

CENTRAL WATERFRONT ADVISORY GROUP

DRAFT MINUTES

September 19, 2007

5:30 – 7:30 PM at Pier 1- Bayside Conference Room, San Francisco

NEXT MEETING:

October 17, 2007

Minutes prepared by: Mark Paez

Attendees:

Advisory Group:

Toby Levine
Jennifer Clary
Howard Wong

Port Staff:

Mark Paez, Advisory Group Coordinator
Diane Oshima, Waterfront Planning Manager
David Beaupre, Senior Planner
Kathleen Diohep, Port Development Project Manager
Joanne Sakai, City Attorney/Port

Audience

Joe Boss, Potrero Boosters/Dogpatch Neighborhood Association
Donovan Fullard, Auto Return
Will Scovill, Cornish and Carey
Steve Harrington, BAE San Francisco Ship Repair
Chuck Noll, WMS Partners
Karen Kubick, San Francisco PUC
Jack Bair, San Francisco Giants
A.T. O'Leary, Environmental Quality for Urban Parks (EQUP)

Advisory Group Members Not in Attendance

Tom Escher
Casey Walker
John Borg
Susan Eslick
Greg Markoulis
Paul Nixon
Ralph Wilson
Glen Ramiskey
Jimmie Buckland
Charles Chase
Corinne Woods
Judy deReus

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1. Introductions and Announcements

Toby Levine welcomed attendees and initiated a round of introductions. Toby asked that individuals identify whether or not they are members of the Advisory Group, and their particular interest in Pier 70 and the Central Waterfront, as well as the community and/or constituency that they represent.

- Mark Paez announced that on September 25th the Port Commission would be presenting Charles Chase with a proclamation in recognition of his work with San Francisco Architectural Heritage and his contributions to the creation of the Embarcadero National Register Historic District.
- Toby Levine announced that the Department of City Planning would be having an open house on October 30th.

2. Administrative

The advisory group approved the draft May 23, 2007 minutes without revision.

3. Southern Waterfront Community Benefits and Beautification Projects Policy

- David Beaupre distributed copies of the August 2007 Port Commission staff report and draft Resolution establishing the Policy. David explained that the Policy would require that all new Port industrial and commercial leases would include a one time surcharge of .5 per square-foot to pay for a variety of community benefits and beautification projects including:
 - Wet lands restoration
 - Open space
 - Pile removal
 - Historic preservation

David also explained that in addition to the one time surcharge the Port Commission has established a list of community benefits that would be required of all new leases on Port lands south of Mariposa Street ranging from greening projects to use of local truckers. David stated that the Commission was seeking community input on the proposal which would be considered for adoption in October 2007.

The CWAG expressed the following comments, concerns and questions in response to the proposal:

- Would the Policy overlap with the area's Community Benefits District and could it act as a disincentive to create CBD's in the future?
- Would the Policy impact existing tenants?
- Does the Port have good neighbor policies?
- How would the Port coordinate the use of the Policy and the existing Storm Water Design Guidelines?
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David provided the following additional information in response:

- There are no Community Benefits Districts in the Southern Waterfront and the policy would only apply to Port property.
- The Port would adapt the Rincon Point South Beach area good neighbor policies for use in the Southern Waterfront.
- The Port grants rent credits for reduction of diesel emissions and the use of local truckers is monitored by the San Francisco Human Rights Commission review of leases and contracts.
- The policy would apply to lease renewals and therefore would impact all Southern Waterfront tenants over time.
- The Port would encourage the use of both the Storm Water Guidelines and use the proceeds of the Benefits Policy to fund projects that are consistent with the Guidelines, and may consider incorporating the Guidelines into the policy.

The CWAG received public comment on the item from Joe Boss of Dogpatch Neighborhood Association and the Potrero Boosters. Mr. Boss expressed concern about imposing yet another cost onto the development community that would ultimately make it harder for the Port to realize feasible development in the Southern Waterfront, an area where development is already economically challenged. David Beaupre responded by informing Mr. Boss of the provision in the Policy that would permit the Port Commission to exercise its discretion to make exceptions and grant relief at the time of RFP's and subsequent development negotiations.

The CWAG concluded by expressing its general support for the proposed Policy.

