

CCHE ROUND FOUR APPLICATION FORM

1. APPLICANT	
Contact Name: Kathleen Diohep Organization: Port of San Francisco Address (please do not use P.O. Box): Planning & Development, Pier 1 City: San Francisco Phone: 415 - 274 - 0536 Email: Kathleen.Diohep@sfport.com	Title: Project Manager State: CA Zip Code: 94111 Fax: 415 - 274 - 0495 Website: www.sfport.com

2. PROPOSED CCHE PROJECT	
Name of Project: Union Ironworks Machine Shop Stabilization Project Coordinator Name: Kathleen Diohep	Title: Project Manager
Address (please do not use P.O. Box): Planning & Development, Pier 1 City: San Francisco Phone: 415 - 274 - 0536 Email: Kathleen.Diohep@sfport.com	
State: CA Zip Code: 94111 Fax: 415 - 274 - 0495 Website: www.sfport.com/pier70	

3. ELIGIBILITY STATUS	4. DISTRICT INFO	5. FUNDS REQUESTED/RESERVED Minimum \$100,000/Maximum \$500,000
Check all that apply <input type="checkbox"/> Grantee, Round 2 <input checked="" type="checkbox"/> Grantee, Round 3 <input type="checkbox"/> Applicant, Round 2 <input checked="" type="checkbox"/> Applicant, Round 3 <input type="checkbox"/> County with 2 or fewer CCHE Grants	U.S. Congressional District: <u>8</u> State Senate District: <u>3</u> State Assembly District: <u>13</u>	Round Four Request: \$ <u>500,000</u> <i>If Applicable:</i> R3 Request: \$ <u>300,000</u> / R3 Reserved: \$ <u>200,000</u> R2 Request: \$ _____ / R2 Reserved: \$ _____

6. CEQA STATUS (Check applicable box)
<input checked="" type="checkbox"/> Exempt from CEQA, pursuant to CEQA Guideline : <u>15301 (Class 1)</u> (Documentation to support exemption must be attached) <input type="checkbox"/> CEQA Approval received from another public agency. <input type="checkbox"/> CEQA Approval expected by April 2, 2010. Attach lead agency's resolution approving the project, Notice of Determination, Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report (and Findings and Statement of Overriding Considerations) approved and/or certified by the lead agency. <input type="checkbox"/> CEQA Approval received previously from CCHE for this project

7. PROJECT READINESS		
Required Approvals. List all permits required for the proposed project and the agencies that will issue the permits, and the estimated time required to secure the necessary approvals.		
PERMITS REQUIRED	ISSUING AGENCY	PERMITTING TIME NEEDED
Certificate of Determination of Exemption from Environmental Review	issued by San Francisco Planning	by 4/2/2010
Building Permit	Port of San Francisco	3 weeks after design submittal
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Encumbrance Deadline. All funds must be committed by June 30, 2011 and must be disbursed by June 30, 2013. This means that the workplan and grant agreement must be approved prior to June 1, 2011, and the final invoice must be approved by CCHE staff by April 2, 2013. Will your organization be able to comply with this schedule?		

8. MATCHING FUNDS REQUIREMENTS

Sources of Match: Port FY2009/2010 Operating Budget Funding Level: \$200,000
Port FY2010/2011 Capital Budget Funding Level: \$500,000

Matching Funds Reduction Request. The applicant requests an elimination of match for the following reasons:

9. CERTIFICATION

I certify the following:

1. The information contained in this Grant Application has been carefully reviewed for its content and accuracy and I believe it to be true and correct to the best of my ability.
2. I waive all rights to privacy and confidentiality of the material I submit to CCHE.
3. Our organization is eligible to apply for a CCHE grant due to our status as a 501 (c) 3 non-profit organization, government entity, or tribe. For non-profits, the Internal Revenue Service Letter of Determination is attached.
4. CCHE has my permission to publish any provided digital image to its website (www.endowment.library.ca.gov) and to crop or resize the image.
5. If our organization receives a grant from CCHE, we will acknowledge CCHE's support in any news media, brochures, articles, publications, seminars, exhibits, buildings, displays, products, or other promotion materials about our funded project. (e.g., "Funding for this project has been provided in part by the California Cultural and Historical Endowment" or similar statement).
6. Our organization has long-term control of the property and will provide satisfactory documentation of the long-term control as part of the grant agreement development process.
7. The proposed project/organization is free of any legal challenges that could undermine progress on the project.

