From: Bruce Stone

To: Board of Supervisors (BOS); Peskin, Aaron (BOS); Chan, Connie (BOS); Safai, Ahsha (BOS); MandelmanStaff

(BOS); EngardioStaff (BOS); DorseyStaff (BOS); MelgarStaff (BOS); Ronen, Hillary (BOS); Ronen, Hillary (BOS);

Ronen, Hillary (BOS)

Cc: <u>Jalipa, Brent (BOS)</u>

Subject: File No. 240189 and the second reading on December 17 2024 regarding the SF Marina rate increase

Date: Saturday, December 14, 2024 6:44:44 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

### Dear Supervisors,

On behalf of the SF Marina Harbor Association, representing berth holders and users of the harbor, I am writing with reference to File No. 240189 which was reported out of the Budget and Finance Committee without recommendation for an obvious reason that the normal business practice of surveying the customers and getting to know the supply and demand parameters were not considered. The already significant vacancy will increase, as this will squeeze the working person and retiree out of the harbor and make it just a place for rich folks – is that the kind of City we want?

We request it be rejected and suggest a more nuanced approach.

The proposed 30% increase in berthing fees, on top of the recent 21% surcharge for dredging, is an unreasonable tax on berth holders and is being requested by RPD to paper over the mistakes in planning East Harbor. As you recall, the BoS voted in January to prevent RPD from building slips in outer West Harbor, This will result in not enough slips in East Harbor to support the budget. This came about because over the many years of negotiation with PGE, RPD failed to consult with boaters, yacht clubs or marina residents, and only at the 11<sup>th</sup> hour, after having given up the plan to dredge and reinstall the docks in all of East Harbor, RPD now finds it with an uneconomic project. Its alternative is to tax the users of West Harbor.

The Budget Analyst, in his January report to the Board of Supervisors, <u>admitted he</u> <u>was uncertain of the elasticity of demand</u>, but surmised that the Wait List was evidence of such demand. However, that is not true, as most people on the Wait List do not want the narrow or shallow slips offered, while others are squatting in the hopes of some future date as they or their progeny will want to buy a boat. They decline the offer but stay on the waiting list. At a berthing rate 30% higher, the vacancy will be worse due to people leaving for Sausalito or East Bay where the weather is nicer, and rates are lower.

For many years, West Harbor has been silting in. Many believe the sand reclamation at Ocean Beach, exacerbated by the renovations of the beach at Crissy Field, has caused the sand to migrate into our harbor. As a result, the harbor is often not navigable, and Rec and Park has had to conduct repeated, and costly, dredging, while recently raising berth-holder rates by 21% to cover this.

We suggest the Budget Analyst's briefing is inadequate. The economics of the

harbor should be revised to include the following inputs:

Aside from berthing fees being among the highest in the nation, we currently pay well over \$650,000 each year into the General Fund though our possessory user fees and property taxes. The number will be much higher once East Harbor is populated with boats. This should be factored into any discussion of the budget. RPD claims this 30% increase is designed to offset the subsidy it receives from the General Fund, but the berth holders are already paying the same amount into the City in addition to their berth fees, so isn't it appropriate to recycle that back into fixing the harbor?

We believe that West Harbor should cover its own expenses, plus shared overhead, and East Harbor should cover its own expenses, plus overhead. It is not reasonable for each person with a boat in West Harbor to be liable for the delays and errors in the negotiation with PGE which raised costs to rise to uneconomic levels.

The delay has enabled PGE to hold onto its cash and freeze its liability based on out-of-date assumptions, while construction costs have grown significantly. **The settlement should be revised to replace the loan with a further grant from PGE, and the construction budget must be inflation-adjusted.** 

The high vacancy in West Harbor will be worse should rates increase sharply. We're hearing from older owners that the proposed increase is a further catalyst to sell their boats or relocate to a cheaper marina. While boat owners have gotten older, the pipeline is not being replenished. The new generation of sailors and boaters use ride sharing and do not buy cars and do not buy boats – they use club boats or friends' boats.

**There is effectively no waiting list**. Many people placed their names on the list so they could move their boat within the harbor to a deeper slip, so when this boater is offered a slip there is no improvement in occupancy. I made such a switch a few months ago.

Others do not actually own a boat – they are just considering the idea of a boat and want to have a chance to place a boat there as some undefined future date.

Most whose names have come up to the top of the list do not accept the shallow or narrow slips being offered, yet consume many weeks of the process, which is then bogged down and inefficient. **These dead souls have inflated the wait list statistics to a meaningless number.** A survey of their intent would clarify this.

The park side of the Harbor provides a venue for tourists and families to enjoy the Marina. There are also special events like Fleet Week where the Harbor budget is not being reimbursed by the City. Berth holders are essentially paying these costs while the City benefits. **The General Fund should be paying for this public use of the Harbor**.

