

File No. 250658

Committee Item No. 4

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date July 9, 2025

Board of Supervisors Meeting Date _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|----------------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| | | • PRT Memo 4/21/2025 |
| | | • MYR Memo 6/10/2025 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
|-------------------------------------|--------------------------|-------------------------------------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>SF Bay Area Water Emergency Transportation Authority</u> |
| | | <u>Resolution No. 2025-07 3/13/2025</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>PRT Commission Resolution No. 25-15 3/11/2025</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
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Completed by: Brent Jalipa Date July 2, 2025

Completed by: Brent Jalipa Date _____

1 [Apply for, Accept and Expend Grant - Retroactive - San Francisco Bay Area Water
2 Emergency Transportation Authority - Mission Bay Ferry Landing - \$28,000,000]

3 **Resolution retroactively authorizing the Port of San Francisco to accept and expend a**
4 **grant in the amount of \$28,000,000 from San Francisco Bay Area Water Emergency**
5 **Transportation Authority to fund the Mission Bay Ferry Landing project for the period**
6 **of June 1, 2025, through October 1, 2028, pursuant to Charter, Section 9.118 (a).**

7
8 WHEREAS, The Port manages the San Francisco waterfront within its jurisdictional
9 boundaries as the gateway to a world class city, and advances environmentally and financially
10 sustainable maritime, recreational and economic opportunities to serve the City, Bay Area,
11 California, and nation; and

12 WHEREAS, The Port of San Francisco is an economic engine welcoming millions of
13 people to its jurisdiction each year while supporting operations that provide sustainable jobs
14 for people in the community; and

15 WHEREAS, On August 16, 2022, President Biden signed the Inflation Reduction Act
16 into law, marking one of the largest investments in the American economy, energy security,
17 and climate that Congress has made in the nation's history; and

18 WHEREAS, The Inflation Reduction Act of 2022 provides the Environmental Protection
19 Agency (EPA) with \$3 billion to fund zero-emission port equipment and infrastructure as well
20 as climate and air quality planning at United States (U.S.) ports; and

21 WHEREAS, On February 28, 2024, the EPA announced the availability of \$3 billion in
22 grant funding through the Clean Ports Program to help ports transition to zero-emissions
23 operations, reduce diesel pollution, engage with the local community, create a safer
24 workplace for our maritime workforce, and to develop a plan to mitigate air emissions while
25 promoting equity and environmental justice; and

1 WHEREAS, On May 24, 2024, the Port of San Francisco and San Francisco Bay Area
2 Water Emergency Transportation Authority, as known as, San Francisco Bay Ferry, submitted
3 a \$55.4 million grant application to fund the San Francisco Waterfront Emissions-Free Ferry
4 System; and

5 WHEREAS, On October 16, 2024, the EPA announced the Port of San Francisco was
6 selected to receive an EPA award for the full funding request of \$55.4 to fund the San
7 Francisco Waterfront Emissions-Free System Project; and

8 WHEREAS, The San Francisco Waterfront Emissions-Free Ferry System Project will
9 fund four unique components including construction of the Mission Bay Ferry Landing,
10 electrification infrastructure at the Downtown San Francisco Ferry Terminal, a zero-emission
11 400-passenger fast ferry, and a maritime workforce development program; and

12 WHEREAS, This funding will build out a zero-emission network that connects the
13 communities served by San Francisco Bay Ferry, including Oakland, Richmond, Vallejo and
14 Alameda with financial and biotech employment centers; and

15 WHEREAS, The Port and San Francisco Bay Ferry wish to enter into a Memorandum
16 of Understanding (MOU) to define roles for delivery of the Mission Bay Ferry Landing project,
17 as well as set responsibilities for the operation, maintenance, and ownership of the project
18 after construction is complete; and

19 WHEREAS, On March 11, 2025, the Port Commission adopted Resolution No. 25-15
20 authorizing the Port's Executive Director to enter into a grant agreement with San Francisco
21 Bay Ferry to accept and expend \$28,000,000 in funding for project delivery of the Mission Bay
22 Ferry Landing; and

23 WHEREAS, On March 13, 2025, the San Francisco Bay Ferry Board of Directors
24 adopted Resolution No. 2025-07 authorizing the Executive Director of San Francisco Bay
25

1 Ferry to execute a Memorandum of Understanding (MOU) with the Port for the delivery of the
2 Mission Bay Ferry Landing project; and

3 WHEREAS, Through the MOU San Francisco Bay Ferry is financially supporting the
4 Port by providing a one-time construction grant of \$28,000,000 to help complete the Mission
5 Bay Ferry Landing; and

6 WHEREAS, San Francisco Bay Ferry's grant to the Port will provide crucial funding
7 that leverages more than \$78.5 million from other local, state, and federal sources, including
8 the Environmental Protection Agency, Federal Transportation Agency Rapid Electric
9 Emission-Free Ferry funding, City and County of San Francisco Capital Funds, and San
10 Francisco Sales Tax to deliver the Mission Bay Ferry Landing Project; and

11 WHEREAS, This grant does not create any new positions and will not require an
12 amendment to the Annual Salary Ordinance; and

13 WHEREAS, Indirect costs were not included in the grant to improve the
14 competitiveness of the grant application; and

15 RESOLVED, That the Board of Supervisors hereby authorizes the Port of San
16 Francisco to accept and expend \$28,000,000 from San Francisco Bay Ferry, for the project
17 delivery of the Mission Bay Ferry Landing; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
19 indirect costs as part of this Grant budget; and, be it

20 FURTHER RESOLVED, That the Port, subject to the Board of Supervisors' approval,
21 authorizes the Executive Director or her designee to execute for and on behalf of the City and
22 County, any documents necessary to enter into the grant agreement with the United States
23 Environmental Protection Agency, including any extensions, augmentations, or amendments,
24 thereof; and, be it

25

File Number: 250658
(Provided by Clerk of Board of Supervisors)

Grant Resolution Information Form

(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. Grant Title: **Accept and Expend Grant –Water Emergency Transportation Agency - \$28,000,000**

2. Department: **Port of San Francisco**

3. Contact Person: **Julia Ayeni** Telephone: **415.962.6688**

4. Grant Approval Status (check one):

Approved by funding agency Not yet approved

5. Amount of Grant Funding Approved or Applied for: **\$28,000,000**

6. a. Matching Funds Required: **0**
b. Source(s) of matching funds (if applicable):

7. a. Grant Source Agency: **Water Emergency Transportation Agency**
b. Grant Pass-Through Agency (if applicable): **NA**

8. Proposed Grant Project Summary: **Construction of the Mission Bay Ferry Landing to create a southern hub for ferry service into San Francisco that will address regional transportation demand for current and future development around Mission Bay and the Central Waterfront**

9. Grant Project Schedule, as allowed in approval documents, or as proposed:
Start-Date: **June 1, 2025** End-Date: **October 1, 2028**

10. a. Amount budgeted for contractual services: **\$28,000,000**
b. Will contractual services be put out to bid? **Yes**
c. If so, will contract services help to further the goals of the Department’s Local Business Enterprise (LBE) requirements?
d. Is this likely to be a one-time or ongoing request for contracting out?

11. a. Does the budget include indirect costs?
 Yes **No**
b. 1. If yes, how much?
b. 2. How was the amount calculated?
c. 1. If no, why are indirect costs not included? **N/A**

Not allowed by granting agency To maximize use of grant funds on direct services
 Other (please explain):

c. 2. If no indirect costs are included, what would have been the indirect costs? **N/A**

12. Any other significant grant requirements or comments: No

****Disability Access Checklist***(Department must forward a copy of all completed Grant Information Forms to the Office of Disability and Accessibility)**

13. This Grant is intended for activities at (check all that apply):

- | | | |
|------------------------------------------------|------------------------------------------------------|------------------------------------------------------------|
| <input type="checkbox"/> Existing Site(s) | <input type="checkbox"/> Existing Structure(s) | <input type="checkbox"/> Existing Program(s) or Service(s) |
| <input type="checkbox"/> Rehabilitated Site(s) | <input type="checkbox"/> Rehabilitated Structure(s) | <input type="checkbox"/> New Program(s) or Service(s) |
| <input type="checkbox"/> New Site(s) | <input checked="" type="checkbox"/> New Structure(s) | |

14. The Departmental ADA Coordinator or the Office of Disability and Accessibility have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the Port of SF Access Compliance Officer or the Office of Disability and Accessibility Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:

Comments:

Departmental ADA Coordinator or Office of Disability and Accessibility Reviewer:

Melanie Kung

(Name)

Disability Access Coordinator, Port of SF

(Title)

Date Reviewed: 5/19/2025

DocuSigned by:

37CD4F324DB14A3...
 (Signature Required)

Department Head or Designee Approval of Grant Information Form:

Elaine Forbes

(Name)

Executive Director

(Title)

Date Reviewed: 5/19/2025

DocuSigned by:

BD2F0B093FFE43F...
 (Signature Required)

ENVIRONMENTAL PROTECTION AGENCY (EPA)
2024 Clean Ports Program: Zero-Emission Technology Deployment Competition Notice of
Funding Opportunity (NOFO)
EPA-R-OAR-CPP-24-04

I. Cover Page:

Project Title	San Francisco Waterfront Emissions-Free Ferry System								
Applicant Information	Port of San Francisco								
Type of Eligible Applicant	<input checked="" type="checkbox"/> Port authority <input type="checkbox"/> State/ regional/ local agency with jurisdiction over a port authority or a port <input type="checkbox"/> Tribal agency with jurisdiction over a port authority or a port <input type="checkbox"/> Air pollution control agency <input type="checkbox"/> Private entity meeting the requirements in Section III.A								
Budget Summary	<table border="1"> <thead> <tr> <th>EPA Funding Requested</th> <th>Applicant Costs</th> <th>Total Project Cost</th> </tr> </thead> <tbody> <tr> <td align="center">\$55,386,000</td> <td align="center">\$15,537,000</td> <td align="center">\$70,923,000</td> </tr> </tbody> </table> <p>Equipment and infrastructure costs are required to fully implement the project. The most scalable expense is the proposed subaward for workforce development.</p>			EPA Funding Requested	Applicant Costs	Total Project Cost	\$55,386,000	\$15,537,000	\$70,923,000
EPA Funding Requested	Applicant Costs	Total Project Cost							
\$55,386,000	\$15,537,000	\$70,923,000							
Project Location(s)	<p>Name of Port(s) (or other project location and port(s) served):</p> <ul style="list-style-type: none"> ▪ San Francisco County (Port of San Francisco, Treasure Island) ▪ Alameda County (Oakland, Alameda) <p>Name of Port Authority, if applicable: Port of San Francisco County, City, State: San Francisco, San Francisco, CA Percent of time/activity in each county: San Francisco County (Port of San Francisco, Treasure Island) 66%, Alameda County (Oakland, Alameda) 33%.</p> <input checked="" type="checkbox"/> Small water port <input type="checkbox"/> Dry port								
Project Period	Project Start Date: Q4 – 2024	Project End Date: Q1 - 2028							
Short Project Description	<p>The San Francisco Waterfront Emissions-Free Ferry System will allow for the operation of four zero emission (ZE) electric ferries serving three terminals located along the San Francisco waterfront and two terminals located in Alameda County. The System will include shore power charging systems to support rapid charging of the vessels at each of the three San Francisco terminals during passenger loading and unloading processes and sustain service during a typical operating day. Funding is included to support a regional maritime workforce development program that will train 200 participants in the marine trades and water transportation fields, including operating and maintaining ZE ferries and harbor craft.</p> <p>The ZE port equipment and infrastructure types included in the project include 1) Vessels and 2) Vessel shore power infrastructure.</p>								
Other Potential Federal Funding Sources	N/A								
Use of Logistics Software	<p>Does the applicant use LOGINK or any other prohibited logistics platform as described in Section III.D. of the NOFO?</p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								

II. Workplan:

Section 1 - Project Summary and Approach

a. Overall Project and Proposed Impact

The Port of San Francisco (the Port), in collaboration with the San Francisco Bay Water Emergency Transportation Authority (SF Bay Ferry or WETA), the San Francisco Public Utilities Commission (SFPUC), and the Working Waterfront Coalition (WWC), is requesting \$55.4 million to fund the final, critical components needed to complete the San Francisco Waterfront Emissions-Free Ferry System: a zero-emission electric ferry servicing critical transportation hubs – the first of its kind in the United States.

Located along the eastern waterfront of San Francisco, the Port serves many of the City's densest residential communities and job centers. Unlike other ports that specialize in mostly cargo handling, the Port serves a diverse set of uses, including the handling of containerized and non-containerized cargo, cruise, tourism, leisure, and passenger transportation. Reducing emissions and environmental impacts at the Port is uniquely challenging and important because of these various uses, functions, and stakeholders. According to the latest San Francisco Climate Action Plan (2021), the transportation sector is responsible for 50% of emissions in San Francisco. This project presents a unique opportunity for the Port to effect transformative change, reduce emissions from the transportation sector, and improve the health of nearby communities by delivering a first-in-the-nation conversion of diesel ferry service to a high-speed ZE electric ferry service supporting critical transportation hubs around San Francisco Bay.

The San Francisco Waterfront Emissions-Free Ferry System (the project or the system) will allow for the operation of four ZE electric ferries serving three terminals located along the San Francisco waterfront as well as two terminals located in Alameda County. The system will include shore power charging systems at each terminal that facilitate rapid charging of the vessels during passenger loading and unloading processes.

This project has a strong foundation of initial investments in reducing emissions, secured through previous efforts by the project partners. These investments include passenger loading retrofits, which will accommodate the shore power charging systems, and three small ZE vessels to serve the waterfront on a limited basis. The Clean Ports grant program would provide the remaining \$55.4 million necessary to fund the following components of the System:

- **Shore power charging systems** at the Downtown Ferry Terminal (DFT) and Mission Bay Ferry Landing (MBFL). These charging systems will provide sufficient capacity to rapidly charge the new, larger electric ferry, and will include major electrical components and equipment such as shore power and anchoring systems, switchgear, transformers, power converters, duct banks, electrical conduits, and feeders.
- **A fourth new ZE electric vessel.** With three small ZE electric vessels funded to date through the SF Bay Ferry partnership, the Port expects the first ZE electric vessel to be operating in limited revenue service in 2026. The fourth ZE electric vessel is necessary to complete the proposed service plan and replace emissions from larger existing vessels providing service to the Port. The fourth electric vessel would carry double the number of passengers and allow the service to grow and expand over time as well as carry passengers to more terminals to include not only San Francisco-bound passengers (Downtown, Mission Bay, Treasure Island) but also East Bay locations Oakland and Alameda. The larger capacity and expanded range will further reduce emissions through the system and lifetime of the vessel and allow for servicing more disadvantaged communities. Once delivered it will allow SF Bay Ferry to scrap an existing diesel vessel.

- **Workforce Development.** The requested grant funds for community partnerships would fund a ZE electric ferry workforce development and training initiative over a four-year period as the Port and SF Bay Ferry begin to deploy new ZE technologies in the ferry system. This program will be principally administered and managed by the Working Waterfront Coalition (WWC) and will provide training and skill development in the maritime industry with a specific focus on the new ZE technologies and equipment outlined in this grant request.

Successful Prior Deployments. The proposed ZE electric ferry system will be the first in the nation, and the Port and SF Bay Ferry are well positioned to deliver the project on time and successfully; both have an established track record of executing large, complicated, advanced technology projects. Both agencies have experience constructing State-of-the-Art ferry terminals within strict design standards meant to withstand major disasters and climate impacts: recent successful deployments and project delivery include the **\$100 million Downtown San Francisco Ferry Terminal Expansion Project in 2020**. This project successfully deployed and integrated new regional fare collection equipment and security enhancements at each Downtown gate, successfully meeting the safety, performance, and durability expectations of the primary project stakeholders. SF Bay Ferry constructed a similar (not yet electrified) new **\$20 million Richmond ferry terminal in 2019** that began operations supported by new high-speed ferries. The experienced team behind this will deliver the charging systems and vessel scoped in the San Francisco Waterfront Emissions-Free Ferry System. Additionally, the Port has completed the **\$115 million James R. Herman Cruise Terminal in 2014**, which includes the state's first shore power system and now hosts over 100 cruise ship calls and more than 400,000 passengers every year and doubles as an indoor/outdoor event center on non-cruise days. Zero-emission ferries using the same design have been deployed extensively throughout Europe.

Domestic Sourcing. The project team has conducted extensive research and groundwork into compliance with Build America, Buy America for the project. It is confident about compliance and does not anticipate challenges in domestic sourcing; potential sourcing challenges are known and are eligible for coverage through existing program waivers. Although this emission-free system is new technology to the United States, it is proven abroad and ready for construction today: SF Bay Ferry, working with its marine engineering consulting team, has achieved a 90% design level for this new universal shore power delivery system that will be deployed at the Downtown San Francisco Ferry Terminal Gates E, F, and G for vessel charging. The project will create an estimated 300 direct jobs and 600 indirect jobs.

