File No. 170128

Committee Item No. \_\_\_\_/ Board Item No. \_\_\_\_\_5

# COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date March 2, 2017

**Board of Supervisors Meeting** 

Date March 14, 2017

# **Cmte Board**

	Motion Resolution Ordinance Legislative Digest Budget and Legislative Analyst Report Youth Commission Report Introduction Form Department/Agency Cover Letter and/or Report MOU
	Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter Application Public Correspondence
OTHER	(Use back side if additional space is needed)

Completed by:_	Linda Wong	_Date_	February 24, 2017
Completed by:		_Date_	March 8, 2017

# AMENDED IN COMMITTEE 3/2/17 RESOLUTION NO.

# FILE NO. 170128

[Conceptual Term Sheet Endorsement - JPPF OP Acquisitions, LLC ("Jamestown") - Proposed Lease of Pier 29 Bulkhead]

Resolution endorsing the Conceptual Term Sheet between the Port and JPPF OP Acquisitions, LLC ("Jamestown") for a proposed 15-year lease of approximately 20,000 square feet of space at the Pier 29 Bulkhead Building, located at Chestnut Street and the Embarcadero.

WHEREAS, Charter, Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the City and County of San Francisco; and

WHEREAS, On December 8, 2015, the Port Commission, by Resolution 15-41, authorized Port staff to issue a request for proposals for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building located at Chestnut Street and the Embarcadero; and

WHEREAS, On December 23, 2015, the Port issued the Request for Proposals for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building (the "RFP"); and

WHEREAS, On April 26, 2016, by Resolution 16-17, the Port Commission awarded Jamestown an exclusive right to negotiate with the Port for a 15-year lease of approximately 20,000 square feet located at the Pier 29 Bulkhead Building (the "Lease"); and

WHEREAS, The Port and Jamestown entered into an Exclusive Negotiation Agreement ("ENA") that sets forth the process, terms and conditions upon which the Port and Jamestown will negotiate terms for a lease; and

WHEREAS, Among other things, the project is intended to achieve the following Port objectives: complement the Port's \$114,000,000 investment in the James R. Herman Cruise Terminal and Cruise Terminal Park; provide a retail-based use concept that will serve to augment the rich experience of visitors, cruise ship passengers, businesses and residents in

the Northeast Waterfront and highlight and promote that which is unique to our region and culture; provide for an adaptive reuse of a vacant facility to a public-oriented use that conforms to the Secretary of the Interior Standards for Treatment of Historic Properties and contributes to the integrity of the Embarcadero Historic District; provide, through collaboration with SFMade, a venue where San Francisco's rich art, design and local manufacturing community can introduce, display and sell its products; and

WHEREAS, On January 10, 2017, by Resolution 17-04, the Port Commission: (a) determined that the use proposed by Jamestown for a retail use in the Pier 29 Bulkhead Building is consistent with the Waterfront Land Use Plan (the "WLUP"), and (b) endorsed Conceptual Term Sheet (the "Term Sheet"), which sets forth the essential terms upon which the Port and Jamestown will negotiate in good faith to reach agreement on the final Lease; and

WHEREAS, The Term Sheet is on file with the Clerk of the Board of Supervisors in File No. 170128, and is incorporated herein by reference; and

WHEREAS, Although this project does not trigger the dollar thresholds for fiscal responsibility and feasibility analysis and is not a "development project" such that Board of Supervisors' review of the Term Sheet is required, Port and Jamestown wish to obtain the endorsement of the Term Sheet by the Board of Supervisors; and

WHEREAS, Long-term use and development opportunities for the Pier 29 shed will be informed by the Waterfront Plan Update process, although short-term leases in the Pier 29 shed will continue to address revenue objectives; and

WHEREAS, The Term Sheet is not itself a binding agreement that commits the Port or Jamestown to proceed with the approval or implementation of the project and the project will first undergo environmental review under the California Environmental Quality Act ("CEQA") and will be subject to public review in accordance with the processes of the Port Commission, it

the Board of Supervisors, other City departments and offices, and other government agencies with approval over the proposed Lease before any entitlements and other regulatory approvals required for the Lease will be considered; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby endorses the Term Sheet; and, be

FURTHER RESOLVED, That the Port Commission shall specify in the Lease that a minimum of one half of all goods in the retail leasing space will be reserved for San Francisco-based makers; and, be it

FURTHER RESOLVED, That the Port Commission shall clarify in the Lease that it applies only to the Pier 29 Bulkhead Building and does not include any option or use of the Pier 29 shed or beyond minimal exterior area uses outside of the Pier 29 Bulkhead Building for short or long-term uses; and, be it

FURTHER RESOLVED, That any future long-term uses of the Pier 29 Bulkhead Building beyond the term of the Lease and future long-term uses of the Pier 29 shed will be informed by the Waterfront Land Use Plan Update process currently underway and any future development of Pier 29 will be subject to a competitive solicitation process with any interim leases of the Pier 29 shed in the meantime limited to no more than five-year lease terms; and, be it

FURTHER RESOLVED, That the Port Commission shall provide a written report to the Board of Supervisors by February 5, 2018, on recommendations for active recreation uses of Pier 29 and other Port properties that result from the Waterfront Land Use Plan Update process and provide a plan to achieve those recommendations; and be it

FURTHER RESOLVED, That endorsement of the Term Sheet does not commit the City to approval of the final Lease or grant any entitlements to Jamestown, nor does the Term Sheet foreclose the possibility of considering alternatives to the proposal, mitigation measures

Page 3

to reduce of avoid any significant impacts or from deciding not to grant entitlement or approve the Lease, after conducting appropriate environmental review under CEQA, and, while the Term Sheet identifies certain essential terms of a proposed transaction, it does not necessarily set forth all of the material terms and conditions of any final Lease; and, be it

FURTHER RESOLVED, That the Board of Supervisors will not take any discretionary actions committing the City to implement the project, and the provisions of the Term Sheet are not intended and will not become contractually binding unless and until the Port Commission has reviewed and considered environmental documentation prepared in compliance with the CEQA and the Port Commission, and as applicable, the Board of Supervisors and the Mayor, have approved the final Lease.

# BUDGET AND FINANCE COMMITTEE MEETING

ltem 1 File 17-0128	Department: Port Commission (Port)
EXECUTIVE SUMMARY	
	Legislative Objectives
landlord, and JPPF (	ution would endorse the Conceptual Term Sheet between the Port, as OP Acquisitions, LLC (Jamestown), as tenant, for a 15-year lease of DO square feet of space at the Pier 29 Bulkhead Building, located at the Embarcadero.
	Key Points
the Pier 29 Bulkhea Herman Cruise Tern facility to a public-or	the America's Cup in 2013, the Port Commission focused on re-leasing ad Building to (i) complement the Port's investment in the James R. minal and Cruise Terminal Park; (ii) provide for a reuse of a vacant riented and retail-based use; and (iii) provide a venue through SFMade nufacturing community can display and sell its products.
leasing of the Pier 29 Port Commission av negotiate with the P 29 Bulkhead Building	the Port Commission issued a Request for Proposals (RFP) for retail 9 Bulkhead Building. After receiving three proposals, in April 2016, the warded JPPF OP Acquisitions, LLC (Jamestown), an exclusive right to Port for a 15-year lease of approximately 20,000 square feet at the Pier g. The proposed term sheet is based on the Jamestown RFP, such that posed lease have not yet been negotiated.
	Fiscal Impact
of build-out for the stage at \$25,000 pe base rent for hard proposal stage at \$1	t will be determined by the Port and Jamestown after including costs project, with periodic fixed adjustments, estimated at the proposal er month. Jamestown would be eligible for rent credits against the costs incurred for specified capital improvements, estimated at the 1,182,000. Jamestown will be solely responsible for funding all project \$5,830,000, subject to rent credits as described above.
	Policy Consideration
site, including tenan capital needs and e	rt, Jamestown will provide substantial capital investment to this vacant nt improvements, for reuse as a retail facility. Given the Port's current existing revenues, the Port does not have the financial capacity to nt capital improvements to this facility.
	Recommendation
Approve the propose	ed resolution.

SAN FRANCISCO BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

BUDGET AND FINANCE COMMITTEE MEETING.

MARCH 2, 2017

# MANDATE STATEMENT

Although this project has development costs less than \$10 million, and therefore does not meet the dollar thresholds for fiscal responsibility and feasibility analysis, the Port Commission wishes to obtain the endorsement of the Term Sheet by the Board of Supervisors. In accordance with Charter Section 2.105, the Board of Supervisors shall act by written ordinance or resolution.

# BACKGROUND

The Pier 29 Bulkhead Building located at Chestnut Street and the Embarcadero has historically been used for light industrial storage and parking. The Port rebuilt the Building following a major fire to accommodate the 34<sup>th</sup> America's Cup events in 2013. After completion of the America's Cup, the Port Commission focused on re-leasing the Pier 29 Bulkhead Building.

Consequently, in December 2015, the Port Commission issued a competitive Request for Proposals (RFP) for retail leasing of the Pier 29 Bulkhead Building. After receiving three proposals, in April 2016, the Port Commission awarded JPPF OP Acquisitions, LLC (Jamestown), an exclusive right to negotiate with the Port for a 15-year lease of approximately 20,000 square feet located at the Pier 29 Bulkhead Building. The Port and Jamestown entered into an Exclusive Negotiation Agreement (ENA) that sets forth the process, terms and conditions upon which the Port and Jamestown will negotiate terms for a lease.

This project is intended to achieve the following Port objectives:

- (i) complement the Port's \$114,000,000 investment in the James R. Herman Cruise Terminal and Cruise Terminal Park;
- (ii) provide a retail-based use to augment the experience of visitors, cruise ship passengers, businesses and residents in the Northeast Waterfront;
- (iii) provide for an adaptive reuse of a vacant facility to a public-oriented use that conforms to the Secretary of the Interior Standards for Treatment of Historic Properties and contributes to the integrity of the Embarcadero Historic District; and
- (iv) provide, through collaboration with SFMade, a venue where San Francisco's art, design and local manufacturing community can introduce, display and sell its products.

In January 2017, the Port Commission (i) determined that the use proposed by Jamestown for a retail use in the Pier 29 Bulkhead Building is consistent with the Waterfront Land Use Plan (WLUP); and (ii) endorsed the Conceptual Term Sheet which sets forth the essential terms which the Port and Jamestown will negotiate in good faith to reach agreement on the final lease.

Exhibit 1 below illustrates the location of the Pier 29 Bulkhead Building.

### BUDGET AND FINANCE COMMITTEE MEETING

### MARCH 2, 2017

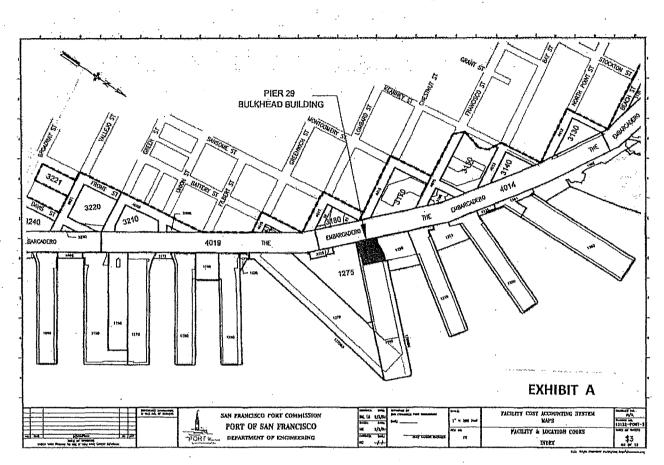


Exhibit 1: Pier 29 Bulkhead Building Location

## DETAILS OF PROPOSED LEGISLATION

The proposed resolution would endorse the Conceptual Term Sheet between the Port, as landlord, and JPPF OP Acquisitions, LLC (Jamestown), as tenant, for a 15-year lease of approximately 20,000 square feet of space at the Pier 29 Bulkhead Building, located at Chestnut Street and the Embarcadero.

The proposed resolution:

- Endorses the proposed term sheet for a 15-year lease of approximately 20,000 square feet of space at the Pier 29 Bulkhead Building between the Port and Jamestown;
- States that endorsement of the proposed term sheet does not commit the Board of Supervisors to approve the final lease nor set forth all material terms and conditions between the Port and Jamestown; and
- Requires Port Commission review and consideration of findings of the Pier 29 Bulkhead Building site and related facilities pursuant to the California Environmental Quality Act (CEQA) prior to Board of Supervisors approval of the final lease.

SAN FRANCISCO BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

BUDGET AND FINANCE COMMITTEE MEETING

According to the proposed resolution, the term sheet is not a binding document that commits the Port to proceed with the proposed lease with Jamestown until environmental review has been completed in compliance with CEQA and the parties are able to execute a mutually acceptable lease and other transaction documents. The proposed lease will be subject to a historic preservation review for consistency with the Secretary of the Interior's Standards for the Treatment of Historic Properties (Secretary's Standards).

### **Competitive Process**

The Port selected Jamestown in April 2016 after advertising a competitive RFP in December 2015. A total of three proposals were received. The evaluation and selection process consisted of two phases. The first phase was the submittal of the written proposal. The second phase was an oral interview. The evaluation panel consisted of individuals knowledgeable on the subject matter and included staff from the Port, the Recreation and Park Department, and a community member from the Northeast Waterfront Advisory Group. The final scoring of the three proposals is detailed in Table 1 below.

Proposer	Written Proposal Score (Total/Average)	Oral Interview Score (Total/Average)	Final Total Score	Final Ranking
Jamestown	339/85	352/88	691	1
IARTSF	267/67	253/63	520	2
Premier	214/54	224/56	438	3

Table 1: Final RFP Scoring for Pier 29 Bulkhead Building Lease

Source: Port Commission

#### **Proposed Term Sheet**

The subject term sheet is based on the results of the RFP as submitted by Jamestown, such that the terms of the proposed lease have not yet been negotiated. The proposed resolution endorses the term sheet between the Port, as landlord, and Jamestown, as tenant, for a 15-year lease of up to approximately 22,600 square feet of space at the Pier 29 Bulkhead Building, located at Chestnut Street and the Embarcadero. The final lease between the Port and Jamestown will be subject to negotiations between the Port and Jamestown and will then be subject to future Board of Supervisors approval. Table 2 below summarizes the terms of the proposed term sheet.

#### SAN FRANCISCO BOARD OF SUPERVISORS

Site	The Pier 29 Bulkhead Building, up to approximately 22,600square feet
Lease Term	15 years
Base Rent	Fair market rent to be determined by the parties after taking into account costs of build-out for the project, with periodic fixed adjustments, estimated initially at \$25,000 per month.
Participation Rent	Port would receive a share of revenues, including as a result of a sale of the lease that includes reasonable and market-based return to Jamestown and the Port.
Rent Credits	Jamestown will be eligible for rent credits against Base Rent for certain reasonable hard costs, such as construction of a separation fire wall, electric service to the facility, sewer and pump work, life safety improvements, and other structural work, actually incurred for specified capital improvements that benefit the Port, estimated initially at \$1,182,000.
Project Funding	All project costs to be funded by Jamestown, estimated initially at \$5,830,000, subject to rent credits as detailed above.
Waterfront Plan/Public Trust	All uses permitted under the Lease shall be consistent with the public trust and Waterfront Land Use Plan, based on findings by the Port Commission in accordance with the Burton Act and City Charter.

## Table 2: Summary of Proposed Term Sheet between Jamestown and the Port

According to the proposed term sheet, Jamestown will select subtenants in consultation with the nonprofit SFMade with top priority given to those that showcase and sell products manufactured in San Francisco by SFMade members and a secondary priority given to those that sell goods manufactured in the wider Bay Area. Jamestown will include terms for SFMade's involvement in its letters of intent and subleases for retail space.

# FISCAL IMPACT

### **Base Rent Payable to the Port**

According to the proposed term sheet, the fair market rent for the lease will be determined by the Port and Jamestown after taking into account costs of build-out for the project, with periodic fixed adjustments, which was estimated at the proposal stage to be \$25,000 per month. In addition, Jamestown would be eligible for rent credits against the base rent for certain reasonable hard costs incurred for specified capital improvements, such as construction of a separation fire wall, electric service to the facility, sewer and pump work, life safety improvements, and other structural work, that benefit the Port, which was estimated at the proposal stage to be \$1,182,000.

SAN FRANCISCO BOARD OF SUPERVISORS

5 ·

### BUDGET AND FINANCE COMMITTEE MEETING

According to Mr. Boris Delepine, Contract Administrator at the Port, all respondents to the RFP included preliminary estimates of build-out costs. These estimates were prepared without the benefit of advanced design or thorough inspection of the facility. As part of the final lease agreement, Jamestown will conduct more thorough design and cost estimation, from which final rent credits will be determined. Mr. Delepine also states that the final lease agreement with Jamestown will be negotiated to provide the Port with participation rent based on gross revenues including the result of a sale or transfer of the lease. According to Mr. Delepine, it is the Port's general practice to include annual increases to base rent in leases, which have yet to be negotiated with Jamestown. Currently, annual rent adjustments are negotiated with three percent annual rent increases.

#### **Project Funding**

According to the proposed term sheet, Jamestown will be solely responsible for the funding of all soft and hard project costs, estimated at the proposal stage to be \$5,830,000, subject to rent credits as described above. According to Mr. Mark Lozovoy, Assistant Deputy Director of Real Estate at the Port, costs for tenant improvements, utilities and maintenance will be paid by Jamestown.

# POLICY CONSIDERATION

Mr. Delepine advises that the Port is seeking to undertake this proposed project with Jamestown, based on the results of the RFP, because Jamestown will provide substantial capital investment to this vacant site, including tenant improvements, for reuse as a retail facility. Given the Port's current capital needs and existing revenues, the Port does not have the financial capacity to undertake significant capital improvements to this facility. As noted above, the Port is currently seeking the Board of Supervisors approval of the proposed term sheet with Jamestown, in order to move forward with negotiating a lease with Jamestown. The final lease will be subject to future Board of Supervisors approval.

# RECOMMENDATION

Approve the proposed resolution.

SAN FRANCISCO BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

221

# PORT-JAMESTOWN CONCEPTUAL TERM SHEET (January \_\_\_, 2017)

The Port ("Port") and JPPF OP Acquisitions, LLC ("JPPF") are parties to that certain Exclusive Negotiation Agreement (the "ENA") effective as of September 1, 2016, which sets forth the basic terms and conditions on which the parties agreed to negotiate regarding the concept and uses described below and that will be refined and set forth in more detail in the lease (the "Lease") and other related agreements (collectively, the "Transaction Documents") for the construction and operation of a retail destination that showcases and sells products manufactured in San Francisco (the "Project") within the Pier 29 Bulkhead Building. Since entering into the ENA, JPPF and the Port have engaged in significant community outreach to refine the uses and design of the Project, and the Parties now wish to enter into this Conceptual Term Sheet to set forth the basic parameters for the Project that will be the basis for continuing Lease negotiations.

This Conceptual Term Sheet is not intended to be, and will not become, contractually binding unless and until environmental review has been completed in compliance with the California Environmental Quality Act ("CEQA") and the parties are able and willing to execute and deliver a mutually acceptable Lease and other Transaction Documents. In addition, under the San Francisco Charter, no officer or employee of the City and County of San Francisco (the "City") has authority to commit the City to the transaction contemplated herein unless and until the San Francisco Port Commission and the San Francisco Board of Supervisors ("Board") has approved the Lease.

<u>Tenant</u>: JPPF OP Acquisitions, a Georgia limited partnership.

Landlord: City and County of San Francisco (the "City"), acting by and through the San Francisco ~ Port Commission.

The Pier 29 Bulkhead Building, up to approximately  $\pm$  22,600 sf at Pier 29 as more particularly shown on the site plan attached hereto as Exhibit 1.

15 years.

The Pier 29 Bulkhead Building will be rehabilitated in accordance with Secretary Standards to create a new retail experience that allows for an urban brewery, winery, and coffee roaster that manufactures some beverages on-site and provides a multiple-purpose space for residents, visitors,

Page 1 of 4

# Lease Term:

Premises or Site:

Parties:

Proposed Project:

2.

3.

4.

1.

local happy hours, and special events. The Premises will include public and gathering spaces for consumption of products sold on-site that also celebrate San Francisco, its urban manufacturing sector and culture and craft beverage renaissance. This destination is intended to serve both waterfront visitors and San Francisco residents and employees. No full-service restaurants will be permitted.

JPPF will select retail subtenants in consultation with the non-profit SFMade, with top priority given to those that showcase and sell products manufactured in San Francisco by SFMade members and a secondary priority given to those that sell goods manufactured in the wider Bay Area. JPPF will include terms for SFMade's involvement in its letters of intent and subleases for retail space to ensure that SFMade has a seat at the table from a very early stage in the subleasing process.

The Premises is currently estimated to occupy 22,600 sf, but may vary slightly depending on occupancy calculations. The central portion of the bulkhead would be dedicated to retail uses and would use the central arch as the main entrance. The beverage spaces are currently laid-out on the perimeter of the central retail space, establishing a large, engaging hall. Beverage production and storage, as well as public restrooms, would be located within a portion of the bulkhead. The Premises would allow for approximately 10,000 sf of retail space, 2,000 sf of beverage consumption space, 3,700 sf of back of house space, 4,100 sf of beverage production space, and 3,100 sf of storage space, as illustrated in Exhibit 1 attached to this Conceptual Term Sheet.

The final layout will be subject to Port and City review and will be designed to meet occupancy, ingress, and egress regulations. The Lease will allow for future good faith negotiations for JPPF's activation of an outdoor plaza on the south side of Pier 29 Bulkhead under a license or similar agreement with Port's standard terms and conditions for such areas.

Page 2 of 4

<u>Proposed Financial</u> <u>Terms</u>: The parties acknowledge that the full scope and cost of capital improvements to the Premises are not presently known, pending resolution of the acceptable project concept and design. After endorsement of this Conceptual Term Sheet by the Port and Board, Jamestown will diligently undertake the necessary design and engineering work for the endorsed concept plan, which will result in a proposed budget for the Project. Based on the budget, the parties will negotiate the financial terms for the Lease, based on the following principles:

**Project Funding:** Jamestown will be solely responsible for the funding of all soft and hard project costs, estimated at the proposal stage to be \$5,830,000, subject to rent credits as provided below.

**Base Rent:** Fair market rent to be determined by the parties after taking into account costs of buildout for the Project, with periodic fixed adjustments, which amount was estimated at the proposal stage to be \$25,000 per month.

**Rent Credits:** Jamestown will be eligible for a rent credit against Base Rent for certain reasonable hard costs actually incurred for specified capital improvements that benefit the Port, estimated at the proposal stage to be \$1,182,000.

**Participation Rent**: The Lease will provide the Port with an upside participation in revenues, including as a result of a sale of the Lease, that takes into account a reasonable and market-based return to Port and JPPF.

All uses permitted under the Lease shall be consistent with the public trust and Waterfront Land Use Plan, based upon findings by the Port Commission in accordance with the Burton Act and City Charter.

### Page 3 of 4

7.

Public Trust:

5.

8. As Is Condition

9. <u>Standard Terms</u> and Conditions.

10. Non-Binding.

JPPF will accept the Premises in its as-is condition.

The Lease, except as negotiated above or in the ENA will address the terms and conditions of the Port's December 23, 2016 Request for Proposals ("RFP"). The Lease will be materially consistent with the Port's standard retail lease form as included in the RFP, with such negotiated changes mutually agreed by the parties to respond to circumstances unique to the Premises and the proposed project. Without limitation, the Lease will address security for Lease obligations (including a security deposit and security for construction obligations), tenant's compliance with laws, operations and management requirements,, indemnity and exculpation and insurance and hazardous materials. The Lease will require Tenant to comply with all City laws to the extent applicable to the Lease and Tenant's use thereunder, including, but not limited to, Non-Discrimination, First Source Hiring, Health Benefits Coverage, Limitation on Contributions, Prevailing Wages, and Local Hiring requirements. The Lease will address the Port's Seawall project and potential sea level rise issues.

The parties agree that this Term Sheet is not intended to create any agreement or obligation by Port to negotiate a definitive lease and imposes no duty whatsoever on Port to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arms' length. Prior to delivery of a definitive executed lease approved by the San Francisco Port Commission, and without any liability, the parties may (1) propose different terms from those summarized herein, and/or (2) unilaterally terminate all negotiations.

# Attached Exhibits:

Exhibit 1-Site Map

# MEMORANDUM

### January 5, 2017

TO:

- MEMBERS, PORT COMMISSION Hon. Willie Adams, President Hon. Kimberly Brandon, Vice President Hon. Leslie Katz Hon. Eleni Kounalakis Hon. Doreen Woo Ho
- FROM: Elaine Forbes Executive Director
- **SUBJECT:** Request endorsement of the proposed Conceptual Term Sheet between the Port and JPPF OP Acquisitions, LLC ("Jamestown") for a15-year lease of approximately 20,000 square feet of space at the Pier 29 Bulkhead Building, located at Chestnut Street and the Embarcadero

# **DIRECTOR'S RECOMMENDATION:** Approve Attached Resolution

# EXECUTIVE SUMMARY

Port staff is seeking endorsement of a conceptual term sheet for the lease and continuous operation of a retail facility in the Pier 29 Bulkhead Building. The Term Sheet represents a conceptual agreement by the parties which outlines the terms of a transaction to achieve the objectives specified in the Port's December 23, 2015 Request for Proposals ("RFP").

Following an extensive RFP process, in April 2016 Jamestown was awarded the exclusive right to negotiate for a 15-year lease for approximately 20,000 square feet of retail-based space located at the Pier 29 Bulkhead Building ("Site"). In September 2016, the Port and Jamestown entered into an Exclusive Negotiation Agreement ("ENA") that sets forth the process, terms and conditions upon which the Port and Jamestown will negotiate terms for a lease as specified in the RFP.

Jamestown engaged with various community stakeholders, the Northeast Waterfront Advisory Group ("NEWAG") and Port staff and has been working on project design. While NEWAG has generally expressed overall support for the project, one NEWAG member does not support the project and has raised questions about whether the project is consistent with the Waterfront Land Use Plan ("Waterfront Plan"). Further, the

# THIS PRINT COVERS CALENDAR ITEM NO. 11A

Neighborhood organizations, Sunset Parkside Education and Action Committee ("SPEAK") and Coalition of San Francisco Neighborhoods, have written to the Port expressing this same concern. Other comments have been received from the Barbary Coast Neighborhood Association (BCNA), Telegraph Hill Dwellers, and the local chapter of the Sierra Club. The Port and Jamestown have and will continue to provide project updates and answers to questions as the project design details continue to be developed. This early exchange has addressed the majority of BCNA questions which led to a letter of support for the project. Attachment C includes comment letters and responses from Jamestown or the Port that have been received to date.

The community process has taken more time than Jamestown anticipated. This project is small (capital investment is estimated at \$5.8 million) with relatively modest revenue potential. As a result, Jamestown is concerned about the viability of the project given the neighborhood concerns and seeks endorsement of a conceptual term sheet from the Port Commission and the Board of Supervisors as an "early read" on the direction of the project. Jamestown seeks this assurance before making additional investment in design and engineering necessary to complete the lease negotiations.

Although this leasing project does not trigger the dollar thresholds for fiscal responsibility and feasibility analysis and is not a "development project" such that Board of Supervisors' review of the Term Sheet is required, Port staff does recommend this "early read" to provide both Jamestown and Port an indication of support before Jamestown and Port staff invest more effort into the proposal.

Port staff have now negotiated a non-binding term sheet that represents the conceptual agreement for the continued negotiation of terms and conditions of the anticipated lease for Jamestown's proposed use of the Site as a retail venue. The lease will also be subject to Port Commission and Board of Supervisor approval.

Staff recommends endorsement of the Conceptual Term Sheet to achieve the following Port objectives:

- Confirm that retail uses are trust-consistent uses and are Acceptable Uses for Pier 29 bulkhead, along with a variety of other activities, therefore confirming that Jamestown's proposed uses are consistent with the Waterfront Plan.
- Meet the *engagement, livability, economic vitality and stability* objectives of the Port's Strategic Plan, as explained in the next section of this staff report.
- Complement the Port's \$114 million investment in the James R. Herman Cruise Terminal and Cruise Terminal Park.
- Provide a retail-based use concept that will serve to augment the rich experience of visitors, cruise ship passengers, businesses and residents in the Northeast Waterfront and highlight and promote that which is unique to our region and culture.
- Provide for an adaptive reuse of a vacant facility to a public-oriented use that conforms to the Secretary of the Interior Standards for Treatment of Historic Properties and contributes to the integrity of the Embarcadero Historic District.

-2-`

 Provide, through collaboration with SFMade, a venue where San Francisco's rich art, design and local manufacturing community can introduce, display and sell its products.

If the Port Commission endorses the Conceptual Term Sheet, it will be presented to the Board of Supervisors for endorsement. Obtaining the endorsement of the proposed Conceptual Term Sheet and the Port Commission's finding that the proposed Lease is consistent with the Waterfront Plan is key in providing Jamestown a level of confidence for continuing to expend funds to move the project forward.

# STRATEGIC OBJECTIVE

This leasing opportunity complies with the goals of the Port's Strategic Plan as follows:

### Engagement:

By proactively marketing Port maritime and commercial leasing opportunities through a robust multidimensional marketing campaign promoting the Port as a unique "brand".

### Livability:

By expanding the Port's diversity in lease opportunities through increased outreach to the underserved communities and through developing partnerships, and by marketing industrial facilities to capture a share of boutique manufacturing businesses which provide space to grow and preserve light manufacturing and industrial job opportunities.

