

1 [Sole Source Negotiations - Fisherman's Wharf Revitalized, LLC - Seawall Lot 300/301 and
2 Pier 45]

3 **Resolution exempting from the competitive bidding policy set forth in Administrative**
4 **Code, Section 2.6-1, the potential real estate transaction involving Port property at**
5 **Seawall Lot 300/301 and Pier 45 with Fisherman’s Wharf Revitalized, LLC, for**
6 **development of a mixed use property that includes an experiential museum, events**
7 **center, public plaza, expanded limited vehicular access resilient waterfront promenade,**
8 **a combination winery/brewery/distillery, and short term vacation rental project**
9 **celebrating, highlighting, and supporting the fishing and seafood industry of**
10 **Fisherman’s Wharf and increasing public access to and enjoyment of the Bay; urging**
11 **the Port and Fisherman’s Wharf Revitalized, LLC to engage in outreach to affected and**
12 **interested neighbors, community members and other stakeholders to ensure that the**
13 **proposed project is designed with public input; and urging the Port Director, with the**
14 **assistance of Port staff, the City Attorney’s Office and other City officials to take all**
15 **actions needed to negotiate an exclusive negotiating agreement and a term sheet with**
16 **Fisherman’s Wharf Revitalized, LLC on a sole source basis, consistent with this**
17 **Resolution.**

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19 WHEREAS, California Statutes of 1968, Chapter 1333 (the “Burton Act”) and Charter,
20 Section B3.581, give the Port Commission the power and duty to use, conduct, operate,
21 maintain, manage, regulate, and control the Port area of the City and County of San
22 Francisco; and

23 WHEREAS, The Port Commission at its meeting on April 11, 2023, after a public
24 planning process that maximized public participation in public discussions about existing
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1 waterfront activities, regulations, challenges, public desires, and needs to incorporate diverse
2 viewpoints and perspectives to develop policy recommendations; adopted an updated
3 Waterfront Plan (the “Waterfront Plan”); and

4 WHEREAS, The Waterfront Plan included a stakeholder engagement process for
5 unsolicited development proposals, in advance of the submission of such proposals to the
6 Board of Supervisors for consideration of a waiver of the City’s competitive solicitation policy;
7 and

8 WHEREAS, On February 15, 2023, the Port received an unsolicited proposal (the
9 “Proposal”) to lease and develop portions of Seawall Lot 300/301 and Pier 45 from
10 Fisherman’s Wharf Revitalized LLC, whose members include Lou Giraudo, Seth Hamalian,
11 and Chris McGarry; and

12 WHEREAS, As detailed in the Proposal, the members of Fisherman’s Wharf
13 Revitalized LLC have extensive experience in successfully operating businesses in
14 Fisherman’s Wharf, and developing mixed use projects in San Francisco; and

15 WHEREAS, The Proposal contemplates construction of a mixed use development that
16 includes an experiential museum, events center, public plaza, expanded limited vehicular
17 access resilient waterfront promenade, a combination winery/brewery/ distillery, and short
18 term vacation rental project celebrating, highlighting, and supporting the fishing and seafood
19 industry of Fisherman’s Wharf, and increasing public access to and enjoyment of the Bay; and

20 WHEREAS, At its meeting on February 28, 2023, the Port Commission directed Port
21 staff to pursue a stakeholder engagement process to elicit public feedback on the Proposal
22 prior to its submittal to the Board of Supervisors; and

23 WHEREAS, Port staff offered opportunities for stakeholder feedback at two hybrid (in-
24 person and virtual) meetings in Fisherman’s Wharf and one virtual meeting of the Port’s
25 Northern Advisory Committee; and

1 WHEREAS, Port staff reported out on the stakeholder engagement feedback at the
2 April 25, 2023, Port Commission meeting; and

3 WHEREAS, As an additional measure of due diligence, the Port issued a Request for
4 Information seeking interest in developing the areas identified in the Proposal (the “RFI”); and

5 WHEREAS, The RFI was issued on May 20, 2023, and the Port received two letters
6 commenting on the Proposal, as summarized in the Memorandum to the Port Commission
7 (“Port Memorandum”) and Port Commission Resolution No. 23-37, both on file with the Clerk
8 of the Board of Supervisors in File No. 230842; and

9 WHEREAS, The Port received no other letters or responses to the RFI, indicating no
10 competing investment interest in potential bids if the Port were to competitively solicit a
11 development partner for the areas identified in the Proposal; and

12 WHEREAS, The Board of Supervisors recognizes the urgency of providing support to
13 the recovery of Fisherman’s Wharf, which has been heavily impacted by the pandemic and
14 associated economic downturn, resulting in the closure of the businesses of many
15 longstanding Port tenants; and

16 WHEREAS, If approved after appropriate environmental and regulatory review and
17 lease negotiations, the project described under the Proposal provides the opportunity to build
18 economic momentum from the Port’s current investments in the recovery of the Fisherman’s
19 Wharf portfolio, to elevate the fishing industry and history of the wharf, and to provide a
20 significant private capital investment into a more resilient shoreline; and

21 WHEREAS, In accordance with Chapter 23 of the Administrative Code, the Board of
22 Supervisors can waive competitive solicitation upon finding that the competitive process is
23 impractical, impossible or not in the public interest; and

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1 WHEREAS, The lack of development interest in any response to the RFI, indicates that
2 the time and expense in pursuing a competitive process would be impractical and not in either
3 the Port's or public interest; now, therefore, be it

4 RESOLVED, The Board of Supervisors finds: 1) that a competitive solicitation process
5 would be impractical or impossible due to a lack of competing investment interest; 2) the
6 timely and successful execution of the proposed development described in the Proposal
7 would help attract visitation to the Port for the benefit of new and old businesses alike; 3) the
8 Proposal presents a significant opportunity to pair new attractions with needed seismic and
9 flood protection improvements; and 4) for these reasons, it would be in the public interest to
10 waive competitive solicitation procedures so the Port may negotiate and enter into an
11 Exclusive Negotiating Agreement with Fisherman's Wharf Revitalized, LLC; and, be it

12 FURTHER RESOLVED, The Board of Supervisors endorses sole source negotiations
13 by City and Port staff with Fisherman's Wharf Revitalized, LLC. for the development of
14 portions of Seawall Lot 300/301 and Pier 45 under the Proposal; and, be it

15 FURTHER RESOLVED, That should the Port Commission and Fisherman's Wharf
16 Revitalized, LLC agree upon mutually acceptable terms for such proposed transaction and
17 development, the Board of Supervisors will not disapprove a proposed lease and other real
18 estate transaction agreements on the basis that they do not satisfy the competitive bidding
19 policy set forth in Administrative Code, Section 2.6-1; and, be it

20 FURTHER RESOLVED, That the Board urges the Port and Fisherman's Wharf
21 Revitalized LLC to engage in continued outreach to affected and interested neighbors,
22 community members and stakeholders to ensure that the proposed project is designed with
23 public input; and, be it

24 FURTHER RESOLVED, That the Board urges the Port Executive Director, with the
25 assistance of Port staff, the City Attorney's Office and other City officials, to take all actions

1 necessary to negotiate an Exclusive Negotiating Agreement and a term sheet with
2 Fisherman’s Wharf Revitalized, LLC on a sole source basis, consistent with this Resolution;
3 provided nothing in this Resolution constitutes any approval of the proposed project, grants
4 any entitlements for the proposed project, nor does adoption of this Resolution foreclose the
5 possibility of considering alternatives to the proposed project, or adopting mitigation
6 measures, or deciding not to approve the proposed project after conducting appropriate
7 environmental review under the California Environmental Quality Act (CEQA).

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