With no Outer West slips, East Harbor needs to have as many slips as possible. This might mean redefining the usable area to include docks in the shallow end of the harbor for smaller power boats which do not require much depth; therefore the dredging in that section can be minimal instead of the deeper level anticipated,

### and rejected, in the plan.

Nevertheless, post renovation, we expect East Harbor to start with nearly-zero berth holders. Once they leave during the renovation, most will not return. They will find warmer places to keep their boats at lower cost and will not be interested in East Harbor at the proposed highly elevated rates.

The plan developed between Rec and Park and PGE lacked input from the public. If we had all been included earlier in the process, the negotiation with PGE would have focused on a more realistic and affordable project within East Harbor. We'd like a resolution so that a project may move forward, and high-quality berths may be installed.

We recommend you cancel the rate increase, and instead give the Harbor Fund credit for the \$650,000 being paid into the General Fund by boaters. This rate increase is too blunt an instrument and resembles using a howitzer to shoot a duck, resulting in a lot of feathers and no meat.

Sincerely,

Bruce J. Stone
Berth Holder – West Harbor slip #231
President, SF Marina Harbor Association
<u>bruce@brucestone.com</u>
917-822-4060

From: RHRobinson

To: ChanStaff (BOS); MandelmanStaff (BOS); MelgarStaff (BOS); Peskin, Aaron (BOS); Safai, Ahsha (BOS);

DorseyStaff (BOS); EngardioStaff (BOS); Preston, Dean (BOS); Ronen, Hillary (BOS); Walton, Shamann (BOS)

Cc: <u>Jalipa, Brent (BOS)</u>; <u>Board of Supervisors (BOS)</u>

Subject: SF Marina rent increase RE File No. 240189 and the December 17 final vote item #15

**Date:** Saturday, December 14, 2024 11:21:33 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Supervisors,

Before you take the final vote on item #15 File No. 240189 this Tuesday, December 17, 2024, please consider the following:

- Assertions have been made that slip demand is strong; yet, rapidly **increasing vacancy** is readily apparent. Just on my dock along Marina Boulevard there are at least 12 empty slips where none used to exist. A quick scan of the whole West Harbor shows many empty slips (empty dock boxes, no dock lines or other evidence of active tenancy). Roughly speaking the vacancy must be 20±% when, for decades it was less than 5%.
- Rec and Park assumes that the "waiting list" indicates deep back up demand yet slips sit empty sometimes for many months or years as is the case along the prime row I'm on along Marina Blvd. What is it about this "list" that isn't showing the strength of demand one would expect? All of us long term tenants know that the actual process of getting a slip can be painfully and unnecessarily slow due to the Harbor's procedures. But no-one really knows how many of the wait-listers are serious and ready to move in. As has been already suggested in prior correspondence to you, many on the list might be lateral moves as I once was for over 20 years when previously berthed in the East Harbor.
- Given the growing vacancy, there is **concern at the St. Francis Yacht Club** that a substantial rent hike could impact the Club (members who have San Francisco Marina slips particularly) and it's ability to attract new younger members and/or risk losing other members who live elsewhere and relocate their boats at less cost closer to home. The Club has asked for some **financial projections** of the Marina Renovation project driving these proposed rent increases and has **not received** anything to date. We are told that the finances are "being worked on" which may indeed be the case. But a substantial rent boost shouldn't be enacted until those projections have been finished and reviewed by you and, for that matter, the Club. St. Francis YC is one of Rec and Parks largest individual tenants and a substantial driver of the activities, revenue, and appeal of berthing in the San Francisco Marina. Likewise, the claims of strong demand via the **waitlist should be vetted and verified** before a big increase in slip rent.
- The Club and all of the boaters in the Marina want a functional Harbor. We understand that the reduction in the number of potential new slips resulting from the downsizing of the initial West Harbor Renovation plan will come at a cost. But let's **do the math before approving another rent hike**. Let's better understand the real demand before **potentially causing greater vacancy** by pricing many existing tenants out of their slips.

Kindly **postpone approving the rent increase until the facts are known** and increases have some quantifiable and verifiable justification.

Thank you for your careful consideration.

## Dick

Ps. We are without a Supervisor representing our District 2. But we believe Catherine Stefani would readily support this request for better demand analysis and increased revenue justification.

### Dick Robinson

St. Francis Yacht Club

40 year member

St. Francis YC Real Estate and Community Relations Committee

Boat owner: INDIGO, a 33' boat in the West Harbor at Gate 9 along Marina Boulevard

42 years Marina Home owner

2033 Jefferson Street San Francisco, CA. 94123

(415)312-3152 cell Robinson27@aol.com

From: Ray Lotto **Bruce Stone** To:

Board of Supervisors (BOS); Peskin, Aaron (BOS); Chan, Connie (BOS); Safai, Ahsha (BOS); MandelmanStaff Cc:

(BOS); EngardioStaff (BOS); DorseyStaff (BOS); MelgarStaff (BOS); Ronen, Hillary (BOS); Jalipa, Brent (BOS)

Subject: Re: File No. 240189 and the second reading on December 17 2024 regarding the SF Marina rate increase

Date: Monday, December 16, 2024 9:39:44 AM

This message is from outside the City email system. Do not open links or attachments from untrusted

Thank you Bruce for your very accurate description of the status of West harbor. Ray

On Sat, Dec 14, 2024 at 6:44 PM Bruce Stone < bruce@brucestone.com > wrote:

Dear Supervisors,

On behalf of the SF Marina Harbor Association, representing berth holders and users of the harbor, I am writing with reference to File No. 240189 which was reported out of the Budget and Finance Committee without recommendation for an obvious reason that the normal business practice of surveying the customers and getting to know the supply and demand parameters were not considered. The already significant vacancy will increase, as this will squeeze the working person and retiree out of the harbor and make it just a place for rich folks – is that the kind of City we want?