### Economic Vitality:

By planning and executing a holistic and balanced strategy to the real estate portfolio and asset management to maximize asset value and income stream to the Port.

### Stability:

By increasing Port annual revenues to \$125 million and continuing to expand ongoing revenue sources, and by retaining a diversified tenant base that will perform through economic cycles.

### BACKGROUND

Since the success of the public-oriented activities during the 34<sup>th</sup> America's Cup and the opening of the Pier 27 James R. Herman Cruise Terminal and Cruise Terminal Plaza, the Port has focused on a new leasing strategy to re-tenant the Pier 29 bulkhead. Prior to America's Cup, the facility was leased for light industrial storage and/or parking, before it suffered a major fire and emergency rebuild that was completed just in time to serve as part of the America's Cup Village. Pier 29 bulkhead was recast as a temporary restaurant, the Waiheke Island Yacht Club. This public-friendly venue made excellent use of the reconstructed bulkhead building, and provided a positive visitor experience fronting along the Embarcadero Promenade. After the conclusion of the America's Cup, Port staff proposed a different leasing strategy for the Pier 29 bulkhead to target uses oriented to visitors, workers and residents rather than return to light industrial use and parking. The completion of the Pier 27 Cruise Terminal and the Exploratorium has

-3-

generated substantial growth in pedestrian volumes that would be served well by a public-oriented use in this location.

The re-tenanting proposal received encouragement and feedback from the Port Commission and the public. In investigating this use opportunity, Port staff conversed with stakeholders including numerous sessions with the NEWAG. The Waiheke Island Yacht Club provided an inviting attraction and was favored over light industrial and parking use. In July 2015, staff proposed a re-tenanting plan for the Pier 29 bulkhead to improve and operate a "San Francisco-flavored" destination and retail use within an approximately 20,000 square foot portion of the bulkhead. Staff's vision included a master tenant to serve as the predominant manager or user of the Site, with provisions allowing for subleases for other complimentary uses. Staff's goal was to augment the rich experience of visitors, cruise ship passengers, businesses and residents in the Northeast Waterfront and highlight and promote that which is unique to our region and culture. NEWAG expressed its support of this lease opportunity.

On December 8, 2015, the Port Commission approved Resolution No. 15-41 authorizing staff to issue the RFP for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building.<sup>1</sup> Because this new business also was envisioned to serve residents and workers in the neighborhood, the Port Commission included a member of the NEWAG on the RFP review panel. The four panel members were individuals with expertise in real estate leasing and management, urban design and regulatory compliance, historic preservation, and financial feasibility analysis. The panel evaluated, scored and ranked each of the three proposals received, and the proposal from Jamestown received the highest overall score. On April 26, 2016, the Port Commission approved Resolution 16-17, which authorized the award of the RFP and further authorized staff to enter into exclusive lease negotiations with Jamestown.<sup>2</sup>

# PROJECT PROPOSAL

Jamestown proposes to make a substantial capital improvement to the Site. This investment will include construction of base building core and shell improvements and tenant improvements, which are specific to Jamestown's proposed retail use of the facility. Jamestown's concept includes a retail destination that showcases and sells products manufactured in San Francisco supported through an association with local non-profit organization, SF Made. The proposed retail space will feature flexible displays made of industrial brand and recycled materials that will allow for different configurations to accommodate fluctuating merchandise presentation or open the space for events.

<sup>1</sup> The December 3, 2015 Port Commission staff report

[http://sfport.com/sites/default/files/FileCenter/Documents/10943-

Item%2012B%20Pier%2029%20Bulkhead%20Leasing%20Opportunity.pdf ] provides more details regarding types of retail, creative goods and limited food services that were invited in the RFP, and the community engagement process. <sup>2</sup> The April 21, 2016 Port Commission staff report

-4-

<sup>[</sup>http://sfport.com/sites/default/files/Commission/Documents/Commission%20Meeting%20Staff%20Reports/2016%2 0Commission%20Meeting%20Items/APR26/Item%2011A%20Pier%2029%20Bulkhead%20-

<sup>&</sup>lt;u>%20Award%20of%20RFP.pdf</u>] provides more details regarding the results of the RFP and award of the exclusive right to negotiate to Jamestown.

Jamestown also proposes a local craft beverage operation that will feature a craft brewery, urban winery and coffee roastery. The back wall of the bulkhead will be anchored by a craft alcohol manufacturer and the zone closest to The Embarcadero is envisioned as a café showcasing a local San Francisco coffee roastery. The beveragefocused uses will have limited food service. The central portion of the space would be dedicated to the retail uses and would use the central arch as the main entrance. The beverage spaces are currently laid-out on the perimeter of the central retail space, establishing a large, engaging hall. Beverage production and storage, as well as public restrooms, would also be located within a portion of the bulkhead.

Pier 29 bulkhead is a contributing resource in the Embarcadero Historic District. All improvements will be designed to meet the Secretary of the Interior's Standards for the Treatment of Historic Properties ("Secretary's Standards"). Jamestown's efforts will include partitioning the proposed retail space from the shed space, creating accessible entries to the Site, installing ADA accessible restrooms and providing as needed electrical, fire safety, phone, data, water, sewer and gas utilities that will conform to meet applicable code requirements. In addition, Jamestown will construct all tenant improvements necessary to fulfill the needs of its retail concept described above.

### SUMMARY OF TERM SHEET

Attachment B is the Conceptual Term Sheet proposed for endorsement. The key business terms and conditions include:

Tenant:	JPPF OP Acquisitions, LLC, a Georgia limited liability company
Premises:	The Premises is currently estimated to occupy 22,600 sf, but may vary slightly depending on occupancy calculations.
Lease Term:	15 years.
Base Rent:	Fair market rent to be determined by the parties after taking into account costs of build-out for the project, with periodic fixed adjustments, which amount was estimated at the proposal stage to be \$25,000 per month.
Participation	
Rent:	The Lease will provide the Port with an upside participation in revenues, including as a result of a sale of the Lease, that takes into account a reasonable and market-based return to Jamestown and the Port.
Funding:	Jamestown will be solely responsible for the funding of all soft and hard project costs, estimated at the proposal stage to be \$5,830,000, subject to rent credits as provided below.
Rent Credits:	Jamestown will be eligible for a rent credit against Base Rent for certain reasonable hard costs actually incurred for specified capital

-5-

improvements that benefit the Port, estimated at the proposal stage to be \$1,182,000.

# Waterfront Plan/

Public Trust:

All uses permitted under the Lease shall be consistent with the public trust and Waterfront Land Use Plan, based upon findings by the Port Commission in accordance with the Burton Act and City Charter.

This proposal represents a Conceptual Term Sheet because the parties are in the early stage of negotiations regarding the financial aspects of the project, the analysis of the financial terms have not been highly developed as yet and are also conceptual at this point.

# DESIGN DEVELOPMENT AND THE WATERFRONT PLAN

Upon the Port Commission's selection, Jamestown immediately initiated a comprehensive due diligence examination of the Site and began to develop its design concepts. Jamestown engaged with various local stakeholders and NEWAG, as well as work with Port staff from the Real Estate, Planning and Engineering Divisions.

Jamestown has appeared at the May 4, July 13 and November 10, 2016 NEWAG meetings to present project design, and project update reports. Port staff also initiated architectural and historic design review and provided direction to address Secretary Standards' requirements. While the NEWAG has expressed overall support of this reuse of the bulkhead building, the proposed design has generated questions and comments regarding the compatibility of architectural and public art features with the Embarcadero Historic District setting, which Jamestown will continue to address. Jamestown has worked diligently to revise its project concept to respond to these concerns which will continue, while also preparing for environmental review under the California Environmental Quality Act ("CEQA").

Additionally, one NEWAG member raised questions about the project's consistency with the Waterfront Plan, and whether the Port should proceed with this lease while the Waterfront Plan Update is in process. This concern was reiterated by the Coalition for San Francisco Neighborhoods and Sunset Parkside Education and Action Committee ("SPEAK"). The NEWAG member comment also asserted that Pier 29 is designated for active recreation use, and should not allow the proposed Jamestown project in the bulkhead portion of the facility. Port staff provided the following responses regarding the Waterfront Plan questions:

 The Waterfront Plan includes a matrix of Acceptable Land Uses for each Port property, which identifies a menu of allowable long-term uses (up to 66 years under the Burton Act). Retail and restaurants are trust-consistent uses and are listed as Acceptable Uses for Pier 29 (bulkhead and shed), along with a variety of other activities. The Jamestown project uses therefore are consistent with the Waterfront Plan.

-6-

- The Waterfront Plan includes the Waterfront Design & Access which provides additional direction regarding architectural and urban design, and historic rehabilitation, which applies to the Jamestown project.
- The Waterfront Plan includes policy language that indicates a broad range of mixed-use development opportunities for Piers 27-29 and 31, including a maritime mixed use recreation development. The former large, clear-span Pier 27 shed, which offered the best opportunity for active recreation uses, was replaced by the James R. Herman Cruise Terminal and Cruise Terminal Park. A prior publicprivate mixed use recreation development project for these facilities was unsuccessful.<sup>3</sup>
- Following the conclusion of the 34<sup>th</sup> America's Cup, the Port Commission has been focused on strategic leasing for Piers 19, 23 and 29 that enables the Port to reestablish revenue generation and business opportunities for these facilities, while also supporting the public process to update the Waterfront Plan. The Pier 29 Bulkhead re-tenanting effort is one of several projects that were in the pipeline when the Port Commission directed staff to undertake the Waterfront Plan Update. The Port Commission indicated that the Jamestown lease proposal should continue. Long-term use and development opportunities for Pier 29 shed should be informed by the Waterfront Plan Update process, although short-term leases (five years or less) will continue to address revenue objectives.

# FURTHER COMMUNITY OUTREACH

Representatives of Jamestown remain committed to early and thorough public involvement in the review of the proposed leasing project. They have continued outreach to stakeholders, including meeting with the Barbary Coast Neighborhood Association (BCNA), and Telegraph Hill Dwellers. With assistance from Port staff, they have presented the proposed and revised design concepts to the NEWAG, and plan to make further presentations to NEWAG as the project evolves. Members of NEWAG continue to express support for the proposal. Both Port staff and Jamestown representatives will continue to apprise NEWAG of key project developments. This early exchange has addressed the majority of BCNA questions which led to a letter of support for the project. Attachment C includes comment letters and responses from Jamestown or the Port that have exchanged to date. Jamestown has committed to continue to work closely with the NEWAG and the community throughout the design and public approvals process.

# **Approval Process**

Jamestown is expected to complete the following by early 2017: 1) obtain Port Commission endorsement of the Term Sheet, then seek Board of Supervisors' endorsement of the Term Sheet, 2) continue its due diligence, 3) complete environmental

<sup>3</sup> The Piers 27-31 Mixed Use Recreation Project proposed by Mills Corporation (2000-2005), with YMCA is discussed in detail in the Port's Waterfront Plan Land Use Review Report

[http://sfport.com/sites/default/files/FileCenter/Documents/9896-WLUP\_Review\_Chapter4\_June2015\_part2.pdf], June 2015; Chapter 4, pp. 205-206.

-7-

evaluation and discussions with the San Francisco Bay Conservation and Development Commission ("BCDC"), 4) complete negotiation of the Lease with the Port. Thereafter, Jamestown will seek Port Commission adoption of CEQA findings and approval of the Lease, which are also subject to approval of the Board of Supervisors, and BCDC permit approval.

After endorsement of the Conceptual Term Sheet by the Port Commission and the Board of Supervisors, the project concept will be refined and subject to a historic resources evaluation. The construction improvements will require review by the Port and Planning Department to determine their consistency with the Secretary Standards. The proposed improvements and use of the buildings are subject to review under the CEQA.

Endorsement of the proposed Conceptual Term Sheet does not commit the Port Commission to approve any project, enter into a Lease with Jamestown or take any other action. The Port will not take any discretionary actions in connection with this project until it has been reviewed and considered the environmental documentation prepared in compliance with CEQA.

### Next Steps

If the Port Commission endorses the Conceptual Term Sheet, Port staff will submit the Conceptual Term Sheet to the Board of Supervisors for endorsement. The Board of Supervisors' action will include public hearings and opportunities for public comment.

If the Port Commission and the Board of Supervisors endorse the Term Sheet, Jamestown and Port staff will move forward with project review and negotiation of the lease for the project. The lease will be subject to Port Commission and Board of Supervisor approval. Throughout this process, there will be further opportunities for public comment and review of the proposed project.

### RECOMMENDATION

Port staff recommends that the Port Commission approve the attached resolution endorsing the Conceptual Term Sheet shown in Attachment B.

> Prepared by: Mark Lozovoy, Acting Deputy Director, Real Estate Diane Oshima, Assistant Director, Planning

For:

Elaine Forbes, Executive Director

### Attachments

- A. Pier 29 Area Map
- B. Term Sheet
- C. Comment Letters

# PORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

# RESOLUTION NO. <u>17-04</u>

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the City and County of San Francisco; and

WHEREAS, on December 8, 2015, the Port Commission, by Resolution 15-41, authorized Port staff to issue a request for proposals for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building located at Chestnut Street and the Embarcadero; and

WHEREAS, on December 23, 2015, the Port issued the Request for Proposals for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building (the "RFP"); and

WHEREAS, on April 26, 2016, by Resolution 16-17, the Port Commission awarded Jamestown an exclusive right to negotiate with the Port for a 15-year lease of approximately 20,000 square feet located at the Pier 29 Bulkhead Building (the "Lease"); and

WHEREAS, the Port and Jamestown entered into an Exclusive Negotiation Agreement ("ENA") that sets forth the process, terms and conditions upon which the Port and Jamestown will negotiate terms for a lease; and

WHEREAS, Jamestown and Port staff have negotiated the Conceptual Term Sheet attached as Attachment B to the staff report accompanying this resolution (the "Term Sheet"), which sets forth the essential terms upon which the Port and Jamestown will negotiate in good faith to reach agreement on the final Lease; and

WHEREAS, the Term Sheet is not itself a binding agreement that commits the Port or Jamestown to proceed with the approval or implementation of the project and the project will first undergo environmental review under the California Environmental Quality Act ("CEQA") and will be subject to public review in accordance with the processes of the Port Commission, other City departments and offices, and other government agencies with approval over the proposed Lease before any entitlements and other regulatory approvals required for the Lease will be considered; now, therefore be it

RESOLVED, that the Port Commission finds that the use proposed in the Term Sheet for a retail use in the Pier 29 Bulkhead Building is consistent with the Waterfront Land Use Plan (the "WLUP"), and hereby endorses the Term Sheet and further, authorizes and directs the Executive Director

-9-

of the Port, or her designee, to present the Term Sheet to the Board of Supervisors for its endorsement of the Term Sheet; and, be it further

RESOLVED,

that provided the Board of Supervisors endorses the Term Sheet for the Lease, the Port Commission authorizes and directs the Executive Director of the Port, or her designee, to work with Jamestown to undertake project review and negotiate the terms and conditions of the Lease, with the understanding that the final terms and conditions of the Lease negotiated between Port staff and Jamestown during the exclusive negotiation period will be subject to the approval of the Port Commission and as applicable, the Board of Supervisors and the Mayor; and, be it further

RESOLVED,

that endorsement of the Term Sheet and direction to Port staff does not commit the Port Commission or the City to approval of the final Lease or implementation of the Lease or grant any entitlements to Jamestown, nor does the Term Sheet foreclose the possibility of considering alternatives to the proposal, mitigation measures or deciding not to grant entitlement or approve or implement the Lease, after conducting appropriate environmental review under CEQA, and while the Term Sheet identifies certain essential terms of a proposed transaction with the Port, it does not necessarily set forth all of the material terms and conditions of any final Lease; and, be it further

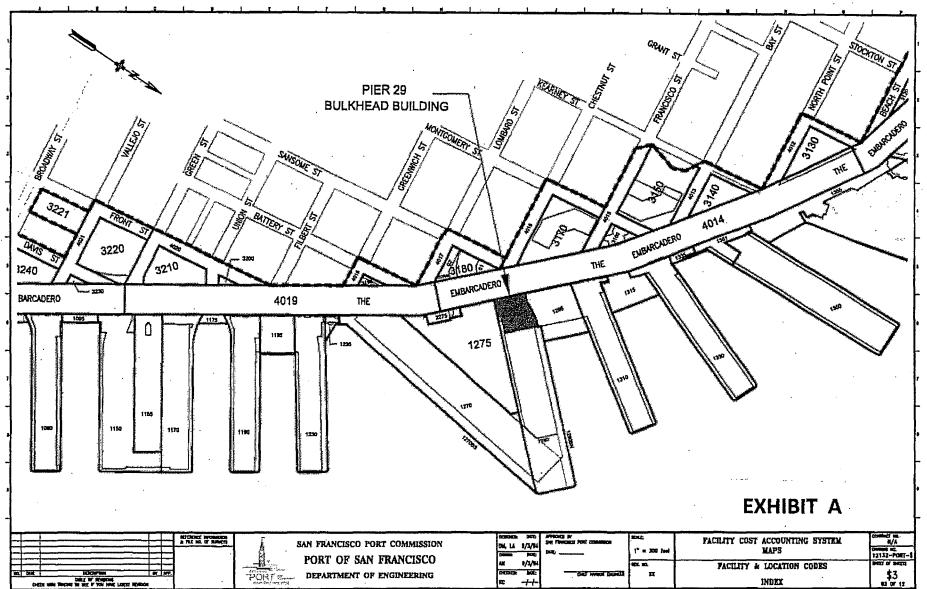
RESOLVED,

that the Port Commission will not take any discretionary actions committing the Port to implement the project, and the provisions of the Term Sheet are not intended and will not become contractually binding on the Port unless and until the Port Commission has reviewed and considered environmental documentation prepared in compliance with the CEQA for the Project and the Port Commission, and as applicable, the Board of Supervisors and the Mayor, have approved the final Lease.

*I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of January 10, 2017.* 



-10-



The was concern they are supply and an

# MEMORANDUM

### April 21, 2016

TO:

- MEMBERS, PORT COMMISSION Hon. Willie Adams, President Hon. Kimberly Brandon, Vice President Hon. Leslie Katz Hon. Eleni Kounalakis Hon. Doreen Woo Ho
- FROM: Elaine Forbes Interim Executive Director
- SUBJECT: Presentation regarding the responses to the Request for Proposals for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building and (i) Request award of the opportunity described in the RFP to Jamestown L.P. and, (ii) authorize staff to initiate exclusive negotiations with Jamestown L.P. for a lease for approximately 20,000 square feet of the Pier 29 Bulkhead Building, located at Chestnut Street and the Embarcadero

### **DIRECTOR'S RECOMMENDATION:** Approve the attached resolution

### SUMMARY

Port staff received authorization from the Port Commission on December 8, 2015, pursuant to Resolution No. 15-41, to issue through the competitive solicitation process a Request for Proposals for approximately 20,000 square feet of the Pier 29 Bulkhead Building (the "Site").

On December 23, 2015 the Port issued the Request for Proposals (the "RFP") for lease and operation of the Site. The Port received written proposals from three qualified respondents (the "Respondents"). A four-member panel (the "Panel") was formed, comprised of Port and other City staff, and one community member from the Northeast Waterfront Advisory Group ("NEWAG"). The Panel members were individuals with expertise in real estate leasing and management, urban design and regulatory compliance, historic preservation, and financial feasibility analysis. The Panel evaluated, scored and ranked each written proposal and the oral presentations as outlined below. The proposal from Jamestown L.P. ("Jamestown") received the highest overall score. Port staff requests that the Port Commission authorize the award of the RFP and authorize the Port to enter into exclusive lease negotiations with Jamestown.

THIS PRINT COVERS CALENDAR ITEM NO. 11A

# STRATEGIC OBJECTIVE

This leasing opportunity complies with the goals of the Port's Strategic Plan as follows:

### Engagement:

By proactively marketing Port maritime and commercial leasing opportunities through a robust multidimensional marketing campaign promoting the Port as a unique "brand".

#### Livability:

By expanding the Port's diversity in lease opportunities through increased outreach to the underserved communities and through developing partnerships, <u>and by</u> marketing industrial facilities to capture a share of boutique manufacturing businesses which provide space to grow and preserve light manufacturing and industrial job opportunities.

### **Economic Vitality:**

By planning and executing a holistic and balanced strategy to the real estate portfolio and asset management to maximize asset value and income stream to the Port.

### Stability:

By increasing Port annual revenues to \$125 million and continuing to expand ongoing revenue sources, and by retaining a diversified tenant base that will perform through economic cycles.

### BACKGROUND

Reuse of Pier 29, especially the bulkhead building fronting on The Embarcadero, is an important next step to support the Port's investment in and use of the James R. Herman Cruise Terminal and Cruise Terminal Plaza. On July 8, 2014, Port staff presented to the Port Commission a new leasing strategy and proposal to reposition the site for public-friendly activities, following upon the positive experience of the temporary Waiheke Island Yacht Club restaurant that occupied the bulkhead building during the 34<sup>th</sup> America's Cup. Rather than returning the facility to light industrial leases and/or parking, Port staff proposed a different direction given that the bulkhead of this facility was completely rebuilt following the major fire in 2012 and in light of the growth in pedestrian volumes since the opening of the James R. Herman Cruise Terminal, Cruise Terminal Plaza and The Exploratorium. The Port also sought to enhance offerings for local residents and workers. This re-tenanting proposal received encouragement and feedback from the Port Commission and the public. In investigating this use opportunity, Port staff had conversed with stakeholders including sessions with the NEWAG regarding the future use(s) of Pier 29.

At the July 9, 2015 Port Commission meeting, staff further explained a refined re-tenanting proposal for seeking potential use(s) and related lease(s) to improve and operate a visitorserving facility within a 20,000 square foot portion of the site located in the Port's Northeast Waterfront adjacent to the James R. Herman Cruise Terminal. Staff's vision of the optimal re-tenanting of the Site included a master tenant to serve as the predominant manager or user of the Site. The master tenant may in turn sublet portions of the site to other complimentary uses. It is staff's goal that this use concept serve to augment the rich

-2-

experience of visitors, cruise ship passengers, businesses and residents in the Northeast Waterfront and highlight and promote that which is unique to our region and culture.

On December 8, 2015, the Port Commission approved Resolution No. 15-41 authorizing staff to issue the RFP for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building. On December 23, 2015 Port staff issued the RFP for lease and operation of the Site.

# BUSINESS AND COMMUNITY OUTREACH

Port staff advertised the RFP opportunity on the Port and Office of Contract Administration websites. Port staff sent copies of the RFP notice to all Port tenants and to other parties that have expressed an interest in participating in opportunities at the Port. In addition, the RFP was advertised using the following resources:

- San Francisco African American Chamber of Commerce
- Hispanic Chamber of Commerce of San Francisco
- Chinese Chamber of Commerce, San Francisco
- LGBT Chamber of Commerce, San Francisco (Golden Gate Business Association)
- San Francisco Chamber of Commerce
- San Francisco Business Times
- Board of Supervisors Neighborhood Outreach Advertising Newspapers
- SPUR
- District 3 Board of Supervisor's Office
- San Francisco Office of Small Business
- #@SFPORT
- The Port of San Francisco Facebook
- @SFPORT Digital Magazine

On January 21, 2016, the Port hosted a pre-bid conference to review the RFP, answer respondent questions and provide a networking opportunity for potential bidders. The prebid conference was followed by a site tour. The Port also provided two additional site tours on February 4, 2016 and February 25, 2016. Over 30 individuals participated in site tours of Pier 29.

### SELECTION PROCESS

The Request for Proposals was issued and advertised on December 23, 2015, with a proposal due date of January 21, 2016.

On January 21, 2016, the Port received three written proposals in response to the RFP. Port staff determined that all three proposals met the minimum qualifications.

# Selection Panel

A four-member panel was convened to evaluate and score the written proposals on March 25, 2016. The panel consisted of a Senior Property Manager from the Recreation and Parks Department, the Port's Senior Waterfront Planner, the Port's Assistant Deputy

-3-

Director of Planning and Development, and a community member from the Northeast Waterfront Advisory Group.

Evaluation Criteria

On March 25, 2016, written proposals were evaluated and scored by each member of the Panel based upon the following criteria:

10 points – Organization/Experience of Respondent Team

15 points – Qualifications/Experience of Respondent

10 points - Experience/Qualifications of the Design Team

15 points – Quality of Concept

10 points – Quality of Conceptual Design for Improvements

20 points – Financial Capacity and Plan

20 points – Economic Return to the Port

100 Points Total

The RFP stated that the top five respondents would be eligible to participate in the oral interview phase of the evaluation process. Port staff forwarded all three proposals to the oral interview phase.

On April 1, 2016, oral interviews were evaluated and scored by each member of the Panel based upon the following criteria:

25 points – Organization/Experience of Respondent Team

10 points – Experience of Design Team

25 points – Quality of Concept and Design Improvements

<u>40 points</u> – Financial Capacity and Economic Return to the Port 100 Points Total

Proposer	Written Proposal Score t (Avg/Total)	·· OrakInterview. Score) (Avg/Total)		Final Average Score	Einal Ranking
Jamestown	339/85	352/88	691	173	1
IARTSF	267/67	253/63	520	130	2
Premier	214/54	224/56	438	110	3

The complete rankings are shown in the following table:

Port staff issued a Notice of the Most Qualified Respondent on April 14, 2016.

# MOST QUALIFIED RESPONDENT

The Jamestown L.P. proposal is a collaboration between Jamestown L.P. (Project Lead), Plant Construction (General Contactor), BCV Architects (Architecture), Holmes Culley (Structural Engineers), Page & Turnbull (Historic Preservation), Gehl Studios (Design) and Gibson, Dunn, & Crutcher (Legal Counsel). The Jamestown L.P. team has significant experience working on successful development and rehabilitation projects including Chelsea Market in New York City, a 1.4 million square foot office and retail development in Manhattan's Meatpacking District that includes a food hall with over 35 vendors that attracts six million visitors annually. Jamestown is also responsible for the development of Ponce City Market a 2.1 million square foot mixed-use rehabilitation project consisting of 259 housing units, 300,000 square foot retail and market space in Atlanta. The team is also familiar with the Port and San Francisco Waterfront having worked on projects at Ghirardelli Square, the Ferry Building, and the Exploratorium. Jamestown is currently a tenant (in good standing) as managers of the Waterfront Office Plaza located at 50 Francisco Street.

Jamestown's concept offering includes a retail destination that showcases and sells products manufactured in San Francisco supported through a partnership with local nonprofit SF Made. The proposed retail space will feature flexible rail-car like displays made of industrial brand and recycled materials that will allow for different configurations to accommodate fluctuating merchandise presentation or open the space for large events as illustrated in Attachment B.

Jamestown also proposes a local craft beverage operation that will feature an urban brewery and/or winery and/or coffee roastery. The back wall of the bulkhead will be anchored by a craft alcohol manufacturer and the zone closest to the Embarcadero is envisioned as an indoor/outdoor café showcasing a local San Francisco coffee roastery. The beverage-focused uses will have limited food service.

The evaluation panel scored Jamestown's proposal high in each of the different evaluation criteria sections. Panelists noted Jamestown's strong experience and qualifications with similar development projects and described their proposal as an authentic San Francisco experience that complements and fits well with existing Port uses with the ability to attract both locals and visitors alike. Jamestown will be encouraged to ensure that subtenants represent all economic and cultural segments of the regions diverse population.

### **PROPOSED TERMS**

In its response to the RFP Jamestown proposed the following basic terms:

Term of Lease:	15 Years
Base Rent:	\$25,000 Per month (\$300,000 annualized)
Base Rent Adjustment:	5% every 5 years
Percentage Rent:	33% of percentage rents collected
Capital Investment:	\$5,800,000
Rent Credits:	\$1,450,000

These terms are subject to further negotiation during the period of exclusive negotiations described below. All terms and conditions are subject to final approval by the Port Commission and the Board of Supervisors.

# PERIOD OF EXCLUSIVE NEGOTIATIONS

Under the terms of the RFP, Jamestown will pay a \$30,000 fee to the Port for a four-month period of exclusive negotiations. Accordingly, Port staff plans to enter into a written agreement containing standard exclusive negotiation terms and conditions for a four-month period of exclusive negotiations with Jamestown during which time terms and conditions for a lease will be negotiated. The terms outlined above are subject to change during the exclusive negotiation period. If necessary, the period for exclusive negotiations may be extended by the Port's Executive Director on a month-by-month basis at a rate of \$10,000 per month

# SCHEDULE

Period of exclusive negotiations: Port Commission approval of lease: Board of Supervisors' approval of lease: Lease Commencement: Spring/Summer 2016 September 2016 October 2016 November 2016

# FACILITY CONDITION

On April 12, 2016, Port staff presented initial results of an engineering study regarding the seismic performance of the Seawall. This design level study showed vulnerabilities due to soil conditions around and underneath the Seawall. In particular, the study showed vulnerabilities in the Pier 29 area. Should the Port Commission authorize the exclusive negotiations with Jamestown, Port staff will work with Jamestown to 1) better understand the engineering study, 2) conduct greater assessment of the Pier 29 superstructure seismic performance which was rebuilt after the Pier 29 fire and, 3) develop mitigation strategies as necessary. The Port has budgeted \$2.7 million for Pier 29 improvements and plans to deploy this budget to perform deferred maintenance and achieve improved seismic performance of the facility as deemed necessary.

# RECOMMENDATION

Port staff is requesting that the Port Commission award the RFP opportunity to Jamestown and authorize staff to enter into exclusive lease negotiations with Jamestown based on the terms described in this staff report. Port staff will return to the Port Commission in summer 2016 to request an approval of a new lease with Jamestown. All terms and conditions to be included in the proposed lease are subject to environmental review and final approval by the Port Commission. The lease will also be subject to approval by the Board of Supervisors.

