

File No. 180809

Committee Item No. 1

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

**Committee:** Budget & Finance Committee

Date September 13, 2018

## Board of Supervisors Meeting

Date \_\_\_\_\_

## Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

**OTHER** (Use back side if additional space is needed)

[illegible]

**Completed by:** Linda Wong

Date September 7, 2018

**Completed by:** Linda Wong

Date \_\_\_\_\_

1 [Port Agreement with the National Park Service and Lease with the Golden Gate  
2 National Parks Conservancy - Alcatraz Island Embarkation at Piers 31-33]

3 **Resolution approving a General Agreement between the Port and the National Park**  
4 **Service for a 30-year term with two ten-year options allowing ferry concessioners to**  
5 **use Port Piers 31-33 on The Embarcadero at Bay Street (Site) under lease from the Port**  
6 **as the embarkation to Alcatraz Island and other Golden Gate National Recreation Area**  
7 **sites, and a Lease Agreement with the Golden Gate National Parks Conservancy to**  
8 **develop and operate visitor amenities at the Site for a 30-year term with two ten-year**  
9 **options, to commence upon approval by the Board of Supervisors; affirming the Port**  
10 **Commission's Public Trust findings; and making findings under the California**  
11 **Environmental Quality Act, and adopting the Mitigation Monitoring and Reporting**  
12 **Program for the Alcatraz Ferry Embarkation Project located at Piers 31-33 on The**  
13 **Embarcadero at Bay Street.**

14  
15 WHEREAS, The Golden Gate National Recreation Area ("GGNRA"), established as a  
16 unit of the National Park Service ("NPS") in 1972, encompasses more than 80,000 acres of  
17 coastal lands in Marin, San Mateo and San Francisco counties; and

18 WHEREAS, One of GGNRA's most prominent sites is Alcatraz Island which is  
19 historically significant as part of early coastal fortification systems and later as a federal  
20 prison; and

21 WHEREAS, Since 1972, the Port of San Francisco has served as the embarkation  
22 point for tourists and local residents visiting Alcatraz Island; and

23 WHEREAS, NPS is empowered by the federal government to issue a bid prospectus  
24 and to select a ferry concessioner through a competitive process; and

25 WHEREAS, The Port has periodically negotiated leases with ferry concessioners for



1 locations for embarkation to Alcatraz Island, with the embarkation point moving from Pier 41  
2 to Pier 31½ as different ferry companies with leaseholds along Port property have been  
3 selected through the NPS ferry-bid process; and

4 WHEREAS, The Port and NPS share a common goal of enhancing the Alcatraz visitor  
5 experience through significant investments in landside and waterside capital improvements –  
6 to improve the ease of movement of the more than 1.5 million visitors each year – and  
7 interpretative installations and site amenities including food, retail, and restrooms; and

8 WHEREAS, Alcatraz Island, access to which is controlled by NPS, is a one-of-a-kind  
9 visitor destination, attracting thousands of people each day to the waterfront and providing  
10 revenues roughly double the amount the Port would expect for a similar use not associated  
11 with Alcatraz Island; and

12 WHEREAS, NPS determined that a long-term embarkation site is desirable to improve  
13 the quality of the visitor experience and in 2008, the Port and GGNRA began discussions  
14 about NPS selecting a permanent embarkation point at the Port and entering a direct  
15 agreement with the Port that governs the terms by which the embarkation point would be  
16 leased to NPS's concessionaires; and

17 WHEREAS, By entering such a direct agreement for the use of a set embarkation  
18 point, NPS, the Port and the public could be spared the disruption of moving the service each  
19 time a new concessioner is selected; and

20 WHEREAS, Port staff, based on site criteria developed in conjunction with NPS staff,  
21 identified the following five potential Port properties for a permanent Alcatraz embarkation  
22 location: Piers 19½, 29 ½, 31½, 41, and 45 Shed A, as detailed in a December 3, 2009,  
23 informational presentation to the Port Commission; and

24 WHEREAS, NPS completed an Environmental Impact Study under the National  
25 Environmental Policy Act which considered the following possible alternative locations: Fort

1 Mason, Pier 31½, Pier 41 and Pier 43½ and Port staff in coordination with NPS staff identified  
2 Pier 31½ as the preferred Alcatraz embarkation site; and

3 WHEREAS, Pier 31½ is part of the Northeast Waterfront area, where retail, food and  
4 beverage, and ferry service are allowed uses in such area under the Port's Waterfront Land  
5 Use Plan; and

6 WHEREAS, NPS has developed an implementable vision for the project (the "Project")  
7 for Alcatraz ferry service and amenities within the bulkheads and portions of the sheds of  
8 Piers 31 and 33 and the Pier 31 ½ marginal wharf (the "Site"); and

9 WHEREAS, The Site is currently operated for ferry service to Alcatraz Island with  
10 supporting food and beverage, and the Project would expand existing uses to include a visitor  
11 contact station and ancillary retail uses; and

12 WHEREAS, NPS has partnered with the Golden Gate National Parks Conservancy  
13 ("Conservancy"), a local nonprofit dedicated to conservation of GGNRA lands through public  
14 education, historic interpretation, public access, and capital improvements, as part of its long-  
15 term plan for an Alcatraz embarkation site; and

16 WHEREAS, The Conservancy has a proven track-record of developing and operating  
17 memorable and stimulating visitor experiences in nationally- and internationally-renowned  
18 destinations including Alcatraz Island cell house tours and Museum Store, Golden Gate  
19 Bridge Welcome Center, Crissy Field Center, and Lands End Visitor Center, among others;  
20 and

21 WHEREAS, The shared vision of a unified visitor experience - from site entrance and  
22 orientation, to ferry embarkation, to Alcatraz Island and jailhouse – requires specialized  
23 knowledge of and experience in historic interpretation and education; and

24 WHEREAS, As set forth in Administrative Code, Section 2.6-1, the Board of  
25 Supervisors' policy is to approve only such proposed leases involving City property or facilities

1 that departments have awarded to the highest responsible bidder under competitive bidding  
2 procedures, except where competitive bidding is impractical or impossible; and

3 WHEREAS, Development of an embarkation site with a visitor contact station and retail  
4 and food and beverage amenities presents an important opportunity to provide public-serving,  
5 cultural, historic and other significant public benefits to the people of the City, the entire Bay  
6 Area region and beyond, including an opportunity for a significantly improved one-of-a-kind  
7 waterfront destination that will achieve public access objectives for the Site while adding an  
8 attractive mix of uses and destinations along the waterfront; and

9 WHEREAS, The achievement of the Port's goal of retaining the Alcatraz embarkation  
10 site and the benefits noted above on Port property requires negotiating directly with NPS and  
11 NPS's selected partner, the Conservancy; and

12 WHEREAS, NPS and Port staff negotiated, on a sole source basis, a Term Sheet  
13 dated July 7, 2016 (the "Term Sheet"), which sets forth the essential terms upon which the  
14 Port and NPS would negotiate in good faith to reach agreement (the General Agreement or  
15 GA) on the terms for working together to establish the Site as the Alcatraz embarkation site,  
16 including the business terms of two leases for Site operation attached to the GA: a form lease  
17 to be executed by Port and the NPS-selected concessioner for ferry service and a lease with  
18 the Conservancy for a visitor contact station, retail, and food and beverage uses; and

19 WHEREAS, On July 12, 2016, the Port Commission approved Resolution No. 16-30  
20 endorsing the Term Sheet and authorizing the Executive Director of the Port, to present the  
21 Term Sheet to the Board of Supervisors for its endorsement and a determination that the  
22 proposed GA and the initial term of the Conservancy Lease are exempt from competitive  
23 bidding policy set forth in Administrative Code, Section 2.6-1; and

24 WHEREAS, On November 29, 2016, the Board of Supervisors adopted Resolution  
25 No.497-16 endorsing the Term Sheet and exempting the Project from the competitive bidding

1 policy set forth in Administrative Code, Section 2.6-1; and

2 WHEREAS, The Port and NPS have negotiated a final GA regarding the Project and its  
3 associated lease attachments; and

4 WHEREAS, The GA between the Port and NPS includes the following material terms  
5 as further described in this Resolution and the June 8, 2018, Memorandum to the Port  
6 Commission which is on file with the Clerk of the Board of Supervisors in File No. 180809, and  
7 incorporated herein by this reference (the "Memorandum"); (i) a term of up to 50 years (30  
8 years plus two 10-year options to extend) for the Alcatraz Island ferry embarkation site on  
9 Piers 31, 31½, and 33; (ii) designates the Site as the long-term sole visitor contact station  
10 and ferry embarkation for public access to Alcatraz Island and outlines independent and joint  
11 obligations; (iii) describes capital obligations of the ferry concessioner, the Conservancy, and  
12 the Port, and provides for clarity, cooperation and coordination throughout the term  
13 (iv) provides that NPS is solely responsible for selection of and contracting with operators for  
14 the ferry concession (the "Ferry Concession Contract") and Port has no role in the selection,  
15 solicitation, and/or award of a contract to a selected operator (a "Ferry Concessioner"); (v)  
16 requires each NPS prospectus for a Ferry Concession Contract to include a form lease (a  
17 "Ferry Concessioner Lease") prepared and approved by the Port that the Ferry Concessioner  
18 will be required to sign; and (vi) requires Port to enter into a Ferry Concessioner Lease  
19 substantially in the form of the lease attached to the GA with no changes other than (A)  
20 changes agreed to by the Port and NPS in the sole discretion of each; and (B) to add new  
21 Laws and City Requirements effective as of the commencement date of the Ferry  
22 Concessioner Lease that do not conflict with federal law; and

23 WHEREAS, On January 18, 2018, the National Park Service (NPS) released a  
24 prospectus (the "Prospectus") soliciting proposals to operate Alcatraz passenger ferry service  
25 and associated services within the GGNRA; and

1 WHEREAS, As set forth in the Prospectus, the term of the new Ferry Concession  
2 Contract will be for fifteen (15) years and proposals are due in summer 2018; and

3 WHEREAS, With input from Port, the International Organization of Masters, Mates,  
4 and Pilots (MM&P) and the Inlandboatmen's Union (IBU), the Department of Labor issued a  
5 supplemental wage determination for common labor classifications for a San Francisco  
6 passenger ferry operation (e.g. Master Captain, Senior Deckhand/Mate, Deckhand and Able-  
7 Bodied Seaman) (the "Supplemental Wage Determination") to establish minimum wages for  
8 employees of the prospective Ferry Concessioner and NPS incorporated the Supplemental  
9 Wage Determination into the Prospectus on May 21, 2018; and

10 WHEREAS, Each Ferry Concessioner will be required to pay monthly Base Rent for its  
11 premises, escalated annually; and

12 WHEREAS, In addition to Base Rent, the Ferry Concessioner shall pay monthly  
13 Percentage Rent on the difference between the Gross Revenue minus the NPS Concession  
14 Franchise Fee, but only to the extent that such amount exceeds Base Rent; and

15 WHEREAS, The NPS-selected Initial Ferry Concessioner must complete the following  
16 no later than the 5th anniversary date of the Ferry Concessioner Lease: waterside  
17 improvements, including new ferry barges, docks and associated infrastructure; Pier 31½  
18 Marginal Wharf deck surface and visitor amenities; Pier 33 Shed visitor restrooms; Pier 31  
19 bulkhead restrooms; interior improvements in the Pier 31 and Pier 33 Sheds; Pier 33 South  
20 Bulkhead Building ticketing area improvements; and demolition of a portion of the 2nd floor of  
21 the Pier 33 South Bulkhead Building and construction of a mezzanine area (together, the  
22 "Embarkation Site Improvements"); and

