking citations attributable to parking spaces on Port property will be (i) received by the Port in amounts equal to actual ticket collections less actual administrative costs if the Burton Act and Transfer Agreement then require or (ii) governed by applicable law then in effect.

b. Records. The City will attempt to implement a reasonable record keeping mechanism and make such records available to Port.

c. Annual Administrative Fee. During the term of this Agreement, the Port will have an annual obligation to pay the City's actual administrative fees for the City's enforcement and processing of parking violations on Port property subject to the Port's reasonable approval and verification of such costs.

d. Payment of Future Undedicated Parking Fine Increases. If on or after the Effective Date the City increases the parking fines above the amounts existing as of the Effective Date (as shown on Exhibit 1 attached hereto), then to the extent that such increase is not dedicated to the State for State purposes or any other purpose mandated by the State, the Guaranteed Annual Payment to the Port shall be increased by the incremental increase in parking fines actually collected on Port property as of the effective date of the increase.

5. Performance of Services by Port. Port, at any time, may, upon 180 days prior written notice to City, undertake ticketing and enforcement of parking violations on Port property. If Port discontinues using City's services and collects parking fine revenues itself, City's Guaranteed Annual Payment obligations under Section 4 above and Port's reimbursement obligation for services will cease as of the date the Port assumes such function. Any sums paid shall be prorated as of the date that Port assumes such function.

6. City Policy to Support Public Transit. In 1993, the City adopted a policy (Section 18.103 of the Charter) to support public transit, and to set aside parking related revenue for public transportation purposes. City and Port hereby acknowledge that such policy is not intended to apply to revenues realized from those fines, forfeited bail, or penalties that are generated from parking violations on Port property, and that the disposition of those revenues from Port property will be governed by applicable law then in effect.

7. Purpose and Effect. The parties intend to hereby resolve a dispute arising out of the City's collection of parking fine revenues from Port property before the Effective Date. Accordingly, the parties hereby fully release and discharge the other from any and all claims, obligations, costs, losses, and expenses of every description, known or unknown, as of or prior to the Effective Date of this Agreement, relating to parking fine revenues collected by the City from Port property and parking violation services provided by the City; provided, however, that the resolution of this dispute is conditioned upon receipt of the Reimbursement Payment and Guaranteed Annual Payment for the term and in accordance with all provisions of this Agreement.

8. Miscellaneous Provisions.

a. Time is of the Essence. Time is of the essence as to each and every provision of this Agreement.

b. Governing Law. This Agreement will be construed and interpreted in accordance with the Laws of the State of California and City's Charter.

c. Controller's Certification of Funds. The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purposes and period stated in such certification.

d. Entire Agreement. This Agreement, including the recitals, contains the entire agreement between the parties with respect to the subject matter hereof. Any prior correspondence, memoranda, or other extrinsic documents relating to such subject matter are superseded in total by this Agreement.

e. Amendments and Modifications. No amendment of this Agreement or any part thereof will be valid unless it is in writing and signed by all of the parties hereto.

f. Waiver. No failure by any party to insist upon the strict performance of any obligation of the other under this Agreement or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues will constitute a waiver of such breach or of the party's rights to demand strict compliance with the party's obligations under this Agreement.

g. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

IN WITNESS WHEREOF, CITY and PORT execute this Agreement at San Francisco, California, as of the last date set forth above.

PORT:

By_____
Dennis P. Bouey
Executive Director

Port Commission Resolution No. ____

CITY:

By_____
Mayor Willie Lewis Brown, Jr.

Board of Supervisors Resolution No. _____

APPROVED AS TO FORM:
LOUISE H. RENNE, City Attorney

By_____
Julie Van Nostern
Deputy City Attorney

RECOMMENDED:

_____
Ed Harrington, Controller

_____
John Newlin, Director of Parking and Traffic

FILE NO._____ RESOLUTION NO._____

APPROVING ANNUAL PAYMENT AGREEMENT BETWEEN SAN FRANCISCO PORT COMMISSION AND CITY AND COUNTY OF SAN FRANCISCO, BY AND THROUGH ITS BOARD OF SUPERVISORS, REGARDING PAYMENT OF PARKING FINE REVENUES FROM PORT PROPERTY

WHEREAS, Under the Burton Act and Transfer Agreement, the State transferred its interest in San Francisco's tidelands to the City and County of San Francisco to be held in trust for navigation, commerce and fisheries; and,

WHEREAS, Section 4 of the Burton Act and Section V of the Transfer Agreement require all revenues generated on trust property to be deposited into a trust fund for the Port's benefit, which include revenues from parking citations attributable to parking spaces on Port property belonging to the Port; and,

WHEREAS, Section VI of the Transfer Agreement allows the City to undertake all or part of the services performed by the Port if economies will result therefrom and further provides that the Port is not required to contribute to City services to the extent such contribution will result in expenditures greater than those required; and,

WHEREAS, Around 1975, the City took over parking enforcement functions on Port property, with the Port's consent, consistent with the Transfer Agreement, and has collected and retained all revenues derived from parking fines from use of Port property; and,

WHEREAS, Between 1975 and January 1, 1994, the Port did not reimburse the City for the parking enforcement activities on Port property, and although since January 1, 1994, the Port has paid the City an annual administrative fee of approximately $250,000 for this service; and,

WHEREAS, The parties have negotiated an Annual Payment Agreement to resolve the issues regarding the parking fine revenues and unreimbursed City services in the past, and, as part of such resolution, to set forth a payment arrangement for both past and future revenues, subject to the terms of the Agreement which is on file with the Clerk of the Board of Supervisors in File No. _____; and,

WHEREAS, The City's policy pursuant to Section 18.103 of the Charter is to support public transit, and to set aside parking related revenue for public transportation purposes, such

policy will not apply to revenues from parking citations attributable to parking spaces on Port property belonging to the Port; and,

WHEREAS, Such Agreement provides for releases of claims in accordance with the terms and conditions of the Agreement; and,

WHEREAS, The Port and Board of Supervisors intend that upon termination of this Agreement, City's payment of the guaranteed annual payment will cease and revenues from parking citations attributable to parking spaces on Port property will be received by the Port in amounts equal to actual ticket collections or as otherwise required by law; and,

WHEREAS, On December 10, 1996, pursuant to Port Commission Resolution 96-127, the San Francisco Port Commission authorized the Executive Director to enter into the Annual Payment Agreement and to execute any required documents or actions necessary to fulfill the terms of the Agreement; a copy of said Port Commission Resolution 96-127 is on file with the Clerk of the Board of Supervisors in File No. _____; now, therefore be it

RESOLVED, That the Board of Supervisors hereby approves the Annual Payment Agreement in substantially the form on file with the Clerk of the Board of Supervisors in File No. _____, and approves the payments to the Port required pursuant to the Agreement; and be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Mayor to to enter into the Annual Payment Agreement and to execute any required documents or actions necessary to fulfill the terms of the Agreement.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 3, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey DPB
Executive Director

SUBJECT: Revision of Resolution 96-112, Harbor Traffic Code Amendment Regarding Restrictions on Outdoor Signs

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION.

On November 12, 1996 the Port Commission passed Resolution 96-112 amending the Harbor Traffic Code ("Code") to regulate outdoor signs and advertisements on Bay waters within the Port's jurisdiction.

At the Commission meeting various commissioners expressed concern with the exemption of waterborne vessels being used primarily to transport passengers or goods. The intent in exempting vessels used primarily for the transportation of passengers or goods was to permit advertising on ferry boats, excursion boats, passenger ships, cargo ships and similar vessels where such advertising is common. However, upon further review it was found that this advertising is usually located in the interior spaces of the vessel. Moreover, advertising on the outside of these vessels is not distinguishable from objectionable outdoor signs on barges and other vessels. Accordingly, banning all outdoor signs and advertising will not limit this unobjectionable interior activity. Second, a concern was expressed that racing sailboats be able to continue to display names and logos on their sails. Names and logos are frequently used on racing sails to help fund the activity. Accordingly, it is appropriate to exempt signs on sails of racing sailboats.

To address these concerns staff recommends revising the prohibition to delete the exemption for vessels used primarily for the transportation of passengers or goods and to exempt signs on sails of racing sailboats.

Prepared by: Dennis P. Bouey, Executive Director

THIS PRINT COVERS CALENDAR ITEM NO. 3C

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

REVISED RESOLUTION NO. 96-112

WHEREAS, Section B 3.581 of the City Charter empowers the Port Commission of San Francisco (the "Commission") with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, recently, a tug and barge was employed for the purpose of displaying a very large advertisement on the bay. The Port Director, along with the San Francisco Board of Supervisors, various other agencies, the media and private individuals expressed concern about this use. Issues that arise from this activity include visual pollution caused by such signs and the threat posed to the safety of vehicular and pedestrian traffic which may be distracted by the signs which are visible from adjacent roadways and highways; and

WHEREAS, to address this activity on Port waters, the Commission on November 12, 1996 amended the Port Harbor Code to prohibit outdoor signs and advertisements on all waterborne vessels, including, but not limited to motorized, towed or sailing vessels of any kind, such as ships, boats, tugboats, barges and sailboats, unless the waterborne vessel is being used primarily to transport passengers or goods; and

WHEREAS, at the November 12, 1996 hearing concerns were raised about (1) the exemption for vessels used primarily to transport passengers or goods, and (2) adversely impacting sailboat racing by banning signs and logos on sails of racing sailboats and,

WHEREAS, the Commission wants to address these two concerns and, now, therefore, be it

RESOLVED, that the Harbor Traffic Code is hereby amended as follows:

Article 13, is hereby revised as follows:

> Article 13. Outdoor Signs and Advertising on Vessels Prohibited on Port Waters
>
> 100. No person may exhibit, post or carry any banner, placard, poster, card, picture, sign or advertising display, except for (1) permanently affixed logos and names on vessel hulls, or (2) logos and names on sails of racing sailboats actually engaged in competition sponsored by a recognized yacht club, on the outside of any waterborne vessel of any kind, including but not limited to motorized, towed or sailing vessels such as ships, boats, tugboats, barges, and sailboats of any size, on any waters within the jurisdiction of the San Francisco Port Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 10, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

November 26, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James R. Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey DPB
Executive Director

SUBJECT: Approval of relocation of two street artist spaces on Port property along the south side of Jefferson Street between Jones and Hyde Streets

DIRECTOR'S RECOMMENDATION: APPROVE RELOCATION OF STREET ARTIST SPACES

In 1975 the San Francisco voters approved Proposition L which allows certified street artists to sell arts and crafts in designated spaces on public sidewalks, and pursuant to this proposition, the Board of Supervisors adopted a comprehensive Street Artist Ordinance ("Ordinance") in 1983, as Article 24 of the San Francisco Police Code. Among its provisions, this Ordinance provides that the designation of any street artist spaces in public places under the jurisdiction of a commission, such as the Port Commission, is subject to the approval of that commission. As a part of its approval of street artist spaces throughout the City, the Board of Supervisors designated 15 street artist spaces on Port property along Jefferson Street at Fisherman's Wharf (which were identified as spaces J-1 through J-15). However, the Port Commission did not at that time approve these street artist spaces on Port property.

One of the regulations of the Ordinance is that street artist spaces shall not be located within 12 feet of an outer edge of an entrance to a building. In 1994 a tenant of the Cannery installed a second door in its store front which was located within 12 feet of two existing street artist spaces -- J-8 and J-9. The Street Artists Program was therefore requested to abandon these two spaces because they violated Section 2405(c)(6) of the Ordinance, and the Street Artists Program

THIS PRINT COVERS CALENDAR ITEM NO. 5A

complied with this request. However, according to the Street Artist Liaison Committee, spaces J-8 and J-9 were among the most desirable in the Street Artists Program, and the Street Artist Liaison Committee petitioned the Port to permit the use of these two spaces.

In 1995 Port staff reviewed the Ordinance and the street artist spaces on Port property and recommended to the Port Commission that it adopt the provisions of the Ordinance, conditioned upon some additional restrictions. Port staff also recommended that the Port Commission approve the existing street artist spaces on Port property, but that it not approve spaces J-8 and J-9. Port staff recommended that the Port Commission instead approve two new street artist spaces, J-1A and J-1B, located further west on Jefferson Street from spaces J-8 and J-9. On June 27, 1995 (by Resolution No. 95-56), the Port Commission approved Port staff's recommendation. However, the Port Commission also directed staff to restudy spaces J-8 and J-9 and to make recommendations to the Commission in the future as to these spaces or possible alternative locations.

Since that approval, the Street Artist Liaison Committee has repeatedly requested that the Port Commission reinstate street artist spaces J-8 and J-9, maintaining that spaces J-1A and J-1B are inferior to spaces J-8 and J-9. Port staff has reviewed this request, and has determined that the reinstatement of spaces J-8 and J-9 would not interfere with the ingress and egress from the new door to the retail store in the Cannery. It is a secondary door for this retail store, and it is unused much of the time. Likewise, Port staff has determined that spaces J-5, J-6 and J-7, which were approved by the Port Commission in 1995, do not restrict ingress and egress into the large entry to the courtyard of the Cannery. Port staff therefore recommends that the Port Commission exempt street artist spaces J-5, J-6, J-7, J-8 and J-9 from the restrictions of Section 2405(c)(6) of the Ordinance. Port staff further recommends that the Port Commission reinstate spaces J-7 and J-8 and eliminate spaces J-1A and J-1B.

Prepared by: Lewis Wiseman, Director, Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-125

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, in 1983 the San Francisco Board of Supervisors adopted a comprehensive Street Artist Ordinance as Article 24 of the San Francisco Police Code (the "Ordinance"), which established a self-supporting Street Artists Program for certified street artists; and

WHEREAS, the Board of Supervisors approved street artist spaces J-1 through J-15 on Port property along Jefferson Street at Fisherman's Wharf; and

WHEREAS, street artist spaces J-8 and J-9 are located within 12 feet of the outer edge of a new secondary doorway installed by one of the tenants of the Cannery, and are therefore in violation of Section 2405(c)(6) of the Ordinance; and

WHEREAS, street artist spaces J-5, J-6, and J-7 could be construed to conflict with the restrictions of Section 2405(c)(6) of the Ordinance; and

WHEREAS, the Port Commission by Resolution 95-56 adopted the Ordinance, subject to certain further restrictions, and approved certain street artists spaces on Port property, but not spaces J-8 and J-9; now, therefore, be it

RESOLVED, that the Port Commission hereby exempts spaces J-5, J-6, J-7, J-8 and J-9 from Section 2405(c)(6) of the Ordinance, and finds that such exemptions are not inconsistent with or interfere with the purpose of the regulation from which these areas are exempted; and be it further

RESOLVED, that the Port Commission hereby approves the location of street artist spaces J-8 and J-9 on Port property, as shown on Exhibit 1 attached hereto, and be it further

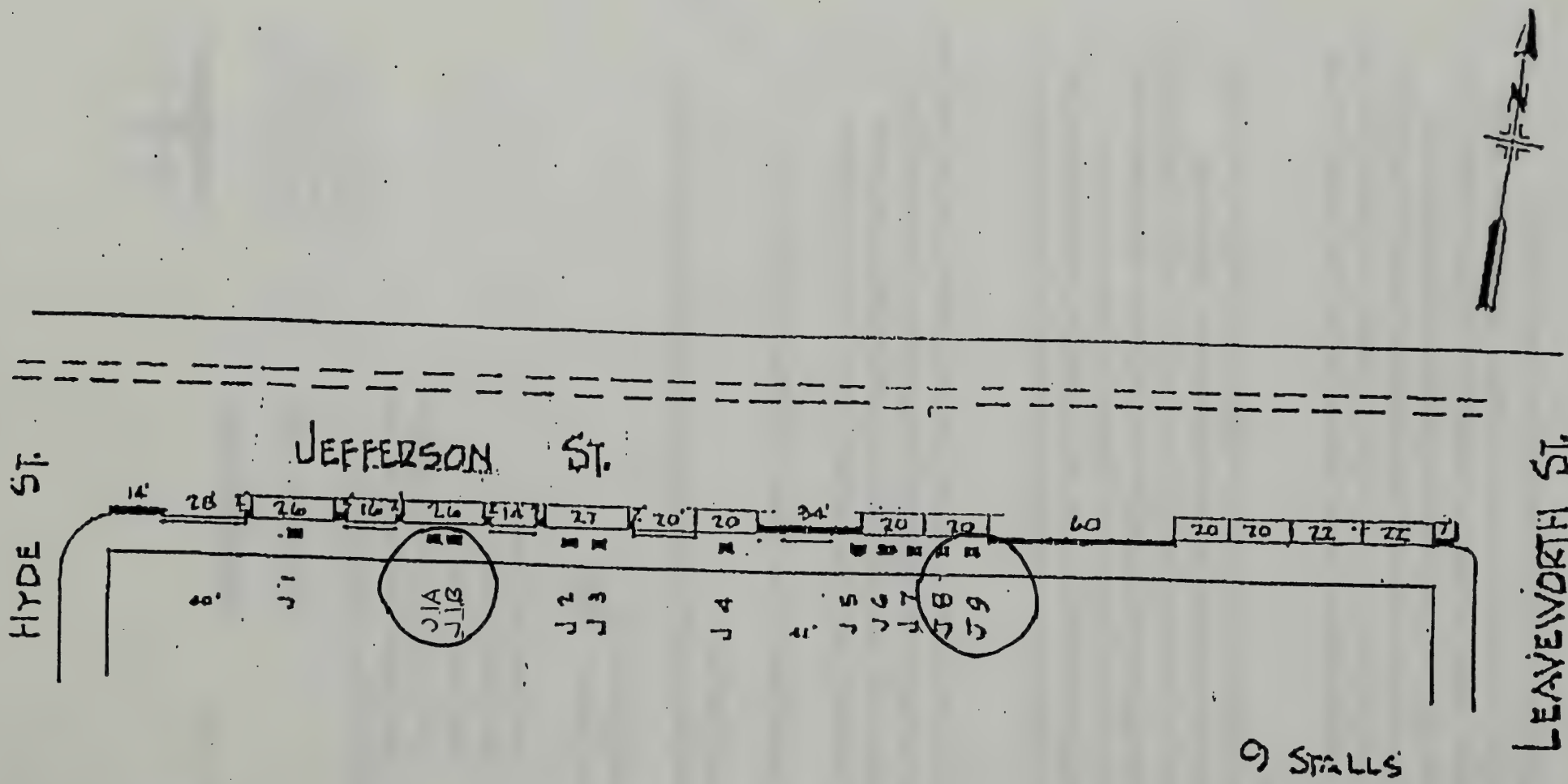
RESOLVED, that the Port Commission hereby approves elimination of street artist spaces J-1A and J-1B, as shown on Exhibit 1 attached hereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 10, 1996.

_____
Secretary

I:\ARTISTS.KB\ibn\November 26, 1996

EXHIBIT 1



Revised 10-1-72

TOWAWAY ZONE				REGULAR					SPECIAL TRUCK LOAD			NUMBER OF METERED SPACES				
DURATION	7A-9A	4P-6P	7A-6P		7A-4P	7A-6P	9A-4P	9A-6P	TOTAL	1P-4P	1P-6P	TOTAL	15 Min	30 Min	1 Hour	2 Hour	TOTAL
SIDE				11	7 DAYS		A W	EEK	11							11	11

PARKING METER SPACES

SCALE 40 | JEFFERSON ST. | AREA 4

LEAVENWORTH to HYDE STS.

■ = STREET ARTIST SPACE.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 3, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Informational briefing on the Fisherman's Wharf Environmental Quality Advisory Committee

DIRECTOR'S RECOMMENDATION: No action requested; information only

Background: The Fisherman's Wharf Environmental Quality Advisory Committee (Committee) was formed in July of 1996 to address the longstanding environmental problems which impact the Fisherman's Wharf/Aquatic Park area such as the oily film frequently found on the water, garbage in the water, improper disposal of fish carcasses, and odor problems.

In recognition of the fact that environmental problems do not stop at jurisdictional lines, the Committee, which includes representatives from the fishing industry, area merchants, the swimming and boating community, and resource agencies, will consider the effects of pollution sources outside of Fisherman's Wharf, such as the Presidio, nearby marinas and sewer outfalls, in addition to practices within Fisherman's Wharf. The Committee will then develop recommendations for improving environmental and water quality for the Fisherman's Wharf area and present those recommendations to the Port Commission and other relevant agencies.

The members of the Committee represent diverse interests, but they share similar concerns about the quality of the environment in this area and wish to work toward enhancing it. The Committee is looking for enduring solutions to the environmental concerns at Fisherman's Wharf. At the same time, the Committee recognizes the importance of sustaining the historic maritime, fisheries, cultural, business, recreational and community interests of the area. The formation of this Committee is not directly related to the Hyde Street Harbor Project, and is contemplated as an ongoing process and not a one-time event.

THIS PRINT COVERS CALENDAR ITEM NO. **6A**

Roberta Jones, the Port's Environmental Health and Safety Manager, chairs the Committee. We anticipate that the Committee will need technical assistance. Therefore, the Port has agreed to provide the Committee with an independent technical advisor(s) in addition to a not-to-exceed $50,000 budget for this year to be used in the development of an environmental quality plan or set of recommendations.

The purpose of today's presentation is to familiarize the Commission with the mission of this important Committee, and to update the Commission on the current status of the Committee's work. No action is required on this item at this time.

Prepared by: Roberta L. Jones
Environmental Health and Safety Manager

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 3, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Authorization to Award Professional Services Contract for Pier 48 New Maintenance Facility to Kendall Young Associates/Beverly Prior Architects.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO AWARD THE PROFESSIONAL SERVICES CONTRACT FOR THE "PIER 48 NEW MAINTENANCE FACILITY" TO KENDALL YOUNG ASSOCIATES/BEVERLY PRIOR ARCHITECTS ("KYA/BPA"), A JOINT VENTURE

The Commission previously authorized Port staff to issue a Request For Proposals ("RFP") for the design of the New Maintenance Facility at Pier 48. On October 9, 1996, the Port issued the RFP for architectural/engineering services for this project. On November 6, 1996, the Port received proposals from 11 consultant teams.

On November 19, 1996, a Port selection panel interviewed and evaluated seven teams. KYA/BPA received the highest score following completion of the evaluations. All seven prime firms were either certified MBEs, WBEs, or M/WBE joint ventures, and therefore all received HRC scoring adjustments. KYA and BPA are certified MBE and WBE firms, respectively.

Subsequently, the Port met with KYA/BPA to negotiate the fee. The Port and KYA/BPA agreed to a fee of $765,065.00 to provide the required architectural and engineering services. This fee includes all services necessary to provide programming, design development, bid and construction documents, and construction management support.

Prepared by: Cliff Jarrard, Chief Harbor Engineer

THIS ITEM COVERS CALENDAR ITEM NO. **6B**

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-128

WHEREAS, the Commission previously authorized staff to issue an RFP for the design of the New Maintenance Facility at Pier 48; and

WHEREAS, on November 6, 1996, the Port received proposals for this professional services work; and

WHEREAS, a Port selection panel reviewed all proposals and interviewed seven proposers to select the best qualified consultant team; and

WHEREAS, the selection panel selected the team of Kendall Young Associates/Beverly Prior Architects, a Joint Venture, certified MBE and WBE firms, respectively; and

WHEREAS, the contract will provide for services that include programming, design development, bid and construction document preparation, and construction management support; and

WHEREAS, the Human Rights Commission has confirmed that this joint venture complies with all the requirements to receive a preference as a MBE/WBE team, all in accordance with Section 12D of the San Francisco Administrative Code; now, therefore, be it

RESOLVED, that the San Francisco Port Commission hereby approves the authorization to award the subject professional services contract for the "New Maintenance Facility," to Kendall Young Associates/Beverly Prior Architects, a Joint Venture, at a cost not-to-exceed $765,065.00.

I hereby certif that the foregoing resolution was adopted by the Port Commission at its meeting of December 10, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 3, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approving a Declaration of Emergency for Contractual Assistance in Assessing Damages from the Cape Mohican Oil Spill Incident

DIRECTOR'S RECOMMENDATION: APPROVE THE DECLARATION OF AN EMERGENCY TO ALLOW PORT TO RETAIN CONTRACTUAL ASSISTANCE IN ASSESSING DAMAGES FROM THE CAPE MOHICAN OIL SPILL INCIDENT

On Monday, October 28, 1996, a ship in drydock No. 2 at the San Francisco Drydock released approximately 80,000 gallons of a mixture of heavy bunker oil and diesel into the drydock. An undetermined amount of the oil flowed off of the drydock and into San Francisco Bay. San Francisco's shoreline received the most damage, with damage concentrated in the areas nearest the drydock.

The Port assisted the U.S. Coast Guard and the California Department of Fish and Game Unified Command in assessing impacts of the oil spill on Port and City assets and sensitive ecological areas. The Port is also documenting the impact of the oil on its facilities and ecologically sensitive areas.

The Port requires assistance from an outside consultant to respond to this emergency because neither the Port nor the City currently employs staff with the expertise required to assess the damages caused by the oil spill. Funds for the emergency contract, estimated to cost approximately $35,000, are available from the Port Operating Fund.

Prepared by: Roberta L. Jones,
Environmental Health and Safety Manager

THIS PRINT COVERS CALENDAR ITEM NO. **10A**

i:oilemerg

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-126**

WHEREAS, on Monday, October 28, 1996, a ship in drydock No. 2 at the San Francisco Drydock released approximately 80,000 gallons of a mixture of heavy bunker oil and diesel into the drydock, and

WHEREAS, an undetermined amount of the oil flowed off of the drydock and into San Francisco Bay, and

WHEREAS, San Francisco's shoreline received the most damage, with damage concentrated in the areas nearest the drydock, and

WHEREAS, the Port assisted the U.S. Coast Guard and the California Department of Fish and Game Unified Command in assessing impacts of the oil spill on Port and City assets and sensitive ecological areas, and

WHEREAS, the Port is also documenting the impact of the oil on its facilities and ecologically sensitive areas, and

WHEREAS, the Port requires assistance from an outside consultant to respond to this emergency because neither the Port nor the City currently employs staff with the expertise required to assess the damages caused by the oil spill, and

WHEREAS, funds for the emergency contract, estimated to cost approximately $35,000, are available from the Port Operating Fund, and

RESOLVED, that the San Francisco Port Commission hereby ratify the action of the Port's Executive Director contained in the letter to the Controller dated November 5, 1996; and be it further

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to issue an emergency contract for environmental assessment services to assess and document the damages caused by the Cape Mohican oil spill.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 10, 1996.