Working in Concert with Planned Future Assets and Supporting Investments. The San Francisco Waterfront Emissions-Free Ferry System is projected to carry approximately 1.3 million passengers per year beginning in FY 2028. All trips would be 100% zero emission. The replacement of a diesel vessel with the ZE electric vessel included with this project would reduce or avoid approximately 315,000 metric tons of Carbon Dioxide Equivalent (CO₂e) emissions over its anticipated useful life at the Port, benefiting the near-port, historically disadvantaged community of Bayview Hunters Point, as well as other disadvantaged communities in parts of Alameda County served by the project. Without full funding to deliver the system, SF Bay Ferry must either reduce frequency or use diesel vessels to provide its planned service to the Port of San Francisco. With the EPA Clean Ports grant, approximately 20% of total passenger ferry trips to and from the Port will be ZE by 2028. Installation of the shore power charging systems at the Port is a prerequisite to convert over 85% of total ferry trips to the Port to ZE by 2050, as other regional investments are made in ZE vessels, additional shore power charging systems, and systems management throughout San Francisco Bay.

b. Partnerships and Collaboration

Partnerships and collaboration are central to the delivery of the San Francisco Waterfront Emissions-Free Ferry System. In addition to dedicating its own staff and managing contracts and construction elements of the project, the Port is partnering with the SFPUC, SF Bay Ferry, and the Working Waterfront Coalition to deliver electrification infrastructure, shore power systems, vessels, and investments in workforce development. Upon grant award, the Port will enter formal memoranda of understanding with subaward recipients SF Bay Ferry and the SFPUC to clearly delineate project and financial responsibilities related to their subawards. SF Bay Ferry will contract with the Working Waterfront Coalition to deliver workforce benefits. Partnership responsibilities are described below.

Port of San Francisco. The Port oversees, manages, and holds 7.5 miles of waterfront lands, from Aquatic Park in Fisherman’s Wharf to Heron’s Head Park near India Basin, in public trust for the use and enjoyment of the people of California. The Port works to advance environmentally and financially sustainable maritime, recreational, and economic opportunities for the City, Bay Area, and California. The Port and other departments within the City and County of San Francisco have invested \$29.4 million in early-phase project expenses for the Mission Bay Ferry Landing including design, permitting, and environmental mitigation.

San Francisco Public Utilities Commission (SFPUC). The SFPUC is a public utility enterprise that supplies water, sewer, and power to the City and County of San Francisco. The SFPUC is contributing \$13.6 million in matching funds to the project to complete the upgrades needed to meet this project’s charging needs by 2027. As detailed in the SFPUC’s letter of commitment, these funds are part of a \$31 million investment in the construction of a transmission level substation and associated power transmission and distribution facilities that will connect to key Port locations along the waterfront.

San Francisco Bay Ferry. The Port and SF Bay Ferry will rely on their established, long-term partnership and experience in large-scale project implementation to bring new, zero emission technology to the Downtown Waterfront through this project. SF Bay Ferry has committed \$1.9 million in direct match for eligible expenses and \$85.6 million in leveraged funding related to delivery of early phase and non-eligible project components, including three smaller vessels, a shore power system, and utility infrastructure. SF Bay Ferry will retain ownership of the vessel and equipment purchased under the grant.

Working Waterfront Coalition (WWC). The WWC is an industry-led regional maritime workforce development program that seeks to create a pipeline of ship maintenance and repair workers and vessel operators to address a serious shortage of regional workers capable of operating, maintaining, and expanding the maritime industry in the Bay Area including ferry service. The WWC’s goal is to recruit and train a new generation of workers via innovative outreach to 18–24-year-old individuals from disadvantaged and low-income communities, as well as the re-entry population. The program features financial stipends for trainees, a full suite of wraparound services and first source hiring agreements with WWC members. Members of the WWC include maritime industry leaders, labor groups, local community-based organizations, educational institutions and county workforce development and probation departments. Under a contract with SF Bay Ferry, WWC will train over 200 apprentices and

expand collaboration with local community colleges and universities to adapt existing programs or develop new programs. This project will create an estimated 300 direct jobs and 600 indirect jobs.

c. Coordination with Complementary Initiatives

Delivery of the San Francisco Waterfront Emissions-Free Ferry System complements various other programs and initiatives to achieve the climate and transportation infrastructure goals of San Francisco, the Bay Area region, the State of California, and the Federal government. These include:

California Assembly Bill 617 (AB 617) implementation and the Bayview Hunters Point Community Emissions Reduction Plan (CERP). The Bay Area Air Quality Management District is currently partnering with the Bayview Hunters Point Community Advocates and the Marie Harrison Community Foundation to develop a CERP in the Bayview Hunters Point neighborhood, which is near the Mission Bay Ferry Landing, to identify strategies to reduce emissions in the area. These community groups have identified “port/maritime activities” as a major contributor of air pollutants in the area. This project supports the CERP by reducing vessel emissions in the Bayview Hunters Point neighborhood.

Metropolitan Transportation Commission Plan Bay Area 2050. Strategy 11b of the federally required Regional Transportation Plan (Plan Bay Area 2050) calls for transit electrification initiatives that reduce emissions and climate impacts. Achieving this Plan goal would be advanced by awarding funds from this project for the electrification of ferry service at the Downtown, Mission Bay, and Treasure Island ferry terminals – all projects included in the Plan.

San Francisco Bay Ferry 2050 Service Vision. The 2050 Service Vision outlines system electrification as a key priority for the next 25 years, including fully electric ferry service along the Port of San Francisco Waterfront. The Vision was developed through extensive stakeholder outreach and engagement, including targeted outreach to community-based organizations representing disadvantaged communities. **The award of subrecipient funding from this project to San Francisco Bay Ferry will advance the larger Vision of create a regional ZE ferry system.** That service vision relies on two important federal and state funding initiatives:

- **Federal Transit Administration (FTA) Ferry Boat Programs.** SF Bay Ferry has utilized competitive funding available to the FTA to plan for one of the three small electric vessels integral to this EPA proposed project serving Downtown SF, Mission Bay, and Treasure Island. Once the current proposed project is built and charging infrastructure is in place, SF Bay Ferry plans to utilize \$53 million in FTA formula funding to replace its (at that point) last remaining two diesel vessels with large battery-electric vessels. FTA has also provided funding for electrification infrastructure at the Main Street and Downtown Terminal that will complement the proposed service in this application.
- **Transit and Intercity Rail Capital Program (TIRCP).** The TIRCP is a State of California initiative utilizing Cap and Trade sale proceeds to achieve transformative capital improvements that will significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. SF Bay Ferry has received over \$38 million in funding through this program. Part of the funding will be used to build two of the three smaller ZE electric vessels that will serve Downtown, Mission Bay and Treasure Island. Additional TIRCP funding will retrofit the Treasure Island terminal with electric infrastructure and provide some of the funding needed to electrify Mission Bay and Downtown San Francisco. Funding was also recently awarded to provide electric infrastructure connections in Alameda to electrify the SF Bay Ferry’s Main Street Terminal and Central Bay Maintenance Facility. The funding for electrification of the Maintenance Facility will ensure that the newly funded ZE

electric vessels have enough shore power at night and during maintenance activities and provide the opportunity for workforce development activities to occur at that facility on the new vessels.

San Francisco’s Climate Action Plan 2021—TLU.3-5. Transportation and Land Use Strategy 3, supporting action #5, calls for the implementation of ferry service between Treasure Island and the Downtown San Francisco Ferry Terminal to help reduce congestion, reduce emissions, and create a more equitable transportation system that advances the use of low carbon modes especially in the Bay Bridge corridor. SF Bay Ferry has secured 100% of the capital dollars needed to complete a shore power charging system at Treasure Island for electric ferry service. An additional \$1.7 million was recently secured in Lifeline Transportation Program (LTP) Cycle 4 operating funds from the San Francisco County Transportation Authority (SFCTA) for Treasure Island electric ferry operations in 2026. With the requested grant funding from EPA, the Port and SF Bay Ferry will be able to fully construct a shore power charging system at the Downtown San Francisco Ferry Terminal, which is a critical component in delivering ZE service on the Treasure Island route and making progress towards local emission reduction goals.

d. Project Risk Mitigation

The Port will ensure success of the project through close coordination with SF Bay Ferry to adequately analyze and prepare for project risks. The Port and SF Bay Ferry have demonstrated success in working together to deliver complex infrastructure projects. The Downtown San Francisco Ferry Terminal Expansion Project (project details below) was a similar scale and complexity compared to the proposed project. The project involved intensive above-water and in-water construction work in a busy urban waterfront. The ferry’s team of managers, engineers, and contractors coordinated closely with the Port to manage project risks and successfully deliver the project. The Port would establish a similar project delivery arrangement for the San Francisco Waterfront Emissions-Free Ferry System and has completed a preliminary risk analysis to identify potential barriers to successful project implementation. Primary strategies for overcoming those barriers are outlined below:

Technical Risks (Low). SF Bay Ferry has contracted with a proven electrical systems integrator, Wartsila, who has delivered comparable all battery electric high speed aluminum catamaran ferries in Europe. Wartsila provides integration of all advanced technical components for the new ferry vessels and shore power systems. SF Bay Ferry is also contracting with multiple well known naval architecture design firms to complete the vessel design and integrate with the Wartsila systems. Additionally, the SF Bay Ferry team is contracting with several electrical and civil engineering firms with extensive experience in transit and transportation electrification.

Financial Risks (Moderate). Vessel, shore power, and infrastructure improvements will be completed under competitively bid commercial contracts and total cost will not be known until award and final acceptance. The marine repair and construction market has seen higher inflation rates than other industries and the technology being purchased, including large lithium-ion batteries and industrial-scale transformers which are subject to intensive price volatility. Pricing risks are tempered by the funding sources’ low risk; matching non-federal funds are reliable and not subject to instability.

Security Risks (Low). Regarding physical security, ferry terminals are subject to US Coast Guard Security requirements. The terminal facilities are secured property and vessels exclusively operate at those secured terminals with monitored access and 24-7 surveillance. All onboard access points to vessel operating systems are physically locked when passengers are onboard. Cybersecurity threats are limited to access of vessel operating systems which are operating on a separate encrypted Wi-Fi data signal for shore monitoring. Software system architecture and security protocols are managed by our electrical systems integrator. System operating data access would have no impact on our operations should an

external threat gain access to our data systems. Internal threats from ferry operators or maintenance staff would be the largest vulnerability, however all such staff are vetted and monitored.

Organizational Risks (Low). The Project management team has extensive experience with marine systems delivery and complex capital infrastructure projects, with a long history of working together. The management team overhead is low with limited bureaucracy. Decision making is clearly delegated and does not require multiple level adjudication.

Execution Risks (Moderate). Current lead times for electrical components are rapidly changing in the rush to electrify multiple industries worldwide. Further, these projects push the boundaries of current regulatory and permitting related regulations which can induce schedule delays in system selection and permitting approvals. SF Bay Ferry is well underway with project designs, has identified regulatory pinch points, and is coordinating around potential issues. While capacity for local utilities and interconnection timelines for power distribution to terminal facilities poses some risk, the management team is engaged with utility providers to mitigate risks and meet implementation timelines.

e. **Applicant Fleet and Infrastructure Description**

Shore Power and Anchoring Systems at Mission Bay Ferry Landing (MBFL). The Project includes installation of a shore power and anchoring system as a component of MBFL. The MBFL is in the Mission Bay neighborhood near the intersection of Terry A. Francois Boulevard and 16th Street, adjacent to Agua Vista Park and near the planned Bayfront Park. The MBFL project involves the construction of a ferry terminal and equipment installation, including a floating shore power and anchoring system capable of mooring and charging ferry vessels. The MBFL project includes a fixed pier with canopy, a gangway, and shoreside public access and open space improvements. The project requires a terminal electrification plan that does not use traditional shore power pedestals but, instead, utilizes an equipment-based floating shore power and anchoring system. This system enables rapid ferry vessel charging during short turn-around stops while passenger load and unload the vessels. The shore power system will support 2MW rapid charging of electric ferries on both the port and starboard sides (4MW total), supplied via internally loaded power monitoring and conversion equipment coupled with 1350kWh of lithium-ion battery storage. The anticipated usage is 28 vessel landing and charging events per day with an average charge time of 8 minutes and a 160kWh power transfer at each event. Estimated total annual energy provided is 1,600MWh.

Downtown San Francisco Ferry Terminal (DFT) Electrification Project. The Project includes a request for funding towards behind the meter (BTM) electrical equipment and infrastructure to electrify the DFT. The Port, SF Bay Ferry, and SFPUC are working together to extend electrical infrastructure to the San Francisco Waterfront. This electrical grid extension and enhancement supports vessel charging for ferry routes serving the SF Bay Ferry's DFT. Charging at DFT will occur with three shore power systems at Gates E, F and G, like what will be installed at MBFL. These shore power systems at DFT are part of a separately funded project and will provide up to seventeen megawatts (17MW) of power including ten megawatts (10MW) of power from the electric grid and seven megawatts (7MW) of power from the battery energy storage systems installed in the floating shore power docks.

New ZE Electric Vessel. SF Bay Ferry is preparing to construct a fleet initially consisting of three 149-passenger ZE electric passenger ferries. Procurement of those vessels is expected by summer of 2024. Concurrent with that effort, SF Bay Ferry staff are developing plans and specifications for 400-passenger vessels including the one proposed as part of this project. This 400-passenger ferry vessel will have a total battery capacity of 1,603kWh. Operating with this capacity will allow a range of 40-minute cross-bay transits. During normal operation, rapid vessel charging will take 5 to 8 minutes.

Opportunity charging will occur at terminals when unloading and loading passengers. This will allow continuous operation of the vessel throughout the day. The vessel will be newly constructed with a model year 2026. The vessels are designed to be fully accessible to passengers with disabilities in accordance with the Americans with Disability Act. The ferry will offer multilingual support and signage to accommodate passengers from different linguistic backgrounds, fostering a welcoming and inclusive environment for all passengers. The vessel will allow SF Bay Ferry to scrap an existing large diesel ferry. Additional details for the proposed new ZE vessel are provided in the Supplemental Application.

Buy America Act and Build America, Buy America Act Compliance. SF Bay Ferry has enlisted the services of specialists to review plans and specifications to evaluate Buy America Act and Build America, Buy America Act (BABA) Compliance; analysis indicated that the vessels, shore power systems and electrical infrastructure can be constructed in compliance with BABA. If components of the vessels or shore power systems are not fully compliant, the Port is confident that the compliance could be achieved under the provisions of the existing time-limited waivers under the Clean Ports Program.