Signature: Monique Moyer

Printed Name: Monique Moyer

Title: Executive Director

Organization: Port of San Francisco

Date: February 9, 2010

Union Iron Works Machine Shop Stabilization Project

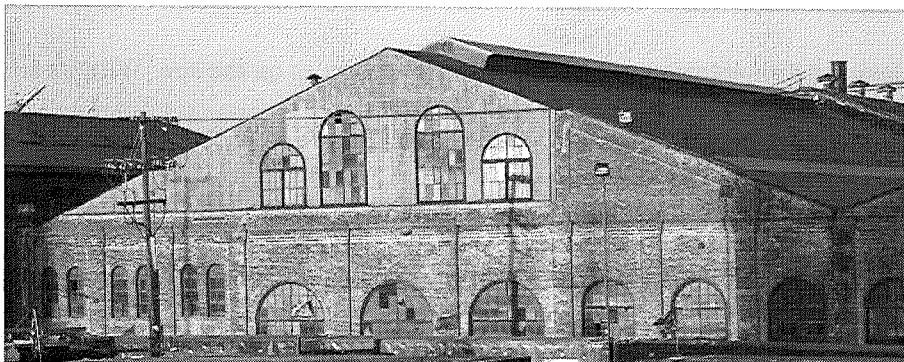
Like the California Cultural and Historic Endowment (“CCHE”), the Port of San Francisco’s mission is prescribed in State law. Since 1969, on behalf of the citizens of California, the Port manages 7 ½ miles of San Francisco’s waterfront to promote maritime commerce, navigation and fisheries, protect natural and cultural resources, and provide facilities that attract people to enjoy the waterfront.

This request is for \$500,000 to stabilize the Union Iron Works Machine Shop (“Machine Shop”) at Pier 70, a mile south of AT&T Park. The stabilization project, costing \$1.2 million, will prevent the potential collapse due to deterioration of the masonry walls. Structural engineering evaluation has identified a high risk of failure that, if to occur, would impede the planned rehabilitation. The building currently is a public safety hazard and the project proposed for funding would mitigate safety concerns to bridge the time frame until rehabilitation.

Union Iron Works, founded in the 1850s, moved to Pier 70 in 1884, and was the first major industrial facility on the west coast of the United States, directly supporting the economic prosperity of California for over 100 years. The shipyard is an ongoing success with the largest floating dry dock on the West Coast of the Americas. The 90,000 square foot Machine Shop contains enormous overhead cranes used during the apex of the ship building at the site. The Machine Shop is individually eligible for listing in the National Register of Historic Places for its national significance in the area of maritime industry for the period 1884 to 1945. Based on consultation with the State Office of Historic Preservation, the Port prioritized the Machine Shop for rehabilitation as part of the planned 65-acre Pier 70 National Historic District.

The Port, with support of CCHE, prepared a master plan for Pier 70 that prioritizes historic preservation while balancing the needs of the ongoing ship repair activity, public access to the waterfront, and economic considerations required to realize the vision. The Port has secured new financing tools specific to Pier 70 to invest growth in payroll and property taxes into historic preservation. However, as the funds from those sources are at least five years in the future, the Port is preparing for stabilization now and seeking CCHE support.

Stabilizing the Machine Shop ensures that it can be adaptively reused and interpreted to show succeeding generations the history of ship building and the industrial waterfront. This building is the centerpiece of the revitalization of Pier 70 – a project that will establish new parks, rehabilitate buildings, and create a new jobs center with 6,000 to 8,000 jobs. In the future, the historic buildings that tell the story of 19th century ship repair will be available to the citizens of California, alongside active dry dock facilities repairing the largest ships of this century.



Union Iron Works Machine Shop Stabilization Project
Port of San Francisco

Executive Summary
CCHE 2/10/10 Grant

Project Narrative: Union Iron Works Machine Shop Stabilization Project

With support of the CCHE, the Port of San Francisco developed a master plan for the Pier 70 Historic Shipyard, a 65-acre site, located a mile south of ATT Ballpark. Pier 70 will become a historic district that integrates over 700,000 square feet of historic rehabilitation, activates new waterfront open spaces, creates a new jobs center, and supports a continuing ship repair industry. The first project under the plan is to stabilize the Union Iron Works Machine Shop (“Machine Shop”) to prevent the loss of this important historic resource so that it can be adaptively reused. If awarded, CCHE funding of \$500,000 will combine with \$700,000 of Port resources to stabilize the structure as soon as possible.

Mission

The Port of San Francisco is charged by the California State Legislature to manage San Francisco’s 7 ½ miles of waterfront to promote maritime commerce, navigation and fisheries, protect natural and cultural resources, and provide facilities that attract people to enjoy the waterfront. San Francisco’s social and economic history is defined by its role as a port; the historic structures of waterfront provide a link to that history.