Prepared by: Mark Lozovoy, Assistant Deputy Director, Real Estate Boris Delepine, Contracts Manager

Prepared For: Susan Reynolds

Deputy Director of Real Estate

Attachment A – Location Plan Attachment B – Design Renderings

-6-

# PORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

# RESOLUTION NO. <u>16-17</u>

WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the City and County of San Francisco; and

WHEREAS, on December 8, 2015, the Port Commission, by Resolution 15-41, authorized Port staff to issue a request for proposals for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building located at Chestnut Street and the Embarcadero, and

WHEREAS, on December 23, 2015, the Port issued the Request for Proposals for the Retail Leasing Opportunity at the Pier 29 Bulkhead Building (the "RFP"); and

WHEREAS, a four-member selection panel with combined expertise in real estate leasing and management, urban design and regulatory compliance, historic preservation, and financial feasibility analysis was convened to review, evaluate and score the proposals against the objectives and evaluation criteria set forth in the RFP; and

WHEREAS, the Port staff has evaluated the scores of the selection panel and reviewed the Port staff's own analysis and has determined that the Jamestown L.P. ("Jamestown") proposal received the highest overall score from the selection panel and is the most qualified to the requirements of the RFP; and

WHEREAS, Port staff is requesting that the Port Commission award the lease opportunity to Jamestown and authorize staff to enter into exclusive lease negotiations with Jamestown for a lease at the Pier 29 Bulkhead Building as further described in the Memorandum dated, April 21, 2016; now therefore be it

RESOLVED,

the Port Commission hereby awards to Jamestown the opportunity described in the RFP and authorizes the Executive Director to enterinto an exclusive negotiations agreement for a lease for the Pier 29 Bulkhead Building on the terms generally described in the Memorandum dated, April 21, 2016 and if these negotiations fail then Port staff is authorized to exclusively negotiate with the next most gualified Respondent; and be it further

### RESOLVED,

that the Port Commission reserves the right, if negotiations with Jamestown are unsuccessful or the parties are unable to obtain approval of a lease from the Port Commission and the Board of Supervisors, to undertake other efforts including, but not limited to, determining no new lease will be pursued for the Pier 29 Bulkhead Building, or negotiating with the next highest scoring respondent to the RFP, at the Port's sole discretion; and be it further

# RESOLVED,

that entering into lease negotiations does not commit the Port Commission to approval of a final lease or related documents.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 2016.

Amy Quesada Secretary

-8-244

# MEMORANDUM

### December 3, 2015

TO: MEMBERS, PORT COMMISSION Hon. Leslie Katz, President Hon. Willie Adams, Vice President Hon. Kimberly Brandon Hon. Doreen Woo Ho

- FROM: Monique Moyer Executive Director
- SUBJECT: Request Authorization to issue a Request for Proposals (RFP) for a Retail Leasing Opportunity at the Pier 29 Bulkhead Building, located at Chestnut Street and The Embarcadero

### DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

At its meeting on November 10, 2015, the Port Commission heard a presentation regarding the proposed RFP for a Retail Leasing Opportunity at the Pier 29 Bulkhead Building. At the meeting, Port Commissioners gave staff further direction which now has been fulfilled. Port staff now requests Port Commission approval of the proposed Resolution.

This report further describes the proposed RFP and provides greater detail than what was presented to the Port Commission on November 10, 2015. Material updates to the November 10, 2015 memorandum are presented herein as underlined text. In particular, updates have been provided related to (1) community outreach, (2) clarification of proposed uses and (3) minor changes to the accompanying Resolution for approval.

### SUMMARY

Port staff is seeking Port Commission approval to offer through the competitive solicitation process a Request for Proposals (RFP) for approximately 20,000 s.f. of the Pier 29 Bulkhead Building (the "Site") for a unique destination use <u>and walkup attraction</u> that is "San Francisco Bay Area flavored" that will create and draw activity in the environs of Pier 29. <u>The Site represents approximately 16% of Pier 29</u>, and it consists solely of space in the bulkhead. The Site has been tested as a successful public

THIS PRINT COVERS CALENDAR ITEM NO. 12B

destination during the 34<sup>th</sup> America's Cup events in summer 2013. Any proposed use(s) of the Site must be consistent with the Port's *Waterfront Land Use Plan* ("Waterfront Plan") which enumerates a variety of allowable uses at the Site, including retail uses. However, the RFP will specifically seek uses which focus on the creation and sales of arts, crafts and/or dry goods<sup>1</sup>; including artists and designers working out of studio/exhibit spaces; innovators' open studios; galleries; public and other markets; and ongoing exhibitions, cultural and exhibit space, including ancillary space for live demonstrations and displays. <u>Some limited food service may be included.</u> It is staff's goal that this use augment the rich experience of visitors, <u>cruise ship passengers</u>, businesses and residents in the Northeast Waterfront and highlight and promote that which is unique to our region and culture. <u>Staff is open to other creative uses that meet</u> <u>the overall goals of activation and uniqueness provided that the uses are consistent with</u> the Waterfront Plan.

As mentioned above, this item was presented to the Port Commission at its November 10, 2015 meeting at which time the Commission choose to hold this item over, and directed staff to return this item for Port Commission consideration at the next Commission meeting (December 8, 2015) after addressing the following concerns:

- 1. <u>The Port Commission felt that additional outreach to the community regarding</u> <u>this item was necessary, especially to the Northeast Waterfront Advisory Group</u> <u>("NEWAG"); and</u>
- 2. <u>The Port Commission requested that there be more information and clarity</u> regarding the Port's vision for acceptable uses at the Site.
- 3. <u>The Port Commission wanted clarification regarding the parameters of acceptable uses.</u>

Port staff have addressed these two issues in the following manner:

- 1. Port staff again re-engaged with the NEWAG at its December 2, 2015 meeting with an informational exchange and discussion regarding proposed uses as described in the RFP; and
- 2. With the goal of being creative and open to new potential uses. Port staff have amended this staff report to further clarify various preferred uses that may be proposed for the Site. Amendments to the staff report are identified by an underlining of the additional language.

# BACKGROUND

Reuse of Pier 29, especially the bulkhead building fronting on The Embarcadero, is an important next step to support the Port's investment in and use of the James R. Herman Cruise Terminal and Cruise Terminal Plaza. Last year, at its July 8, 2014 meeting. Port

-2-

<sup>&</sup>lt;sup>1</sup> Defined for these purposes as textiles, clothing, and notions, etc. Does not mean tobacco or other such products.

staff presented a new leasing strategy and proposal to reposition the Site for publicfriendly activities, following upon the positive experience of the temporary Waiheke Island Yacht Club restaurant that occupied the bulkhead building during the 34<sup>th</sup> America's Cup. Rather than returning the facility to light industrial leases and/or parking, Port staff proposed a different direction given that this facility was completely rebuilt following the major fire in 2012 and in light of the growth in pedestrian volumes since the opening of the James R. Herman Cruise Terminal, Cruise Terminal Plaza and The Exploratorium. <u>The Port also sought to enhance offerings for local residents and</u> <u>workers.</u> This retenanting proposal received encouragement and feedback from the Port Commission and the public. In investigating this use opportunity, Port staff had conversed with stakeholders including sessions with the NEWAG, regarding the future use(s) of Pier 29.

At the July 9, 2015 Port Commission meeting, staff further explained a refined retenanting proposal for seeking potential use(s) and related lease(s) to improve and operate a visitor-serving facility within a 20,000 square foot portion of the Site, located in the Port's Northeast Waterfront<sup>2</sup> adjacent to the James R. Herman Cruise Terminal at the foot of Chestnut Street on the Embarcadero.

The activation of the Site is not meant to compete with other existing Port retail areas and activities such as those located in the Fisherman's Wharf and Ferry Building areas. Additionally, <u>although some food service at the Site may be desirable</u>, Port staff do not envision the space as another full service restaurant, such as the Waiheke Yacht Club, occupying the entire 20,000 s.f. <u>Any food service at the Site is envisioned as ancillary and complimentary to the primary proposed use.</u>

As reported separately to the Port Commission, Port staff has commenced with the Waterfront Land Use Plan Update. That project, which includes neighborhood-level planning of the Northeast Waterfront subarea that includes Pier 29, will provide public insights and feedback on possible future public-oriented uses for the pier shed, <u>which comprises of the majority of available space at that location</u>. In the meantime, Port staff also will continue investigation of the remainder of the pier, what uses can be accommodated, what seismic investment may be required and how such investment may be funded. The end result may be that the remainder of Pier 29 is retenanted on an area-by-area basis or that a master tenant is identified to rehabilitate and reoccupy the whole facility. Port staff will continue its investigation and return to the Port Commission with results and recommendations as they become available.

**Community Outreach:** At the December 2, 2015 meeting of the NEWAG Port staff made another in a series of presentations on the leasing strategy and public offering process for the Site. NEWAG expressed a strong desire to play a role in the tenant selection process and the determination of the eventual use. Staff reiterated its

-3-

<sup>&</sup>lt;sup>2</sup> The Northeast Waterfront is that portion of the Port's portfolio running south from Pier 35 to Pier 7 just north of the Ferry Building and including the Port's landside properties at Seawall Lots 314, 321, 322, 322-1, 323, 324 &351. The Northeast Waterfront is part of a former maritime and industrial district which has successfully evolved into a vibrant urban neighborhood.

commitment to continue to provide regular updates to NEWAG. Further, staff agreed to have community participation on the Advisory Panel described below.

#### PROPOSED SOLICITATION FOR PIER 29 BULKHEAD BUILDING

As indicated above, Port staff has been evaluating the condition and opportunities for both the Site and shed, and currently seeks to re-lease only the Site to capitalize on the significant investment made to date and take advantage of the Site's proximity to The Embarcadero and its ability to complement and support the James R. Herman Cruise Terminal and the Cruise Terminal Plaza.

In addition to having the ability to integrate the Waterfront Land Use Plan Update and further seismic and sea level rise investigations into the process, this approach allows for experimentation and response to changing market conditions. Port staff proposes to start this process with an RFP for leasing, build-out and operating the Site. Through the competitive selection process, Port staff proposes to solicit a potential tenant(s) to perform all tenant improvements, associated infrastructure improvements and needed health and safety upgrades to the Site.

Staff's vision of the optimal re-tenanting of the Site includes a master tenant to serve as the predominant manager or user of the Site. The master tenant may in turn sublet portions of the Site to other complimentary uses. For illustrative purposes only, the following examples are creative combinations of two or more uses that may serve to create the kind of unique public experience that the Port is seeking through this RFP process:

- Arts and crafts work/sell space combined with cultural exhibit space
- Designer/maker work space combined with art gallery/exhibition space
- Innovators' open studios combined with demonstration and display space

The Port purposefully is not being overly prescriptive as to specific uses in order to generate a wider array of creative responses to the RFP. Since the San Francisco region is home to major museums, the California College of the Arts, the San Francisco Art Institute, wine makers, craft breweries, innovation firms, etc., Port staff believes a new combination of unique visitor serving, destination attraction uses can be conceived of and launched in this exceptional space to serve waterfront visitors, cruise passengers and neighbors without replicating a pre-existing waterfront use.

Consistent with other similar Port bidding processes, respondents will be screened for their capabilities and qualifications to undertake improvements at the Site and continuously operate it as a high quality facility.

To ensure the success and consistency of this unique experience, the Port will entertain proposals which emphasize the tenant's ability to manage such a space, which may

include creation of an advisory board similar to the board overseeing the Ferry Building farmer's market.<sup>3</sup>

Port staff now are ready to seek Port Commission approval of an opportunity and the issuance of an RFP for the Site.

#### **Request for Proposals (RFP)**

Subject to approval by the Port Commission, Port will issue an RFP package consistent with standards and criteria for similar opportunities as established by the Port. The package would include an overview, a site map, a narrative description of the opportunities, project objectives, project approvals, lease parameters, selection process, selection criteria, and schedule and submittal requirements.

Advertising: Subject to Port Commission authorization, Port staff will advertise the RFP opportunity on the Port and Office of Contract Administration websites. Port staff will send copies of the RFP to interested parties compiled though industry market research. The Port will host a pre-bid conference to review the RFP, answer respondent questions, and provide a networking opportunity for potential bidders. The pre-bid conference will be followed by a site tour. In addition, the RFP will be advertised using the following resources:

- San Francisco African American Chamber of Commerce
- Hispanic Chamber of Commerce of San Francisco
- Chinese Chamber of Commerce, San Francisco
- LGBT Chamber of Commerce, San Francisco (Golden Gate Business Association)
- San Francisco Chamber of Commerce
- San Francisco Business Times
- Board of Supervisors Neighborhood Outreach Advertising Newspapers
- SPUR
- District 3 Board of Supervisor's Office
- San Francisco Office of Small Business
- #@SFPORT
- <u>The Port of San Francisco Facebook</u>
- <u>@SFPORT Digital Magazine</u>

Advisory Panel: The submittals will be reviewed and evaluated by an advisory panel selected by Port staff, consisting of up to five individuals with experience in real estate economics, real estate development and construction, retail operations and environmental regulatory compliance ("Advisory Panel"). The Advisory Panel will review, evaluate and score all of the written proposals received by the Port. Following the submittal process, up to five of the highest scoring Respondents may be invited to interview with the Advisory Panel and make informational presentations to the Port Commission. Interviews will consist of standard questions asked of selected Respondents, and specific questions regarding individual leasing concept proposals.

-5-

<sup>&</sup>lt;sup>3</sup> CUESA (Center for Urban Education about Sustainable Agriculture) is dedicated to cultivating a sustainable food system through the operation of the Ferry Plaza Farmers Market and its educational programs.

Port staff will select the most qualified respondent and make a final recommendation to the Port Commission. The Port Commission, in its sole discretion, will determine whether to authorize exclusive negotiations with a selected respondent.

Local Business Enterprise ("LBE")Participation: Leases and concessions are exempt from the provisions of the Local Business Enterprise Ordinance. However, in an effort to attract and increase outreach to small local businesses and certified LBE firms, Port staff will email LBEs and local small business firms directly about new leasing opportunities, post notices in the City's Small Business Exchange, coordinate with the Office of Small Business to increase outreach to local small businesses, and notice the Contract Monitoring Division ("CMD") of upcoming lease and concession opportunities. The RFP will also be advertised in the Office of Small Business newsletter, which has a circulation of 20,000 local businesses. Port staff will host a preproposal meeting and networking event at Pier 1 in January 2016 to discuss and enhance bidding opportunities for small emerging businesses. In addition, Port staff will work with CMD to set a LBE participation goal for construction contracts on tenant improvements associated with the master tenant lease.

#### Selection Criteria

The Port will select a Respondent with whom to enter into exclusive negotiations. The Respondent must have the demonstrated ability to deliver a project that meets the Port's Project Objectives.

The Advisory Panel will use the following general criteria in evaluating the written responses to the RFP:

A. Experience and organization of the Respondent's team based on clear lines of authority and assignment of responsibilities, demonstrated responsiveness and decisiveness, and overall qualifications and availability of key individuals of the Respondent's team, economic success of similar ventures, relationships with other similar operators, ability to implement development and or leasing projects quickly and effectively, and ability to work constructively with City and community representatives. (10 Points)

B. Experience and reputation of the Respondent based on the Respondent's breadth of experience in public/private or private ventures, quality and success of other retail/restaurant ventures over time, uniqueness of other ventures, and ongoing management of retail/restaurant operations. **(15 Points)** 

C. Experience and qualifications of design consultants (engineer, architect, landscape architect, interior designer, etc.) based on their experience on projects with similar site characteristics, reputation for flexibility and responsiveness to public and community concerns, compatibility of designs with setting, especially with nearby historic resources, success in integrating indoor and outdoor settings, and experience with design review processes of the City. (10 Points)

-6-

D. Quality, uniqueness, and potential for success and successful fit of the use concept based on the type and character of project proposed, targeted clientele, <u>engagement of LBE partners</u>, appeal to a diversity of users, compatibility with the neighborhood's setting, augmentation of the Port's rich Northern Waterfront experience and uniqueness and the extent to which the proposed uses would promote the public trust objectives as set forth in the Burton Act and in the Waterfront Land Use Plan. (15 Points)

E. Quality of conceptual design for proposed tenant improvements based on conceptual design and space layout, relationship of the design to the Embarcadero Roadway and Promenade, sensitivity to and integration with adjacent historic properties, the minimum amount of alteration to the building exterior, enhancement of views to, from, through and around the building, success in meeting design criteria in the Waterfront Plan and its Design and Access Element. **(10 Points)** 

F. Financial capacity and plan of the Respondent based on ability to fund preliminary design and predevelopment costs and ability to raise and commit capital for construction, start up operations, and continuing operations and maintenance. Financial viability of the proposal based on adequacy of projected revenues to support the investment, reasonableness of the cash flow analysis (pro-forma), and proposed capital investment for improvements. Description of Capital Investment: Proposals must include descriptions of proposed sources and uses of capital investments and the anticipated level of proposed capital investment. (20 Points)

G. Economic return to the Port based on Base Rent and Percentage Rent proposed by Respondent. Term of Lease based on minimum term required to support cost of proposed improvements and comparable situations in the market. **(20 Points)** 

#### **Exclusive Negotiations**

Upon Port Commission authorization of exclusive negotiations, the selected respondent will provide a \$30,000 fee to be retained by the Port for a four month period of exclusive negotiations. The Port and the selected respondent would enter into an Exclusive Right to Negotiate Agreement ("ERN") during the period of exclusive negotiations to complete Lease negotiations.

During the period of exclusive negotiations, the following events will occur:

- A Lease agreement and related documents for the lease and development of the Site in a final form approved by the City Attorney's Office will be negotiated;
- The selected respondent will complete its due diligence review of the site, finalize financial projections, and complete preliminary site plans; and
- The selected respondent, with the Port's cooperation, will complete the project approval processes, any required supplemental environmental review pursuant to the California Environmental Quality Act and obtain necessary approvals from regulatory agencies such as the San Francisco Bay Conservation and Development Commission.

-7-

#### Proposed Rent and Key Lease Terms

Subject to Port Commission authorization and upon successful completion of negotiations with the selected respondent, the Port will enter into a lease for the Site, with the following key terms and the additional key terms described in Attachment F.

**Rent:** Rather than set a minimum monthly rental rate for the Site, the Port is asking Respondents to propose a monthly rate comparable to like situations in the market. Rental adjustments should also be proposed. A period of rent abatement for the purpose of constructing improvements may also be proposed.

If applicable, proposals should include a Percentage Rent payable to the Port on gross receipts for food, beverages and merchandise. Percentage Rent may also be proposed on other revenue streams such as rents from subtenants. The level of percentage rental rate is not being dictated by the Port but should be comparable to like situations in the market.

- **Premises:** The premises is comprised of approximately 20,000 s.f. of interior space located within the Pier 29 Bulkhead Building. The respondent will be allowed to propose the specific configuration of the 20,000 s.f. within the bulkhead building in order to allow the Respondent to maximize the viability and success of the proposed use.
- **Term:** Proposals must include a proposed initial term. Proposals may include option periods, if needed, which should be the minimum length of term practical based on the cost and financing of tenant and building improvements and comparable situations in the market.

#### Earthquake Vulnerability Study

As reported separately to the Port Commission, the Port is currently in the process of conducting an Earthquake Vulnerability Study of the Northern Waterfront Seawall, a component of the overall effort to improve resiliency of the waterfront by quantifying risks, prioritizing actions, and executing improvement projects. The Northern Waterfront Seawall ("Seawall") stabilizes four miles of historic waterfront stretching continuously from Fisherman's Wharf to Mission Creek. The Earthquake Study is a high level engineering study that will assess earthquake vulnerability, predict damage and economic impacts from a range of earthquake events, develop conceptual mitigation alternatives, and make recommendations for further action and/or study. The information is vital for the Waterfront Land Use Plan Update and to inform Port and City efforts to respond to climate change and sea level rise. A draft of the study and recommendations are expected to be released in 2016. Results of the study may call for further strengthening of the Seawall at or near the Pier 29 Bulkhead Building.

#### **Climate Change and Plan for Sea Level Rise**

Repair and re-tenanting of the Pier 29 Bulkhead Building may result in these improvements being placed at risk as sea levels rise over the next decades. The lease will include provisions to address future flood mitigation measures, should these be

-8-

needed to protect the property or public safety. During the term of the proposed lease, there is some risk that the maintenance of the substructure of this facility will be more difficult and expensive to maintain. The lease will include provisions requiring the tenant to prepare and submit a plan for addressing these issues due to possible sea level rise. **RFP Schedule** 

Port staff recommends a competitive solicitation schedule as follows:

#### Issue RFP

Pre-submittal conference and site tour for prospective bidders Submittal deadline Selection of bidder(s) for additional review Presentation(s) by selected bidder(s) Port Commission approval of selected bidder Execution of ERN and lease negotiations Port Commission approval of lease Board of Supervisors approval of lease

December, 2015 January 21, 2016 March, 2016 April, 2016 May, 2016 June, 2016 September, 2016 TBD TBD

#### Recommendation

Port staff recommend that the Port Commission approve the attached resolution authorizing Port staff to issue a Request for Proposals for a Retail Leasing Opportunity at the Pier 29 Bulkhead Building, located at Chestnut Street and The Embarcadero.

#### Prepared by:

Mark Lozovoy Assistant Deputy Director, Real Estate

For:

Susan Reynolds Deputy Director, Real Estate

#### Attachments

- A. Map of Northern Waterfront
- B. Map of Pier 29
- C. Waterfront Land Use Plan Implementation Process
- D. Building and Site Conditions
- E. Strategic and Project Objectives
- F. Key Lease Terms

-9-

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

#### RESOLUTION NO. <u>15-41</u>

Charter Section B3.581 empowers the Port Commission with the WHEREAS. authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and Reuse of the Pier 29 Bulkhead Building fronting on The WHEREAS, Embarcadero is an important next step to support the Port's investment in and use of the James R. Herman Cruise Terminal and Cruise Terminal Plaza; and WHEREAS, The Pier 29 Bulkhead Building has been tested as a successful public destination and walk-up attraction during the 34<sup>th</sup> America's Cup events in summer 2013; and Based on the public's positive response to this temporary use, Port WHEREAS, staff envision the Pier 29 Bulkhead Building as a site for a unique destination use and walk-up attraction that is "San Francisco Bay Area flavored" that will create and draw activity in the environs of Pier 29; and There is currently an opportunity to lease approximately 20,000 WHEREAS, square feet of the Pier 29 Bulkhead Building (the "Site"); and Staff proposes to specifically seek uses which focus on creation WHEREAS. and sales of arts, crafts and/or dry goods; including artists and designers working out of studio/exhibit spaces; innovators' open studios; galleries; public and other markets; and ongoing exhibitions, cultural and exhibit space, including ancillary space for live demonstrations and displays; and

WHEREAS,

Respondents are encouraged to include a Local Business Enterprise as a partner either in providing specific goods or services such as community outreach engagement and development, operations, maintenance, security or managing the retail or other operations as an actively participating partner of the Respondent and the Port Commission encourages the participation of Local Business Enterprises ("LBEs") and CMD-Certified Small and Local Economically Disadvantaged Business entities in this RFP opportunity; and

-10-

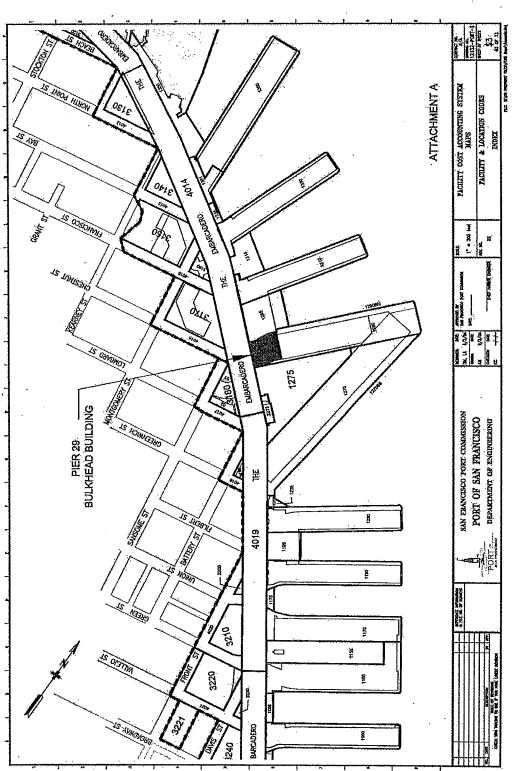
WHEREAS,	The Port Commission encourages maximum outreach to LBE's and CMD-Certified Small and Local Economically Disadvantaged Business entities; and
WHEREAS,	Under City and Port policies retail leasing opportunities must be competitively bid unless impractical or infeasible; and
WHEREAS,	The Port Commission wishes to proceed with activation of the Site through a lease for these purposes; and
WHEREAS,	Any such lease would require approval of the Port Commission and the Board of Supervisors; and
WHEREAS,	Issuance of a request for proposals ("RFP") does not commit the Port to proceeding with any lease or lease project, and the Port cannot approve a lease for the project until after environmental review has been completed in compliance with the California Environmental Quality Act; now, therefore, be it
RESOLVED,	That the Port Commission authorizes Port staff to offer the opportunity for the lease and operation of the Pier 29 Bulkhead Building through a competitive solicitation process consistent with Port and industry standards and for the uses and under the terms and conditions set forth in the staff report accompanying this Resolution; and, be it further
RESOLVED,	That the Port Commission authorizes Port staff to take further actions in connection with the competitive solicitation as necessary to achieve the purposes described herein.

I hereby certify that the Port Commission at its meeting of December 8, 2015 adopted the foregoing Resolution.

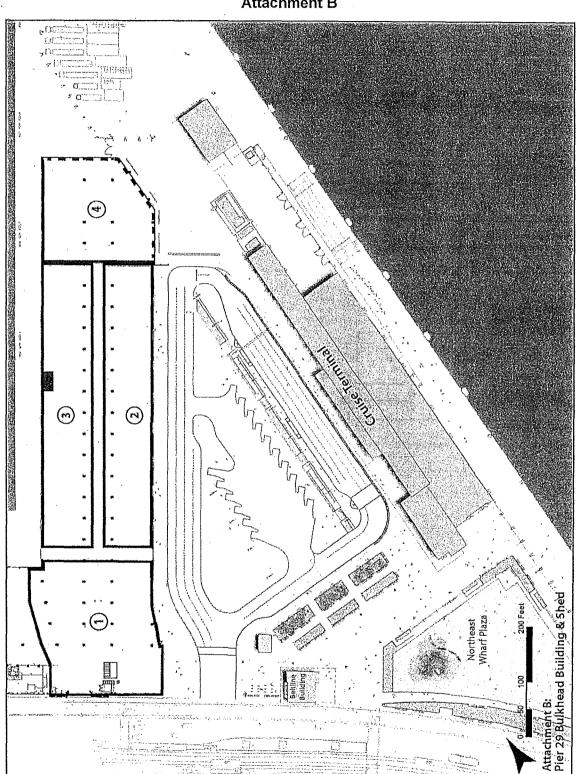
Amy Quesada	7 Dighting signed by Arry Durssel , Dittorning persists with a fair function, within the restorning generatory by some statist Date 2713.21 of 143 (s) is sense	rada,
Secr	etary	•••••

-11-

255



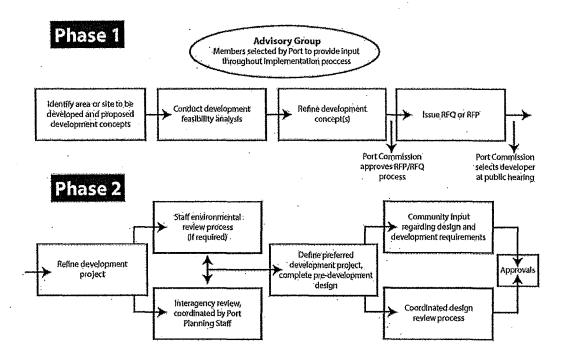
Attachment A



Attachment B

#### Attachment C

### Waterfront Plan Implementation Process



#### Attachment D Building and Site Conditions

The Pier 29 Bulkhead Building is a timber-framed, pile-supported building fronting on The Embarcadero. It is within walking distance of the Ferry Building, the City's central business district, Fisherman's Wharf, Chinatown and North Beach. The Site is well placed on The Embarcadero Promenade adjacent to the Port's James R. Herman Cruise Terminal, adjoining 2.5 acre Cruise Terminal Plaza and historic Beltline Building. Port staff do not propose to use any portion of the Site for parking and recommend that this solicitation clearly state that there is no dedicated parking at the Site. However, paid parking is available in the Pier 27-29 valley on days when the adjacent James R. Herman Cruise Terminal is not in use or not preparing for a cruise ship call or major event.

The bulkhead portion of Pier 29 was originally built in 1918 and is a contributing resource within the Embarcadero Historic District, which is listed on the National Register of Historic Places. The Site was renovated after a significant fire in June 2012. Alterations to the Site to facilitate future use will require conformity with historic rehabilitation standards and all Port Building Code and Fire Code requirements, including fire suppression and safe exiting.

In keeping with current Building, Seismic and Fire Codes, the portion of the Pier 29 Bulkhead Building available for lease through this process is a maximum of 20,000 square feet with a maximum occupancy load of 100 square feet (s.f.) per person. As such, Port staff envision a single use or a mix of curated uses for the space. The space may be used for one or more distinct operations under a lease with a single user provided the combined uses do not exceed the occupant load factor of 100 s.f. per person. Such use may include a dedicated portion of the space for administrative support, required on-site storage and visitor-serving amenities including required restrooms<sup>4</sup> as well as supporting food and beverage service within the maximum available square footage and maximum allowable occupant load factor.