Section 2 - Environmental Results—Outcomes, Outputs and Performance Measures

a. Expected Project Outputs and Outcomes

Table 1. Anticipated Outputs and Outcomes

<i>Anticipated Outputs and Outcomes</i>		
Activities	Outputs	Outcomes
1. Deployment of new ZE Electric Ferry Vessel	One new large, fast, ZE electric ferry vessel to be operated in place of a diesel vessel that would be relegated to backup spare use.	1) Approximately 88,000 tons of CO2 equivalent emissions avoided over the lifetime of the vessel. 2) Approximately 350,000 gallons of fuel consumption avoided over the lifetime of the vessel.
2. Deployment of Shore Power Charging Systems	Two shore power charging systems with total capacity of 17 (kW) to charge zero emission electric ferry vessels.	Systems perform reliably and support the successful and consistent operation of four zero emission electric ferries with expanded service relative to today.
3. Ferry system operations impact Environmental Justice	Project activities are designed to provide benefits to near-port communities impacted by Port emissions.	The project provides health benefits, noise reduction, and air quality improvements to disadvantaged communities.
4. Training and Workforce Development	200 participants from underserved communities will receive training and develop skills in the maritime industry with a specific focus on the new ZE technologies and equipment.	The workforce development program successfully contributes to creating a sufficiently large pool of crew and engineers qualified to operate and maintain ZE equipment. Current crews receive training and qualifications necessary to transition to work operating and maintaining ZE equipment.
5. Public Engagement and Outreach	Long-term recurring forums to engage communities and a publicly documented process for addressing community concerns; Documented	Community members and stakeholders are engaged and aware of the project and have contributed feedback that has been incorporated into its design, development, and operation.

	efforts to make residents aware of project and to solicit feedback.	
6. Organizational Development	<p>Institutionalization of operational changes to accommodate future deployment of additional ZE technologies.</p> <p>Dissemination of experience and information gained by Port and partners (San Francisco Bay Ferry and SFPUC) in designing and deploying ZE vessels and equipment to support ZE ferry operations.</p>	<p>1) Support future deployment of additional ZE technologies as measured by share of total Port ferry arrivals and departures converted to zero emissions.</p> <p>2) Implementation of SFPUC Capital Improvement Plan projects for shore power improvements along Port jurisdiction.</p> <p>3) Submittal of project report to National Academy of Science Transportation Research Board for dissemination and publication.</p>

b. Performance Measures and Plan

Table 2. Measurement of Outputs and Outcomes

Measurement of Outputs and Outcomes		
Activities	Performance Measures	Timelines, Reporting, and Evaluation
1. New ZE Electric Ferry Vessel	<p>Emission reduction of new ZE electric ferry to be measured by:</p> <p>1) Tons of CO2 equivalent emissions avoided annually and over the lifetime of the vessel relative to baseline</p> <p>2) Gallons of fuel consumption avoided annually and over the lifetime of the vessel relative to baseline</p>	<p>1) Performance period: progress tracked in emissions against baseline inventory and diesel ferry operation; reported annually and evaluated against operational milestones and goals for service offerings</p> <p>2) Long-term: progress in emissions tracked and evaluated against larger emissions reductions milestones (2030, 2050) for complementary programs and transparently reported with those results</p>
2. Shore power Charging Systems	<p>Reliability and performance of charging systems to be measured by:</p> <p>1) System availability</p> <p>2) Schedule adherence of ZE electric ferries</p> <p>3) On-time trip performance of ZE electric ferries</p>	<p>1) Performance period: progress tracked by % of days charging systems are fully operational, number of trips made v. trips scheduled, and % of trips arriving within 10 minutes of schedule; reported quarterly and evaluated against regional transit performance standards</p> <p>2) Long-term: progress measured by conversion of other regional ferry services currently serving the Port to ZE</p>
3. Ferry operations impacting Environmental Justice	<p>Improvement in non-attainment status of air quality standards in near-port disadvantaged communities to be measured by air toxics levels relative to baseline at the end of the performance period.</p>	<p>1) Project Performance Period: progress will be indicated by improvement in non-attainment air quality status in near-port disadvantaged communities; reported on cyclical basis as evaluated by the County of San Francisco, Bay Area AQMD and California ARB</p> <p>2) Long-term: progress will be evaluated by the ridership of the zero-emission ferry system; reported transparently and evaluated against project ridership projections</p>

4. Training and Workforce Development	<p>Adequate pool of qualified crews and engineers, and retention of existing employees measured by:</p> <ol style="list-style-type: none"> 1) Quality of program 2) Position vacancy rates for crews and engineers operating and maintaining ZE equipment 3) Average employee tenure 	<ol style="list-style-type: none"> 1) Performance period: progress tracked by the completion rate of enrolled workforce development program participants; reported annually by Workforce Development Coalition and evaluated against the number of ZE operators and maintenance staff required. 2) Long-term: progress measured by average employee tenure and job classification vacancy rates in relevant work areas.
5. Public Engagement and Outreach	<p>Effectiveness of project in creating awareness, and soliciting and responding to community feedback to be measured by:</p> <ol style="list-style-type: none"> 1) Public awareness of project 2) On-line survey of community members and stakeholders. 	<ol style="list-style-type: none"> 1) Performance period: progress tracked by number of quarterly project social media and web-based impressions, and number of forums and community meetings hosted annually; effectiveness tracked by two surveys conducted during the performance period evaluating results against goals of soliciting and incorporating community input into project
6. Organizational Development	<p>Successful organizational development and scalability of ZE deployment, including knowledge dissemination, to be measured by:</p> <ol style="list-style-type: none"> 1) Dissemination of knowledge and experience to industry stakeholders 2) Number of total Port ferry arrivals and departures converted to zero emissions. 	<ol style="list-style-type: none"> 1) Performance period: progress tracked by presentation of project information at minimum of one conference or symposium annually and the % of total Port ferry arrivals and departures converted to zero emissions reported on an annual basis 2) Long-term: progress measured by conversion of other regional ferry services currently serving the Port to ZE

c. Timeline and Milestones

Table 3. Project Timeline and Milestones

Project Timeline and Milestones by Calendar Year Quarters						
Milestone	Downtown Ferry Terminal Electrification Project		MBFL Shore Power and Anchoring Systems		New Zero Emission Electric Vessel	
	Start	End	Start	End	Start	End
Design	Q1 - 2024	Q3 - 2025	Q1 - 2023	Q4 - 2024	Q1 - 2023	Q3 - 2024
Procurement, Bidding, and Award	Q4 - 2025	Q1 - 2026	Q3 - 2025	Q4 - 2025	Q3 - 2024	Q4 - 2024
Construction &/or Installation	Q1 - 2026	Q2 - 2027	Q1 - 2026	Q4 - 2026	Q1 - 2026	Q1 - 2028
Substantial Completion	Q2 - 2027	Q2 - 2027	Q1 - 2027	Q1 - 2027	Q1 - 2028	Q1 - 2028
Final Acceptance	Q3 - 2027	Q3 - 2027	Q2 - 2027	Q2 - 2027	Q1 - 2028	Q1 - 2028

Date of Operation	Q3 - 2027	Q2 - 2027	Q1 – 2028
Semi-Annual Reporting*	March 1 and Sept. 1	March 1 and Sept. 1	March 1 and Sept 1
Final Report Preparation	December 31, 2027	December 31, 2027	July 1, 2028

*Estimated timeline to be finalized by the EPA.

d. Scrappage

SF Bay Ferry will scrap one of its large diesel passenger vessels with delivery and commissioning of the new large electric vessel funded through this grant request. The capacity and service functionality of the scrapped diesel vessel will be equivalent to that of the new large electric vessel. Details related are contained in Tab 4b of the Clean Ports Supplemental application.

Section 3 - Programmatic Capability and Past Performance

a. Past Performance and Reporting Requirements

The five grant-funded projects below demonstrate the Port’s experience and capability of successfully implementing capital projects utilizing federal and state funding. The Port has never failed to submit timely reports that adequately report progress toward achieving expected outcomes.

#1 Project Title: Amador Street Infrastructure Improvement Project

Agreement #: 693JF72344034

Agency/ Listing #: US Department of Transportation Maritime Division - 20.823

Description: The U.S. Department of Transportation Maritime Administration (MARAD) awarded the Port of San Francisco \$9,607,500 through their fiscal year 2022 Port Infrastructure Development Program (PIDP) to complete the construction phase of the Amador Street reconstruction and pump station.

Work Plan: The project was designed by San Francisco’s Public Works staff and will perform the design support during construction. Construction Management will also be performed by Public Works staff. The project is anticipated to advertise Q2 2024 through a low bid process. Construction completion is anticipated in April 2026.

Reporting: The Port has submitted the required quarterly reports as outlined in the grant agreement. The first required quarterly report was submitted on April 21, 2024.

#2 Project Title: Heron’s Head Park Shoreline Resilience Project

Agreement #: F22AP00603-00

Agency/ Listing #: Coastal Wetlands Planning, Protection and Restoration - 15.614

Description: The US Fish and Wildlife Service awarded a grant of \$987,000 administered to the Port through the State Coastal Conservancy as part of the Coastal Wetlands Planning, Protection and Restoration Act—National Coastal Wetlands Conservation Grants. The grant is to be used to perform habitat restoration at the Port’s Heron’s Head Park.

Work Plan: The Port had a fully funded project to construct a new shoreline and plantings at Heron’s Head Park, which was completed in 2022. The Port has committed to do 10 years of monitoring and additional plantings and invasive plant species removal. The NCWC funds are currently being used to pay for the plantings and invasive species removal.

Reporting: Under the grant agreement for NCWC funds, the Port is required to submit quarterly requests for distribution with documentation of expenditures and a progress report documenting work completed during the subject reporting period. To date, the Port has completed one year of the grant-funded work program and submitted requests for distribution and progress reports in accordance with the grant agreement.

#3 Project Title: 19th and Georgia Street

Agreement #: STPL-6169(013)

Agency/ Listing #: 0417000103

Description: The Port received a grant from the Federal Highway Administration that was administered through the Metropolitan Transportation Commission and Caltrans. This was used to pay for construction of the project.

Work Plan: The Port bid the project out for construction and completed construction. It complied with the requirements of the grant and submitted all the required paperwork to administer the grant.

Reporting: The Port adjusted its contract documentation and construction management procedures to follow grant requirements. Staff submitted invoices monthly and followed the Caltrans Local Assistance Procedures Manual guidelines.

#4 Project Title: Roundhouse 2 Roof, Solarium, and Windows Replacement

Agreement #: CA Senate Bill 170. An act to amend the Budget Act of 2021

Agency/ Listing #: State Lands, 21.027

Description: The Port received a grant administered by the State Lands Commission for work that was affected by COVID-19.

Work Plan: The Port designed and is in construction for a project to perform building envelope improvements of a four-story concrete commercial building owned by the Port. The scope of work includes replacing windows, the roof, and a solarium structure.

Reporting: The Port currently reports to the State Lands Commission on a biannual basis, every May and November.

#5 Project Title: Downtown Ferry Terminal Expansion Project

Agreement #: CA-04-0160, CA-2017-045, CA-2019-096

Agency/ Listing #: FTA20.507 /FHWA 20.205

Description: SF Bay Ferry partnered with the Port to utilize funding from State, SF sales tax, FHWA and FTA funding for modernization and expansion of the Downtown Terminal. Port managed Sales Tax funding provided for the project while SF Bay Ferry managed remaining funds.

Work Plan: Project developed and constructed a \$100 million expansion of the Downtown San Francisco Ferry Terminal to increase berthing capacity, implement seismic upgrades, as well as modernize and enhance public access. This project was completed in 2021.

Reporting: Expenditures of federal funds were reported quarterly to FTA and included expenditures as well as milestone progress against the schedule and budget.

b. Staff Expertise

Staff who will be managing and overseeing this project include highly experienced professionals with decades of experience in project delivery. Staff biographies are attached, and team highlights include:

Shannon Cairns, Port Program Manager: Over 15 years of experience managing complex interdisciplinary projects in both the private and public sector.

Kathryn Purcell, Port Program Manager: Over 25 years in environmental review and waterside development.

Jan Rybka, MS, PE, SF Bay Ferry Senior Project Manager & Marine Engineer: Over 20 years in marine engineering, professional licensed naval architect and marine engineer, and retired Coast Guard Officer.

Chad Mason BS, MA, SF Bay Ferry Senior Planner and Project Manager: Over 20 years of experience in environmental planning and ferry capital project delivery

Matthew C. Ho PE, SFPUC/Power, Senior Engineer, and Manager of Distribution Engineering: Over 20 years of experience in electrical engineering and distribution design.

Section 4 – Environmental Justice and Disadvantaged Communities

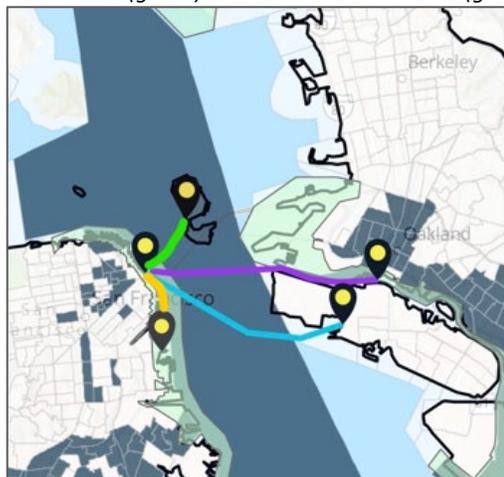
Table 4: Summary of Nonattainment Areas and Air Toxics Concerns

	Downtown San Francisco Ferry Terminal	Mission Bay Ferry Landing	Alameda County
Facility Information	Pier 1, The Embarcadero, San Francisco, CA 94111, San Francisco County	Central Waterfront, San Francisco, CA, 94111, San Francisco County	Oakland Ferry Terminal; Alameda Seaplane Lagoon Ferry Terminal
Project Activity Description & Share	Construction and ferry service; 33%	Construction and ferry service; 33%	Ferry service; 33%
Does the county contain PM2.5 or Ozone Nonattainment areas?	YES, moderate (PM2.5 2006) and marginal (Ozone 2008 & 2015 8hr Standards) non-attainment areas		
Does the county contain high ambient diesel PM concentration?	YES, High Ambient Diesel PM Concentration (>80 th percentile, 2019 Air Toxics Screening Assessment)		

a. Disadvantaged Communities: Nonattainment Areas

The Port of San Francisco is in San Francisco County (FIPS 06075). The 2024 Clean Ports Disadvantaged Community County List identifies the county as meeting the disadvantaged community definition, with additional specific indicators for poor air quality and Nonattainment areas (see, **Table 4**). The project benefits identified in Section 2a will flow directly to these communities in the service area experiencing disproportionate climate, economic, and social burdens, including West Oakland which is in the 99th percentile of those most impacted by exposure to diesel particulate matter and the 99th percentile of asthma risk for sensitive populations (see, **Figure 1**).

Figure 1: Ferry terminal locations (points), Port Boundaries (green) and Justice40 DAC tracts (gray).



b. Disadvantaged Communities: Areas with Air Toxics Concerns

The census tract of the primary project location (06075017902) is in the 97th percentile for diesel PM exposure (2021 CEJST Screening tool), and >80th percentile for modeled ambient diesel concentration (2019 Air Toxics Screening Assessment, 0.38 µg/m³). The new ZE ferry would also operate in Alameda County, which contains moderate PM_{2.5} (2012) Non-Attainment Areas and marginal 8-Hour Ozone (2008, 2015) Non-Attainment Areas; the census tracts of the ferry terminals (06001428700 and 06001983200) are >80th percentile for modeled ambient diesel PM concentration.

c. Community Engagement Prior to Application and During Project

The Port and SF Bay Ferry utilize multiple outreach methods to ensure communities, including disadvantaged and low-income communities, are engaged in the agency's decision-making process, project planning and design of the project. SF Bay Ferry has taken an inclusive and targeted approach to outreach, offering many different types of forums for people to provide input on the projects and feedback. These forums include using community-based organizations to reach out to their constituents, participating in community events, holding formal public participation meetings at different times/days, online and onboard multilingual surveys, multilingual community open houses, local and regional government coordination meetings, focus groups and co-creation workshops, and small group conversations with business and non-profit representatives.

As a regional transit operator connecting different geographies in the Bay Area, WETA also engages communities on a broader scale throughout the cities and counties where ferry terminals are currently located (including the cities of Vallejo, Richmond, Alameda, Oakland, San Francisco and South San Francisco and the counties of Solano, Contra Costa, Alameda, San Francisco, and San Mateo.)

San Francisco and Bay Area residents, workers, and waterfront stakeholders have an appropriately high level of interest in how the Port manages and develops its lands. The Port Commission and staff rely on the discussions, ideas, and comments about waterfront improvements and Port operations that emerge from these public forums to modify its plans and how it manages the waterfront.

- The **Port Advisory Committee (PAC)** provides regular opportunities for public discussions about Port operations and improvements proposed along the waterfront. Members of the PACs, include [ADD MEMBERS]and provide the Port Commission and staff with important insights on neighborhood, business, tenant, maritime, land use planning, historic preservation, and environmental issues. PAC meetings provide for open, two-way exchange that over time has built a sophisticated public understanding about waterfront needs, financial realities, and trade-offs that must be balanced to achieve common goals and aspirations.
- The Port coordinates a **Maritime Commerce Advisory Committee (MCAC)** that includes representatives from organized labor and the Port's diverse maritime businesses and is open to the public. The MCAC helps keep the Port up to date on maritime business needs and changes. They provide a forum for addressing maritime market needs and opportunities, along with the balance between maritime requirements and other public trust and City needs.
- The Port convenes the **Southern Advisory Committee (SAC)** monthly to gain insight on neighborhood, business, tenant, maritime, land use planning, and environmental justice issues facing the Port's Southern Waterfront. Committee members are appointed by the Port's Executive Director and reflect the diversity of residents, business, and environmental interests in the area.