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The delay has enabled PGE to hold onto its cash and freeze its liability based on out-of-date assumptions, while construction costs have grown significantly. The settlement should be revised to replace the loan with a further grant from PGE, and the construction budget must be inflation-adjusted.

The high vacancy in West Harbor will be worse should rates increase sharply. We're hearing from older owners that the proposed increase is a further catalyst to sell their boats or relocate to a cheaper marina. While boat owners have gotten older, the pipeline is not being replenished. The new generation of sailors and boaters use ride sharing and do not buy cars and do not buy boats – they use club boats or friends' boats.

There is effectively no waiting list. Many people placed their names on the list so they could move their boat within the harbor to a deeper slip, so when this boater is offered a slip there is no improvement in occupancy. I made such a switch a few months ago.

Others do not actually own a boat – they are just considering the idea of a boat and want to have a chance to place a boat there as some undefined future date.

Most whose names have come up to the top of the list do not accept the shallow or narrow slips being offered, yet consume many weeks of the process, which is then bogged down and inefficient. These dead souls have inflated the wait list statistics to a meaningless number. A survey of their intent would clarify this.

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Nevertheless, post renovation, we expect East Harbor to start with nearly-zero berth holders. Once they leave during the renovation, most will not return. They will find warmer places to keep their boats at lower cost and will not be interested in East Harbor at the proposed highly elevated rates.

The plan developed between Rec and Park and PGE lacked input from the public. If we had all been included earlier in the process, the negotiation with PGE would have focused on a more realistic and affordable project within East Harbor. We'd like a resolution so that a project may move forward, and high-quality berths may be installed.

We recommend you cancel the rate increase, and instead give the Harbor Fund credit for the \$650,000 being paid into the General Fund by boaters. This rate increase is too blunt an instrument and resembles using a howitzer to shoot a duck, resulting in a lot of feathers and no meat.

Sincerely,

Bruce J. Stone

Berth Holder – West Harbor slip #231

President, SF Marina Harbor Association

bruce@brucestone.com

917-822-4060

 From:
 Peter Jeal

 To:
 Jalipa, Brent (BOS)

 Subject:
 Fwd: 240189

**Date:** Monday, December 16, 2024 2:29:49 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Sent from my iPhone

Begin forwarded message:

From: Peter Jeal <pjeal113@gmail.com>
Date: December 16, 2024 at 2:28:42 PM PST
To: Bruce Stone <bru>
Stone <bru>
Stone <bru>
To: Bruce Stone <br/>
To: Br

**Subject: 240189** 

December 16th, 2025

Dear Supervisors,

I am writing to you as a member of the Harbor Tenants Association.

Re: File No 240189.

I believe you should consider rejecting the proposed increases because it places unreasonable financial burden on all current berth holders.

The West Harbor should be solely responsible for covering its own expenses.

I recommend that you cancel the proposed rate increase and give the Harbor fund credit for the 650,000 dollars being paid into the General Fund by boaters.

Peter Jeal

Sent from my iPhone

From: <u>Joe Bravo</u>
To: <u>Bruce Stone</u>

Cc: Board of Supervisors (BOS); Peskin, Aaron (BOS); Chan, Connie (BOS); Safai, Ahsha (BOS); MandelmanStaff

(BOS); EngardioStaff (BOS); DorseyStaff (BOS); MelgarStaff (BOS); Ronen, Hillary (BOS); Jalipa, Brent (BOS)

Rev. File No. 240189 and the second reading on December 17, 2024 regarding the SE Marina rate increase.

**Subject:** Re: File No. 240189 and the second reading on December 17 2024 regarding the SF Marina rate increase

**Date:** Monday, December 16, 2024 2:54:10 PM

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Dear Members of the Board. I urge you to please review and consider Bruce Stone's analysis and comments and suggestions, I am a berth holder in East Harbor, a native born son, and a life long sailor The City is laboring under a fantastic deficit, but it won't help if the City raises rates and drives away its income from tenants who will not step up to pay higher rents.

# Joseph K. Bravo Bravo Law Offices

1315 7th Avenue

San Francisco, CA 94122

Telephone: (415) 512 – 6700, Ext. 102

Facsimile: (415) 512 – 6716 Website: Bravolaw.com

This transmission is intended only for the use of the addressee and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the intended recipient, or responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us by telephone, and return the original message to us at the above e-mail address, deleting all copies from your e-mail system.