23 WHEREAS, Upon completion of the Embarkation Site Improvements the Initial Ferry  
24 Concessioner shall be entitled to a rent credit in a maximum amount of \$2,520,000 for the  
25 Embarkation Site Improvements; and

1 WHEREAS, Once the Embarkation Site Improvements are completed, certain portions  
2 of the property will be turned over to the Conservancy; and

3 WHEREAS, In addition to excursions to Alcatraz Island, the Initial Ferry Concessioner  
4 Lease allows the Initial Ferry Concessioner to conduct "interpretive park cruises" with the  
5 following limits: 45,000 passengers in years 1 and 2; 46,125 passengers in year 3; 47,278  
6 passengers in year 4; 48,460 passengers in year 5; and 90,000 passengers annually in year 6  
7 through lease expiration after year 15; any violation of these limits is a material default of the  
8 initial Ferry Concessioner Lease and will result in an equivalent reduction of the interpretive  
9 cruise passenger limit in the following year; and

10 WHEREAS, The GA prohibits interpretive park cruises from any subsequent Ferry  
11 Concessioner Lease without the prior consent of both the Port and NPS, in each such party's  
12 sole discretion; and

13 WHEREAS, In acknowledgement of the concerns raised by the City of Sausalito as to  
14 a future Fort Baker ferry service, the GA provides that all required environmental and  
15 regulatory reviews and approvals will be obtained when a more detailed project description  
16 including improvements to the vessel landing facilities at Fort Baker is proposed; and

17 WHEREAS, Port and NPS agree that, in order to enhance the visitor experience, NPS  
18 selected the Conservancy to provide the interpretive retail and food and beverage services  
19 and other public amenities at the Site and as described above; and

20 WHEREAS, Port has negotiated a lease with the Conservancy requiring initial site  
21 improvements and the operation of visitor amenities including a visitor contact station and  
22 café consistent with the GA for a 30-year term with two 10-year options; and

23 WHEREAS, The current exemption from the City's competitive bidding policy under  
24 Board of Supervisors Resolution No. 497-16 covers only the initial thirty (30) year term of the  
25 Conservancy Lease, and Port proposes to extend the exemption for the proposed two 10-year

1 option periods because it will provide for continuing capital improvements to and will continue  
2 to provide a cohesive visitor experience to the Site; and

3 WHEREAS, Under the Conservancy Lease, the Conservancy will be required to pay  
4 monthly Base Rent, escalated annually, and in addition to Base Rent, the Conservancy shall  
5 pay monthly Percentage Rent on the amount by which Gross Revenues exceed Base Rent  
6 with other material business terms are set forth in the Memorandum; and

7 WHEREAS, The Conservancy shall construct improvements including the build-out of  
8 the Pier 31 bulkhead cafe and in a later phase the Pier 33 visitor contact station/interpretive  
9 retail center (together, the "Conservancy's Initial Tenant Improvements"); and

10 WHEREAS, The Conservancy must complete the Conservancy's Initial Tenant  
11 Improvements no later than the first anniversary of each of the two phases, and upon  
12 completion the Conservancy shall be entitled to a rent credit of \$554,000 for the Initial Tenant  
13 Improvements as further described in the Memorandum; and

14 WHEREAS, The entire Site is subject to the common law public trust for commerce,  
15 navigation and fisheries and the Burton Act statutory trust (collectively, the "Public Trust"); and

16 WHEREAS, Use of Public Trust lands is generally limited to maritime commerce,  
17 navigation, fisheries, water-oriented recreation, including commercial facilities that must be  
18 located on or adjacent to water, and environmental stewardship and recreation, such as  
19 natural resource protection, wildlife habitat and study, and facilities for fishing, swimming, and  
20 boating; and

21 WHEREAS, Ancillary or incidental uses that promote Public Trust uses or  
22 accommodate public enjoyment of Public Trust lands such as hotels, restaurants, and visitor-  
23 serving retail are also permitted on Public Trust lands; and

24 WHEREAS, The Project has been planned and designed to provide multiple Public  
25 Trust benefits delivered via development and use of the Site as a long-term home for Alcatraz

1 ferry and other maritime excursions, with various visitor-serving amenities including public  
2 access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz  
3 ferry passengers as well as the general public; and

4 WHEREAS, A Preliminary Mitigated Negative Declaration (PMND) for the Project was  
5 prepared and published for public review on December 6, 2017; and

6 WHEREAS, On December 27, 2017, an appeal of the decision to issue the Final  
7 Mitigated Negative Declaration (FMND) was filed by the City of Sausalito within the 30-day  
8 public review period; and

9 WHEREAS, The Planning Department prepared responses to Sausalito's  
10 comments, made minor revisions to the PMND and on February 22, 2018, the Planning  
11 Commission held a public hearing on the PMND and after consideration of the points raised  
12 by the appellant, both in writing and at the February 22, 2018, hearing, found that the contents  
13 of the PMND and the procedures through which the PMND was prepared, publicized, and  
14 reviewed complied with the California Environmental Quality Act (California Public Resources  
15 Code, Sections 21000 et seq.) (CEQA), 14 California Code of Regulations, Sections 15000 et  
16 seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code  
17 ("Chapter 31") and finalized the PMND (the Final MND); and

18 WHEREAS, The Planning Commission found the Final MND was adequate, accurate  
19 and objective, reflected the independent analysis and judgment of the Department of City  
20 Planning and the Planning Commission, and reaffirmed its conclusion that the Project could  
21 not have a significant effect upon the environment; and

22 WHEREAS, On February 23, 2018, the Environmental Review Officer signed the Final  
23 MND for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31; and

24 WHEREAS, The Planning Commission Secretary, Jonas Ionin, is the custodian of  
25 records at 1650 Mission Street, Fourth Floor, San Francisco, California; and



1 WHEREAS, The Final MND and the Mitigation Monitoring and Reporting Program  
2 (MMRP) prepared by Port staff has been made available to the public, the Port Commission  
3 and the Board of Supervisors for their review and action and which is on file with the Clerk of  
4 the Board of Supervisors in File No. 180809, and incorporated herein by this reference; and

5 WHEREAS, On June 25, 2018, the Port Commission, by Resolution No. 18-39, found  
6 that the Final MND is adequate for its use as the decision-making body for the Project, that  
7 there is no substantial evidence that the Project could have a significant effect on the  
8 environment with the adoption of the measures contained in the MMRP to avoid potentially  
9 significant environmental effects associated with the Project, adopted the Final MND and the  
10 MMRP and found that all required mitigation measures identified in the Final MND and  
11 contained in the MMRP will be included in the Port's Leases; now, therefore, be it

12 RESOLVED, That the Board of Supervisors has reviewed and considered the Final  
13 MND and the record as a whole, finds that the Final MND is adequate for its use as the  
14 decision-making body for the Project, that there is no substantial evidence that the Project  
15 could have a significant effect on the environment with the adoption of the measures  
16 contained in the MMRP to avoid potentially significant environmental effects associated with  
17 the Project; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors hereby adopts the MMRP on  
19 file with the Clerk of the Board of Supervisors in File No. 180809 and finds that all required  
20 mitigation measures identified in the Final MND and contained in the MMRP will be included  
21 as conditions to the lease between the Port and each successive Ferry Concessioner and the  
22 Port and the Conservancy; and, be it

23 FURTHER RESOLVED, That the Board of Supervisors hereby adopts the Port  
24 Commission's Public Trust findings as its own, and finds that this Resolution is consistent with  
25 the common law public trust doctrine and the Burton Act; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors approves the General  
2 Agreement with the National Park Service and the Conservancy Lease and exempts the  
3 entire term of the Conservancy Lease from the competitive bidding policy set forth in  
4 Administrative Code, Section 2.6-1; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive  
6 Director of the Port or her designed (the "Executive Director") to execute the General  
7 Agreement and the Conservancy Lease in a form approved by the City Attorney and  
8 substantially in the form on file with the Clerk of the Board of Supervisors in File No. 180809;  
9 and, be it

10 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive  
11 Director to enter into any additions, amendments, or other modifications to the General  
12 Agreement or Conservancy Lease (including, without limitation, preparation and attachment  
13 of, or changes to, any or all of the exhibits and ancillary agreements) that the Executive  
14 Director, in consultation with the City Attorney, determines, when taken as whole, to be in the  
15 best interest of the Port, do not materially increase obligations or liabilities of the City or Port,  
16 and are necessary or advisable to complete the transactions which the General Agreement  
17 and Conservancy Lease contemplate and effectuate the purpose and intent of this Resolution,  
18 such determination to be conclusively evidenced by the execution and delivery by the  
19 Executive Director of any such amendments; and, be it

20 FURTHER RESOLVED, That within thirty (30) days of the General Agreement and  
21 Conservancy Lease being fully executed by all parties the Port shall provide copies of the  
22 General Agreement and Conservancy Lease to the Clerk of the Board for inclusion into the  
23 official file.  
24  
25

**Item 1**  
**File 18-0809**

**Department:**  
**Port**

### **EXECUTIVE SUMMARY**

#### **Legislative Objective**

The proposed resolution would: (1) Approve a General Agreement between the Port and the National Park Service (NPS) for a 30-year term with two 10-year options allowing ferry concessioners to use Port Piers 31 and 33 on The Embarcadero at Bay Street under lease from the Port as the embarkation to Alcatraz Island and other Golden Gate National Recreation Area sites; (2) Approve a Lease Agreement between the Port and the Golden Gate National Parks Conservancy (Conservancy) to develop and operate visitor amenities at the site for a 30-year term with two 10-year options; (3) Affirm the Port Commission's Public Trust findings; and (4) Make findings under the California Environmental Quality Act, and adopt the Mitigation Monitoring and Reporting Program for the Alcatraz Ferry Embarkation Project.

#### **Key Points**

- NPS has managed ferry services from the Port to Alcatraz Island since 1972. In 2008, in order to develop a permanent ferry site at the Port, NPS requested a long term agreement with the Port.
- In 2016, Port and NPS staff negotiated, on a sole source basis, a term sheet for negotiating a General Agreement for working to establish Pier 31½ as the permanent Alcatraz embarkation site, as well as the terms for a lease to be executed by the Port and the NPS-selected ferry concessioner and a lease with the Conservancy. The Board of Supervisors endorsed the term sheet in November 2016.

#### **Fiscal Impact**

- The Port will make substructure improvements to Pier 31 at a cost of \$7,516,768. The ferry concessioner and the Conservancy will make improvements with an estimated value of approximately \$33 million, and receive rent credits totaling \$3,074,000.
- Each of the leases pays rent equal to the greater of base rent or percentage rent. Base rent in the first year of the lease with the ferry concessioner is \$772,140 and with the Conservancy is \$457,752.
- The net present value of the base rents, less the rent credits, over the first ten years of the two leases is approximately \$6,994,000.

#### **Recommendations**

- Amend the proposed resolution to request the Port Executive Director to revise the General Agreement to (a) specify that the term of the initial ferry concessioner lease will be 10 years or less, unless the Director of NPS determines that a longer term is warranted, in accordance with U.S. Government Code 36 Section 51.73; (b) make the terms consistent with the proposed lease between the Port and the ferry concessioner; and (c) make the terms consistent with the proposed Lease Agreement between the Port and the Conservancy.
- Approve the proposed resolution, as amended.