Fragility of Union Ironworks Machine Shop – Need for Stabilization

The Machine Shop stands on the south side of 20th Street just east of Illinois Street and is both one of the most valuable and vulnerable historic resources on the site. With its rich history and grand volume of space, it is the identity of Pier 70. This two-block long industrial structure consists of the unreinforced brick buildings built in 1884 & 1885) that were joined by a connector in 1914. The building comprises 90,000 square feet of floor space in a massive building, about 62 feet tall and 492 feet long by 175 feet wide.

Historic architects and structural engineers have undertaken a thorough review of the current building condition. The fragile structure is at risk of potential collapse due to failure of the mortar and brick matrix in portions of its brick walls. The internal steel and iron structure, carrying the roof, which spans the length and width of the building, appears to be in good shape. However, it bears directly on the deteriorated masonry at the perimeter of the building. Should the brick walls fail, it would cause the collapse of the structure of the building. This project will stabilize the building by installation of steel columns at each structural bay to create a redundant bearing condition in the event of additional masonry failure. Reducing the load on the masonry walls and draping in structural netting supports the future repair and prevents inward collapse that would damage the historic structure and outward collapse ensuring life safety in the public right of way.

National Significance – Machine Shop Individually; Pier 70 as a Historic District

The Pier 70 site is eligible for listing in the National Register of Historic Places for its national significance in the area of maritime industry for the period 1884 to 1945, beginning with the initial construction of the Union Iron Works shipyard and closing at the end of World War II. The Machine Shop is eligible for individual listing as well. The Port will list Pier 70 on the National Register and has completed the documentation needed for a 65-acre historic district.

Pier 70 is significant for its association with pioneering technological developments in shipbuilding, labor relations, government and private industry relationships as well as for the production of significant wartime vessels. The district is also significant for its architectural design and engineering because it includes important works of master architects. It is a largely intact historic district containing a rich collection of resources, and provides a physical record expressing continuity with past trends in industrial architecture and design.

The Pier 70 Shipyard was significant in the industrialization of the United States, manufacturing supplies to support the Gold Rush and the Transcontinental Railway and supplying ships to support United States military engagements from the Spanish American War in the late 1800's through the two World Wars and up to the 1970's.

Project Impact: Save Resource and Spur Economic Development

This site has been used since 1883 for shipbuilding and repair or steel production and has been an industrial site, not a visitor's destination. The National Maritime Museum on San Francisco's northern waterfront has 4 million visitors a year demonstrating strong interest in maritime history. Pier 70 will draw locals and visitors from regional state and national audiences. Adaptive rehabilitation of UIW Machine Shop will foster knowledge and appreciation of Pier 70's history that is now known by few.

This project will aid in revitalization of Pier 70 and greater economic development. According to 2000 census data, residents of the southeast sector of San Francisco, which includes Pier 70, are 26% White, 30% Asian, 29% African American, 19% Latino; 41% are part of households containing children under 18 (more than any other area in San Francisco), 29% have attained a college degree; and the 2000 per capita income was \$21,789.

Port of San Francisco Strong Record of Historic Preservation

Pier 70 will be the second National Register Historic District nominated and managed by the Port of San Francisco. In 2006, the Embarcadero Historic District was placed on the National Register. The Port, with its partners, has rehabilitated the Ferry Building, Piers 1 through 5, and Pier 15 will soon be home to the Exploratorium. The Port's historic preservation staff use the Secretary of the Interior's Standards in our stewardship of the historic waterfront.

Pier 70 Project's Diverse Funding Sources provides a Sustainable Future

Rather than the typical tension between historic preservation and economic development, the Pier 70 project leverages economic development to create the resources for historic preservation. Planned new development (3 million square feet on largely vacant areas of the site) will pay ground rent, payroll taxes and property taxes to fund historic preservation. The Machine Shop is the top priority historic preservation project for Pier 70. The full rehabilitation is estimated to cost \$50 million, while a large number, it is only a fraction of the \$300 million of public funds to be generated by the new development in the first 20 years of build out. The Port is advancing Pier 70 now so that it will be a preferred site for investment following the current recession. The Port is also seeking federal funds for historic building rehabilitation at Pier 70, however, these funds, if secured, and the committed local funds are at least five years in the future. Stabilization funds are urgently needed to ensure a secure future for the Machine Shop.

Strong Project and Organizational Team

In 1969, the State of California transferred in trust the 7 ½ miles of the waterfront to the Port of San Francisco. The Port is governed by the Port Commission of the City and County of San Francisco and is managed as a self-supporting enterprise department of the City. The Port's revenue is derived primarily from leases of Port property to maritime, commercial and industrial enterprises and from maritime operations, including cargo, ship repair, fishing, harbor services, cruise and other maritime activities.