Port engineering staff have conducted initial evaluations of the Pier 29 substructure and superstructure. The Pier 29 substructure is 100 years old and consists of reinforced concrete slabs supported over reinforced concrete beams spanning over reinforced concrete piles. Engineering staff have estimated that repairs to the entire substructure of Pier 29 would cost in excess of \$11,000,000. The substructure specific to the 20,000 s.f. at the Pier 29 Bulkhead Building is in 'Fair' to 'Good' structural condition. A percentage of the slabs and beams have incurred concrete spalling and rusting of their

<sup>&</sup>lt;sup>4</sup> The Pier 29 Bulkhead Building does not include any dedicated restrooms. Newly constructed restrooms to serve multiple tenants are located in the north side of the Pier 29 Shed, approximately 300 feet to the east of the Site. Additionally, the Port has constructed additional restrooms in the adjacent Beltline Building to support users of Cruise Terminal Plaza

rebar. Due to the existence of the damaged framing, the substructure is rated for 100 pounds per s.f. live load. A condition of the use of this area is a limit of 100 s.f. per occupant load. The Port has committed in its 2015/16 Capital Budget to fund \$2,700,000 in substructure repairs to the marginal wharf underneath the Pier 29 Bulkhead Building. With this investment, Engineering staff believes that the weight load capacity in this area would be increased to at least 200 pounds per s.f. live load. Additionally, the useful life of the substructure in this area would be increased by 30 years.

Piers 27 and 29 substructure decks were seismically strengthened after the 1989 Loma Prieta earthquake using FEMA funds. Piers 27 and 29 substructure decks are up to seismic standards as per current Port Building Code.

The Pier 29 superstructure (i.e., that portion above the pier deck) consists of both the newly rebuilt Bulkhead Building and the attached 99-year old Pier 29 Shed Building. Both structures are framed with long-span wood roof trusses and columns. The Bulkhead Building is in 'Excellent' structural condition. The Shed Building is framed with wood rafters and concrete walls and is in 'Good' structural condition. Neither portion meets current building codes for lateral force requirements. Port's engineers have estimated that the cost of meeting the lateral force requirements with a seismic upgrade to the entire Pier 29 superstructure is \$9,000.000.

#### Attachment E Strategic and Project Objectives

#### Strategic Objectives

The Port strives to enhance the quality of life and economic vitality of the City and the region. As such, the Port continues to work to reinvigorate its historic waterfront assets to enhance these public benefits. Pier 29 represents a unique and valuable asset for the Port. Activation of the Site enhances the Port's recent investments in the James R. Herman Cruise Terminal, the new 2.5 acre Cruise Terminal Plaza and the rebuilding of the Site, following a 2012 fire. Activation of the Site also supports the Port's need to ensure its financial stability in order to address the growing backlog of deferred maintenance and ensure the finger piers' viability for future generations.

Strategic objectives are:

- to activate and enliven the waterfront for public enjoyment without diluting existing Northeast Waterfront uses;
- to return the Pier 29 Bulkhead Building to economic use, generating a significant, on-going revenue stream to the Port's Harbor Fund;
- to provide support services and amenities to cruise passengers, plaza users and visitors to the Port; and
- to reopen a restored historic maritime structure in the Embarcadero Historic District for public-oriented uses that advance understanding and appreciation of Port history.

#### **Project objectives**

Port staff believe any future tenancy should take full advantage of Pier 29 Bulkhead Building's distinctive location, the adjacent cruise terminal, adjacent plaza and Embarcadero Promenade and should uniquely activate and enliven the waterfront without duplicating existing uses in the Northeast Waterfront or violating good neighbor practices. To that end, Port staff have crafted the project objectives below to guide future reuse of the Pier 29 Bulkhead Building.

Project objectives are for a use(s) that:

- creates a vibrant people destination serving residents and travelers alike;
- cohesively knits the Pier 29 Bulkhead Building into the northeast neighborhoods and the Bay's edge;
- celebrates and communicates the quality and cultural diversity of the San Francisco Bay Area;
- promotes new technologies and changes in art, culture, society and/or the environment through creative products and inspirational content;
- cultivates innovation, community engagement, and social and environmental responsibility;

 creates community partnerships and serves the Bay Area's diverse populations including consistent business and employment opportunities for local workers and companies during the project's operation as well as design and construction phases;

• is consistent with the policies, standards and design criteria in the Waterfront Plan and the Waterfront Design & Access Element; and

 provides for adaptive reuse of a vacant facility that conforms to the Secretary of the Interior Standards for Rehabilitation and Article 10 of the City's Planning Code and meets all Building and Fire Code requirements.

#### Attachment F Key Lease Terms

If the Port Commission authorizes issuance of a competitive solicitation for Retail Leasing Opportunity at the Pier 29 Bulkhead Building, Port staff recommends that respondents be required to indicate acceptance of the following Key Lease Terms, and to make a lease proposal that is consistent with these Key Lease Terms. Actual terms of the Lease are negotiated with a prospective tenant ("Tenant") by Port staff and are subject to final approval by the San Francisco Port Commission and the Board of Supervisors.

#### <u>Use</u>

Proposals must include a full description of proposed uses, such as: fully detailed description of improvements to the facility, all planned activities within the premises, products to be made and/or sold, and any other extraordinary activities that may be planned for the site.

#### **Premises**

The premises shall be comprised of approximately 20,000 square feet of interior space located within the Pier 29 Bulkhead Building. The respondent will be allowed to propose the specific configuration of the 20,000 within the bulkhead building in order to allow the Respondent to maximize the viability and success of the proposed use.

#### Base Rent

Rather than set a minimum base monthly rental rate, the Port is requiring Respondents to propose a base monthly rate comparable to like situations in the market. Rental adjustments must also be proposed. A period of rent abatement for the purpose of constructing improvements may be included.

#### Percentage Rent

If applicable, proposals must include a Percentage Rent payable to the Port on gross receipts for food, beverages and merchandise. Percentage Rent may also be proposed on other revenue streams such as rents from subtenants. The percentage rental rate is not being dictated by the Port but should be comparable to like situations in the market.

The higher of the Base Rent or the Percentage Rent would be payable to the Port. In any month in which the Percentage Rent does not exceed the Base Rent, only the Base Rent would be payable to the Port.

#### <u>Term</u>

Proposals must include a proposed initial term plus option periods, if any, which shall be the minimum length practicably based on the cost and financing of tenant and building improvements and comparable situations in the market.

#### Capital Investment

Proposals must include descriptions of proposed capital investments and the anticipated level of proposed capital investment.

#### Form of Lease

The successful Respondent will be required to enter into a lease to be negotiated by and between the Port and Respondent during the period of exclusive negotiations. A copy of the Port's standard form lease is included in the RFP package as Appendix E (the "Form of Lease") as an example of the Port's standard lease requirements. However, the final lease may be substantially different to: a) reflect the business terms negotiated between the successful Respondent and the Port; b) incorporate any City requirements adopted after the drafting of the Form of Lease; and c) incorporate any other provisions desired by the Port Commission or negotiated by the parties.

#### Sale/Transfer/Refinancing

The Port expects to participate in the proceeds that the Tenant receives from the sale, transfer or refinancing of the leasehold.

#### Maintenance/Repairs

During the term of the lease, the Tenant shall be responsible for all improvements, maintenance, repairs and operating expenses associated with the Site, including any non-exclusive areas such as access roads, utilities, and general buffer areas.

#### Possessory Interest and Other Taxes

The Tenant will be required to pay possessory interest taxes on the assessed value of the leasehold interest. The Tenant also will be required to pay other applicable city taxes, including sales and payroll taxes.

#### Security Deposit

A security deposit will be required in an amount equal to no less than two month's Base Rent in the form of cash.

#### Insurance Requirements

Throughout the term of the Lease, the Tenant will be required to maintain insurance typical for the approved project in amounts and with limits determined appropriate by the Port, the City's Risk Manager, and with carriers acceptable to the Port. Insurance will include, but is not limited to: comprehensive general liability; workers' compensation; property insurance on the Premises; automobile liability; watercraft liability; personal property; business interruption; builder's risk; pollution legal liability; a policy endorsement in a form acceptable to Port; and any other insurance required by law. The Port and City must be named as additional insureds.

#### **Environmental Deposits**

The lease will require two forms of environmental financial assurance designed to protect the Port and the community from liability arising out of the operation of a retail facility:

- A Letter of Credit (Environmental Performance Deposit) in a form determined by the Port and in an amount sufficient to compensate the Port for any damage it might incur as a result of the tenant's failure to perform its environmental obligations.
- 2. A \$10,000 Environmental Oversight Deposit which may be used by the Port if the Tenant receives a Notice of Violation or regulatory order and such notice of violation cannot be cured or Tenant cannot comply with such regulatory order within 14 calendar days after delivery of such notice, and the Tenant is not actively working to cure such notice of violation or comply with such regulatory order.

#### Hazardous Materials

During the "due diligence" period, the respondents may conduct environmental site assessments of the Site. The Port will make existing information about physical and environmental conditions available to respondents.

#### Operations Plan

All Permitted Uses must be performed in compliance with an Operations Plan approved by the Port detailing environmental performance measures during construction and ongoing operations of the facility under the lease. The Operations Plan must address issues such as; health and safety mitigations during construction, dust control, manage stormwater, handle hazardous materials, recycling of unused materials, janitorial and cleaning operations, food preparation and handling, hours and full description of operations etc.

#### Assignment/Sublease

The Port will have the right to approve any assignment, sublease or transfer of the Lease, subject to any participation provisions, as described above under the heading "Sale/Transfer/Refinancing".

#### **City Requirements**

The Lease will require the Tenant to comply with all City requirements in effect.

The Port Commission is interested in encouraging the participation of disadvantaged business entities in this RFP opportunity. The Tenant will be encouraged to consult with the City's Contract Monitoring Division to determine appropriate methods for promoting participation by disadvantaged business such as Construction Contracting, Trucking and Hauling, Janitorial Services, Food Preparation and sales, and Security Guard Services businesses.

The Port will also require the Tenant to pay prevailing wages in the construction of the project in accordance with prevailing wage and labor standards adopted by the San Francisco Board of Supervisors pursuant to SF Admin. Code Section 6.22(e).

The Tenant will also have an approved Local Hiring Plan as required by SF Admin Code Section 6.22(g) if improvements are in excess of \$1 million.

#### Community and Good Neighbor Policies

Tenant shall be required to adhere to all Community and Good Neighbor Policies currently in effect and those that may be enacted in the future.

#### Performance Benchmarks

All documents governing the approval and development of the site will contain time and performance benchmarks, including provisions for payment of liquidated damages, with termination for non-performance.

## RETAIL LEASING OPPORTUNITY: PIER 29 BULKHEAD BUILDING

## Budget & Finance Sub-committee

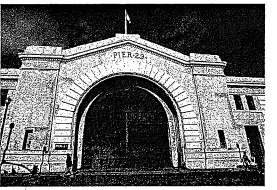
March 2, 2017

PORTOF SAN FRANCISCO

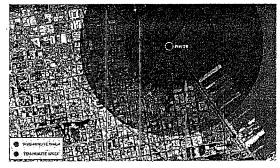
F. Le# 170128 Received in Committe

3/2/1-

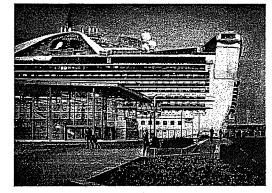
## Pier 29 Bulkhead RFP Strategic Objectives



Reopen historic bulkhead and return to economic use



Provide amenities for residents, workers and visitors



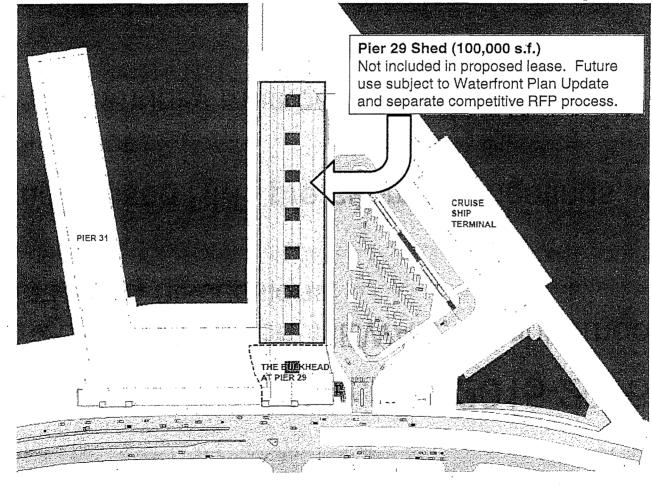
Support Port's \$114 investment in James R. Herman Cruise Terminal

268



Showcase and celebrate SF's manufactured goods & culture

## Pier 29 Bulkhead Area: 23,000 sq. ft.



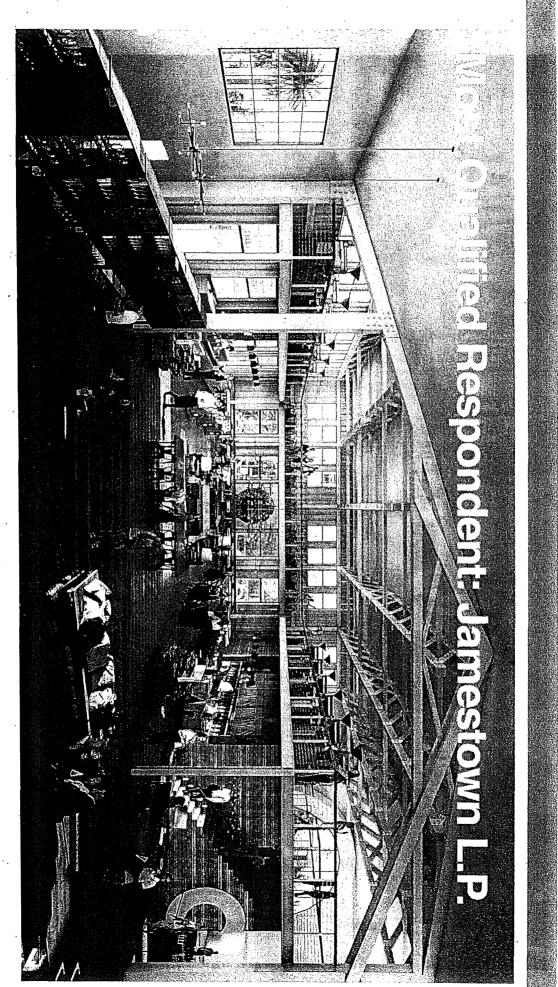
ίq.

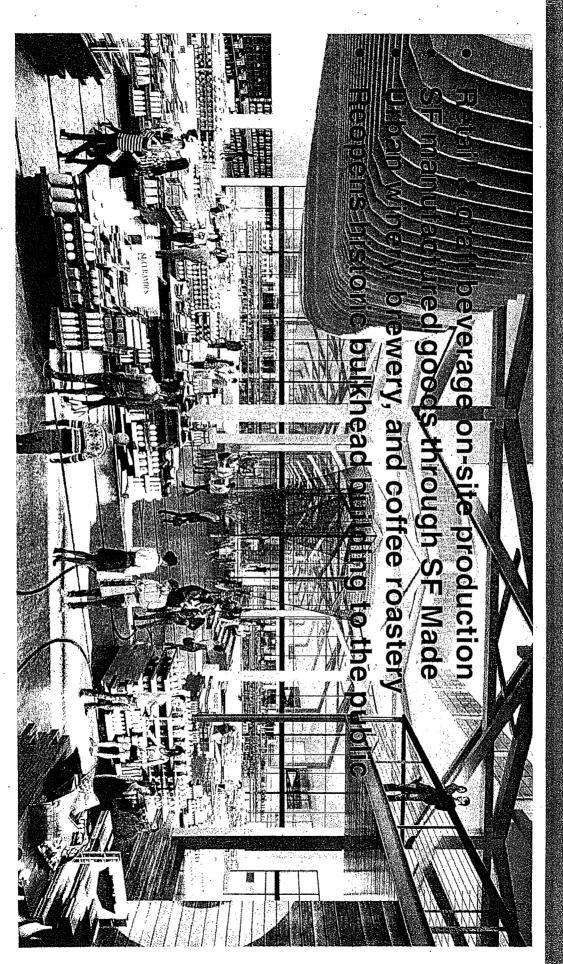
# RFP: Full & Inclusive Process (2015-2016) Multiple Port Commission, NEWAG, neighborhood presentations & discussions

• Widely advertised RFP, pre-submittal meetings, 3 site tours

NEWAG community member served on selection panel

Three qualified proposals received





## Port Seeks Early Read from Board of Supervisors

- This is a small lease project Jamestown's budget for project improvements and approvals is limited
- No Mall on the Waterfront opposition Strong support from NEWAG members, neighborhood groups, Port tenants, but Jamestown seeks more certainty
- Early Read The Port and Jamestown seek an early read of Board support before investing in CEQA, design review and entitlement approvals. Approval of conceptual term sheet does not approve the project

## Board of Supervisors Policy Considerations

**Waterfront Plan-Consistent -** Retail and restaurants are public trust uses allowed for the Pier 29 Bulkhead Building

**Historic Rehabilitation -** Jamestown proposes a \$5.8 million investment in the Port's historic Pier 29 property

**Design & BCDC Review** – Project requires design review to comply with Secretary of Interior historic preservation standards, and a BCDC permit

5

**Pier 29 Bulkhead Only -** Project excludes any use of Pier 29 shed. The Waterfront Plan Update public process will inform future uses and separate competitive solicitation processes

## Conceptual Term Sheet Summary

Tenant JPPF OP Acquisitions, LLC

Lease Term 15 years

**Premises** 22,600 SF, but may vary slightly

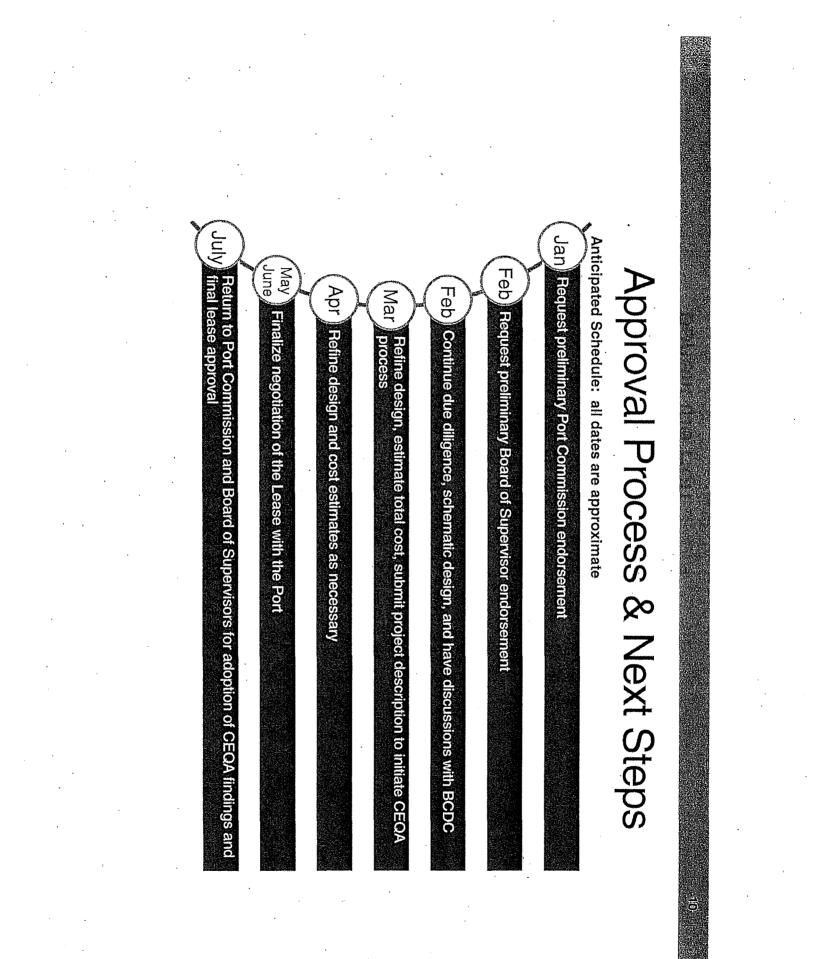
**Base Rent** Fair market rent taking into account capital investment, estimated at the proposal stage to be \$25,000/month

ParticipationRentPort upside participation in revenues, including a sale<br/>of the Lease

**Investment** \$5.8 million private investment

**Rent Credit** 

\$1,182,000 for specified capital improvements that benefit the Port



Office of the Mayor San Francisco



EDWIN M. LEE

Angela Calvillo, Clerk of the Board of Supervisors TO: FROM: Mayor Edwin M. Lee RE: Term Sheet Endorsement - Pier 29 Bulkhead - Lease With JPPF OP Acquisitions, LLC ("Jamestown") January 31, 2017 DATE:

Attached for introduction to the Board of Supervisors is a resolution endorsing the Conceptual Term Sheet between the Port and JPPF OP Acquisitions, LLC ("Jamestown") for a 15-year lease of approximately 20,000 square feet of space at the Pier 29 Bulkhead Building, located at Chestnut Street and the Embarcadero.

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200 SAN FRANCISCO, CALIEORNIA 94102-4681 TELEPHONE: (**4**15) 554-6141

From: Sent: To: Subject: Attachments: Board of Supervisors, (BOS) Thursday, March 02, 2017 12:02 PM BOS-Supervisors; Wong, Linda (BOS) File 170128 FW: support letter for pier29 project pier29.pdf

From: flicka mcgurrin [mailto:fmcg23@gmail.com] Sent: Thursday, March 02, 2017 11:56 AM To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org> Cc: Monteko, Remy <Remy.Monteko@jamestownlp.com> Subject: support letter for pier29 project



#### 3/3/17

Dear Chair Cohen,

I am the owner of Pier23Cafe as well as a life long resident of North Beach.

I am writing in support of the proposed development of Pier 29 bulkhead building by Jamestown.

Given that the lack of amenities along the northern waterfront creates a constant unfulfilled need for the pedestrians that walk the embarcadero, another venue could be a very useful stopover for those enjoying the beauty of our waterfront.

I truly do not think that this development would compromise our business or Pier39 since the description of the planned use is unique to any of the neighboring businesses.

Sincerely,

Eliche McGunnen Rier 23 Cafe

Pier 23 Cafe = The Embarcadero = San Francisco 04111 = (415) 362-5125

From:		Board of Supervisors, (BOS)
Sent:		Thursday, March 02, 2017 3:19 PM
To:		BOS-Supervisors: Wong, Linda (BOS)
Subject:	•	File 170128 FW: Please Support Pier 29 Project and Conceptual Term Sheel
-		

From: Powell, Tracy [mailto:tracy@ti.com] Sent: Thursday, March 02, 2017 1:43 PM To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org> Subject: RE: Please Support Pier 29 Project and Conceptual Term Sheet

Dear Chair Cohen,

I am an Embarcadero office tenant writing to urge you to support of the proposed retail project at Pier 29 and the conceptual term Sheet for the lease of the Pier 29 Bulkhead, Board of Supervisors file number 170128.

I believe that the plan outlined for Pier 29 is an excellent idea and will revitalize this specific area of the Embarcadero. We really only have one restaurant in the immediate area next to our building now and I am sure my team here at Texas Instruments will enjoy having more local options to visit and patronize.

Additionally I see many visitors walking along the Embarcadero on a daily basis looking for stores and restaurants such as what is planned here, I feel it would be a vibrant addition to our neighborhood.

Best regards

Tracy Powell Texas Instruments Suite 201, 50 Francisco St. San Francisco

om:Board of Supervisors, (BOS)ant:Thursday, March 02, 2017 10:09 AMTo:BOS-Supervisors; Wong, Linda (BOS)Subject:FW: BOS file 170128 - Pier 29 SupportAttachments:Letter of support for Jamestown Properties Project at Pier 29

-----Original Message-----

From: Susan McCullough [mailto:suemcsf@sbcglobal.net] Sent: Wednesday, March 01, 2017 11:52 PM To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org> Cc: remy.monteko@jamestownlp.com Subject: BOS file 170128 - Pier 29 Support

Dear Board of Supervisors,

I am a homeowner and resident in North Beach. I have lived in San Francisco for almost 20 years and in North Beach for 15 years and work in the Financial District. I am active in the North Beach community and our homeowners association.

I am writing in support of the current project proposed by Jamestown at Pier 29. I think it would have a very positive impact on the community. Not only would it bring life to the pier and a underused part of the Embarcadero, it would provide a great opportunity for San Francisco products both in the sale of the food and beverage products as well as the SF Made retail.

As there will still be a significant portion of the pier of available for other uses in the future, please do not let the opposition selfishly delay or defer this project.

Regards,

Susan McCullough 530 Chestnut Street San Francisco , CA 94133

From:	Jane Connors < Jane_Connors@equityoffice.com>
Sent:	Wednesday, March 01, 2017 9:15 PM
То:	Board of Supervisors, (BOS); Peskin, Aaron (BOS)
Subject:	Letter of support for Jamestown Properties Project at Pier 29
Attachments:	Pier 29 Letter of Support .pdf

Dear San Francisco Board of Supervisors,

The attached letter is an endorsement to the proposed project submitted by Jamestown Properties at Pier 29.

I am the General Manager for the Ferry Building, a 285,000-square-foot historic public building with a ground floor marketplace dedicated to the celebration of San Francisco's artisan food culture and cuisine.

In my 12 years at the Ferry Building. I have developed a good instinct for retail and property management. I have had frequent opportunities to observe Jamestown Properties management of such projects as the Chelsea Market in New York City and Ghirardelli Square in San Francisco. I have also meet with the Jamestown Properties team over the last several years to discuss numerous subjects with their team, and in substance, make a judgment of their integrity and professionalism. Their reputation as a management company is excellent.

Jamestown Properties has done remarkable work and improvements to the Chelsea Market in New York City. For 15 Years, I lived 2 blocks away from the Chelsea Market and observed how the Jamestown Properties Team became stewards of a beloved local destination and resource. In the last several years, they have been at the helm of Ghirardelli Square and I can tell that they are lending the same careful stewardship to the leasing and operations of another beloved San Francisco Landmark. They have had a Holiday Pop Up Shop for La Cocina and brought back renowned California Chef Jonathan Waxman to where his notable culinary career began – the Bay Area. I have no doubt they will bring the same thoughtful vision to their project at Pier 29. The Jamestown Properties Pier 29 project is carefully considered – and complimentary to the continued growth of the San Francisco Waterfront.

If there is anything I can do in further support of the Jamestown Pier 29 Project, I would be grateful if you would contact me.

Very truly yours,

Jane Connors General Manager The Ferry Building

This message is for the designated recipient(s) only and may contain privileged, proprietary, or otherwise confidential information. If you have received it in error, please notify the sender immediately and delete the original.



March 1, 2017

San Francisco Board of Supervisors San Francisco City Hall 1 Dr. Carlton B. Goodlett Place, San Francisco, Ca 94102

Dear San Francisco Board of Supervisors,

I write to endorse the proposed project submitted by Jamestown Properties at Pier 29.

I am the General Manager for the Ferry Building, a 285,000-square-foot historic public building with a ground floor marketplace dedicated to the celebration of San Francisco's artisan food culture and cuisine.

In my 12 years at the Ferry Building I have developed a good instinct for retail and property management. I have had frequent opportunities to observe Jamestown Properties management of such projects as the Chelsea Market in New York City and Ghirardelli Square in San Francisco. I have also meet with the Jamestown Properties team over the last several years to discuss numerous subjects with their team, and in substance, make a judgment of their integrity and professionalism. Their reputation as a management company is excellent.

Jamestown Properties has done remarkable work and improvements to the Chelsea Market in New York City. I lived 2 blocks away from the Chelsea Market for 15 years and observed how the Jamestown Properties Team became stewards of a beloved local destination and resource. In the last several years they have been at the helm of Ghirardelli Square and I can tell that they are lending the same careful stewardship to the leasing and operations of another beloved San Francisco Landmark. They have had a Holiday Pop Up Shop for La Cocina and brought back renowned California Chef Jonathan Waxman to where his notable culinary career began – the Bay Area. I have no doubt they will bring the same thoughtful vision to their project at Pier 29. The Jamestown Properties Pier 29 project is carefully considered – and complimentary to the continued growth of the San Francisco Waterfront.

If there is anything I can do in further support of the Jamestown Pier 29 Project, I would be grateful if you would contact me.

Very truly yours,

Jane Connors General Manager The Ferry Building

From: Sent: To: Cc: Subject: Attachments: Monteko, Remy <Remy.Monteko@JamestownLP.com> Wednesday, March 01, 2017 4:57 PM Somera, Alisa (BOS); Wong, Linda (BOS) 'David Noyola' Pier 29 Support Letters Fish Warf CBD Pier 29.pdf; Jane Connors Ferry Building - Pier 29 Letter of Support .pdf; Masharika\_Support Pier 29 Project and Conceptual Term Sheet.pdf; Maya Abrans -Bulkhead at Pier 29 Project - File number 170128.pdf; Nasser - Support Pier 29 Project.pdf; Neil McCinnon-Support Pier 29 lease.pdf; North Beach Neighbors Pier 29 Support.pdf; Pier 29 - BCNA Letter to Port 160613.pdf; Pier 29 Support Letter\_SFMade\_022317.pdf; SPUR Supports Pier 29 Lease .pdf; SPUR Supports Pier 29 Lease to BOS.pdf; Tom Lockard -Support Pier 29 Project, BOS File Number 170128.pdf; Adam Mayer - Pier 29 Support\_AMayer.pdf; BCNA- Pier 29 BOS letter 02272017.pdf; Cellar 33 Support Pier 29 .pdf; Cornerstone Printing Support Letter - Pier 29.pdf; Fay Darmawi - In Support of Jamestown's

Linda and Alisa,

Please see the attached support letters, which I would like to ensure are in the record for Pier 29, on the agenda for tomorrow.