On Dec 14, 2024, at 6:44 PM, Bruce Stone <a href="mailto:stone.com">bruce@brucestone.com</a> wrote:

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being requested by RPD to paper over the mistakes in planning East Harbor. As you recall, the BoS voted in January to prevent RPD from building slips in outer West Harbor, This will result in not enough slips in East Harbor to support the budget. This came about because over the many years of negotiation with PGE, RPD failed to consult with boaters, yacht clubs or marina residents, and only at the 11<sup>th</sup> hour, after having given up the plan to dredge and reinstall the docks in all of East Harbor, RPD now finds it with an uneconomic project. Its alternative is to tax the users of West Harbor.

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### adjusted.

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**There is effectively no waiting list**. Many people placed their names on the list so they could move their boat within the harbor to a deeper slip, so when this boater is offered a slip there is no improvement in occupancy. I made such a switch a few months ago.

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Sincerely,

Bruce J. Stone
Berth Holder – West Harbor slip #231
President, SF Marina Harbor Association
bruce@brucestone.com
917-822-4060

From: Florence Brock

To: Board of Supervisors (BOS)

Subject: No new taxes and no parking meters!

Date: Monday, December 16, 2024 3:07:46 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I am a long-time resident of the Marina and I know that raising tax rates on slips in the East Harbor, and placing parking meters in the Marina district, will harm revenue (and individuals) for stores and businesses by driving boat owners away, and by punishing the people who can least afford it: part time workers in the stores of the Marina and Cow Hollow.

You can not tax your way to prosperity! No new taxes and no parking meters!

From: <u>savemarinagreenwaterfront</u>

To: <u>Jalipa, Brent (BOS)</u>; <u>Board of Supervisors (BOS)</u>

 Subject:
 Final Vote Dec. 17 for File# 240189

 Date:
 Monday, December 16, 2024 3:00:54 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

### Dear Supervisors,

It is Rec & Park's perogative, as managers in charge of SF Marina, to leave multiple berths vacant for months or years for whatever reason. However, it is not the responsibility of current West Harbor tenants to subsidize Rec & Park's managerial choices. Vacant berths and uncollected revenue are such choices. Berth rate increases are a poor substitute for active, rent paying tenancies. Berth rate increases also lack the contribution of possessory and property taxes that greater occupancy would provide to the General Fund. Increases lack fiscal sustainability since they act as a quick fix that have the dangerous downside of alienating a large portion of the marketplace that can easily find more hospitable rates and amenities at all the other marinas competing with SF Marina. With the additional reputation for difficult Harbor conditions, overpriced berths will find few takers. Without a market analysis for demand, the vote to raise rates is a speculative risk. Do Supervisors want to take the blame for aiding and abetting the failures of Rec & Park management of SF Marina?

Sincerely, Rob Pardis From: <u>Joe Bravo</u>
To: <u>Bruce Stone</u>

Cc: Board of Supervisors (BOS); Peskin, Aaron (BOS); Chan, Connie (BOS); Safai, Ahsha (BOS); MandelmanStaff

(BOS); EngardioStaff (BOS); DorseyStaff (BOS); MelgarStaff (BOS); Ronen, Hillary (BOS); Jalipa, Brent (BOS)

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For many years, West Harbor has been silting in. Many believe the sand reclamation at Ocean Beach, exacerbated by the renovations of the beach at Crissy Field, has caused the sand to migrate into our harbor. As a result, the harbor is often not navigable, and Rec and Park has had to conduct repeated, and costly, dredging, while recently raising berthholder rates by 21% to cover this.

We suggest the Budget Analyst's briefing is inadequate. The economics of the harbor should be revised to include the following inputs:

Aside from berthing fees being among the highest in the nation, we currently pay well over \$650,000 each year into the General Fund though our possessory user fees and property taxes. The number will be much higher once East Harbor is populated with boats. This should be factored into any discussion of the budget. RPD claims this 30% increase is designed to offset the subsidy it receives from the General Fund, but the berth holders are already paying the same amount into the City in addition to their berth fees, so isn't it appropriate to recycle that back into fixing the harbor?

We believe that West Harbor should cover its own expenses, plus shared overhead, and East Harbor should cover its own expenses, plus overhead. It is not reasonable for each person with a boat in West Harbor to be liable for the delays and errors in the negotiation with PGE which raised costs to rise to uneconomic levels.

The delay has enabled PGE to hold onto its cash and freeze its liability based on out-of-date assumptions, while construction costs have grown significantly. The settlement should be revised to replace the loan with a further grant from PGE, and the construction budget must be inflation-

### adjusted.

The high vacancy in West Harbor will be worse should rates increase sharply. We're hearing from older owners that the proposed increase is a further catalyst to sell their boats or relocate to a cheaper marina. While boat owners have gotten older, the pipeline is not being replenished. The new generation of sailors and boaters use ride sharing and do not buy cars and do not buy boats – they use club boats or friends' boats.