_____
Secretary

i:oilemerg

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 3, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Pier 43-1/2 Franciscan Restaurant parking lot, approving a Declaration of Emergency for consulting assistance to design a parking deck repair scheme

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ISSUE AN EMERGENCY CONTRACT FOR ENGINEERING CONSULTANT TO DEVELOP CONTRACT DOCUMENTS FOR THE REPAIR OF A FAILED SECTION OF THE PIER 43-1/2 FRANCISCAN RESTAURANT PARKING DECK

Recently a section of the wood-framed Pier 43-1/2 Franciscan Restaurant parking lot, approximately 2800 square feet in plan, settled substantially. To ensure life safety, the area was immediately barricaded, an emergency was declared, and a subsequent inspection of the substructure was conducted. The inspection revealed that piles supporting this area of deck were afflicted with severe dry-rot and had failed, resulting in the large downward movement. It is imperative that this deck be repaired as soon as possible, to ensure life safety and to provide a fully functioning parking lot for the Franciscan Restaurant. Port Staff did not have the resources to perform the design work at the time of the emergency. Therefore the Port requested that GKO Engineers, a certified San Francisco MBE engineering firm, prepare design contract documents for the structural repair. GKO has submitted the final construction documents to the Port and the cost of their design services is $12,955.00. Funds for this emergency design work are available in the Port's Operating Budget.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

THIS PRINT COVERS CALENDAR ITEM **10B**

AGD-EMER.P43

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-129**

WHEREAS, a section of the Pier 43-1/2 Franciscan Restaurant parking lot deck failed; and

WHEREAS, the deck failure poses a significant life safety hazard; and

WHEREAS, Port Staff did not have the resources to perform the required design work at the time of the emergency; and

WHEREAS, staff proceeded with retaining GKO Engineers, a certified San Francisco MBE engineering firm, to prepare the repair contract documents at a cost of $12,955.00; and

WHEREAS, funds for this emergency design work are available in the Port's Operating Budget; now therefore be it

RESOLVED, the San Francisco Port Commission hereby authorizes staff to issue an emergency contract for GKO Engineers to develop contract documents for the repair of the failed section of the Pier 43-1/2 Franciscan Restaurant parking deck, at a cost of $12,955.00.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 10, 1996.

_____
Secretary

AGD-EMER.P43

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE MEETING
DECEMBER 10, 1996

96

1. ROLL CALL

The meeting was called to order by Commission President Michael Hardeman at 4:06 p.m. The following Commissioners were present: Michael Hardeman, Frankie Lee, Preston Cook, James Herman and Denise McCarthy.

2. APPROVAL OF MINUTES - November 12, 1996

ACTION: Commissioner Lee moved approval; Commissioner Herman seconded the motion. All of the Commissioners were in favor; the minutes of the meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report: Mr. Bouey reported the following:

1) Waterfront Advisory Board Meeting this Thursday, December 12 at 4:30 p.m. in the Port Commission Room. Of particular note will be the status of the BCDC discussions.

2) Status of Pier 48 fire - the Fire Department has indicated that the fire is not a result of arson but rather accidental. They have concluded that the fire was a result of illegal auto repair work. This type of activity is not a permitted use according to the terms of their lease. The current estimated damage is between $2-$3 million. The Port is covered by its insurance policy with a $100,000 deductible. The tenant's insurance will cover the Port's deductible and other damage. With available insurance monies, the relocation of the maintenance facility to this facility should decrease the amount of capital necessary to renovate the facility.

3) Christmas Lighting Ceremony at Fisherman's Wharf - Mr. Bouey thanked Commissioner Michael Hardeman who pitched in for him at the Christmas Lighting Ceremony at Fisherman's Wharf. The event was well attended and well put on. This represents yet another marriage between the Port and the Fisherman's Wharf

4) New Year's Eve - For the third year in a row, the New Year's Eve party will be held at the waterfront. The party has been highly successful in the last two years.

5) Hyde Street EIR Hearing - December 12 at 1:30 p.m. at the Planning

Commission. The certification of the Final EIR is expected.

6) The Port's Financial Statement has now been audited. He informed the Commission that the preliminary numbers submitted, most notably, that the Port finished the year with a surplus of a little over $4 million was sustained by the audit.

7) The Annual Report will be out December 20.

8) Special Commission Meeting will be held late next week. A public notice will be sent out. Major items will be the informational presentation on next year's budget and to conclude current business before he leaves.

B. Approval of Annual Payment Agreement between the Port Commission and the City & County of San Francisco regarding payment of Parking Violation Fine Revenues by City to Port. (Resolution No. 96-127)

Mr. Bouey stated that the Burton Act provides that all revenue should remain at the Port. When the transition was made from the State to the City, the Port collected the fees from the fine levied for Parking and Traffic violations but in 1975, that changed. The City took over not only the enforcement but kept the parking fine revenue. The amount spent for enforcement is less than the amount of revenue collected. The matter was brought to the current administration's attention. Through a series of negotiations, a conclusion was reached, which will be placed before the Budget Committee tomorrow. The essence of the agreement is the Port will receive a $1.2 million one-time payment. In addition, the Port will receive a guaranteed payment of $1.2 million a year for the next twenty years. It's important to note two things: (1) if the City should increase traffic fines, the Port will receive a proportional increase; (2) there's an element in the agreement that states if the Port elects, in the future, it takes over enforcement and then would be entitled to all the revenue. Staff feels that the agreement is fair as written and has no plans to enforce that portion of the agreement. This is a fair agreement for the City and the Port.

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

C. Approval of Revision of Resolution No. 96-112, Harbor Traffic Code Amendment regarding Restrictions on Outdoor Signs (Revised Resolution 96-112)

Mr. Bouey stated that at the previous Commission meeting, two of the commissioners expressed concern, with regard to the new Outdoor Sign Policy, to the exemption of waterborne vessels being used primarily to transport passengers or goods. The intent in exempting vessels used primarily for the transportation of passengers or goods was to permit advertising on ferry boats, excursion boats, passenger ships, cargo ships and similar vessels where such advertising is common. Upon further review, it was found that advertising is usually located in the interior spaces of the vessel. As well,

a concern was expressed that racing sailboats be able to continue to display names and logos on their sails. Staff recommends revising the prohibition to delete the exemption for vessels used primarily for the transportation of passengers or goods and to exempt signs on sails of racing sailboats.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

4. LEGISLATIVE

5. TENANT & MARITIME SERVICES

A. Approval of relocation of two street artist spaces on Port property along the south side of Jefferson Street between Jones and Hyde Streets (Resolution No. 96-125)

Mr. Bouey stated that in 1995, staff brought a resolution to the Commission for adoption with regard to the designation of street artists spaces. At contention at that time were the spaces known as J8 and J9, located directly across from the Cannery. The street artists felt that these spaces were highly desirable, if not the most desirable locations on Jefferson Street. A tenant of the Cannery at that time had a door installed and in accordance with the Board of Supervisors Ordinance the spaces opposite should not be utilized as street artists locations. After great debate, the Commission adopted staff 's recommendation, which did not include J8 and J9. The Commission, however, directed staff to reevaluate spaces J8 and J9. Staff has looked at these two locations and met with representatives of the Art Commission and the Street Artists and concluded that not only are sites J8 and J9 desirable but at the same time don't believe that they will interfere with the operations of the Cannery. Staff has gone by this location several times and found that the door is not open and there is a sign on it directing people to enter the store via another door. This is not the main entrance nor even the second entrance. After listening to the street artists requests and looking at how often the door was used staff concluded that it was an equity and fairness issue. Staff recommends to the Commission to allow the street artists to use sites J8 and J9 and to ensure that we stay within the 15 spaces allowed. Staff would delete spaces J1A and J1B. Mr. Bouey recommended that this be tried for a one year basis and if there is a problem, the Commission could reexamine it at a future point in time.

ACTION: Commissioner Lee moved approval; No one seconded the motion. The item died for lack of a second.

6. FACILITIES & OPERATIONS

A. Informational briefing on Fisherman's Wharf Environmental Quality Advisory Committee.

Mr. Bouey stated that about the time of the preliminary hearing on the Hyde Street

Harbor, a number of speakers, expressed some concerns about this new project. Accordingly, they appealed to the Port and staff felt their concerns justified. At the same time, staff felt that those concerns extended beyond Fisherman's Wharf and decided that if we were to find a solution we shouldn't be looking simply to solve the Hyde Street Harbor problem but to solve the real concerns of those who use the water. Accordingly, an advisory committee has been formed. Representatives from the Dolphin Club, South End Rowing Club, Fishing Industry, Merchant Associations, governmental entities and environmental groups comprise the committee. The Port agreed to staff the committee and fund appropriate projects as they arise. Staff has already taken steps to hire a wharfinger to have coverage at night, seven days a week.

Ms. Roberta Jones, Environmental Health & Safety Manager, stated that the committee represents a diverse group of people. Although the group is very diverse, they have come together in a spirit of cooperation and motivation and worked together very well to work on the problems at Fisherman's Wharf. They've looked at things such as sea lions to sewage outfall. They will be looking carefully at some of the more technical issues and will retain a consultant to help the committee. They will also look at potential sources of pollution outside of the Fisherman's Wharf area. It is their hope to bring before the Commission a set of recommendations for improving environmental quality at the wharf. Legal Counsel Neil Sekhri has begun to revise the vessel lease agreement and add stricter environmental protection language. A new wharfinger will be hired to assist the current wharfinger.

Mr. Bob Miller, Crab Boat Owners Association, commented that this committee has created a forum to bring the leaders of the various user groups of the wharf area together to understand each other's problems. Mr. Miller thanked Mr. Bouey for everything that he has done to bring the fishing community out into the 20th century onto the 21st century. His leadership, which trickled down to staff, has allowed them to create positive things in the wharf area not only for the fishing industry but to fish processors, restauranteurs, merchants and for the people who enjoy the wharf. They appreciate what he has done and his pro-active stance.

Mr. Aaron Peskin, South End Rowing Club, commented that the group all shared the same concern about water and environmental quality. He's hopeful that working together they can make the fisherman's wharf, aquatic park area an outstanding showcase for the country to see. On behalf of the swimming clubs, he thanked Mr. Bouey for taking the initiative for doing something that has been long overdue.

Mr. Tom Creedon, President of Scoma's Restaurant, stated that Mr. Bouey has been the first Executive Director that recognized there is a fisherman's wharf. He's grateful that when Mr. Bouey committed himself to creating the committee that he put in qualified people. Ms. Jones follows through to the letter. He noted that it is important to have someone on Port staff that has access of all the history. He looks forward to having Fisherman's Wharf, like the fishing industry, an icon for the coast. He hopes that the water quality at Fisherman's Wharf would be attractive to the coast too.

Commissioner Lee, on behalf of the Commission, thanked the committee for their work.

B. Authorization to award a Professional Services Contract for the "Pier 48 New Maintenance Facility" to Kendall Young Associates/Beverly Prior Architects, a Joint Venture. (Resolution No. 96-128)

Mr. Bouey stated the Commission previously authorized Port staff to issue an RFP for the design of the New Maintenance Facility at Pier 48. Staff received proposals from eleven consultant teams. A Port selection panel interviewed and evaluated seven teams. KYA/BPA received the highest score following completion of the evaluations. KYA is a certified MBE and BPA is a WBE firm. Port staff has negotiated a fee of $765,065 to provide the required architectural and engineering services. The fee includes all services necessary to provide programming, design development, bid and construction documents and construction management support. He noted that subsequent to the fire, staff has inserted another clause in the contract which provides the Port the capability to downward negotiate the fee to the extent that the insurance proceeds cover that work that KYA/BPA would otherwise perform.

Commissioner Lee recused himself from voting on this item because his company does business with Kendall Young Associates.

ACTION: Commissioner Cook moved approval to recuse Commissioner Lee from voting on this item; Commissioner McCarthy seconded the motion.

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. Four of the Commissioners were in favor; the resolution was adopted.

7. PLANNING & DEVELOPMENT

8. ADMINISTRATION

9. SPECIAL ITEM

10. CONSENT CALENDAR

A. Approval of a declaration of emergency to obtain assistance in damage assessment resulting from the oil spill at Pier 70. (Resolution No. 96-126)

B. Approval of a declaration of emergency for repairs to Pier 43-½ Franciscan Restaurant parking deck failure. (Resolution No. 96-129)

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the items on the consent calendar were adopted.

11. NEW BUSINESS / PUBLIC COMMENT

Commissioner Hardeman stated that he and Commissioner Herman are reviewing resumes from potential candidates for the Executive Director position.

Bill Fiore, representing Local 101 - United Food & Commercial Workers, stated that in September a number of fish workers approached the union and asked to be involved in a union organizing campaign for H&N Fish Company. Subsequent to the attempt of the workers to try to organize, the company fired two and laid off another 22 employees. The union has evidence that this is a direct retaliation for the union organization attempt. The employees are recent immigrants of South America, Guatemala and Mexico. Mr. Fiore claimed that there are also rampant race and sex discrimination at the plant, which is a direct violation of Section 29.1 of the lease that H&N Fish has with the Port. The union feels that H&N Fish is in direct violation of not only sex but race discrimination. He cited an example that because they were women they did not become full time workers and would not get benefits. He noted that this was a practice of the main supervisor. This company had rampant wage and hourly wage violations as well. Workers were asked to punch out while they were asked to continue working after they punched out. He urged the Port to rectify the situation.

Commissioner Herman inquired if charges were filed directly against the company for sex discrimination. Mr. Fiore replied that they filed National Labor Relations board charges. One of the employees that was a victim of sex discrimination has gone to FEH but she is proceeding with a letter to sue. Human Rights Commission is also involved with Section 29.1 of this lease. He urged the Commission to step in and ask the tenant to rectify the situation. Commissioner Herman inquired if charges have been filed with the custodian of that section of the charter which prohibits the unacceptable conduct. Mr. Fiore stated that HRC is in the process of filing charges. The Wage and Hour Commission has been notified of the situation. Their attorneys have been working with the employees and the board. He requested the Port to get involved with the lease agreement with this tenant.

In response to Commissioner Hardeman's inquiry of whether Port staff has been assigned to oversee this matter, Mr. Bouey replied that staff has not received a copy of complaints but have received copies of other correspondence from the union. The two issues are union organizing and the lack of response from H&N. He stated that the Port has no authority to interfere with union organization issues. He, however, agreed with the speaker with regard to the issue of sexual and race discrimination. He stated that if there is a finding, that could provide a basis for the Port Commission to terminate the lease. It is his further belief that the Port is not charged with that investigation or that finding. The charge would be levied with HRC. HRC would conduct an investigation and will, in turn, notify the union of the results of their investigation. If they felt that they could substantiate it, the Director makes a finding which then can be appealed by H&N to the HRC Commission. If that finding were upheld by the HRC Commission, they would forward it to the Port Commission. The Port Commission would decide what to do with that finding. Legal Counsel Julie Van Nostern concurred with the Executive Director.

Commissioner McCarthy inquired if the tenants can be put on notice that a complaint has

been filed against them. Mr. Bouey replied that he believed they are aware of the complaint. Commissioner Hardeman requested that this item be placed on the next agenda. Mr. Bouey commented that in order to expedite this matter, he requested that Mr. Fiore or the appropriate people file the charge with HRC. As soon as HRC make a finding, this item will be brought back to the Port Commission. Mr. Bouey then introduced Carmen Smith, an HRC representative, to Mr. Bill Fiore.

Theresa Koller, Street Artist, made the Commission aware that in September 1994, the street artists lost the J8 and J9 spots. Last June, it was all ready to go through but spaces J1A and J1B were substituted instead. They looked forward to getting the spaces back as they have been in the street artists program for 20-23 years. The person in the shoe store put in a door that was never used. It was under that technicality of the ordinance that the two spaces were removed. She asked the Commission why this item was not open for a debate. Commissioner Hardeman replied that if a motion is not seconded, it is not subject to a debate.

Kathy Hallinan, Street Artist, stated that she has never seen anything like this happened at a Commission meeting. It appears to her that there was some political maneuvering that has gone on behind the scenes. She stated that she is disappointed that the Commission did not take the time to listen to the street artists comments or point of view.

Commissioner McCarthy commented that nobody talked to anyone. She had planned to vote no on this item because she believes there are too many street artists already. Nobody has spoken to her and she's also surprised that no one seconded the motion.

Maria Filibus, Street Artist for six years, stated that she's surprised about the Commission's decision.

Mr. Rosenblum, Street Artist, stated that he does not understand how an item is placed on the agenda and not discussed. He does not understand how a decision is made before the meeting.

Commissioner Herman commented that before indicting the Commission about the democratic rules, they should be aware that this Commission, as all Commissions in the City, and unions operate according to well-established rules - the Robert Rules of Order. The Robert Rules of Order govern the conduct of the meeting. When an issue is placed in front of the assembly, it requires a motion for concurrence and that motion must be seconded. It is unfair to suggest that Commissioners were approached not to second any motion in favor of this issue. If one of the Commissioners exercises their democratic right to second the motion, that is not a plan or scheme, it is part of the democratic process. Those who decide not to second the motion are exercising their rights. The Commission heard the recommendation and found things that were objectionable and decided individually not to second the motion. If you offer a proposal and it needs a motion for concurrence, it needs to be seconded. If it is not seconded, it automatically dies. That is the rule, that is the law, the law of parliamentary procedures.

David Campus, Street Artist, stated that the spaces have been there for twenty years and

were taken away and substituted. He does not see any reason why they can't the spaces back.

Lisa Kim, Street Artist, stated that jobs are limited. She asked the Commission to appreciate their art and appreciate their program and give them opportunities to make their own living.

Danny Markowitz, Street Artist, stated that he too is disappointed with the Commission's decision not to vote on this item.

Jose Geraldo, Street Artist, stated that he was surprised with the Commissions' decision. It is their only means of making a living. He urged the Commission to rethink their decision.

One of the street artists addressed Commissioner McCarthy's comments regarding having a lot of street artists already. He stated that those are the best spots in the area. He does not understand the difference of opinion by the Executive Director and the Commission.

12. EXECUTIVE SESSION

At 5:20 p.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following matters:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓_ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark.

This is specifically authorized under California Government Code Section 54956.8.

B. CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND PENDING LITIGATION:

1) Discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (1 case).

2) Joseph Peters v. CCSF; CCSF (cross-complainant) v. Somerset Insurance Services, et.al.; San Francisco Superior Court No. 963-495

3) Republic Insurance Company et.al. v. CCSF

U.S. District Court C94-2627-FMS

C. CONFERENCE WITH LEGAL COUNSEL REGARDING PERSONNEL MATTER

1) Discuss personnel matter pursuant to California Government Code Section 54957.

D. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

At 7:00 p.m., Commissioners Hardeman, Lee, Cook, Herman and McCarthy returned from executive session and convened in public session.

ACTION: Commissioner Lee moved approval to not disclose any information discussed in the executive session; Commissioner McCarthy seconded the motion. All the Commissioners were in favor.

The meeting was adjourned at 7:02 p.m.

SAN FRANCISCO PORT COMMISSION

SPECIAL MEETING
9:00 A.M., DECEMBER 20, 1996
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CALIFORNIA

AGENDA

Fax Copy 1st Poster 12/18/96

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - December 10, 1996

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Endorsement of the basic principles of the proposed Giants and the Port term sheet for the ballpark. (Resolution No. 96-138)

   C. Informational Presentation on the Waterfront Land Use Plan - Joint Staff Recommendations for Public Review and Comment by the Port, Bay Conservation and Development Commission, and Save San Francisco Bay Association.

4. **LEGISLATIVE**

5. **TENANT & MARITIME SERVICES**

   A. Approval of Telecommunications Policy, Siting Guidelines and Standard Telecommunications Lease. (Resolution No. 96-123)

   B. Consent to wireless telecommunication services use at Pier 39 (Resolution No. 96-124)

   C. Approval of Marine Terminal Agreement for Maruba S.C.A. for use of Pier 94/96. (Resolution No. 96-135)

   D. Approval of lease with Peer Inn, Inc. for the Peer Inn Restaurant at Pier 33 (Resolution No. 96-132)

6. **FACILITIES & OPERATIONS**

7. PLANNING & DEVELOPMENT

A. Approval of 60 Berth Hyde Street Fishing Harbor proposed project, authorize expenditure of loan funds from the California Department of Boating and Waterways and adopt Environmental Review and Project Approval Findings. (Resolution No. 96-136)

B. Guidelines for review and approval of Signs and Murals on Port property. (Resolution No. 96-137)

8. ADMINISTRATION

A. Presentation of Fiscal Year 1997/1998 Operating Budget.

9. SPECIAL ITEM

10. CONSENT CALENDAR

A. Approval of a declaration of emergency for contracted assistance for the demolition and repair of the fire damaged Pier 48 sheds and related components. (Resolution No. 96-130)

B. Approval of travel to Washington, D.C. for one Port representative to meet with Congressional and Administration officials on Legislative Proposals regarding the Cruise Industry on January 20-23, 1997, in accordance with the Port's Fiscal Year 1996-97 budget. (Resolution No. 96-133)

C. Approval of travel for one Port representative to attend the Special Seminar for members of Port Authority Governing Boards and Commissions sponsored by the American Association of Port Authorities in Palm Beach, Florida (January 29-31, 1997), in accordance with the Port's Fiscal Year 1996-1997 budget. (Resolution No. 96-134)

D. Approval of travel for two Port representatives to attend the National Passenger Cruise Convention at Miami, Florida, in accordance with the Port's Fiscal Year 1996/97 budget. (Resolution No. 96-131)

E. Approval of Retainer Agreement for Professional Services between the Port and Dennis P. Bouey. (Resolution No. 96-139)

11. NEW BUSINESS / PUBLIC COMMENT

12. EXECUTIVE SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓__ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark.

This is specifically authorized under California Government Code Section 54956.8.

B. CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

1) Initiation of Litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (1 case)

(a) Red and White Fleet, Inc. (formerly Harbor Carriers, Inc., a subsidiary of Crowley Corporation) operating at Pier 41.

2) Discuss existing litigation matter pursuant to subdivision (a) of California Government Code Section 54956.9

a) Petuya v. CCSF; San Francisco Superior Court No. 972-961

C. PUBLIC EMPLOYEE APPOINTMENT/HIRING (Govt. Code Section 54957)

Discussion and action to nominate qualified applicant for the position of Port Executive Director who will have the management responsibilities of the Port of San Francisco, whose name shall be submitted to the Mayor for consideration for appointment pursuant to Charter Section B3.581(h). (Resolution No. 96-140)

D. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

13. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. Please fill out a speaker card and hand it to the Commission Secretary.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 20, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey BK for DPB
Executive Director

SUBJECT: The basic principles of the proposed term sheet between the Giants and the Port of San Francisco for the Ballpark.

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION.

In March of 1996, the voters of the City and County of San Francisco approved Proposition B which authorized a proposed development on Port property for a new ballpark on approximately 12.5 acres site in China Basin. As a result, the Port, the Mayor's office, and the Redevelopment Agency have recently negotiated with the Giants an outline of terms of a proposed lease (non-binding term sheet).

The term sheet is an important step because it covers a number of basic business terms of the proposed lease and provides the frame work for the actions the Giants and the City agencies need to take for the site to be assembled, entitlements to be granted, and complementary improvements to be financed and built. The proposed term sheet is acceptable to the Giants and their private lenders, who together are poised to make the substantial private investment necessary for the development of the new ballpark.

The proposed term sheet is not intended to be and cannot be legally binding on the parties. The lease agreement and approval actions contemplated by the term sheet remain subject to environmental review under the California Environmental Quality Act (CEQA), as well as public review and hearings required by law. Only after the environmental review process has been completed and after all necessary governmental approvals have been obtained may the City enter into a binding agreements.

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The basic principles of the proposed term sheet may be summarized as follows:

- The lease of the ballpark site will be to China Basin Ballpark Company (CBBC). CBBC is a separate entity established and controlled by the Giants partnership for the purpose of developing and operating the new ballpark. CBBC will be the borrower from a lending syndicate of a $140 million private loan for construction of the park, and CBBC will build the ballpark at its cost. Giants management has assured the City that the financing to CBBC is in place. Revenues from the ballpark and complementary improvements will flow to CBBC, including proceeds from the sale of charter seats, proceeds from the naming rights agreement with Pacific Bell and rent paid by the Giants franchise under a sublease with CBBC.

- The lease is for a term of 25 years from delivery of the site to CBBC, which is anticipated to occur in late summer or fall of 1997. The initial lease term corresponds to 23 seasons of baseball at the new park. The lease potentially could continue for a total of 66 years from site delivery, consistent with the limitations on tidelands trust property under the Burton Act. The lease would include successive 5-year renewal options at the end of the 25-year initial term.

- The Giants franchise will enter into an agreement directly with the City to play their home games at the new ballpark for 23 seasons after the new ballpark opens. The end of the term of the non-relocation agreement corresponds with the end of the initial lease term. The non-relocation term compares favorably with the minimum term of leases at other new ballpark, such as Coors Field, even though those ballparks were financed almost entirely with public dollars.

- CBBC will pay fair market rent to the Port. Full rent of $1.2 million per year begins upon delivery of the site to CBBC. The City's Director of Property advises that the ground lease rent is well within the range of market rent for the site, taking into account its existing physical, hazardous material and soil conditions and applicable tidelands trust limitations. The rent is subject to certain cost-of-living escalations during the initial lease term. The rent is reset to market at the end of the initial term if the Giants elect to extend the term.

- CBBC agrees to advance up to $500,000, at the City's option, for mutually agreed-upon City transaction costs, such as staff and legal costs of preparing and processing the lease documents. CBBC will get credit against rent for any such advances, with interest at CBBC's actual cost of funds up to a maximum of 8.5%. The rent credit for such advances are capped at $75,000 per year. CBBC also agrees to pay all costs

and fees of entitling the project, which other developers would pay. There is no credit against rent for these costs.

- Available property tax increment generated by development on the ballpark site may be used for ballpark-related infrastructure as mutually agreed-upon. CBBC agrees to provide certain assurances of repayment of Redevelopment Agency tax increment debt for the ballpark-related infrastructure if the term of the bonds exceeds the term of the lease or if possessory interest taxes from the site are reduced below a level needed to service the indebtedness.

- CBBC will remediate hazardous materials at the site as required by regulatory bodies for the development of the ballpark. CBBC is also responsible for all demolition, pier substructure and other site preparation costs.

- The Port will be responsible for delivering the site free of the Port occupancies. The Port will also be responsible for purchasing the parcel at 3rd and Berry, which Caltrans controls. The Caltrans parcel is expected to be acquired through a negotiated agreement with the State. The Port's responsibility for purchasing the Caltrans parcel and relocating the private tenants from the property is limited to $4,100,000. If the total costs exceed such amount, the terms and conditions for any such excess are subject to further agreement of the parties.