Pier 29 Proposal.pdf

Many thanks, Remy Monteko Vice President Asset Management JAMESTOWN, L.P. 1700 Montgomery Street, Suite 110 San Francisco, CA 94111 (415) 813 -6785 | Direct (415) 235 -3828 | Mobile

NOTICE: If you have received this communication in error, please destroy all electronic and paper copies and notify the sender immediately. Mistransmission is not intended to waive confidentiality or privilege. Jamestown reserves the right, to the extent permitted under applicable law, to monitor electronic communications. This communication is sent subject to terms available at the following link: <u>http://www.jamestownlp.com/privacy-policy</u>. If you cannot access this link, please notify Jamestown by replying to the sender and Jamestown will send the terms to you. By messaging with Jamestown you consent to the foregoing. This communication is not intended to constitute an offer to sell or a solicitation of an offer to purchase an interest in any investment vehicle managed by Jamestown.



February 28, 2017

San Francisco Board of Supervisors City and County of San Francisco 1 Dr. Cartlon B.Goodlett Place San Francisco, CA 94102

RE: Pier 29 Project

The FWCBD would like to share our thoughts on the proposed development at Pier 29 by Jamestown Properties. This long underutilized pier is a key location in the further development of a lively and activated waterfront. Jamestown has presented their plan and intentions for Pier 29 to our Board of Directors so we have a good grasp of what they are trying to achieve.

There has been a lot of information and misinformation related to this project over the past few months. Although the FWCBD does not typically take positions on projects outside of our district boundaries, we felt that due to its proximity to Fisherman's Wharf we should let the Board of Supervisors know our position. Therefore, we would like to share that we are not opposed to the project as long as we are correct in our understanding that there will not be any full-service restaurants, any competing businesses and that there are no options to expand the retail space beyond the 20,000 square feet of space currently under consideration.

Sincerely,

ez ann MA

Troy Campbell Executive Director

2801 Leavenworth Street, Second Floor, Suite B-16 - San Francisco, CA 94133 T 415-673-3530 F 415-673-2527 www.visitfishermanswharf.com



March 1, 2017

San Francisco Board of Supervisors San Francisco City Hall 1 Dr. Carlton B. Goodlett Place, San Francisco, Ca 94102

Dear San Francisco Board of Supervisors,

I write to endorse the proposed project submitted by Jamestown Properties at Pier 29.

I am the General Manager for the Ferry Building, a 285,000-square-foot historic public building with a ground floor marketplace dedicated to the celebration of San Francisco's artisan food culture and cuisine.

In my 12 years at the Ferry Building I have developed a good instinct for retail and property management. I have had frequent opportunities to observe Jamestown Properties management of such projects as the Chelsea Market in New York City and Ghirardelli Square in San Francisco. I have also meet with the Jamestown Properties team over the last several years to discuss numerous subjects with their team, and in substance, make a judgment of their integrity and professionalism. Their reputation as a management company is excellent.

Jamestown Properties has done remarkable work and improvements to the Chelsea Market in New York City. I lived 2 blocks away from the Chelsea Market for 15 years and observed how the Jamestown Properties Team became stewards of a beloved local destination and resource. In the last several years they have been at the helm of Ghirardelli Square and I can tell that they are lending the same careful stewardship to the leasing and operations of another beloved San Francisco Landmark. They have had a Holiday Pop Up Shop for La Cocina and brought back renowned California Chef Jonathan Waxman to where his notable culinary career began – the Bay Area. I have no doubt they will bring the same thoughtful vision to their project at Pier 29. The Jamestown Properties Pier 29 project is carefully considered – and complimentary to the continued growth of the San Francisco Waterfront.

If there is anything I can do in further support of the Jamestown Pier 29 Project, I would be grateful if you would contact me.

Very truly yours,

Our 5

Jane Connors General Manager The Ferry Building

From:	Masharika Maddison
To:	Monteko, Remy
Subject:	Fwd: Please Support Pier 29 Project and Conceptual Term Sheet
Date:	Sunday, February 26, 2017 10:08:43 PM

#### FYI.

----- Forwarded message -----

From: Masharika Maddison <<u>masharika.maddison@gmail.com</u>> Date: Sun, Feb 26, 2017 at 10:07 PM Subject: Please Support Pier 29 Project and Conceptual Term Sheet To: <u>Board.of.Supervisors@sfgov.org</u>

Dear Chair Cohen:

I am a North Beach resident writing to urge you to support of the proposed retail project at Pier 29 and the conceptual term sheet for the lease of the Pier 29 Bulkhead, Board of Supervisors file number 170128.

I spend a lot of my time along the Embarcadero exercising, exploring the area with my out-oftown guests, and entertaining my two children. Pier 29 is a great location for a new local retail and food and beverage use, and I am excited to patronize it once it is built. I think that activating this bulkhead portion of the pier with this use is an excellent project and would enliven this portion of the waterfront.

As a small business owner, I have a deep appreciation and admiration for the efforts of local artisans and manufacturers. The currently proposed concept for Pier 29 would further add to the vibrant fabric of our city, and serve as a high quality destination for visitors and an economic catalyst for local residents.

I encourage you to support this concept.

Be well, Masharika

Masharika Prejean Maddison email | masharika.maddison@gmail.com

From:	Abrams, Maya
To:	<u>Monteko, Remy; Lucinda Salvaggio</u>
Subject:	FW: Bulkhead at Pier 29 Project - File number 170128
Date:	Wednesday, March 01, 2017 1:44:46 PM
Attachments:	image001.png

#### From: Abrams, Maya

Sent: Wednesday, March 1, 2017 12:51 PM
To: 'Board.of.Supervisors@sfgov.org' <Board.of.Supervisors@sfgov.org>
Subject: Bulkhead at Pier 29 Project - File number 170128

#### Good Afternoon,

My company, ABS Capital Partners, are tenants at 1700 Montgomery Street in the Waterfront Plaza, and we are excited to hear about this potential project to bring more amenities to our neighborhood. We are a team of six, and we depend on the local shops and restaurants for coffee/lunch/snacks etc. It would be great to see a space opened up to provide more variety and availability to us; and we love the push towards locally produced goods too! We hope all goes well and the Bulkhead at Pier 29 Project (File #170128) receives approval to move forward!

Best,

Maya

#### Maya Abrams

Executive Assistant mabrams@abscapital.com ABS CAPITAL PARTNERS 1700 Montgomery Street

Suite 440 San Francisco, CA 94111-1021 P: 415-262-8104 F: 415-989-5105 www.abscapital.com

#### **HERE WE GROW**

Facebook | Twitter | LinkedIn

From:	Prescott Nasser
To:	Board.of.Supervisors@sfgov.org
Subject:	Support Pier 29 Project
Date:	Wednesday, February 15, 2017 9:37:27 PM

RE: Please Support Pier 29 Project and Conceptual Term Sheet

# Dear Chair Cohen,

I am a Telegraph Hill resident writing to urge you to support the proposed retail project at Pier 29 and the conceptual term Sheet for the lease of the Pier 29 Bulkhead, Board of Supervisors file number 170128. Pier 29 is a great location for a new local retail and food and beverage use, and I am excited to patronize it once it is built. I think that activating this bulkhead portion of the Pier with this use is an excellent project and would continue the process of enlivening the waterfront that the exploration started a few years ago.

Best,

Prescott Nasser

From:	Neil McKinnon
To:	Board.of.Supervisors@sfgov.org
Cc:	Monteko, Remy
Subject:	Support Pier 29 lease
Date:	Friday, February 17, 2017 1:37:45 PM

Dear Chair Cohen:

I am a South of Market office tenant and resident of North Beach writing to urge you to support of the proposed retail project at Pier 29 and the conceptual term Sheet for the lease of the Pier 29 Bulkhead, Board of Supervisors file number 170128.

Pier 29 is a great location for a new local retail and beverage use, and I am excited to patronize it once it is built. I support activating this historic space and underutilized portion of the Embarcadero. Far too often San Francisco has left spaces vacant for many years based on unrealistic expectations of what tenants/operators are available for occupying these locations. Here is a proposal from a viable operator that can bring additional life and energy to this area of the waterfront.

I appreciate your consideration and expect you to make the right decision next week. Neil McKinnon

901 Union Street

San Francisco



February 23, 2017

Supervisor London Breed President San Francisco Board of Supervisors San Francisco City Hall One Carlton B. Goodlett Place San Francisco, California 94102

> Re: Letter of Support for Pier 29 Development File Number: 170128

Dear Supervisors,

This letter is to serve as notice that North Beach Neighbors support the proposal of Jamestown L.P. to. develop Pier 29 on an internal development project that features a beverage hall concept as well as products made in San Francisco. We understand that they are applying for this project with no notable exterior changes to the integrity of the Port façade. We also understand that they are applying for permits for 20,000 square feet of space in a pier that contains 120,000 square feet of space that requires sizeable retrofit requirements and for a lease with the Port of San Francisco for a period of fifteen years. Upon study of the Jamestown L.P. proposal, the Board of North Beach Neighbors has voted to endorse this development project.

We believe that this is a positive step towards bringing the community at large to a greater use of this space and to beautify this area of the Port of San Francisco.

Thank you for supporting the greater business community.

President North Beach Neighbors

cc: Ms, Remy Monteko Vice President Asset Management Jamestown, L.P.



BARBARY COAST NEIGHBORHOOD ASSOCIATION

640 Davis Street Box 28 San Francisco, CA 94111

E-Mil. www.bcnasi.org/contact-us/

EXECUTIVE BOARD President Bill Hannan

> Ist. Vice President. Diana Taylor

David Albert

TREASURER Carol Parlette

SECRETARY BILL Hannan

At Large Members Morton Beebe Adam Bergman Bob Harrer Kathleen James Mary Lou Licwinko Lee Robbins Karen Scarr Ms. Elaine Forbes Interim Executive Director Port of San Francisco Pier 1, the Embarcadero San Francisco, CA 94111

Dear Ms. Forbes:

Thank you for speaking to our board and interested members on June 8, 2016 about the proposal for the development of the bulkhead building at Pier 29. We appreciate your interest in meeting with us to discuss concerns and we were also pleased to hear from representatives of Jamestown Development LLC and SF Made.

It was very helpful to have a discussion about the plans for the building and to gain more clarification of the process, the nature of the retail proposal, consideration of the outside promotional structure to attract visitors, and next steps.

Specifically, we support many aspects of the proposal as presented, which focuses on retailing unique San Francisco merchandise in the 20,000 square foot bulkhead building, and that any further development proposals for the rest of the pier will be subject to a transparent process that will include NEWAG and community input. We were also heartened to hear that the red pylon promotional structure that had been suggested in the proposal is not definitive and will be reconsidered in light of its incongruity with the historic character of the building.

We would also like to highlight one process concern -- the selection committee bypassed NEWAG while seeking rapid approval of Jamestown's proposal. Given NEWAG's advisory role and the length -- 15 years -- of the proposal, we believe some briefing for NEWAG prior to Commission approval was appropriate. Therefore, we recommend for projects exceeding a certain scope that selection committees brief NEWAG on their decision prior to obtaining Commission approval. Such a step will facilitate better communication and partnership with the neighborhood.

We remain interested in the pursuit of recreational opportunities and activities for the remainder of the pier and look forward to ongoing dialogue with the Port about these ideas via NEWAG or independently through meetings such as the one we had last week. Moreover we support continued discussion of the best use of the remaining space as part of a more comprehensive update to the 1990 Waterfront Land Use Plan and understand there is currently a mechanism in place reviewing the plan for updates going forward. We are interested in participating in the Subarea Planning for the Northeast Waterfront planned for later this year.

We are enthusiastic about the possibilities for Pier 29 and hearing about the thoughtful proposal for the bulkhead building. We look forward to seeing its progress.

Please do not hesitate to contact any of our board members if we can be helpful in providing constructive dialogue with the community in support of the proposal as presented to us on June 8, 2016.

#### Sincerely,

#### June 13, 2016

William Hannan Acting President Barbary Coast Neighborhood Association whann@att.net

> er. Stille

cc: Aaron Peskin

.

Members San Francisco Port Commission (via Amy Quesada) Members Port of San Francisco Northeast Waterfront Advisory Group Stan Hayes, President Telegraph Hill Dwellers



#### February 23, 2017

Dear Supervisors,

This letter is in regards to Item # 170128 before you on Thursday, March 2nd at the Government Audit and Oversight Committee.

SFMade strongly supports Jamestown's Pier 29 proposal of a destination experience showcasing locally made goods, including beverages made on site. SFMade is partnered on this project, as you see in the term sheet, and will be participating directly in negotiations between Jamestown and the retail operator to ensure that locally made goods are the absolute priority in the space.

SFMade is a 501(C)3 non-profit with a mission to build and support a vibrant manufacturing sector in San Francisco that sustains companies producing local-made products, encourages entrepreneurship and innovation and creates employment opportunities for a diverse local workforce. The over 600 member companies produce a majority of consumer facing goods, about one third of which are apparel and sewn products, one third are food and beverage, and the remaining one third is a combination of home goods, furniture, accessories and jewelry with a fast-growing sector of advanced manufacturing included in the final third.

In 2016, SFMade companies experienced a 10% net new job growth rate, the 6<sup>th</sup> straight year of double-digit growth.<sup>1</sup> About 45% of all manufacturing jobs are production jobs, which are the most accessible jobs to people with barriers to employment. On average, companies pay 35% of their workforce middle wages of \$18 - \$33/hr, the critical band of living wages. Member companies produce goods throughout the San Francisco, though production is largely concentrated in the Eastern Neighborhoods and the Bayview. Over 65% of the manufacturing workforce are San Francisco residents.

SFMade companies would benefit significantly from having a dedicated space for their goods to be available to the public. The approximately 10,000 square feet of retail space will create the opportunity for local companies to sell a conservative estimate of \$4M annually in locally made products, which we expect to be largely from SFMade companies which average \$200,000 of sales per year. These companies are poised for growth. With access to new markets and new customers through the well-positioned venue of Pier 29, individual brands have the opportunity to create the kind of brand awareness that could significantly grow these small companies over time, creating more of the critical middle-income jobs in San Francisco. In addition, the site proposal includes 4,000 square feet of on-site beverage production space, which at a minimum would create 8 – 10 new production jobs on site.

<sup>1</sup> 2017 State of Urban Manufacturing survey and report, SFMade. SFMade, Inc. 926 Howard St., San Francisco, CA 94103 Tel: 415.408.5605 Email: info@sfmade.org

294

Finally, manufacturing has the largest local multiplier effect. For every dollar worth of product sold, manufacturers generate \$1.48 in other services and production.<sup>2</sup> Therefore the jobs these companies create don't stop at their doors, it extends to all the companies they do business with, many of whom are also local.

We appreciate your support of local manufacturing and the good jobs it creates. We are available for any questions on the project or our work.

Thank you for your time and consideration.

Sincerely,

Kate Sofis, CEO

<sup>2</sup> Gold, Stephen. "Manufacturing Multiplier Effect is Bigger than you Think" Industry Week September 2 2014.

SFMade, Inc. 926 Howard St., San Francisco, CA 94103 Tel: 415.408.5605 Email: info@sfmade.org



10 January 2017

San Francisco Port Commission Pier 1, The Embarcadero San Francisco, CA 94111

#### RE: 1/10/2017 Port Commission Meeting Item 11A Pier 29 Bulkhead Lease with JPPF OP Acquisitions, LLC

Dear Port Commissioners:

Thank you for the opportunity to share SPUR's support for the Conceptual Term Sheet relating to the leasing of 22,600 square feet at the Pier 29 Bulkhead. SPUR is a member-supported nonprofit organization focused on promoting good government and city planning in the San Francisco Bay Area. SPUR has been engaged with planning along the San Francisco waterfront for decades, including the Waterfront Land Use Plan and land use issues as well as the more recent topic of climate change/earthquake resilience.

SPUR supports Jamestown's proposal for a winery/brewery, coffee roaster and other retail/food uses at the Pier 29 Bulkhead, as uses such as these will help activate the Embarcadero for both residents and visitors. The commitment to work with SFMade indicates the interest in placemaking and making this a unique market that is focused on local character and local goods.

The San Francisco Waterfront Land Use Plan clearly designates this area as a mixed-use opportunity zone and explicitly names retail/restaurants as an acceptable land use at Pier 29. While we understand there is interest in other uses at Pier 29, the use of the Pier 29 Bulkhead as a retail space *neither precludes nor conflicts with* the other suggested uses (recreation, open space, maritime uses, etc.) that might occupy the much larger Pier 29 Shed in the future. In fact, the food and retail options could complement those or other uses well, ultimately creating a "unique and inviting waterfront mixed-use recreation project" suggested in the Waterfront Land Use Plan.

This project also complies with other regulatory documents and planning efforts. Retail and restaurants are considered consistent with the Public Trust Doctrine. This project would also fit with the BCDC Special Area Plan's recommendation that bordering shops and restaurants activate the adjacent Pier 27 plaza and other public access areas.

SPUR supports the Port Commission's approval of this project. Please feel free to contact me with any questions at <u>kwang@spur.org</u> or 415-644-4884.

Best

Community Planning Policy Director

SAN FRANCISCO 654 Mission Street San Francisco, CA 94105 (415) 781-8726 SAN JOSE 76 South First Street San Jose, CA 95113 (408) 638-0083 OAKLAND 1544 Broadway Oakland, CA 94612 (510) 827-1900

spur.org

296

From:	Tom Lockard
To:	Board.of.Supervisors@sfgov.org
Subject:	Support Pier 29 Project, BOS File Number 170128
Date:	Wednesday, February 15, 2017 2:50:34 PM

Dear Board of Supervisors,

I am writing to support the proposed retail project at Pier 29. My family and I have lived in North Beach since 1984 - 153 Pfeiffer since 1991. I commute daily by bike along the Embarcadero and jog the waterfront regularly.

I am excited by the prospect that Pier 29 could be activated with the concept proposed by Jamestown.

I enthusiastically support the proposed project at Pier 29 and look forward to the Board's consideration and approval.

Sincerely,

Tom Lockard

Tom Lockard 153 Pfeiffer Street 94133

marlock@pacbell.net

415 218 9965

#### February 23, 2017

Board of Supervisors City and County of San Francisco

#### RE: Support Pier 29 Project, File #170128

**Dear Supervisors:** 

I am a Nob Hill resident, local architect, and a current member of the Port's Waterfront Plan Update Urban Design Advisory Team. I'm writing to urge you to support the proposed retail project at Pier 29 and the conceptual term Sheet for the lease of the Pier 29 Bulkhead, Board of Supervisors file number 170128.

This project will not only activate the currently vacant Pier 29 Bulkhead Building but it will also play a key role in bringing life back to this portion of the northeastern waterfront. Along with complementing the nearby, recently completed projects such as the Pier 27 Cruise Terminal and the Exploratorium, the proposed project will provide a lively space for visitors and locals alike to relax, enjoy local food & drink, and contribute to the local economy.

Beyond creating a dynamic new space for visitors to the waterfront and local neighbors, the project will help support the Port by creating an additional revenue stream and providing much-needed upgrades to this historic Bulkhead Building.

Furthermore, activating the Pier 29 Bulkhead Building sets the stage for additional interest in improving and activating the entire pier, which could one day host a variety of uses. It should also be noted that approval of the project for the Pier 29 Bulkhead Building in no way sets in stone the variety of uses that could one day be housed on the rest of the pier.

The project sponsor and the Port should be commended for their outreach efforts with the community. After holding multiple meetings with stakeholders and reaching out to neighborhood groups about the project, I was very pleased with the Port Commission's decision last year to unanimously approve this project.

I now please ask that the Board of Supervisors to do the same and approve this project.

Regards, Adam N. Mayer, Architect AIA, LEED AP BD+C



BCNA 640 Davis Street, Box 28 San Francisco, CA 94111

#### BOARD OF DIRECTORS

February 27, 2017

EXECUTIVE COMMITTEE

David Albert Bill Hannan Carol Parlette Diana Taylor

MEMBERS AT LARGE

Morton Beebe Adam Bergman Bob Harrer Kathleen James Mary Lou Licwinko Lee Robbins Karen Scarr The Honorable Malia Cohen, Chair The Honorable Norman Yee The Honorable Katy Tang Budget and Finance Sub-Committee 1 Dr. Carlton B. Goodlett Place City Hall San Francisco, CA 94102-4689

Re: Proposed lease at Pier 29 bulkhead building, Item 170128 (March 2 Agenda)

#### Dear Supervisors:

We are writing to express our support for the concept of the proposed retail development in the Pier 29 bulkhead building. A number of our association members live just across the street from Pier 29. Thus, we are both interested and impacted directly by any development at the site.

The concept of the proposal focuses on retailing products made in San Francisco by local businesses. It also would include some craft beverage operations. SFMade – an organization supporting local manufacturing and opportunities for diverse work forces – will collaborate on the project. Properly administered, the proposal would provide a boost for local businesses in the City. We believe this unique feature merits your support. It would also provide our neighborhood with another attractive option in place of an empty building.

In addition, the concept of a retail facility in the bulkhead building is consistent with the Waterfront Plan. That plan specifically includes "retail" on the list of a number of acceptable commercial uses.

Some parties maintain this project should be exclusively for recreation. Of course, the proposal only concerns the bulkhead building, which comprises less than 20 percent of the existing structure. That leaves a huge amount of space available for recreational uses. As we have consistently said, we support recreation and remain interested in pursuing recreational opportunities for the remainder of the pier. We would be happy to participate in a process on that topic.

In summary, we urge your support for the concept of the proposed development at Pier 29.

Sincerely,

Carol Holland Parlette, President

CC:

The Honorable Aaron Peskin

Ms. Linda Wong, Clerk, Budget and Finance Committee Ms. Elaine Forbes, SF Port Commission

#### February 24, 2017

San Francisco Board of Supervisors City of San Francisco City Hall

Re: Pier 29 Bulkhead Project File Number 170128

Dear Members:

I write today in support of the proposal before the SF Board of Supervisors concerning the Pier 29 Bulkhead and ask that you support the project and the early endorsement of the draft term sheet.

My name is John Fones and along with my wife Katie, we own and operate *Cellars 33*, a locally based winery with production in Dogpatch. We are a proud member of SFMade and also live here in San Francisco in the Sunset neighborhood.

We are trying to expand our business to include a direct sales outlet (a modest tasting room) for both local citizens and the guests of our great City. We envision the Pier 29 project to be a perfect fit for our needs not only in size but also for its location. We have tried for years to obtain a space that will ensure success and provide a lasting model considering the amount of resources we are intending to invest in this project.

Perhaps the most significant part of the project for us would be the need to hire additional employees to staff this location. We currently anticipate the need to hire a Tasting Room Manager for full time employment and an additional four to five employees for both full and part time employment.

We need a space such as this to grow and properly scale our business in a very tough marketplace. We wish to remain in the City given its numerous challenges because we love it here and do not wish to move anywhere else. Thank you for considering our thoughts. Respectfully,

John and Katie Fones Cellars 33 Winery Member, SFMAde

#### February 24, 2017

San Francisco Board of Supervisors City of San Francisco City Hall

Re: Pier 29 Bulkhead Project File Number 170128

Dear Members:

I write today in support of the proposal before the SF Board of Supervisors concerning the Pier 29 Bulkhead and ask that you support the project and the early endorsement of the draft term sheet.

My name is John Fones and along with my wife Katie, we own and operate *Cellars 33*, a locally based winery with production in Dogpatch. We are a proud member of SFMade and also live here in San Francisco in the Sunset neighborhood.

We are trying to expand our business to include a direct sales outlet (a modest tasting room) for both local citizens and the guests of our great City. We envision the Pier 29 project to be a perfect fit for our needs not only in size but also for its location. We have tried for years to obtain a space that will ensure success and provide a lasting model considering the amount of resources we are intending to invest in this project.

Perhaps the most significant part of the project for us would be the need to hire additional employees to staff this location. We currently anticipate the need to hire a Tasting Room Manager for full time employment and an additional four to five employees for both full and part time employment.

We need a space such as this to grow and properly scale our business in a very tough marketplace. We wish to remain in the City given its numerous challenges because we love it here and do not wish to move anywhere else. Thank you for considering our thoughts. Respectfully,

John and Katie Fones Cellars 33 Winery Member, SFMAde

From:	Kevin Richardson	
To:	Monteko, Remy	
Subject:	FW: Support Pier 29 Project (BOS File #17	0128)
Date:	Tuesday, February 21, 2017 12:19:19 PM	

Here you go...

From: Kevin Richardson <kevin@printcpi.com>
Date: Tuesday, February 21, 2017 at 12:14 PM
To: "Board.of.Supervisors@sfgov.org" <Board.of.Supervisors@sfgov.org>
Subject: Support Pier 29 Project (BOS File #170128)

#### To Whom It May Concern:

My company, Cornerstone Printing, is a tenant at 50 Francisco St., a Jamestown property. I'm writing this email in support of their plans for "The Bulkhead" at Pier 29 (BOS File #170128). Our area is in desperate need of morning cafes, lunch eateries, shops, alternative locations for business meetings, and options for after work social gathers, etc. Their plans for Pier 29 address these needs while making it a point to support local businesses. I'm a big proponent of SFMade and their efforts to focus on local merchants giving them a platform from which to grow. Between our campuses at the Waterfront Plaza, the cruise ship terminals, along with the proximity of Levi's plaza, businesses at Pier 29, with the right support from city officials, would thrive! This could be the connector that links Pier39 and the Ferry building, giving the Embarcadero a full gamut of offerings for locals and visitors alike. I urge you to strongly consider this plan as a need for local business, residents and tourists.

Thanks for your support, Kevin

Kevin Richardson Vice President, Partner Cornerstone Printing, Inc. 50 Francisco Street, Suite 245 San Francisco, CA 94133 P: 415.983.2182 C: 415.971.9259

From:	Fay Darmawi
To:	Monteko, Remy
Subject:	Fw: In Support of Jamestown"s Pier 29 Proposal
Date:	Wednesday, February 15, 2017 6:06:10 PM

#### Done

I also sent email to Leiasa I can't find Tarek on my FB anymore, hmmmm

----- Forwarded Message -----From: Fay Darmawi <fdarmawi@yahoo.com> To: "Board.of.Supervisors@sfgov.org" <Board.of.Supervisors@sfgov.org> Sent: Wednesday, February 15, 2017 6:00 PM Subject: In Support of Jamestown's Pier 29 Proposal

Hello Board of Supervisors,

I am a resident of North Beach, and a mother of teen twin boys born and raised here. I am writing in support of the Pier 29 project because it's in harmony with the character and uses of the surrounding buildings. The proposed PDR, market, and food hall is 100% in keeping with the uses adjacent to Pier 29 on all sides.

I hear that others want to put recreational uses there and I disagree. As a mother of teens, I don't think it's safe to have my kids play sports in an area that is geared toward tourists and outsiders (i.e. the cruise ship terminal, ferry to Alcatraz, various restaurants are all adjacent uses). I'd rather have my kids play in the residential neighborhoods.

Thank you for your public service and please vote to support Jamestown Pier 29 interim lease and proposed use.

Sincerely,

Fay Darmawi Resident 641 Chestnut Street SF, CA 94133

From: Sent: To: Cc: Subject: Attachments: Monteko, Remy <Remy.Monteko@JamestownLP.com> Wednesday, March 01, 2017 5:04 PM Somera, Alisa (BOS); Wong, Linda (BOS) 'David Noyola' RE: Pier 29 Support Letters Brennan Cox - Pier 29 Support.pdf

One more attached.

Thanks, Remy

From: Monteko, Remy

Sent: Wednesday, March 01, 2017 4:57 PM

To: 'alisa.somera@sfgov.org' <alisa.somera@sfgov.org>; 'linda.wong@sfgov.org' <linda.wong@sfgov.org> Cc: 'David Noyola' <david@npgsf.com> Subject: Pier 29 Support Letters

Linda and Alisa,

Please see the attached support letters, which I would like to ensure are in the record for Pier 29, on the agenda for tomorrow.

Many thanks, Remy Monteko Vice President Asset Management JAMESTOWN, L.P. 1700 Montgomery Street, Suite 110 San Francisco, CA 94111 (415) 813 -6785 | Direct (415) 235 -3828 | Mobile

NOTICE: If you have received this communication in error, please destroy all electronic and paper copies and notify the sender immediately. Mistransmission is not intended to waive confidentiality or privilege. Jamestown reserves the right, to the extent permitted under applicable law, to monitor electronic communications. This communication is sent subject to terms available at the following link: <u>http://www.jamestownlp.com/privacy-policy</u>. If you cannot access this link, please notify Jamestown by replying to the sender and Jamestown will send the terms to you. By messaging with Jamestown you consent to the foregoing. This communication is not intended to constitute an offer to sell or a solicitation of an offer to purchase an interest in any investment vehicle managed by Jamestown. **GROUNDWORKS** Office landscape architects 1804 5<sup>th</sup> Street – Berkeley – California – 94710 – 510.833.2111

Board of Supervisors City and County of San Francisco San Francisco City Hall

REGARDING : PIER 29 File #170128

To Whom It May Concern:

I'm writing in support of the proposed project at Pier 29 that is being put forward by Jamestown LP. I own a property in the Castro and lived in San Francisco for 15 years. For too long we've let the historic bulkheads sit empty and under-utilized along one of San Francisco's magical pedestrian streets. Jamestown LP, has put together a thoughtful and well intentioned program that supports local artisans and fabricators located here in San Francisco and I fully support the project and its goals. If we let these structures sit empty the cost to repair and rehabilitate them will only increase, which is why we must act now and support this project.