**There is effectively no waiting list**. Many people placed their names on the list so they could move their boat within the harbor to a deeper slip, so when this boater is offered a slip there is no improvement in occupancy. I made such a switch a few months ago.

Others do not actually own a boat – they are just considering the idea of a boat and want to have a chance to place a boat there as some undefined future date.

Most whose names have come up to the top of the list do not accept the shallow or narrow slips being offered, yet consume many weeks of the process, which is then bogged down and inefficient. **These dead souls have inflated the wait list statistics to a meaningless number.** A survey of their intent would clarify this.

The park side of the Harbor provides a venue for tourists and families to enjoy the Marina. There are also special events like Fleet Week where the Harbor budget is not being reimbursed by the City. Berth holders are essentially paying these costs while the City benefits. **The General Fund should be paying for this public use of the Harbor**.

With no Outer West slips, East Harbor needs to have as many slips as possible. This might mean redefining the usable area to include docks in the shallow end of the harbor for smaller power boats which do not require much depth; therefore the dredging in that section can be minimal instead of the deeper level anticipated, and rejected, in the plan.

Nevertheless, post renovation, we expect East Harbor to start with nearly-zero berth holders. Once they leave during the renovation, most will not return. They will find warmer places to keep their boats at lower cost and will not be interested in East Harbor at the proposed highly elevated rates.

The plan developed between Rec and Park and PGE lacked input from the public. If we had all been included earlier in the process, the negotiation with PGE would have focused on a more realistic and affordable project within East Harbor. We'd like a resolution so that a project may move forward, and high-quality berths may be installed.

We recommend you cancel the rate increase, and instead give the Harbor Fund credit for the \$650,000 being paid into the General Fund by boaters. This rate increase is too blunt an instrument and resembles using a howitzer to shoot a duck, resulting in a lot of feathers and no meat.

Sincerely,

Bruce J. Stone
Berth Holder – West Harbor slip #231
President, SF Marina Harbor Association
bruce@brucestone.com
917-822-4060

From: Sean D Harvey

To: Board of Supervisors (BOS)

**Subject:** Meters- Taxes

**Date:** Monday, December 16, 2024 2:29:58 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

to whom it may concern: I have lived at Octavia and Bay Streets in the Marina for 20 years.

As a person who works in finance, I can guarantee you can not tax your way to prosperity.

Please shelve the plans to raise slip tax rates in the East Harbor, and just as importantly, to add eyesore and guest prohibitive parking meters to the neighborhood.

You know who will be hurt most by the meters? People who work for minimum wage in the Marina and Cow Hollow districts.

Do not add meters nor raise the taxes on the slips in the East Harbor. You will only DECREASE revenue by doing so.

--

# Sean Harvey



From: Bruce Stone

To: Peskin, Aaron (BOS); Board of Supervisors (BOS)

**Subject:** Agreement between PGE and RPD; File No. 240189 and the second reading on December 17 2024 regarding the

SF Marina rate increase

**Date:** Monday, December 16, 2024 12:31:09 PM

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Dear Aaron – to add to the many comments you have received from me (and others) is a fundamental observation that the agreement with PGE did not specify detailed design but was based on not dredging the entire East Harbor, and instead included funding of Outer West to achieve the desired number of slips.

No market outreach was done to test the viability of this project with stakeholders – we were not included despite my requests over the years - and all the community briefings and meetings in 2023 were a bunch of eyewash to satisfy regulatory norms, since RPD had no intention of implementing any of the alternative plans. That is now coming back to bite RPD because the version desired by the boating community and the neighborhood is a complete renewal of East Harbor, which might cost over \$300 million due to the delays.

As a result of the ordinance passed by the Board of Supervisors last January, the project was scaled back to an uneconomic level, nearly \$1 million per berth. We believe the contract with PGE is essentially void as based on false premises and suggest reopening full negotiations for the extra funding to properly remediate East Harbor.

Based on the Budget Analysts' Report, East Harbor berths will be raised to parity with West, which would also increase, and RPD was supposed to do a market study. Nothing was done.

So, essentially, RPD is asking West Harbor berth holders to pay for what appears to us to be poor planning in not budgeting for the full renovation of East Harbor as a potential outcome.

At this point, we would be remiss if we did not agree with you, Supervisor Peskin, when you stated that the money saved by not building Outer West should be spent on paying down the loan from Cal Boating, thereby easing pressure on rent increases to meet that debt service.

Now we come to elasticity of demand. In the subcommittee hearing, it was posited that rich yachtsmen will pay anything to have a slip in these two harbors, and that there is a large wait list with over 150 people. We disagree with both assertions:

First, we know of several people who plan to leave West Harbor if there is another large assessment like the recent one for dredging.

Second, when the boaters are removed from East Harbor to free up space for construction, many will use this as a catalyst to sell or abandon their boats rather than deal with relocating around the Bay. Therefore, in trying to fill East Harbor, RPD will be starting from nearly ground zero.