- The schedule for the proposed ballpark project provides for site delivery in late summer or fall of 1997 and an April 2000 opening.

- CBBC agrees, at the Port's option, to demolish the improvements and return the site to the Port in developable condition at the end of the lease term if CBBC does not exercise at least two 5-year renewal options at the end of the minimum term, for a total lease term of at least 33 baseball sessions at the new ballpark.

The proposed term sheet will not create any contractually binding obligations on the part of the City. The Port, Board of Supervisors, City Commissions and the Redevelopment Agency Commission will retain the absolute discretion to (i) make such modifications to the form of the lease and the ballpark project that are deemed necessary to mitigate significant environmental impacts; (ii) select other feasible alternatives to avoid such impacts; (iii) balance the benefits against unavoidable significant impacts prior to taking final action if such significant impacts cannot otherwise be avoided; or (iv) determine not to proceed with the project.

The Mayor intends to sign the term sheet subject to the Port Commissions endorsement. We anticipate that the final lease will be presented to the Port Commission and the Board Supervisors in June or July of next year consistent with the principles outlined in the term sheet.

Prepared by: Dennis P. Bouey, Executive Director

G:\GIANTS\AGENDA4.

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-138

WHEREAS, Section B 3.581 of the City Charter empowers the Port Commission of San Francisco (the "Commission") with power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, in March of 1996, the voters of the City and County of San Francisco approved Proposition B which authorized a proposed development on Port property for a new ballpark on approximately 12.5 acres site in China Basin; and

WHEREAS, the Port, the Mayor's office, and the Redevelopment Agency have recently negotiated with the Giants an outline of terms of a proposed lease (non-binding term sheet), covering a number of basic business terms of the proposed lease and providing the frame work for the actions the Giants and the City agencies need to take for the site to be assembled, entitlements to be granted, and complementary improvements to be financed and built; and

WHEREAS, the proposed term sheet is acceptable to the Giants and their private lenders, who together are poised to make the substantial private investment necessary for the development of the new ballpark; and

WHEREAS, the proposed term sheet is not intended to be and cannot be legally binding on the parties and the lease agreement and approval actions contemplated by the term sheet remain subject to environmental review under the California Environmental Quality Act (CEQA), as well as public review and hearings required by law; now therefore, be it

RESOLVED, that the Port Commission hereby endorses the principles of the term sheet set forth in the Memorandum to the Port Commission, for Item 96-138 on the Port Commission December 20, 1996 meeting, a copy of which is on file with the Secretary of the Port Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 17, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Waterfront Land Use Plan - Joint Staff Recommendations for Public Review and Comment by the Port, Bay Conservation and Development Commission, and Save San Francisco Bay Association

DIRECTOR'S RECOMMENDATION: INFORMATIONAL PRESENTATION, NO ACTION REQUIRED

I. INTRODUCTION

A. The Waterfront Land Use Plan

The Port of San Francisco has released a Draft Waterfront Plan (Waterfront Plan), the product of a five-year community planning process to define land uses for the 7-1/2 mile waterfront under its jurisdiction, from Fisherman's Wharf to India Basin. The grand goal of the Waterfront Plan is to reunite the waterfront with the City by providing for the Port's current and long-term maritime needs while also identifying opportunities for open space, public access and activities which attract the public to use and enjoy the waterfront.

The Waterfront Plan was developed and recommended to the Port Commission by the Waterfront Plan Advisory Board, a 27 member body representing the full range of maritime, community, business and environmental interests in the future of the waterfront. This involved a

THIS PRINT COVERS CALENDAR ITEM NO. **3C**

planning process consisting of more than 100 public meetings over four years. With few exceptions, the Port Commission approved the Advisory Board's recommended plan for analysis in an Environmental Impact Report. The Waterfront Plan Final EIR is scheduled to be certified by the Planning Commission on December 19, 1996.

B. The Urban Design and Public Access Element

One of the key Port Commission amendments to the Plan called for the development of urban design guidelines to ensure that new development under the Waterfront Plan occurs in a manner which enhances the waterfront. Toward that end, the Port created a Technical Advisory Committee (TAC) to review and advise the development of an Urban Design and Public Access (UDPA) element of the Waterfront Plan. The TAC is made up of highly respected members in the design profession, and representatives from the Planning Department, Bay Conservation and Development Commission (BCDC), Waterfront Plan Advisory Board, and Save San Francisco Bay Association.

The UDPA element will define a comprehensive urban design vision which identifies locations and types of public access and open space areas and views, historic preservation policies, and architectural standards, which will be realized as waterfront development projects occur. The UDPA will be incorporated into the Waterfront Plan, or otherwise adopted such that its implementation is required, as applicable, as part of new waterfront projects.

C. BCDC/Port/Save the Bay Joint Recommendations for Public Review

In addition to developing the Urban Design and Public Access element, the Port entered into an Agreement with BCDC.[1] Under the Agreement, BCDC and the Port are to jointly review the Waterfront Plan in the context of existing BCDC plan policies, and develop mutually agreeable amendments to the Waterfront Plan, and BCDC's Bay Plan, and San Francisco Special Area and Total Design Plans, consistent with the McAteer-Petris Act. The Port and BCDC agree that resolution of these policy and regulatory issues will enable both agencies to realize their ultimate objectives more effectively than under current policies and regulations. BCDC's stated objectives are to 1) revitalize the San Francisco waterfront; 2) provide maximum feasible public access; and 3) reduce Bay fill. The Port shares those objectives. In addition, the Port seeks to increase developer certainty and streamline BCDC's project review process by establishing clear definitions and requirements for waterfront projects subject to BCDC permitting authority, and conducting its project review as part of a single, integrated joint design review process by the City, BCDC and the Port.

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1 Agreement Between the San Francisco Bay Conservation and Development Commission and the Port of San Francisco to Review Port Plans and Policies Implementing the San Francisco Waterfront Plan as well as Possible Amendments to the San Francisco Bay Plan, Special Area Plan, Total Design Plan, and Other Documents, Port Commission Resolution # 96-02, March 25, 1996.

BCDC and the Port have met intensively to discuss the issues stated in the Agreement, as well as to exchange ideas and develop a consensus about an urban design vision for the San Francisco waterfront. These discussions were joined by Save San Francisco Bay Association ("Save the Bay"). The three parties have reached conceptual agreement in each of following areas. These joint recommendations are presented for public review and comment, and will be the subject of joint Port and BCDC Commission public hearings, and other public and community meetings prior to adoption of the Waterfront Plan.

1) Pier Removal: The removal of Piers 34 and 36 to create a public open space and more open water; the removal of Pier 24 as part of new development of Piers 26 and 28; and the removal of most of Pier 33 to create a larger expanse of open water between Piers 31 and 35. In addition, the creation of more open water area is recommended in the Pier 15-29 area; these area is designated a Special Study Area, subject to a separate specific planning effort to determine the location of additional open water, public access and views prior to approval of new development on any of these piers.

2) Creation of Large New Public Plazas: The creation of a central Plaza in Fisherman's Wharf on approximately 70% of the site, with an underground garage, financed from revenue receipts from retail development on the remaining 30% of the site and the parking garage. In addition, two other large public open spaces would be created in the South Beach area ("Brannan Street Green", involving removal of Piers 34 and 36), and in the Pier 15-29 Special Study Area; these plazas would be financed by 25% of the Port's gross cash receipts from new development projects, deposited into a Public Access Account. Funds from this account could also be expended on pier removal.

3) Public Access on Piers: In addition to the public plazas described above, new development projects on individual piers would be required to dedicate 25% of the pier area to public access. It is expected that new development on larger piers will require a greater amount of public access; recommendations regarding the location, amount and design of the public access will be made by a proposed Joint Port/City /BCDC Design Review Committee (discussed below). Public access also would be required for substantial commercial recreation uses proposed on existing piers as interim uses; the public access requirement for most other interim uses would be satisfied through the Port's commitment to create and finance the large public plazas described in 2) above.

4) Rules Governing Fill and the Pier Reconfiguration: For each development opportunity area where piers could be reconfigured, there are recommendations as to the maximum perimeter of reconfigured piers, and amount of pier area which would be permitted by BCDC. Generally, the maximum pier perimeter is the existing outer edges of the piers in question, and the permitted pier area is the area of the existing

piers; BCDC could approve additional transfer of fill from another pier removed elsewhere on the waterfront, but could not exceed the maximum pier perimeter line.

5) Land Uses on Piers: The Port's piers would be assigned to one of four categories, based on the physical condition of the facility: Category 1 (Excellent), Category 2 (Good), Category 3 (Fair), and Category 4 (Poor). For BCDC permitting purposes, projects on Category I and II piers would be treated as within BCDC's "Shoreline Band" jurisdiction, regardless of the type of repair and maintenance conducted by the Port; land uses would be controlled by the Public Trust and the Waterfront Plan, but not BCDC itself, and maximum feasible public access would be required. Projects on Category III and IV piers would be treated as within BCDC "Bay" jurisdiction, and BCDC would control both land use and public access, at a point at which the Port proposes repairs which exceed replacement of 25% of the piles supporting the facility.

6) Historic Preservation: Many of the bulkhead buildings and piers appear to be potentially eligible for listing on the National Register of Historic Places. Bulkhead buildings located at Category I and II piers would be treated as within BCDC's Shoreline Band jurisdiction; bulkhead buildings located on Category III piers, which are determined to be National Register resources would be eligible for exemption from BCDC's land use regulations under Title 14, Division 5, Section 10704 of the California Code of Regulations. In addition, prior to granting approval for removal or alteration of any historic structures, the joint recommendations call for preparing a preservation plan for resources located between Pier 45 and China Basin Channel, which will identify historic resources that will be protected and preserved, and will reconcile competing public objectives such as increasing public access and views.

7) Joint BCDC/Port/City Design Review Committee: The joint recommendations include the creation of a Joint Design Review Committee, consisting of design professionals, with representation from BCDC, the City and Port. Its purpose would be to review development projects in a single, integrated process where the various design objectives can be discussed and jointly resolved. The Design Review Committee would review projects with respect to consistency with the design policies and criteria of all City, Port and BCDC plans pertaining to the waterfront; overall project design; and amount, shape and types of improvements for public access areas.

These joint recommendations, as modified in response to public comment, will be incorporated into the Waterfront Plan, the Urban Design and Public Access element, and/or other related implementation documents, as appropriate. The application of these joint recommendations in reviewing new waterfront projects would be in addition to the policies contained in the Waterfront Plan and the Urban Design and Public Access element. The

recommendations also will be the basis for amendments to the BCDC Bay Plan and San Francisco Special Area Plan. Together, these policies will define the design standards and regulatory framework for new waterfront development projects; each individual project will be reviewed for compliance with these rules.

Prepared by: Dennis P. Bouey
Executive Director

H:\oshima\mbmcommrep

ATTACHMENT "A"

DRAFT CONCEPT AGREEMENT AMONG THE PORT OF SAN FRANCISCO, THE SAVE SAN FRANCISCO BAY ASSOCIATION, AND THE SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

December 12, 1996

INTRODUCTION

In 1996 the Port of San Francisco ("Port") and the Bay Conservation and Development Commission ("BCDC") entered into a Memorandum of Agreement to guide finalization and implementation of the Draft Waterfront Land Use Plan ("Waterfront Plan"), including an Urban Design and Public Access ("UDPA") element. Pursuant to that Agreement the staffs of BCDC and the Port have been meeting to develop recommendations on certain key BCDC-related issues for presentation to the Technical Advisory Committee, the Waterfront Plan Advisory Board, the BCDC Design Review Board, the State Lands Commission, members of the public, and the Commissions of BCDC and the Port. At the invitation of BCDC, the Save San Francisco Bay Association ("Save the Bay") participated in the discussions and has agreed with this concept agreement.

GOALS

The goals of this Concept Agreement are to:

- Complete the Urban Design/Public Access element of the Waterfront Plan (the "UDPA") consistent with this concept agreement. The UDPA will describe urban design guidelines for the waterfront including but not limited to the location of significant views and vistas, location of open water, new public access concepts, new public plazas and overall design.
- Remove piers to create more open water.
- Create new public plazas on the waterfront
- Improve the design, location, and amount of public access on piers.
- Develop new rules for replacement fill and pier reconstruction or reconfiguration
- Develop new rules governing land uses on existing piers.

- Develop means to protect historic resources on the waterfront.

- Expedite permit processing including the creation of a Joint Port/BCDC/City Design Review Committee to help streamline permit processing for new projects on the waterfront.

I. REMOVAL OF PIERS TO CREATE OPEN WATER

The UDPA element of the Port's Waterfront Land Use Plan (WLUP) will specify piers that the Port will remove.

- Piers 34 and 36 will be removed to create a new public space, called Brannan Street Wharf.

- Pier 24 will be removed as part of redevelopment of Piers 26 and 28. Any reconfiguration of Piers 26 and 28 must not exceed the combined area of Piers 26 and 28.

- A Special Planning Study will be conducted by the Port, the City and BCDC with public participation to determine the location of additional open water between Piers 15 and 29 New development on any piers is this area cannot proceed until the Special Study is complete and adopted by the Port and BCDC.

- Pier 33 will be removed to create open water; approximately 50,000 square feet of pile supported fill may be replaced between Piers 31 and 35.

- A minimum of two openings between connector buildings will be provided, one at Piers 31 through 35, and the other to be determined by the Port and BCDC.

II. CREATION OF NEW PUBLIC PLAZAS ON THE WATERFRONT

Public access will be addressed through the provisions of the UDPA. Three new public plazas will be created by the Port.

- A central plaza at Fisherman's Wharf, on Seawall Lots 300 and 301, will consist of approximately 70% open space and the balance reserved for a festive market hall for commercial or retail uses. New retail or commercial structures will be designed in a manner compatible with the open nature of the plaza. The open parking lot will be replaced by an underground parking garage.

- Wharf 25, a public plaza in the vicinity of the bases of Piers 19 through 27, will be created The size, location, and other design details will be determined through the Special Study of

the area between Piers 15 and 29.

- Brannan Street Wharf will be a public plaza stretching along no less than 600 of the Embarcadero. This plaza will be created through the removal of Piers 34 and 36. Some fill will be necessary to create a sufficient open space.

To finance these new public plazas, this concept agreement includes the following funding mechanisms:

- The Plaza and underground parking garage at Fisherman's Wharf will be financed by revenues from new retail and commercial development on the site.

- The Port will create a Public Access Account to fund the Brannan Street Wharf and Wharf 25. The Port will deposit 25% of gross cash receipts from all major new development on Piers and Seawall lots into the account (new revenues from Fisherman's Wharf will not be included, as they are designated to fund the new plaza and underground garage; certain project-specific Port revenues will also be excluded). The Fund will be used to build the new plazas, but will be subject to certain requirements concerning priorities for bonded indebtedness.

- Plazas will be constructed as soon as there are sufficient funds in the Account to permit necessary financing. The Brannan Street Wharf will be the first priority for the Fund.

- The Fund may also receive grant or other funding; money from the fund may be used to remove piers to create open water.

III. PUBLIC ACCESS ON PIERS

- All new development on piers will be consistent with the applicable provisions of the UDPA including provisions relating to the size and shape of public access. The Joint Design Review Committee will review the shape, scope, and level of improvement of public access.

- New development on finger piers will dedicate at least 25% of the pier footprint to public access. For larger piers, it is expected that more public access area will be necessary. The Joint Design Review Committee will make recommendations regarding the extent of public access dedication for larger piers, existing or reconfigured.

- New interim uses that generate a *substantial increase* in the need for public access (to be defined by the parties) will provide maximum feasible public access consistent with the project and the UDPA. Examples of such uses include a new public market or commercial recreation inside an existing shed.

- New interim uses that do not generate a substantial increase in the need for public access would not be required to provide public access. The development of the three new plazas and removal of piers to create open water will satisfy the legal requirements to provide "maximum feasible public access" under the McAteer–Petris Act.

- New development of maritime uses will provide maximum feasible public access, consistent with the project, and will conform to the provisions of the UDPA when feasible.

IV. PIER RECONFIGURATION

Piers may be replaced or reconfigured, consistent with the provisions of the UDPA for each development opportunity area. The following approach will govern the shape and extent of pier reconfiguration:

- The "Permitted Pier Area" will define the maximum square footage or area of the reconfigured pier(s).

- The "Pier Perimeter" will define the boundaries beyond which no replacement or reconfigured fill can be placed.

- New development of water-dependant maritime projects will be subject to special provisions of the UDPA which will balance functional requirements with open water and public access in a manner that encourages such maritime uses.

V. LAND USES ON PIERS

Piers in Port Jurisdiction will be assigned to one of two categories based on the physical condition and useful life of the Pier:

- *Category I:* Piers in excellent or good condition, with expected useful life of 35 years or more. For the purposes of BCDC permits, these piers will be treated as falling within BCDC's shoreline band jurisdiction, and thereby not subject to the water–oriented land use restriction. After 35 years, proposed new projects on these piers will be treated as falling within BCDC's Bay jurisdiction, whereby uses will meet the water–oriented test.

- *Category II:* Piers in fair or poor condition will be treated as falling within BCDC's Bay jurisdiction. Projects on these piers must conform with the public access and pier reconfiguration/replacement provisions of the UDPA. Proposed uses must be water–oriented

The Port will conduct "Basic Maintenance" on these piers in association with interim uses without invoking the water–oriented use restriction; basic maintenance consists of replacement of up to 25% (cumulative) of piles.

- Pier reconfiguration or replacement of more than 25% of piles will trigger the provisions of the UDPA and BCDC's Bay jurisdiction.

- Revised pier repair and land use rules for new development will not take effect in the area between Piers 15 and 19 until the Special Study for the Pier 15-19 area is complete and adopted.

VI. PRESERVATION OF HISTORIC RESOURCES

- Some of the bulkhead buildings are on Category I piers and can be redeveloped under the provisions stated above in Section V. Some bulkhead buildings in need of repairs on Category II piers appear to be eligible for listing on the National Register of Historic Places. Pile supported structures, which could include bulkhead buildings, that are on the National Register or designated as a California Registered Historic Landmark can be repaired or rehabilitated under existing BCDC regulations without triggering the water–oriented use restriction (California Code of Regulations, Title 14, Division 5, Section 10704).

- The Port will complete full documentation of historic structures.

- The Port will evaluate how to increase public access and views in a manner compatible with historic preservation.

- Prior to approving any action that would adversely affect an historic resource, the Port will prepare and adopt a plan for historic resource preservation, covering the area between Pier 45 and China Basin Channel.

VII. JOINT DESIGN REVIEW COMMITTEE

The Port, BCDC, and the City will form a Joint Design Review Committee, which will consist of professionals in the field of design. The objective is to achieve early consensus on project and public access design. The joint review of proposed projects will expedite the permitting process at both state and local levels. The authority and composition of the Committee remains to be determined.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 20, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Resolution approving standard leasing parameters, standard form lease and siting guidelines for Wireless Telecommunications Services (WTS) facilities

DIRECTOR'S RECOMMENDATION: Adopt the attached resolution.

Background

The telecommunications industry requires the placement of Wireless Telecommunications Services (WTS) facilities in order to support the operation of wireless networks. This is a rapidly growing segment of the telecommunications industry.

At the Port Commission meeting on November 12, 1996, a presentation on Wireless Telecommunication Services (WTS) was given by a representative from the San Francisco Department of City Planning. The Commission also received a copy of a report entitled "Wireless Telecommunications Services (WTS) Facilities Siting Guidelines", prepared by the Department of City Planning.

The Port and City Attorney's Office staff have prepared a number of documents that address the placement of wireless telecommunications facilities on Port property, including standard leasing parameters, a standard form lease and facilities siting guidelines. Each of these documents is summarized below. (A copy of the standard form lease for these facilities was sent to the Commission on December 6, 1996, under separate cover.)

THIS PRINT COVERS CALENDAR ITEM NO. 5A

Standard Leasing Parameters

The Standard Leasing Parameters are attached to the attached Resolution. In brief, the parameters approve the following:

(1) Term of Lease: Not to exceed nine years, with no options to extend;

(2) Termination Rights: The Port has the right to terminate the lease upon 6-months notice if required for a Port program or project;

(3) Base Rent: Will vary at each facility, but in no event less than $1500.00 per month, adjusted by CPI or negotiated stepped increases;

(4) Security Deposit: Two months' rent.

Standard Lease Form

A copy of a proposed standard lease form was sent to you last week along with a memorandum from Assistant Port General Counsel Neil Sekhri summarizing the lease provisions.

Facilities Siting Guidelines

These guidelines include general siting policies, building siting criteria, information required to be submitted with an application, and sample conditions of approval, and are summarized below.

General Siting Policies

- **Land use** (compatibility with surrounding uses and scale, non-interference with existing nearby WTS facilities, minimization visual obstruction, protection of landmark and other significant structures, protection of open spaces and view corridors, mitigation of any negative effects)
- **Urban Design** (protection of urban design, scale, architectural character and visual continuity, limitations of numbers of antennas in close proximity to one another, materials and colors to be used)
- **Health and Safety** (operators to pay costs to monitor emissions from facilities, ensuring the availability of emergency telecommunications services, controlled access to facilities)
- **Community Involvement** (outreach to neighborhood organizations within service area)

Building Siting Criteria

- Visual impact of the facilities from public streets, vistas and adjacent residential uses
- Minimization of noise and thermal transmission to tenants in building.
- Avoidance of intrusion into open space.
- Siting of antennas in such a way as to comply with standards for controlled access.

Application Information Required and Conditions of Approval

Please refer to the attached guidelines for a complete list of all information required for an application and for a list of potential conditions of approval.

Prepared by: Sharon Lee Polledri,
Director of Planning and Development

Pofj/H: Agdwts.1210

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96- 123

WHEREAS, under City Charter Section B3.581 et. seq., the Port has the exclusive power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, the telecommunications industry is a growing and important industry in San Francisco and the Bay Area, providing a critical service to residents, businesses and public agencies and institutions, and Wireless Telecommunications Services (WTS) including Personal Communications Services, Enhanced Specialized Mobile Radio and other similar systems are needed to support this industry; and

WHEREAS, several parties have contacted the Port regarding the placement of WTS facilities on Port property; and

WHEREAS, the Department of City Planning prepared a report entitled "Wireless Telecommunications Services (WTS) Facilities Siting Guidelines" which provides a comprehensive summary of the wireless telecommunications industry, a copy of which was provided to the Commissioners prior to the meeting of November 12, 1996; and

WHEREAS, Port and Department of City Planning staff made an informational presentation regarding the WTS industry and the guidelines at the November 12, 1996 Port Commission meeting; and

WHEREAS, the Port staff is in the process of developing urban design and public access guidelines for all Port property, and have coordinated the facilities siting guidelines with the more general urban design guidelines; and

WHEREAS, Port staff conducted research regarding the current market lease rates and terms for WTS facilities elsewhere in San Francisco, and has prepared standard leasing parameters and a standard form lease for these facilities on Port property; and

WHEREAS, Port staff believes that the most efficient, fair and responsible approach to the leasing of Port property for WTS facilities is for the Commission to adopt standard leasing parameters and siting guidelines for the staff to follow, and that separate Port Commission approval would only be required

if a proposed lease did not fall within the adopted parameters; now, therefore be it

RESOLVED, that this Commission hereby adopts as its Standard WTS telecommunication lease that certain form of lease file-named "Telecommunication Form Lease," dated December 20, 1996, a copy of which is on file with Commission Secretary, subject to such non-significant changes as approved by the City Attorney; and be it further

RESOLVED, that the Port Commission does hereby delegate to the Executive Director, or his designee, the authority to approve and execute telecommunications leases on behalf of the Port, including assignments and subleases thereof, provided the terms of the leases meet the parameters adopted herein and attached hereto as Attachment I, and provided that the form of the Lease is substantially in conformance with the Telecommunications Form Lease adopted hereunder; and be it further

RESOLVED, that the Commission does hereby adopt the WTS Facilities Siting Policies attached hereto as Attachment II and does hereby direct the Executive Director, or his designee to follow the attached Siting Policies in reviewing and approving the installation of WTS facilities on Port property.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

Secretary

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ATTACHMENT I

STANDARD LEASING PARAMETERS FOR LEASE OF COMMUNICATIONS SITES ON PORT PROPERTY

Facility Locations: as designated and approved in advance by the Port's Planning Division.

Communications Site: a "communications site" is defined as a single Port Facility utilized by a single company for installation of "back-up" equipment (receiving, transmitting, power supply, cooling/air conditioning equipment) located within one box, room or shelter, and placement of up to nine (9) antennas connected to said back-up equipment.

Term of Lease: will vary at each site, but in no case to exceed nine (9) years. No options shall be given.

Port's Right to Terminate: The standard lease will contain a provision allowing the Port to terminate the lease upon 6-months notice if the Premises are required for a Port program or project, without compensation for the tenant's Improvements or Alterations. This provision may be waived only with the consent of the Executive Director or his/her authorized designee. An optional provision may be included to compensate the tenant for all or part of its unamortized costs to install its Improvements and Alterations, if, in the judgment of the Executive Director (or his/her authorized designee) it is economically reasonable for the Port to do so, taking into consideration the tenant's anticipated costs, the amount of Base Rent and the likelihood of the Port terminating the Lease during the Term. In no event shall the tenant be compensated for the cost of its personal property or for relocation expenses.

Base Rent: will vary at each Facility, depending on the location, type of facility, ease of access and other factors. In no case shall the monthly Base Rent be less than $1,500.00 per month per communications site. Additional rent may be charged for additional antennas or equipment. Base Rent shall be paid monthly or annually, as negotiated.

Base Rent Adjustment: Base Rent shall be adjusted annually on the anniversary date of the Lease using the Consumer Price Index or stepped increases, as negotiated.

Security Deposit: equal to two months' Base Rent; cash only.

For other standard lease terms, please see the Standard Form Communications Site Lease, attached.

ATTACHMENT II

WTS Facilities Siting Policies

The following policies and guidelines shall apply to the siting of Wireless Telecommunications Services Facilities on Port properties:

Land Use

Insure that the siting of Wireless Telecommunications Services (WTS) Facilities is compatible with nearby uses. WTS facilities should meet Federal Communications Commission (FCC) health and safety standards. Operation of new facilities should not cause interference with existing nearby facilities such that the existing facility would be required to increase its power source or other equipment to continue proper service. These potential impacts should be considered, measured and mitigated prior to approval of a new facility.