**MANDATE STATEMENT**

City Charter Section 9.118(c) states that any lease of real property for a period of ten years or more or that has revenue to the City of \$1 million or more is subject to Board of Supervisors approval.

**BACKGROUND**

Since 1972, the Port of San Francisco has served as the embarkation point for visitors to Alcatraz Island, which is part of the Golden Gate National Recreation Area managed by the National Park Service (NPS). NPS selects a ferry concessioner through a competitive process and the Port negotiates a lease with the ferry concessioner for locations for embarkation to Alcatraz Island. Ferry services were provided from Pier 41 from 1972 to 2006 and have been provided from Pier 31½ since 2006.

In 2008, the Port and NPS began discussions for (1) selecting a permanent embarkation point at the Port and (2) entering into an agreement that would govern the terms by which the embarkation point would be leased to NPS's concessioners. The Port, based on site criteria developed in conjunction with NPS, identified five potential Port properties: Pier 19½, Pier 29½, Pier 31½, Pier 41, and Pier 45 Shed A. Following federal environmental review, Port and NPS staff identified Pier 31½ as the preferred embarkation site.

In 2016, Port and NPS staff negotiated, on a sole source basis, a term sheet, which set forth the terms upon which the Port and NPS would negotiate in good faith to reach a General Agreement for working to establish Pier 31½ as the permanent Alcatraz embarkation site. The term sheet also included the terms for a lease to be executed by the Port and the NPS-selected ferry concessioner and a lease with the Golden Gate National Parks Conservancy (Conservancy)<sup>1</sup>, for a visitor contact station, retail, and food and beverage uses at Piers 31 and 33. In November 2016, the Board of Supervisors endorsed the term sheet and exempted the project from the competitive bidding requirements set forth in Administrative Code Section 2.6-1 (Res. No. 497-16; File No. 16-1166).

**Existing Leases at Piers 31 and 33**

Hornblower Yachts, Inc. currently leases 42,952 square feet of open pier space at Pier 31½, 60,000 square feet of submerged land, and 7,035 square feet of shed space in Pier 33. The Hornblower lease expired on October 31, 2014, and has continued on a month-to-month holdover basis since then.

San Francisco Pier 33 LLC currently leases portions of the Pier 33 South Bulkhead building comprised of approximately 4,515 square feet on the ground floor and 9,030 square feet on the second and third floors. San Francisco Pier 33 LLC has several subtenants and the lease expires on July 31, 2019.

---

<sup>1</sup> The Conservancy is a local nonprofit that develops and operates visitor centers in the Golden Gate National Recreation Area.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would:

- Approve a General Agreement between the Port and NPS for a 30-year term with two 10-year options allowing ferry concessioners to use Port Piers 31 and 33 on The Embarcadero at Bay Street under lease from the Port as the embarkation to Alcatraz Island and other Golden Gate National Recreation Area sites;
- Approve a Lease Agreement between the Port and the Conservancy to develop and operate visitor amenities at the site for a 30-year term with two 10-year options;
- Affirm the Port Commission's Public Trust findings;
- Make findings under the California Environmental Quality Act, and adopt the Mitigation Monitoring and Reporting Program for the Alcatraz Ferry Embarkation Project.

The terms of the General Agreement with NPS and the Lease Agreement with the Conservancy are respectively summarized in Tables 1 and 2 below.

**Table 1: Terms of the General Agreement between the National Park Service and the Port**

Premises and Permitted Uses	<p>Premises consist of 68,271 square feet of pier or building space and 60,000 square feet of submerged land on Pier 31, Pier 31½, and Pier 33</p> <p>Pier 31½: ferry embarkation site for ferry excursions to Alcatraz Island and other sites</p> <p>Pier 31: food and beverage service, visitor restrooms, storage</p> <p>Pier 33: visitor center, ticket sales, exhibition space, administrative offices</p>
Term of General Agreement	<p>30 years with two 10-year options to renew the ferry operations at the discretion of NPS, totaling 50 years</p> <p>Agreement may be terminated by the Port or NPS due to sea level rise impacts or catastrophic events</p>
Ferry Concessioner Lease Terms	<p>Ferry concessioner will be solicited, selected, and awarded a contract by NPS</p> <p>Port will enter directly into a ferry concessioner lease with the same duration as the term of contract between the ferry concessioner and NPS</p> <p>Ferry concessioner responsible for waterside infrastructure including new ferry barges, docks and associated infrastructure, Pier 31½ marginal wharf deck surface, Pier 33 shed visitor restrooms, Pier 31 bulkhead restrooms, Pier 33 bulkhead improvements, and interior improvements to Pier 31 and 33 sheds</p> <p>Rent shall be the greater of:</p> <ul style="list-style-type: none"> <li>• Initial Phase I base rent of \$43,600 per month; full premises base rent of \$64,345 per month, or</li> <li>• Percentage rent of 7.5 percent of adjusted gross revenue on ferry service, 7.25 percent of adjusted gross revenue from ferry food and beverage, and 8 percent of adjusted gross ancillary revenue</li> </ul> <p>Annual base rent escalation will be 3 percent for office space and 2.5 percent for all other uses</p> <p>Ferry concessioner will be provided a maximum of \$2,520,000 in rent credits</p> <p>Rent will be adjusted to fair market value for each extension term</p>
Port Obligations	<p>Pier 31½ marginal wharf improvements estimated to cost up to \$7,516,768</p> <p>Maintenance and repair of the Pier 31 marginal wharf substructure, Piers 31 and 33 bulkhead substructure and seawall, and exteriors of Piers 31 and 33 sheds</p>

**Table 2: Terms of the Lease Agreement between the Conservancy and the Port**

Premises and Permitted Uses	<p>Lease premises consist of approximately 9,222 square feet on Piers 31 and 33</p> <p><u>Phase I Premises</u></p> <p>Pier 31 Bulkhead and Shed: restaurant and storage</p> <p><u>Phase II Premises</u></p> <p>Pier 33 South Bulkhead Building and Shed: visitor contact station, administrative office space or related interpretive exhibition space</p>
Estimated Lease Commencement Dates	<p>Phase I Premises: October 1, 2018</p> <p>Phase II Premises: December 1, 2020</p>
Term of Lease Agreement	30-year lease with two 10-year options
Base Rent	<p>Phase I Premises: \$15,300 per month, or \$183,600 per year</p> <p>Phase II Premises: \$20,986 per month, or \$251,832 per year</p> <p>On each anniversary date, Base Rent shall increase by 2.5 percent</p>
Base Rent Phase-in	<p>70 percent of Base Rent due in Year 1 after Phase I and II Commencement Dates</p> <p>85 percent of Base Rent due in Year 2 after Phase I and II Commencement Dates</p>
Percentage Rent	<p>7.5 percent of gross revenue on food, beverage, and retail operations</p> <p>In any calendar month in which 7.5 percent of total monthly gross revenue (Percentage Rent) exceeds the monthly Base Rent, the Tenant shall pay Percentage Rent</p> <p>During phase-in periods, the reduced Base Rent will be used for the basis of calculating Percentage Rent</p>
Rent Abatement during Alcatraz Island Closure	Base Rent shall be suspended for the entire premises during periods when Alcatraz Island closes to visitors for more than one day for reasons outside NPS's or Tenant's control, such as weather, earthquake damage or a government shutdown. Percentage Rent will continue to be due.
Security Deposit	\$76,292
Tenant Improvements	Tenant shall pay for improvements estimated to cost approximately \$3,692,000
Rent Credits for Tenant Improvements	Tenant shall be entitled to a rent credit in the maximum amount of \$554,000 amortized over a 48-month period taken
Utilities, Maintenance and Repair	<p>Port responsible for substructure of the Pier 31 marginal wharf, substructure and exterior (including roof but excluding doors and windows) of the Pier 31 and 33 bulkhead buildings and Sheds 31 and 33, and the seawall</p> <p>Tenant responsible for utilities, interior improvements, exterior windows and doors</p> <p>Port shall have no responsibility to address the effects of flooding or sea level rise</p>

**Changes since Endorsement of Term Sheet***Term of Ferry Concessioner Lease*

The term sheet specified that the term of the lease between the Port and the ferry concessioner would conform to U.S. Government Code 36 Section 51.73, which pertains to National Park Service concession contracts, and specifies that contracts must have a term of 10 years or less unless the Director of the National Park Service determines that contract terms, including required capital improvements, warrant a longer term.<sup>2</sup> The General Agreement states that the term of the lease agreement with the ferry concessioner will match the duration of the contract between NPS and the ferry concessioner, but does not specify that the term will be 10 years or less.

*Base Rent for Ferry Concessioner Lease*

The term sheet and proposed General Agreement list the base rent for the ferry concessioner lease at \$696,000 per year, or \$58,000 per month, plus initial rent for the Pier 33 office space of \$166,032 per year, or \$13,836 per month, for total first year rent of \$862,032. Under the proposed lease with the ferry concessioner, the full premises base rent will be \$772,140 per year, or \$89,892 less than presented in the term sheet and proposed General Agreement.

According to Ms. Benassini, the General Agreement language reflects estimates developed prior to when the premises and measurements were understood in detail. The proposed lease is the relationship the Port will have with the ferry concessioner and the ferry concessioner is not a party to the General Agreement. According to Ms. Benassini, the base rent to be paid by the ferry concessioner is \$89,892 less than the rent in the proposed General Agreement because the term sheet contained about 2,700 more square feet of space than the ultimate configuration of the premises to be leased. All of the rental rates per square foot are the same as those reported in the term sheet.

*Term of Conservancy Lease*

Under the term sheet endorsed by the Board of Supervisors in 2016, the lease to the Conservancy was to be for 30 years. The proposed lease agreement is for 30 years with two 10-year options to extend, matching the term of the General Agreement. The Conservancy may only activate the first 10-year option if a number of conditions are met, including that (1) NPS has activated the first 10-year option of the General Agreement, (2) the Conservancy has no events of default outstanding, and (3) the rent is subject to a market-based adjustment based on appraisal.

---

<sup>2</sup> According to the Port, the National Park Service solicitation for ferry services is for 15 years, which will be the term of the lease between the Port and the ferry concession.



*Base Rent for the Conservancy*

The term sheet and proposed General Agreement state that the base rent for the Conservancy will be \$330,000 per year, or \$27,500 per month. The proposed Lease Agreement with the Conservancy states that the base rent will be \$183,600 for Phase I parcels and \$251,832 for Phase II parcels for a total of \$435,432 per year<sup>3</sup>. According to Ms. Benassini, the figures in the term sheet and General Agreement refer to an estimate developed when the amount of space needed by the Conservancy for their operations was not yet final, and the terms of the Lease Agreement supersede the term sheet and General Agreement. According to Ms. Benassini, the base rent to be paid by the Conservancy is more than the rent in the proposed General Agreement because about 3,000 more square feet has been allocated to the Conservancy than previously anticipated due to operational needs.

**FISCAL IMPACT****Capital Repairs and Maintenance**

The proposed General and Lease Agreements identify the respective responsibilities of the Port, ferry concessioner, and Conservancy for repairs and maintenance of the site.

*Port Responsibilities*

In March 2018, the Port Commission authorized award of a construction contract in the amount of \$7,516,768 for Pier 31 and 31½ marginal wharf substructure repairs and upgrades (Port Resolution No. 18-21). These substructure repairs and upgrades consist of below deck concrete repairs and pile and cap repairs. According to Ms. Benassini, funds to make these substructure repairs and upgrades were included in the Port's FY 2017-18 capital budget, previously approved by the Board of Supervisors.