I've grown sick and tired of a small group of people, Telegraph Hill Dwellers, jamming the wheels of improvement for our city and stopping / delaying many great projects for our city.

I urge you to approve the project so that Jamestown can get to the business of improving the pedestrian experience along the Embarcadero.

Sincerely

Keman Cix

Brennan Cox 420 Collingwood Street San Francisco, CA 94114



From: Sent: To: Subject: Board of Supervisors, (BOS) Wednesday, March 01, 2017 2:12 PM BOS-Supervisors; Wong, Linda (BOS) FW: Bulkhead at Pier 29 Project - File number 170128

From: Abrams, Maya [mailto:mabrams@ABSCapital.com]
Sent: Wednesday, March 01, 2017 12:51 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Bulkhead at Pier 29 Project - File number 170128

#### Good Afternoon,

My company, ABS Capital Partners, are tenants at 1700 Montgomery Street in the Waterfront Plaza, and we are excited to hear about this potential project to bring more amenities to our neighborhood. We are a team of six, and we depend on the local shops and restaurants for coffee/lunch/snacks etc. It would be great to see a space opened up to provide more variety and availability to us; and we love the push towards locally produced goods too! We hope all goes well and the Bulkhead at Pier 29 Project (File #170128) receives approval to move forward!

Best, Maya

#### Maya Abrams

Executive Assistant mabrams@abscapital.com

#### **ABS CAPITAL PARTNERS**

1700 Montgomery Street Suite 440 San Francisco, CA 94111-1021 P: 415-262-8104 F: 415-989-5105 www.abscapital.com

#### HERE WE GROW

Facebook | Twitter | LinkedIn

om: Int: To: Subject: Attachments: Board of Supervisors, (BOS) Tuesday, February 28, 2017 1:05 PM BOS-Supervisors; Wong, Linda (BOS) File 170182 FW: Pier 29 Project 7 - LETTER - Pier 29.pdf

From: Troy Campbell [mailto:tcampbell@visitfishermanswharf.com] Sent: Tuesday, February 28, 2017 12:44 PM To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org> Subject: Pier 29 Project

Good afternoon,

Please see the attached letter from the Fisherman's Wharf Community Benefit District regarding the Pier 29 project proposed by Jamestown Properties.

Kind regards, Troy Campbell

# Troy Campbell | Executive Director Fisherman's Wharf Community Benefit District

2801 Leavenworth Street, Suite B-16, San Francisco, CA 94133 vne <u>415-673-3530</u> | Email <u>troy@visitfishermanswharf.com</u> <u>tFishermansWharf.com</u> | <u>FWCBD.com</u> <u>racebook</u> | <u>Twitter</u> | <u>Instagram</u> | <u>Pinterest</u> | <u>Townsquared</u>



February 28, 2017

San Francisco Board of Supervisors City and County of San Francisco 1 Dr. Cartlon B.Goodlett Place San Francisco, CA 94102

RE: Pier 29 Project

The FWCBD would like to share our thoughts on the proposed development at Pier 29 by Jamestown Properties. This long underutilized pier is a key location in the further development of a lively and activated waterfront. Jamestown has presented their plan and intentions for Pier 29 to our Board of Directors so we have a good grasp of what they are trying to achieve.

There has been a lot of information and misinformation related to this project over the past few months. Although the FWCBD does not typically take positions on projects outside of our district boundaries, we felt that due to its proximity to Fisherman's Wharf we should let the Board of Supervisors know our position. Therefore, we would like to share that we are not opposed to the project as long as we are correct in our understanding that there will not be any full-service restaurants, any competing businesses and that there are no options to expand the retail space beyond the 20,000 square feet of space currently under consideration.

Sincerely,

Troy Campbell Executive Director

2801 Leavenworth Street, Second Floor, Suite B-16 - San Francisco, CA 94133 T 415-673-3530 F 415-673-2527 www.visitfishermanswharf.com

om:Board of Supervisors, (BOS)ant:Monday, February 27, 2017 4:23 PMTo:BOS-Supervisors; Wong, Linda (BOS)Subject:FW: Support for Pier 29 Bulkhead Lease (BOS File 170128)Attachments:SPUR Supports Pier 29 Lease.pdf

From: Kristy Wang [mailto:kwang@spur.org]
Sent: Monday, February 27, 2017 3:51 PM
To: Cohen, Malia (BOS) <malia.cohen@sfgov.org>
Cc: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Support for Pier 29 Bulkhead Lease (BOS File 170128)

Dear Budget & Finance Committee Chair Cohen and Supervisors:

On behalf of SPUR, I write to urge the board to support the conceptual term sheet for the Pier 29 Bulkhead Lease (Board of Supervisors file number 170128).

SPUR previously submitted the attached letter of support to the Port Commission when they considered the same term sheet.

SPUR supports Jamestown's proposal for a winery/brewery, coffee roaster and other retail/food uses at the Pier 29 Bulkhead, as uses such as these will help activate the **Fmbarcadero for both residents and visitors.** The commitment to work with SFMade indicates the

erest in placemaking and making this a unique market that is focused on local character and local goods.

The San Francisco Waterfront Land Use Plan clearly designates this area as a mixed-use opportunity zone and explicitly names retail/restaurants as an acceptable land use at Pier 29. This project also complies with other regulatory documents and planning efforts.

Please let me know if you have any questions.

Best, Kristy Wang

Kristy Wang, LEED AP Community Planning Policy Director SPUR • Ideas + Action for a Better City (415) 644-4884 (415) 425-8460 m <u>kwang@spur.org</u>

SPUR | Facebook | Twitter | Join | Get Newsletters

Join our movement for a better city. Become a member of SPUR >>

# San Francisco | San Jose | Oakland

10 January 2017

San Francisco Port Commission Pier 1, The Embarcadero San Francisco, CA 94111

#### RE: 1/10/2017 Port Commission Meeting Item 11A Pier 29 Bulkhead Lease with JPPF OP Acquisitions, LLC

Dear Port Commissioners:

Thank you for the opportunity to share SPUR's support for the Conceptual Term Sheet relating to the leasing of 22,600 square feet at the Pier 29 Bulkhead. SPUR is a member-supported nonprofit organization focused on promoting good government and city planning in the San Francisco Bay Area. SPUR has been engaged with planning along the San Francisco waterfront for decades, including the Waterfront Land Use Plan and land use issues as well as the more recent topic of climate change/earthquake resilience.

SPUR supports Jamestown's proposal for a winery/brewery, coffee roaster and other retail/food uses at the Pier 29 Bulkhead, as uses such as these will help activate the Embarcadero for both residents and visitors. The commitment to work with SFMade indicates the interest in placemaking and making this a unique market that is focused on local character and local goods.

The San Francisco Waterfront Land Use Plan clearly designates this area as a mixed-use opportunity zone and explicitly names retail/restaurants as an acceptable land use at Pier 29. While we understand there is interest in other uses at Pier 29, the use of the Pier 29 Bulkhead as a retail space *neither precludes nor conflicts with* the other suggested uses (recreation, open space, maritime uses, etc.) that might occupy the much larger Pier 29 Shed in the future. In fact, the food and retail options could complement those or other uses well, ultimately creating a "unique and inviting waterfront mixed-use recreation project" suggested in the Waterfront Land Use Plan.

This project also complies with other regulatory documents and planning efforts. Retail and restaurants are considered consistent with the Public Trust Doctrine. This project would also fit with the BCDC Special Area Plan's recommendation that bordering shops and restaurants activate the adjacent Pier 27 plaza and other public access areas.

SPUR supports the Port Commission's approval of this project. Please feel free to contact me with any questions at <u>kwang@spur.org</u> or 415-644-4884.

Best,

Community Planning Policy Director

san Francisco 654 Mission Street San Francisco, CA 94105 (415) 781-8726 SAN JOSE 76 South First Street San Jose, CA 95113 (408) 638-0083 oakland 1544 Broadway Oakland, CA 94612 (510) 827-1900

spur.org

310

om:Board of Supervisors, (BOS)Int:Monday, February 27, 2017 10:10 AMTo:BOS-Supervisors; Wong, Linda (BOS)Subject:File 170128 FW: Please Support Pier 29 Project and Conceptual Term Sheet

From: Masharika Maddison [mailto:masharika.maddison@gmail.com]
Sent: Sunday, February 26, 2017 10:08 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Please Support Pier 29 Project and Conceptual Term Sheet

Dear Chair Cohen:

I am a North Beach resident writing to urge you to support of the proposed retail project at Pier 29 and the conceptual term sheet for the lease of the Pier 29 Bulkhead, Board of Supervisors file number 170128.

I spend a lot of my time along the Embarcadero exercising, exploring the area with my out-of-town guests, and entertaining my two children. Pier 29 is a great location for a new local retail and food and beverage use, and I am excited to patronize it once it is built. I think that activating this bulkhead portion of the pier with this use is an excellent project and would enliven this portion of the waterfront.

As a small business owner, I have a deep appreciation and admiration for the efforts of local artisans and manufacturers. The currently proposed concept for Pier 29 would further add to the vibrant fabric of our city, and serve as a high quality destination for visitors and an economic catalyst for local residents.

I encourage you to support this concept.

Be well, Masharika

Masharika Prejean Maddison email | masharika.maddison@gmail.com

From:	Carol Parlette <inq@pacbell.net></inq@pacbell.net>
Sent:	Monday, February 27, 2017 12:46 PM
То:	Wong, Linda (BOS); Cohen, Malia (BOS); Yee, Norman (BOS); katy.tang@sgov.org; Peskin,
	Aaron (BOS); Forbes, Elaine (PRT)
Subject:	BCNA Letter re Pier 29
Attachments:	Pier 29 BOS letter 02272017.pdf

3<sup>1</sup>12



## BARBARY COAST NEIGHBORHOOD ASSOCIATION

BCNA 640 Davis Street, Box 28 San Francisco, CA 94111

#### BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

David Albert Bill Hannan Carol Parlette Diana Taylor

MEMBERS AT LARGE

Morton Beebe Adam Bergman Bob Harrer Kathleen James Mary Lou Licwinko Lee Robbins . Karen Scarr February 27, 2017

The Honorable Malia Cohen, Chair The Honorable Norman Yee The Honorable Katy Tang Budget and Finance Sub-Committee 1 Dr. Carlton B. Goodlett Place City Hall San Francisco, CA 94102-4689

Re: Proposed lease at Pier 29 bulkhead building, Item 170128 (March 2 Agenda)

#### Dear Supervisors:

We are writing to express our support for the concept of the proposed retail development in the Pier 29 bulkhead building. A number of our association members live just across the street from Pier 29. Thus, we are both interested and impacted directly by any development at the site.

The concept of the proposal focuses on retailing products made in San Francisco by local businesses. It also would include some craft beverage operations. SFMade – an organization supporting local manufacturing and opportunities for diverse work forces – will collaborate on the project. Properly administered, the proposal would provide a boost for local businesses in the City. We believe this unique feature merits your support. It would also provide our neighborhood with another attractive option in place of an empty building.

In addition, the concept of a retail facility in the bulkhead building is consistent with the Waterfront Plan. That plan specifically includes "retail" on the list of a number of acceptable commercial uses.

Some parties maintain this project should be exclusively for recreation. Of course, the proposal only concerns the bulkhead building, which comprises less than 20 percent of the existing structure. That leaves a huge amount of space available for recreational uses. As we have consistently said, we support recreation and remain interested in pursuing recreational opportunities for the remainder of the pier. We would be happy to participate in a process on that topic.

In summary, we urge your support for the concept of the proposed development at Pier 29.

Sincerely,

Carol Holland Parlette, President

CC:

The Honorable Aaron Peskin

Ms. Linda Wong, Clerk, Budget and Finance Committee Ms. Elaine Forbes, SF Port Commission

From: Sent: To: Subject: Board of Supervisors, (BOS) Tuesday, February 21, 2017 1:18 PM BOS-Supervisors, Wong, Linda (BOS) FW: Support Pier 29 Project (BOS File #170128)

From: Kevin Richardson [mailto:kevin@printcpi.com]
Sent: Tuesday, February 21, 2017 12:15 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Support Pier 29 Project (BOS File #170128)

To Whom It May Concern:

My company, Cornerstone Printing, is a tenant at 50 Francisco St., a Jamestown property. I'm writing this email in support of their plans for "The Bulkhead" at Pier 29 (BOS File #170128). Our area is in desperate need of morning cafes, lunch eateries, shops, alternative locations for business meetings, and options for after work social gathers, etc. Their plans for Pier 29 address these needs while making it a point to support local businesses. I'm a big proponent of SFMade and their efforts to focus on local merchants giving them a platform from which to grow. Between our campuses at the Waterfront Plaza, the cruise ship terminals, along with the proximity of Levi's plaza, businesses at Pier 29, with the right support from city officials, would thrive! This could be the connector that links Pier39 and the Ferry building, giving the Embarcadero a full gamut of offerings for locals and visitors alike. I urge you to strongly consider this plan as a need for local business, residents and tourists.

Thanks for your support, Kevin

Kevin Richardson Vice President, Partner Cornerstone Printing, Inc. 50 Francisco Street, Suite 245 San Francisco, CA 94133 P: 415.983.2182 C: 415.971.9259

)m: ⊋nt: To: Subject: Attachments: Board of Supervisors, (BOS) Thursday, February 16, 2017 11:30 AM BOS-Supervisors; Wong, Linda (BOS) FW: Letter of Support for Pier 29 Lease - BOS 170128 2017-02-16 Ltr. in Support of BOS 170128.pdf

From: Tim Hamilton [mailto:tim@whkb-law.com]
Sent: Thursday, February 16, 2017 11:25 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Letter of Support for Pier 29 Lease - BOS 170128

Timothy M. Hamilton | Attorney WALKER, HAMILTON, KOENIG & BURBIDGE LLP

50 Francisco Street, Suite 460 | San Francisco, CA 94133 Tel. (415) 986-3339 | Fax: (415) 986-1618

Email: tim@whk-law.com / Website: www.whk-law.com

VILEGED COMMUNICATION AND CONFIDENTIALITY NOTICE: This communication with its contents, materials, and attachments contains confidential information . The content is solely for the use of the <u>intended</u> recipient(s). All recipients are prohibited from sharing or forwarding any such information without written consent from Walker, Hamilton & Koenig, LLP. Unauthorized interception, review, use or disclosure of this email and/or its contents is strictly prohibited and violates applicable laws including the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521. Furthermore, if the intended recipient is a Client or Consultant, this communication is protected by the ATTORNEY-CLIENT PRIVILEGE and/or the ATTORNEY WORK-PRODUCT PRIVILEGE. If you are not an intended recipient or have received this message in error, please contact Walker, Hamilton & Koenig, LLP and Timothy M. Hamilton at <u>tim@whk-law.com</u> and also destroy all paper and/or digital <u>originals</u> and/or <u>copies</u> of the communication including all attachments. Thank you.



February 16, 2017

San Francisco Board of Supervisors Attention: Chair Cohen

RE: Please Support Pier 29 Project and Conceptual Term Sheet

Dear Chair Cohen:

I and my law firm are tenants of the 50 Francisco Street office building. I am writing to urge you to support the proposed retail project at Pier 29 and the conceptual term Sheet for the lease of the Pier 29 Bulkhead, **Board of Supervisors file number 170128**. Pier 29 is a great location for a new local retail and food and beverage use, and I am excited to patronize it once it is built.

Thank you Timothy M. Hamilton

om: Jant: To: Subject: Board of Supervisors, (BOS) Thursday, February 16, 2017 11:23 AM BOS-Supervisors; Wong, Linda (BOS) File 170128 FW: Pier 29 - A good idea.

From: Stephen Nasser [mailto:snasser@coitcapitalmanagement.com]
Sent: Thursday, February 16, 2017 10:52 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Pier 29 - A good idea.

I live on the north side of Telegraph Hill and walk the Embarcadero 2-3 times per week for pleasure and enjoyment. The absence of any activity on Pier 29 stands out as does the need for more social venues on the stretch between Piers 23 and 39. I've seen the ideas for the partial renovation of 29 and think that it would be a good start. The area needs more casual places to eat and relax. (music would be great too!) Too many of our piers have been vacant and/or underutilized for far too long. This is a very good idea.

The bigger issue is the overly restrictive uses that are permitted along the waterfront and the piers. They are not all going to become open space and parks and frankly, there's no funding for those uses anyhow unless there is a corresponding commercial development. The prohibition against hotels is extremely shortsighted.

Pier 29 is a start - but only that. Much more is needed.

anks, Steve Nasser

Sent from Outlook

From: Sent: To: Subject: Board of Supervisors, (BOS) Thursday, February 16, 2017 11:08 AM BOS-Supervisors; Wong, Linda (BOS) 170128 FW: Support Pier 29 Project

From: Prescott Nasser [mailto:prescott.nasser@hotmail.com] Sent: Wednesday, February 15, 2017 9:37 PM To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org> Subject: Support Pier 29 Project

**RE: Please Support Pier 29 Project and Conceptual Term Sheet** 

Dear Chair Cohen,

I am a Telegraph Hill resident writing to urge you to support the proposed retail project at Pier 29 and the conceptual term Sheet for the lease of the Pier 29 Bulkhead, Board of Supervisors file number 170128. Pier 29 is a great location for a new local retail and food and beverage use, and I am excited to patronize it once it is built. I think that activating this bulkhead portion of the Pier with this use is an excellent project and would continue the process of enlivening the waterfront that the exploration started a few years ago.

Best,

Prescott Nasser

#### Wong, Linda (BOS)

om:Board of Supervisors, (BOS)ent:Thursday, February 16, 2017 11:07 AMTo:BOS-Supervisors; Wong, Linda (BOS)Subject:File 170128FW: In Support of Jamestown's Pier 29 Proposal

From: Fay Darmawi [mailto:fdarmawi@yahoo.com] Sent: Wednesday, February 15, 2017 6:01 PM To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org> Subject: In Support of Jamestown's Pier 29 Proposal

Hello Board of Supervisors,

I am a resident of North Beach, and a mother of teen twin boys born and raised here. I am writing in support of the Pier 29 project because it's in harmony with the character and uses of the surrounding buildings. The proposed PDR, market, and food hall is 100% in keeping with the uses adjacent to Pier 29 on all sides.

I hear that others want to put recreational uses there and I disagree. As a mother of teens, I don't think it's safe to have my kids play sports in an area that is geared toward tourists and outsiders (i.e. the cruise ship terminal, ferry to Alcatraz, various restaurants are all adjacent uses). I'd rather have my kids play in the residential neighborhoods.

Thank you for your public service and please vote to support Jamestown Pier 29 interim lease and oposed use.

Sincerely,

Fay Darmawi Resident 641 Chestnut Street SF, CA 94133

#### Wong, Linda (BOS)

jongolinger@gmail.com on behalf of No Mall on The Waterfront
<nomallonthewaterfront@gmail.com></nomallonthewaterfront@gmail.com>
Wednesday, February 08, 2017 3:46 PM
Wong, Linda (BOS)
Please include attached letter in File No. 170128: Questions about who will pay to repair seismic damage to the seawall in front of the proposed Jamestown Pier 29 "mini-mall" in the
event of an earthquake Pier29Letter SeawallSeismicRepairCosts 2.8.17.pdf

Dear Ms. Wong,

Please include the attached letter regarding who will pay to repair seismic damage to the seawall in front of the proposed Jamestown Pier 29 "mini-mall" in the event of an earthquake in the Budget and Finance file for File No. 170128: "Resolution Endorsing Conceptual Term Sheet Endorsement - Proposed Lease of Pier 29 Bulkhead."

Thank you very much.

Jon Golinger San Franciscans for Waterfront Recreation

(415) 531-8585 NoMallOnTheWaterfront@gmail.com www.NoMallOnTheWaterfront.com



www.NoMallOnTheWaterfront.com

February 8, 2017

Chair Malia Cohen and Members Budget and Finance Committee San Francisco Board of Supervisors City Hall San Francisco, CA 94102

*Re:* File No. 170128 – Questions about who will pay to repair seismic damage to the seawall in front of the proposed Jamestown Pier 29 "mini-mall" in the event of an earthquake

Dear Chair Cohen and Members:

As an addendum to my letter of February 7, I wish to bring to your attention the financial risks associated with the proposed lease of the Pier 29 bulkhead building to Jamestown Properties for a proposed "mini-mall" located on a site identified as highly vulnerable to seismic damage to the seawall in the likely event of a major earthquake.

According to the "Northern Waterfront Seawall History and Earthquake Performance" study presented by the Port to the Waterfront Plan Working Group on April 16, 2016, the section of the seawall located in front Pier 29 is identified as the portion of the waterfront north of the Bay Bridge most likely to sustain the most serious damage in the likelihood of a major earthquake in the next thirty years. The Port's study stated that the seawall in front of Jamestown's proposed Pier 29 project would likely have "Lateral Spread Displacement" between 20 and 60 inches – shifting up to five feet – in the event of a major earthquake (see page 52 of the Port's presentation: <u>http://sfport.com/sites/default/files/Planning/Docs/SF%20Seawall%20EQ%20Study</u> %20Results%20PC%202016-04-13%20WLUP%20V4%28clean%29.pdf).

According to the Port's study, the resulting damage would potentially include: liquefiable fill and soft mud causing the seawall to shift into the Bay, damage to historic bulkhead wharves & buildings over the seawall, compromised access to piers, cracking & settlement of the Embarcadero Promenade, and utility breaks disrupting service.

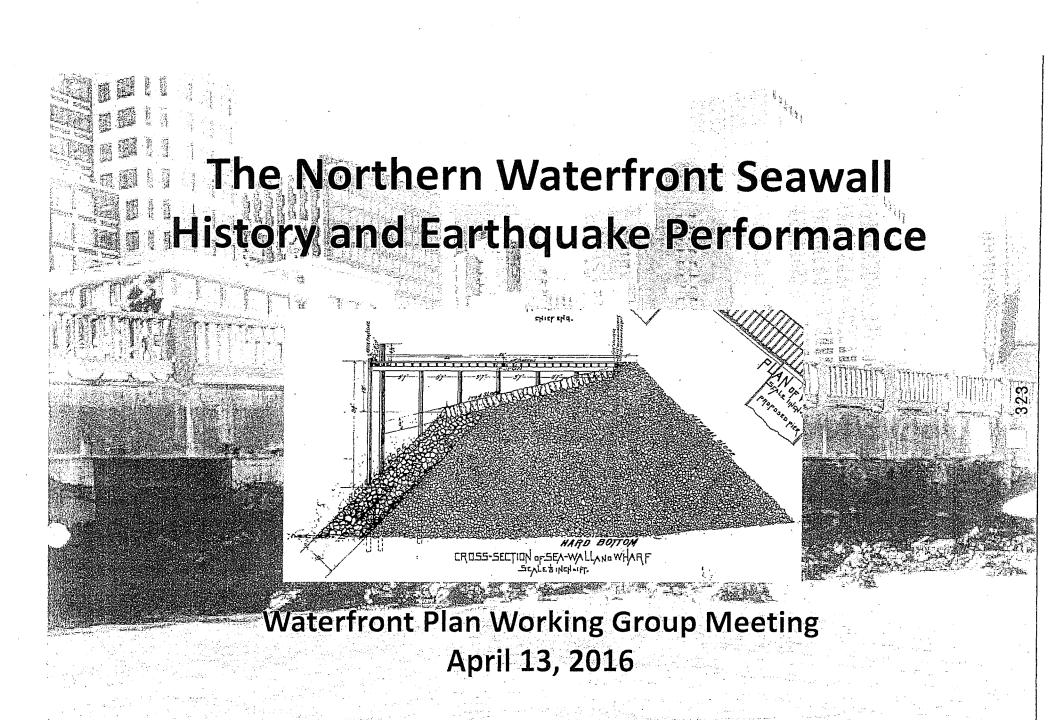
Last month, the Mayor and Port announced that they intend to ask San Francisco voters to approve a \$350 million bond on the November 2018 ballot to help fund badly needed seismic repairs to the seawall. This raises the question of whether private waterfront developers such as Jamestown Properties will share some of the financial costs of repairs that benefit their projects or whether San Francisco property owners and taxpayers will bear all of those costs? As part of the Budget and Finance Committee's fiscal analysis of the financial terms proposed for the Jamestown Pier 29 project, I urge you to analyze the question of who will pay for the damage to this waterfront development in the likely event of a major earthquake, which the report estimated as 72% likely within the next 30 years. *Will this national real estate developer share the costs of repairs or will San Francisco taxpayers and the public bear all of the financial burdens?* 

As you consider the financial feasibility and fiscal soundness of the proposed term sheet for the Jamestown Pier 29 development project, I hope you will ensure that public funds are protected and that Jamestown is obligated to pay its fair share.

Sincerely,

Jon Golinger San Franciscans For Waterfront Recreation

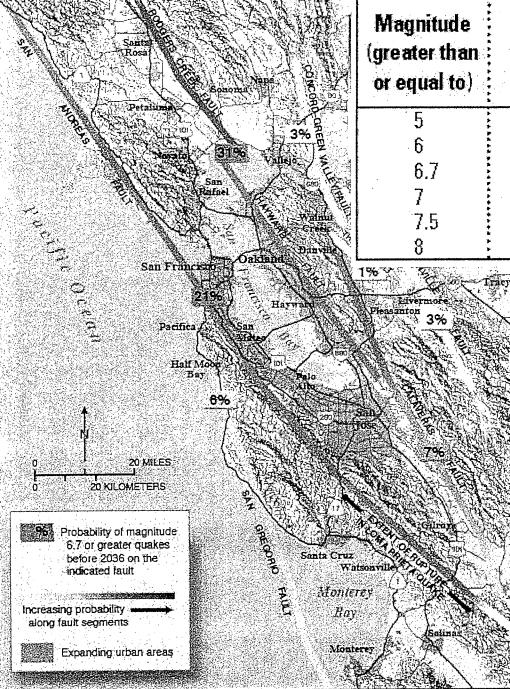
www.NoMallOnTheWaterfront.com



Steven Reel, PE - Project Manager, Engineering Division, Port

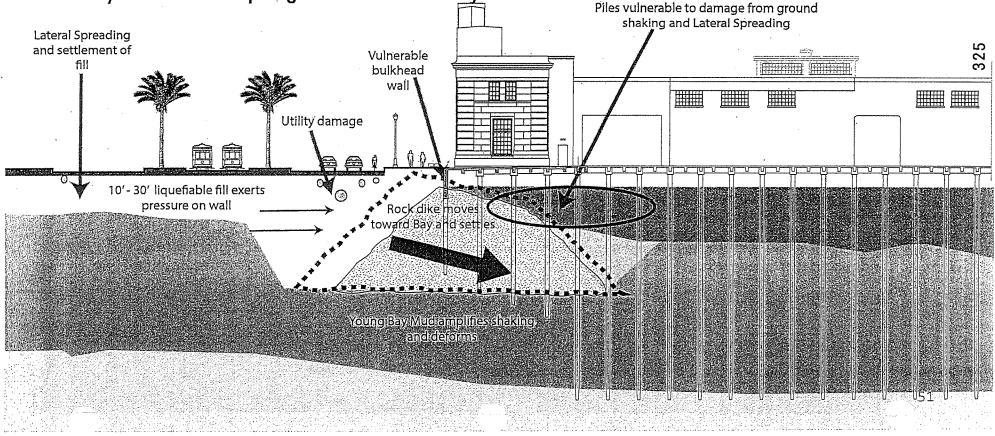
San Francisco region							
Magnitude (greater than or equal to)	repea	erage at time ars)	rear ood of more nts	Readiness			
5	1.3	(0.7)	100%	(1.0)	1.0		
6	8.9	(1.0)	98%	(1.0)	1.0		
6.7	29	(1.1)	72%	(1.1)	1.1		
7	48	(0.9)	51%	(1.3)	1.1		
7.5	124	(0.7)	20%	(1.6)	0.9		
8	825	(0.7)	4%	(1.9)	1.0		

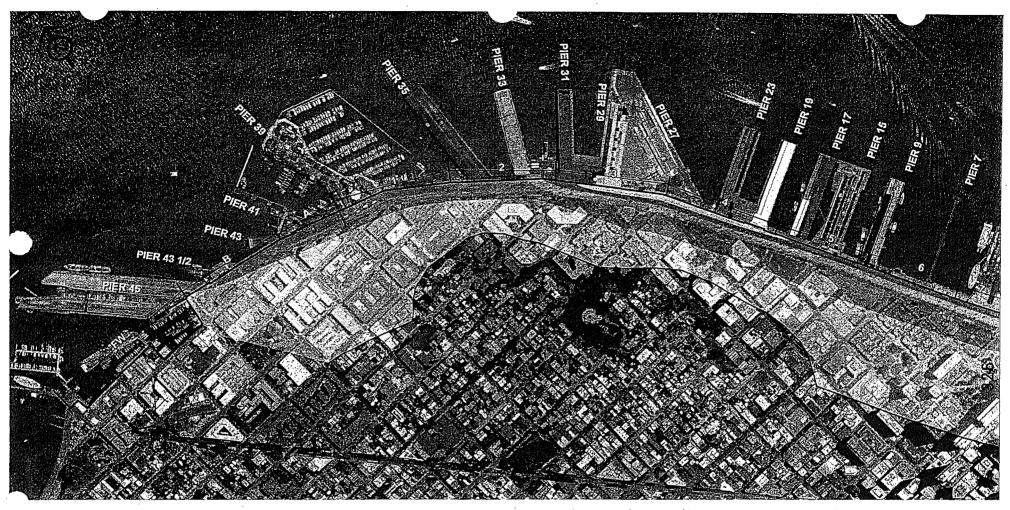
# USGS WORKING GROUP 32 **ON CALIFORNIA** EARTHQUAKE **PROBABILITIES 2014 UPDATE** 72% PROBABILITY OF MAJOR EARTHQUAKE BY 2044 48



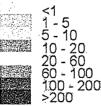
# Seawall – Vulnerabilities

- Liquefiable Fill & Soft Mud Cause Rock Seawall to move toward Bay and Settle
- Damage to Historic Bulkhead Wharves & Buildings supported on Piles over Seawall
- Compromised Access to Piers, Ferry's and Ships
- Cracking & Settlement of Embarcadero Roadway and Promenade
- Distortion of Light Rail Tracks
- Utility Breaks Disrupting Service to the City and Port





Lateral Spread Displacement - M8.0 San Andreas (median) Contour Interval (inches)



# **Lateral Spreading Results:**

Seawall Sections

M8.0 San Andreas (median) (approx. 20%/50yrs) 52



Seawall Sections

Lateral Spread Displacement - M8.0 San Andreas (median) Contour Interval (inches)



Lateral Spreading Results: M8.0 San Andreas (median) (approx. 20%/50yrs) 53

#### Wong, Linda (BOS)

From:Board of Supervisors, (BOS)Sent:Wednesday, February 08, 2017 9:26 AMTo:BOS-Supervisors; Wong, Linda (BOS)Subject:File 170128 FW: letter in opposition of Pier 29Attachments:San Francisco Vision letter in opposition of Pier 29 development.pdf

From: San Francisco Vision [mailto:sfvision1@gmail.com]
Sent: Tuesday, February 07, 2017 6:37 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: letter in opposition of Pier 29

San Francisco Board of Supervisors,

Attached is a letter addressing our concerns regarding Pier 29.