Insure that the type of WTS facility is compatible with the scale of the locale or, if it is out of scale, is (1) determined to be necessary at that location for the Applicant's operational needs (2) meets the criteria of Section 303(c) of the Planning Code; and (3) incorporates all feasible measures to ameliorate visual intrusion or other adverse impacts. Whenever feasible, design out-of-scale facilities as public art rather than obtrusive utilities.

Insure that the facility is sited on a structure in such a way as to minimize visual obstruction. Sites to be considered, in order of preference, are: (1) Public buildings structures, utilities, or other neighborhood institutions; (2) Industrial or commercial buildings where existing visual obstructions/clutter will be removed; (3) Industrial or commercial buildings where existing visual obstructions/clutter cannot, in a commercially reasonable and viable manner, be removed; (4) Residential buildings which exceed the height limit where existing visual obstructions/clutter will be removed; (5) Residential buildings which exceed the height limit and where the back-up equipment is installed within the building envelope or installed in such a way as to minimize visual obstruction; or (6) Residential buildings which are at or below the allowable height limit.

Protect landmark structures, historically-significant structures, architecturally-significant structures, landmark vistas or scenery, and view corridors from visually-obtrusive WTS antennas and "back-up" equipment.

Protect natural resources, open spaces, recreational trails and/or other recreational resources from intrusion from installation of unmitigated WTS facilities such that emissions, lighting, signage or barriers would diminish the value and/or public access to those resources.

Insure that the siting of any WTS facility will be subject to development requirements that will mitigate any potential health, safety, urban design, neighborhood character or public access impacts and insure that the installation will positively address the 8 priority policies of Section 101.1 of the City Planning Code (Prop. M policies).

Urban Design

Protect the urban design, scale, architectural character and visual continuity of the neighborhood by siting WTS facilities on buildings and in such a way that would minimize visual obtrusion and protect the vistas and beauty of the San Francisco Waterfront. WTS facilities should be made as unobtrusive as possible, consistent with the reasonable technological requirements of the facility. No advertising sign or identifying logo should

be displayed on any WTS facility or element except as otherwise required by law. Antenna panels should not reflect light. The Port staff should review applications to determine when a locale or building is approaching the maximum number of WTS facilities such that the locale or site is not overwhelmed with facilities and/or the site is perceived to becoming an "antennae farm" or too "busy" and visually distracting.

Require Applicants to develop and submit with their Application a 5 year plan generally describing the services to be provided within the City of San Francisco or the Port, each service area within the City, and the size, type and number of facilities anticipated for each service area within the 5 year period.

When reasonably possible and commercially practicable, remove existing visual obstructions/clutter on the rooftop or roofline on a permanent basis associated with the installation of WTS facilities.

Health and Safety

The Applicant should pay all reasonable costs associated with the measuring, recording, reporting and monitoring of emissions, including noise, EMR/RF, and thermal, associated with the WTS facility at all locations. Such information should be made available by the Applicant to any interested party through the Applicant's Neighborhood Liaison. All such records be available for public review in City records.

The Applicant has the responsibility to insure that the facility in which the equipment is to be located is structurally-sound and is seismicly-safe for the proposed equipment.

The Port should insure that emergency telecommunication services are available on a priority basis to the appropriate agencies in the event of a disaster or emergency; that is, if the system is rendered inoperable by a disaster, carriers shall be required to work closely with the City's Office of Emergency Services (or its' equivalent) to restore emergency City services as quickly as is possible. The installations should not interfere with any City emergency service telecommunications system.

The Applicant should insure that the WTS facilities are sited in such a way as to comply with any FCC-adopted safety standards governing controlled and uncontrolled access to the facility. Facilities should have barriers to prevent unauthorized access. Signs in several languages as may be required by any FCC-adopted standards be posted, to advise people of the presence of equipment emitting electromagnetic radiation and radio frequency radiation and to warn people not to approach this equipment.

Community Involvement

Applicants should establish a neighborhood liaison program for each neighborhood within their proposed geographic service area and publicize within the neighborhood the name, address, fax and phone number of the neighborhood liaison. The liaison is encouraged to meet with the community to present the Applicants proposal prior to application to the Port, and the Applicant should meet with neighbors and representatives of any neighborhood organization within the area to present its proposal(s) once an application has been filed. The liaison program should continue throughout the time the WTS facility remains operational in the neighborhood.

Building Siting Criteria

Each Communication Site shall be installed on and/or within the building in such a way as to:

1. Minimize the visual impact of the installation from public vistas or streets.

2. Minimize visual impacts of the facility from habitable living areas (such as bedrooms or living rooms) of residential units which directly face any antennas within 100 feet horizontal distance.

   - Whenever possible, back-up facilities shall be installed within the existing building envelope;

   - If new construction is required for the back-up equipment, the housing for this equipment shall be low-lying and shall be painted, screened, landscaped or otherwise treated architecturally to minimize visibility of the equipment or to otherwise create a visually pleasing feature;

   - If back-up equipment is installed on the roof, the facility shall be setback or otherwise located to minimize visibility, especially from the street or public places.

3. Minimize noise and thermal transmission from equipment to tenants of the subject building. In residential districts, San Francisco noise standards for residential use must be met. Noise levels created by back-up equipment, such as air conditioning, ventilation or power equipment, should at all times be within the levels established by the San Francisco Noise Ordinance.

4. Avoid or minimize intrusion into usable open space within the lot.

5. Site antennas in such a way and provide barriers and signage to prevent a person from passing within the safety limits established by the FCC-adopted standards for controlled access.

Application Information Required

Each application for a WTS facility, whether an antenna, relay station or other similar structure or equipment shall provide the following information to the Port of San Francisco.

A.) Five Year Facilities Plan. Each application shall include a five year facilities plan which shall describe: (1) Generally, the type of telecommunications services expected to be provided by the Applicant within the City over the five year period; (2) a description of how these services would be provided throughout the City and would not result in lower service than required in any one neighborhood (i.e. on No "redlining" of service); (3) a description of the number of geographic service areas within the City and a map showing these areas; and (4) a description of the number of installations anticipated for each geographic service area and the number of antennas anticipated for each cell site therein. If the Applicant has already provided such a plan to the City Department of Planning within the last one-year period, Port may waive this requirement.

B.) Service Area Definition. Each application shall identify the geographic service area for the subject installation, including a map showing the site and the associated "next" cell sites within the network. Describe the distance between cell sites. Describe how this service area fits into and is necessary for the company's service network.

C.) Location Preference within the Service Area. Each application shall provide the following information: Identify which Location Preference the proposed facility is meeting. If the proposed location is not a Preference 1 through 3 location, describe the efforts and measures taken to pursue those preferences and why a higher preference location was not technologically, legally or economically feasible.

D.) Cumulative Effects: Identify the location of the Applicant's antennas and back-up facilities per building and number and location of other telecommunication facilities on the property and include the following data for each facility:

1.) Height of all existing and proposed WTS facilities on the property, shown in relation to the height limit for the applicable zoning district and measured from sidewalk grade;

2.) Dimensions of each existing and proposed antenna and back-up equipment on the property;

3.) Power rating for all existing and proposed back-up equipment subject to the Application;

4.) Preferred method of attachment of proposed antenna (roof, wall-mounted, mono-pole) with plot or roof plan along with detailed installation plans with a description for screening and/or visual integration into the building's architecture.

E.) Ambient Radio Frequency Fields: Report estimated ambient radio frequency fields for the proposed site. Identify the total number of watts per installation and the total number of watts for all installations on the building (roof or side).

F.) Surrounding WTS Antennas: To show number and types of WTS antennas 100 feet of the proposed site and provide estimates of cumulative EMR emissions at the proposed site.

G.) Photo Montage: To show the scale of the locale, provide photographs (photo montage) identifying the height of buildings within 100 feet distance of the proposed site showing the primary building facades. The Applicant shall include photographs of the antennas to be used and their method of attachment.

H.) View Corridor/Screening: If there is a commonly identified public view corridor within 100 feet of the proposed site (such as an entrance to the City, a view of a famous City landmark or vista), identify what element(s) of the proposed facility (including screening) can be viewed from this public space or vista point.

I.) Maintenance Program. Provide a description of the anticipated maintenance and monitoring program for the antennas and back-up equipment, including frequency of maintenance services, back-up service plans for disruption of service due to repair, maintenance or monitoring activities.

J.) Signage: Provide signage at the facility identifying all WTS equipment and safety precautions for people nearing the equipment as may be required by any applicable FCC-adopted standards.

Sample Conditions of Approval

The Port could place any or all of these conditions, or could place similar conditions of approval on specific applications. Each application would be reviewed and analyzed on a case-specific basis. It is anticipated that, if deemed suitable for approval, applications for similar-technology WTS facilities will be given any or all of the following conditions of approval.

Conditions of Approval.

1. Authorization. This authorization is granted to install a public use in the form of _____ antennas and ___ back-up equipment (the "Communication Site") for the provision of personal wireless services on the ___ of an existing Port structure located at _____. The facilities are to be installed in general conformity with the plans submitted with the Application and identified as EXHIBIT ___, dated _____ and submitted to the Port for review on _____ _____.

2. Plan Drawings. Prior to the issuance of any building or electrical permits for the installation of the facilities, the Applicant shall submit final scaled drawings for review and approval by the Port ("Plan Drawings"). The Plan Drawings shall:

   a.) Structure and Siting. Identify all facility related support and protection measures to be installed. This includes, but is not limited to, the location(s) and method(s) of placement, support, protection, screening, paint and/or other treatments of the antennas and other appurtenances to insure public safety, insure compatibility with urban design, architectural and historic preservation principles, and harmony with neighborhood character.

   b.) Cumulative Facilities. For the Subject Property, regardless of the ownership of the existing facilities:

      i.) Identify the location of all existing antennas and facilities;

      ii.) Identify the location of all approved (but not installed) antennas and facilities.

   c.) Emissions. Provide a report (as described in Condition 3(e) and 8 below), subject to approval of the Port, that operation of the facilities in addition to ambient RF emission levels will not exceed adopted FCC standards with regard to human exposure in uncontrolled areas.

3. Project Implementation Report. The Applicant shall prepare and submit to the Port a Project Implementation Report. The Project Implementation Report shall:

   a.) identify the three-dimensional perimeter closest to the facility at which adopted FCC standards for human exposure to RF emissions in uncontrolled areas are satisfied;

   b.) document testing that demonstrates that the facility will not cause any potential exposure to RF emissions that exceed adopted FCC emission standards for human exposure in uncontrolled areas.

   c.) compare test results for each test point with applicable FCC standards. Testing shall be conducted in compliance with FCC regulations governing the measurement of RF emissions and shall be conducted during normal business hours on a non-holiday week day with the subject equipment measured while operating at maximum power.

   d.) be prepared by a certified professional engineer or other technical expert.

   e.) set forth the testing and measurements undertaken pursuant to Condition 8, below.

4. Notification prior to Project Implementation Report. The Applicant shall undertake to inform and perform appropriate tests for residents of dwelling units located within 25 feet of the transmitting antennae at the time of testing for the Project Implementation Report.

a.) At least twenty calendar days prior to conducting the testing required for preparation of the Project Implementation Report, the Applicant shall mail notice to the Port, as well as the resident of any legal dwelling unit within 25 feet of a transmitting antenna, of the date on which testing will be conducted. The Applicant will submit a written affidavit attesting to this mail notice along with the mailing list.

b.) When requested in advance by a resident notified of testing pursuant to subsection (a), the Applicant shall conduct testing of total power density of RF emissions within the residence of that resident on the date on which the testing is conducted for the Project Implementation Report.

5. Community Liaison. Within 10 days of the effective date of this authorization, the Applicant shall appoint a community liaison officer to resolve issues of concern to neighbors and residents relating to the construction and operation of the facilities. Upon appointment, the Applicant shall report in writing the name, address, telephone and facsimile number of this officer to the Port. The Community Liaison Officer shall report to the Port what issues, if any, are of concern to the community and what issues have not been resolved by the Applicant.

6. Installation. Within 10 days of the installation and operation of the facilities, the Applicant shall confirm in writing to the Port that the facilities are being maintained and operated in compliance with applicable Building. Electrical and other Code requirements, as well as applicable FCC emissions standards.

7. Screening.

a.) To the extent necessary to ensure compliance with adopted FCC regulations regarding human exposure to RF emissions, and upon the recommendation of the Port, the Applicant shall:

i.) Modify the placement of the facilities;

ii.) Install fencing, barriers or other appropriate structures or devices to restrict access to the facilities;

iii.) Install multi-lingual signage, including the RF radiation hazard warning symbol identified in ANSI C95.2-1982, to notify persons that the facility could cause exposure to RF emissions; and/or

iv.) Implement any other practice reasonably necessary to ensure that the facility is operated in compliance with adopted FCC RF emission standards.

b.) To the extent necessary to minimize visual obtrusion and clutter, installations shall conform to the following standards:

i.) Antennas and back-up equipment shall be painted, fenced, landscaped or otherwise treated architecturally so as to minimize visual impacts;

ii.) Rooftop installations shall be setback such that back-up facilities are not viewed from the street;

iii.) Antennas attached to building facades shall-be so located, placed, screened or otherwise treated to minimize any negative visual impact;

iv.) If WTS facilities are to be located on architecturally-significantly or historic buildings or structures, all facilities shall be integrated architecturally with the style and character of the structure or otherwise made unobtrusive;

v.) Although co-location of various companies' facilities may be desirable, a maximum number of antennas and back-up facilities per property shall be established, on a case-by-case basis, such that "antennae farms" or similar visual intrusions for a site and area are not created; and

vi.) The Applicant shall remove antennas and equipment that have been out of service for a continuous period of six months.

8. Periodic Safety Monitoring. The Applicant shall submit to the Port and to the Citys' Zoning Administrator 10 days after installation of the facilities, and every two years thereafter, a certification attested to by a licensed engineer expert in the field of EMR/RF emissions, that the facilities are and have been operated within the then current applicable FCC standards for RF/EMF emissions.

9. Emissions Conditions. It is a continuing condition of this authorization that the facilities be operated in such a manner so as not to contribute to ambient RF/EMF emissions in excess of then current FCC adopted RF/EMF emission standards; violation of this condition shall be grounds for revocation.

10. Noise and Heat. The WTS facility, including power source, ventilation and cooling facility, shall be operated at all times within the limits of the San Francisco Noise Ordinance. The WTS facility, including power source and cooling facility, shall not be operated so as to cause the generation of heat that adversely affects an building occupant.

11. Implementation and Monitoring Costs.

a.) The Applicant, on an equitable basis with other WTS providers, shall pay the cost of preparing and adopting appropriate General Plan policies related to the placement of WTS facilities. Should future legislation be enacted to provide for cost recovery for planning, the Applicant shall be bound by such legislation.

b.) The Applicant or its successors shall be responsible for the payment of all reasonable costs associated with the monitoring of the conditions of approval contained in this authorization, including costs incurred by this Port, the San Francisco Department of Public Health, the San Francisco Department of Electricity and Telecommunications, the Office of the City Attorney, or any other appropriate City Department or agency pursuant to Planning Code Section 351(f) (2). The Planning Department shall collect such costs on behalf of the City.

c.) The Applicant shall be responsible for the payment of all fees associated with the installation of the subject facility which are assessed by the City pursuant to all applicable law.

12. All Conditions Basis for Revocation. The Applicant or its successors shall comply fully with all conditions specified in this authorization. Failure to comply with any condition shall constitute grounds for revocation of this Building Permit. In the event that the project implementation report includes a finding that RF emissions for the site exceed FCC Standards in any uncontrolled location, the Port may require the Applicant to immediately cease and desist operation of the facility until such time that the violation is corrected to the satisfaction of the Port.

13. Severability. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other of the remaining provisions, clauses, sentences, or sections of these conditions. It is hereby declared to be the intent of the Commission that these conditions of approval would have been adopted had such invalid sentence, clause, or section or part thereof not been included herein.

14. Transfer of Operation. Any carrier/provider authorized by the Port to operate a specific WTS installation may assign the operation of the facility to another carrier licensed by the FCC for that radio frequency provided that such transfer is made in accordance with the provisions of the lease between Port and said transferor.

15. Compatibility With City Emergency Services. The communication-Site shall not be operated, nor caused to transmit on or adjacent to any radio frequencies licensed to the City for emergency telecommunication services such that the City's emergency telecommunications system experiences interference, unless prior approval for such has been granted in writing by the Port.

I:Wireless2.wpd

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 12, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James R. Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Consent to wireless telecommunication services use at Pier 39

DIRECTOR'S RECOMMENDATION: CONSENT TO WIRELESS TELECOMMUNICATION SERVICES USE AT PIER 39

The Pier 39 master lease (Port Lease # L-9707, the "Lease"), as amended on October 31, 1979, authorized certain specified uses, none of which include wireless telecommunication services ("WTS") use. The Lease provides that any new use or change of use requires consent by the Port, and it further provides that the Port and the Pier 39 Limited Partnership ("Tenant") negotiate the new rent due the Port for the new use or change of use. In the event the Port and Tenant are unable to agree on the rent, the Lease provides for binding arbitration.

In early 1996, Tenant requested a building permit from the Port for a planned WTS facility on the Pier 39 garage, which is located on the premises for the Lease ("Premises"). Although Tenant had previously received a building permit for another WTS facility on this garage, it was the position of Port staff and the City Attorney that this proposed WTS facility was not an authorized use under the Lease. Consequently, although Port staff believed that WTS facilities might be an acceptable use on the Premises, Port staff maintained that the Port Commission would need to consent to the use and approve the rent due the Port for this new use. Moreover, the Port Commission could not approve the WTS use nor approve the building permit for the WTS facility until the Port adopted WTS facilities siting guidelines.

THIS PRINT COVERS CALENDAR ITEM NO. 5 B

Pending the adoption of such guidelines and conditioned upon these guidelines allowing for WTS facilities use on the Premises, Port staff and Tenant reached agreement that the rents payable to the Port for the WTS facility use be thirty percent (30%) of the rent received by Tenant from the operators of WTS facilities on the Premises. Port staff has determined that the proposed location of WTS facilities on the Premises would be allowed under the Port's proposed WTS Facilities Siting Guidelines, subject to satisfaction of the specific siting criteria contained in the proposed guidelines.

Provided that the Port Commission approves the proposed WTS Facilities Siting Guidelines, presented as Agenda Item 5A of the December 20, 1996 Port Commission meeting, Port staff recommends that the Port Commission grant its consent to the WTS facilities use on the Premises. Port staff further recommends that this consent be subject to the condition that the rent Tenant shall pay to the Port for this use shall be calculated at thirty percent (30%) of the rent received from the operators of WTS facilities on the Premises. The initial combined rent to be paid Tenant by the existing and the now proposed additional WTS facilities operator is expected to total approximately $3,000.00 per month. Tenant would therefore initially pay the Port rent of approximately $900.00 per month for this WTS facilities use.

Prepared by: Lewis Wiseman, Director, Tenant and Maritime Services

G:\WP51\AGENDAS\P39TELEC.KB\November 26, 1996

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-124

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, pursuant to Section VI.B of that lease agreement dated October 31, 1979, by and between Pier 39 Limited Partnership, successor in interest to North Point Center, Inc., as Tenant, and the City and County of San Francisco acting through its Port Commission, as Landlord, as amended (the "Lease"), Tenant is permitted to change uses authorized by the Lease or to add a facility, operation or use not specifically authorized by the Lease; and

WHEREAS, the Port has the right of approval and consent to such intended change of use, not to be unreasonably withheld; and

WHEREAS, the Port Commission's consent has been requested for use of the premises under the Lease ("Premises"), for the design, construction, maintenance, operation, repair and replacement of wireless telecommunication services facilities and any and all related and auxiliary activities (collectively, "WTS Facilities"); now therefore, be it

RESOLVED, that the Port Commission hereby approves the new use consisting of the design, construction, maintenance, operation, repair and replacement of WTS Facilities and any and all related and auxiliary activities, subject to satisfaction and compliance with those conditions attached hereto as Exhibit A; and be it further

RESOLVED, that the Port Commission hereby approves the percentage rent for the WTS Facilities use as set forth as Condition 3 of the conditions attached hereto as Exhibit A.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

G:\WP51\AGENDAS\P39TELEC.KB\December 12, 1996

EXHIBIT A

CONDITIONS TO PORT APPROVAL OF WIRELESS
TELECOMMUNICATION SERVICES FACILITIES
(Attachment to Resolution No. 96-124)

1. Compliance With All Applicable Laws. Tenant or its subtenant WTS Facilities operator(s) (collectively, "Subtenant") shall comply with all permits required and issued with respect to the WTS Facilities, including compliance with the Port's WTS Facilities Siting Guidelines and with all other laws relating to or affecting use of the Premises applicable to the approved use currently in effect or which may hereafter be in effect at any time during the remainder of the Lease term, whether or not now contemplated by the parties.

2. No cost or Liability on the Part of Port. All costs associated with any approvals for or operation of the proposed use shall be borne by Tenant or Subtenant, and Tenant or Subtenant shall be solely responsible for complying with any and all conditions imposed by regulatory agencies and shall pay any and all fines or penalties imposed as a result of the failure of Tenant or Subtenant to comply with the terms and conditions of any regulatory approvals, and, to the fullest extent permitted by law, Tenant and Subtenant agree to defend, indemnify and hold City, Port and their agents harmless from and against any loss, expense, costs, damage, attorney's fees, penalties, claims or liabilities which City or Port may incur as a result of Tenant's or Subtenant's failure to obtain or comply with the terms and conditions of any regulatory approvals or as a result of the operation of the approved use.

3. Payment of Rent. Commencing as of the date of Port approval of Resolution No. 96-124, and for so long as the WTS Facilities operate from the Premises, Tenant shall pay to Port a sum equal to thirty percent (30%) of the rental received by Tenant from the Subtenant operators of said WTS Facilities.

4. Acknowledgment. Tenant shall provide Port with an acknowledgment of its agreement to comply with all of the foregoing conditions by signing below.

Acknowledged and Agreed:

"Tenant"

Fritz Arko
President
Pier 39 Limited Partnership

G:\WP51\AGENDAS\P39TELEC.KB\November 26, 1996

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

December 9, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: APPROVAL OF A NEW MARUBA S.C.A. MARINE TERMINAL AGREEMENT

DIRECTOR'S RECOMMENDATION: APPROVE THE 5-YEAR MARINE TERMINAL AGREEMENT WITH MARUBA S.C.A. AT PIER 94/96.

The Port has concluded negotiations for another Five-year Marine Terminal Agreement with Maruba S.C.A. for use of Pier 94/96. Their previous agreement expired on March 1, 1996. Maruba S.C.A. offers service to and from Latin America with calls in Port Quetzel, Caldera, Balboa, Buenaventura, Guayaquil, Callo, Buenos Aires, Montevideo and Port Madrgyn. Their vessels make bi-weekly calls at Pier 94/96.

Material provisions of the agreement include the following: (i) five year term, commencing on October 1, 1996; (ii) reduced wharfage and dockage rates based on the total annual volume and in consideration of their long term usage of the Port's cargo facilities; (iii) nomination of Pier 94/96 as their regular published Bay Area port of call.

If SSA ceases operations at Pier 94/96, the Agreement also allows termination by either Port or Carrier if they are unable to reach agreement with a new management contractor.

Estimated annual revenue for the agreement is approximately $95,000 from wharfage, dockage, and crane rental. A copy of the agreement is attached hereto.

Prepared by: Lewis Wiseman, Director Tenant and Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 5C

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-135

WHEREAS, Maruba S.C.A. desire to enter into another Marine Terminal Agreement with the Port, for use of Port's marine terminal facilities; and

WHEREAS, said Agreement grants Maruba S.C.A. reduced dockage and wharfage charges for the utilization by the Carrier of Pier 94/96 as their regularly scheduled Northern California port of call; now therefore, be it

RESOLVED, that the San Francisco Port Commission approves the Marine Terminal Agreement with Maruba S.C.A., in substantially the form of which is on file with the Secretary of the Port Commission for this agenda item; and be it further

RESOLVED, that the Port Commission authorizes the Executive Director (i) to enter into the Agreement, (ii) to make any necessary refinements to the Agreement as are approved by the City Attorney;(iii) to file the Agreement with the Federal Maritime Commission; and (iv) to take all such further actions as are necessary to put the Agreements into effect.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 20, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey BK for DPB
Executive Director

SUBJECT: Approval of lease with Peer Inn, Inc. for the Peer Inn Restaurant at Pier 33.

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH PEER INN, INC.

BACKGROUND

Peer Inn Restaurant

For thirty-seven years, George and Ann Papadakis and the Papadakis family have operated the Peer Inn Restaurant at Pier 33. The Tenant under this lease is Peer Inn, Inc., a California corporation, which is wholly owned by the Papadakis family. Their tenancy has been on only a month-to-month basis until the Port granted them a new three-year lease in 1994, pursuant to its Policy for Leasing Retail Business Sites (the "Retail Policy," discussed below). The current lease expires April 30, 1997. The current monthly base rent is $2,730.20, versus percentage rent calculated at 7% of gross receipts. During the 1995/96 Fiscal Year, the Peer Inn Restaurant generated gross sales of $263,687 ($86 per square foot of interior restaurant space) and paid $18,456* ($6.03 per square foot) of total rent to the Port.

THIS PRINT COVERS CALENDAR ITEM NO. 5D

Pursuant to the Retail Policy, Peer Inn, Inc. has now requested a new long term lease following the expiration of its existing three-year lease. Peer Inn, Inc. has also submitted a business plan for redeveloping the restaurant, which includes a significant investment. Pursuant to the Retail Policy, Port Staff has reviewed the compliance of Peer Inn, Inc. with the criteria for direct negotiation of a long term restaurant lease, and staff has negotiated a new lease.

* Tenant is paying percentage rent only during construction of the Waterfront Transportation Project.

Policy for Leasing Retail Business Sites

On April 28, 1993, the Port Commission approved the Retail Policy (by Resolution No. 93-52). This Retail Policy reaffirms the Port's commitment to foster and encourage full and equitable opportunities for leasing retail sites on the waterfront through an outreach and competitive bid or request for proposal process (in accordance with section 23.24 of the Administrative Code). However, the Retail Policy also allows for the direct negotiation of a lease with an existing retail tenant if the benefits of direct negotiation exceed the benefits of a public offering. The Retail Policy offered a one time opportunity for an existing month-to-month tenant to receive a three-year lease provided that the tenant was in good standing and was in compliance with affirmative action requirements. This short term lease opportunity was granted to provide time for the tenant to develop a business plan and strategy for capital investment.

For a longer term lease to be awarded then to an existing retail tenant through direct negotiation, the Port Commission must determine that:

1. The tenant is in good standing;
2. The tenant is committed to making a significant capital investment supported by a sound business plan which will benefit the Port;
3. The tenancy is in the best economic interest of the Port, and the tenant is the best economic tenant available; and
4. The tenant has a good record of affirmative action and nondiscrimination and is committed to future compliance.