Finally, we believe that in fact 80-90% of the people contacted and offered a slip in West Harbor have deferred, though asking to keep their name on the list. That is one of the reasons it has been so hard for Scott to fill West Harbor, as he gives everyone plenty of time to respond before he offers their spot to the next person. Also, several people who were on the waiting list are just trying to get to a deeper slip, me included, and when that happens, the harbor does not gain a new tenant, just shuffles one around from a bad slip to a better slip, leaving the bad slip to be rented out. It took me many years on the waiting list to move a few spots, and the one I wanted was vacant for over a year before being offered to me...the explanation being that they are understaffed for processing the paperwork.

To gain more information on the validity of the wait list, we recommend that you ask Scott Grindy to send a survey to people on the wait list with the following questions:

- 1. Do you own a boat?
- 2. If your name comes up, will you be accepting a slip assignment?
- 3. Has your name already come up, and you passed on the offer? If so, why:
  - a. I do not yet own a boat
  - b. The locations offered were too shallow for my boat
  - c. The locations offered were too narrow
  - d. Other reason:

Until West Harbor is properly dredged, sail boaters will continue to reject the shallow slips along Marina Boulevard and other locations. It also will be hard to fill East Harbor at the elevated berthing fees that are proposed.

We look forward to your response on these observations.

Sincerely,

Bruce J. Stone
President, SF Marina Harbor Association
<u>bruce@brucestone.com</u>
917-822-4060

 From:
 Bruce Stone

 To:
 Peskin, Aaron (BOS)

 Cc:
 Board of Supervisors (BOS)

**Subject:** File No. 240189 and the second reading on December 17 2024 regarding the SF Marina rate increase

**Date:** Monday, December 16, 2024 12:04:07 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Aaron – Here's an example of a request I made to Harbormaster Scott Grindy to do a survey of the people on the so-called wait list. Of course nothing was done, as there is no wait list, just some people hoping for super large slips which do not ever become available. All the other slips are too narrow for power boats or too shallow for sail boats. By raising rates so sharply, your board is getting ready to send the harbor fund down a slippery slope toward lower occupancy and deficits...and that's why the Budget and Finance Committee did not make a recommendation to the BoS. Please cancel this increase and study the customer base like any other business would do. They are 69+ years old and many are going to leave the harbor or retire from boating.

See below.

Sincerely,

Bruce

bruce@brucestone.com

917-822-4060

From: Bruce Stone <bruce@brucestone.com>
Sent: Monday, March 11, 2024 3:18 PM

To: Scott Grindy - San Francisco Marina & Small Craft Harbor (scott.grindy@sfgov.org)

<scott.grindy@sfgov.org>; Catherine Stefani (Catherine.Stefani@sfgov.org)

<Catherine.Stefani@sfgov.org>
Subject: West Harbor Wait List

Scott – The proposed 34.4% rate increase (the compound amount over two years) depends on there being a robust waiting list to fill slips of people who will leave.

Can you conduct a survey of the West Harbor wait list to see if these people own a boat, and intend to take a slip if offered? And add a question about the minimum depth they require. Given there are so many shallow slips, we believe that the actual wait list is much smaller.

Can you document how many actual slips exist in each size, and how many are vacant?

For example, there are 18 people on the list for 80 and 90 foot berths, and 14 on the list for 70 foot berths, yet we have only a few such slips; therefore, that creates a

false impression that there is a large wait list. That's around 25% of the total "wait list".

The fellow who took slip 225 that I vacated was quite low on the 40-foot list. Does that mean that the other 37 people ahead of him declined to take the slip? That's another 25% of the entire waiting list. Taken together with the example above, that is symbolic of the point that there is effectively not much of a waiting list, maybe 20% of the 150 people paying the annual fee.

The chart you have posted on the website shows that the last offer was made 8/31/23, half a year ago: 2023 2024 Wait List WEBSITE 12.14.23 202312141339136413.pdf (sfreepark.org)

What has happened in the meantime to try to fill the empty slips?

Thanks so much,

Bruce bruce@brucestone.com 917-822-4060 From: Sheila Dowell

To: <u>Board of Supervisors (BOS)</u>
Subject: West Harbor Rate Increase

**Date:** Sunday, December 15, 2024 9:14:52 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Board of Supervisors, San Francisco,

I am a resident and registered voter of San Francisco, and am very concerned about the West Harbor Rate Increase.

Please review the West Harbor rate increase and consider instead increasing the occupancy to generate enough money to support the Harbor.

Sincerely,

Sheila Dowell

 From:
 Doug Boszhardt

 To:
 Board of Supervisors (BOS)

 Subject:
 Fwd: Marina Harbor Boat Fees

 Date:
 Sunday, December 15, 2024 9:13:08 PM

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Sent from my iPhone

Begin forwarded message:

From: Doug Boszhardt <douglasboszhardt@yahoo.com>

Date: December 15, 2024 at 9:10:16 PM PST To: keepthewaterfrontopen@gmail.com Subject: Re: Marina Harbor Boat Fees

You mention there are increased vacancies in the west harbor. Yet, there is a waiting list to get slips on the park and rec website. The waiting list for a 40' slip is 28 people long. The commentary or analysis doesn't add up.