4. Pier 70 Master Plan Updates

David Beaupre reported on the first Pier 70 Master Plan Community Workshop and stated that 80 people had attended. David announced that there would be a follow up informational presentation to the Port Commission on October 24th. He explained that the presentation would cover the following:

- Review of past information
- Preliminary Land Use Scenarios
- Preliminary site development plans
- Preliminary site massing and densities
- Historic Resource retention and rehabilitation criteria
- Preliminary financial analysis
- Infrastructure needs and costs
- Environmental remediation needs and estimated costs
- Estimated building rehabilitation costs based on the Ports Capital Plan calculations

The CWAG expressed concern that Port staff was moving forward too quickly without bringing these important Master Plan issues to the Advisory Group for discussion. Additionally, the CWAG expressed a desire to have the opportunity to conduct a side by side review of the historic preservation and economic feasibility analyses. CWAG also inquired as to the Port staff's community outreach and asked to review the overall project schedule. It was also acknowledged that the sporadic meeting schedule of the CWAG had contributed to the Advisory Group's feeling that

the Master Plan process had not provided them with an opportunity to amply discuss review and discuss the information being generated by Port staff and their consultant team as an advisory body. The CWAG specifically requested that staff not just communicate information at the community workshops, but that they also present the same information to the CWAG preferably before each workshop to allow them an opportunity to discuss the information.

The CWAG also expressed concern about the lack of Port outreach to the development community and suggested that the economic consultants interview prospective developers and review relevant development case studies that might provide valuable information. It was also suggested that the Port could prepare a draft newsletter article that could be dropped into stakeholder organization newsletters.

Kathleen Diohep reported that the Port had received a \$200,000 planning grant from the California Cultural Historical Endowment (CCHE) for the Pier 70 site and that the funding would be used to support preparation of conditions assessments of the historic resources and additional economic analysis as part of the Master Plan.

David Beaupre agreed to slow down the process in order to provide the CWAG with an opportunity to discuss the historic preservation analysis at their October 17, 2007 meeting in response to the concerns expressed.

5. SFPUC Peaker Plant (Former Western Pacific site)

- Karen Kubick, SFPUC Project Manager, distributed hard copies of a Power Point presentation prepared on the Peaker Plant project and reported that the goal of the project was to facilitate the closure of the Mirant (Potrero) Power Plant on the property to the immediate south of Pier 70. She explained that the Peaker Plant would support this goal by creating greater in city generation and therefore additional electrical power generation reliability. Karen summarized the project and provided the following highlights:
 - The Peaker Plant would be the first city owned power generation in San Francisco.
 - The project would include three in city turbines and one turbine at the SFO airport.
 - The environmental review process for the project had been completed.
 - The project would be presented to the Port Commission on October 9th for approval of a lease for a four acre parcel located east of the new MUNI Metro East Maintenance Facility.
 - The proposed plant would generate electrical power and emit less air pollution than the Mirant Plant.
 - The proposed lease would permit the Port to swap the Public Trust on the site, however the SFPUC was proposing that the Trust be swapped to an SFPUC property near the San Mateo Bridge.
 - SFPUC is seeking a contractor and expects to break ground in January of 2008.

The CWAG expressed the following concerns, comments and questions:

- Would the Peaker Plant come online in time for the expiration of Mirant's waste water discharge permit?
- Who monitors construction compliance?
- Why the air quality analysis monitored PM10 and not PM2.5
- Did the PUC analyze other sources of air pollution in the area besides power plants?

Karen provided the following additional information in response:

- The construction of the plant would be monitored by a State Building Official, SF Department of Public Health and the Port
- The California Energy Commission (CEC) regulates PM10 and not PM2.5.
- The project would be subject to over 250 mitigation measures imposed on the project by the CEC.
- The PUC had purchased emissions credits from the Calpine Power Plant in Coyote Valley south of San Jose and analyzed non-point sources of air pollution in the southeast sector of the city including Interstate 101 and 280, as well as local trucking.

The CWAG received the following public comment on the item:

- Joe Boss, Dogpatch and Potrero Boosters stated that he was an Intervenor in the process and that he supported the project and the SFPUC staff for their responsiveness to the community.
- A.T. O'Leary, Environmental Quality for Urban Parks (EQUP), spoke in opposition to the proposal due to her organization's concerns about the impact new sources of emissions would have on public health in the southeast sector of the city, especially in light of the anticipated growth of the area.

6. Seawall Lot 337 (SF Giants Parking Lot A)

Diane Oshima briefly explained that the next meeting of the Seawall Lot Planning Committee would be held on October 1, 2007 from 5 to 7:30 p.m. at Pier 1. Diane reported that CWAG members Jennifer Clary, Howard Wong and Corrine Woods regularly attended the meetings. She explained that the planning process would include the adoption of a vision statement and development criteria and that the next meeting would include a presentation on open space and park design. Diane reported that the development offering being considered at this time was a two step RFQ to be followed by an RFP. Diane closed by stating that the state legislation that would provide the Port with additional flexibility under the Public Trust was pending the governor's signature and that the seawall lots north of Market Street had been removed from the legislation.

Committee member Howard Wong reported that Seawall Lot 337 was an important prospective source of revenue for the Port. He also stated that the pending state legislation

was a critical factor in this vision for the site because it would generate revenue to help support other important Port objectives such as open space and historic preservation.

7. Public Comment, Next Meeting and Future Agendas

- There was no general public comment and the next CWAG meeting was scheduled for October 17th.

8. Adjourn