As discussed below, Port staff believes that Peer Inn, Inc. and its proposed business plan satisfy those criteria for direct negotiation pursuant to the policy.

1. **Good Standing**. Peer Inn, Inc. has a consistent history of compliance with the obligation of its existing lease.

2. **Sound Business Plan**. With a longer term lease, Peer Inn, Inc. proposes to renovate and reposition the restaurant as a full service Greek restaurant. The restaurant concept is to

create a comfortable open design restaurant which will offer fresh and healthful Greek cuisine prepared in open view of diners. The business plan includes investing $500,000 ($141 per sq. ft.) in the renovation of the restaurant, and engaging a management group with extensive experience developing and operating San Francisco restaurants. The Papadakis family will remain the owners of Peer Inn, Inc.

The renovation and operation of the *New Peer Inn* will be managed by the Peer Inn Management Group, comprised of Chris Kasaris and Chris Tsardoulias. After holding responsible positions in the restaurant and produce business, Chris Kasaris opened the Bay City Bar & Grill in 1986 near Third and Brannan Streets, and he continues to operate this successful full-service restaurant. Chris Tsardoulias has 34 years of restaurant development and executive chef experience. His experience includes Executive Chef of the Ritz Hotel Vancouver, Executive Assistant Chef of the Fairmont Hotel in San Francisco, and Executive Chef for the Hyatt Corporation, where he was responsible for opening five different Hyatt hotels, including San Francisco's Hyatt Regency Embarcadero and the Grand Hyatt. Most recently, he was Executive Director of Food and Beverage for the Royal Cruise Line.

The renovation plan, illustrated on the enclosed floor plan and section attached hereto as Exhibit A, will create an open dining room, affording views by all diners of the water and a new open cooking line with a wood burning oven and open fire rotisserie. A small bar will be created along with a comfortable waiting area. The new open configuration will increase the seating capacity from 85 to 132.

The windows of the street facade will be returned to their original size and style, retaining the historic waterfront architectural design, but offering better visibility into and through the restaurant to the water. Blue awnings will be installed over the new doors and windows with discreet white signage. The existing aluminum frame window system on the water will be replaced with operable wooden windows. The renovation design will favor natural woods, stone and tile over synthetic materials.

The *New Peer Inn* will offer a unique menu of light and healthful Greek cuisine, comprised of fresh fish, meats and produce. The marketing plan for the *New Peer Inn* will be based on the following principles: maximizing convention and visitor patronage; drawing from traffic generated by the new F-Line and the revitalized waterfront; developing a neighborhood clientele from the nearby offices and Cruise Terminal; and creating a distinctive destination restaurant for local and regional patrons. Access will be enhanced by offering valet parking at a curbside passenger loading zone.

3. **Best Economic Tenant**. Port staff has determined that the market base rent per month on the Northern Waterfront is in the range of $2-$3. Peer Inn, Inc. has agreed to pay an initial monthly base rent of $2.80 per sq. ft., which is at the upper end of this market rental range. Moreover, based upon the planned renovation and the new management group, the *New Peer Inn* is projected by Peer Inn, Inc. to generate average sales of $200,000 per month in the first year after the renovation, increasing to $317,250 per month the fifth year after the renovation. As indicated in the following table, the Port would therefore realize average monthly rent of approximately $3.96 per square foot in the first year increasing to $6.28 per square foot in the fifth year.

PEER INN, INC.
GROSS SALES AND RENT PROJECTIONS

Lease Year	Projected Gross Sales		Average Monthly Percentage Rent @7%	
	Annual	Monthly	Total	Per Sq. Ft.
1	$2,400,000	$200,000	$14,000	$3.96
2	$3,000,000	$250,000	$17,500	4.95
3	$3,396,000	$283,000	$19,810	5.60
4	$3,701,000	$308,417	$21,589	6.10
5	$3,807,000	$317,250	$22,208	6.28

4. **Affirmative Action**. Port staff has determined that Peer Inn, Inc. has a good affirmative action record in employment, purchasing and contracting. In addition, Port staff has reviewed and approved the Affirmative Action Non-Discrimination Plan prepared in conjunction with the lease negotiations, which would be enforceable by the lease. The new lease further requires that not less than 30% of the construction costs expended by Peer Inn, Inc. for its Tenant Improvements would inure to the benefit of bonafide MBE, WBE, or DBE enterprises certified by the San Francisco Human Rights Commission ("HRC").

PROPOSED LEASE

1. **Tenant**: Peer Inn, Inc., a California corporation.

2. **Premises**: 3,538 sq. ft. of interior restaurant space located in the Pier 33 Bulkhead Building between Piers 33 and 35.

3. **Term**: A nine-year term, commencing 150 days following the date that Tenant obtains all required regulatory approvals for the proposed renovation of the Premises, including issuance of a Conditional Use Permit by the City Planning Department, issuance of a permit by BCDC, and issuance of a building permit by the Port. During the 150-day period prior to the commencement of the term ("Renovation Period"), Tenant shall have the right of early entry to undertake the renovation, and will be subject to all the terms and conditions of the Lease except for the Term and amount of Base Rent (discussed below). If all of the above regulatory approvals are not obtained by July 1, 1997, the Lease will be null and void. On the first day of the Renovation Period, Tenant's current lease shall terminate.

4. **Use**: A full-service restaurant, operation of a take-out food service window, and sale of in-house signature items (provided, however, the sale of such retail items shall not exceed 5% of the Tenant's gross receipts).

5. **Base Rent**: Initial Base Rent of $9,906.40 per month, which equals $2.80 per sq. ft., subject to annual cost of living increases. During the portion of the Renovation Period, the Base Rent shall be reduced to $2,700 ($0.76 per sq. ft.) per month.

6. **Percentage Rent**: Percentage rent, which shall be offset by Base Rent paid, shall be calculated and paid monthly by applying the percentage rates indicated below to the gross sales of the indicated types of sales.

   a. Full service restaurant food and bar sales - 7%.

   b. Take-out food and beverage sales - 9%.

   c. Retail merchandize sales - 9%.

7. **Maintenance**: Tenant responsible for all maintenance to the Premises, including the exterior, but excluding the roof and the pier substructure.

8. **Tenant Improvements**:

a. Prior to the first anniversary date of the lease Term, Tenant shall expend at least $500,000 on Tenant Improvements to the Premises, as outlined below:

Complete Interior Renovation	$320,000.00
Upgrade of Plumbing and Addition of Handicap Restrooms	$ 65,000.00
New HVAC System	$ 25,000.00
Upgrade of Electrical System	$ 75,000.00
New Exterior Awnings	$ 15,000.00
TOTAL	$500,000.00

Construction of Tenant Improvements to the Premises by Tenant, in an amount of not less than $500,000, constitutes a material consideration to the Port. Consequently, in the event that Tenant has spent less than $500,000 on Tenant Improvements as of the first anniversary date of the Term, the monthly Base Rent will be increased by the difference between $500,000 and the amount actually expended by Tenant on Tenant Improvements, amortized on a straight line basis over the balance of the lease term. For example: If by the first anniversary date of the Term, Tenant has only expended $400,000 on Tenant Improvements, then the monthly base rent will be increased by $1,041.67 ($500,000 - $400,000 = $100,000; $100,000 ÷ 96 months = $1,041.67).

c. Tenant agrees that not less than 30% of the construction costs it expends on Tenant Improvements shall inure to the benefit of MBE, WBE or DBE enterprises, as certified by HRC.

Prepared by: Lewis Wiseman, Director, Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-132

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581 leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the San Francisco Administrative Code, Section 23.24, provides that retail sites should generally be offered to the public through competitive bidding; and

WHEREAS, the Port remains committed to fostering and encouraging full and equitable opportunities for leasing of retail sites on the waterfront; and

WHEREAS, in order to balance the benefits of competitive bidding with the benefits of direct negotiation with existing tenants, the Port Commission adopted the Policy for Leasing Retail Business Sites ("Retail Policy") on April 28, 1993 through Resolution No. 93-52; and

WHEREAS, Peer Inn, Inc., an existing Port tenant, has requested a renewal lease for the Peer Inn Restaurant site at Pier 33, pursuant to the Retail Policy; and

WHEREAS, the Retail Policy provides that a retail lease may be directly negotiated when:

1. The tenant is in good standing;

2. The tenant is committed to making a significant capital investment supported by a sound business plan which will benefit the Port;

3. The tenancy is in the best economic interest of the Port, and the tenant is the best economic tenant available; and

4. The tenant has a good record of affirmative action and nondiscrimination and is committed to future compliance.

WHEREAS, the Retail Policy further requires that, prior to granting a lease pursuant to said policy, the Port Commission must make findings that the tenant satisfies the criteria for direct negotiation and that the benefits of direct negotiation outweigh the benefits of competitive bidding; and

WHEREAS, Port Commission approval is being sought for Lease L-12392 between the Port and Peer Inn, Inc., the terms of which are set forth in the Memorandum of Agenda Item 5D for the Port Commission Meeting on December 20, 1996; now, therefore, be it

RESOLVED, that the Port Commission finds that Peer Inn, Inc., satisfies the criteria for direct negotiation, qualifying it to directly negotiate with the Port for a long term lease pursuant to the Retail Policy, and finds that the benefits to the Port of directly negotiating a lease with Peer Inn, Inc. outweigh the benefits of competitive bidding; and be it further

RESOLVED, that the Port Commission hereby approves Lease L-12392 between the Port and Peer Inn, Inc., which incorporates the business terms set forth in the Memorandum for Agenda Item 5D for the Port Commission meeting on December 20, 1996, and that the Executive Director, or his designee, is hereby authorized to execute Lease L-12392 on behalf of the Port in such final form as is substantially in the form on file with the Secretary of the Port Commission for said agenda item and in such final form as is approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____

Secretary

G:\WP51\AGENDAS\PEERIN.MEM\December 16, 1996

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 13, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey DK for DPB
Executive Director

SUBJECT: **Hyde Street Fishing Harbor Project Approval.**

DIRECTOR'S RECOMMENDATION: APPROVE 60 BERTH HYDE STREET FISHING HARBOR PROPOSED PROJECT, AUTHORIZE EXPENDITURE OF LOAN FUNDS FROM THE CALIFORNIA DEPARTMENT OF BOATING AND WATERWAYS, AND ADOPT ENVIRONMENTAL REVIEW AND PROJECT APPROVAL FINDINGS.

The Hyde Street Fishing Harbor is a proposed 60 berth harbor located to the east of the Hyde Street Pier. It is part of a series of improvements in the Fisherman's Wharf area collectively known as the Seafood Center that includes: a 1,200 foot breakwater completed in 1986; $11.6 million in earthquake repairs at Pier 45 completed in 1995; and new fishing industry related uses in sheds A and C located on the east side of Pier 45.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

In 1994, the Port Commission authorized the staff to prepare an environmental impact report (EIR) for the Hyde Street Fishing Harbor and new uses in Sheds A and C on Pier 45, as required by the California Environmental Quality Act (CEQA). In January 1995 a team led by the Duffey Company began preparation of the EIR. On April 25, 1996 a Draft EIR was released for public review and comment and over 300 pages of comments were received. The Draft EIR analyzed a 60-berth harbor design, a 86-berth harbor with room for another 20 tied vessels, a no-build alternative, and various alternative uses for Sheds A and C.

The preferred project alternative for the Hyde Street Fishing Harbor that is analyzed in the EIR and is before you for approval, consists of a 60-berth harbor, as shown on Attachment I to the attached resolution. It also consists of harbor-related improvements which include the following: (1) An approximately 200 square foot restroom; (2) Fuel dock that includes lighting and spill containment equipment, automatic shut-off features, a leak detection system, remote operated shutoff switch and pressure sensitive valves; (3) A single security gate at the end of the pier; (4) A vessel sewage pump-out station; (5) An approximately 40 square foot oily waste disposal facility; (6) A central depression in the new pier area to direct storm water to the combined sewer system; (7) Parking for approximately 45 vehicles; and (8) Approximately 3000 square feet of public access at the foot of the new pier. The project under consideration at this time does not include proposed uses for Sheds A and C. Those uses will come before the Commission in the future.

On December 12, 1996 the Planning Commission certified the EIR and adopted a resolution stating that there are no significant environmental impacts associated with development of the project. The resolution before the Port Commission today is for approval of project design, authorization to expend loan funds from the California Department of Boating and Waterways, and adopt environmental review and project approval findings for the harbor.

Public comments throughout the design and EIR phases of the project have continually focused on water quality in the Fisherman's Wharf area. After completion of the Draft EIR and public comment period, the Port formed a Water Quality Advisory Committee for the Fisherman's Wharf area to address longstanding environmental issues associated with water quality. The committee includes representative from the fishing industry, area merchants, the swimming and boating community, and resource agencies. Recognizing that environmental issues do not stop at jurisdictional lines, the committee is also evaluating the effects of pollution sources outside of Fisherman's Wharf. The committee will develop recommendations for improving environmental and water quality for the Fisherman's Wharf area and present those recommendations to the Port Commission and other relevant agencies. The Port has agreed to fund the committee through 1998.

Under CEQA, the Port Commission must prepare written findings of fact that explain how it has dealt with each significant impact and alternative identified in the EIR. The EIR for this

project found no significant impacts caused by the proposed project. However, certain measures were suggested to maintain and improve water quality. The attached resolution adopts findings for the project, addressing the following issues: (1) Alternatives to the project; (2) Significant effects on the environment; (3) Impacts determined to be insignificant; and (4) Additional environmental protection measures included in the project. The findings also adopt a monitoring program to track implementation of the additional environmental protection measures.

The total cost for the Hyde Street Fishing Harbor is estimated at $4.5 million. The Port has obtained a loan from the California Department of Boating and Waterways for $3.5 million, with Port operating funds supplying the remainder of the project budget. The next steps are to obtain BCDC and Army Corps of Engineers permits for the project. The Port Commission authorized staff on November 12, to issue a Request for Proposal for detailed project design. Staff will seek Commission approval in 1997 for approval of the detailed project design, and for construction bids in 1998. Construction is scheduled to start at the beginning of 1998.

Sharon Lee Polledri
Director, Planning & Development

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PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96-136**

WHEREAS, the Port Commission developed a plan for revitalization of the commercial fishing industry at Fisherman's Wharf, including the provision of new vessel berthing facilities and provision of new shoreside fish distribution facilities; and

WHEREAS, the Port Commission has prepared a preliminary design and feasibility study of the harbor facilities which showed adequate demand and need for the harbor, and that it functioned efficiently with other facilities at Fisherman's Wharf;

WHEREAS, the Port applied for and obtained an agreement with the California Department of Boating and Waterways to obtain a $3.5 million loan for construction of the "Hyde Street Fishing Harbor", loan contract 89-21-77, amended March 19, 1996;

WHEREAS, the City and County of San Francisco, acting through the Department of City Planning Department prepared a Final Environmental Impact Report ("FEIR") for the Hyde Street Fishing Harbor/Pier 45 Sheds A and C, File No. 93.574E, consisting of a Draft EIR dated April 25, 1996, any consultations and comments received during the review process, any additional information that became available, and a Summary of Comments and Responses dated November 26, 1996; and

WHEREAS, the FEIR analyzed a preferred project consisting of 60 berths and related improvements, as well as an 86-berth harbor alternative with room for an additional 20 tied vessels, and a no-build alternative; and

WHEREAS, the San Francisco Planning Commission certified the FEIR as complete on December 12, 1996, and found that the preferred project will not have a significant effect on the environment and that it would improve the existing setting for the fishing industry by the provision of much-needed facilities and would improve existing water quality; and

WHEREAS, findings entitled "San Francisco Port Commission Findings Related to Environmental Review and Project Approval: Hyde Street Fishing Harbor" that analyze alternatives, environmental effects, additional environmental protection measures included in the project, and monitoring thereof have been prepared and submitted as an attachment to this Resolution; now, therefore, be it

RESOLVED, that the Port Commission adopts and incorporates the Final Environmental Impact Report (No. 93.574E and the attached "San Francisco Port Commission Findings Related to Environmental Review and Project Approval: Hyde Street Fishing Harbor," and the monitoring program set forth in Attachment I to the Findings; and be it further

RESOLVED, that the Port Commission approves the 60-berth proposed project and related improvements associated with the "Hyde Street Fishing Harbor" as identified in Attachment I, attached hereto; and be it further

RESOLVED, that the Port Commission authorizes the Executive Director to accept and expend loan funds from the California Department of Boating and Waterways, loan contract 89-21-77, amended March 19, 1996, for up to $3.5 million for design and construction of the "Hyde Street Fishing Harbor" and further authorizes the Executive Director to enter into such additional agreements or to take such further action as is necessary to implement this authorization.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

ATTACHMENT I

Harbor-related improvements will include the following:

(1) An approximately 200 square foot restroom;

(2) Fuel dock that includes lighting and spill containment equipment, automatic shut-off features, a leak detection system, remote operated shutoff switch and pressure sensitive valves;

(3) A single security gate at the end of the pier;

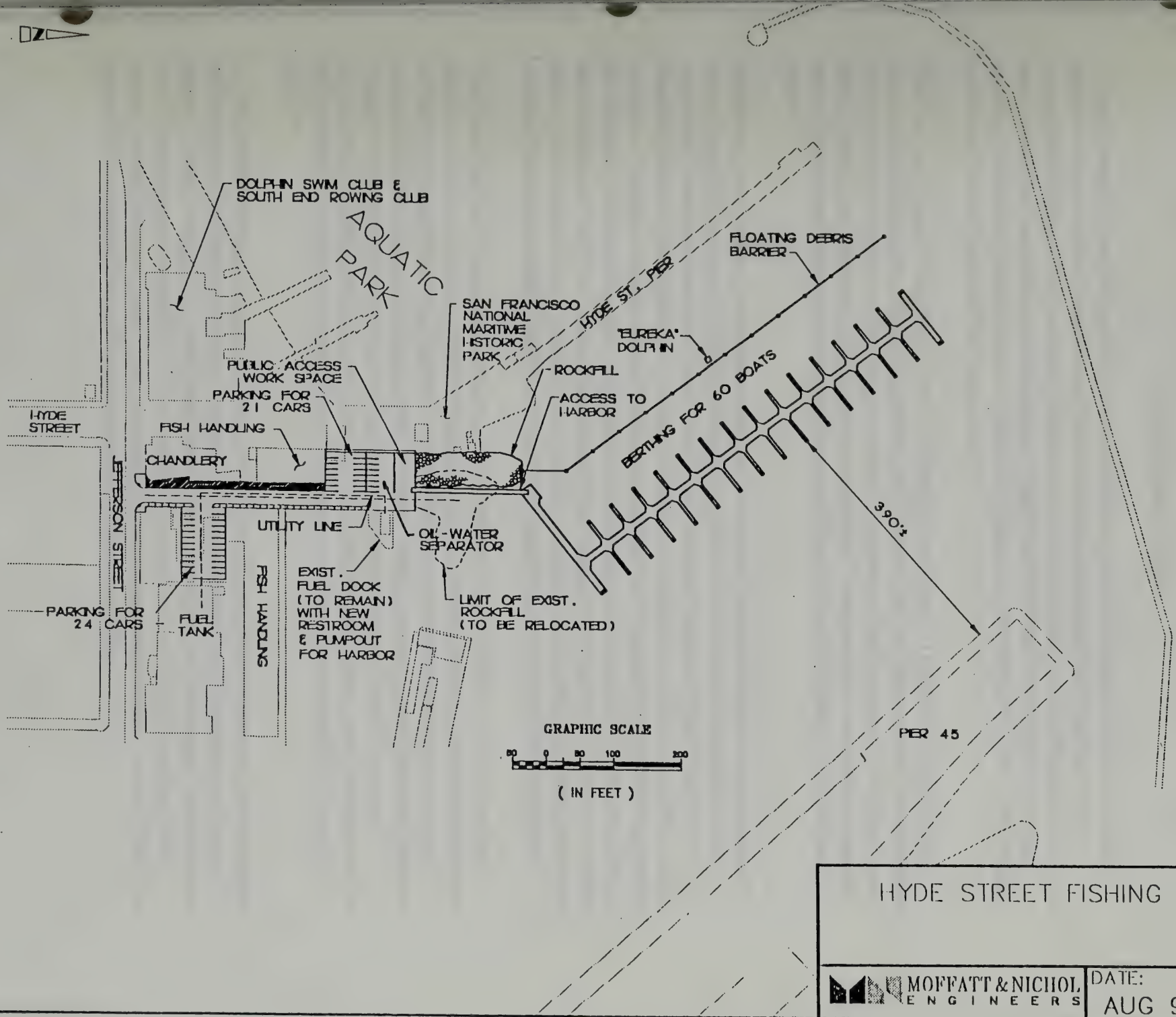
(4) A vessel sewage pump-out station;

(5) An approximately 40 square foot oily waste disposal facility;

(6) A central depression in the new pier area to direct storm water to the City's combined sewer system;

(7) Parking for approximately 45 vehicles; and

(8) Approximately 3000 square feet of public access at the foot of the new pier.



HYDE STREET FISHING HARBOR

MOFFATT & NICHOL ENGINEERS

DATE: AUG 96

FIGURE

ATTACHMENT I

FINDINGS RELATED TO ENVIRONMENTAL REVIEW AND PROJECT APPROVAL
HYDE STREET FISHING HARBOR/PIER 45 SHEDS A&C

I. INTRODUCTION

1. **Description**. These findings are made in support of the San Francisco Port Commission's approval of a new Hyde Street Fishing Harbor project, consisting of new facilities to accommodate a total of 60 boats and related harbor service facilities. These findings are made in accordance with the California Environmental Quality Act ("CEQA") (Cal. Pub. Res. Code Section 21000 et seq.), and Chapter 31 of the San Francisco Administrative Code. The project sponsor is the San Francisco Port Commission.

The Port has proposed a project consisting of three components: (1) the Hyde Street Fishing Harbor; (2) related Harbor Service Facilities; and (3) New Uses in Sheds A and C located at Pier 45. The only parts of the project being approved at the present time consist of the Hyde Street Fishing Harbor and the related Harbor Service Facilities. These findings relate only to those two parts of the project being approved at this time, which are referred to herein as the "proposed project."

The Hyde Street Fishing Harbor component of the proposed project includes reconstruction of the east side of Hyde Street Pier and construction of a new Hyde Street Fishing Harbor with space for 60 boats, as shown on Figure 19-A, Comments and Responses (page C&R 27), identified therein as Alternative A-1. Reconstruction of the east side of Hyde Street Pier would include the removal and relocation of the existing rock fill and replacement of the existing timber pier structure with concrete piles. The new berthing system would consist of permanent floating berths with room for 60 vessels with separating floats supported by a concrete guide pile berthing system. A floating barrier to prevent debris from floating from the Harbor to Aquatic Park would be added between the Harbor and Hyde Street Pier, immediately east of the Eureka dolphin.

The Harbor Service Facilities component of the proposed project includes a 200 square foot restroom, lighting and spill containment equipment for the existing fuel dock, a new/replacement fuel delivery pipeline including automatic shut off features, a leak detection system, remote operated shutoff switch and pressure sensitive valves, a single security gate at the end of the pier. a vessel sewage pump-out station, a 40 square foot oily waste disposal facility, a central depression in the dock area to direct storm water to an oil water separator prior to disposal to the Bay, parking for a total of 45 vehicles, and 3000 square feet of public access at the foot of the new pier.

2. **The Environmental Impact Report.** The City and County of San Francisco, acting through the Department of City Planning (the "Department") published a Draft Environmental Impact Report ("DEIR") on April 25, 1996, and filed with the State Office of Planning & Research under State Clearinghouse No.94073023. The Planning Commission held a duly advertised public hearing on the DEIR on June 6, 1996, at which public comment was received on the DEIR. The period for acceptance of written comments ended on June 10, 1996.

The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 30-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Draft Summary of Comments and Responses, published on November 26, 1996, was distributed to the Planning Commission and to all parties who commented on the DEIR, and was available to others upon request at Department offices. A Final EIR ("FEIR") for the Hyde Street Fishing Harbor/Pier 45 Sheds A and C, File No. 93.574E, was prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Summary of Comments and Responses. The FEIR was certified as complete by the San Francisco Planning Commission on December 12, 1996.

3. **Evidentiary Basis for Findings.** These Findings are based on substantial evidence contained in the record before this Commission which has been independently reviewed by this Commission. For ease and clarity of reading, specific citations to information in the record upon which each finding is based may have been omitted. In all instances, however, these Findings are based on the information contained in the FEIR, as supplemented with information provided by staff, consultants, and interested parties, and reasonable inferences drawn from such information.

Project Environmental Impact Report files have been made available to the Port Commission and the public, and these files are part of the record before the Port Commission. This record is available for review at the Department of City Planning, Office of Environmental Review, at 1660 Mission Street, San Francisco, CA 94103. The record before the Port Commission includes, without limitation, the following:

1. The Final Environmental Impact Report, consisting of the DEIR, comments received on the DEIR, Responses to Comments, errata and staff initiated text changes to the DEIR, and all appendices;

2. All relevant staff, consultant and public reports and memoranda kept in the ordinary course of business providng substantial evidence to support the findings related to the proposed project, and the FEIR, including attachments, appendices and references kept in the ordinary course of business;

3. All studies conducted for the proposed project and the FEIR contained or referenced in the staff reports and FEIR, including appendices;

4. All documentary and oral evidence, including staff reports, received and reviewed at public hearings, workshops and other public meetings related to the FEIR and/or the proposed project held before the San Francisco Planning Commission and the Port Commission;

5. All matters of common knowledge to this Commission; and

6. All public notices, including but not limited to notices of preparation and completion issued for the proposed project, and notices of public meetings.

II. ALTERNATIVES TO THE PROJECT

A. Introduction.

In addition to the proposed project, the Final EIR analyzed a No Project Alternative, and Alternative A, which was Hyde Street Fishing Harbor, Maximum Expansion, a more intensive harbor alternative. The FEIR does not analyze a project that is less intensive than the proposed project, and does not analyze a project in an alternative location. CEQA requires the EIR to describe a range of reasonable alternatives to the project, or to the location of the project which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project. Because the EIR does not identify any significant impacts resulting from either the proposed project or the more intensive alternatives, an analysis of alternative sites or projects to the proposed project would not provide this Commission with meaningful information on environmentally superior options, but would merely offer an alternative that would not meet the project objectives. In addition, the Port is not considering Alternative A at this time because it is not environmentally superior to the proposed project and survey information referenced in the DEIR indicates that increased need for harbor expansion does not warrant a harbor of the magnitude described as Alternative A.