Prior to the application, the Port and its partners engaged frequently with the community to share plans for expanding ferry service in the Bay Area and transitioning to zero-emissions ferries. Community feedback highlighted the need to expand passenger services while reducing environmental impacts. This project responds to community feedback by accelerating the transition to zero-emission ferries. Prior engagement included the following:

- **Advisory Groups.** Between 2017 and the present, the Port has regularly conducted community outreach to the Port's advisory committees including the Maritime Commerce Advisory Committee, Southern Waterfront Advisory Committee, and the Southern Advisory Committee. The committees have been very active in providing input to staff on ferry enhancements to support operation of the Bay Area's first zero emission ferries. In addition, the Port is served by community advisory groups that are appointed by the Port Executive Director and represent stakeholders ranging from residents, neighborhood organizations, environmental advocates, economic development interest, transportation and parking advocates, parks and open space interest and Port tenants.
- **Community-Based Organizations (CBOs).** Engaging CBOs has been paramount in gaining input from disadvantaged communities. In January 2023, SF Bay Ferry held listening sessions with nine community groups including Alameda Point Collaborative, One Treasure Island, Transport Oakland, Vallejo Project and many others discussing participant's transportation needs and opinions about existing and potential service, including the benefits of electrification to their communities. Feedback from this engagement resulted in the momentum to make several changes to SF Bay Ferry's programs and services including developing a more robust ferry service expansion plan, making SF Bay Ferry's Pandemic Recovery Program's temporary 30% reduction in fares permanent and fast tracking the electrification of ferry service on the San Francisco Bay.
- **Public Sector Working Groups.** In early 2023, SF Bay Ferry met regularly with five county working groups to discuss the future of ferry transportation, including elected officials, maritime operators, labor unions, and advocacy organizations from the counties of San Francisco, Alameda, Contra Costa, Solano, and San Mateo counties. Fifteen one-on-one stakeholder interviews, five focus groups, and an online questionnaire were conducted. SF Bay Ferry staff convened 44 stakeholders as part of the county working group's workshop. Participants discussed how the future could best be served by ferry service, including electrification of the Bay Area's ferry fleet. These groups took a deeper dive into technical elements and provided input on environmental impacts, especially those in sensitive protected shoreline areas. Port staff have been participating in the AB 617 working group, convened by the Bay Area Air Quality Management Group. This group works with other local air districts, community groups, community members, environmental organizations, regulated industries, and other key stakeholders to reduce harmful air pollutants, including developing strategies such as electrification of port properties and associated vessels.
- **Online Community Survey.** San Francisco Bay Ferry implemented an online survey over a three-month period in 2023 and received over 4,500 responses. The survey included six questions about the future ferry system and its trade-offs, including how to balance affordability, service frequency, service speed, coverage, and environmental sustainability. While trip frequency was listed as the top priority for current and potential ferry riders, environmental impact of ferry trips was listed as a priority when deciding whether to take the ferry over other travel modes, with zero emissions ferries listed as a top four desired outcome by survey participants.
- **Community Meetings.** For more detailed information, the use of community meetings provided the Port of San Francisco with the opportunity to engage the public on the Mission Bay Ferry Landing

project. At these meetings Port of San Francisco staff conveyed project information, while also obtaining input from participants on the project. The Port held over 100 community meetings and will continue through the duration of project implementation.

- **Online Information.** Providing online project information is a key communications strategy for any project, including those in this application. SF Bay Ferry created a [website](#) dedicated to the future of San Francisco Bay Area ferry service and provides public input to-date, including survey results, service vision information and more. The Port has a [webpage](#) dedicated to the MBFL project that provides a comprehensive overview of projects and plans as well as project updates.

d. Long-Term Community Engagement

Both the Port of San Francisco and SF Bay Ferry have a commitment to meaningful community engagement in the development and implementation of their projects and programs. The agencies have established community engagement policies that outline specific strategies for including near-port communities in decisions that affect them, including those that impact air quality.

Near-term (Year 1 and 2). San Francisco Bay Ferry will conduct outreach surveys and listening sessions as part of an awareness campaign during the summer of 2024 with East Bay Latinx and African American residents who do not normally ride the ferry to identify barriers to traveling to work, recreational and other opportunities in San Francisco, and will address the relevance of sustainability and air pollution prevention to riders. The agency will use learnings from the engagement to develop an outreach and awareness campaign in late 2024. SF Bay Ferry is part of a public private partnership formed to conduct a hydrogen vessel demonstration project to test and further understand hydrogen fuel cell technology. The demonstration project will start operating along the Port of San Francisco's waterfront from Pier 41 to the San Francisco Ferry building this June (2024) and will feature educational displays on zero emission vessel technology, the public health benefits of zero emission ferries and more about SF Bay Ferry's plans to transition to zero emissions. This demonstration project will be free to the public thanks to the public private partnership with United Airlines, Golden State Warriors, Golden Gate Ferry, and another soon to be announced partner. The Port of San Francisco will continue to use its advisory and community committees to gather feedback to ensure two-way engagement from residents and the maritime community.

Medium-term (Year 3 & 4). Medium-term engagement will convey the importance of electrification on near-port communities, including how electric ferries will reduce greenhouse gas emissions and air pollutants in the Bay Area; encourage the use of electric ferries, especially to those in disadvantaged communities; and provide ongoing information on project performance to the Bay Area public and stakeholders. The project's Community Engagement Plan will utilize advisory committees, community groups, televised and recorded meetings, pop-up engagements at existing and recurring popular events, digital promotions and newsletters, industry group-based outreach, public workshops, and local press.

Dedicated Resources. The Port has seven public relations and planning staff who regularly commit their time to community engagement, including through communications and public meetings such as waterfront advisory committees. SF Bay Ferry has several departments responsible for community engagement including public information and marketing, government & regulatory affairs, and planning. Between these departments, three full-time staff are dedicated to community outreach versed in specific expertise. SF Bay Ferry also dedicates \$200,000 annually to contracts with community outreach firms that have established relationships with community-based organizations in particular areas.

Section 5 – Project Sustainability

a. Baseline port mobile source inventory for greenhouse gases, PM_{2.5} and/or NO_x

Sources of mobile emissions at the Port include Port operations but are largely attributable to tenant operations. The Port of San Francisco hired consultants to prepare emissions inventories from mobile sources in 2005, 2010, and 2017. The two primary mobile sources were Ocean-Going Vessels and Harbor Craft. Ocean-Going Vessels were comprised of cruise ships (80%) and vehicle carriers (20%). Most cruise ships utilized shoreside power at berth. Harbor Craft were comprised of assist tugs, tug and barge, excursion ferries. In keeping with the first two inventories, the 2017 inventory excluded commuter ferry operations. The inventories provide estimates for emissions of five criteria pollutants:

- Reactive organic gases (ROG)
 - Carbon monoxide (CO)
 - Nitrogen oxides (NO_x)
 - Particulate matter, including diesel particulate matter (PM)
 - Sulfur oxides (SO_x)

The 2017 inventory also included three greenhouse gas (GHG) components: carbon dioxide, methane, and nitrous oxide, expressed as carbon dioxide equivalents that reflect the relative global warming potential of each. From 2005 to 2017 the most notable changes were decreases in NO_x and SO_x. ROG levels and CO increased very slightly and PM₁₀ decreased. Excursion ferries comparisons were complicated by errors in 2010, but overall, emissions decreased. This is attributed to a slight reduction in excursion activity but also to a switch to cleaner engines. The California Air Resources Board (CARB) estimates ferries account for 11% of transportation related GHG emissions.

The Port commits to developing an updated Port Mobile Source Emission inventory that will include ferries and track progress in reducing mobile point source emissions in Port of San Francisco jurisdiction within the project performance period (< four years). This inventory will be made publicly available and specifically reviewed with stakeholders and community members in nearby disadvantaged communities.

b. Plan to reduce port mobile source emissions.

The Port's long-term goal is to achieve net-zero emissions for Port operations by 2050, a commitment reflected the Sustainability Goal of the Port's Strategic Plan. Interim steps include converting the Port fleet to zero-emissions and supporting alternative fuels for ferries. The Sustainability Goal is supported by the Port's Sustainability Framework, which provides a detailed and systematic assessment of sustainability targets for specific issues. Electrification is critical to achieving these goals and will build on innovative work the Port has accomplished.

To complement the efforts to reduce maritime mobile source emissions, the Port will be initiating a grant-funded project to reduce emissions from heavy-duty commercial trucks. A portion of Pier 96 is used to provide parking for Class-8 trucks owned by independent operators and small fleets. The project will assess the feasibility of upgrading infrastructure at Pier 96 to support fueling of both battery electric and hydrogen fuel-cell trucks and to provide resources to assist the independent operators to become early adopters of the zero-emission trucks. This would also reduce emissions that affect the Bay View Hunters Point community identified by the California Air Resources Board as a community that would benefit from emissions reduction strategies. The Port is committed to working with BAAQMD and the community on the CERP within the project performance period.

Section 6 – Job Quality and Equitable Workforce Development

Through this project, the Port of San Francisco will drive job creation to support a diverse economy, reinforcing the vital role of maritime industries in the Bay Area. The Port’s approach will maximize the benefits of this funding opportunity, to create a racially diverse maritime workforce, while contributing to long-term economic growth and sustainability of maritime jobs in the Bay Area by providing the bellwether for recruitment efforts in the maritime workforce nationally.

a. Supporting high quality jobs

Project-Specific High-Quality Jobs Created and Supported. This project will create an estimated 300 direct jobs and 600 indirect jobs. In addition, the Workforce Development Program will train over 200 apprentices and expand collaboration with local community colleges and universities to adapt existing programs or develop new programs.

Workforce Training. The Port of San Francisco and the Water Emergency Transportation Authority will work with the WWC, a regional non-profit that provides workforce training in marine trades and water transportation careers specifically for 18–24-year-olds from low-income and disadvantaged communities in the greater Bay Area as well as re-entry individuals leaving the prison system. WWC partners include the Workforce Development Boards for Alameda, Contra Costa and Solano counties (an agreement with San Francisco County Workforce Development Board is currently under development); Alameda County Probation Department; maritime industry employers, such as commercial harbor craft operators including ferry operators and tug boat operators; shipyards and associated maritime suppliers; labor unions, such as the Machinist Institute, Inland boatmen’s Union of the Pacific, International Order of Masters, Mates & Pilots, and the California Labor Federation; community based organizations such as West Oakland Job Resource Center and Five Keys Schools and Programs; and the California State University Maritime Academy.

WWC will provide paid training programs for up to 200 participants over four years who will participate in short-term focused training that will rapidly prepare them for work in the marine trades and water transportation fields, including operating and maintaining zero-emission ferries and harbor craft. The WWC is guided by an Industry Advisory Board (IAB) consisting of employer and worker representatives, along with industry experts to work collaboratively to develop accelerated short-term training curricula for participants, based upon industry need. The IAB has a First Source Hiring Agreement, to be signed by partner employers, that prioritizes WWC training graduates in hiring. For training on the project’s equipment, WWC will work directly with the Port and WETA to develop training specific to the infrastructure and operation of the new vessel and shore power charging system, including electrical work required for the maintenance and repair of electric vessels.

The WWC can train workers quickly and will fill the current and future demand for jobs in the marine trades and water transportation sectors. The WWC also includes many wrap-around services to ensure the participants’ success, including soft skill development courses, general resources, childcare and food assistance, and legal support to help overcome any barriers to gaining the required credentials to operate in the maritime industry. Those who complete the training will be placed in apprenticeships and employment in family-sustaining good jobs, including those on this project. The WWC has an administrative staff that provides graduating apprentices with ongoing job placement assistance. The design of the WWC training program supports high quality jobs with benefits such as health insurance, retirement plans, workers’ compensation benefits, paid leave and care giving support and is fully aligned with the Good Jobs principles. WWC will offer three specific course types:

- **Marine trades:** WWC offers a 10-week course preparing participants in the following marine trades careers/skills directly related to this project: marine machinist; marine technician; marine welder; marine painter; marine carpenter; marine electrician; marine pipefitter; crane and forklift operator; drydock operator; and pile driver.
- **Water transportation:** WWC offers a 1–2-week course preparing students in the following careers/skills: masters (also called captains); mates; pilots; sailors, deckhands; marine oilers; station attendants; and ship engineers. This course is tailored to accommodate the additional training needed to address any differences between a combustion vehicle and an electric vehicle.
- **Electronic Drive Technician** (add-on training): WWC will work with Port of San Francisco and SF Bay Ferry staff to create an add-on training for mid-level electronics technicians to obtain the skills needed to maintain and repair electric vessels, including safety training, which will ensure the safety of staff while maintaining and repairing high voltage equipment.

Workforce Development Program. Ensuring that existing and future employees are adequately trained in the new equipment is critical to the success of the implementation of the zero-emission fleet transition. In 2021, SF Bay Ferry received a grant from the California Energy Commission, to support the development of a blueprint to transition to zero emissions. This plan included an assessment of the current workforce capabilities and identified the new roles, skills and training required for the existing workforce to operate and maintain the zero-emission technology that will be implemented through this project. In partnership with the Working Waterfront Coalition, the Workforce Development Program for this project is being developed based on the specific zero emission technology being implemented in this project, including development of a new electronic drive technician training course. Existing commissioning and new hire training protocols were modified based on the expected new ZE skills and safety training. Workforce-related risks were also identified, and appropriate risk mitigation strategies were proposed for the successful implementation of ZE technology. The final Workforce Development Program will also include procedures to overcome any workforce issues that could create risk for the successful implementation of a zero-emission ferry system. The Port and WETA will use this plan to ensure that the proposed project provides employment and workforce development and training benefits to the community, particularly to priority populations.

Worker and Passenger Safety. SF Bay Ferry has historically worked with unions to develop a project labor agreement (PLA) for large terminal construction projects that includes robust worker safety policies. For the WWC program, all marine trades students will complete the Occupational Safety and Health Administration (OSHA 10) Construction Safety training taught by industry employers and will receive a certificate of completion. In addition, project partners will provide training required for the manufacturing, maintenance and repair of electric vessels and charging equipment. All safety protocols will be updated to reflect safety requirements for the new equipment.

Ports that serve people must also consider the safety of everyday passengers when contemplating a transition to zero emissions, which is a unique challenge for the Port of San Francisco. As part of the project's early development, SF Bay Ferry has proactively engaged the United States Coast Guard, local building, and fire departments to advise on the design on the zero-emission equipment to ensure the highest level of safety and the groundwork for compliant and effective passenger safety protocols. The Port and SF Bay Ferry will share these passenger safety protocols with other ferry operators to accelerate the transition to zero-emission water transit.

Worker and Labor Engagement. The Port, in partnership with WWC, will recruit participants through partnerships with community-based organizations, county workforce development boards and

probation departments in Alameda, Contra Costa, Solano and San Francisco Counties and others. WWC will assist participants in securing well-paying jobs via First Source Hiring Agreements with Bay Area maritime employers. A First Source Hiring Agreement allows the member employers to have the first chance at hiring WWC graduates. WWC is working with the local unions, including the Inlandboatmen's Union (IBU) of Pacific, the International Organization of Masters, Mates and Pilots, and the Machinists District Lodge 190 to create the training program and to recruit and hire participants from low-income, disadvantaged communities and the re-entry population. Many of the positions will be union represented positions. The primary strategy for amplifying the worker's voice will be the inclusion of key worker representatives at the IAB (see attached letters of commitment). Worker representatives who have committed to participation in the IAB include the California Labor Federation; the Inland boatmen's Union of the Pacific; the International Organization of Masters, Mates and Pilots; and the Machinists Automotive Trades District Lodge 190. Worker members of the IAB will contribute to the design, implementation, and evaluation of the training program curriculum.

Benefits and Pay. The positions available to recent WWC graduates employed to operate equipment and maintain technology for this project will be high paying (prevailing wage) positions with full benefits including health insurance, retirement plans, workers' compensation benefits, paid leave and care giving support. The wages will be determined via negotiations with labor unions and companies. Additional benefits associated include many wrap-around services such as soft skill development courses, general resources, childcare and food assistance, and legal support.

b. Expanding access to high-quality jobs, including for people in low-income and disadvantaged near-port communities.

The Working Waterfront Coalition training program is designed to connect low-income workers from disadvantaged communities with good quality, high paying jobs, offering entry opportunities with pathways to advancement. Traditional word of mouth communication of job opportunities in the marine trades has significantly limited the maritime workforce's diversity. The Port and its workforce partners will use the following strategies for attracting, retaining, and placing individuals with low incomes from disadvantaged communities into high-quality jobs in the marine trades and water transportation fields:

- **Use of Community Groups, Workforce Boards and Internet in Recruitment:** The Port and WWC will partner with community-based organizations and workforce development boards in San Francisco, Contra Costa, Alameda and Solano Counties (letters of commitment attached) that work with underserved populations, including English Language Learners (ELLs) and immigrants, returning citizens, and youth, the project will reach out intentionally to communities that have not traditionally been exposed to career opportunities in the marine industry. The WWC has developed an effective advocacy program promoting its training opportunities online via targeted social media and internet marketing using social media experts in the 18–24-year-old range from disadvantaged communities such as Richmond, CA. This will enable WWC to expand its reach to those who would not normally have access to these opportunities.
- **Customize training and support:** To support the projects in this grant, WWC will work with San Francisco Bay Ferry staff to create a training for mid-level electronics technicians to obtain the skills needed to maintain and repair electric vessels. All participants will receive training in essential (soft) skills such as effective communication, customer relations, and good work habits, increasing their likelihood of placement and retention in marine employment. WWC will also provide a full suite of wrap-around services to ensure the success of the program's participants, including a stipend to

cover general expenses, transport to and from classes, access to child-care, nutrition assistance, soft skill development, legal assistance, and more.