The Port will also be responsible to maintain and repair the Pier 31 marginal wharf substructure, Piers 31 and 33 bulkhead substructure and seawall, and the exteriors of Piers 31 and 33 sheds. Ms. Benassini states that the Port is responsible for these maintenance and repair costs because Piers 31 and 33 are multi-tenant sites, of which the ferry concessioner and the Conservancy are two of several Port tenants.

*Ferry Concessioner Responsibilities*

The ferry concessioner selected by NPS will be responsible for the construction, maintenance and repair to new ferry barges, docks and associated waterside infrastructure, Pier 31½ marginal wharf deck surface, Pier 31 and 33 visitor restrooms, Pier 33 bulkhead improvements, and interior improvements to Pier 31 and 33 sheds. NPS estimates the costs of the embarkation site improvements to be approximately \$30 million for the ferry concessioner. The ferry concessioner will be provided a maximum of \$2,520,000 in rent credits for these costs by the Port.

*Conservancy Responsibilities*

---

<sup>3</sup> As noted in Table 2 above, the estimated start date for Phase I leases is October 2018 and the estimated start date for Phase II leases is December 2020.

The Conservancy will pay for interior facility improvements estimated to cost up to \$3,692,000. The Conservancy will be responsible for maintaining the interior improvements and exterior doors and windows. The Conservancy will be provided a maximum of \$554,000 in rent credits for tenant improvement costs over the initial four years of the lease.

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

#### *Lease between the Port and the Ferry Concessioner*

The ferry concessioner will pay rent to the Port equal to the greater of (a) base rent of approximately \$772,140 per year in the first year, increasing by 3 percent per year for office space and 2.5 percent per year for all other uses, or (b) percentage rent. Percentage rent is equal to 7.5 percent of adjusted gross revenues for ferry service, 7.25 percent of adjusted gross revenues for food and beverages<sup>4</sup>, and 8.0 percent of other concession revenue. According to Ms. Benassini, base rent is based on the Port's parameter rent schedule approved by the Port Commission at the time the term sheet was endorsed. Percentage rent is based on rent paid by other ferry excursion operators at the Port.

#### *Lease between the Port and the Conservancy*

According to the proposed Lease Agreement, the Conservancy will pay the Port the greater of (a) base rent of approximately \$457,752 per year<sup>5</sup>, increasing by 2.5 percent per year, or (b) percentage rent equal to 7.5 percent of gross revenues. According to Ms. Benassini, the proposed base and percentage rent to be paid by the Conservancy to the Port was negotiated, based on rents paid by comparable properties adjacent to the Port for the retail portion of the premises. The remainder of the premises base rent was set per the Port's parameter rent schedule approved by the Port Commission.

#### *Estimated Lease Revenues to the Port*

The net present value of the base rents, less the rent credits and phase in discounts, to be paid by the ferry concessioner and the Conservancy to the Port over the first ten years of the two leases would be at least \$6,994,000. If percentage rent exceeds base rent in any given month of the lease terms, rent proceeds to the Port would be higher.

## **RECOMMENDATIONS**

1. Amend the proposed resolution to request the Port Executive Director to revise the General Agreement to (a) specify that the term of the initial ferry concessioner lease will be 10 years or less, unless the Director of NPS determines that a longer term is warranted, in accordance with U.S. Government Code 36 Section 51.73; (b) make the terms consistent with the proposed lease between the Port and the ferry concessioner; and (c) make the terms consistent with the proposed Lease Agreement between the Port and the Conservancy.
2. Approve the proposed resolution, as amended.

<sup>4</sup> Adjusted gross revenue equals total revenues, less franchise and other pass-through fees.

<sup>5</sup> At the completion of improvements and full rent phase in.

## **MEMORANDUM**

June 21, 2018

**TO:** MEMBERS, PORT COMMISSION  
Hon. Kimberly Brandon, President  
Hon. Willie Adams, Vice President  
Hon. Gail Gilman  
Hon. Victor Makras  
Hon. Doreen Woo Ho

**FROM:** Elaine Forbes  
Executive Director

**SUBJECT** Adoption of the Final Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Alcatraz Ferry Embarkation Project (2017-000188ENV) located at Piers 31-33 on The Embarcadero at Bay Street (Site) pursuant to the California Environmental Quality Act; and

Approval of three transaction documents: (1) a General Agreement between the Port and the National Park Service (NPS) for a thirty-year term with two ten-year options for use of the Site primarily as the embarkation to Alcatraz Island including: (2) a form lease with an initial ferry concessioner to be selected by NPS for site improvements and ferry services including from the Site to Alcatraz Island coterminous with the ferry concession contract; and (3) a lease with the Golden Gate National Parks Conservancy for site improvements and to operate visitor amenities including a visitor-contact station and café for a thirty-year term with two ten-year options coterminous with the General Agreement.

(This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).)  
(Resolution No. 18-39)

**DIRECTOR'S RECOMMENDATION:** Approve the attached Resolution

---

### **EXECUTIVE SUMMARY**

This memorandum explains and supports the Executive Director's recommendation for approvals for the Alcatraz Embarkation Project. It tracks changes since the Port Commission's February 27, 2018 and June 12, 2018 meetings. Note that this staff report

**THIS PRINT COVERS CALENDAR ITEM NO. 8A**

contains no substantive changes compared with the staff report from the June 12, 2018 meeting, when Port Commissioners requested additional time to study the issues.

Staff from the Port and the National Park Service have negotiated the terms and conditions for three transaction documents that will govern the improvement and long-term operations of the Alcatraz Island Embarkation Site Project (the "Project") located at Piers 31, 31½, and 33 on The Embarcadero at Bay Street (the "Site" shown on Exhibit A, Site Aerial Map):

The Project is anticipated to result in approximately \$34 million of investment in the Piers 31-33 Site by the ferry concessioner (\$30 million), and the Golden Gate National Parks Conservancy (\$4 million). Also, Alcatraz ferry operations at Pier 31½, which generated about \$2.3 million in 2017 in annual rent to the Port, will be retained on Port property for the long-term. Annual rent from the upgraded operations is projected to increase to \$3.2 million in the fifth, full-year of operations, due to the increase in retail and café space dedicated to the Alcatraz embarkation, the inclusion of a new, Interpretive Park Cruises excursion option, and growth in gross revenues through the passage of time.

The Project will activate the Pier 31 bulkhead with a café and public restrooms, transform the Pier 33 bulkhead into a visitor-contact station, improve the visitor experience on the open, marginal wharf where visitors begin their ferry service to Alcatraz, and improve the efficiency of the ferry operations. Improvements to the Site will be made through a lease with a new tenant, the Golden Gate National Parks Conservancy (Conservancy), and through a lease with a new ferry concessioner, to be selected by NPS through its competitive-bid process. Since the February 27, 2018 Port Commission meeting on this item, NPS's competitive bid document, called a "prospectus," has been updated to include hourly wages for notable, passenger ferry occupations with locally relevant and competitive wage rates.

The Project goals are as follows:

- A. Provide an identifiable gateway to Alcatraz Island and the GGNRA;
- B. Create a clear orientation and quality welcoming experience to Alcatraz Island;
- C. Establish a destination point along The Embarcadero;
- D. Ensure efficiency for the site's various visitor services and ferry operations;
- E. Provide connections to other NPS sites in San Francisco Bay;
- F. Rehabilitate the historic Port structures and tell their stories;
- G. Preserve resources through sustainable strategies; and
- H. Offer a safe and accessible experience for all.

The agreements ("Agreements" or "Transaction Documents") consist of the following:

1. A General Agreement ("GA") between the Port and NPS with a term of up to 50 years (30 years plus two, 10-year options) for the Alcatraz Island ferry embarkation site on Piers 31, 31½, and 33. The GA designates the Site as the long-term, sole ferry embarkation for public access to Alcatraz Island. The agreement outlines independent and joint obligations, such as NPS selecting and contracting for ferry concession services and the Port entering leases with NPS's selected operator for ferry concessions and with the Conservancy for visitor services and a café. The

agreement describes capital obligations of the ferry concessioner, the Conservancy, and the Port. The agreement provides for clarity, cooperation, and coordination throughout the term between the Port and NPS;

2. A form of lease between the Port and a ferry concessioner ("Concessioner") that NPS selects to provide initial site improvements and ferry services with a term to match the concession contract term, the first of which is 15 years; and
3. A lease between the Port and the Conservancy for improvements and operation of visitor amenities including a visitor-contact station and café, consistent with the term of the GA (30-year term with two 10-year options).

The Project approvals before the Port Commission represent several years of effort, led by the Port Commission, Port and City staff, and staff from both the National Park Service and the Conservancy. Based upon the multiple benefits to the Port and the City from implementation of this Project, staff recommends Port Commission approval of the attached resolution.

#### **REFINEMENTS AND ADDITIONS SINCE INFORMATIONAL ITEM**

On January 9, 2018, Port staff presented the Project in an informational item to the Port Commission. Subsequently, on February 27, 2018, Port staff again presented the Project, seeking approval of the Transaction Documents. Most recently, on June 12, 2018 Port staff presented updates to the wage determination provided for the Alcatraz concession contract and provided additional information related to bay excursions departing from San Francisco. Commissioners requested addition time to consider the issues and asked that the item be brought back. This report includes all of the information presented in the January and February Port Commission meetings, as well as refinements which are shown in underline or ~~strike-through~~ formatting.

The changes and refinements in this staff report consist primarily of: (1) additional information related to wage rates for the ferry concession contract as determined by the U.S. Department of Labor and (2) information regarding the limited "interpretive park cruise" service that is required by the National Park Service to be provided by the selected ferry concessioner. For readability, numbers in new tables are not underlined but the table number and name is formatted as underline.

#### **PORT AND PARK SERVICE ACTIONS TO ADDRESS CONCERNS RELATED TO THE ALCATRAZ CONCESSION CONTRACT**

Members and representatives of both the International Organization of Masters, Mates, and Pilots (MM&P) and the Inlandboatmen's Union (IBU) have raised two areas of concern through written correspondence as well as public testimony at the February 27, 2018 Port Commission hearing: (1) the minimum wages applicable to the Ferry Concession contract, as determined by the Department of Labor and set forth in the Prospectus issued by the National Park Service; and (2) the introduction by the Park Service of 'Interpretive Park Cruises' as an ancillary line of business within the Ferry Concession contract. The section below summarizes staff efforts to address the concerns.

### **Department of Labor Wage Determination**

At the February 27, 2018 Commission meeting, the Port Commission directed staff to work with partners at NPS to ask Department of Labor ("DOL") to amend the wage determination issued for the Alcatraz ferry prospectus. The wage determination issued by DOL sets minimum hourly wages for selected occupations that Alcatraz ferry operator bidders must commit to meet or exceed in order to bid on the business opportunity. At the time of the February meeting, the wage determination did not include occupations directly relevant to typical, passenger ferry-related job categories, such as captain and deckhand.

Consistent with the direction to staff, the project team has worked to ensure that locally relevant occupational information is available for DOL's use in issuing an addendum to the wage determination for the Alcatraz Prospectus. Staff sent correspondence to DOL and met with Wage and Hour Division staff at DOL to share the Port's knowledge of occupations and local labor conditions.

On May 21, 2018 NPS issued an amendment to Exhibit B Operating Plan in the Alcatraz Prospectus (see Exhibit C for amendment file). It includes new occupational categories summarized in Table 1, below, including Master, Journeyman, and Deckhand, among other occupations relevant to ferry service.