B. No Project Alternative.

The Port Commission rejects the No Project alternative as environmentally inferior to the proposed project, because, without the proposed project the following would occur:

- Transient and oversized commercial fishing boats would continue to raft in the Harbor or side-tie to other boats, making supervision and access to the boats difficult for the Harbor Master;

- Modern facilities for the commercial fishing industry such as floating docks, storage and gear boxes, parking for boat operators, security gates and night lighting in the berthing area would not be provided;

- Flexible skirts surrounding boats in a berth would not be provided and floatable debris from boats and other surface water contaminants would not be contained in the Harbor for the Port's skimmer to collect;

- The pump-out facility would not be provided, which would increase the potential for illegal disposal of human waste into the Bay;

- The existing fueling facility would not be improved with a new fuel delivery pipeline to the fuel dock with automatic shut off and leak detection, and fuel would continue to be provided by the fuel truck parked on Hyde Street Pier, increasing the potential for oil spills in the Bay;

- Stormwater and urban runoff from the Hyde Street Pier would continue to drain into the bay, compared with the proposed projects' oil-water separator proposed for the paved area of the Pier.

III. SIGNIFICANT EFFECTS ON THE ENVIRONMENT

The Port Commission has considered all of the information set forth in the record and finds that the proposed project will have no significant effects on the environment, and that it will improve the existing setting for the fishing industry by the provision of much-needed facilities and would improve existing water quality.

IV. IMPACTS DETERMINED TO BE INSIGNIFICANT

The Port Commission finds that, based on the record before it, the following potential impacts identified in the FEIR would not have a significant effect on the environment:

1. Land Use, Zoning, and Bay-Fill. The FEIR indicates that land uses within the project site, and fishing-related uses in particular, would not be substantially altered by the proposed project. The proposed project would allow more control of fishing vessels in the harbor. Truck-based fish-trading activity would not be expected to change due to the project. The proposed project would add additional Bay Fill, but would also result in significantly improved public access area, and would be subject to review by BCDC. Based on the EIR and the entire record before the Port Commission, the Commission finds that the proposed project impacts on land use, zoning and bay fill are less than significant.

2. Water Quality.

Statement of Facts

a. Fish Processing. The FEIR indicates that the Port does not anticipate substantial increase in number of vessels using the harbor as a result of the proposed project, and shows that fish landings have decreased by almost 50% since 1988. In addition, the FEIR finds no direct relationship between fish processing activities and bacteriological water quality.

b. Potential fuel/oil spills. The FEIR indicates that the proposed project would not result in any increased potential for fuel or oil spills from fishing vessels over that which currently exists because the FEIR indicates that the Port does not anticipate substantial increase in number of vessels using the harbor as a result of the proposed project, and the improvements included in the proposed project would reduce the potential for fuel spills in the Harbor associated with the fuel dock.

c. Other Waste Discharges. The FEIR indicates that the Port does not anticipate a substantial increase in number of vessels using the harbor as a result of the proposed project and that, therefore no increase would occur in potential for waste discharge over current conditions.

In addition, new restrooms and sewage handling facilities, including a waste pump-out, included in the project would reduce the likelihood of increased waste discharge.

d. Litter/Trash. The FEIR indicates that the Port does not anticipate substantial increase in number of vessels using the harbor as a result of the proposed project, and that increased litter is not expected to occur.

e. Construction Activities. Dredging/ placement of fill and rock materials, removal of existing piles and installation of concrete piles would result in short term effects on turbidity and suspended solids, and decreases in dissolve oxygen. However, the Port is subject to water quality regulations and permit requirements by the Army Corps of Engineers and BCDC and California Department of Fish and Game. Port would avoid conflicts with scheduled activities of swimming clubs using the area.

Findings. Based on the EIR and the entire record before the Port Commission, the Commission finds that the proposed project impacts on water quality are less than significant.

3. Marine Biology. Removal of some existing rock and timber would result in loss of habitat for some species, while placement of new rock and concrete fill would create potential habitat for other species, resulting in a net gain of new substrate. Losses of benthic habitat would be short-term. Based on the EIR and the entire record before the Port Commission, the Commission finds that the proposed project impacts on marine biology are less than significant.

4. Public Utilities. An estimate increase in impermeable surfaces associated with the floating berths and walkways would not affect the existing combined stormwater/sewer collection system. Based on the EIR and the entire record before the Port Commission, the Commission finds that the proposed project impacts on public utilities are less than significant.

5. Public Services. The existing levels of police and fire services would be expected to be adequate to accommodate any incremental increase in demands for their services. Based on the EIR and the entire record before the Port Commission, the Commission finds that the proposed project impacts on public services are less than significant.

6. Air Quality. The FEIR indicates that the Port does not anticipate substantial increase in number of vessels using the harbor as a result of the proposed project, and as a result, no increased odors associated with boating and vessel activity, such as diesel fumes, would be expected. Based on the EIR and the entire record before the Port Commission, the Commission finds that the proposed project impacts on public services are less than significant.

7. Transportation. The additional 45 parking spaces are expected to serve existing harbor user and would not result in increased vehicle trips. Existing and future trips to the Harbor are already included as part of the existing traffic volumes in the area and do not indicate unacceptable levels of service. The additional berths are not expected to create additional parking or loading requirements because the additional berths are intended to accommodate existing numbers of vessels. Transit demand is anticipated to be minimal. Significant additional pedestrian trips are not expected to be generated by the proposed project. Based on the EIR and the entire

record before the Port Commission, the Commission finds that the proposed project impacts on transportation are less than significant.

8. Hazards. The fuel dock will be fitted with improvements over the existing conditions, such as a pipe line with automatic shut off features, a leak detection system, remote operated shut off switch and pressure sensitive valves. It would also contain spill containment equipment. Any hazardous materials in excavated soil or dredged materials would be handled in accordance with regulatory testing and disposal requirements. Based on the EIR and the entire record before the Port Commission, the Commission finds that the proposed project impacts on hazards are less than significant.

V. ADDITIONAL ENVIRONMENTAL PROTECTION MEASURES INCLUDED IN THE PROJECT

The Port Commission finds that the following measures are not necessary to mitigate any adverse environmental impacts of the proposed project, but are nevertheless incorporated by the Port as part of the project, and will be monitored by the Port in accordance with the monitoring program attached hereto as Attachment 1:

1. The Port currently maintains and will continue to maintain a spill prevention and response plan that specifies procedures to follow in the event of a fuel spill. Emergency fuel clean-up equipment is maintained at the existing fuel dock and the Wharfingers office. The Port will continue to train personnel in the use of this equipment, and will continue to educate boat owners/operators/ about illegal discharges and spill in the Bay and in harbor waters.

2. The Port will install facilities to minimize the potential for fuel leaks from the storage tanks to the fuel dock. These will include replacement of the fuel delivery pipeline from the seawall to the fuel dock that would include automatic shut-off features, a leak detection system, remote operated shutoff switch and pressure sensitive features.

3. The Port will include an oil-water separator for the fuel dock area as part of the project. Impermeable surfaces will be designed to collect runoff in a depressed area directing stormwater to the combined sewer system.

4. The Port will include as part of the project a pump-out station at the fuel dock for disposal of chemical toilet waste from boats using the harbor.

5. The Port will coordinate with the San Francisco Fire Department to use a fireboats to periodically hose off the breakwater during outgoing tides so that debris and animal wastes are dispersed into the Bay and not into the Harbor.

6. The Port will continue to use a work skiff one or two hours each day to clean up floating debris in the harbor. The Port will increase the frequency of the skiff operation on an as needed basis.

7. The Port will design the project so that boat berths will be enclosed on three sides. The Port will install a free-floating skirted debris barrier along the west boundary of the project directly adjacent to the San Francisco National Maritime Historic Park. (See Attachment I).

8. The Port will coordinate with swimmers using Aquatic Park regarding scheduling of dredging activities to avoid conflict with scheduled activities.

9. The Port's construction specifications will include use of debris barriers, or temporary wraps for piles removed, in the harbor to reduce the release of floating debris to the Bay.

10. The Port will continue not to conduct dredging activities during herring season.

11. The Port will continue to coordinate with restaurant owners and nearby commercial operators to improve housekeeping practices (such as improved grease disposal bins, dumpsters with side covers, increased cover garbage receptacles, sidewalk sweeping, etc.) to reduce litter and trash entering harbor waters.

12. The Port will continue weekday supervision of the harbor and will add another wharfinger position to increase hours and days of supervision.

13. The Port has established the Fishermans' Wharf Environmental Quality Advisory Committee to address water quality issues on a multi-jurisdictional level, and has committed to fund the Committee at least through June 30, 1998.

14. The Port will revise its berthing agreements and regulations to include stricter controls on waste discharges, transient vessel berthing, and other harbor management issues.

VI. NO NEW INFORMATION

The Port Commission finds that no new information of substantial importance has become available, no modification to the project has occurred that would require important revisions to the FEIR, and no substantial changes have occurred with respect to the circumstances under which the project is undertaken since the Planning Commission certified the FEIR and, therefore, there is no need to prepare an addendum or supplement to the FEIR or recirculate the FEIR

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ATTACHMENT 1
MONITORING PROGRAM

MEASURE	ACTION REQUIRED/ RESPONSIBLE PARTY	SCHEDULE
1. The Port currently maintains and will continue to maintain a spill prevention and response plan that specifies procedures to follow in the event of a fuel spill. Emergency fuel clean-up equipment is maintained at the existing fuel dock and the Wharfingers office. The Port will continue to train personnel in the use of this equipment, and will continue to educate boat owners/operators/ about illegal discharges and spill in the Bay and in harbor waters.	Spill prevention and response plan will be maintained and updated by Port's Environmental Section. Port Wharfinger will maintain fuel clean-up equipment on-site. Port's Health & Safety Manager will continue to train personnel and educate boat owners.	Currently performed
2. The fuel dock would include automatic shut-off features, a leak detection system, remote operated shutoff switch and pressure sensitive features.	These features will be incorporated by the Port's engineering department into the design specifications for project construction.	During design and construction phase of project, or as included in a separate project.
3. The Port will include an oil-water separator for the pier area as part of the project. Impermeable surfaces will be designed to collect runoff in a depressed area directing stormwater to the combined sewer system.	These features will be incorporated by the Port's engineering department into the design specifications for project construction.	During design and construction phase of project.
4. The Port will include as part of the project a pump-out station at the fuel dock for disposal of chemical toilet waste from boats using the harbor.	These features will be incorporated by the Port's engineering department into the design specifications for project construction.	During design and construction phase of project.

5. The Port will coordinate with the San Francisco Fire Department to use a fireboat to periodically hose off the breakwater during outgoing tides so that debris and animal wastes are dispersed into the Bay and not into the Harbor.	Port's Maintenance Department will coordinate with Fire Department to accomplish this measure on a regular basis.	Currently performed and to continue on an ongoing basis.
6. The Port will continue to use a work skiff one or two hours each day to clean up floating debris in the harbor. The Port will increase the frequency of the skiff operation on an as needed basis.	Port Wharfinger will make visual inspection on a daily basis to determine when the skiff operation frequency will be increased.	Currently performed and to continue on ongoing basis.
7. Install a free-floating, skirted debris barrier on the west boundary of the project directly adjacent to the San Francisco National Maritime Historic Park.	These features will be incorporated by the Port's engineering department into the design specifications for project construction.	During design and construction phase of project.
8. The Port will coordinate with swimmers using Aquatic Park regarding scheduling of dredging activities to avoid conflict with scheduled activities.	Port's Environmental Health & Safety Manager will coordinate with swimmers regarding Port's dredging schedule.	Currently performed and to continue in advance of any Port dredging.
9. The Port's construction specifications will include use of debris barriers or the harbor to reduce the release of floating debris to the Bay.	These features will be incorporated by the Port's engineering department into the construction specifications for the project.	During design and construction phase of project.
10. The Port will continue not to conduct dredging activities during herring season.	Port's Health & Safety Manager will coordinate with fishing community to insure that no	Current policy of Port, to continue in future

	dredging occurs during herring season	
11. The Port will continue to coordinate with restaurant owners and nearby commercial operators to improve housekeeping practices (such as improved grease disposal bins, dumpsters with side covers, increased cover garbage receptacles, sidewalk sweeping, etc.) to reduce litter and trash entering harbor waters.	Port's Wharfinger and Manager of Fisherman's Wharf will coordinate with Port restaurant and commercial tenants in the project area.	Currently performed, and to continue in future.
12. The Port will continue weekday supervision of the harbor and will add another position to increase hours and days of supervision.	Port will hire a second wharfinger position for the project area.	Second wharfinger has been budgeted, and is anticipated to start in early 1997.
13. The Port has established the Fishermans' Wharf Environmental Quality Advisory Committee to address water quality issues on a multi-jurisdictional level.	Port's Health & Safety Manager will staff the committee, and evaluate the committee's future role. Funding for Committee proposed in Port budget for fiscal year 1997-1998	Current Advisory Committee meeting regularly; anticipated to continue as long as needed.
14. Port will revise its berthing agreements and regulations to include stricter controls on waste discharges, transient vessel berthing, and other harbor management issues.	Port's Assistant General Counsel will coordinate with Wharfinger and Tenant Services to revise regulations.	Currently in process; anticipate adoption of new agreement and policies in early 1997

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 13, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey BK for DPB
Executive Director

SUBJECT: **Guidelines for Review and Approval of Signs and Murals on Port Property**

DIRECTOR'S RECOMMENDATION: Approve Guidelines for Review and Approval of Signs and Murals on Port property.

The Port receives an increasing number of permit applications for signs on Port property, as the landscape and roadway improvements along the Embarcadero near completion. Recognizing that one of the principal goals of the Port's Waterfront Land Use Plan is to ensure an exemplary level of urban design that is worthy of the waterfront setting, the Commission has approved the preparation of an Urban Design/ Public Access Plan that will be incorporated in the Waterfront Plan. This work is now underway with the involvement of a Technical Advisory Committee, with representatives from civic, environmental, and professional design groups and regulatory agencies.

The Urban Design/Public Access Plan lays out concepts and principles that address the urban design, public access and historic resources throughout Port property. The Design Plan is the implementing tool to express design goals and define specific characteristics or parameters for structures and public improvements as the Waterfront Plan is implemented.

THIS PRINT COVERS CALENDAR ITEM **7B**

Signs and murals are prominent visual features in the waterfront environment. Accordingly, staff has prepared the attached Guidelines specifically to address the evaluation of the design of signs and murals on Port property. These Guidelines will assist the Port staff in evaluating applications for sign permits. Staff may recommend further design review by outside design advisors if the proposed sign has significant implications for the urban design of the waterfront.

Prepared by Sharon Lee Polledri
Director, Planning and Development

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. **96-137**

WHEREAS, the Draft Waterfront Land Use Plan was endorsed by the Port Commission in January, 1995 and calls for preparing urban design guidelines for Port property that further define the character of development on the waterfront;

WHEREAS, the Port is preparing an urban design and public access plan that will address design, public access and historic resource issues throughout Port property;

WHEREAS, the urban design/ public access plan will be the implementing tool to express design goals and define specific characteristics or parameters for structures and public improvements as the Waterfront Plan is implemented;

WHEREAS, the Port Commission has reviewed the progress of the urban design/public access plan at its meetings on March 26, 1996 and June 13, 1996; and

WHEREAS, signs and murals on Port property have a high visual impact on overall quality of the urban design of the waterfront.

RESOLVED, the Port Commission hereby adopts the Guidelines for Signs and Murals on Port property as set forth in the Attachment I hereto; and be it further

RESOLVED, that the Port Commission hereby authorizes the Executive Director or his designee to approve signs and murals located on Port property on behalf of the Port, subject to conformance with the Guidelines for Signs and Murals.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

Attachment I

PORT OF SAN FRANCISCO GUIDELINES FOR REVIEW AND APPROVAL OF SIGNS & MURALS

I. Application of Guidelines and Exemptions

A. Port Design Committee Review and Approval No person shall place or erect any sign or mural that is subject to these Guidelines on projects within Port jurisdiction without first obtaining review and approval by the Port Sign Committee in accordance with these Guidelines.

B. Application. Except as specifically exempted in Section I.C. hereof, these Guidelines shall apply to all permanent and temporary signs installed on property within Port jurisdiction which are visible from public streets, sidewalks or waterways, including interior signs designed or arranged to be primarily visible from the outside of any building or structures.

C. Exemptions. These Guidelines shall not apply to the following:

1. Public Service signs displayed on the inside of windows or glass doors for a limited time which are no more than 6 square feet in area. A public service sign shall be defined as a non-commercial sign devoted to a religious, charitable, cultural, governmental or educational purpose.

2. Political Signs limited to 6 square feet in area and removed within 10 days after the election.

3. Legally required posters, notices or signs.

4. International, national, state, city, county (or other political subdivision), or maritime house flags.

5. Port or City signs, or State-installed traffic or directional signs.

II. Permit Submittal and Review Process.

A. The following procedures shall be applicable for the review of all proposed signs that are subject to these Guidelines:

1. Applications for Port Sign Committee review shall be submitted on Port Building Permit Application Forms and shall include detailed specifications and drawings as follows:

   a. Building Site Plan, drawn to scale, and showing:
      (1) Location of proposed sign.
      (2) Location of existing landscaping.
      (3) Location of existing adjacent signs and other signs in the vicinity of the premises that are to remain in place.

   b. Exterior elevation drawings, drawn to scale, of the building, structure, or principal open space features, showing location of existing adjacent signs to remain and the proposed sign.

   c. Details of sign, drawn to scale, which include:

      (1) Sign dimensions.
      (2) Plan view.
      (3) Elevation view.
      (4) Colors. A sample of each proposed color to be used must be submitted for review and approval.
      (5) Materials. Material samples may be required.
      (6) Letter size and type style.
      (7) Lighting or illumination.
      (8) Name, address and telephone number of manufacturer as well as manufacturer's specifications.
      (9) All structural details, which shall comply with the San Francisco Building Code.
      (10) All electrical details, which shall comply with the San Francisco Electrical Code. Provide UL Labels where applicable.

   d. Photograph of the building, structure or open space features, marked to show proposed sign location.

   e. The application fees required shall be as listed in the San Francisco Building Code.

2. After receipt of a completed application, together with all supporting documentation, the Port Sign Committee shall review the application in accordance with the Port's urban design guidelines and public access plan

which are currently being developed (and available in draft form), and also in accordance with the following considerations:

a. The design of a sign shall be integrated with the architectural design of the building or site.

b. Adjoining and surrounding improvements shall be equally considered, taking into consideration the architectural character of any adjoining improvements and existing views or view corridors.

c. Signs shall be consistent with the character of the Port waterfront setting or neighborhood location.

3. The Port Sign Committee, upon review of an application, may approve, conditionally approve, or deny such application.

a. In those instances where the Port Sign Committee has denied an Application, the Committee shall inform the applicant in writing, why the application has been denied.

b. The applicant may resubmit a revised application addressing the deficiencies which led to the denial of the application or may appeal the Port Sign Committee's decision to the Port Executive Director or his/her Designee. The appeal must be in writing and must state the reasons why the application should be approved. The determination of the Director or his/her Designee shall be final.

4. The Port Sign Committee may recommend review by the Port's Design Review Committee, if it determines that the sign may have significant implications for the urban design of the waterfront setting. The review is coordinated by the Port's Planning and Development Division.

III. Temporary Signs and Banners. In addition to any permanent signage permitted herein, tenants or licensees may be permitted up to two temporary signs as described below. Except as provided in sections C and D below, temporary signs will be permitted for a two-week period, with additional two-week extensions possible to a maximum of 8 weeks. Each extension will require additional approval by the Port Sign Committee.

A. Signs Noticing Public Events which are removed immediately after the event has taken place.

B. Signs in Anticipation of Permanent Signs for businesses which are open to the public prior to delivery of a permanent sign.

C. Real Estate Signs no larger than 16 square feet in area that are displayed for a limited period of time. The duration of display must be specified in the permit but will be individually determined in accordance with the project's needs.

D. Construction Signs. Construction signs for construction projects stating the names and addresses of those individuals or firms directly connected with the design or construction project and/or the name of the owner, the leasing agent and/or ultimate user. Construction signs are limited to 32 square feet in area and one sign per street frontage.

IV. Murals. Murals or extensive paint treatments applied or affixed to the exterior of a building or lease premise shall require a Port permit.

The Port Sign Committee may recommend that the design is reviewed by the Port's Design Advisors (See Section II.5.)

V. Prohibited Signs. The following signs are prohibited on Port property:

A. Portable signs, such as sandwich boards, except signs for intermittent parking uses, (e.g. valet parking signs).

B. Wind signs, revolving signs, reflecting signs, blinking signs, balloon signs and other tethered signs.

C. General Advertising Signs. General Advertising shall not be permitted on Port property, unless authorized by the Port Executive Director.

VI. Signage Restrictions.

A. Sign Area

1. Except as provided otherwise herein, the total area of signs shall be limited to one square foot for each linear foot of street frontage for each street frontage.

B. Sign Height.

1. Signs affixed to buildings. The maximum height of a sign affixed to a building shall be the eaveline of the building to which it is affixed. In a multiple-use building (such as a building with ground level retail and office uses above) the signage shall not extend above or below the level of the signed use.

2. Free-standing signs. Free-standing signs shall be limited in height to ten feet above the grade, measured at the horizontal center line of the sign.

C. Sign Projection from the face of the building.

1. Signs attached to buildings or structures shall project out from the face of the building no more than two inches when the lowest part of the sign is seven feet or less above the grade directly below the sign and no more than six inches when the lowest part of the sign is more than seven feet above the grade directly below the sign.

D. Total Number of Signs.

1. No more than two signs per single-tenant building will be permitted. No more than one sign per tenant in a multiple-use building will be permitted. If a single-tenant building has a frontage on more than one street, an additional sign to the two allowed on the main frontage may be permitted on each additional street frontage. In a multi-tenant building, the Port Sign Committee may recommend guidelines for the design and placement of a building directory.

E. Sign Location.

1. Except as provided in V.E.4. below, all tenant signs shall be placed within the boundaries of the leased or licensed space.

2. When feasible, tenant signs should be affixed to buildings or structures.

3. Signs will not be permitted on or over public sidewalks or any other public passage areas, unless the owner has received a sidewalk encroachment permit or similar agreement from the Port, and such

signs are characteristic of the neighborhood or area, as determined by the Sign Committee.

4. Off-site signage may be permitted only in the case of a business that has no street frontage.

F. Illumination.

1. Use of high-intensity, unshielded or undiffused lights shall not be permitted. Lights shall be shielded or diffused so as to eliminate glare and annoyance.

2. No electrical or illuminated sign shall blink or be intermittently lighted.

VII. Maintenance; Removal of Signs.

A. The owner of any sign shall maintain the sign in a sound and safe condition and so that the sign does not become unsightly. The Port Sign Committee, upon notice, may revoke the permit for any sign which is not so maintained.

B. A sign which no longer serves the purpose or the establishment for which the sign was originally permitted must be removed by the sign owner and the removal area restored to the original condition prior to the installation of the sign. This must be done within 10 days after the discontinuance or abandonment of the use or premises.

VIII. Abatement of Non-Conforming Signs.

A. Any sign in Port jurisdiction which does not conform to these Guidelines or which is erected without Port Sign Committee review and a Port Building Permit or is hereafter erected or constructed in violation of the requirements of these Guidelines shall be considered a non-conforming sign.

B. The Port may declare any non-conforming sign to be a public nuisance and may require the sign owner to remove the sign. If not removed as requested, the Port may remove the non-conforming sign at the sign-owner's expense.

VIII. Variance Procedure.

A. Applications for variances from these Guidelines shall be made in writing to the Port Sign Committee. The Applicant shall submit a detailed explanation why the specific guideline challenged should not apply.

B. To grant a variance, the Port Sign Committee must make all of the following findings:

1. The proposed sign will be in harmony with the general purpose and intent of these Guidelines;

2. That there are exceptional or extraordinary circumstances applying to the sign application involved that do not apply generally to other similar uses or property; and

3. That owing to exceptional or extraordinary circumstances, the literal enforcement of specific provisions of these Guidelines would result in practical difficulty or unnecessary hardship not created by or attributable to the applicant.

C. In those instances where the Port Sign Committee has denied a variance application, the Committee shall inform the applicant, in writing, why the application has been denied.

D. The applicant may resubmit a revised application addressing deficiencies which lead to the denial of the variance, or may appeal the Port Sign Committee's decision to the Port Executive Director or his/her designee. The appeal must be in writing and must state the reasons why the variance should be approved. The determination of the Director or his/her designee shall be final.

IX. Penalties.

A. No sign shall be placed, erected or constructed without first obtaining a Port Sign Committee approval and a building permit from the Port. Any sign installed at a site or building within Port jurisdiction for which approval and a Permit have not first been obtained shall constitute a violation of the San Francisco Building Code as described in Section 205 therein. Penalties for any such violation shall be as provided in Section 205.

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PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 20, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey DPB
Executive Director

SUBJECT: Presentation of FY 1997/98 Operating Budget

The proposed FY 1997/98 Operating Budget is presented today for your review and comment. This item will be brought back to the Commission for approval at its second meeting in January, to be held on January 28, 1997. The proposed FY 1997/98 Operating Budget is summarized as follows:

	1996/97	1997/98	Increase/ Decrease	Percent
Revenue	$33,944,921	$35,100,712	$1,155,791	3.4%
Expense	33,271,177	34,586,130	1,314,953	4.0%
Surplus	$ 673,744	$ 514,582	$(159,162)	(23.6%)

THIS PRINT COVERS CALENDAR ITEM NO. 8A

Cargo Division

A new Cargo Division is included in the FY 97/98 budget. This Division will be responsible for promoting Port cargo facilities and for managing cargo terminal operations and other harbor services. A Maritime Manager will be responsible for this Division. The Maritime Manager position may be reclassified as a Division Director. If this reclassification occurs during the budget process, the final Port budget will be amended to reflect this change.