- **Provide Hiring and Retention Support:** Employers will have direct input in designing WWC training around the specific needs of the industry, which will ensure that participants develop the relevant skills they need to be hired. Once participants enter apprenticeships or employment, there are clear pathways and a strong employer commitment to helping workers develop their skills and move to better paid employment. First Source Hiring Agreements signed by employers have been shown to increase placement of training participants in employment. Offering a wide array of career pathways to participants will also increase the likelihood that participants can select a pathway that aligns with their interests.

Section 7 – Project Resilience to Climate Impacts

The Port has been proactive in addressing the resilience of its waterfront jurisdiction to potential impacts from climate change, specifically in relation to sea-level rise. Specific to this project, several measures have been implemented or are proposed to ensure resilience to future climate impacts and protect grant-funded equipment and vessels. At all three terminal sites where shore power charging systems will be installed, wharf elevations will be raised to protect from total water levels projected to occur due to rising sea levels and increasing severe storms over the next 50-75 years. Components of the shore power charging systems would be secured to floating facilities that rise and fall with tides, preventing flooding or inundation during severe storm events. Access ramps connecting the wharf areas to floating facilities have been upsized to ensure safe and ADA compliant grades are maintained during all tidal conditions now and into the future. Lastly, wharf facilities have been designed to Essential Facilities Standards to address the potentially compounding risks of seismic activity near the project site as it relates to resiliency. Cooling systems for the shore power charging systems will be designed to account for future extreme heat events. The project site and grant-funded equipment are not vulnerable to extreme cold weather, drought, or wildfire risks.

Section 8 – Budget

a. Budget Detail

The San Francisco Bay Emissions-Free Ferry System budget is \$70.9 million, including a request for \$55.4 million (78%) EPA Clean Ports grant funding and \$15.5 million (22%) matching funds. **Notably, \$42.0 million (59%) of the total project budget will go directly to the purchase and installation of a high-speed electric vessel and a shore power and anchoring system to charge vessels.** The remaining \$28.9 million (41%) will support costs associated with design, permitting, and construction management as well as deliver construction of behind the meter infrastructure.

Project Expenditures – The \$70.9 million Project budget includes the following expenditure line items:

Project management staff (\$0.2 million). The Port has assigned two project managers to oversee project implementation. While the hours vary from week to week, on average, staff will oversee the project for approximately 100 weeks at the following rates:

- Shannon Cairns, Project Manager: \$119/hr. x 100 weeks x 10 hrs./week = \$95,000
- Kathryn Purcell, Project Manager: \$100/hr. x 100 weeks x 6 hrs./week = \$56,000
 - Subtotal Salaries = \$151,000
 - Fringe: 32% Fringe Rate x \$151,000 total salaries = \$51,000
 - *Total Salaries + Fringe = \$203,000*

Contractual (\$2.9 million). The Port is requesting funds to complete final design, permitting, and regulatory steps (\$0.5 million) as well as for construction management, inspections, and monitoring (\$2.4 million) of construction of electrification infrastructure and equipment.

Construction (\$2.1 million). The Port will directly manage behind the meter construction at the Mission Bay Ferry Landing, totaling \$2.1 million.

Other/ Subawards (\$65.8 million). The Port is partnering with SF Bay Ferry and the SFPUC to deliver critical equipment, infrastructure, and workforce development services, as follows:

- SF Bay Ferry (\$48.8 million) to manage construction of high-speed electric ferry vessel, behind the meter infrastructure as well and procure a shore power and anchoring system. This budget includes \$2.0 million for the Working Waterfront Coalition to provide critical workforce development services that will directly support ongoing operations of the electrified ferry system.
- San Francisco Public Utilities Commission (\$17.0 million) to deliver behind the meter infrastructure to the shore power and anchoring systems. This subaward includes an SFPUC match of \$13.6 million to the \$3.4 million EPA grant request. The SFPUC is responsible for planning, designing, and engineering its electrical service facilities and service laterals using well-developed and proven SFPUC standards for design, materials, and construction.

Project Sources/ Matching Funds – In addition to the \$55.4 million (48%) grant request, the Project budget includes \$15.5 million (22%) matching funds from a variety of local and state sources:

SFPUC (\$13.6 million). The SFPUC has committed \$31 million to expanding grid capacity along the waterfront to meet growing demand, including to serve cruise and other passenger vessels.

CalSTA/ Transit and Intercity Rail Capital Program (TIRCP) (\$1.0 million). The State of California's TIRCP funds have been awarded to SF Bay Ferry to support behind the meter infrastructure costs.

Regional Measure 3 (\$0.9 million). Regional Measure 3 (RM3) was approved by a majority of voters in the nine Bay Area counties in 2018 and authorized a three-dollar bridge toll increase on the Bay Area's state-owned bridges to fund a comprehensive program of regional transportation improvements. RM3 includes capital funds for WETA, of which \$0.9 million is provided to support BTM infrastructure costs.

Leveraged Funds – Delivery of the entire ZE ferry service to San Francisco leverages over \$115 million from other local, state, and federal sources that were applied to earlier phases or support ineligible expenses for the grant, such as front of meter infrastructure, environmental remediation of waterways approaching the ferry terminals, and ferry terminal infrastructure. These sources include:

Regional Measure 3 (\$45.3 million). RM3 funding will fund three small electric vessels programmed to serve Downtown and Mission Bay and Treasure Island. This funding will also deliver non-grant eligible construction components such as the fixed pier, gangway, and front of meter infrastructure.

CalSTA/ Transit and Intercity Rail Capital Program (\$27.2 million). The TIRCP funds support early design and procurement of shore power and anchoring systems needed for this service and two small electrified zero emission vessels. This funding will also fund delivery of non-grant eligible construction that are critical for full implementation of the project.

FTA/Rapid Electric Emission-Free (REEF) Ferry funding, (\$13.1 million). These Federal Transit Administration (FTA) funds were awarded to support early procurement of one small electric vessel and the shorepower systems at the Downtown Terminal critical to full implementation of the project.

City and County of San Francisco Capital Funds (\$20.9 million). Several departments within the City and

County of San Francisco, including the Port and the City’s General Fund, funded early-phase project expenses including design, permitting, and environmental mitigation.

San Francisco Sales Tax (\$4.5 million). This local funding is being used to support environmental mitigation of the waterways utilized by the ferry system.

Private (\$4.0 million). A private business has pledged \$4.0 million to the project, recognizing the benefit of improving and diversifying transportation options for its employees, to support environmental mitigation of the waterways utilized by the ferry system and other non-grant eligible expenses.

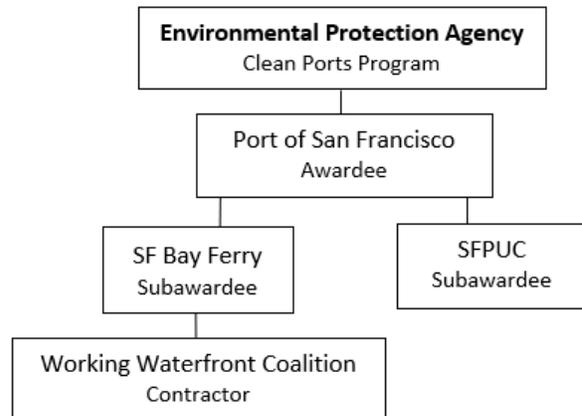
Table 5: Project Budget Overview

Line Item & Itemized Cost	EPA Funding	Non-Federal Cost Share
Personnel		
(1) Project Manager @ \$119/hr x 10 hrs/wk x 100 wks	\$95,000	\$0
(2) Project manager @ \$100/hr x 6 hrs/wk x 100 wks	\$56,000	\$0
TOTAL PERSONNEL	\$151,000	\$0
Fringe Benefits		
Full-time Employees @ 32% of Salary and Wages x Total Personnel	\$51,000	\$0
TOTAL FRINGE BENEFITS	\$51,000	\$0
Contractual		
Design, Entitlements, & Regulatory Fees	\$500,000	0
Construction Management, Inspections, and Monitoring	\$2,394,000	0
TOTAL CONTRACTUAL	\$2,894,000	\$0
Construction		
Behind the Meter Construction	1,128,000	\$937,000
TOTAL CONTRUCTION	\$1,128,000	\$937,000
Other		
Subaward: San Francisco Bay Ferries	\$47,762,000	\$1,000,000
<i>Shore Power & Anchoring Systems</i>	<i>\$14,000,000</i>	<i>\$0</i>
<i>Equipment: High Speed Vessel</i>	<i>\$28,000,000</i>	<i>\$0</i>
<i>Behind the Meter Construction</i>	<i>\$3,762,000</i>	<i>\$1,000,000</i>
<i>Workforce Development (Working Waterfront Coalition)</i>	<i>\$2,000,000</i>	<i>\$0</i>
Subaward: San Francisco Public Utilities Commission	\$3,400,000	\$13,600,000
TOTAL OTHER	\$51,162,000	\$14,600,000
TOTAL FUNDING	\$55,386,000	\$15,537,000
<i>Percent of Total Project</i>	<i>78%</i>	<i>22%</i>
TOTAL PROJECT COST	\$70,923,000	
ZE mobile source equipment	\$42,000,000	
<i>Percent of Total Project</i>	<i>59%</i>	

b. Expenditure of Awarded Funds

The Port, SF Bay Ferry and the SFPUC have been working collaboratively for several years on a plan to deliver the proposed project. Upon grant award, the Port will enter formal memoranda of understanding with subawardees SF Bay Ferry and the SFPUC to clearly delineate project and financial responsibilities related to their subawards (see Organization Chart, Figure 2). SF Bay Ferry will contract with the Working Waterfront Coalition and take responsibility for management of program outcomes for that entity. Additionally, each subawardee will develop a project controls team for each component to include engineering, finance, contractual, and communications managers to coordinate management of the project. Key to project controls is oversight of schedule and budget and will include financial staff experienced with managing federal funds to ensure compliance with EPA grant regulations and overarching OMB federal funding rules. Program management will follow best practices such as monthly meetings to review risk registers, cost-loaded schedules, potential delays, cashflow and delivery progress. Communication between the project staff and EPA will be prioritized to ensure responsiveness to the EPA’s expectations and needs.

Figure 2: Organization Chart



c. Reasonableness of Costs

Cost estimates were developed through close collaboration between the Port and its partners and utilizing input from utility and marine engineering firms.

Project management staff. Personnel costs are based on current hourly and fringe rates of the individuals assigned to the project and an estimate of staff time that will be dedicated to the project.

Contractual. The Port developed the cost estimate for design and permitting consultants utilizing service rates from a competitively procured contract with COWI/OLMM, JV. The Port will select a construction, management, and inspection firm from its as-needed engineering pool that was competitively selected in 2022. The anticipated cost of services is 10% of construction costs per prior project performance.

Construction. The Port completed several rounds of cost estimating for the construction of MBFL that includes escalation of a completed bid process in 2019 for the first phase of the project, which has already been completed. A cost estimator developed the current cost estimate by directly contacting manufacturers and by escalating expenses.

Other/ Subawards. The SFPUC and SF Bay Ferry each completed planning processes to develop cost estimates for the delivery of infrastructure, critical equipment, and workforce development:

- SF Bay Ferry – SF Bay Ferry will be delivering the vessel and shore power systems. Project management staff and industry leaders have developed a comprehensive plan to build out vessels and infrastructure. Over the past three years SF Bay Ferry has engaged with industry leaders including Aurora Marine Design, Elliott Bay Design Group, Liftech, and ARUP. Working closely with industry has allowed the agency to learn from recent electrification projects. Wartsila has been selected to act as the ferry system integrator to ensure engineering and design align with equipment

availability. Wartsila has extensive experience in Europe having successfully led zero-emissions ferry builds there. Liftech has, to date, acted as the structural engineer for the design work to date for the proposed shore power and anchoring system. Liftech was extensively involved in the original design and construction of the Downtown San Francisco facility. The design of the shore power system is currently 90% and is scheduled to begin procurement activities by the end of June 2024.

This is critical to ensuring that the vessels and systems are integrated and performing as a system to rapidly charge the vessels. Added to this knowledge is the decades of experience by the engineering team in managing vessel construction projects. Each class of vessel delivered by the team has brought new technology and emissions improvements. These costs have been escalated to the year of proposed delivery and the costs have been approved by the Executive Director of SF Bay Ferry, Seamus Murphy.

- SFPUC – The SFPUC will deliver a shared duct bank in Spear Street alignment segment of the DFT Electrification Project. The estimated cost for this segment is \$10,000 per linear foot. This estimate was provided by the SFPUC based costs from a recent similar scope project completed by the SFPUC (Bay Corridor Transmission and Distribution Project).

Section 9 – Attachments

- *Statutory Partnership Agreement (Required, if applicable): Not Applicable.*
- *Intertribal Consortium documentation (Required, if applicable): Not Applicable.*
- **Applicant Fleet and Infrastructure Description (Required):** See attached.
- **Project Team Biographies:** See attached.
- *Negotiated Indirect Cost Rate Agreement: Not Applicable.*
- **Letters of Commitment:** See attached.
- **Letters of Support:** See attached.
- **Documentation of Partnership with Utility:** See attached.
- **Supplemental Application Template:** See attached.

**SUBAWARD AGREEMENT
BETWEEN
SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY (WETA)
AND
PORT OF SAN FRANCISCO (PORT)**

This Subaward Agreement (Agreement) is effective May 1, 2025 and is entered into by and between the San Francisco Bay Area Water Emergency Transportation Authority (SF Bay Ferry) and the Port of San Francisco (Port).

WHEREAS, the Environmental Protection Agency (EPA) awarded the San Francisco Waterfront Emissions-Free Ferry System grant (Primary Grant Agreement) to Port on December 12, 2024 to improve air quality and reduce pollution at the San Francisco and Alameda County Ports and in the surrounding area through the deployment of zero-emission equipment and infrastructure at the ports; and

WHEREAS, Port intends through this Agreement to pass-through \$51,000,000 from the Primary Grant to SF Bay Ferry which will allow the Port and SF Ferry to collaborate in the implementation of the Primary Grant Agreement through the construction of port infrastructure, procurement of zero-emissions equipment and development of a workforce training program; and

WHEREAS, SB 595 (Chapter 650, Statutes 2017), commonly referred to as Regional Measure 3 (RM3), identified projects eligible to receive funding under the RM3 Expenditure Plan; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for RM3 funds, pursuant to Streets and Highways Code Section 30914.7(a) and (c); and

WHEREAS, the SF Bay Ferry is an eligible sponsor of transportation projects in the RM3 Expenditure Plan; and

WHEREAS, SF Bay Ferry intends on utilizing up to \$26 Million from allocations approved by MTC for the Ferry Enhancement Program authorized by RM3; and

WHEREAS, SF Bay Ferry committed an additional \$2 million in funding for the San Francisco Waterfront Emissions-Free Ferry System from other SF Bay Ferry-controlled grant funds; and

WHEREAS, SF Bay Ferry intends to allow Port to request reimbursement of up to \$28 million for expenses related to the implementation of the Primary Grant Agreement at the Mission Bay Terminal as appropriate for the project elements.

NOW THEREFORE BE IT RESOLVED, that SF Bay Ferry and Port agree to the following:

1. DEFINITIONS

The following definitions apply to this agreement:

- a. "Awarding Agency" means EPA.
- b. "City" means the City and County of San Francisco.
- c. "EPA" means the U.S. Environmental Protection Agency.

- d. "Ferry Enhancement Program" means RM3 Project Five, which funds the purchase of new vessels, upgrading and rehabilitating existing vessels, building facilities and landside improvements, and upgrading existing facilities of SF Bay Ferry.
- e. "Mission Bay Terminal" means Mission Bay Ferry Landing.
- f. "Port" means the Port of San Francisco.
- g. "Primary Grant Agreement" means Inflation Reduction Act – Clean Ports Program, grant number 97T27501.
- h. "Project" means all activities related to the construction of port infrastructure, electrical grid extensions, procurement of zero-emissions equipment and development of a workforce training program, all as called for in the Primary Grant Agreement
- i. "SF Bay Ferry" means the San Francisco Bay Area Water Emergency Transportation Authority.
- j. "Pass-through entity" means Port.
- k. "RM3" means Regional Measure 3, a voter-approved funding mechanism that finances highway and transit improves in the San Francisco Bay Area.
- l. "Sub-recipient" means SF Bay Ferry.
- m. "Working Waterfront Coalition" means the regional maritime workforce development program that will be contracted to implement a workforce development program in line with the requirements of the Primary Grant Agreement.