San Francisco Vision



San Francisco Vision

San Francisco Board of Supervisors San Francisco City Hall 1 Dr. Carlton B Goodlett PI #244 San Francisco, CA 94102

Dear Board of Supervisors:

Re: Opposition to Jamestown development on Pier 29

San Francisco Vision is a broad coalition of San Franciscans who have come together to stand up for our cherished and endangered San Francisco values – diversity, creativity and social justice. We support the San Francisco Latino Democratic Club, Coalition for San Francisco Neighborhoods, Sierra Club, Harvey Milk LGBT Democratic Club and others in opposition of the proposed development on Pier 29 put forth by Jamestown Properties.

We find the proposal to be inconsistent with the General Land Use policies for Open Spaces and Public Access, the Waterfront Design and Access Element which works in concert with the Waterfront Land Use Plan and the San Francisco Bay Plan. These policies emphasize recreation that is accessible and equitable to the San Francisco Bay's diverse population. The Jamestown Properties proposal lacks inclusiveness and we ask the Board to consider these flaws when making a final decision.

Policy 1 of the General Policies for Existing and New Open Spaces and Public Access states:

Ensure a diversity of Open Spaces and Public Access, which may be achieved in different ways depending on location: places that provide access to the water; quiet, contemplative places for passive enjoyment; active places for civic gatherings and other urban events that draw large crowds; places for biking and foot race events; places that restore the environment and support wildlife habitats; places to learn about waterfront activities and the Bay environment; and places that appeal to children and seniors.

The Waterfront Design and Access Element also encourages development with a range of outdoor activities appealing to more than a small minority:

Develop a variety of public access and open spaces that offer many recreational opportunities and enhance other uses along the waterfront.

Recreation Policy 1 of the San Francisco Bay Plan continues to reiterate having a broad array of options along the shoreline that do not cater to a select few:

Diverse and accessible water-oriented recreational facilities, such as marinas, launch ramps, beaches, and fishing piers, should be provided to meet the needs of a growing and diversifying population, and should

be well distributed around the Bay and improved to accommodate a broad range of water-oriented recreational activities for people of all races, cultures, ages and income levels.

The Jamestown Properties proposal disregards these policies in an attempt to appease our affluent neighbors and tourists that can afford to enjoy their "mini-mall" aimed at housing more high-end artisanal venues. Inequality is a growing problem in our city and Jamestown Properties has decided to not only profit from this issue but to exacerbate it as well. As concerned constituents, we cannot allow this to happen. Please join us in denying this proposal.

Sincerely,

San Francisco Vision Board

#### Wong, Linda (BOS)

jongolinger@gmail.com on behalf of No Mall on The Waterfront om: <NoMallOnTheWaterfront@gmail.com> Tuesday, February 07, 2017 3:43 PM Sent: Wong, Linda (BOS) To: Please include attached letters in file and agenda packets for File No. 170128 Subject: Pier29Letter\_BudgetandFinanceCommittee 2.7.17-signed.pdf; Attachments: SFLatinoDemocraticClub\_Pier29Letter.pdf; HarveyMilkLGBTDemocraticClub\_Pier29Letter.pdf; SierraClub\_Pier29letter.pdf; CSFN OppositiontoJamestownMiniMall.pdf; SFTomorrow Opposition Pier29MiniMall.pdf; SPEAKResolution OpposingPier29MiniMall.pdf; THD Pier 29 Jamestown Letter.pdf; San Francisco Vision letter in opposition of Pier 29 development.pdf; Oppose Jamestown lease\_Pier29\_JanBlum.pdf; SFBusinessTimesArticle\_Pier29WaterfrontBattle 2.7.17.pdf; SFExaminer\_NoMallOnTheWaterfrontcampaigntakesonPier29proposal.pdf

Dear Ms. Wong,

As we just discussed on the phone, I am attaching the following 12 letters and related documents to this email that I ask you to please include in the File and Committee Packets for File No. 170128: "Resolution Endorsing Conceptual Term Sheet Endorsement - Proposed Lease of Pier 29 Bulkhead."

- letter from San Franciscans for Waterfront Recreation
- letter from San Francisco Latino Democratic Club
- resolution from Harvey Milk LGBT Democratic Club
- resolution from Sierra Club
- 'etter from Coalition for San Francisco Neighborhoods ietter from San Francisco Tomorrow
- letter from Sunset Parkside Education and Action Coalition (SPEAK)
- letter from Telegraph Hill Dwellers
- letter from SF Vision
- letter from Ms. Jan Blúm
- San Francisco Business Times article: "Another waterfront development battle erupts at Pier 29"
- San Francisco Examiner Article: "No Mall on the Waterfront campaign takes on Pier 29 proposal"

Please confirm receipt of this email and that all of the attached documents have come through to you.

Thank you very much.

Jon Golinger San Franciscans for Waterfront Recreation

#### (415) 531-8585

NoMallOnTheWaterfront@gmail.com www.NoMallOnTheWaterfront.com



www.NoMallOnTheWaterfront.com

February 7, 2017

Chair Malia Cohen and Members Budget and Finance Committee San Francisco Board of Supervisors City Hall San Francisco, CA 94102

*Re:* File No. 170128 – Proposed Term Sheet including \$1.1 million in public monies to subsidize 15 year lease of Pier 29 to Jamestown Properties for "mini-mall": OPPOSE

Dear Chair Cohen and Members:

I write to urge you not to approve the Term Sheet for the proposed 15-year lease of a prime portion of San Francisco's waterfront to national real estate developer Jamestown Properties to build a \$5 million mini-mall and luxury wine bar inside Pier 29 subsidized by over \$1 million in public monies. A growing citywide coalition of community organizations including the SF Latino Democratic Club, Coalition for San Francisco Neighborhoods, San Francisco Tomorrow, the Sierra Club, the Harvey Milk LGBT Democratic Club, SF Vision, the Sunset Parkside Education and Action Committee (SPEAK), and the Telegraph Hill Dwellers are all urging you not to approve the Jamestown mini-mall plan as proposed for the following reasons:

1) Kills Waterfront Recreation. The proposed Jamestown Pier 29 development project would effectively eliminate the only place on the waterfront designated in the Waterfront Land Use Plan for active recreation that both visitors and San Francisco residents and families could use and in its place puts a mini-mall center of retail shops and a luxury wine bar and brewery aimed primarily at tourists.

The Waterfront Land Use Plan was created after San Francisco voters passed Proposition H in 1990 to ensure that future development of our waterfront was a diverse mix of uses and served a variety of needs of both visitors and residents instead of just being driven by developer profits. That is why the Waterfront Land Use Plan on page 112 specifically designates the area including Pier 29 for a "mixed-use recreation project [that] could provide a venue for all San Franciscans and Bay Area residents to actively participate, individually or as groups, in diverse amateur recreational sports, physical fitness and related activities while enjoying the scenic waterfront setting." Instead, the proposed term sheet would grant Jamestown a 15-year lease to put a mini-mall instead of recreation in the most important portion of Pier 29: the bulkhead building which is the "front door" that opens up to the Embarcadero. The notion that a recreation project could still happen on Pier 29 without the bulkhead building is like claiming you could sell a car after removing its engine, steering wheel, and front seat. The reality is that approving the Jamestown mini-mall would kill the only active waterfront recreation project called for in San Francisco's Waterfront Land Use Plan.

2) Sweetheart Deal For Big Real Estate Developer. The proposed financial terms for the Pier 29 mini-mall are a sweetheart deal for a developer that would subsidize Jamestown Properties, a goliath \$11 billion national real estate firm, with over \$1 million in public monies and enable Jamestown to occupy Pier 29 without paying any base rent to the Port for 47 months, more than 25% of the term of the proposed lease.

"Rent Credits" and the waiver of rent for any period are defined in Chapter 29 of the San Francisco Administrative Code as "public monies" for the purpose of evaluating the fiscal responsibility and feasibility of proposed development projects. The proposed financial terms in the conceptual term sheet provide that Jamestown Properties would be eligible for rent credits against Base Rent of \$1,182,000 for some of its anticipated project development costs. Since the term sheet proposes that Base Rent to the Port be \$25,000 per month, Jamestown would be able to occupy Pier 29 base rentfree for 47 months, nearly 4 years of the proposed 15-year lease term. That's a sweetheart deal for a giant real estate developer that does not need public subsidies.

3) **Violates Waterfront Land Use Plan.** The proposed term sheet before you indicates that the Jamestown Pier 29 project must comply with the requirements of the Waterfront Land Use Plan mandated by San Francisco voters. However, the project as proposed directly violates the Waterfront Land Use Plan in several ways:

 <u>The proposed 15-year "interim lease" term for the Jamestown</u> <u>development project violates the "General Land Use Policies for New</u> <u>Interim Uses" in the Waterfront Land Use Plan because it is three times as</u> <u>long as the 5 year period generally allowed for interim leases on the</u> <u>northern waterfront and longer than the maximum allowed period of 10</u> <u>years for interim leases on the northern waterfront.</u>

Page 74 of the Waterfront Land Use Plan describes Interim Lease policies on the northern waterfront as: "in general, allowing interim uses for terms up to five years within or on existing structures . . . where longer amortization periods are needed, allowing renewal of leases for one additional five year period." Granting a 15-year "interim lease" to Jamestown directly violates this portion of the Waterfront Land Use Plan.

• The Jamestown project described in the proposed term sheet violates the Waterfront Land Use Plan because it proposes two land uses that are specifically not designated as acceptable land uses on Pier 29 in the "The Northeast Waterfront Acceptable Land Use Table."

First, the term sheet states that the project would have approximately "3,100 square feet of storage space." While the Northeast Waterfront Acceptable Land Use Table does include the land use category of "Warehousing/Storage" and designates that use as acceptable on some piers, Pier 29 is not one of them. Similarly, the term sheet states that the

project would have approximately "4,100 square feet of beverage production space." While the Northeast Waterfront Acceptable Land Use Table does include the land use category of "General Industry" and designates that use as acceptable on some piers, Pier 29 is not one of them. Therefore, approving a development for Pier 29 with land uses specifically not deemed acceptable by the Waterfront Land Use Plan would violate it.

• <u>The Jamestown project includes zero recreation uses in violation of the</u> <u>designation of Pier 29 as the location for "a unique and inviting mixed-use</u> <u>recreation project" on page 112 of the Waterfront Land Use Plan.</u>

While the Northeast Waterfront Acceptable Land Use Table outlines the broadest range of acceptable uses on the site, the Waterfront Plan included narrative sections entitled "Development Standards" to actually describe the desired development projects for each waterfront location. This part of the Waterfront Land Use Plan was purposeful, not merely advisory. As proposed, the Jamestown Pier 29 project violates this portion of the Waterfront Land Use Plan by including only retail uses and no recreation.

For the reasons stated above, I urge you not to approve the Jamestown Pier 29 term sheet and resolution as proposed and instead to pursue the mixed-use recreation project called for in the Waterfront Land Use Plan. If the proposed project proceeds and receives approvals from the Board of Supervisors despite violating the Waterfront Land Use Plan as described in this letter, please be on notice that there may be legal action to enforce the Waterfront Land Use Plan and the will of the voters as expressed in Proposition H, now codified as Chapter 61 of the San Francisco Administrative Code.

Pier 29 is an incredibly valuable and critically important site located on one of the most high-profile sections of San Francisco's public waterfront. Pier 29 was at the heart of a previous lengthy development battle in the early 2000s when mall developer Mills Corporation proposed building a shopping mall and office complex on the area including this very pier. The reason that a coalition of environmental, neighborhood, and community groups rose up then to stop the Mills Mall project is the same reason we are coming together now to oppose the Jamestown Pier 29 mini-mall proposal. San Francisco's unique waterfront does not belong to real estate developers, but to all of us.

Sincerely,

Jon Golinger San Franciscans For Waterfront Recreation

#### www.NoMallOnTheWaterfront.com

### SAN FRANC' O WATERFRONT LAND USE PLAN Pier 29 and adjacent area

#### Chestnut/Lombard Street Piers Mixed-Use Opportunity Area

The Chestnut/Lombard Street Piers Mixed-Use Opportunity Area includes Piers 31 and 27-29. Pier 27 was built relatively recently, in the 1970s, and along with the adjoining large valley area between the Pier 27 and 29 sheds, is in very sound condition. The 175-foot clear-span width within Pier 27 makes it a very valuable resource.

The neighboring mix of residential, office, athletic club and small-scale retail activities suggests a broad range of use opportunities. In addition, the Northeast Wharf plaza to be developed within a portion of the Pier 27 shed and adjoining valley, and the adjacent Northeast Wharf Open Water Basin, provide a tremendous public open space amenity and bay views which will further enhance the character of new development.

Development should provide an integrated mix of maritime, commercial, open space and public access uses, which help to unite the waterfront with the rest of the City. There is opportunity for a unique and inviting waterfront mixed-use recreation project, integrating a varied mix of maritime and commercial uses and open space, including the Northeast Wharf plaza, oriented around active recreational pursuits. This mixed-use recreation could provide a venue for all San Franciscans and Bay Area residents to actively participate, individually or as groups, in diverse amateur recreational sports, physical fitness and related activities while enjoying the scenic waterfront setting. The Northeast Wharf plaza and the other open spaces included in such a development project would create opportunities for engaging in and viewing active recreational activities while enjoying expansive Bay views. New opportunities for recreational boating and other water uses may be created, while continuing maritime berthing alongside the remaining portion of Pier 27.

#### Chestnut/Lombard Street Piers Mixed-Use Opportunity Area

#### Development Standards

- Consistent with the Waterfront Design & Access Element, design new developments to respect and be authentic to the rich historic maritime industrial character of the Northeast Waterfront.
- Provide a mix of uses that reflect the cultural diversity of the City and the Bay Area, appeal to the local and regional population, and establish a daytime and nighttime presence, thereby providing entertainment and commercial recreation venues distinctly different from the more tourist-oriented activities found at Fisherman's Wharf.
- Include recreational boating, excursion boats, watertaxis, historic and ceremonial ship berthing and other maritime uses to the maximum feasible extent. Provide facilities for a wide variety of active recreational activities; skateboard/rollerblade facilities and swimming and related aquatic sports are encouraged.
- Arrange and design uses on the Site to maximize public appreciation and enjoyment of the waterfront setting by offering new viewing opportunities, and to maximize visual connections and physical contact with the water.

112

#### THE NORTHEAST WATERFRONT

## The Northeast Waterfront Acceptable Land Use Table (1,2,3,4)

Key A = Acceptable Use E/I = Existing Use/May Continue A interim Use X = Accessory Use	Cargo Ohipping		Henry and Excursion boats	Historio Ships	Maritime Office	upport 6	rassenger Cruise Unips		Silip Kepali Temporary and Ceremonial Berthing		VVater I axis	<b>Open Spaces/Public Access</b>	open space	Public Access	Residential Uses	residential	<b>Commercial Uses</b>	Antistsrubesigners	Assembly and Entertainment	General Office (6)	Hotels	Museums	Parking	Ketali (includes restaurants)	Recreational Enterprises	Visitor Services	Warehousing/Storage	Wholesale Trade/Promotion Center	Other Academic insummons	Community Facilities	General Industry	Power Plant	Sports Facilities	Transnortation Services	
Pier 35			A	A	A	A	Α			Α	Α			Α					Α	Α		Α	X	Α		Α	E/I	Α							
Pier 33, 33½, 31½		Α	A	A	Α	A	Α				A		A	Α					Α	A		Α	Х	A		Α	E/I	Α			F	Ξ/Ι			
Seawall Lot 314	<b> </b>	<u> </u>		+											1	A				Α	Α		Α	Α							1				
· Pier 31					Α	A								A	1								X				X				1	1			
Sewall Lots 315, 316, 317, 318, 319, 322						1							A	A	1	A			1	Α	Α		Α	A						X	$\uparrow$		1	+	-
Pier 27-29, 291/2	A		A	A7	Α	A	A			A	A		A	A	1				Α	Α		A	X	A	A			Α		A		+			
Pier 19-23, 231/2	A		A		Α	A				A	Α		A	A					A			Α	X	Α	Α		X			A	1			-	·
Sewall Lot 320												1	A		1				<b> </b>								<u> </u>				-		-		
Piers 15 and 17	A		A	Α	A	A				A	A		A	A	1				Α	Α		Α	X	Α	A		E/I	Α		A	1			1	
Seawall Lots 321, 323, 324, 322-i					1	İ						1	A		1	A		A	Α	Α	Α	Α	A	A	Α					X	$\overline{(}$				
Pier 9, 9½			Α	1	Α	Α		A		Α	Α			A	1				Α	E/I			X	Α							1	+	$\neg$		
Pier 7½				1	1	1						1	•	Α	1							Α	X	Α		Α					T				
Pier 7													A	Α				-																	

\* General Office is an acceptable use in both the historic and non-historic buildings on the bulkhead sites of the piers.

#### **Table Notes**

- 1 This table focuses primarily on acceptable long-term uses for the sites described. The Plan also allows other interim uses on Port property, which uses are not Identified in this table. See Chapter 3 for a description of interim use policies.
- 2 Refer to Chapter 3 and Chapter 4 for General Land Use Policies and specific Development Standards which apply to the acceptable uses and sites identified in the table.

3 Definitions of land uses are included in Appendix C, Glossary of Terms.

- 4 Uses are subject to further review for compliance with the Public Trust, BCDC and Planning Commission policies, which will vary depending on factors specific to the use proposal such as the mix of uses, project design, any fill requirements, or whether the use is proposed within a National Register historic resource. (See Chapter 3 and 5 for further discussion of waterfront regulations).
- 5 The table identifies acceptable maritime and maritime support activities best suited for the sites in this area. However, the Port Commission retains the authority to use Port sites for any maritime uses, subject to BCDC San Francisco Waterfront Special Area Plan policies regarding Open Water Basins and Other Open Water Areas, pp. 24 and 26.
- 6 Unless otherwise indicated, "E/I" indicates existing general office uses in structures on the pier deck, which are allowed as interim uses pursuant to the interim use policies in Chapter 3.
- 7 Historic ships are not allowed at Pier 27, consistent with BCDC Special Area Plan policies.

108

As discussed in the introduction to this Chapter, under the Burton Act Public Trust lands may be leased for interim, short-term uses pending their ultimate development for a Trust use. Similarly, BCDC includes provisions for interim uses on property designated for port-priority use in the BCDC/Metropolitan Transportation Commission *San Francisco Bay Area Seaport Plan* which includes much of the Port's property south of China Basin Channel. In addition, the San Francisco Planning Code sets addition standards. Therefore prospective tenants who would like to rent existing space for a 10 year period, for example, are subject to most of the same regulatory processes as a developer who would like to pursue a new major development project which will have a 50 year life.

#### General Land Use Policies for New Interim Uses

The following General Land Use Policies apply to sites for Interim Uses in the three different areas of Port property described below. In addition, more detailed development standards are identified for specific sites in Chapter 4.

#### General Policies for Areas North of China Basin Channel and Within BCDC's 100-Foot Shoreline Band

1 Where market trends or limited Port resources prevent rehabilitation and reuse consistent with long term objectives for the site, promote the productive use of piers and pier-head and bulkhead buildings on an interim basis, instead of allowing those facilities to stand vacant, by:

a. In general, allowing interim uses for terms of up to five years within or on existing structures, provided no major repairs to the facility or substructure are necessary to permit the uses to occur, and the uses do not significantly contradict the overall objectives of the Waterfront Land Use Plan. Examples of such interim uses include: small business incubator industries, academic institutions; community facilities, parking or warehousing.

**b**. Where longer-amortization periods are needed, allowing renewal of leases for one additional five year period.

c. Considering longer term uses only in exceptional cases where there is thorough and public review pursuant to the Waterfront Plan Implementation Process outlined in Chapter 5. (When appropriate, leases for longer term interim uses could include an amortization schedule with a buy out provision so that permanent uses can be developed as soon as feasible. The Port, as a public agency, has the power of condemnation and can always recover its property for a public purpose.)

d. Recognizing that interim uses cannot be expected to support the same level of public access improvements as permanent uses.



Serving Alameda, Contra Costa, Marin and San Francisco counties

#### SIERRA CLUB, SAN FRANCISCO GROUP, SF BAY CHAPTER RESOLUTION

OPPOSING PROPOSED MINI-MALL RETAIL PROJECT IN PIER 29

WHEREAS, San Francisco's Waterfront Land Use Plan, which the voters created by passing Proposition H in November 1990, designates Piers 27, 29, and 31 for "a unique and inviting waterfront mixed-use recreation project" that "could provide a venue for all San Franciscans and Bay Area residents to actively participate individually or as groups, in diverse amateur recreation sports, physical fitness and related activities while enjoying the scenic waterfront setting;" and

WHEREAS, the Sierra Club previously joined with the Citizens to Save the Waterfront coalition to successfully defeat the Willie Brown Administration's plan to have the national shopping mall developer Mills Corporation build a giant mall and office complex at Piers 27, 29, and 31; and

WHEREAS, instead of pursuing a new project that complies with the Waterfront Land Use Plan, the Port Commission on April 26th voted to let another mall and office developer, Atlanta-based Jamestown Properties, build a mini-mall retail center inside the historic bulkhead building of Pier 29 on the Embarcadero at Chestnut Street; and

WHEREAS, the Port has put the Jamestown mini-mall proposal on a fast-track timeline, with a plan for final approval of their 15 year lease intended to take place within months; therefore, be it

RESOLVED, that the Sierra Club urges the Port Commission to respect the current community based Waterfront Land Use Plan Review process and instead of undermining the Waterfront Land Use Review process by approving this controversial project which conflicts with the Plan the Port should allow the Waterfront Land Use Plan Review process to proceed.

FURTHER RESOLVED, that the Sierra Club joins with the Coalition for San Francisco Neighborhoods, the Fisherman's Wharf Restaurant Association, and others to oppose the proposed Jamestown Pier 29 mini-mall proposal and urges the Port and the Board of Supervisors to reject this flawed plan and instead pursue a "unique and inviting waterfront mixed-use recreation project" as called for in the Waterfront Land Use Plan.

2530 San Pablo Ave., Suite I, Berkeley, CA 94702Tel. (510) 848-0800 Email: info@sfbaysc.org

338

## SPEAK SUNSET PARKSIDE EDUCATION AND ACTION COMMITTEE

1329 7th Avenue, San Francisco, CA 94122-2507 speaksanfrancisco@yahoo.com

December 14, 2016

TO: Elaine Forbes, Executive Director, Port of San Francisco and Supervisor Aaron Peskin

cc: San Francisco Port Commission, San Francisco Board of Supervisors

Sunset-Parkside Education and Action Committee (SPEAK) is a 501(c)3 organization which has been an active voice in the Sunset-Parkside district for over 45 years.

SPEAK is also a member of the Coalition for San Francisco Neighborhoods (CSFN). SPEAK voted in opposition to the proposed Pier 29 project by Jamestown Corp when the resolution came before the CSFN General Assembly. This resolution urges the Port and the Board of Supervisors to reject the Jamestown Pier 29 retail project which violates the voter-mandated Waterfront Land Use Plan which passed overwhelmingly.

SPEAK agrees with the Coalition for San Francisco Neighborhoods, the Sierra Club, the Fisherman's Wharf Restaurant Association, and other organizations that waterfront issues are citywide issues. Therefore, SPEAK urges the Port and the Board of Supervisors to respect the current citywide Waterfront Land Use Plan Review process. This can be achieved by dropping the Jamestown Pier 29 retail project and instead allowing the Waterfront Land Use Plan Review process to proceed.

Eileen Boken SPEAK Vice President SPEAK delegate to the CSFN

#### Ms. Jan Blum 2160 Leavenworth Street #201 San Francisco, CA 94133 <u>1janblum@sbcglobal.net</u>

January 12, 2017

Supervisor Aaron Peskin 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

#### SUBJECT: OPPOSE PIER 29 LEASE TO JAMESTOWN PROPERTIES

Dear Supervisor Peskin:

Please oppose the Port of San Francisco's effort to lease Pier 29 to Jamestown Properties. Reasons to oppose this misuse of the public trust lands include:

#### 1. A lease to a retail mall developer would violate the Waterfront Land Use Plan

- The proposed lease to Jamestown grossly exceeds the generally allowed term for
- Waterfront interim leases as well as for the maximum lease period allowed.
- The proposed uses are specifically NOT designated as acceptable as listed in the Northeast Waterfront Acceptable Land Use Table
- Fails to meet any criteria whatsoever for recreational uses which are required for Pier 29. The proposed lease to Jamestown is solely for retail purposes.

2. The giveaway lease unnecessarily and inequitably favors the giant, multi-billion dollar development company.

- The financial terms of the lease would favor them with over \$1 million in public money.
- It also allows them to occupy the space rent free to the Port for 47 months, almost 4 years, when rent credits are factored into the Base Rent requirement and development cost equation.
- Multi-billion dollar corporations should not be given public money. They should not be given giveaway deals on some of the most beautiful and desirable waterfront spaces anywhere while depriving the public of the purpose and intent of the Public Trust requirements.

#### 3. Cheats the public out of the only designated recreational space on the waterfront

- Pier 29 is designated in the Waterfront Land Use Plan for "mixed use recreation (that) could provide a venue for all San Franciscans and Bay Area residents to actively participate, individually or as groups, in diverse amateur recreational sports, physical fitness and related activities while enjoying the scenic waterfront setting "
- A mini mall and wine bar targeted to a preponderant tourist crowd do not fit into recreational criteria, even in a trumpian stretch.

Please help the Port find a way to utilize these glorious spaces the way the law intended them to be used and protect the public trust, once again.

Thank you for your stewardship on behalf of this citizen of San Francisco.

Sincerely yours, Jan Blum

340

1



# Salni Francisco Latino Damocradic

Members of the San Francisco Board of Supervisors San Francisco City Hall 1 Dr. Carlton B Goodlett PI #244 San Francisco, CA 94102

Re: Support for waterfront recreation and opposition to Jamestown "mini-mall" on Pier 29

Dear Supervisors,

The San Francisco Latino Democratic Club (SFLDC) was formed to educate and empower the Latino community regarding social justice and quality of life issues. We join the Coalition for San Francisco Neighborhoods, Sierra Club, Harvey Milk LGBT Democratic Club and other community groups to urge you to reject the mini-mall retail project proposed by Jamestown Properties for Pier 29.

This proposed waterfront mini-mall violates the voter-created Waterfront Land Use Plan, which says Pier 29 should be a place for a desperately needed mixed-use recreation project that could be used by families and local residents as well as tourists and visitors. This is the only place in the entire Waterfront Plan set aside for an active recreation project that could include soccer, basketball, climbing gyms, and aquatic sports – things on the public waterfront of actual use for working families. Instead, the Jamestown project would just be more shops for tourists.

SFLDC is also deeply troubled that this valuable public pier might be given to Jamestown Properties, a company with a history of questionable tactics leading to the displacement of working class communities of color. For example, last year Jamestown Properties reportedly held "salsa parties" as a public relations ploy to cover up its displacement of immigrant Latino and Asian residents in Sunset Park, Brooklyn.

Following the citywide vote to reject 8 Washington and support waterfront height limits, it should be clear that San Franciscans want development on our city's waterfront to benefit all of the people, not just big real estate developers. SFLDC calls upon you to respect that by rejecting the proposed Jamestown mini-mall on Pier 29 and supporting waterfront recreation there instead.