Revenue

The proposed revenue budget of $35.1 million for FY 97/98 is a $1.2 million increase (3.4%) over the prior fiscal year. Revenues for FY 97/98 are as follows:

	1996/97	1997/98	Increase/ Decrease	Percent
Cargo	$1,221,500	$1,779,000	$557,500	46%
Harbor Services	630,700	700,000	69,300	11%
Ship Repair	1,540,000	987,000	(553,000)	(36%)
Commercial/Industrial	22,122,000	22,577,000	455,000	2%
Parking	3,555,300	3,424,000	(131,300)	(4%)
Cruise	509,200	725,700	216,500	43%
Fishing	1,211,700	1,251,600	39,900	3%
Other Marine	448,400	549,000	100,600	22%
Power	723,300	719,000	(4,300)	(1%)
Miscellaneous	95,000	50,000	(45,000)	(47%)
Marketing	200,000	625,000	425,000	213%
Facilities & Operations	170,000	170,000	0	0%
Administration	1,517,821	1,543,412	25,591	2%
Total	$33,944,921	$35,100,712	$1,155,791	3%

The major changes in the FY 97/98 revenue budget over the prior fiscal year are in cargo, ship repair, commercial and industrial rent, cruise and marketing revenue as follows:

- cargo revenue is projected to increase $557,500 (46%) due to the recently signed agreements with Serpac and Madrigal Wan Hai;

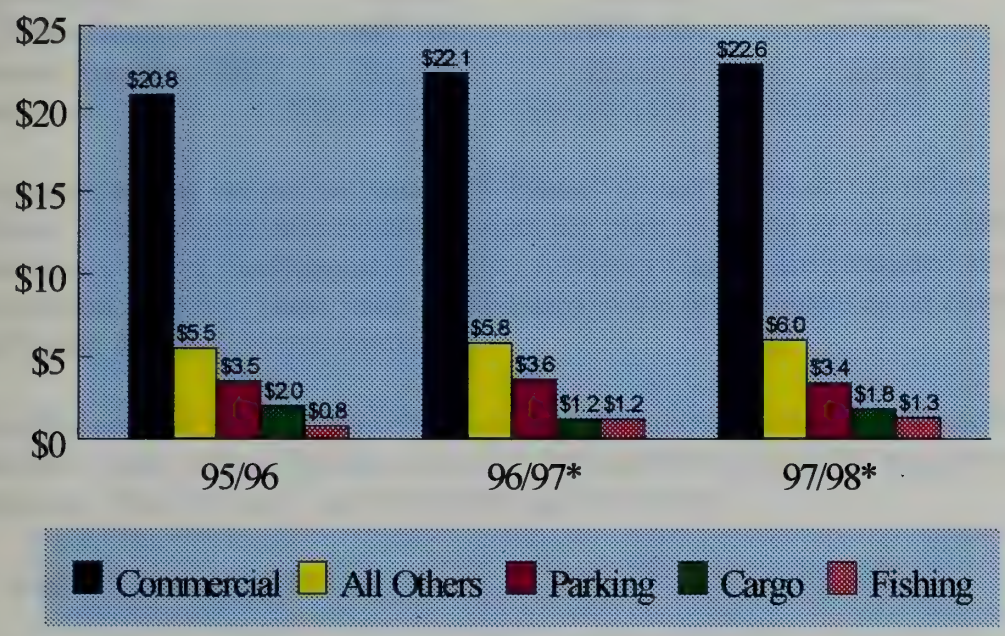
- ship repair revenue is projected to fall $553,000 (-36%) primarily due to the closure of the Service Engineering Company shipyard at Pier 50;

- commercial and industrial rent is projected to increase $455,000 (2%) primarily due to rent from percentage leases that are projected to grow from increased tenant sales;

- cruise revenue is projected to increase 216,500 (43%) primarily due to increased passenger volume associated with larger vessel capacity; and

- marketing revenue is projected to increase $425,000 (213%) due to increased filming and special event revenue.

Revenue for a three year period is as follows:



* Budget

Expense

The proposed expense budget of $34.6 million for FY 97/98 is a $1.3 million increase (4.0%) over the prior fiscal year. Expense for FY 97/98 is as follows:

	1996/97	1997/98	Increase/ Decrease	Percent
Salaries & Fringe	$14,558,940	$15,481,475	$922,535	6%
City Wide Overhead	319,164	500,000	180,836	57%
Other Current Expenses	3,467,791	4,010,767	542,976	16%
Materials & Supplies	1,073,554	1,153,517	79,963	7%
Fixed Charges	258,700	290,115	31,415	12%
Capital Outlay	274,103	205,752	(68,351)	(25%)
Facilities Maintenance	290,700	357,000	66,300	23%
Debt Service	7,873,541	7,411,841	(461,700)	(6%)
Insurance	800,000	600,000	(200,000)	(25%)
City Attorney	923,100	1,026,800	103,700	11%
Fire Protection	1,165,015	1,195,300	30,285	3%
Workers Comp	375,000	325,000	(50,000)	(13%)
Light, Heat & Power	520,000	470,000	(50,000)	(10%)
City Planning	168,400	283,400	115,000	68%
All Other Depts	957,169	1,025,163	67,994	7%
Revenue Transfer - DPT	246,000	250,000	4,000	2%
Total	$33,271,177	$34,586,130	$1,314,953	4%

The accompanying budget summary and detailed budget books do not reflect a recent addition. The Facilities Maintenance budget has been amended to add $50,000 for the Fisherman's Wharf Environmental Quality Advisory Committee presented at the last Commission meeting. These funds will be used in the development of an environmental quality plan or set of recommendations.

The major changes in the FY 97/98 expense budget over the prior fiscal year are in personnel, other current expenses, debt service and services of other departments (insurance, City Attorney, and City Planning) as follows:

- personnel costs are projected to increase $922,535 (6%) as a result of:
  - scheduled salary and step increases ($218,132);
  - anticipated wage increases not yet negotiated, a 2% increase ($230,600);
  - 6 new positions ($299,300);
  - 7 reclassified positions ($39,600);
  - 2 funded positions that were previously unfunded ($110,300); and
  - fringe benefits ($24,603);

- other current expenses are projected to increase $542,976 (16%) primarily due to increased professional services expense expected from a new janitorial contract and the transfer of expense for professional auditors that was previously budgeted in Services of Other Departments;

- debt service expense is projected to fall $461,700 (-6%) based on the current debt repayment schedule;

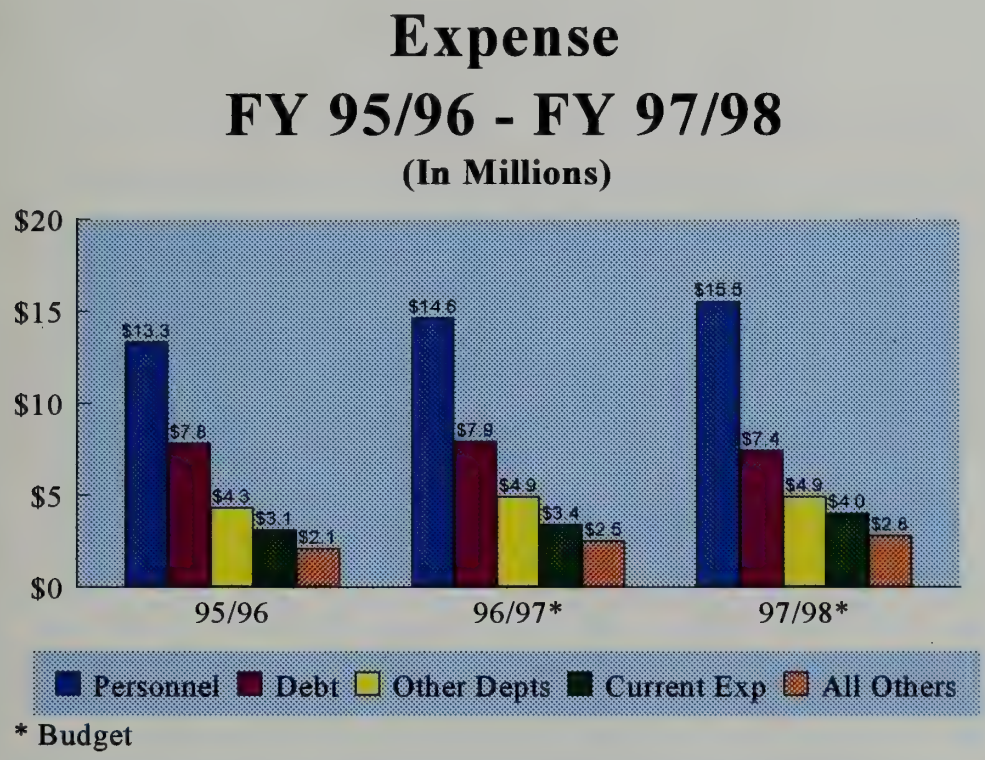
- services of other departments are projected to change significantly from the previous fiscal year in the following areas:

  - insurance expense is projected to fall $200,000 (-25%) due to the renewal of insurance premiums at lower cost;

  - City Attorney expense is projected to increase $103,700 (11%) due to the assignment of one additional attorney to the Port; and

  - City Planning expense is projected to increase $115,000 (68%) due to additional personnel assigned to the Port for land use and development services.

Expense for a three year period is as follows:



* Budget

Staff requests the Commission to authorize the Executive Director to make non-material changes to the annual operating budget as may be necessary. For example, the proposed budget contains anticipated salary increases not yet determined. As labor agreements are negotiated, budgeted salary and fringe benefits estimates will be updated. Similarly, anticipated expenses for Services of Other Departments contained in the budget are preliminary estimates. These estimates may be revised as information is received from the Departments delivering the requested services.

Prepared by: Ben Kutnick

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 13, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. James Herman
Hon. Preston Cook
Hon. Denise McCarthy

FROM: Dennis P. Bouey BKfr DPB
Executive Director

SUBJECT: Pier 48 Sheds A and B, approving a Declaration of Emergency for contracted assistance to demolish the fire damaged portions of the sheds, to assess the damage to the structure, to develop the building shell repair design, and to perform the subsequent construction

DIRECTOR'S RECOMMENDATION: APPROVE THE DECLARATION OF AN EMERGENCY TO ALLOW CONTRACTORS TO ASSIST PORT STAFF WITH THE DEMOLITION AND REPAIR OF THE FIRE DAMAGED PIER 48 SHEDS AND RELATED COMPONENTS

On November 26, 1996, a fire at the east end of Pier 48 destroyed the interconnecting wood frame structure and caused substantial structural damage to the steel frames, walls and roof at the easterly end of Sheds A and B on the pier. The fire caused significant deformation of steel trusses and caused pre-cast concrete wall panels that make up the exterior walls of the sheds to move from their original position. Port maintenance staff cordoned-off the severely damaged area of the sheds to prevent access by the public. The damaged portion of the sheds are in eminent danger of collapse and should be demolished immediately.

The nature of the demolition requires the expertise of a demolition contractor who is experienced in the demolition of steel frame structures with pre-cast concrete panels. Port maintenance staff is not experienced in performing this type of demolition work. Concurrent

THIS PRINT COVERS CALENDAR ITEM NO. **10A**

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with the demolition work, engineering services are required to assess the damage to the structure to identify the scope of any additional demolition and to develop a repair design for the building shell. Existing Port engineering resources are not currently available to perform structural damage assessment and repair design. The building damage assessment, repair design and subsequent construction will be competitively procured from outside contractors. These measures will be taken under this emergency declaration to protect the life and safety of Port tenants, the general public and Port employees.

Funds for these emergency contracts will be from insurance proceeds and the insurance company has indicated it will advanced the Port $750,000. The estimated cost of demolition is between $250,000 to $350,000. The estimated cost for the engineering services is $200,000.

Until the engineering consultant has performed its work, the estimated cost of reconstruction costs will not be known.

It is requested that an additional 10% in contingencies must be available for all contracts for possible Type 1 contract modifications.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **96- 130**

WHEREAS, on November 26, 1996, a fire at the east end of Pier 48 destroyed the interconnecting wood frame structure and caused substantial structural damage to the steel frames, walls and roof at the easterly end of Sheds A and B on the pier; and

WHEREAS, the damaged portion of the sheds are in eminent danger of collapse, should be demolished immediately and the nature of the demolition requires the expertise of a demolition contractor who is experienced in the demolition of steel frame structures with pre-cast concrete panels. Port maintenance staff is not experienced in performing this type of demolition work; and

WHEREAS, concurrent with the demolition work, engineering services are required to assess the damage to the structure to identify the scope of any additional demolition and to develop a repair design for the building shell; and

WHEREAS, existing Port engineering resources are not currently available to perform the structural damage assessment and repair design therefore the building damage assessment, repair design and subsequent construction will be competitively procured from outside contractors; and

WHEREAS, these measures must be taken under this emergency declaration to protect the life and safety of Port tenants, the general public and Port employees; and

WHEREAS, funds for these emergency contracts will be from insurance proceeds and the insurance company has indicated it will advance the Port $750,000; and

WHEREAS, the extent of damage will not be completely known until demolition and subsequent construction is underway; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby ratifies the action of the President of the Commission contained in the letter to the Controller dated December 4, 1996; and be it further

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to issue an emergency demolition contract; authorizes staff to issue an emergency professional services contract to assess the damage to the structure and to develop a repair contract documents for the buildings shells; authorizes staff to issue a construction contract for repair of the shells; authorizes 10% in contingency funds for all these contracts for possible Type 1 contract modifications; and authorizes the Executive Director to accept the work upon final completion of the construction contract.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

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PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 10, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James R. Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Travel Authorization for One Port Representative to Travel to Washington, D.C. to Meet with Congressional and Administration Officials on Legislative Proposals Regarding the Cruise Industry and other Port projects (January 20-23, 1997), in accordance with the Port's Fiscal Year 1996-1997 Budget.

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION

With the leadership of the ***Cruising America Coalition***, an organization of major cruise ports and tourism organizations, the Port of San Francisco plans to introduce legislation for next year's Congressional session to open up the domestic cruise market to foreign flag carriers. This legislative initiative is part of the Port's long term marketing plan to develop new cruise business. To discuss the viability of legislative proposals and develop the strategy for the Cruising America Coalition, the Port's Governmental Affairs representatives needs to meet with Congressional and Administration offices in Washington, D.C. The legislative representatives of other ports and tourism groups will also attend these

THIS PRINT COVERS CALENDAR ITEM NO. 10B

meetings. The trip will also provide an opportunity to update our Congressional delegation on the Port's projects, particularly the restoration of the Ferry Building, at a time when Congress is ready to reauthorize the Intermodal Surface Transportation Efficiency Act, the law that will set transportation funding policies for the next three years.

The estimated cost for the trip is as follows:

Airfare	$824.00
Hotel (3 nights)	$555.00
Transportation (airport transfers and, cabs	$200.00
Meals ($40/day x 4 days)	$160.00
Telephone Calls	60.00
Total	$1799.00

These funds are available for expenditure in the Port's FY 96-97 budget.

Prepared by: Veronica Sanchez, Manager, Governmental Affairs

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-133

WHEREAS, the Executive Director is requesting travel authorization for one Port representative to attend meetings in Washington, D.C. (January 20-23, 1997) with Congressional and Administration representatives regarding legislative proposals to open up the domestic cruise market and transportation issues; and,

WHEREAS, the costs of this trip has been included in the Port Commission's Fiscal Year 1996-1997 budget, now therefore, be it

RESOLVED, that the Port Commission hereby approves this travel request.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of December 20, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

December 10, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James R. Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Approval of Travel Authorization for a Port representative to Attend the Special Seminar for Members of Port Authority Governing Boards and Commissions sponsored by the American Association of Port Authorities in Palm Beach, Florida (January 29-31, 1997), in accordance with the Port's Fiscal Year 1996-1997 Budget.

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION

The American Association of Port Authorities is sponsoring a special seminar for commissioners of governing boards of Ports to provide briefings on port industry trends, new revenue opportunities for ports; principles and practices in Board/Management relations and legal liability of Commissioners and Port managers. This seminar is specifically aimed at giving new Commissioners an overview of the Port industry and in introduction to the issues facing ports throughout the nation. With the concurrence of the President of the Commission, a representative will attend this seminar to represent the Port of San Francisco.

The costs of the trip are as follows:

Airfare	$317.82
Hotel ($125/day x 4 nights)	$500.00
Conference Registration	$395.00
Transportation	$100.00
Meals ($40/day x 4 days)	$160.00
Telephone Calls	35.00
Total	$1,507.82

These funds are available for expenditure in the Port's FY 96-97 budget.

Prepared by: Veronica Sanchez, Manager, Governmental Affairs

THIS PRINT COVERS CALENDAR ITEM NO. 10C

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-134

WHEREAS, With the concurrence of the President of the Port Commission, the Executive Director is requesting travel authorization for a Port representative to attend the Special Seminar for Members of Port Authority Governing Boards and Commissions sponsored by the American Association of Port Authorities in Palm Beach, Florida (January 29-31, 1997); and,

WHEREAS, the costs of this trip has been included in the Port Commission's Fiscal Year 1996-1997 budget, now therefore, be it

RESOLVED, that the Port Commission hereby approves this travel request.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of December 20, 1996.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 13, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Dennis P. Bouey DPB
Executive Director

SUBJECT: Approval of travel for two Port representatives to the national Passenger Cruise Convention at Miami, Florida, in accordance with the Port's Fiscal Year 1996-97 budget.

DIRECTOR'S RECOMMENDATION: APPROVE THE TRAVEL AS BUDGETED.

An area of growth opportunity for the Port of San Francisco lies in the marketing of its cruise facilities. Currently, spin-off revenues from cruise activity, at an average 50 calls per year, contribute in excess of $14 million to local labor, tourism, and support businesses throughout the City. Since 1994, the Port has dramatically increased the annual number of passenger vessels and passengers. We need to continue to foster this trend, and look forward to generating commercial interest in two new cruise markets:

1. An alternate homeport season outside of our traditional Alaska season (i.e. S.F./ Mexico winter itineraries), and

2. Coastal cruises, which will require legislative change.

THIS PRINT COVERS CALENDAR ITEM NO. **10D**

The *SEATRADE* convention at Miami is the most widely recognized gathering of decision makers in the cruise and ship repair industries. More passenger vessel owners and operators have their corporate headquarters in Miami than in any other city in the world. By sending two Port representatives to speak knowledgeably on how San Francisco's facilities and location can benefit the passenger cruise market, we hope to attract additional Port of call interest.

We have budgeted the following amounts for our current fiscal year to cover this activity.

Two Airfares	$ 1,600
Exhibit & Registration Fee	3,000
Hotel (6 days)	1,600
Meals	500
TOTAL	$ 6,700

Prepared by: Carolyn Macmillan
Marketing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Resolution No. 96-131

WHEREAS, the Executive Director is requesting authorization for two representatives to travel to the National Passenger Cruise Convention at Miami, Florida; and

WHEREAS, the purpose of this trip is to strengthen industry contacts; exhibit to key decision makers those Port attributes which can attract more passengers and benefit their operations; and introduce a winter itinerary utilizing Mexican ports of call, and

WHEREAS, the costs of this trip have been included in the Port Commission's Fiscal 1996-97 budget; be it

RESOLVED, that the Port Commission hereby approves this travel request.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

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PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

December 18, 1996

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie Lee, Vice President
Hon. Preston Cook
Hon. James Herman
Hon. Denise McCarthy

FROM: Ben Kutnick BK
Director, Administration

SUBJECT: Approval of Retainer Agreement for Professional Services between the Port and Dennis P. Bouey.

DIRECTOR'S RECOMMENDATION: APPROVED ATTACHED AGREEMENT

At 5 p.m. on December 20, 1996, Dennis P. Bouey will resign as Executive Director to take the Director of Aviation position at Philadelphia International Airport. A new Executive Director will be appointed by the Mayor for an interim period while a search for a permanent Director is conducted. It is the desire of the Commission and the Mayor that Dennis P. Bouey be retained during this interim period to assist the new Executive Director, ***solely*** at the new Executive Director's discretion, with:

(a) Selected transactional matters;
(b) Selected litigation matters; and
(c) Implementation of the Waterfront Plan.

Mr. Bouey is uniquely qualified to provide this assistance given his past three years as the Executive Director. At the sole discretion of the new Executive Director, these services will provide the new Executive Director with a smooth transition into that position and provide for the orderly conduct of Port business.

Prepared by: Ben Kutnick, Director, Administration

THIS ITEM COVERS CALENDAR ITEM NO. **10E**

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

RESOLUTION NO. 96-139

WHEREAS, At 5 p.m. on December 20, 1996, Dennis P. Bouey will resign as Executive Director to take the Director of Aviation position at Philadelphia International Airport; and

WHEREAS, A new Executive Director will be appointed by the Mayor for an interim period while a search for a permanent Director is conducted; and

WHEREAS, It is the desire of the Commission and the Mayor that Dennis P. Bouey be retained during this interim period to assist the new Executive Director, ***solely*** at the new Executive Director's discretion, with:

(a) Selected transactional matters;
(b) Selected litigation matters; and
(c) Implementation of the Waterfront Plan; and

WHEREAS, Mr. Bouey is uniquely qualified to provide this assistance given his past three years as the Executive Director; and

WHEREAS, At the sole discretion of the new Executive Director, these services will provide the new Executive Director with a smooth transition into that position and provide for the orderly conduct of Port business; and, therefore be it

RESOLVED, That the Retainer Agreement, a copy of which is on file with the Commission Secretary, is hereby approved and the new Executive Director shall execute the Agreement and complete all necessary paperwork as expediently as possible.

This is to certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 1996.

_____
Secretary

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
DECEMBER 20, 1996

20/96
cial

1. ROLL CALL

The meeting was called to order by Commission President Michael Hardeman at 9:05 a.m. The following Commissioners were present: Michael Hardeman, Frankie Lee, Preston Cook and Denise McCarthy. Commissioner Herman arrived at 9:10 a.m.

12. EXECUTIVE SESSION

At 9:07 a.m., the Commission Secretary announced that the Commission will withdraw to executive session to discuss the following:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR - ***This session is closed to any non-City/Port representative.****

1) Property: Port property located at Berry Street and Second Street (China Basin).
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director
*San Francisco Giants Representative: Larry Baer, Executive Vice President

Under Negotiation: ____ Price ____ Terms of Payment __✓_ Both
An executive session has been calendared to discuss real property negotiations between the Port and San Francisco Giants, regarding the proposed ballpark.

This is specifically authorized under California Government Code Section 54956.8.

B. CONFERENCE WITH LEGAL COUNSEL REGARDING ANTICIPATED AND EXISTING LITIGATION MATTERS:

1) Initiation of Litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (1 case)

(a) Red and White Fleet, Inc. (formerly Harbor Carriers, Inc., a subsidiary of Crowley Corporation) operating at Pier 41.

2) Discuss existing litigation matter pursuant to subdivision (a) of California Government Code Section 54956.9

a) Petuya v. CCSF; San Francisco Superior Court No. 972-961

C. PUBLIC EMPLOYEE APPOINTMENT/HIRING (Govt. Code Section 54957)

Discussion and action to nominate a qualified applicant for the position of Port Executive Director who will have the management responsibilities of the Port of San Francisco, whose name shall be submitted to the Mayor for consideration for appointment pursuant to Charter Section B3.581(h). (Resolution No. 96-140)

D. Vote in open session on whether to disclose Executive Session discussions (S.F. Admin. Code Sec. 67.14)

At 9:30 a.m., Commissioners Hardeman, Lee, Cook, Herman and McCarthy returned from executive session and convened in public session.

ACTION: Commissioner Lee moved approval to not disclose any information discussed in the executive session except for Item 12C. Commissioner Lee read Resolution 96-140 for the record. Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution 96-140 was adopted.

2. APPROVAL OF MINUTES - December 10, 1996

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the minutes of the meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report: Mr. Bouey reported that the Annual Report is completed and commended Carolyn Macmillan for a job well done.

Mr. Bouey stated that this is his last Port Commission meeting. He leaves the Port sadly but delighted that in the last three years, staff put together two back-to-back profitable years. As a measure of efficiency, the operating revenue per employee is the highest in the history of the Port. With the exception of cargo, every maritime business at the Port is up -- fishing revenues are up 50%; cruise business in 1993 had about 36,000 passengers; next year, we expect more than 85,000 cruise passengers. Cargo, however, is on the rebound. The new strategy reflects the realities of today. In 1993, the Port was in technical default with its bonds. It had a debt coverage of 1.0 and it needed 1.3. Today, the debt coverage stands at about 2.2, which is the highest in the history of the Port.

Mr. Bouey mentioned that without the support of the Mayor's office and this Commission, the Port could not have accomplished all that it accomplished in the last few years. More importantly, without the hard work and dedication of the staff, the Port wouldn't have accomplished what the Port has accomplished. He commended staff for their hard work. He added that the Port's Planning staff is absolutely

incredible. The Waterfront EIR may be certified at the next Planning Commission meeting. Port staff, including the City Attorney's staff, has been nothing short of magnificent. He cannot express enough his gratitude and appreciation for their fine work over the last three years.

He also mentioned that every decision and every recommendation brought to the Port Commission in the last three years has been done out of respect for the Port and to preserve its dignity. Moreover, it was done out of loyalty to the Port. Most importantly, every recommendation to the Commission has been brought in the most honest and forthright manner possible. Through the confluence of the Mayor, Port Commission's support and the good work of staff, the Port is in better shape today than it was three years ago. More importantly, the Port is poised for greatness. When the development moratorium is lifted, we would be able to create a waterfront that respects our maritime heritage, encourages those businesses and, at the same time, will provide for those activities that will bring the people of San Francisco to the waterfront.

B. Endorsement of the basic principles of the proposed Giants and the Port term sheet for the ballpark. (Resolution No. 96-138)

Mr. Bouey stated that in March 1996, the voters of the City & County of San Francisco approved Proposition B, which authorized a proposed development on Port property for a new ballpark. The Port, with the Mayor's office, has recently negotiated a term sheet with the Giants. The term sheet is an important step because it covers a number of basic business terms of the proposed lease and provides the frame work for the actions the Giants and the City agencies need to take for the site to be assembled, entitlements to be granted, and complementary improvements to be financed and built. The proposed term sheet is acceptable to the Giants and their lenders. It is important to note that the proposed term sheet is not intended to be and is not legally binding. Only after the environmental process has been completed and after all necessary governmental approvals have been obtained may the City enter into a binding agreement. He expects that over the next three or four months, the Port and the Mayor's office will begin lease negotiations.

He then enumerated the basic principals of the proposed term sheet:

- The lease of the ballpark site will be to China Basin Ballpark Company (CBBC). CBBC is a separate entity established and controlled by the Giants partnership for the purpose of developing and operating the new ballpark. CBBC will be the borrower from a lending syndicate of a $140 million private loan for construction of the park, and CBBC will build the ballpark at its cost. Revenues from the ballpark and complementary improvements will flow to CBBC, including proceeds from the sale of charter seats, naming rights agreement, etc.

- The lease is for a term of 25 years from delivery of the site to CBBC, which is anticipated to occur in late summer or fall of 1997. The initial lease term

corresponds to 23 seasons of baseball at the new park. The lease potentially could continue for a total of 66 years. The lease would include successive 5-year renewal options at the end of the 25-year initial term.