**Table 1. Summary of Selected Wage Determination Information\***

Job Title	Hourly Wage	Pension/ month	Benefits Package
Master	\$42.62	\$507	(1)
Assistant Engineer	\$29.25	\$476	(1)
Journeyman (Engineer)	\$30.40	\$476	(1)
Engineer I	\$35.86	\$496	(1)
Engineer II	\$39.23	\$496	(1)
Senior Engineer	\$42.62	\$507	(1)
Port Engineer	\$47.78	\$507	(1)
Deckhand	\$30.34	n/a	(2)
Senior Deckhand	\$30.95	n/a	(2)

\*This table is a summary only. Please refer to business opportunity document library on Alcatraz Prospectus [website](#) for complete and official Prospectus responses requirements.

(1) Benefits package at a minimum to include:

- Health and Welfare: \$1,550 per month
- Sick Leave: 8 days after 1 year; thereafter accrues 8 hours per month
- Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years
- Holidays: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

(2) Benefits package at a minimum to include:

- Health and Welfare: \$1,394 per month (Trust Plan or equivalent); \$1,689 per month (Kaiser Plan or equivalent)
- Sick Leave: 8 hours per month
- Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years
- Holiday: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

Table 2 provides a summary of wages in the Alcatraz Prospectus and those in Blue & Gold Fleet's contract with WETA (Water Emergency Transportation Authority) for ferry service. These labor rates have been negotiated by Blue & Gold with the respective trade unions, then were agreed to by WETA through their service operations agreement with Blue & Gold. Based upon Port staff's review of publicly-available wage information for similar, local jobs, the hourly wages in the DOL-issued Wage Determination reflect local labor market conditions and will support the selected Alcatraz concessioner's ability to compete for and retain qualified staff.

**Table 2. Comparison of Alcatraz Prospectus Wages and WETA-Blue & Gold Contract Hourly Wages**

Job Title	Alcatraz Prospectus Wage Determination Selected Hourly Wages <sup>(1)</sup>	WETA Contract 2017/18 Fiscal Year Hourly Wages <sup>(2)</sup>
Master	\$42.62	\$42.37
Deckhand	\$30.34	\$30.12
Senior Deckhand	\$30.95	\$31.63

<sup>(1)</sup> Hourly wages reported for Alcatraz Prospectus reflect wages the selected ferry concessioner will be required to pay workers at the start of the new Alcatraz contract. Per federal regulations, wages will be adjusted by Department of Labor's periodic issuance of a wage adjustment every two years after contract execution.

<sup>(2)</sup> Hourly wages shown reflect contract wages for fiscal year 2017-2018 in the 2017-2021 IBU contract. Wages typically increase by almost 3% each year during the contract term.

## **Interpretive Park Cruises**

### **Description of Service**

The vast majority of the business opportunity issued by the National Park Service in association with this item will result from the Alcatraz passenger ferry service. However, there are a number of ancillary components of the business opportunity, one of which is a service described as a 'Park Cruise', in which a ferry passenger vessel will depart from and return to the embarkation site at Pier 31 ½ without stopping/disembarking at another location. The purpose of the Park Cruises is to provide an opportunity to see a variety of

sites within the Golden Gate National Recreation Area from the water, including Alcatraz, while learning about such sites via a substantive on-board interpretive program for a minimum of 45 minutes. The service will be available to visitors to the Embarkation Site who are unable to obtain a ticket to Alcatraz due to demand exceeding supply, as often occurs during peak season, as well as others who may not be interested in the Alcatraz trip (e.g. those who have already been to the island) but nonetheless are interested in learning more about GGNRA sites while enjoying views on the Bay.

The Park Cruise service is capped by the National Park Service's Concession Contract at a maximum of 90,000 passengers per year, which represents 5% of the total number of projected passengers embarking vessels from the Embarkation Site. This new service will provide additional revenue streams for the selected ferry concessioner, the Park Service, and the Port. Table 3 below illustrates the magnitude of the Park Cruise service relative to the size of the Alcatraz service:<sup>1</sup>

**Table 3. Summary of Projected Ridership and Revenue\***

<u>Category</u>	<u>Projected Range (2019)</u>
Alcatraz Ferry Ridership	1,700,000 - 1,800,000
Park Cruise Ridership	80,000 - 90,000
Projected Park Cruise Revenue	\$2.5M - \$3M
Total Projected Revenue	\$44M - \$52M

\*This table is a summary only. Please refer to business opportunity document library on Alcatraz Prospectus [website](#) for complete and official Prospectus information.

As shown, total estimated revenue derived from the Park Cruises is approximately \$3 million annually at the high end of the projection; of this amount, the Port is expected to receive approximately \$220,000 annually via percentage rent under the terms of the lease.

### **Concerns About Park Cruises Raised by Some Stakeholders**

Several stakeholders have raised concerns about the Park Cruises service just prior to and at the February 27, 2018 Port Commission meeting. Port staff have also had follow-up conversations after that meeting. The concerns are focused on the potential for the Park Cruise service to impact the bay cruise business lines of existing Port tenants. "Bay Cruises" are excursions on vessels run by Blue & Gold (Pier 39), Hornblower (Pier 3), and Red & White (Pier 41) which take passengers around points of interest on the Bay, with narration and on-board amenities. Specifically, some existing Port tenants report that some prospective customers who were unable to go to Alcatraz island due to sellouts currently opt to purchase Bay Cruise tickets as an alternative excursion.

<sup>1</sup> Source: National Park Service/GGNRA Prospectus No. CC-GOGA001-19, pages 15-16



## Staff Analysis

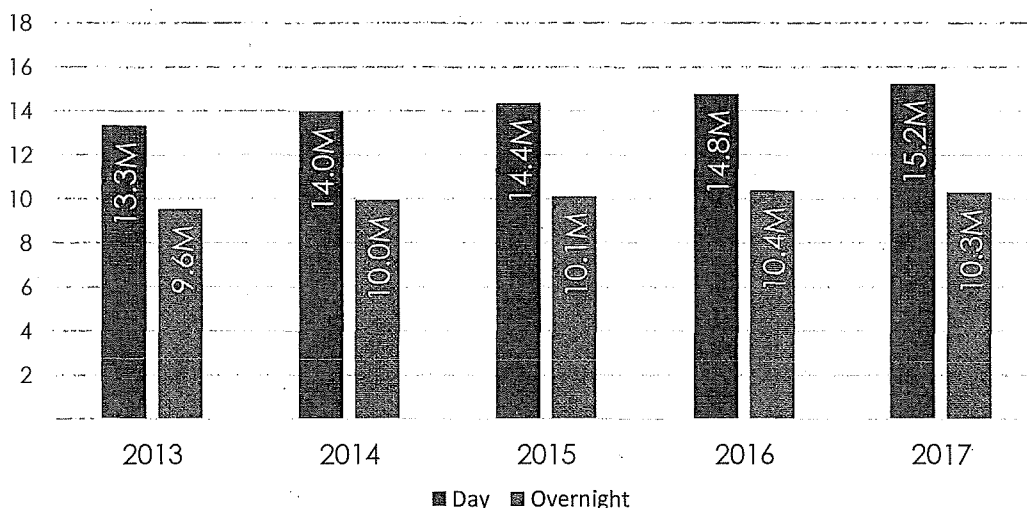
Port staff have reviewed the Park Cruise concept from the perspectives of a variety of stakeholders and have the following observations and conclusions for the Commission's consideration.

- *Park Cruise service relative size.* The Park Service, through its concession contract, will enforce a cap on the number of Park Cruise passengers at 90,000 per year. Based on data voluntarily shared by other operators Port staff estimates that that number represents approximately 5% of the current bay cruise excursions business embarking from Port property.
- *Timing of new service.* Once the new Alcatraz concessioner is under contract in mid-2019, the new Park Cruise service is expected to ramp up over time, as site improvements are made to accommodate the new ferry berth and the service is advertised to customers. Port staff does not expect the Park cruise service to reach the cap for a few years after the start of the contract.
- *Visitor ship data.* Visitation to San Francisco is growing and most excursion operators are well-located to take advantage of this growth. SF Travel, the San Francisco Travel Association, reported 25.5 million visitors in 2017, the highest recorded by the agency to date, and 2.6 million more visitors than recorded in 2013 (see **Figure 1**).<sup>2</sup> SF Travel also tracks data on visitor attractions, and reports that Alcatraz is the fifth-most visited attraction in San Francisco, drawing over 25% of all visitors based on survey results (see **Figure 2**). Pier 39, the embarkation site for both the Blue & Gold and Red & White fleets' bay excursion operations, is the number one most-visited tourist attraction, drawing nearly 60% of all visitors to San Francisco.

---

<sup>2</sup> Data from SF Travel, the San Francisco Travel Association. SF Travel reports average annual growth in San Francisco visitation of 3% since 2013. Similar to the growth reported by SF Travel, San Francisco International Airport reported that the number of arriving passengers increased from 16.4 million in 2005 to 26.7 million in 2016, an average growth rate of 4.5%.

**Figure 1. 2017 Visitor Volume (millions per year)**



*Source: Travel Forecast 2018, San Francisco Travel Association in conjunction with Tourism Economics*

**Figure 1 Definitions:**

*Overnight Visitor*— The number of people staying at least one night in San Francisco in a hotel/motel, hostel, vacation rental, time share, Airbnb, private rental or staying with friends and family. *Day Visitor*— Visitors who traveled at least 50 miles to San Francisco for leisure or business purposes (excludes daily commuters).

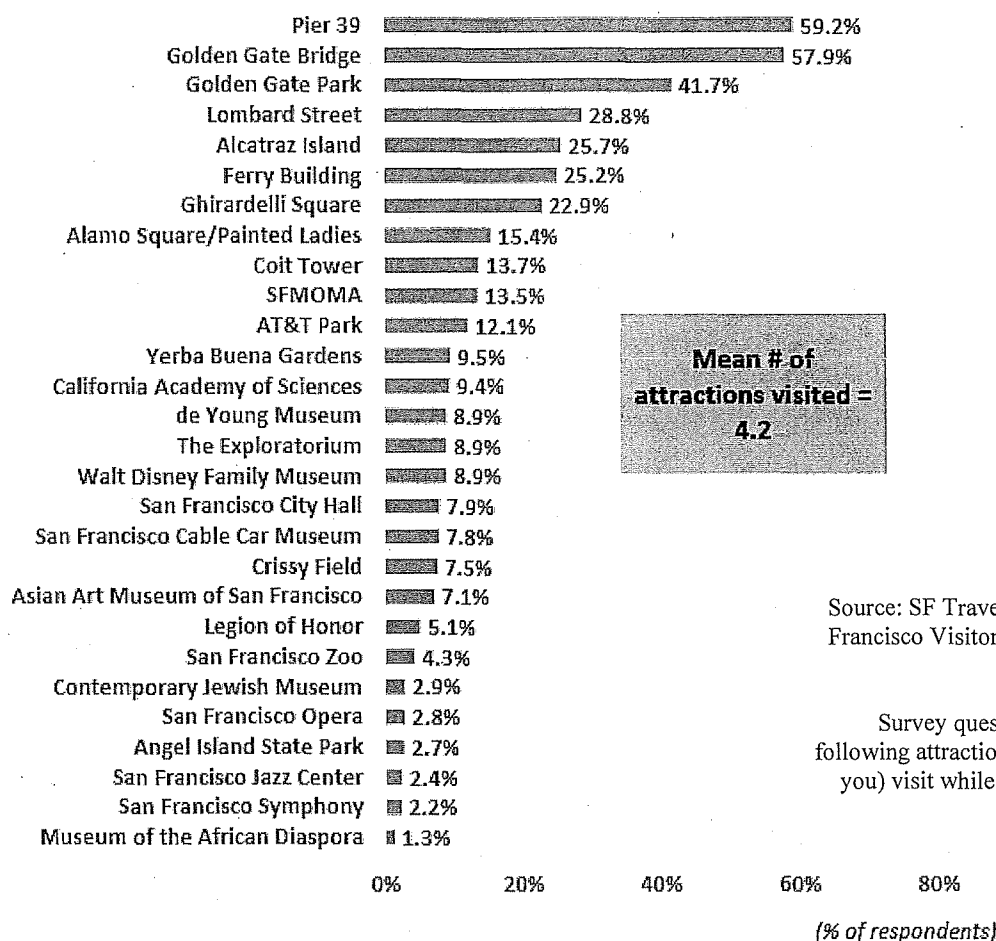
**Staff Conclusion**

In discussing this topic with stakeholders prior to and after the February Port Commission meeting, Port staff carefully listened to and considered concerns about this new service potentially undermining existing maritime tenants. Staff are invested in maintaining strong and long-lasting partnerships with Port tenants and creating a thriving environment that grows maritime business opportunities on the waterfront.