Sincerely, Lila Carrillo & Lito Sandoval Co-Presidents, San Francisco Latino Democratic Club

Coalition for San Francisco

www.cs/p.u.et \* PO Nex.170978 \* See Francisco CA 44152-0098 \* 415.262.0449 \* Est 1972

#### RESOLUTION

#### **OPPOSING PIER 29 "MINI-MALL" RETAIL PROJECT**

WHEREAS, San Francisco's Waterfront Land Use Plan, which the voters created by passing Proposition H in November 1990, designates Piers 27, 29, and 31 for "a unique and inviting waterfront mixed-use recreation project" that "could provide a venue for all San Franciscans and Bay Area residents to actively participate individually or as groups, in diverse amateur recreation sports, physical fitness and related activities while enjoying the scenic waterfront setting;" and

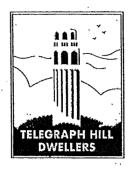
WHEREAS, CSFN previously joined with the Citizens to Save the Waterfront coalition to stop a prior plan that would have allowed national shopping mall developer Mills Corporation to build a large mall and office complex at Piers 27, 29, and 31; and

WHEREAS, instead of pursuing a new project that complies with the Waterfront Land Use Plan, the Port Commission on April 26<sup>th</sup> voted to let another mall and office developer, Atlanta-based Jamestown Properties, build what would be, in effect, a "mini-mall" retail center inside the historic bulkhead building of Pier 29 on the Embarcadero at Chestnut Street; and

WHEREAS, the Port has put the Jamestown retail center proposal on a fast-track timeline, with a plan for final approval of a 15-year lease intended to take place this fall;

NOW, THEREFORE, BE IT RESOLVED, that the Coalition for San Francisco Neighborhoods joins with the Telegraph Hill Dwellers, the Fisherman's Wharf Restaurant Association, and others to oppose the Jamestown Pier 29 mini-mall retail proposal and urges the Port to reject this flawed plan and instead comply with the "unique and inviting waterfront mixed-use recreation project" called for in the Waterfront Land Use Plan. May 13, 2016

Supervisor Aaron Peskin San Francisco City Hall San Francisco, CA Via Email (Aaron.Peskin@sfgov.org)



#### Re: Opposition to Proposed Jamestown Development at Pier 29

Dear Supervisor Peskin:

As you know, the San Francisco Waterfront Land Use Plan, which was mandated by the voters of San Francisco when they passed Proposition H in November 1990, designates Piers 27, 29, and 31 at the base of Telegraph Hill to be the site of "a unique and inviting waterfront mixed-use recreation project" that "could provide a venue for all San Franciscans and Bay Area residents to actively participate individually or as groups, in diverse amateur recreation sports, physical fitness and related activities while enjoying the scenic waterfront setting." (*San Francisco Waterfront Land Use Plan*, p. 112).

As part of the Citizens to Save the Waterfront Coalition, together with environmental groups and waterfront businesses and you, we fought to stop a prior proposal that would have allowed national mall developer Mills Corporation to build what would have been a "mega-mall" at Pier 29 and the adjacent Piers in the early 2000s instead of pursuing the mixed use recreational project that was proposed for the site and heavily favored by the community. After a vigorous effort, the community won.

Since that time, we have strongly encouraged the construction of a Cruise Ship Terminal at Pier 27 in conjunction with the opening of a beautiful two acre public park in front of Pier 27 and the public access areas around the edges of Pier 27, Pier 29, and at the tip of Pier 31. A mixed-use recreation project at Pier 29 could complement perfectly the cruise terminal and public park uses at Pier 27.

However, the Port Commission now has chosen to go in a different direction. Quietly and without community notice, the Port Commission on April 26, 2016 voted to fast track a development for Pier 29 that violates the Waterfront Land Use Plan by putting what would be, in effect, a "mini-mall" inside Pier 29 instead of community-serving uses such as recreation.

At the May 4<sup>th</sup> meeting of the Port's Northeast Waterfront Advisory Group (NEWAG), for the first time the community heard that the Port Commission had voted to select a developer to build retail kiosks inside the historic bulkhead building of Pier 29. The real estate developer the Port chose for the project, Atlanta-based Jamestown Properties, has developed and operates malls, shopping centers, and office buildings in nine states and has been rapidly expanding its California portfolio, including purchasing and operating Ghirardelli Square and the "Waterfront Plaza" office parks.

P.O. BOX 330159 SAN FRANCISCO, CA 94133 • 415.843-1011 www.THD.org

May 13, 2016 Page 2

The Jamestown mini-mall proposal for Pier 29 consists of an open-air retail market with movable retail kiosks, a high-end wine bar and brewery, and a café. Jamestown is also proposing to place a large red metal object on top of and in front of the historic Pier 29 bulkhead building in an effort to "draw attention" of passersby to the site, according to its representatives. Jamestown's proposal would also occupy a large swath of the public access areas adjacent to the bulkhead for private uses, in violation of the Port's permit from the Bay Conservation and Development Commission.

This proposal is also of concern because of the special historic status of Pier 29, including its bulkhead building. Pier 29 is designated as a contributor to the Embarcadero Historic District, which is listed on the U.S. National Register of Historic Places. As such, alterations that would materially alter the building's historical configuration, particularly its exterior, such as the proposed outside stairs and decking area and the large red metal object proposed to be sited in the front of the building, should not be allowed.

For many years, THD and other neighborhood and community groups have worked to ensure that historic Pier 29 and adjacent piers are opened up to the public in a way consistent with the Waterfront Land Use Plan and worthy of this historic and prominent waterfront site.

The Port has put the Jamestown mini-mall proposal on a fast-track timeline, with final approval of their 15-year lease intended to take place this fall. As a result, it is urgent that this misdirected proposal be rejected and, instead, the Port should pursue alternatives that are the kind of "unique and" inviting" project called for in the Waterfront Land Use Plan as mandated by the people of San Francisco.

We only have one waterfront - let's get it right.

Sincerely,

Stan Hayes President Telegraph Hill Dwellers

cc: Port Interim Director Elaine Forbes Members, San Francisco Port Commission Members, Port of San Francisco Northeast Waterfront Advisory Group

P.O. BOX 330159 SAN FRANCISCO, CA 94133 • 415.273.1004 www.thd.org

344

#### FOR THE EXCLUSIVE USE OF VPURI@PILLSBURYCOLEMAN.COM

From the San Francisco Business Times: / http://www.bizjournals.com/sanfrancisco/news/2017/02/07/sf-waterfront-fight-pier-29jamestown.html

## Another San Francisco waterfront development battle erupts at Pier 29

- SUBSCRIBER CONTENT: Feb 7, 2017, 2:30pm PST

A proposed retail and beverage center at San Francisco's Pier 29 has stirred community opposition, echoing previous waterfront development brawls.

The plan from developer Jamestown Properties to open a 22,600square-foot retail and beverage space in the 123,000-square-foot vacant pier is getting backlash from groups like the Telegraph Hill Dwellers, who have previously killed a number of projects proposed on the waterfront. Members of the group are calling for recreational ise at the pier instead, which it says is more consistent with the Port of San Francisco's Waterfront Plan.



ROLAND LI

"It's again a developer with a profit priority driving commercial, rather than a more publicly beneficial, use. And the Port going along with it because they're saying they're desperate for money and this is in front of them," Jon Golinger, a member of the Telegraph Hill Dwellers and the Port's Northeast Waterfront Advisory Group, told the Business Times.

Other opponents include the Sierra Club, San Francisco Latino Democratic Club and the Harvey Milk LGBT Democratic Club, who have dubbed the project a "mini-mall."

But Jamestown and the Port, which owns the site, disputes that characterization.

"We're not going to have any national-scale retail tenants in there, which is what the word 'mall,' I think, means to everyone. It's not a fair characterization of what we're putting forward," said Remy Monteko, asset manager at Jamestown. "We imagine that the store's merchandised with goods that are manufactured in San Francisco from well-known brands like Heath Ceramics and Timbuk2 to lesser-known but still really amazing brands that are local to San Francisco."

Jamestown is working with SF Made, which represents local manufacturers, to curate local retailers, along with BCV Architects and Plant Construction.

'oin the conversation: Follow @SFBusinessTimes on Twitter, "Like" us on Facebook and sign up for our free email newsletters.

Monteko, who also lives in North Beach, says that developing recreational uses at the site isn't financially viable for Jamestown, because it would require extensive seismic upgrades at the building. But the presence of Jamestown's proposed retail space, which would only occupy about a sixth of the Pier, wouldn't prevent recreational uses being built in the future, she said.

"We want to bring life back into this building," said Moneko. "The fact that this historic pier is sitting there going unentered, unnoticed, and people (are) running past it without being able to get inside – that's a shame to me. We should be enjoying the building, not running past it."

The project would also include on-site beer, wine and coffee brewing and tasting, as well as some food but no full-service kitchen or restaurant, in an effort not to compete with existing Port of San Francisco properties such as the Ferry Building and Fisherman's Wharf.

The entire project calls for 10,000 square feet of retail space, 2,000 square feet of beverage drinking space, and the remainder for beverage production, storage and back-of-house space. No exterior changes to the building will occur. The project has an estimated cost of \$5.8 million, but a final number hasn't been determined.

Jamestown's base rent to the Port will be an estimated \$25,000 per month over 15 years, but the developer will be eligible for \$1.18 million in rent credits for capital improvements that benefit the Port.

Jamestown has the support of the planning group SPUR and some members of the waterfront advisory committee.

Elaine Forbes, the Port's executive director, wrote in an opinion piece last year that the project was not a mall because it would have local goods. She noted that the Port's requests for proposals for the site have been developed with two years of community meetings. She also wrote in December that Pier 29's allowable uses include retail and restaurant uses under its current Waterfront Plan. Recreation is just a suggested use.

But Golinger stands by the characterization of "mini-mall."

"It's called a mall because it's a big place with a bunch of shops. This is a small place with a bunch of shops," said Golinger.

He said that the opponents might support a shorter lease term with Jamestown to one to five years, rather than 15 years, to make the retail a temporary usage. They would also support building a recreation use on the site at the same time as retail in the project.

If Jamestown doesn't modify its proposal, Golinger says he's prepared to file a ballot measure or lawsuit to block the project.

There is a precedent for neighbors killing projects on San Francisco's waterfront. Over a decade ago, Mills Corp. proposed a 331,000-square-foot commercial project at the same site, Piers 27, 29 and 31. The project was blocked and the Port took back control of the site in 2006. More recently, Pacific Waterfront Partners' condo proposal at 8 Washington St. was approved by the Board of Supervisors, but voters rejected two 2013 ballot measures, which killed the project.

"It feels like déjà v all over again," said Golinger.

346

The Board of Supervisors will determine the project's fate, with a recommendation vote on Jamestown's proposed lease terms expected within a month. If the project moves forward, a final vote approving the 'ease could come within six months. If approved, the project could open by summer of 2018.

The Board typically defers to the judgment of the local Supervisor on specific projects. Pier 29's is Aaron Peskin, a previous foe of some waterfront projects, including the Mills Corp. mall. Peskin's office said that he has not taken a position on the proposal, and that he was listening to community concerns.

Roland Li Reporter *San Francisco Business Times* 

.





#### January 17, 2017

#### HARVEY MILK LGBT DEMOCRATIC CLUB RESOLUTION JOINING WITH SIERRA CLUB AND OTHER GROUPS TO SUPPORT RECREATION AND OPPOSE JAMESTOWN MINI-MALL ON PIER 29

#### Adopted by unanimous vote of the membership

WHEREAS, San Francisco's waterfront is public land that belongs to all the people; and

WHEREAS, the people of San Francisco have voted repeatedly in recent years to reject overdevelopment of San Francisco's unique and special waterfront by overwhelmingly rejecting the 8 Washington luxury high-rise and requiring voter approval of waterfront height increases; and

WHEREAS, San Francisco's Waterfront Land Use Plan, which the voters created by passing Proposition H in November 1990, designates Piers 29 and adjacent areas for "a unique and inviting waterfront mixed-use recreation project" that "could provide a venue for all San Franciscans and Bay Area residents to actively participate individually or as groups, in diverse amateur recreation sports, physical fitness and related activities while enjoying the scenic waterfront setting," and

WHEREAS, the Harvey Milk LGBT Democratic Club previously joined with the Citizens to Save the Waterfront coalition to successfully defeat the Willie Brown Administration's plan for national shopping mall developer Mills Corporation to build a giant mall at Piers 27, 29, and 31; and

WHEREAS, instead of pursuing a mixed-use recreation project that complies with the Waterfront Land Use Plan, the Port Commission is proposing to allow another mall and office real estate developer, Atlanta-based Jamestown Properties, to build a mini-mall retail center inside historic Pier 29 on the northern Embarcadero; therefore, be it

RESOLVED, that the Harvey Milk LGBT Democratic Club joins with the Sierra Club, Coalition for

San Francisco Neighborhoods and other community groups across the city to oppose the proposed Jamestown Properties Pier 29 mini-mall and;

FURTHER, BE IT RESOLVED that the Harvey Milk LGBT Democratic Club urges the Board of Supervisors and Port to reject this flawed plan and instead pursue the recreation project called for in the Waterfront Land Use Plan that could be used by both residents and visitors to San Francisco.

##

Harvey Milk LGBT Democratic Club | PO Box 14368 San Francisco, CA 94114 | www.milkclub.org



## San Francisco Tomorrow

Since 1970, Working to Protect the Urban Environment

February 7, 2017

President London Breed and members San Francisco Board of Supervisors City Hall, Rm 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

#### Re: Pier 29 Proposed Lease to Jamestown Properties

Dear President and Supervisors,

San Francisco Tomorrow's Board of Directors has voted unanimously to oppose the proposed 15-year lease of a key location on the Embarcadero for a use that is not specified as an acceptable use in the Waterfront Land Use Plan. Jamestown wants to develop this prime portion of San Francisco's historic waterfront as mini-mall with a wine bar up front, a brewery and storage in the pier shed behind. The brewery is an industrial use and not permitted in this district. This project would be subsidized by over \$1 million in public monies.

The Northeast Waterfront Acceptable Land Use Table designates Pier 29 as the location for "a unique and inviting mixed-use recreation project" (page 112 of the Waterfront Land Use Plan). The proposal by Jamestown includes only retail and no recreation, and moreover, does not propose activating the entire pier for public use.

This proposal would eliminate the only place on the waterfront designated in the Waterfront Land Use Plan for active recreation that both visitors and San Francisco residents could use. The full language in the Waterfront Land Use Plan on page 112 specifically designates the area including Pier 29 for a "mixed-use recreation project that would provide a place for local residents to actively participate, individually or as groups, in diverse amateur recreational sports, physical fitness and related activities while enjoying the scenic waterfront setting".

Fifteen years is three times as long as the five-year period generally allowed for interim leases on the northern waterfront. Moreover, this extended lease is being proposed at a time when the Waterfront Land Use Plan is undergoing a thorough and long-overdue update. Approving

## Will you want to live in San Francisco – tomorrow?

44 Woodland Ave (415) 585-9489 San Francisco, CA 94117

349

this lease would preempt what has to date been a thorough and public planning process, and thwart the work of the advisory committee tasked with vetting new uses and development on the waterfront.

<u>Therefore, please do not approve the proposed term sheet that would give Jamestown a 15-year lease to put a retail mini-mall into the bulkhead building which fronts on the Embarcadero.</u>

Sincerely,

Jennifer Clary President *Mary Anne Miller* Waterfront Committee



San Francisco Vision

San Francisco Board of Supervisors San Francisco City Hall 1 Dr. Carlton B Goodlett Pl #244 San Francisco, CA 94102

Dear Board of Supervisors:

Re: Opposition to Jamestown development on Pier 29

San Francisco Vision is a broad coalition of San Franciscans who have come together to stand up for our cherished and endangered San Francisco values – diversity, creativity and social justice. We support the San Francisco Latino Democratic Club, Coalition for San Francisco Neighborhoods, Sierra Club, Harvey Milk LGBT Democratic Club and others in opposition of the proposed development on Pier 29 put forth by Jamestown Properties.

We find the proposal to be inconsistent with the General Land Use policies for Open Spaces and Public Access, the Waterfront Design and Access Element which works in concert with the Waterfront Land Use Plan and the San Francisco Bay Plan. These policies emphasize recreation that is accessible and equitable to the San Francisco Bay's diverse population. The Jamestown Properties proposal lacks inclusiveness and we ask the Board to consider these flaws when making a final decision.

Policy 1 of the General Policies for Existing and New Open Spaces and Public Access states:

Ensure a diversity of Open Spaces and Public Access, which may be achieved in different ways depending on location: places that provide access to the water; quiet, contemplative places for passive enjoyment; active places for civic gatherings and other urban events that draw large crowds; places for biking and foot race events; places that restore the environment and support wildlife habitats; places to learn about waterfront activities and the Bay environment; and places that appeal to children and seniors.

The Waterfront Design and Access Element also encourages development with a range of outdoor activities appealing to more than a small minority:

Develop a variety of public access and open spaces that offer many recreational opportunities and enhance other uses along the waterfront.

Recreation Policy 1 of the San Francisco Bay Plan continues to reiterate having a broad array of options along the shoreline that do not cater to a select few:

Diverse and accessible water-oriented recreational facilities, such as marinas, launch ramps, beaches, and fishing piers, should be provided to meet the needs of a growing and diversifying population, and should

be well distributed around the Bay and improved to accommodate a broad range of water-oriented recreational activities for people of all races, cultures, ages and income levels.

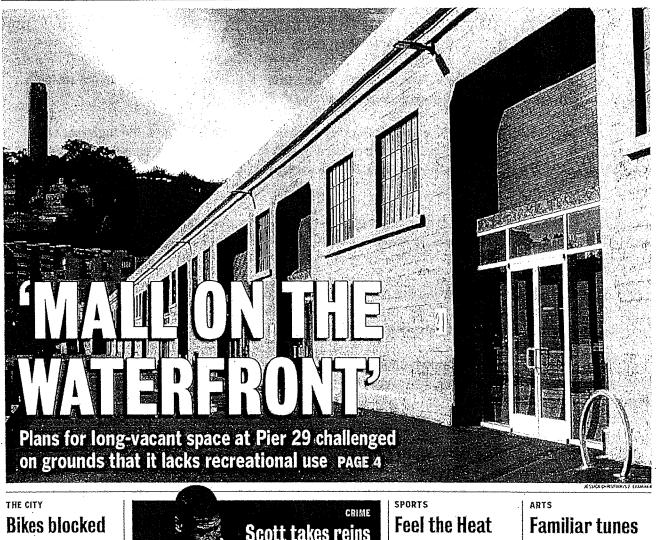
The Jamestown Properties proposal disregards these policies in an attempt to appease our affluent neighbors and tourists that can afford to enjoy their "mini-mall" aimed at housing more high-end artisanal venues. Inequality is a growing problem in our city and Jamestown Properties has decided to not only profit from this issue but to exacerbate it as well. As concerned constituents, we cannot allow this to happen. Please join us in denying this proposal.

Sincerely,

San Francisco Vision Board



TUESDAY, JANUARY 24, 2017 | SERVING SAN FRANCISCO, SAN MATEO AND SANTA CLARA COUNTIES | SFEXAMINER.COM



Bluegogo promises not to invade S.F. PAGE 6



Dubs upset in Miami on buzzer-beater PAGE 10

**Violinist Tolling plays** favorite TV themes PAGE 13



January 24, 2017

## **'No Mall on the Waterfront' campaign takes on Pier 29 proposal**

#### by Michael Barba

Another land-use battle is brewing along San Francisco's waterfront, this time over whether an out-of-town developer can open retail shops inside the long-vacant building at Pier 29.

Four years after the "No Wall on the Waterfront" campaign helped to squash a plan to build highrises along The Embarcadero, several community groups are striking a similar tone in challenging an Atlanta-based developer's proposal to outfit the front area of Pier 29 with a craft beer brewery, wine tasting and a coffee roaster.

Real estate developer Jamestown, LLC wants to reactivate the barren strip of The Embarcadero, situated between Alcatraz Landing and the cruise terminal at Pier 27, under a 15-year lease agreement with the Port of San Francisco.

Pier 29 partially burned down in 2012 and has not had a permanent use in years, last serving as a temporary "pop-up" space for the 34th America's Cup. The pier and its adjacent areas are currently used as storage spaces and parking lots, unlike the bustling tourist haven just up the street at Fisherman's Wharf.

"The goal is to bring life into this historic building, support and celebrate the manufacturing sector and creative industries in The City, activate this relatively bare section of The Embarcadero and provide an engaging front door to the visitors and a much-needed amenity to locals," said Erin Wickman, a spokesperson for Jamestown.

But Jon Golinger, a North Beach resident and environmental attorney who helped lead the charge against the 8 Washington St. development in 2013, claims the proposal violates the Waterfront Land Use Plan from the 1990s, which he said designates Pier 29 for a "unique and inviting mixed-use recreation project."

"It feels like 8 Washington all over again," said Golinger, who dubbed his latest effort the "No Mall on the Waterfront" campaign and criticized the proposal for creating a "mini-mall" at Pier 29 that lacks a recreational use.

Supervisor Aaron Peskin, who represents the area on the Board of Supervisors, was not as quick to allude to the 8 Washington St. development or a failed proposal from the Mills Corp. to build a vast mall on three piers — including Pier 29 — a decade ago.

"The good news here is that this is not an 8 Washington, this is not a Mills mall, half-a-million square feet of chain-store gentrification, but I believe the opponents of the project have raised some valid issues about the [Waterfront Land Use Plan]," Peskin said.

Peskin said he believes the waterfront plan does not require recreational use at Pier 29 but suggests it.

Renee Dunn Martin, a spokesperson for the Port, said the plan is consistent with the Waterfront Land Use Plan.

"Recreation uses are also an acceptable use for the pier under the current Waterfront Plan," Martin said in an email. "Jamestown will only occupy 20,000 square feet of a pier that is almost 120,000 square feet."

But Golinger said he is concerned that the proposal will grow and become permanent if it is successful. Jamestown's proposal includes its vision for the future which shows shops stretching from the front of the pier to the waterfront.

Lauren Jennings, another spokesperson for Jamestown, said in an email earlier this month that calling the proposal a mini-mall is an "inaccurate characterization" of the project. The proposed shops would contribute to a "waterfront renaissance," she said.

Retailers selling products made in San Francisco would be given priority at the Jamestown shops, according to the proposal.

Golinger has organized community groups to speak out in opposition of Jamestown's proposal, including the San Francisco Bay Sierra Club, San Francisco Latino Democratic Club and Harvey Milk LGBT Democratic Club.

Golinger is also critical of the project because Jamestown would be eligible for more than \$1 million in rent credits under the proposal, which he called a "sweetheart deal" for a developer.

The proposal received the endorsement of the Port Commission at a meeting earlier this month, where commissioners approved a conceptual term agreement that was nonbinding but allowed planning for the project to continue.

The Board of Supervisors is expected to review the conceptual term agreement in the coming weeks. Peskin said the actual proposal would be voted on at a later date.

If approved down the line, Golinger said it could lead to a legal battle or potentially be fought at the ballot.

"If Jamestown puts their retail here, it's going to be here for a long, long time for better or for worse," Golinger said. "Once this is gone it's gone, it's our last great hope for recreation in the neighborhood."

355

#### Wong, Linda (BOS)

From: Sent:	Board of Supervisors, (BOS) Thursday, February 02, 2017 9:37 AM
To:	BOS-Supervisors; Wong, Linda (BOS)
Subject:	File 170128 FW: San Franciscans for Waterfront Recreation Handout Opposing Proposed
	Lease of Pier 29 to Jamestown Properties for Mini-Mall
Attachments:	No Mall On The Waterfront.pdf

From: jongolinger@gmail.com [mailto:jongolinger@gmail.com] On Behalf Of No Mall on The Waterfront Sent: Wednesday, February 01, 2017 10:12 AM

To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>

Subject: San Franciscans for Waterfront Recreation Handout Opposing Proposed Lease of Pier 29 to Jamestown Properties for Mini-Mall

To Whom It May Concern,

Please give copies of the attached 2 page handout to each member of the Board of Supervisors and include it in the next Board meeting packet.

Thank you.

ا بر ایمر از

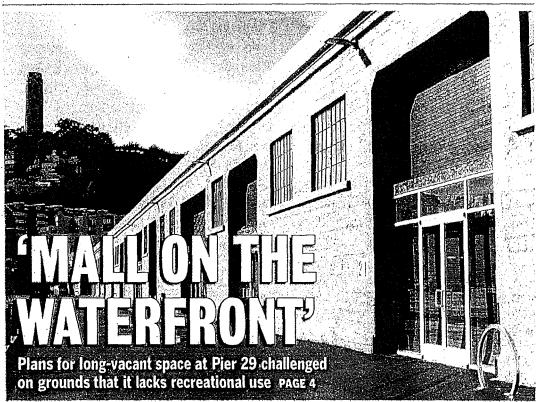
http://www.nomallonthewaterfront.com/





TUESDAY, JANUARY 24, 2017 | SERVING SAN FRANCISCO, SAN MATEO AND SANTA CLARA COUNTIES | SFEXAMINER.COM

cloudy



SF Latino Democratic Club urges Supervisors to reject Jamestown Properties "mini-mall" on Pier 29 & support waterfront recreation -- click here to read the letter



Harvey Milk LGBT Democratic Club members vote unanimously to oppose Jamestown Properties Pier 29 "mini-mall" -- click here to read the resolution



San Francisco's waterfront is public land that belongs to the people - not real estate developers.

The people of San Francisco have voted repeatedly in recent years to reject over-development of San Francisco's unique and special waterfront by overwhelmingly rejecting the 8 Washington luxury high-rise and requiring voter approval of waterfront height increases. San Francisco's Waterfront Land Use Plan, which the voters required the Port to create by passing Proposition H in November 1990, designates Piers 29 and adjacent areas for "a unique and inviting waterfront mixed-use recreation project" that "could provide a venue for all San Franciscans and Bay Area residents to actively participate individually or as groups, in diverse amateur recreation sports, physical fitness and related activities while enjoying the scenic waterfront setting."

However, instead of pursuing a mixed-use recreation project that complies with the Waterfront Land Use Plan, Mayor Ed Lee's appointees on the San Francisco Port Commission are proposing to give a national real estate developer, Atlanta-based Jamestown Properties, a sweetheart deal to build a "mini-mall" shopping center inside historic Pier 29 on the northern Embarcadero.

The proposal even subsidizes this big developer with over \$1 million in public money!

*Click here to read the financial and development details of the proposed Jamestown mini-mall.* 

The Harvey Milk LGBT Democratic Club, SF Latino Democratic Club, Sierra Club, Coalition for San Francisco Neighborhoods, San Franciscans for Waterfront Recreation, SF Tomorrow, and community groups across the city have joined forces to oppose the proposed Jamestown Properties Pier 29 mini-mall and instead support waterfront recreation on this important public land.

#### Join us.

Urge the Board of Supervisors to reject the proposal for the Jamestown Properties waterfront mini-mall on Pier 29 and instead to encourage the Port to pursue the recreation project called for in the Waterfront Land Use Plan that would benefit all the people, not just big developers.

We only have one waterfront. Let's get it right.

#### Wong, Linda (BOS)

m:Board of Supervisors, (BQS)Janestown Properties for Mini-MallBOS-Supervisors; Wong, Linda (BOS)Subject:File 170128 FW: SF Latino Democratic Club Letter Opposing Proposed Lease of Pier 29 to<br/>Jamestown Properties for Mini-MallAttachments:SFLatinoDemocraticClub\_Pier29Letter.pdf

From: jongolinger@gmail.com [mailto:jongolinger@gmail.com] On Behalf Of No Mall on The Waterfront
Sent: Wednesday, February 01, 2017 10:09 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: SF Latino Democratic Club Letter Opposing Proposed Lease of Pier 29 to Jamestown Properties for Mini-Mall

To Whom It May Concern,

Please give copies of the attached letter to each member of the Board of Supervisors and include it in the next Board meeting packet.

Thank you.



Members of the San Francisco Board of Supervisors San Francisco City Hall 1 Dr. Carlton B Goodlett PI #244 San Francisco, CA 94102

Re: Support for waterfront recreation and opposition to Jamestown "mini-mall" on Pier 29

#### Dear Supervisors,

The San Francisco Latino Democratic Club (SFLDC) was formed to educate and empower the Latino community regarding social justice and quality of life issues. We join the Coalition for San Francisco Neighborhoods, Sierra Club, Harvey Milk LGBT Democratic Club and other community groups to urge you to reject the mini-mall retail project proposed by Jamestown Properties for Pier 29.

This proposed waterfront mini-mall violates the voter-created Waterfront Land Use Plan, which says Pier 29 should be a place for a desperately needed mixed-use recreation project that could be used by families and local residents as well as tourists and visitors. This is the only place in the entire Waterfront Plan set aside for an active recreation project that could include soccer, basketball, climbing gyms, and aquatic sports — things on the public waterfront of actual use for working families. Instead, the Jamestown project would just be more shops for tourists.

SFLDC is also deeply troubled that this valuable public pier might be given to Jamestown Properties, a company with a history of questionable tactics leading to the displacement of working class communities of color. For example, last year Jamestown Properties reportedly held "salsa parties" as a public relations ploy to cover up its displacement of immigrant Latino and Asian residents in Sunset Park, Brooklyn.

Following the citywide vote to reject 8 Washington and support waterfront height limits, it should be clear that San Franciscans want development on our city's waterfront to benefit all of the people, not just big real estate developers. SFLDC calls upon you to respect that by rejecting the proposed Jamestown mini-mall on Pier 29 and supporting waterfront recreation there instead.

Sincerely, Lila Carrillo & Lito Sandoval Co-Presidents, San Francisco Latino Democratic Club