Plus, they (park and rec) has a rule that if you don't currently have a boat, you have 30 days to get one, and have it in the slip. This is a tall tall task. That requirement should be 60 days. The slips will always be filled, even at increased rates, if the process of attaining a slip was easier and at less time pressure for new boat purchasers. There is demand, and would be more, if they lengthened the 30 day boat occupation rule. It generally takes longer than 30 days to buy a boat and have it delivered.

I'd like a slip, even at the new rates. But having 30 days to attain a new boat and have it in the slip is rediculous, and risky as they could pull the slip from you if you don't have the boat there in 30 days.

Sent from my iPhone

On Dec 15, 2024, at 3:03 PM, keepthewaterfrontopen@pb08.wixemails.com wrote:

Can't see this message? View in a browser

# Marina Harbor Boat Fees

Dear Doug,

A resident of the Marina wants to share the following information that will

Most neighbors do not realize that Marina Harbor tenants are one of the top contributors to our Marina neighborhood tax base. Many harbor boat slip renters live outside the Marina neighborhood and pay SF personal property taxes on their berths in addition to their monthly rent. This tax income adds significantly to the Marina's overall contribution to the City's General Fund and helps determine the degree of City funding budgeted for our neighborhood services.

When East Harbor lost half of its occupancy in preparation for the PG&E Remediation Project there, Rec and Park raised rates in West Harbor. A 21% increase was granted in 2022 and a 31.4% increase was passed last week. These exorbitant increases have encouraged many boat owners to find more reasonably priced marina rates elsewhere.

### **Result of Increasing Rates**

The increased rates have caused increased vacancies in West Harbor and a decline in boat slip tax revenue paid to the City. The Board of Supervisors granted the increase to shift the burden of SF Marina's decrease in income and avoid encumbering the General Fund in the face of severe budget cuts. This 31.4% rate hike likely will encourage more tenants to leave and cause a further decline in Harbor revenue.

The end result will trickle down to a loss of services for the Marina neighborhood when the full brunt of revenue shortfalls hit the General Fund. Park upkeep will decline and potential sewer fixes will be placed on hold while revenue-generating schemes like parking meters in residential areas and waterfront parking spaces are considered. The Board of Supervisors seems to have unwittingly supported a self-defeating proposition.

### **How You Can Help**

The last opportunity to influence Supervisors is their next meeting on Tuesday. You can email <a href="mailto:Board.of.Supervisors@sfgov.org">Board.of.Supervisors@sfgov.org</a> or leave a

voicemail at (415) 554-5184. It can be as simple as "Please review the West Harbor rate increase and consider instead increasing the occupancy to generate enough money to support the Harbor."

Please make your voice heard. Your email or call will go a long way to show concern for the financial well being of our Marina District neighborhood as well as offer improved service for some of your fellow neighbors. Thank you!

For more information, visit Board of Supervisors Agenda item:

https://sfgov.legistar.com/LegislationDetail.aspx? ID=6563719&GUID=41C3F265-24A4-4536-B450-C76DE82928FF





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From: <u>Arnold Cohn</u>

To: Board of Supervisors (BOS)

**Subject:** Increase Occupancy in the West Harbor **Date:** Sunday, December 15, 2024 7:13:46 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Please review the West Harbor rate increase and consider instead increasing the occupancy to generate enough money to support the Harbor.

From: <u>Corny Foster</u>

**To:** <u>Board of Supervisors (BOS)</u>

**Subject:** West harbor rates

**Date:** Sunday, December 15, 2024 6:16:36 PM

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"Please review the West Harbor rate increase and consider instead increasing the occupancy to generate enough money to support the Harbor."

Corny 415-720-6904 c 415-474-5283 h IronOarsRC.com From: <u>Marian Chin</u>

To: <u>Board of Supervisors (BOS)</u>
Subject: Marina Boat Harbor

**Date:** Sunday, December 15, 2024 5:53:39 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

As a resident of the Marina, I have noticed more and more empty berths in West Harbor Marina, likely due to rent increases. Further increases will likely worsen this issue. Please reconsider not instituting yet another steep fee increase, as it will likely drive more boat owners to leave, and worsen the financial situation of the marina.

MC

From: <u>Margaret Quigley</u>

To: Board of Supervisors (BOS)
Subject: West Harbor rate increase

**Date:** Sunday, December 15, 2024 4:21:28 PM

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"Please review the West Harbor rate increase and consider instead increasing the occupancy to generate enough money to support the Harbor."

Margaret Quigley

From: MORAYA KHAN

To: <u>Board of Supervisors (BOS)</u>

**Subject:** Self-defeating doom loop: increasing rates will increase vacancies

**Date:** Sunday, December 15, 2024 4:01:18 PM

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# Dear Supervisors,

Please review the West Harbor rate increase and consider instead increasing the occupancy to generate enough money to support the Harbor.

