



February 16, 2024

Angela Calvillo, Clerk of the Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102

Connie Chan, Budget and Finance Committee Chair, Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102

Re: Release of \$10,000,000 Reserve on the Port of San Francisco's Economic Recovery Project,  
Ordinance 165-20, File No. 200567.

Dear Madam Clerk and Chair Chan:

I would like to calendar the release of \$10,000,000 from Budget and Finance Committee reserves for the Port to implement economic recovery initiatives. The funds were appropriated in the FY 2020-21 budget, pending a detailed project description, list of tasks, and expenditure plan. After careful planning and deliberation, the Port Commission approved the attached project expenditure plan through Resolution 24-09 on January 23, 2024.

The COVID-19 pandemic had a devastating impact on the Port's budget, as revenues fell to 83% of pre-pandemic levels in Fiscal Year 2019-20. Federal stimulus funds prevented severe budget balancing measures and, today, revenues are exceeding pre-pandemic levels in most business lines. However, the Port's financial outlook continues to be challenged due to slow recovery of large sit-down restaurant lease revenues and cargo volumes, paired with rapidly growing operating costs.

To recover from the economic impacts of the pandemic and stabilize its financial outlook, the Port must implement initiatives that increase revenues and optimize operations. As reflected in the attached expenditure plan, Economic Recovery Project investments focus on attracting and retaining businesses, visitors, and commercial fishing, activating parks and open spaces, and investing in people and systems.

The Port is an important economic driver for the City and County of San Francisco and plays a valuable role in the City's overall economic recovery efforts by maintaining a clean, safe, and vibrant waterfront that attracts workers downtown and visitors to the San Francisco's top destinations. The Port is eager to continue these efforts through initiatives funded by the Economic Recovery Project.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Elaine Forbes', is positioned above the printed name.

**Elaine Forbes**

Executive Director, Port of San Francisco

CC: Ben Rosenfield, Controller  
Harvey Rose, Budget & Legislative Analyst

ATTACHMENT: Economic Recovery Project Expenditure Plan

## ATTACHMENT 1: Economic Recovery Project Expenditure Plan

STRATEGIC OBJECTIVE/ INITIATIVE/ DESCRIPTION		ALLOCATION
Targeted Activation: Fisherman's Wharf		\$7,300,000
Commercial Fishing Facilities	Support commercial fishers and fish production tenants by improving aging infrastructure, including by replacing an obsolete and energy inefficient ice machine and repairing a progressively deteriorating Pier 45 west apron.	\$3,300,000
Outer Lagoon Gangway & Float	Build a new gangway and float to draw the public to the lagoons and provide ease of access for off-the-boat fish sales. This work initiates a larger resilience project for an extensive seismic improvement of the seawall.	\$3,000,000
Vacant Space Leasing and Activation	Improve vacant facilities and public spaces for leasing or activation to draw in public interest and revive revenues.	\$1,000,000
Targeted Activation: Parks & Open Space		\$1,700,000
Portwide Waterfront Walk, Wayfinding, Art, and Other Beautification	Identify the Port's waterfront as a local and regional destination, like the Cross Town Trail, and invest in improvements and activations that increase the public's opportunities to enjoy and navigate parks and open spaces.	\$1,500,000
Southern Waterfront Activations	Supplement the Portwide Waterfront Walk, Wayfinding, Art, & Beautification initiative with a focused effort to improve the experience of visitors and neighbors in the Port's maritime eco-industrial zone.	\$200,000
Enterprise Recovery		\$1,000,000
Internal Operational Efficiencies	Invest in operational efficiencies, such as utility mapping, assessing the Port's real estate management software, and digital filing organization.	\$700,000
Revenue Initiatives	Conduct an economic impact analysis and studies that support revenue generating initiatives, including deepwater berthing at the Pier 68 shipyard.	\$200,000
Employee Engagement and Support	Engage employees through educational activities that strengthen the Port as a community to recruit and retain talent.	\$100,000
<b>GRAND TOTAL</b>		<b>\$10,000,000</b>