2. PURPOSE

The purpose of this Agreement is to pass-through funds from the Primary Grant Agreement from Port to SF Bay Ferry.

In addition, pursuant to the Memorandum of Understanding between the Port and SF Bay Ferry dated March 13, 2025, SF Bay Ferry has agreed to request allocation of \$26,000,000 from the Ferry Enhancement Program that is part of RM3 to further the Project. The additional purpose of this Agreement is to allow Port to request reimbursement from SF Bay Ferry for expenses related to the implementation of the Project at Mission Bay Terminal, which will be paid out of the above requested allocation.

3. FEDERAL AWARD IDENTIFICATION

The following information is provided in line with the EPA's Grants Policy Issuance (GPI) 16-01: EPA Subaward Policy for EPA Assistance Agreement Recipients.

- a. SF Bay Ferry's Data Universal Numbering System (DUNS) number: 829410518.
- b. Federal Award Identification Number (FAIN): 97T27501.
- c. EPA Award Date: 12/11/2024.
- d. Amount of Subaward from Port to SF Bay Ferry: \$51,000,000.
- e. Total Amount of the EPA Award to Port: \$55,386,000.
- f. Catalog of Federal Domestic Assistance (CFDA) Number and Name: 66.051 - Clean Ports Program.
- g. Indirect cost rate for the pass-through entity's Federal award: 0.00%
- h. SF Bay Ferry indirect cost rate: De Minimus

4. FEDERAL AWARD PROJECT DESCRIPTION

The activities that make up the Project include the purchase and deployment of zero-emission equipment, technologies, and related infrastructure, as well as near-port community engagement and workforce development. The anticipated deliverables include the purchase and deployment of one

new zero-emission electric ferry vessel and two vessel shore power charging systems with 17 kW total capacity. Other deliverables include zero-emission technology and equipment training for underserved communities, long-term community engagement forums, and institutional and operational changes that allow for future deployment of additional zero-emission technologies.

5. SUBAWARD PROJECT DESCRIPTION

SF Bay Ferry will manage the construction of the high-speed electric ferry vessel, behind the meter infrastructure as well as procure a shore power and anchoring system. The subaward to SF Bay Ferry includes the workforce development services from the Working Waterfront Coalition that are part of the Project.

6. COMPENSATION

- Port will award SF Bay Ferry \$51,000,000
- SF Bay Ferry will reimburse the Port for expenditures related to the Project at Mission Bay Terminal up to \$28,000,000 as appropriate for the source of those funds.

The parties agree that project funding for project elements may shift by mutual agreement in order to comply with federal and state guidelines around the use of grant funds as needed.

7. MANNER OF PAYMENT

SF Bay Ferry will submit requests for reimbursement to Port monthly based on its actual expenditures during the previous month. Port will reimburse SF Bay Ferry within 30 days of SF Bay Ferry's request; for avoidance of doubt, Port's reimbursement of SF Bay Ferry's expenditures is not conditioned on the Port's draw down of funding from the EPA Award.

Port will submit requests for reimbursement to SF Bay Ferry monthly based on its actual expenditures related to the implementation of the Project at Mission Bay Terminal during the previous month. SF Bay Ferry will reimburse Port within 30 days of Port's request. PDF invoices should be emailed to the WETA Project Manager, Chad Mason at Chad.Mason@sfbayferry.com with cc to payables@watertransit.org. No hard copy invoices are required if WETA acknowledges receipt of the email invoice

8. TERM

The term of this Agreement will be until completion of the Project that is subject of the Primary Grant Agreement.

9. FEDERAL FLOW DOWN REQUIREMENTS

SF Bay Ferry will cooperate with recipient obligations under the Primary Grant Agreement.

SF Bay Ferry is accountable to Port as the pass-through entity for compliance with Federal requirements. These requirements include, but are not limited to:

1. Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex (including sexual orientation and gender identity), age, or disability. In addition, the SF Bay Ferry agrees to comply with applicable Federal implementing regulations.

2. Equal Employment Opportunity - The following equal employment opportunity requirements apply to the Agreement to the extent required by law:

- i. Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 CFR Chapter 60, (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect activities undertaken in the performance of the Contract. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action must include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
- ii. Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
- iii. Disabilities - In accordance with Title I of the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 *et seq* (ADA), the Contractor agrees to comply with the ADA, and agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

3. Reporting Subawards and Executive Compensation under Federal Funding Accountability and Transparency Act (FFATA) set forth in the General Conditions of the Primary Grant Agreement entitled "Reporting Subawards and Executive Compensation."

4. EPA's limitations on individual consultant fees: As required by the Primary Grant Agreement, SF Bay Ferry may not pay individual consultants more than the maximum daily rate for a Level IV of the Executive Schedule, as maintained by the U.S. Office of Personnel Management, to be adjusted annually. This cap does not apply to salaries/compensations for the employees of a firm that contracts with SF Bay Ferry.

5. EPA's prohibition on paying management fees: Management Fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. "Management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses; unforeseen liabilities; or for other similar costs which are not allowable under this

assistance agreement. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

6. The Procurement Standards in 2 CFR Part 200 including those requiring competition when the SF Bay Ferry acquires goods and services from contractors (including consultants).

7. Build America, Buy America Requirements

All projects under this Agreement are subject to the domestic sourcing requirements under the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117- 58, §§ 70911-70917) when using federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States as required by the Primary Grant Agreement.

See EPA's "Build America, Buy America" general term and condition for additional requirements: <https://www.epa.gov/grants/grant-terms-and-conditions>.

10. DOCUMENTATION AND REPORTING REQUIREMENTS

SF Bay Ferry must comply with the documentation and reporting requirements as set forth in the Programmatic Conditions of the Primary Grant Agreement entitled "Performance Reporting and Final Performance Report."

Port must provide SF Bay Ferry with all documentation and information necessary for SF Bay Ferry to comply with MTC's RM3 reporting requirements, as detailed in MTC Resolution No. 4404 Attachment A, RM3 Policies and Procedures.

11. ACCESS TO RECORDS AND REPORTS

SF Bay Ferry must provide access to any books, documents, papers, and records which are directly pertinent to this subaward for the purpose of making audits, examinations, excerpts, and transcriptions to authorized representatives of Port and the Federal awarding agency. Access includes:

1. SF Bay Ferry financial statements and reports.
2. Programmatic reports including information on environmental results.
3. Audit findings.
4. Any other documentation necessary to verify compliance with subaward terms and Federal regulations.

12. INSURANCE

SF Bay Ferry and Port will require any third-party contractor, vendor, or service provider engaged in connection with this Agreement to maintain insurance coverage that names both Port and SF Bay Ferry as an additional insured.

13. INDEMNITIES

Whenever Port or SF Bay Ferry enter into a contract with a third party contractor related to the Project, that third-party contract must require the third-party contractor to name both Port and SF Bay Ferry, as well as their respective officers, directors, employees, consultants, and agents, as indemnitees receiving any contractual indemnity obligations from the third party contractor.

14. AMENDMENT

This Agreement can be modified only by written amendment signed by both parties hereto.

15. CLOSE OUT TERMS AND CONDITIONS

SF Bay Ferry must submit a final performance report within 120 days after the end of the period of performance. Any funds not expended by the end of the period of performance must be returned to the pass-through entity within 30 days of the end of the period of performance. SF Bay Ferry must comply with all equipment disposition requirements in the Primary Grant Agreement.

Port must provide SF Bay Ferry with all documentation and information necessary to allow SF Bay Ferry to comply with notification and close out requirements as detailed in MTC Resolution No. 4404 Attachment A, RM3 Policies and Procedures.

Signatures on Next Page

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers.

PORT:

PORT OF SAN FRANCISCO

By: _____

Date: _____

Name: Elaine Forbes

Title: Executive Director

David Chiu, City Attorney

By: _____

Date: _____

Name: Michelle Sexton

Title: Deputy City Attorney

SF BAY FERRY:

SAN FRANCISCO BAY AREA WATER
EMERGENCY TRANSPORTATION
AUTHORITY

By: _____

Date: _____

Name: Seamus Murphy

Title: Executive Director

Approved as to form:

Legal Counsel to SF Bay Ferry

MEMORANDUM OF UNDERSTANDING

This **MEMORANDUM OF UNDERSTANDING** (“MOU”) dated as of March 13, 2025 for reference purposes only, by and among the **CITY AND COUNTY OF SAN FRANCISCO** (“City”), acting by and through the **SAN FRANCISCO PORT COMMISSION** (“Port”) and the **SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY** (“WETA”, or “SF Bay Ferry,” and together with the Port, the “Parties”), replaces that certain “Memorandum of Understanding for the Planning, Design, Entitlement, and Funding of the Mission Bay Ferry Landing Project” between the Parties dated June 30, 2017, which established a framework for development of a future Mission Bay Ferry Landing.

RECITALS

A. The Port of San Francisco oversees, manages, and holds 7.5 miles of waterfront lands, from Aquatic Park in Fisherman’s Wharf to Heron’s Head Park near India Basin, in public trust for the use and enjoyment of the people of California. The Port works to advance environmentally and financially sustainable maritime, recreational, and economic opportunities for the residents of and visitors to the City, Bay Area, and the State of California.

B. WETA was created by the State of California to develop and operate a regional ferry transit system on San Francisco Bay and to coordinate water transit response in the event of a natural disaster or regionally disruptive event. WETA, under the operating brand SF Bay Ferry, currently operates service to San Francisco from six terminals throughout the Bay Area.

C. The Mission Bay Ferry Landing (“MBFL”) is a ferry terminal to be constructed in the Mission Bay neighborhood near the intersection of Terry A. Francois Boulevard and 16th Street, adjacent to Agua Vista Park and near the Bayfront Park. The MBFL project (“Project”) includes the construction of a ferry terminal and equipment installation, including a Universal Charging Float (UCF) capable of mooring and charging battery electric ferry vessels with a connection to the local electrical grid. The Project also includes the construction of a fixed pier with canopy, a gangway, and shoreside public access and open space improvements. Project components are illustrated in Exhibit 1B.

D. On June 30, 2017, the Parties entered into a Memorandum of Understanding for the Planning, Design, Entitlement, and Funding of the Mission Bay Ferry Landing Project; this MOU replaces the 2017 Memorandum of Understanding in its entirety, and upon full execution and delivery of this MOU, the Parties declare the Memorandum of Understanding for the Planning, Design, Entitlement, and Funding of the Mission Bay Ferry Landing Project to be null and void.

E. The Port completed a Mitigated Negative Declaration (State Clearing House No. 2018052002, July 6, 2018) that meets the requirements of the California Environmental Quality Act (CEQA) for environmental clearance of the Project.

F. The Parties acknowledge that new ferry service at Mission Bay was identified in Plan Bay Area 2050, San Francisco Bay Area's long-range Regional Transportation Plan jointly developed and adopted in 2021 by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG). New ferry service at MBFL is also identified in SF Bay Ferry's 2050 Service Vision as a Tier I expansion project.

G. The Port and other departments within the City have invested \$16.7 million in early-phase project expenses for the Project including design, permitting, and environmental mitigation.

H. SF Bay Ferry intends to request allocation of up to \$26.0 million for the Project from the \$300 million Ferry Enhancement Program approved by voters in June 2018 as part of Regional Measure 3 ("RM3") to purchase new vessels, upgrade and rehabilitate existing vessels, build facilities and landside improvements, and upgrade existing facilities.

I. The Parties agree that the Project will be designed and constructed to support the operation of zero emission battery electric ferry vessels, in addition to SF Bay Ferry's current fleet of diesel vessels.

J. SF Bay Ferry has been awarded grant funds from the California State Transportation Agency (CalSTA) Transit via its Intercity Rail Capital Program (TIRCP) for electrification of MBFL to support zero emissions ferry service.

K. In addition to this MOU, it is the intent of the Parties to enter into a long-term lease ("Lease") and companion long-term license ("License"), which collectively will delineate the ongoing operation and maintenance rights and responsibilities at the MBFL upon Project completion. Furthermore, the Parties agree to enter into any necessary subrecipient or funding agreements required to access or disburse funds awarded for the Project and to comply with all terms and conditions of those fund sources.

L. Under a separate agreement (Lease No. L-16591, as will be amended), the Port agrees to allow continued use of Pier 48.5 by SF Bay Ferry as an interim landing for special event services and potentially short hop service to the San Francisco Ferry Terminal until commencement of operations at the MBFL. If mutually desirable, the Parties agree to explore the future feasibility of a permanent landing at Pier 48.5 serviced by SF Bay Ferry.

M. SF Bay Ferry anticipates that it will initially serve the MBFL with service from the North Bay and East Bay during normal morning and evening commute times. Depending on ridership demand and operating fund availability, SF Bay Ferry may also

provide service to the MBFL for special events at the Chase Center or other nearby locations, as well as for the short-hop service to the San Francisco Ferry Terminal and to other regional terminals.

AGREEMENT

The parties hereby agree as follows:

I. Incorporation of Recitals

The above recitals are specifically incorporated into this MOU.

II. Term

This MOU will be effective on the last date this MOU is signed by all Parties and, subject to either Party's ability to terminate the MOU for any reason upon 90 days' notice, will expire upon full execution of the long-term lease and license agreements referenced in Recital K above.

III. General Principles

By and through this MOU, the Parties agree to:

- 1) Work collaboratively to pursue timely implementation of the Project in support of the respective organizational missions of the Parties.
- 2) Acknowledge the current funding plan including Port and SF Bay Ferry funding commitments for MBFL as summarized in Exhibit 1A to this MOU.
- 3) Work together to advocate for the preservation and allocation of all funding committed to the project.
- 4) Acknowledge the potential for additional Project or Project-related costs to arise in the future. The parties will partner to secure future sources of revenue as needed, including but not limited to potential regional transportation measures.
- 5) Acknowledge that SF Bay Ferry's total requested allocation of RM3 funds to support construction of the Project shall not exceed \$26.0, the total commitment indicated in Exhibit 1A.
- 6) Delineate specific roles and responsibilities for SF Bay Ferry and the Port related to the Project.

IV. General Approach to Project Implementation

Planning and implementation of the Project is being undertaken as a partnership between the Port and SF Bay Ferry. The Project also involves close coordination with additional local, State, and Federal agencies, as well as community stakeholder groups.

The Port will continue to serve as the lead agency throughout the planning and implementation phase of the Project, supported by SF Bay Ferry. Specifically, the Port has lead agency responsibilities regarding:

- Regulatory permits and environmental clearance
- On-site construction contracts and building permits
- Overall Project management, construction management and
- Public outreach and external Project-related communications.

Further details related to Project funding, design and delivery, and the division of responsibilities are included below and in Exhibits 1A and 1B.

V. Project Financing

The Project is understood to be fully funded as of the date of this MOU and supported by \$74.4 million of local, regional, state and federal sources that are being managed by the Port and SF Bay Ferry. The Port and SF Bay Ferry acknowledge that each agency's budget is subject to an appropriations process, and therefore its ability to pay for its allocated costs is subject to the appropriations of funds.

The funding details below illustrate the availability of funding and agreed-upon intended uses by source; however, both funding sources and uses may be adjusted by the Parties if necessary.

- 1) **City and County of San Francisco Capital Funds (\$19.8 million)**. Several departments within the City and County of San Francisco have or will contribute funding to various phases of the Project:
 - *Port of San Francisco (\$7.0 million)* – The Port contributed \$7.0 million towards early-phase project expenses including design, permitting, and environmental mitigation.
 - *Parks Bond (\$2.0 million)* – The Port will also invest \$2.0 million City Parks Bond proceeds in Aqua Vista Park improvements, which is directly adjacent to the landing; Project construction includes installation of landing utilities in the park area and using the area as the contractor's temporary staging area during construction.
 - *General Fund (\$1.2 million)* – The City's General Fund supported early-phase project expenses including design, permitting, and environmental mitigation.
 - *Office of Community Investment and Infrastructure ("OCII") (\$8.5 million)* – OCII contributed funding toward the early-phase project expenses including design, permitting, and environmental mitigation.
 - *San Francisco Public Utilities Commission ("SFPUC") (\$1.1 million)* – The SFPUC will fund infrastructure for the City's Auxiliary Water Service System (AWSS), which is used to support fire suppression. It is anticipated that the

SFPUC will support the full amount of these costs, which is currently estimated to at \$1.1 million.