An alarmed constituent,

Moraya Khan

From: Robin Morales

To: Board of Supervisors (BOS)

**Subject:** Marina Harbor PG&E Project and Increased Boat Slop Fees

**Date:** Sunday, December 15, 2024 3:44:03 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

Please review the West Harbor rate increase and consider instead increasing the occupancy to generate enough money to support the Harbor. We do not want to lose our longtime boat slip tenants who have greatly supported our community's services with their property taxes.

Thank you.

Robin Morales 85 Rico Way From: RHRobinson

To: ChanStaff (BOS); MandelmanStaff (BOS); MelgarStaff (BOS); Peskin, Aaron (BOS); Safai, Ahsha (BOS);

DorseyStaff (BOS); EngardioStaff (BOS); Preston, Dean (BOS); Ronen, Hillary (BOS); Walton, Shamann (BOS)

Cc: <u>Jalipa, Brent (BOS)</u>; <u>Board of Supervisors (BOS)</u>

Subject: SF Marina rent increase RE File No. 240189 and the December 17 final vote item #15

**Date:** Saturday, December 14, 2024 11:21:35 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Supervisors,

Before you take the final vote on item #15 File No. 240189 this Tuesday, December 17, 2024, please consider the following:

- Assertions have been made that slip demand is strong; yet, rapidly **increasing vacancy** is readily apparent. Just on my dock along Marina Boulevard there are at least 12 empty slips where none used to exist. A quick scan of the whole West Harbor shows many empty slips (empty dock boxes, no dock lines or other evidence of active tenancy). Roughly speaking the vacancy must be 20±% when, for decades it was less than 5%.
- Rec and Park assumes that the "waiting list" indicates deep back up demand yet slips sit empty sometimes for many months or years as is the case along the prime row I'm on along Marina Blvd. What is it about this "list" that isn't showing the strength of demand one would expect? All of us long term tenants know that the actual process of getting a slip can be painfully and unnecessarily slow due to the Harbor's procedures. But no-one really knows how many of the wait-listers are serious and ready to move in. As has been already suggested in prior correspondence to you, many on the list might be lateral moves as I once was for over 20 years when previously berthed in the East Harbor.
- Given the growing vacancy, there is **concern at the St. Francis Yacht Club** that a substantial rent hike could impact the Club (members who have San Francisco Marina slips particularly) and it's ability to attract new younger members and/or risk losing other members who live elsewhere and relocate their boats at less cost closer to home. The Club has asked for some **financial projections** of the Marina Renovation project driving these proposed rent increases and has **not received** anything to date. We are told that the finances are "being worked on" which may indeed be the case. But a substantial rent boost shouldn't be enacted until those projections have been finished and reviewed by you and, for that matter, the Club. St. Francis YC is one of Rec and Parks largest individual tenants and a substantial driver of the activities, revenue, and appeal of berthing in the San Francisco Marina. Likewise, the claims of strong demand via the **waitlist should be vetted and verified** before a big increase in slip rent.
- The Club and all of the boaters in the Marina want a functional Harbor. We understand that the reduction in the number of potential new slips resulting from the downsizing of the initial West Harbor Renovation plan will come at a cost. But let's **do the math before approving another rent hike**. Let's better understand the real demand before **potentially causing greater vacancy** by pricing many existing tenants out of their slips.

Kindly **postpone approving the rent increase until the facts are known** and increases have some quantifiable and verifiable justification.

Thank you for your careful consideration.

## Dick

Ps. We are without a Supervisor representing our District 2. But we believe Catherine Stefani would readily support this request for better demand analysis and increased revenue justification.

### Dick Robinson

St. Francis Yacht Club

40 year member

St. Francis YC Real Estate and Community Relations Committee

Boat owner: INDIGO, a 33' boat in the West Harbor at Gate 9 along Marina Boulevard

42 years Marina Home owner

2033 Jefferson Street San Francisco, CA. 94123

(415)312-3152 cell Robinson27@aol.com From: <u>John Rivlin</u>

To: Board of Supervisors (BOS)

**Subject:** File No. 240189 - SF Marina rate increase. **Date:** Friday, December 13, 2024 1:59:48 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources

### Board Members,

I am a homeowner in the Marina and longtime berth holder in the Small Craft Harbor dating back to 1983. I wholeheartedly agree that the SF Marina should be self sufficient and should not be a drain on the general fund. I don't however agree that we need to raise the berthing rates as proposed in order to achieve this objective for the following reasons:

- 1. The calculation of Small Craft Harbor deficit incorrectly ignores the possessory use taxes paid by berth holders. With the inclusion of these taxes, the harbor is roughly break-even, as it should be.
- 2. The fundamental problems with the alleged budget shortfalls are the result of chronic dredging costs resulting from poor design of the harbor refurbishment. It would potentially make sense to levy a one-time fee to address permanent mitigations that would eliminate the need for dredging, however permanently establishing berthing rates that are non-competitive with other bay area options is not sustainable.

For these reasons I am strongly opposed to the currently proposed rate increases without a clear plan for a long term sustainable harbor with adequate depth for sailboats.

Regards, John Rivlin