After such consideration, Port staff has concluded the following: (1) Existing Port tenants do currently benefit from customers unable to purchase Alcatraz ferry tickets due to sellouts choosing bay cruises as another option; (2) the Park Cruise service would comprise a relatively small portion of the overall bay excursion market; (3) the number of visitors to San Francisco is growing; (4) Both Alcatraz and Pier 39 are major tourist destinations, providing both existing Port tenants and the new Alcatraz concessioner the opportunity to capture business opportunities.

Port staff recommends that the Alcatraz ferry operator form lease include the provision allowing the Park Cruise service. Staff bases this recommendation on its assessment that that the operation Park Cruises business line at the Embarkation Site under the ridership limit and updated wage determination noted above advances the Port's mission of expanding maritime opportunities without unfairly or disproportionately competing with our existing tenants.

**Figure 2. Top Visitor Attractions in San Francisco**



Source: SF Travel Association, San Francisco Visitor Profile, January – December 2017

Survey question: Which of the following attractions did you (or will you) visit while on this trip (check all that apply)

## **KEY MILESTONES**

On July 12, 2016, the Port Commission approved Resolution No. 16-30 endorsing the Term Sheet and authorizing the Executive Director of the Port, or her designee, to execute the Term Sheet and present the Term Sheet to the Board of Supervisors for its endorsement and a determination that the proposed Project is exempt from competitive bidding requirements pursuant to Administrative Code Section 2.6-1. The July 12, 2016 staff report can be found at:

<http://sfport.com/meeting/san-francisco-port-commission-july-12-2016-supporting-documents>.

On November 29, 2016 the Board of Supervisors adopted Resolution No.497-16 exempting the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1, including (1) a lease for ferry service to Alcatraz Island with a future concessioner selected by NPS and (2) a lease with the Golden Gate National Parks Conservancy. The

Board endorsed the Term Sheet, substantially in the form presented to the Board. On December 9, 2016 Mayor Edwin Lee approved the Resolution.

On December 6, 2017, the San Francisco Planning Department published a Preliminary Mitigated Negative Declaration ("PMND") for the Project, marking the opening of a 30-day public review period. On December 27, 2017, the City of Sausalito ("Appellant") filed an appeal of the PMND. The concerns cited in the appeal all had to do with potential impacts related to the proposed future ferry service from the Embarkation Site at Pier 31½ to Fort Baker, located adjacent to Sausalito.

At the Port Commission meeting on January 9, 2018, Port and NPS staff presented descriptions of the Project to the Port Commission along with the three transaction documents that will guide development of and long-term operations at the site: the General Agreement; the initial Ferry Concession Form Lease; and the Conservancy Lease.

On January 18, 2018, the National Park Service (NPS) released a Prospectus soliciting for proposals to operate Alcatraz passenger ferry service and associated services within Golden Gate National Recreation Area. The term of the new Concession Contract will be for fifteen (15) years. Proposals are currently due on June 28, 2018. This business opportunity can be found on NPS' website at <https://concessions.nps.gov/goga001-19.html>. This Prospectus website contains links to all relevant contract documentation including the GA and the ferry concession lease form.

On February 22, 2018, the San Francisco Planning Commission, after hearing the appeal and the Planning Department staff's response to the Appellant's issues, sustained the MND with minor modifications. On February 23, 2018, the Environmental Review Officer signed the Final Mitigated Negative Declaration (FMND).

On February 27, 2018, Port staff made a presentation to the Port Commission requesting approval of the three transaction documents; the February 27, 2018 staff report can be found at: <http://sfport.com/meeting/san-francisco-port-commission-february-27-2018-supporting-documents>. At that time, the Port Commission continued the item, in order to provide time for Port and Park Service staff to address concerns voiced at the February 27 hearing.

## **BACKGROUND**

Alcatraz Island is part of and managed by the Golden Gate National Recreation Area (GGNRA), a National Park Service unit that includes numerous diverse resources within the San Francisco area, including Fort Mason, Fort Baker, Ocean Beach, and the Presidio. One of GGNRA's most prominent sites is Alcatraz Island which is historically significant as part of early coastal fortification systems and later as a federal prison. Since 1972, the Port of San Francisco has served as the embarkation point for tourists and local residents visiting Alcatraz Island.

Each year more than 1.7 million people visit Alcatraz Island by ferry from Pier 31½ on the northern waterfront, which is the only embarkation point for service to the Island. Between 4,000 and 5,000 people visit Alcatraz Island each day. While there is some seasonal variation, the Alcatraz Island ferry service operates a full daily schedule all year long. The

number of visitors is not dependent on ferry capacity, but limited by NPS's ability to provide for an enjoyable experience on the Island and for the protection of park resources.

Between 1972 and 2005, service to Alcatraz Island was provided from Pier 41. In 2005, the base of operations was moved to Pier 31½ when Hornblower was awarded the Alcatraz concession contract. The existing concession contract expires in May 2019.

### **Land Use and Planning Context**

Alcatraz as a destination is extremely popular and ferry service to the Island is one of the Port's highest revenue-generating uses. The Port and NPS saw the benefits of a more permanent site. In 2014 NPS began a NEPA site selection process that culminated in the selection of Pier 31/33. Through this strategy the Port and the Park Service see several key areas which are targeted for improvement through implementation of the three Agreements summarized in this memorandum. The desired outcomes of the long-term Alcatraz Embarkation Project include:

- **Long-term Embarkation site** provides greater certainty for visitors and surrounding businesses
- **Increased competition for the ferry concession contract**, as bidders will not be required to be existing Port tenants as they were in previous solicitations.
- **Significant new investment in the Site**, by both the Port and the future ferry concessioner, which the Park Service is able to recommend due to the long-term nature of the GA.
- **A unified, high quality experience for visitors**, through the inclusion of the Conservancy as a tenant; the Conservancy is already responsible for interpretation on Alcatraz Island through agreements with the Park Service.
- **Collaborative governance structure** between the Port and Park Service in managing the NPS-selected concessioner/tenant and the Conservancy's visitor services and interpretive retail operations.

### **PROJECT INFORMATION**

#### **Project Location and Existing Site Characteristics**

The existing Project site is located at Pier 31½ along the northern end of the Embarcadero and within the Port. Visitors enter the site from the Embarcadero just west of the bulkhead building and adjacent to a tour bus and drop-off area compliant with Federal Accessibility Standards (FAS). The existing ferry embarkation site program is located primarily outdoors utilizing the entire Pier 31½ marginal wharf, and has limited operations space located in the Pier 33 shed. A portion of the Pier 31½ marginal wharf is dedicated to vehicle-parking and contains a sump pump that provides Alcatraz Island waste removal via barge service. The current Ferry Concessioner utilizes the Pier 33 shed area for operations, storage and portable public restrooms.

Currently no portion of the existing ferry embarkation site program is located within the Pier 33 South Bulkhead building, which is under separate lease to another entity until July 2019. The three story bulkhead building is currently occupied by the Alcatraz Café on the ground floor, Alcatraz Cruises administrative office space on the entire mezzanine level and an

independent subtenant on the entire 3<sup>rd</sup> floor. The Pier 31 North Bulkhead had contained the current Ferry Concessioner employee break area and was relocated when Pier 31 was closed to provide for the structural and roof repair project along with the north apron repair. In terms of existing maritime improvements, there is currently one float to accommodate two berths at the existing site.

Visitors currently enter the site, use the stand-alone ticket booth located near the plaza entry, circulate through several small interpretive exhibits, and enter the covered queuing area, which has space for visitors to stand. A pre-boarding area adjacent to the gangway offers seating for those with disabilities. Visitors are guided down the gangway and on to the ferry.

### **Description of Improvements**

The Project will result in the following key enhancements and improvements to the Site:

- **Pier 33 South Bulkhead.** The existing café will be demolished and the majority of the mezzanine level removed and replaced with a two-story welcome center for visitors, including interpretive retail uses. The 3<sup>rd</sup> floor will be retained and utilized as office space by the ferry concessioner.
- **Pier 33 portion of Shed.** Existing restrooms will be replaced with new restrooms and storage space.
- **Pier 31½ Marginal Wharf.** The mix of auto parking, pedestrian circulation and passenger queueing on the Pier 31½ marginal wharf will be replaced with a large, pedestrian-only plaza to guide ferry passengers through embarkation and debarkation and to also accommodate other visitors seeking to learn more about the Island or just out to enjoy the waterfront plaza. The existing auto parking area and operational area which currently comprises approximately 20% of the marginal wharf will be relocated to inside the Pier 31 shed. The reconfigured marginal wharf will provide for an expanded public Civic Center and a newly created Après Tour area for disembarking passengers.
- **Gangways and berths.** The existing single gangway and float which accommodates up to two vessels will be replaced with two gangways and floats to accommodate three berths.
- **Pier 31 North Bulkhead.** The currently vacant north side of the Pier 31 Bulkhead will be restored and improved for café operations.
- **Pier 31 portion of Shed.** Currently vacant portions of the shed will be improved with restrooms and storage space to support café operations in the Pier 31 bulkhead. The limited number of auto spaces will be moved from the marginal wharf inside the shed and bike parking will be provided.

The following specific improvements are planned:

#### In the Bay:

1. **Expanded Berthing Facilities.** An existing floating dock and gangway will be replaced with two individual docking facilities, each with an ADA-accessible gangway, float, and guide piles, to berth a total of three ferry vessels. This will allow for more

efficient berthing for the existing ferry service and potential expanded ferry service to other NPS sites or interpretive ferry excursions.

The landside of the proposed project is characterized by the Project components in three zones: Embarkation, Civic Plaza, and Disembarkation.