- 2) **University of California San Francisco (“UCSF”) (\$4.0 million).** UCSF has pledged \$4.0 million in grant funding to the Port to support the Project, recognizing the benefit of improving and diversifying transportation options for its employees and to support environmental mitigation of the waterways utilized by the ferry system.
- 3) **San Francisco Sales Tax (\$4.2 million).** The San Francisco County Transportation Authority (SFCTA) committed \$4.2 million Proposition L sales tax revenue to support the Project. These funds are anticipated to support environmental mitigation of the waterways utilized by the ferry system but may be used to support other project costs.
- 4) **Regional Measure 3 (\$26.0 million).** SF Bay Ferry intends to request allocation of up to \$26.0 million from the RM3 Ferry Enhancement Program to support construction of the Project.
- 5) **Transit and Intercity Rail Capital Program (\$2 million).** The Transit and Intercity Rail Capital Program (TIRCP), administered by the California State Transportation Agency (CalSTA), is a state initiative utilizing Cap and Trade sale proceeds to achieve transformative capital improvements that will significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. SF Bay Ferry received over \$20.4 million in funding through this program, of which \$2.0 million is anticipated to support construction of the Project.
- 6) **Clean Ports Program Grant (\$18.4 million).** The United States Environmental Protection Agency (EPA) received \$3 billion from the 2022 Inflation Reduction Act of 2022 to fund zero-emission port equipment and infrastructure as well as climate and air quality planning at U.S. ports. The Port, in partnership with SF Bay Ferry, was one of 55 selected grantees and received a total award of \$55.4 million. Of these funds, an estimated \$2.8 million will support Project soft costs, \$15.6 million will support construction of the UCF and piles.

The Parties will enter into further agreements relating to financial processes and commitments for subrecipient obligations, invoice processing and procedures, and other related matters.

VI. Design

Project design has been and will continue to be a multi-year effort involving various City agencies and partnerships. Project scope and design responsibilities are broken out as follows:

- a. Except as set forth in sub-paragraph (b), the Port is responsible for entering and managing contracts to create a design for the Project, subject to the availability of funding sources identified for Project components.

- b. SF Bay Ferry is responsible for entering and managing contracts to create a design for the UCF and will fund 100% of the design cost associated with the UCF from funds other than those described in this MOU.

SF Bay Ferry and the Port will collaborate to ensure effective and efficient design. Each Party will engage the other at key milestones to request design review of their respective design elements, which will be completed by each party in a thorough and timely manner. The Parties agree to incorporate the operation and charging of SF Bay Ferry battery-electric vessels into the Project design, as required.

VII. Project Permitting and Environmental Review

The Project requires CEQA and NEPA environmental clearances and permits listed below. The Port is the lead agency for Project permitting and is responsible for securing additional design review, environmental clearances and permit extensions to proceed with construction. The Port will incorporate the operation and charging of SF Bay Ferry battery-electric vessels into the Project permitting and environmental review, as required. The Port will fund 100% of the cost for Project permitting and environmental review with the support of SF Bay Ferry, as necessary.

- a. City of San Francisco Planning Department, Mitigated Negative Declaration, 2017-008824ENV issued July 6, 2018; and City of San Francisco Planning Department, Addendum to Mitigated Negative Declaration, 2017-008824ENV, issued June 4, 2019.
- b. San Francisco Regional Water Quality Control Board Section (Regional Water Board) 401 Water Quality Certification, CIWQS Place ID 841395, issued October 28, 2019; and Regional Water Board Letter of Modifications to MBFL CIWQS 841395, issued August 17, 2020. Port requesting an extension of the time limit to complete the construction from December 31, 2025 through 2028.
- c. San Francisco Bay Conservation and Development Commission (BCDC) Major Permit No. 2017.008.00 issued December 17, 2019 and Federal Consistency Certification, including BCDC Design Review Board review. Port requesting an extension of the time limit to complete the construction and Agua Vista Park improvements from June 23, 2025 through 2028.
- d. U.S. Army Corps of Engineers (USACE) Section 404 and Section 10 Individual Permit SPN-2017- 00264S, issued May 4, 2020; and USACE Letter of Modification to Permit No. 2017-00264S, issued June 4, 2020. Port requesting an extension of the time limit to complete the construction from May 1, 2025 through 2028.
- e. National Marine Fisheries Service (NMFS) No: WCRO-2019-00444 – Federal Endangered Species Act 7(a)(2) Concurrence Letter and Magnuson-Stevens

Fishery Conservation and Management Act Essential Fish Habitat Response, issued August 9, 2019.

- f. U.S. Fish and Wildlife Service (USFWS) – Federal Endangered Species Act 7(a)(2) Consultation for 2024 listing of longfin smelt.
- g. National Oceanic and Atmospheric Administration (NOAA) – Marine Mammal Protection Act Incidental Harassment Authorization (IHA), issued June 1, 2019 (expired May 30, 2020).
- h. California Department Fish & Wildlife (CDFW) Incidental Take Permit #2081-2018-062-07, issued December 19, 2018; and Minor Amendment to ITP Permit #2081-2018-062-07-A1, issued January 25, 2021. Port requesting an extension of the time limit to complete the construction from November 30, 2025 through 2028.

VIII. Construction/Procurement/Delivery

Project construction/procurement/delivery responsibilities are as set forth as follows:

- a. Mission Bay Ferry Landing – The Port is responsible for awarding and overseeing construction and construction management contracts for the entire Project excluding the Universal Charging Float. SF Bay Ferry will participate in the Port-led procurement process and will review and, as appropriate approve all contracting awards and change orders. The Port’s construction contract scope includes, but is not limited to, ferry landing site preparation, waterside infrastructure, landside improvements, ferry electrification infrastructure, and Emergency Firefighting Water System (EFWS) features.
- b. Universal Charging Float – SF Bay Ferry will fabricate and deliver the UCF as owner-provided equipment at a delivery date and location mutually agreed upon by the Parties. The UCF will be installed by the Port’s contractor team.
- c. Testing and Commissioning – The Port’s contractor team will perform testing and commissioning of the various Project components with input and oversight of the Parties, and in accordance with their respective Project responsibilities as set forth herein.

IX. Operation and Maintenance

The Parties will enter into new lease and license agreements defining roles and responsibilities relating to, but not limited to, operation, maintenance, capital rehabilitation and landing rights of the facility prior to Project completion. Terms of the lease and license agreements will include:

- a. "Waterside Operational Elements" are those improvements located eastward of the access control gate at the eastern end of the pier and specifically include the float, gangway, piles supporting the float, Clipper infrastructure, and the access control gate leading to the gangway. Upon completion of the Project, SF Bay Ferry will own or lease, maintain, repair, and rehabilitate, and if necessary, replace all Waterside Operational Elements in addition to any SF Bay Ferry signage westward of the access control gate.
- b. The Port will own, maintain, repair, rehabilitate, and, if necessary, replace all Project components, other than the Waterside Operational Elements (and other than any SF Bay Ferry signage westward of the access control gate). The Port will provide and maintain a 500kW connection between the access control gate and the connection to the local power grid to support ferry service operations.
- c. Property Rights: Paragraphs a and b describe the Parties' intended ownership rights in the Project upon completion. Such ownership must be consistent with any funding agreement obligations for which either Party is responsible. If permitted by funding agreements, the Parties may enter into agreements for the transfer of ownership of Project components to give effect to the division of operating and maintenance responsibilities set forth in this MOU.
- d. SF Bay Ferry will be the sole and exclusive operator of MBFL. SF Bay Ferry may allow other operators to land at the facility provided they have a valid landing agreement with SF Bay Ferry and do not interfere with SF Bay Ferry services. SF Bay Ferry may charge landing fees for the privilege of landing at MBFL.
- e. The Port and SF Bay Ferry will execute a Lease for a 66-year duration for the Waterside Operational Elements that are not SF Bay Ferry's property, commencing upon completion of construction. The terms for the Lease will generally be consistent with the existing lease dated July 6, 2020 for the downtown San Francisco terminal.
- f. The Port and SF Bay Ferry will execute a License for portions of the MBFL that are outside the Lease premises but will need to be accessed by SF Bay Ferry and its agents and invitees for the purpose of operating the MBFL. The terms for the License will generally be consistent with the existing license dated July 6, 2020 for the downtown San Francisco terminal.
- g. Without limiting the Port's authority in the event of a local emergency (for example, the berthing of the San Francisco Fire Department boat or San Francisco Police Department boat for rescues, responses to crime, etc.),

the Lease and License will include provisions consistent with SF Bay Ferry's statutory authority to plan, manage, operate, and coordinate regional emergency activities of water transportation and related facilities.

- h. The Parties acknowledge the potential future need to perform maintenance dredging to support ferry operations at the MBFL and agree to work cooperatively to identify funding sources to cover the cost of maintenance dredging related activities at the appropriate time, should such need arise. The responsibility for paying for the cost of dredging is not yet determined or set by this MOU.

The Port and SF Bay Ferry have entered into this Memorandum of Understanding as of the last date set forth below.

**San Francisco Bay Area Water
Emergency Transportation
Authority**

**City and County of San Francisco,
acting by and through the San
Francisco Port Commission**

Signed by:
 By: Seamus Murphy
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 Date: 4/2/2025

 Seamus Murphy
 Executive Director

DocuSigned by:
 By: Elaine Forbes
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 Date: 4/3/2025

 Elaine Forbes
 Executive Director

Approved as to form:

DocuSigned by:
 By: Steven D. Miller
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 Steven D. Miller
 Legal Counsel to WETA

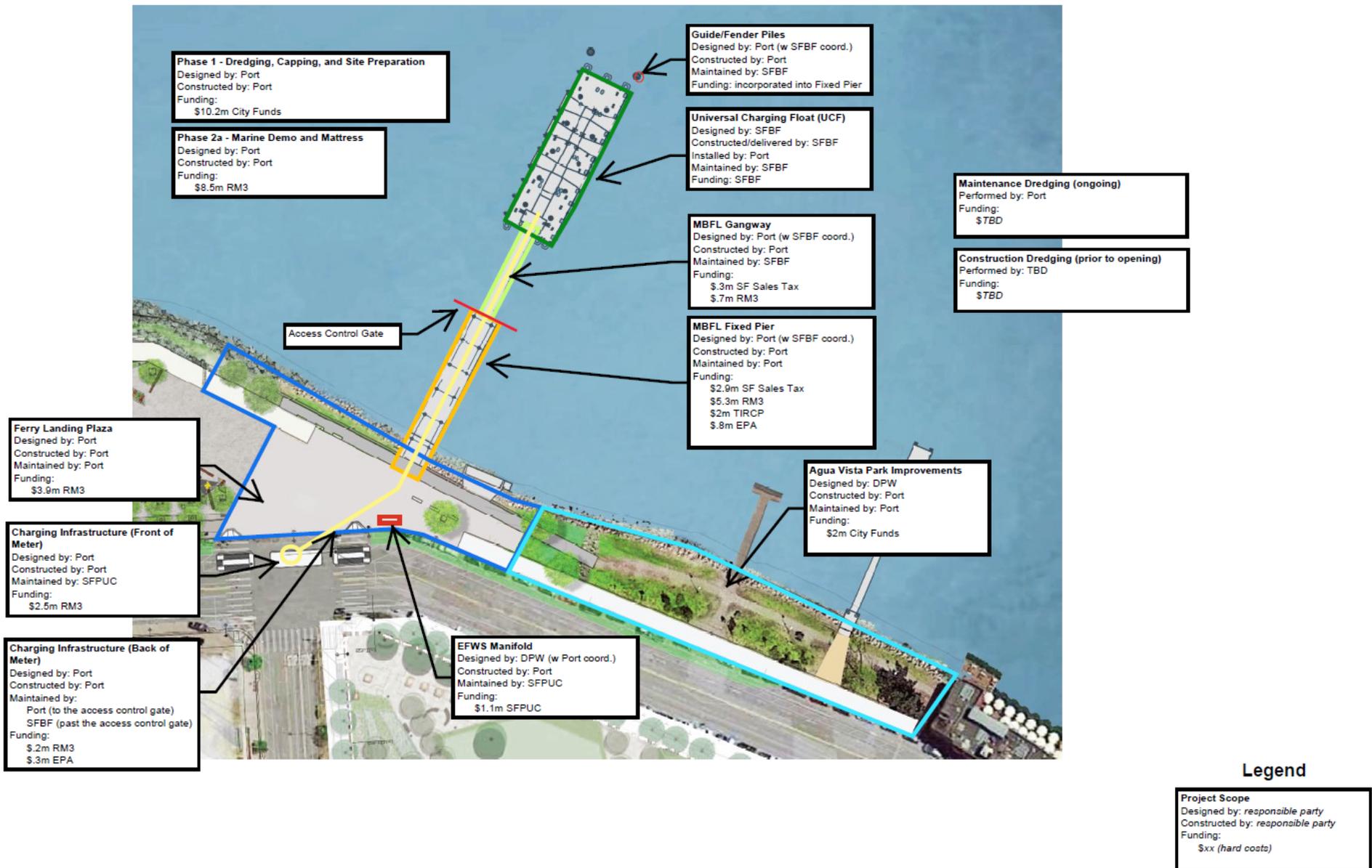
Reviewed:
DAVID CHUI, City Attorney

DocuSigned by:
 By: Michelle Sexton
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 Deputy City Attorney (CCSF)

Exhibit 1A – MBFL Project Funding and Delivery

	Delivered By:	City Funds	UCSF	SF Sales Tax	RM3	TIRCP	EPA	TOTAL
<u>Soft Costs</u>		<u>\$6.5</u>	<u>\$4.0</u>	<u>\$0.6</u>	<u>\$0.2</u>	<u>\$-</u>	<u>\$2.8</u>	<u>\$14.1</u>
Project Management and related Port staff labor	Port	\$0.4	\$-	\$-	\$-	\$-	\$0.2	\$0.6
Design, Entitlements, & Regulatory Fees	Port	\$6.1	\$1.1	\$-	\$-	\$-	\$-	\$7.2
Construction Management, Inspections, and Monitoring	Port	\$-	2.9	\$0.6	\$-	\$-	\$2.4	\$5.9
WETA labor for Phase 2b	SFBF	\$-	\$-	\$-	\$0.2	\$-	\$0.2	\$0.4
<u>Construction</u>		<u>\$13.3</u>	<u>\$-</u>	<u>\$3.6</u>	<u>\$25.8</u>	<u>\$2.0</u>	<u>\$15.6</u>	<u>\$60.3</u>
Phase 1 Dredging, Capping and Site Preparation	Port	\$10.2	\$-	\$-	\$-	\$-	\$-	\$10.2
Phase 2a Marine Demo and Mattress	Port	\$-	\$-	\$-	\$8.5	\$-	\$-	\$8.5
Phase 2b Ferry Landing and Upland Improvements		\$-	\$-	\$-	\$-	\$-	\$-	
Shorepower and Anchoring Systems	SFBF/Port	\$-	\$-	\$-	\$-	\$-	\$14.0	\$14.0
Gangway	Port	\$-	\$-	\$0.3	\$0.7	\$-	\$-	\$1.0
Fixed Pier	Port	\$-	\$-	\$2.9	\$5.3	\$2.0	\$0.8	\$11.0
Ferry Plaza	Port	\$-	\$-	\$-	\$3.9	\$-	\$-	\$3.9
Shoreside Charging infrastructure - Back of Meter	Port	\$-	\$-	\$-	\$0.2	\$-	\$0.3	\$0.5
Shoreside Charging infrastructure - Front of Meter	Port	\$-	\$-	\$-	\$2.5	\$-	\$-	\$2.5
Contingency/ Escalation 2 additional years (5%)	Port	\$-	\$-	\$0.4	\$4.7	\$-	\$0.5	\$5.6
Emergency Firefighting Water System (SFPUC)	Port	\$1.1	\$-	\$-	\$-	\$-	\$-	\$1.1
Agua Vista Park Improvements	Port	\$2.0	\$-	\$-	\$-	\$-	\$-	\$2.0
EXPENSES		\$19.8	\$4.0	\$4.2	\$26.0	\$2.0	\$18.4	\$74.4