The Machine Shop stabilization project will be overseen by the Port's Engineering Division that manages capital projects along the waterfront. The construction project will be awarded by competitive bid using well-established procedures to ensure a fair and cost effective process. The Port will bid the construction work after securing necessary funds. As a self-

funding public agency with annual revenues of \$66 million, the Port has in place finance and administration staff and systems to handle grant reporting and construction project management.

The design team is lead by Charlie Duncan of Carey and Company who has over 18 years of experience as an architect, project manager and professor, with significant expertise in historic preservation. OLMN Engineering is the project structural engineer. Kathleen Diohep, the Port's Pier 70 project manager, has over 20 years of experience in real estate and redevelopment project management and finance. Joe Roger, a California licensed structural and civil engineer with 30 years of experience is the project engineer.

Stabilization is a Cost Effective Strategy

Stabilization of the Union Ironworks Machine shop will keep it from failing prior to the full rehabilitation. If the building were to fail, the Port would be faced with urgent, expensive challenge to repair or remove a public safety hazard. Stabilization will insure the building can receive the substantial public investment programmed for it in the Pier 70 financial strategy. The stabilization is a first project toward adaptive reuse of the facility. The Port has committed \$200,000 of current year funds for design of the stabilization strategy and \$500,000 of FY2010/11 capital funds, funds realized from the Port's diverse income sources.

The project budget of \$1.2 million is sufficient to stabilize the most at risk portions of the building. This work also provides critical investigations, engineering, and design inputs into developing the adaptive reuse of the structure. Investing early in this top priority building shows future partners the Port's commitment to its reuse. As discussed above, the Port has a robust financial plan to attract public and private investment at Pier 70 over the next decade.

Appendix Four: CCHE Round Four Workplan/Budget Form
Organization: Port of San Francisco
Project: Union Iron Works Machine Shop Stabilization

February 10, 2010

Task	Deliverable	Entity Performing Task	Estimated Cost	CCHE Share of Task's Cost	Grantee's Share of Task's Cost	Source of Funding for Grantee's Match Share	Task Start Date	Task Completion Date
Section I: PreDevelopment Costs								
1	Existing Condition Evaluation	Carey & Co & OLM Structural Engineering	\$50,000		\$50,000	Port FY09/10 Professional Services Budget	7/1/2009	11/1/2009
2	Structural Engineering Analysis	OLMM Structural Engineering	\$50,000	\$	\$50,000		8/1/2009	5/1/2010
3	Design and Engineering	Carey & Co & OLM Structural Engineering	\$200,000	\$100,000	\$100,000		2/1/2010	7/1/2010
Section I Subtotal								
			\$300,000	\$100,000	\$200,000			
Section II: Building and Facility Costs								
4	Permitting and project preparation	Contractor selected through competitive bidding process meeting city requirements	\$ 50,000	\$	\$50,000	Port FY10/11 Capital Budget	8/1/2010	10/1/2010
5	Construction of system to reduce load on unreinforced masonry walls		\$ 550,000	\$300,000	\$250,000		10/1/2010	3/1/2011
6	System to stabilize brick walls		\$ 200,000	\$100,000	\$100,000		10/1/2010	3/1/2011
7	Public Safety Enhancements		\$ 50,000		\$50,000		10/1/2010	3/1/2011
Section II Subtotal								
			\$ 850,000	\$400,000	\$ 450,000			

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Section III: Interpretive Exhibit/Capital Asset Costs								
8	Signage on Project		\$ 5,000	\$ -	\$ 5,000	Port Budget	10/1/2010	3/1/2011
Section III Subtotal								
Subtotal Direct Costs			\$ 1,155,000	\$ 500,000	\$ 655,000			
Section IV: Contingency Costs (cannot exceed 10% of CCHE-Funded Direct Costs)								
Maximum Request for Contingency Costs Equals			\$ 50,000.0	\$ -	\$ 50,000	Port FY10/11 Capital Budget		
Section V: Indirect/Admin. Costs (cannot exceed 10% of CCHE-Funded Direct Costs)								
Maximum Request for Indirect/Admin. Costs Equals			\$ 50,000.0	\$ -	\$ -			
Section VI: TOTAL PROJECT COST:								
Matching Funds Requirement Check at 60% of CCHE Contribution			\$ 1,205,000	\$ 500,000	\$ 705,000			
CCHE Funding Level Request: Cannot be below \$100K or over \$500K				\$ 500,000				
141.00% Must be 60% or higher unless match reduction requested.								