At the Pier 31½ pier deck:

2. **Ticketing and Interpretive Exhibit Area.** The queuing area for ticket purchases will be reorganized with the stand alone ticket booth removed and new ticket windows would be constructed at the east façade of the Pier 33 bulkhead building. An interpretive exhibit area, including benches, will be created at the plaza area bound by the ticket window area, the primary queuing area for boarding, and the public restrooms in the Pier 33 shed building.
3. **Primary Queuing Area.** A visitor information desk will be installed near the entryway to the queuing area for ticketed passengers adjacent to the Pier 33 shed building. The queuing area will be reorganized from its current configuration, and the existing canopy structure will be replaced by a concrete canopy structure. Benches and glass panels will be used in places to delineate the queuing area. The glass panels will serve as a wind break and will include opaque or semi-transparent overlays with interpretive information.
4. **Entryway and Civic Plaza.** A public plaza will be created at the center of Pier 31½, extending from the sidewalk at Herb Caen Way to the eastern edge of the pier deck, allowing for Bay views that are now partially obstructed. Stepped seating will be installed at opposite sides of the plaza to provide seating and help organize site circulation. A monument sign similar in design to those found at the Exploratorium (Piers 15/17) and the cruise terminal (Pier 27) will be installed at the Embarcadero entrance. Pedestrian-scale light poles will line the perimeter of the plaza. The new plaza paving will be distinct from the remainder of the deck to define the space, along with the seating and lighting elements.
5. **Secondary Queuing Area and Café.** A secondary queuing area will be provided adjacent to the Pier 31 shed building at the Bay edge. This area will incorporate seating and glass panel elements as described for the primary queuing area. The secondary queuing area will primarily serve the ferry berth used for park interpretive cruises and a proposed future service to Fort Baker. An enclosed seating area will be built adjacent to the secondary queue. Both the secondary queuing area and the seating area will be covered by a single concrete canopy structure.

At the Pier 33 bulkhead and shed buildings:

6. **East Façade Improvements.** New ticket windows will be installed along the east façade, and the façade will be restored, including the historic windows and removal of post-1949 additions.
7. **Interior Renovations.** The bulkhead building interior will be renovated to accommodate exhibits, retail, and a ticket office. The second floor will be mostly demolished except for a small area to create a double height visitor contact station along with a mezzanine level for offices and a mechanical platform. Portions of the shed will be renovated for public restrooms, storage, and site operations. The 3<sup>rd</sup>

floor existing office space is currently highly improved and not likely to require significant renovations.

At the Pier 31 bulkhead and shed buildings:

8. **Interior Renovations.** A café will be constructed within a portion of the ground floor of the bulkhead building. Portions of the shed will be renovated to include public restrooms, public bicycle parking, disabled visitor parking (3 spaces), staff and service parking (10 spaces), and site operations.

**Leadership in Energy and Environmental Design (LEED) Compliance**

The Initial Tenant Improvements by both the Conservancy and the Concessioner must achieve a Leadership in Energy and Environmental Design ("LEED®") Gold rating, regardless of the applicable minimum square footage threshold under the Port Green Building Standards Code unless the Chief Harbor Engineer grants a waiver of such certification based on the circumstances listed in Section 101.12 of the Port Green Building Standards Code (as may be amended from time to time) and subject to any conditions the Chief Harbor Engineer imposes as a condition to such waiver.

**Waterfront Design Advisory Committee (WDAC) Review of the Project**

The WDAC reviews Port Projects to ensure that they are consistent with policies and design criteria set forth in the Design & Access Element of the Port's Waterfront Land Use Plan. The WDAC with the Bay Conservation and Development Commission's (BCDC) Design Review Board (DRB) reviewed the proposed project on August 7, 2017 and supported the overall layout of program of uses, site elements, and circulation. The WDAC requested changes to site furnishings, greater information on proposed wayfinding and interpretive signage, lighting, and bicycles parking. The Project was subsequently reviewed a second time by the WDAC and DRB on January 22, 2018, resulting in requests for minor design modifications and a conclusion of the review by the WDAC and DRB.

**Port Improvements at Pier 31½ Marginal Wharf**

As a separate project, beginning in June 2018 the Port will undertake the Pier 31½ marginal wharf work through a contract authorized by the Port Commission on March 13, 2018.<sup>3</sup> The Pier 31½ work scope includes specific substructure repairs to the wharf and apron structures consistent with the Chief Harbor Engineer's Directive for Maintenance and Repair of Port Facilities (Port Maintenance and Repair Directive). These repairs also will enhance the current and future marine operations and safety. The Port Maintenance and Repair Directive is covered by a prior categorical exemption issued in March 2016 by the San Francisco Planning Department to comply with requirements of the California Environmental Quality Act (CEQA).

**Compliance with Historic Resource Standards**

The project is subject to review for consistency with the *Secretary of the Interior's Standards for the Treatment of Historic Properties* because it is within the *Port of San Francisco Embarcadero Historic District*, and includes alterations to Pier 31 and 33 and the adjacent Pier 31½ marginal wharf. Piers 31, 33 and portions of the adjacent marginal wharf are contributing resources to the historic district and listed on the National Register of Historic

---

<sup>3</sup><https://sfport.com/sites/default/files/Documents/Item%208B%20Contract%202790%20Award%20Contract%20Marine%20Structural%20Projects.pdf>



Places. Port Commission adoption of the historic district in 2006 included policy requiring that the Secretary Standards apply to all Port and Non-Port projects within the district. Because the project is also subject to environmental review pursuant to CEQA, the project sponsor retained the firm of Anchor QEA who prepared an evaluation of the project's consistency with the Secretary Standards as part of the required CEQA Mitigated Negative Declaration analysis of the Alcatraz project impacts on historic resources.

### **Operational Improvements Facilitated by the Project**

Visitor demand is expected to grow in line with a general growth in tourism in San Francisco. Park Service modeling forecasts that 7,790 visitors could visit the primary ferry embarkation site per day, or 1.9 million visitors per year, in 2018. These numbers include both ticketed passengers and visitors to the site without tickets, as well as passengers taking part in interpretative park cruises and the potential for limited ferry service to Fort Baker in the future.

The proposed Project will substantially increase the basic visitor services program's functional area and provide additional and improved orientation and exhibition opportunities by the creation of an interpretive welcome center for visitors and expansion of Civic Plaza as compared to existing conditions. The Project is designed to provide a more logical flow for arriving visitors, and enhance the overall visitor experience. Most of the program elements will be in the outdoor areas on the Pier 31½ marginal wharf between Piers 31 and 33, including interpretive and rest areas, ferry queuing, and boat staging. The proposed Project also includes a newly constructed café and welcome center for visitors with sale of interpretive products in the bulkhead buildings.

These improvements will also better accommodate people who are not visiting Alcatraz Island by providing additional information on other recreational options in the park system. The additional berth will provide an interpretive park cruise, charter transportation for Alcatraz special events, and, at some point in the future, limited service to Fort Baker.

Site transportation access and arrival options will be consistent with those of existing conditions. The small existing staff parking area will be relocated inside the Pier 31 shed with FAS-compliant access to the marginal wharf for persons with disabilities. A FAS-compliant drop-off for tour buses and persons with disabilities will continue to be located along The Embarcadero, adjacent to the bulkhead buildings. Visitors on foot will still enter this site from The Embarcadero, between the two bulkhead buildings directly onto the marginal wharf; however, because parking will be removed from the wharf, the entry will expand to encompass the full space between the buildings. Additional pedestrian access will be provided through the bulkhead buildings.

### **STRATEGIC OBJECTIVES**

The proposed Project is expected to contribute in a substantial way to meeting the *economic vitality and stability objectives* of the Port's Strategic Plan.

- *Economic Vitality:* The proposed Project anticipates the development of a third berth at Pier 31½ to accommodate increased bay cruise capacity, supporting the Economic Viability objective designed to expand active water berths.
- *Stability:* The proposed Project retains an important Port visitor-destination and

increases Port revenues from the Site, supporting key Stability objectives aimed at retaining a diversified tenant base and increasing Port operating revenue.

### **PROJECT CONSISTENCY WITH THE PUBLIC TRUST**

The entire Site is subject to the common law public trust for commerce, navigation and fisheries and the Burton Act statutory trust (collectively, the "Public Trust"). Use of Public Trust lands is generally limited to maritime commerce, navigation, fisheries, water-oriented recreation, including commercial facilities that must be located on or adjacent to water, and environmental stewardship and recreation, such as natural resource protection, wildlife habitat and study, and facilities for fishing, swimming, and boating. Ancillary or incidental uses that promote Public Trust uses or accommodate public enjoyment of Public Trust lands are also permitted, such as hotels, restaurants, and visitor-serving retail.

The Project has been planned and designed to provide multiple Public Trust benefits delivered via use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public.

### **FEDERAL CONTRACTING AND WAGES**

NPS has provided the following summary of the wage determination issue that was discussed at the January 9, 2018 Port Commission hearing. Port staff has consulted with NPS and other interested parties and reviewed relevant DOL publications and confirms agreement with the summary set forth below:

At the informational hearing, Port Commissioners requested more information from NPS about the process to determine minimum wages applicable to the Alcatraz ferry service concession contract. The Commission also received written correspondence from International Organization of Masters, Mates, and Pilots and the Inlandboatmen's Union inquiring about previous wage determinations for Alcatraz Ferry Service.

The McNamara-O'Hara Service Contract Act of 1965 ("SCA") requires that service contracts over \$2,500 issued by Federal contracting agencies, such as NPS, contain mandatory provisions regarding minimum wages and fringe benefits, safe and sanitary working conditions, notification to employees of the minimum allowable compensation, and equivalent employee classifications and wage rates. The minimum wage and fringe benefits required are based on either (1) wage determinations specifying the minimum wages and fringe benefits for service employees or (2) if there was an immediately preceding contract whose contractor had a collective bargaining agreement, then within the first two years of the successor contract the wages and fringe benefits in the predecessor contractor's collective bargaining agreement.

Under the SCA, only the DOL has the authority to issue the required wage determinations. Federal contracting agencies, such as NPS, must apply to DOL using established procedures for the wage determination to be included in any solicitation for a qualifying service contract, must update that wage determination during the solicitation process to

reflect any DOL-issued revisions and then every two years during the contract term for certain multi-year contracts (including the Alcatraz concession contract). By requiring that a stand-alone Federal agency, the DOL, acting independently of the Federal contracting agency issue applicable wage determinations, the SCA provides for objectivity and national consistency in the issuance of minimum wages and fringe benefits for service employees.

DOL periodically reviews wage determinations and, if prevailing wage rates or fringe benefits have changed, will issue revised wage determinations. In addition, any interested party affected by a wage determination may request review and reconsideration. A request for review and reconsideration may be made by a fairly wide range of interested parties, including not only the contracting agency but also for example prospective contractors and representatives of employees.

Although wage determinations issued by DOL contain wages and fringe benefits for various classes of service employees in a locality, it is possible that the contractor to whom an SCA contract ultimately is awarded may employ a class of service employee which is not listed in the wage determination issued by DOL. If that occurs, the standard labor clauses the SCA requires be included in service contracts provide for a "conforming procedure" for comparing the appropriate level of skill comparison between unlisted classifications and the classifications listed in the wage determination. The DOL standard labor clauses require this conformance procedure to be initiated by the contractor prior to the unlisted employees performing contract work. The contractor also is required to promptly provide a written report on conformance to the Federal contracting agency that in turn reports the conforming action to DOL, which will approve, modify or disapprove the conformance. The future Alcatraz concession contract contains these SCA standard labor clauses, as does the current contract.