Exhibit 1B – Mission Bay Ferry Landing – Funding and Delivery



SAN FRANCISCO FERRY ELECTRIFICATION PROJECT
Sources and Uses

TABLE 1: Total Program - EPA Grant Eligible and Ineligible Expenses

TOTAL PROGRAM		FUNDING SOURCES							Total
		SF Bay Ferry	SFPUC	EPA	Other City Funds	SFCTA/ Sales Tax	UCSF		
MAJOR EXPENDITURE BY PROJECT	Downtown Ferry Terminal								
	Construction	\$ 4.2	\$ 13.6	\$ 7.0	\$ -	\$ -	\$ -	\$ 24.8	
	Shorepower and Anchoring Systems	\$ 25.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25.0	
	Subtotal	\$ 29.2	\$ 13.6	\$ 7.0	\$ -	\$ -	\$ -	\$ 49.8	
	Mission Bay Ferry Landing								
	Soft Costs	\$ -	\$ -	\$ 3.2	\$ 11.1	\$ 0.9	\$ -	\$ 15.2	
	Construction	\$ 28.0	\$ 1.0	\$ 1.2	\$ 8.8	\$ 3.6	\$ 4.0	\$ 46.6	
	Shorepower and Anchoring Systems	\$ -	\$ -	\$ 14.0	\$ -	\$ -	\$ -	\$ 14.0	
	Subtotal	\$ 28.0	\$ 1.0	\$ 18.4	\$ 19.9	\$ 4.5	\$ 4.0	\$ 75.8	
	Other								
Vessels	\$ 30.4	\$ -	\$ 28.0				\$ 58.4		
Workforce Development	\$ -	\$ -	\$ 2.0	\$ -	\$ -	\$ -	\$ 2.0		
Subtotal	\$ 30.4	\$ -	\$ 30.0	\$ -	\$ -	\$ -	\$ 60.4		
GRAND TOTAL		\$ 87.6	\$ 14.6	\$ 55.4	\$ 19.9	\$ 4.5	\$ 4.0	\$ 186.0	
Timing of Appropriation		05/2025	TBD	01/2025	Appropriated	05/2025	05/2025		

TABLE 2: EPA Grant Eligible Expenses ONLY

EPA GRANT		FUNDING SOURCES							Total
		SF Bay Ferry	SFPUC	EPA	Other City Funds	SFCTA/ Sales Tax	UCSF		
BY PROJECT	Downtown Ferry Terminal								
	Construction	\$ 1.0	\$ 13.6	\$ 7.0	\$ -	\$ -	\$ -	\$ 21.6	
	Shorepower and Anchoring Systems	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Subtotal	\$ 1.0	\$ 13.6	\$ 7.0	\$ -	\$ -	\$ -	\$ 21.6	
	Mission Bay Ferry Landing								

MAJOR EXPENDITURE B	Soft Costs	\$ -	\$ -	\$ 3.2	\$ -	\$ -	\$ -	\$ 3.2
	Construction	\$ 0.9	\$ -	\$ 1.2	\$ -	\$ -	\$ -	\$ 2.1
	<u>Shorepower and Anchoring Systems</u>	\$ -	\$ -	\$ 14.0	\$ -	\$ -	\$ -	\$ 14.0
	Subtotal	\$ 0.9	\$ -	\$ 18.4	\$ -	\$ -	\$ -	\$ 19.3
	Other							
	Vessels	\$ -	\$ -	\$ 28.0				\$ 28.0
	<u>Workforce Development</u>	\$ -	\$ -	\$ 2.0	\$ -	\$ -	\$ -	\$ 2.0
	Subtotal	\$ -	\$ -	\$ 30.0	\$ -	\$ -	\$ -	\$ 30.0
	GRAND TOTAL	\$ 1.9	\$ 13.6	\$ 55.4	\$ -	\$ -	\$ -	\$ 70.9

\$ 15.5 \$ 55.4
22% 78%

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2025-07

APPROVE ENTERING INTO A NEW MEMORANDUM OF UNDERSTANDING WITH THE PORT OF SAN FRANCISCO FOR THE MISSION BAY FERRY LANDING PROJECT

WHEREAS, in June, 2017, SF Bay Ferry and the Port of San Francisco (Port) entered into a Memorandum of Understanding (MOU) for the planning, design, entitlement, and funding of the Mission Bay Ferry Landing (MBFL) Project; and

WHEREAS, in November, 2024, the Port was awarded a grant from the U.S. Environmental Protection Agency (EPA) Clean Ports Program that represents the final funding required to proceed with construction of the MBFL; and

WHEREAS, the Port and SF Bay Ferry wish to enter into a new MOU, replacing the 2017 agreement, to define roles for delivery of the MBFL project, as well as to set responsibilities for the operation, maintenance, and ownership of the project after construction is complete; and

WHEREAS, staff has worked with the Port to draft a new MOU, which the Port Commission approved at its meeting of March 11, 2025; a copy of the MOU is included in the agenda packet for this March 13, meeting; and

WHEREAS, the Executive Director recommends that the Board authorize him to execute the MOU with the Port for the delivery of the MBFL project; now, therefore, be it

RESOLVED, that the Board of Directors authorizes the Executive Director to execute the MOU with the Port for the delivery of the MBFL project.

CERTIFICATION

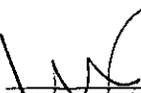
The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on March 13, 2025.

YEA: J Alba, J DelBono, P Dew, M Moyer, J Wunderman

NAY: None

ABSTAIN: None

ABSENT: None



/s/ Board Secretary

2025-07

END



MEMORANDUM

March 7, 2025

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Gail Gilman, Vice President
Hon. Willie Adams
Hon. Stephen Engblom
Hon. Steven Lee

FROM: Elaine Forbes
Executive Director

SUBJECT: Request authorization to accept and expend a grant from the Water Emergency Transportation Authority to fund the Mission Bay Ferry Landing in the amount of \$28,000,000.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 25-15

EXECUTIVE SUMMARY

Over the past ten years, Port staff have collaborated with the Water Emergency Transportation Authority (WETA) to design and construct a new ferry landing in Mission Bay. This landing will be located at the terminus of 16th Street, near Terry Francois Boulevard on Port property. The primary funding sources for this capital project includes a grant from the Environmental Protection Agency's Clean Ports Program, support from the City General Fund, funding from the Office of Community Investment and Infrastructure (OCII), Port capital funds, funding from the San Francisco County Transportation Authority (SFCTA), a grant from The Regents of the University of California, University of San Francisco (UCSF), CalSTA Transit and Intercity Rail Capital Program funds (TIRCP), and Regional Measure 3 (RM3) funding.

The Mission Bay Ferry Landing will provide vital regional ferry service to and from Mission Bay, Dogpatch, Potrero Hill, and the Central Waterfront. It will support current and future transit demand, reduce vehicle trips, and encourage in-person office attendance. The project will accommodate up to 6,000 daily passengers and will

support the operation of the first zero-emission ferry network in the United States. This ferry landing will serve approximately 11,000 new housing units, 7 million square feet of new office and commercial space, over 1 million square feet of new retail space, and 70 acres of public open space.

The project aims to increase ferry ridership by providing reliable, timely, and direct transit between downtown San Francisco, and the major employment, housing, and entertainment venues in Mission Bay. This includes the UCSF Mission Bay hospital campus and the new Chase Center. Faculty, staff, patients, and visitors to the UCSF Mission Bay campus will benefit from convenient access to the Mission Bay Ferry Landing.

In 2016, the Port and WETA signed a Memorandum of Understanding (MOU) to define each agency's responsibilities in planning, designing, obtaining entitlements, and seeking capital funding for the construction of the facility. WETA is financially supporting the Port by providing a one-time construction grant of \$28,000,000 to help complete the Mission Bay Ferry Landing. This funding was awarded to WETA through the RM3 and CalSTA TIRCP programs.

RM3 was approved by a majority of voters in the nine Bay Area counties in 2018 and authorized a three-dollar bridge toll increase on the Bay Area's state-owned bridges to fund a comprehensive program of regional transportation improvements. RM3 includes capital funds for WETA, of which \$26 million is provided to support the Mission Bay Ferry Landing Project.

The TIRCP is a State of California initiative utilizing Cap and Trade sale proceeds to achieve transformative capital improvements that will significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. WETA has received over \$38 million in funding through this program. Two million dollars of the funding will be used to construct the Mission Bay Ferry Landing.

This report outlines the proposed project to be funded by the grant and recommends approval of the attached resolution to authorize Port staff to accept and expend the grant, pending approval by the Board of Supervisors.

STRATEGIC OBJECTIVES

The proposed Project supports the Port's 2021-2025 Strategic Plan through the following goals:

Sustainability: Advance environmental stewardship to limit climate change and protect the Bay.

The Project will reduce CO2 emissions, noise, and provide air quality improvements to disadvantaged communities.

Evolution: Evolve the waterfront to respond to changing public and Port needs.

The Project will support future deployment of additional zero emission technologies and reduce vehicle traffic on the Embarcadero and other Port streets.

PROJECT DESCRIPTION AND BACKGROUND

In 2015, the Port and WETA began pursuing development of the Mission Bay Ferry Landing to create a southern hub for ferry service into San Francisco that will address regional transportation demand generated by the current and future development of the Mission Bay neighborhood.

Mission Bay Ferry Landing will provide the capability to berth two ferry boats simultaneously and it is estimated that the ferry landing will have the capacity to handle up to 6,000 passengers per day. The ferry landing is essential to alleviate current regional transportation congestion and provide transportation resiliency in the event of an earthquake, BART or Bay Bridge failure, or other unplanned events. Ferry service will reduce our community's carbon footprint, and the landing will be designed to accommodate expected sea-level rise.

The Port of San Francisco and WETA are leading the project with the support of other City and regional agencies. The project, authorized under a CEQA Mitigated Negative Declaration, has obtained all regulatory agency permits. Phase 1 was completed in November 2020 and consisted of marine debris removal, dredging and preparation of the underwater site. Phase 2 will complete the project, and construction is anticipated to take place in summer and fall of 2025. The estimated total project design and construction cost are \$75.8 million.

The Mission Bay Ferry Landing will be constructed on Port property. Once the project is completed, the Port will lease the facility, land and water areas to WETA for facility operations and maintenance in accordance with the Port Commission Resolution No. 16-46 adopted by the Port Commission on December 13, 2016.

Project Scope and Schedule

The construction of Mission Bay Ferry Landing has been separated into multiple phases:

- **Phase 1** work was completed in 2020. The scope was initial site preparation and dredging of the Project area.
- **Phase 2a** is scheduled to be awarded in Q3 2025. This scope includes cleanup of marine debris in the Project area, dredging of the previously installed sand cap area, and installation of a marine mattress to serve as an erosion protection layer.

- **Phase 2b** work is scheduled to be awarded in Q2 2026. This scope includes the construction of the ferry landing pier and piles, ferry landing electrification infrastructure, and upland improvements to Ferry Landing Plaza and Agua Vista Park.

Project Budget

Funding Sources for the Mission Bay Ferry Landing Project.

Funding Sources	Amount (Millions)
WETA (RM3 and Other Grants)	\$ 28.0
EPA Clean Ports Grant	\$ 18.4
General Fund, OCII, SFPUC	\$ 10.8
Port Capital	\$ 7.0
SF Sales Tax	\$ 4.2
UCSF Grant	\$ 4.0
2012 General Obligation Bond	\$ 2.0
Total	\$75.4

PRESIDENT TRUMP EXECUTIVE ORDER

The Port is aware of the recent White House directive to temporarily pause federal grants while the Trump administration reviews programs funded by the Inflation Reduction Act. This pause does not currently affect the delivery of the Mission Bay Ferry Landing. However, Port staff are continuing to monitor how the transition of the federal administration may impact this project and other federally funded Port projects.

RECOMMENDATION

Port staff requests that the Port Commission approve the attached resolution authorizing staff to accept and expend \$28,000,000 in grant funds from the Water Emergency Transit Agency (WETA) subject to Board of Supervisors approval, approve the Grant Agreement; and upon Board of Supervisors' approval, authorize the Executive Director to execute and implement the Grant Agreement with WETA.

Prepared by: Boris Delepine
Government Affairs Manager

For: Meghan Wallace
Acting Deputy Director
Finance and Administration

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 25-15

WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate, and control the lands within Port jurisdiction; and

WHEREAS, The Port and the San Francisco Bay Area Water Emergency Transit Agency (“WETA”) are pursuing development of the Mission Bay Ferry Landing to create a southern hub for ferry service into San Francisco that will address regional transportation demand for current and future development around Mission Bay and the Central Waterfront; and

WHEREAS, The Mission Bay Ferry Landing will be located on Port property at the foot of 16th Street and Terry Francois Boulevard adjacent to Chase Arena; and

WHEREAS, Once the project is completed, the Port will lease the facility, land and water areas to WETA for facility operations and maintenance in accordance with the Memorandum of Understanding adopted by the Port Commission through Resolution No. 16-46; and

WHEREAS, The Mission Bay Ferry Landing will increase ferry ridership by providing reliable, timely, and direct transit between downtown San Francisco, and the major employment, housing, and entertainment venues in Mission Bay; and

WHEREAS, WETA is financially supporting the Port by providing a one-time construction grant of \$28,000,000 to help complete the Mission Bay Ferry Landing; and

WHEREAS, WETA’s grant to the Port will provide crucial funding that leverages more than \$75.8 million from other local, state, and federal sources, including the Environmental Protection Agency, Federal Transportation Agency Rapid Electric Emission-Free Ferry funding, City and County of San Francisco Capital Funds, Regional Measure 3, CalSTA Transit Intercity Rail Capital Program, and San Francisco Sales Tax to deliver the Mission Bay Ferry Landing Project; now, therefore be it

RESOLVED, That the Port Commission hereby authorizes the Executive Director to enter into a Grant Agreement with WETA to accept and expend \$28,000,000 in funding for the project delivery of the Mission Bay Ferry Landing; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director to seek Board of Supervisor's authorization to accept and expend the grant funds.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 11, 2025.

DocuSigned by:

Jenica Liu

Secretary

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From: [Delepine, Boris \(PRT\)](#)
To: [Delepine, Boris \(PRT\)](#)
Subject: Notification of Selection: Clean Ports Program: Zero-Emission Technology Deployment Competition San Francisco Waterfront Emissions-Free Ferry System.
Date: Wednesday, June 11, 2025 10:02:14 AM

From: CleanPorts <cleanports@epa.gov>
Sent: Wednesday, October 16, 2024 6:33 PM
To: shannon.cairns@sfport.com
Cc: Mak, Kimberly <Mak.Kimberly@epa.gov>
Subject: Notification of Selection: Clean Ports Program: Zero-Emission Technology Deployment Competition San Francisco Waterfront Emissions-Free Ferry System.

October 16, 2024

Shannon Cairns
Port of San Francisco

RE: Notification of Selection: Clean Ports Program: Zero-Emission Technology Deployment Competition San Francisco Waterfront Emissions-Free Ferry System.

PLEASE DO NOT SHARE INFORMATION CONTAINED IN THIS EMAIL UNTIL EPA HAS PUBLICLY ANNOUNCED SELECTIONS FROM THIS COMPETITION LATER THIS MONTH.

Dear Shannon Cairns:

Congratulations! Your organization has been selected to take the next step to receive an EPA award under the Clean Ports Program: Zero-Emission Technology Deployment Competition (opportunity # EPA-R-OAR-CPP-24-04). Please note that this is NOT an official award document, and only an EPA Award Official can issue an award offer to you. This notification is the first step in the award process. EPA anticipates awarding your application with the requested funding amount of \$55,386,000.00. If you wish to be considered for award, you are required to finalize your workplan and grant documentation.

During the next few weeks, your assigned EPA Project Officer will have one-on-one discussions with your organization via conference call, or Microsoft Teams. During these calls we will go over your budget, workplan, performance measures, and activity timeline. You will be contacted shortly to set up the date and time for the initial discussion. It may be necessary to have multiple calls to finalize all documentation.

Failure to respond timely during the finalization period may result in your project no longer being considered for an award.

Lastly, EPA plans to announce all selections later this month. We ask that you please do not share information contained in this email publicly until after that announcement.

Again, congratulations on your selection for award. If you have any questions, please feel free to contact cleanports@epa.gov.

Regards,

Sarah Froman
Clean Ports Program
US Environmental Protection Agency

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Boris Delepine, Port of San Francisco
DATE: April 21, 2025
SUBJECT: Accept and Expend Resolution for Subject Grant
GRANT TITLE: Regional Measure 3

Attached please find the original* and 1 copy of each of the following:

Proposed grant resolution; original* signed by Department, Mayor, Controller

Grant information form, including disability checklist

Grant budget

Grant application

Grant award resolution from funding agency

Ethics Form 126 (if applicable)

Contracts, Leases/Agreements (if applicable)

Other (Explain):

Special Timeline Requirements:

Departmental representative to receive a copy of the adopted resolution:

Name: Boris Delepine Phone: 415-571-6626

Interoffice Mail Address: Pier 1, The Embarcadero, San Francisco, Ca 94111

Certified copy required Yes No X

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).

OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Adam Thongsavat, Liaison to the Board of Supervisors
RE: Apply for, Accept and Expend Grant –Water Emergency Transportation Agency - \$28,000,000
DATE: June 10, 2025

Resolution authorizing the Port of San Francisco to accept and expend a grant in the amount of \$28,000,000 from San Francisco Bay Area Water Emergency Transportation Authority to fund the Mission Bay Ferry Landing project for the period of June 1, 2025, through October 1, 2028, pursuant to Charter Section 9.118 (a).

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org