- The Giants franchise will enter into agreement directly with the City to play their home games at the new ballpark for 23 seasons after the new ballpark opens. The end of the term of the non-relocation agreement corresponds with the end of the initial lease term.

- CBBC will pay fair market rent to the Port. Full rent of $1.2 million per year begins upon delivery of the site to CBBC. The City's Director of Property has advised that the ground lease rent is well within the range of market rent for the site, taking into account its existing physical, hazardous material and soil conditions and applicable tidelands trust limitations. The rent is subject to certain cost-of-living escalations. For the conclusion of three years, and for each of those three years, the rent may be adjusted by the CPI for a maximum of 3 percent per year. Every three years thereafter, the rent will be adjusted by the CPI for each year up to a maximum of 5 percent.

- CBBC agrees to advance up to $500,000, at the City's option, for mutually agreed-upon City transaction costs, such as staff and legal costs of preparing and processing the lease documents. CBBC will get credit against rent for any such advances, with interest at CBBC's actual cost of funds up to a maximum of 8.5%. The rent credit for such advances is capped at $75,000 per year. CBBC also agrees to pay all costs and fees of entitling the project the same fees which other developers would pay. There is no credit against the rent for these costs. It is not anticipated that we would borrow the $500,000 from CBBC.

- Available property tax increment generated by development on the ballpark site may be used for a ballpark-related infrastructure as mutually agreed-upon. CBBC agrees to provide certain assurances of repayment of Redevelopment Agency tax increment debt for the ballpark-related infrastructure if the term of the bonds exceeds the term of the lease or if possessory interest taxes from the site are reduced below a level needed to service the indebtedness.

- CBBC will remediate hazardous materials at the site as required by regulatory bodies for the development of the ballpark. CBBC is also responsible for all demolition, pier substructure and other site preparation costs.

- The Port will be responsible for delivering the site free of the Port occupancies. The Port will also be responsible for purchasing the parcel at Third and Berry, which CalTrans owns and controls. The CalTrans parcel is expected to be acquired through a negotiated agreement with the State. The Port's responsibility for purchasing the CalTrans parcel and relocating the private tenants from the property is limited to $4.1 million.

- The schedule for the proposed ballpark project provides for site delivery in late summer or fall of 1997 and an April 2000 opening.

- CBBC agrees, at the Port's option, to demolish the improvements and return the site to the Port in developable condition at the end of the lease term if CBBC does not exercise at least two 5-year options at the end of the minimum term, for a total lease term of at least 33 baseball seasons.

It is the Mayor's intention to sign the term sheet, subject to the Commission's endorsement. It is anticipated that the final lease will be presented to the Port Commission and Board of Supervisors in June or July of next year, consistent with the principles outlined in the term sheet. Staff has worked hard on this term sheet and believed that it represents a fair deal for the Port.

Commissioner Cook thanked Mr. Bouey and Julie Van Nostern for the successful negotiations on behalf of the Port and the City. Commissioner Cook mentioned that he was concerned about the market rate deal for the Port but in reading the term sheet, he is confident that it is a fair market rate deal. Commissioner Lee echoed Commissioner Cook's comments. He welcomed the Giants to play ball at Port property. Commissioner McCarthy stated that she had deep concerns on how the Port would come out of this negotiation. She commended Mr. Bouey and Ms. Van Nostern's for their efforts. Commissioner Hardeman stated that we have a mandated two thirds of the voters of this City wanting a ballpark at that location. Under all these pressures, staff was able to cut a good deal. The Commission feels that Mr. Bouey, Ms. Van Nostern and the rest of the staff did a fantastic job. He added that the Mayor and Rudy Nothenberg went on a limb to meet all their concerns and we owe them thanks. The lease is not finalized yet but we are on the road to playing ball there. He thanked everyone for all their hard work.

ACTION: Commissioner Lee moved approval; Commissioner Cook seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

C. <u>Informational Presentation on the Waterfront Land Use Plan - Joint Staff Recommendations for Public Review and Comment by the Port, Bay Conservation and Development Commission, and Save San Francisco Bay Association.</u>

Mr. Bouey stated that the Waterfront Plan was developed and recommended to the Port Commission by the Waterfront Plan Advisory Board. The Waterfront EIR will now be certified in a couple of weeks. Subsequent to that, the Port Commission may adopt the Plan at which time the development moratorium imposed by Proposition H would then be lifted. Early on it was realized it was not enough to have a plan but to implement it in the most viable way. The Port Commission amended the plan to require urban design guidelines in a public access element. The Port created a Technical Advisory Committee to review and advise the development of an Urban Design and Public Access guidelines. This committee is made up of highly respected

members in the design profession and representatives from the Planning Department, Bay Conservation and Development Commission (BCDC), Waterfront Plan Advisory Board, and Save San Francisco Bay Association. This element will define a comprehensive urban design vision which identifies locations and types of public access and open space areas and views, historic preservation policies, and architectural standards to ensure that we get quality developments in the waterfront.

The Port begun negotiations with State Lands in terms of what policies should be enforced as the Port moves forward. At the same time, the Port negotiated an MOU with the Department of City Planning for the purposes of negotiating amendments to the Master Plan and Zoning changes so the Waterfront Plan could be implemented.

Lastly, the Port signed an MOU with BCDC to sit down and discuss a number of issues that serve the needs of BCDC, their constituents as well as serve the needs of the Port. A conclusion has been reached and today Will Travis and he will sign the MOU. The Waterfront Advisory Board was advised of the result of the negotiation and was warmly received. It was next presented to the Planning Commission. He expects that in the very near future, there will be joint Commission meetings between the Port and BCDC, invite the public and discuss the issues. He expects that what is presented today will be examined carefully but the essence of it will continue forward. BCDC has their commitments and obligations to provide meaningful public access, provide reduction in bay fill. He, Will Travis and Save the Bay put together a document that will serve as the basis of discussions that will allow the Waterfront Plan to move forward in the most successful way. He noted that they have come up with a framework with such a plan that will allow San Francisco to revitalize its waterfront.

The following are the key elements of the agreement:

- Pier Removal - the removal of Piers 34 and 36 to create a public open space and more open water; the removal of Pier 24 as part of new development of Piers 26 and 28; and the removal of most of Pier 33 to create a larger expanse of open water between Piers 31 and 35. In addition, the creation of more open water area is recommended in the Pier 15-29 area; this area is designated a Special Study Area, subject to a separate specific planning effort to determine the location of additional open water, public access and views prior to approval of new development.

- Creation of New Large Public Plazas - the creation of a central Plaza in Fisherman's Wharf on approximately 70% of the site, with an underground garage, financed from revenue receipts from retail development on the remaining 30% of the site and the parking garage. In addition, two other large public open spaces would be created in the South Beach area ("Brannan Street Green" involving removal of Piers 34 and 36).

- Public Access on Piers - in addition to the public plazas, new development

projects on individual piers would be required to dedicate 25% of the pier area to public access. It is expected that new development on larger piers will require a greater amount of public access.

- Land Uses on Piers - the Port's piers would be assigned to one of four categories, based on the physical condition of the facility: Category 1 (Excellent); Category 2 (Good); Category 3 (Fair); and Category 4 (Poor). Projects on Categories 1 and 2 would be treated as within BCDC's Shoreline Band jurisdiction.

- Historic Preservation - Many of the bulkhead buildings and piers appear to be potentially eligible for listing on the National Register of Historic Places.

- Joint BCDC/Port/City Design Review Committee - the purpose of the committee would be to review development projects in a single, integrated process where the various design objectives can be discussed and jointly reviewed. It would be our hope that this committee's recommendation would be the staff's recommendation to the Port Commission. BCDC and Port staff will staff this committee.

Aside from the process outlined today, Chapter 5 of the Waterfront Plan has an implementation chapter which requires for developments that a public body be assembled to advise the Port. In addition, the EIR that will be certified in the next week or so is a programmatic EIR for the Waterfront Plan. Each project will have its own specific EIR. This agreement serves not only the Port well but also serves the needs of BCDC but more importantly, serves the needs of the people of San Francisco and the bay area. He thanked Marc Holmes, the negotiator from Save the Bay. Mr. Holmes brought a vision and acumen and was also very helpful in the negotiations. He also thanked Will Travis and his staff.

Nunzio Alioto mentioned that they just recently saw the Waterfront Land Use proposal. He addressed the triangular parking lot issue. He hopes that in the future the merchants in the Fisherman's Wharf area are invited to participate in the discussions and ultimately the final plan. Mr. Bouey stated that representatives from Fisherman's Wharf will be involved. Communications have commenced a month ago with the representative of the Fisherman's Wharf Merchants Association, Al Baccari. He noted that Port tenants will be invited to participate.

Jane Morrison stated that she liked the idea of public access and open views of the water that this plan is presenting. She urged that any new development be concentrated on maritime, fishing and for purposes that have to be on the water. She inquired how binding the agreement would be. Mr. Bouey responded that this is just a framework to begin discussions to come up with an MOU that everyone will sign. He's sure that there will be a clause that would allow either side to adjust the rules if necessary.

Will Travis, Executive Director of BCDC, stated that he keeps finding things in the

agreement that are just wonderful. The negotiations were difficult but what they found was they had common goals. They looked at new ways of achieving what all the parties wanted to achieve. The basic provision of the agreement is to remove old piers. There will be wonderful, new public plazas. There will be public access on any new development on the piers. Priority will be given to maritime use at the Port and preservation of the Port's wonderful historic character. Opportunities for vibrant waterfront development will be provided. The permit process will be streamlined. Ample opportunities for public input will be provided. He offered his full endorsement for this agreement. The notion of joint public hearings is one that he would like to move forward. He concluded that in the signing of this document today, the Port is poised no more, greatness starts today.

Commissioner Herman stated that the objectives set forth is sound provided that this new scheme does not become a vehicle to speed up development to a point where control slips from the hands of those who have to have it. He thinks that the development process in the City is so cumbersome and time consuming. He hopes that we don't create a development arrangement where we eliminate safeguards and where there are rationale constraints on developers so that there is a very clear and full understanding as to precisely what the agreement is. If we simply zero in on the propriety and if we simply concentrate on expediting development, we have to add a third ingredient that is spelled out in no uncertain terms and there is some way of carefully monitoring and evaluating of establishing rules that protect against indiscriminate development in the name of creating open space. He made it clear that while we have one arrangement today, he is not in favor of allowing that to become the rationale for streamlining the process. He urged that there be consideration, discussion and precise understandings about the limitation and the importance of carefully policing every single thing that is done where changes are made especially for purposes of speeding up the process but not opening a door for what was not or is not to be intended.

Mr. Bouey agreed with Commissioner Herman and stated that his concerns were addressed through the agreement and the Waterfront Plan. The Commission's Waterfront Plan requires the creation of public body to advise the Port on each of the projects. Mr. Bouey and Mr. Travis then signed the MOU.

4. LEGISLATIVE

5. TENANT & MARITIME SERVICES

A. Approval of Telecommunications Policy, Siting Guidelines and Standard Telecommunications Lease. (Resolution No. 96-123)

Mr. Bouey stated that at the November 12 Port Commission meeting, a representative from City Planning made a presentation on Policy Guidelines for Wireless Telecommunication Services. From the work done by Planning, Port staff put together a policy for siting these antennas and other fixtures. He then introduced Paul

Osmundson and requested him to present the highlights of the policy.
Mr. Paul Osmundson indicated that staff took the policy developed by the Planning Department and took parts of it that they did not believe were applicable to Port projects. The vast majority of it, however, was intact. Basic issues covered in the policy include: policies and guidelines on land use, urban design, health and safety, community development, building siting criteria including visual impact, minimizing noise and others. They have also prepared a set of standard lease conditions that would allow Tenant & Maritime Services Division to negotiate leases that were in conformance with the standard lease form. Mr. Bouey pointed out that the Commission received a substitute sheet for Attachment 1, wherein the number of antennas connected to the back up equipment would be 12, instead of 9.

ACTION: Commissioner Cook moved approval of the resolution, as amended; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

B. Consent to wireless telecommunication services (WTS) use at Pier 39 (Resolution No. 96-124)

Mr. Bouey stated that Pier 39 intends to install a WTS facility on its parking garage. Since this is not an accepted use in their current lease with the Port, staff has negotiated a separate rental agreement wherein the Port will receive 30% of the revenue received by Pier 39 for this facility. It is anticipated that the current rent would be $3,000.00 per month.

In response to Commissioner McCarthy's inquiry of how the 30% share of the Port was derived, Mr. Bouey responded that since the current rent structure cannot serve as a model, staff believed that since Pier 39 maintains the facility and entered into the relationship with the company, 30% is more than fair rent for allowing them to have this additional use.

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

C. Approval of Marine Terminal Agreement for Maruba S.C.A. for use of Pier 94/96. (Resolution No. 96-135)

Mr. Bouey stated Maruba has been a long-time tenant of the Port. They offer service to Latin America. The Port has concluded negotiations for another five-year term for use of Pier 94/96, subject to the same provisions in the last two cargo agreements. Expected revenue for the agreement is approximately $100,000 from wharfage, dockage and crane rental.

ACTION: Commissioner Lee moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the resolution was

adopted.

Commissioner Herman stated that a lease with Mission Valley Rock Company has been executed without the Commission being aware of it or being consulted. He is perplexed as to why a five-year lease has been signed by the Port. He knows that other companies have been waiting for that space. He understands that Mission Valley Rock Company is a tide water, sand and gravel company and it operates adjacent to Pier 92. Leasing parameters were adopted by the Port Commission in 1993 that allow for the signing of these leases within a very precise framework. This lease is not within that framework. He then requested a copy of the lease. Mission Valley Rock Company has a $.10 per sq. ft. arrangement. He would like his questions answered at the next meeting so that the Commission is fully comfortable with the operations at that site. Pier 92 is one of the most desirable piers for marine facilities remaining at the waterfront. It has rail access and it is on a deep water channel. It has access to Highways 101 and 280. Commissioner Herman reiterated his request that the Real Estate Director provide the Commission full documentation as to what was done to certify the financial viability of the company as well as the company's history. He believes that this matter should not be permitted to proceed until the parameters adopted by the Commission in 1993 are strictly adhered to.

Commissioner Hardeman inquired if Mr. Bouey or Mr. Wiseman is prepared to respond on this matter. Mr. Bouey replied that staff will respond to Commissioner Herman's request at the next meeting. He concurred with Commissioner Herman that in 1993, the Port Commission adopted a policy in establishing market rents. Those market rents are resurveyed each year and brought back to the Commission for their approval. He also concurred with Commissioner Herman that if for any reason a project or a lease does not meet those parameters, it is brought to the Commission for the approval. If it meets those parameters, staff is empowered to sign the contract and the Commission gets a report of the signed leases at the end of the month. As it turns out, the market for unpaved land south of China Basin is $.10. Tidewater has been a tenant for a number of years at the Port. Subsequent to Tidewater, the Port had a contract with Chasm and now with Mission Valley Rock. With regards to others wanting to lease the property, we have more sites and if those entities are willing to pay the minimum leasing rent, staff is happy to meet with them.

Commissioner Herman stated that the Commission should evaluate the uses of all of Pier 90. It has always been a dry cargo facility. With the advice of the Counsel, Commissioner Hardeman requested Commissioner Herman to conclude his remarks since this item is not publicly noticed. Commissioner Hardeman suggested that Commissioner Herman meet with staff to address his concerns and the item will then be calendared upon his request. Commissioner Herman inquired if any work now in progress be held in abeyance until the Commission gives its seal of approval. Mr. Bouey stated that the lease has been signed and it meets the leasing parameters. Commissioner Hardeman interjected and stated that since this item is not calendared, the Commission does not have the authority to act on this item.

D. Approval of lease with Peer Inn, Inc. for the Peer Inn Restaurant at Pier 33 (Resolution No. 96-132)

Mr. Bouey stated that for 37 years, George and Ann Papadakis have operated the Peer Inn Restaurant at Pier 33. The current monthly base rent is $2730.20 a month and they have applied to renegotiate their lease under the Port's retail policy. The tenant must be in good standing committed to making a significant capital investment which is supported by a sound business plan and that the tenancy must be in the best economic interest available and the tenant must have a good record of affirmative action. With regard to good standing, Peer Inn has a consistent history of compliance with the obligation of its existing lease. With regard to a sound business plan, Peer Inn proposes to renovate and reposition the restaurant as a full service Greek restaurant. The concept is to create a comfortable, open design restaurant which will offer fresh and healthful Greek cuisine. The business plan includes investing $500,000 in the renovation of the restaurant and engaging a management group with extensive experience developing and operating San Francisco restaurants. The Papadakis family will remain the owners of Peer Inn, Inc. Port staff has determined that the market base rent per month on the Northern Waterfront is in the range of $2-$3. Peer Inn has agreed to pay an initial monthly base rent of $2.80 per sq. ft. Under the new plan, the restaurant is envisioned to generate average sales of $200,000 per month following the renovation. Port staff has determined that Peer Inn has a good affirmative action record in employment, purchasing and contracting. The new lease further requires that not less than 30% of the construction costs expended by Peer Inn for its tenant improvements would inure to the benefit of bonafide MBE, WBE or DBE enterprises certified by the S.F. Human Rights Commission. The premise is 3,538 sq. ft. The lease is a nine-year term, commencing 150 days following the date that the tenant obtains all required regulatory approvals. It is a full-service restaurant. The initial base rent is $9,906.40 per month. The tenant is responsible for all maintenance to the premises, including the exterior, but excluding the roof and the pier substructure.

Commissioner Herman stated that there are other facilities on the waterfront, most notably Pier One Deli, who also deserve longer term leases. He inquired what is going to be done for them. Mr. Bouey stated that staff has begun discussions with Pier One Deli. There are other restaurants that are a little problematic but staff is working on them as quickly as possible and bring it to the Commission for approval. Commissioner Herman inquired as to any anticipated time frame with respect to Pier One Deli and others. Mr. Bouey replied that Pier One Deli should be before the Commission relatively soon.

Mr. Mike Wilmar stated that he has known every Port Director that San Francisco has had for the last twenty years. He acknowledged that Dennis Bouey is the best Port Director that San Francisco has had in all the times that he has been associated with the Port. He is not without his flaws but he is fair, tough and reasonable, when it counts. The turnaround in the Port's balance sheet and the agreement signed this morning are superb examples of all those qualities. He stated that Mr. Bouey will be

deeply missed by the City and our loss is Philadelphia's gain and wished him well.

ACTION: Commissioner Herman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

6. FACILITIES & OPERATIONS

7. PLANNING & DEVELOPMENT

A. Approval of 60 Berth Hyde Street Fishing Harbor proposed project, authorize expenditure of loan funds from the California Department of Boating and Waterways and adopt Environmental Review and Project Approval Findings. (Resolution No. 96-136)

Mr. Bouey stated that the EIR has been certified. Staff is very excited about this project. It is going to attract more fishing boats to the Fisherman's Wharf area. It is going to clean up the environment, the water. Staff is asking for a notice of determination which will allow the Port to move forward with the project. Staff has already issued an RFP for design services. The total cost for the Hyde Street Fishing Harbor is estimated at $4.5 million. The Port has obtained a loan from the California Department of Boating and Waterways for $3.5 million, with Port operating funds supplying the remainder of the project budget.

Commissioner McCarthy commented that she is very pleased with this project. Port staff has put in a lot of hard work over the years, especially in the last couple of years.

Sal Tarantino indicated that they wholeheartedly support the Hyde Street Fishing Harbor. He indicated that they currently lease seven parking spaces from the Port. He wanted some assurance from the Port that they would be able to continue leasing the parking spaces when the project is finished.

Brad Bergline, representing himself, friends of Aquatic Park and all the recreational water users in the area, urged the Commission to vote no on this project. The construction of additional berths is unnecessary. The Port and the Planning Commission have been unable to quantify the need for these additional needs given the fact that the current harbor, under strict management, is underutilized. Water quality has not been addressed at all by the Port or by the EIR. He claims that the EIR falsely states that boats do not create pollution. Additional berths in this area will become another source of pollution. In the last ten days, there have been two serious oil spills emanating from the area. He asked that this project be stripped of all the berthing because it is unnecessary. There are no mitigation plans mentioned. The dredging site is not addressed as well. The funding of this project is totally inappropriate since the funds from the Dept. of Boating and Waterways are supposedly reserved for recreational use. Changes in the project have not been

addressed as well. He remarked that this project needs further review and urged the Commission to vote no on this item.

Mr. Bouey stated that this project has been a long time coming. Port staff has spent an inordinate amount of time on this project. Changes were made to the project in response to public comments. In addition, the Commission has been responsive by setting up an environmental advisory group, staffed it, funded it and committed to funding projects. Without a doubt, this project will lead to increase water quality.

Commissioner Herman inquired if Mr. Tarantino's request for parking can be accommodated. Mr. Bouey replied that staff will take a look at the situation and will pass it onto the new Executive Director, Doug Wong, for his consideration.

ACTION: Commissioner Cook moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the resolution was adopted.

B. Guidelines for review and approval of Signs and Murals on Port property. (Resolution No. 96-137). **THIS ITEM WAS PUT OVER TO THE NEXT MEETING.**

8. ADMINISTRATION

A. Presentation of Fiscal Year 1997/1998 Operating Budget. **THIS ITEM WAS PUT OVER TO THE NEXT MEETING.**

9. SPECIAL ITEM

Commissioner Cook mentioned that according to the San Francisco's Sunshine Ordinance, the Commission is authorized to make a purely camaraderie action. He moved approval to make a presentation; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

Commissioner Cook stated that Mr. Bouey has performed admirably during his tenure as Executive Director of the Port of San Francisco. He has led the Port from a time in 1993 of a budget deficit, low morale and high expenses to a current surplus, a highly efficient staff and a waterfront all San Franciscans can be proud of. Commissioner Cook added that Mr. Bouey will be missed as Port Director. Mr. Bouey has shown a leadership quality that has led to well over 100 new tenants, both commercial and maritime and corresponding higher revenues. He has successfully negotiated the Waterfront Plan that will create an environment of open and public space allowing for more access to the waterfront. He is leaving this Port in significantly better shape than when he began his tenure just three years ago. He then presented a "maritime" clock to Mr. Bouey in recognition for an outstanding job.

Commissioner Lee read Resolution 96-141 (a copy of which is on file with the Commission Secretary). He also presented Mr. Bouey the "Order of Maritime Merit with

the Rank of Admiral" plaque.
Mr. Bouey reiterated his earlier comments of support from the Commission and staff's hard work and commitment. He thanked the Commission and indicated that he was very touched by their gift and by the sentiment contained in plaque.

Commissioner McCarthy indicated that as a junior member of the Commission, she has not had a lot of time dealing with Mr. Bouey. She remarked that they haven't always agreed but she had genuinely enjoyed the give and take they have undertaken. It has made a difference in the waterfront planning process.

Commissioner Lee commented that he enjoyed the last two and a half years working with Mr. Bouey. He is a man of high integrity. Every decision he has made is in the best interest of the Port. He is a loyal employee to the Port, the Commission and the City. He is hardworking and his best act was to take very high quality senior staff. He promised that staff and the Commission will continue the fine work, the foundation Mr. Bouey has built, established and accomplished.

Commissioner Herman complimented Mr. Bouey and wished him good luck.
Commissioner Hardeman indicated that he worked with Mr. Bouey longer than anyone else in the room. They go back in the 1970's during the labor movement. He mentioned that Mr. Bouey was the brightest labor leader at the time. He would have been the leader of labor if not in San Francisco, in the State of California. Commissioner Hardeman stated that he will miss the friendship. He indicated that one of the reasons he came to the Port Commission was his association with Mr. Bouey. Their friendship never interfered in their decision making. They both did what they felt was right. He concurred with everything that was said about Mr. Bouey. Mr. Bouey has tremendous integrity and he's sorry to see him leave and thanked him for everything he has done.

10. CONSENT CALENDAR

A. Approval of a declaration of emergency for contracted assistance for the demolition and repair of the fire damaged Pier 48 sheds and related components. (Resolution No. 96-130)

B. Approval of travel to Washington, D.C. for one Port representative to meet with Congressional and Administration officials on Legislative Proposals regarding the Cruise Industry on January 20-23, 1997, in accordance with the Port's Fiscal Year 1996-97 budget. (Resolution No. 96-133)

C. Approval of travel for one Port representative to attend the Special Seminar for members of Port Authority Governing Boards and Commissions sponsored by the American Association of Port Authorities in Palm Beach, Florida (January 29-31, 1997), in accordance with the Port's Fiscal Year 1996-1997 budget. (Resolution No. 96-134)

D. Approval of travel for two Port representatives to attend the National Passenger

Cruise Convention at Miami, Florida, in accordance with the Port's Fiscal Year 1996/97 budget. (Resolution No. 96-131)

E. Approval of Retainer Agreement for Professional Services between the Port and Dennis P. Bouey. (Resolution No. 96-139)

ACTION: Commissioner Cook moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; all of the items on the Consent Calendar were adopted.

11. NEW BUSINESS / PUBLIC COMMENT

Bill Fiore reported that with regard to H&N Fish issue at Pier 45, HRC is currently investigating the situation. He hopes that at the next meeting there is a solution to this problem and some finding by the HRC.

Diane Oshima, Port employee, expressed her appreciation to Dennis Bouey for all the work he has done on behalf of the Port. She stated that Mr. Bouey has shown great dignity and integrity in all of the work that he has done. Ms. Oshima indicated that she will continue to be impressed by the honesty, forthrightness and the respect he has shown in all matters he had dealt with. She saluted his tenacity, willingness to roll up his sleeve, get to the heart of the matter and deal with the hard issues to bring about real change at the Port. She indicated that all his accomplishments were capitalized by the MOU with BCDC and Save the Bay. She stated that the Port would not be able to celebrate these accomplishments without the work that he has done. She added that through Mr. Bouey's actions, inspired staff to strive for excellence in the best interest of the Port. The Port has made great strides in showing to the City that the Port is taking very serious responsibility for its public trust responsibilities and bringing the public to a greater understanding of what the Port is actually about. Mr. Bouey was willing to meet with the community, willing to answer their questions in a very forthright and honest manner and that will bring a very long standing impact at the Port and the City. She regrets that Mr. Bouey is leaving and that his departure is particularly bad timing. Mr. Bouey has been instrumental in defining of what the vision of the waterfront would be. She concluded that through his actions at the Port, though they may not be fully appreciated, will have a lasting impact. She wished him the best. She then read a letter of appreciation from Anne Cook, also a Port employee.

The meeting was adjourned at 11:30 a.m.

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