Using DOL's process for requesting SCA wage determinations, NPS obtained from DOL a wage determination in 2016 that is included in the current Alcatraz ferry contract. The 2016 wage determination is for standard occupational classifications that pertain to SCA contracts in general (e.g. Administrative Assistant, \$35.05/hour and Customer Service Representative, \$18.22/hour) as well as a supplemental wage determination for key maritime occupations (Captain, Deckhand, Engineer and General Vessel Assistant) that are not standard occupations and thus are not included in the standard-issue wage determination. The standard-issue wage determination provides minimum hourly wages for the San Francisco-San Mateo region for hundreds of occupational classifications and covers all of the standard occupations DOL customarily issues for federal contracts. Union partners believe that the vast majority of the occupational classifications are not relevant to the Alcatraz contract. The 2016 wage determination for non-standard occupations references special project vessels, tugboats and other coastal vessel harbor tug operations and is Nationwide Applicable on the East, Gulf, West Coasts and Hawaii.

Between the January 9 and February 27, 2018 Port Commission hearings Port staff had discussions with representatives of labor organizations, including the Masters, Mates and Pilots and the Inlandboatmen's Union of the Pacific, and as part of those discussions shared a draft of the summary text provided by NPS above. In those discussions and in subsequent written correspondence the representatives asserted that NPS had a requirement to request a wage determination at least every two years but did not do so

between 2008 and 2016. The representatives also noted that the vast majority of the occupations in the existing wage determination are not relevant to the ferry concession. These factors combined with the fact that wages in the Bay Area are significantly higher than in other parts of the country prompted these representatives to advocate strongly for the completion of the supplemental wage determination for the San Francisco passenger ferry service before the conclusion of the solicitation period.

Following the February 27, 2018 Port Commission meeting, NPS ~~is in the process of~~ obtained a supplemental wage determination for the most commonly used labor classifications for a San Francisco passenger ferry operation (e.g. Master/Captain, Senior Deckhand/Mate, Deckhand, and Able Bodied Seaman) and ~~will~~ amended the prospectus on May 21, 2018 ~~with this document once it is received from DOL prior to the closure of the solicitation period~~ (see Prospectus Amendment Files, Exhibit B Operating Plan Attachment). The contractor to whom the next Alcatraz concession contract ultimately is awarded may employ a class of service employee which is not listed in the wage determination issued by DOL. If so, that will be addressed post-award of the Alcatraz concession contract using the DOL's conformance process.

## **KEY TERMS OF TRANSACTION DOCUMENTS**

Three transaction documents ("Transaction Documents") will govern the development and operations of Project. In addition to the terms described in the approved Term Sheet, the Transaction Documents include the key terms described below.

### **General Agreement:**

The General Agreement (GA) which is a partnership agreement between the Port and NPS that designates the Site as the long term sole visitor contact station and ferry embarkation for public access to Alcatraz Island. The GA outlines the independent and joint obligations of the Port and NPS.

### **NPS Obligations:**

- NPS will conduct a solicitation for and award a Ferry Concession Contract with an Initial Ferry Concessioner.
- The initial and each subsequent solicitation for a Ferry Concession Contract must include as part of the information furnished in the Prospectus, a form Ferry Concessioner Lease prepared and approved by Port that the Ferry Concessioner will be required to sign.
- The Initial Ferry Concession Prospectus must include a description of the required Embarkation Site Improvements and a requirement that the improvements shall be completed no later than the date that is five (5) years after the effective date of the Initial Ferry Concession Contract.
- Each Ferry Concession Contract will have a requirement that the Ferry Concessioner operate Interpretive Park Cruises, which may include ferry transportation from the Site to Fort Baker when associated infrastructure improvements at Fort Baker are completed.

- Subsequent to the Initial Ferry Concession Contract, NPS will solicit and contract with successive Ferry Concessioners during the Term in a timely manner.
- Port and NPS agree that, in order to enhance the Visitor Experience, NPS selected the Conservancy to provide the interpretive retail and food and beverage services and other public amenities at the Site and that the Board of Supervisors exempted the Conservancy Lease from the City's competitive bidding process.
- NPS will complete the legally required competitive bid process for selection of a ferry concessioner periodically during the term of the GA and execute a contract, concurrent with the Port's execution of a lease, with the winning bidder.
- NPS is solely responsible for selection of and contracting with operators for the Ferry Concession Contract and Port has no role in the selection, solicitation, and/or award of a contract to a Ferry Concessioner.
- As a federal agency, NPS is unable to indemnify or release the Port absent a specific act of Congress. Port will obtain an indemnity from and be named as an additional insured on the insurance policies of the Ferry Concessioner and the Conservancy and other users of the Site consistent with the Port's standard lease terms. The Port does not indemnify or release NPS and so the parties retain the ability to file claims against the other subject to the terms of the agreement. Each party will provide written notice to the other as soon as it has information that could result in a claim against either party.

#### **Port Obligations:**

- Subject to availability of adequate funding (which Port shall use its diligent efforts to secure) as approved and appropriated by the Port Commission and Board of Supervisors, Port will use its diligent efforts to perform improvements to the substructure of the Pier 31½ marginal wharf on a schedule mutually agreeable to the Parties.
- Port is responsible for the maintenance and repair of the Pier 31 marginal wharf substructure, Piers 31 and 33 bulkhead substructure and seawall, and the exteriors of Piers 31 and 33 sheds.
- The aprons and areas of the Pier 31/33 Water Basin outside the leased premises must remain open for safe, unimpeded access to and from The Embarcadero and the leased areas, including for vessel navigation
- Port agrees to enter into a Lease for portions of the Site with the Ferry Concessioner substantially in the form of the lease with no changes other than (A) changes agreed to by the Parties in the sole discretion of each; and (B) to add new Laws and City Requirements effective subsequent to the Effective Date of the GA but prior to the commencement date of the Lease.
- Port agrees to enter into a Lease for portions of the Site with Conservancy substantially in the form lease with no changes other than (A) changes agreed to by Port and Conservancy in the sole discretion of each; and (B) to add new Laws and City Requirements effective subsequent to the Effective Date of this Agreement but prior to the commencement date of the Lease.
- If space within the Site is not available, Port will use diligent efforts to identify adjacent and/or nearby space for the Ferry Concessioner's use for laydown/staging, subject to the Ferry Concessioner entering into a Port license or other agreement

subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule; provided that, Port agrees to waive the requirement to pay rent for up to 3,000 square feet of space for up to two (2) years during construction of the Embarkation Site Improvements.

- Port will deliver premises to the Ferry Concessioner generally as follows: all parcels except the Pier 33 South Bulkhead building upon full Lease execution and, subject to the conditions such as Force Majeure, the Pier 33 South Bulkhead building in 2019. Once the Ferry Concessioner completes the required Embarkation Site Improvements on the Pier 33 South Bulkhead building, the Ferry Concessioner Lease will terminate as to certain portions of the Pier 33 South Bulkhead building and that space will be added to the Conservancy Lease.
- Port will deliver premises to the Conservancy generally as follows: Pier 31 bulkhead upon full Lease execution and portions of the Pier 33 South Bulkhead building after the Ferry Concessioner completes the required Embarkation Site Improvements on the Pier 33 South Bulkhead building.

#### **Joint Obligations:**

- The GA is for a thirty year term with two extension options for ten (10) years each exercisable by NPS.
- Prior to the extension option being exercised the extension period rent will be adjusted per the GA based upon a fair market value appraisal process.
- For each successive solicitation, the Port's form lease will be included in NPS's solicitation package and the Ferry Concessioner will be required to sign the lease without material modification.
- The Parties agree to cooperate each at its own cost, to do or cause to be done, all things reasonably necessary or advisable to carry out the purposes of this Agreement, including the execution and delivery of any additional documents.
- The GA provides both parties with various rights to terminate the Agreement during the Initial or any Extension Term with advance written notice. Such termination rights for one or both parties are provided under the following limited circumstances that may impact the Site and/or Alcatraz Island: climate change/sea level rise or other catastrophic events (either party); conditions that render the Site unusable as an Embarkation Site (either party); closure of or suspension of visits to Alcatraz island for one (1) year or more for reasons within the control of NPS or its Agents (Port in its sole discretion); if the Park Service terminates the Ferry Concession Contract (NPS only); an event of Force Majeure extends beyond four (4) years (either party).
- The GA provides the parties with a clear path to Dispute Resolution, including but not limited to non-binding mediation, in order to avoid more severe remedies such as termination.

#### **Ferry Concession Form Lease:**

A form of lease with an initial ferry concessioner to be selected by NPS for the construction of required initial site improvements and ferry services consistent with the GA including from the Embarkation Site to Alcatraz Island for a term coterminous with the initial ferry concession contract between Park Service and Concessioner. The initial lease will be for a term of 15 years, consistent with the recently issued Prospectus.

- The lease will be between the Port and the future NPS selected Ferry Concessioner.
- The lease will become effective and expire on the same dates as the NPS Ferry Concession Contract, including extensions (a maximum term of twenty (20) years under current federal law).
- The Ferry Concessioner will provide excursions to Alcatraz Island; Park Cruises which start and finish at Pier 31 ½, do not make any landings, and contain substantive interpretive materials regarding the NPS and its parks; limited ferry service (dependent on required improvements to landing facilities) to Fort Baker and/or other GGNRA parks; and ancillary, occasional Special Events.
- The lease shall become effective on the date of award of the Ferry Concession Contract which will occur only after completion of any Congressional notifications, the expiration of any waiting periods required and execution of the Ferry Concession Contract by NPS.
- Port will deliver possession of the overall Site in two phases. Phase I Delivery - Estimated as the "effective date" of the Ferry Concession Contract as defined by the Ferry Concession Contract. The initial phase of the Premises consists of shed and office space; submerged land; and space on the Marginal Wharf comprised of the following and as depicted in Exhibit B: Parcel A Submerged land: approximately 60,000 sq. ft.; Parcel B Pier 31½ Marginal Wharf and plaza: approximately 43,890 sq. ft. of pier-supported outdoor space; and Parcel C Pier 31 Shed: approximately 5,300 sq. ft. of non-contiguous shed space; and Parcel D Pier 33 Shed: approximately 4,062 sq. ft. of shed space; and Parcel D-1 Pier 33 Shed: approximately 1,240 sq. ft. of shed space. Parcels A-D will remain in the Premises for the Term of the Lease.
- Phase II Delivery - Estimated Commencement Date: August 1, 2019: Phase II will consist of a total of approximately 13,775 square feet of retail and office space in the Pier 33 South Bulkhead Building as described below. Parcel E Pier 33 South Bulkhead Building: 1st Floor: approximately 4,612 sq. ft. of on the first floor; and Parcel F Pier 33 South Bulkhead Building 2nd Floor: approximately 4,555 sq. ft. on the second floor; and Parcel G Pier 33 South Bulkhead Building 3rd Floor: approximately 4,612 sq. ft. on the third floor. As of the Phase II Commencement Date, **Exhibit B-1** showing the Phase II Premises will be added to this Lease as part of the Premises without further action by the parties.
- Embarkation Site Improvements will include demolition/construction of significant portions of the Phase II Premises and construction of an approximately 992 square foot mezzanine to replace the second floor. Upon Completion of the Embarkation Site Improvements to the Pier 33 South Bulkhead Building as described below and written notice by Port ("Pier 33 South Bulkhead Building Completion Date"), Tenant shall surrender Parcel D-1, and approximately 3,280 sq. ft. on the first floor and the entire second floor mezzanine of the Pier 33 South Bulkhead Building. Tenant shall surrender and deliver the relevant property to Port strictly in compliance with the conditions and specifications in the Work Letter, including without limitation, the Scope of Development, (including the Schematic Design and Drawings,). Acceptance of such surrender and conditions shall be in Port's sole discretion. As of the Pier 33 South Bulkhead Building Completion Date, this Lease will terminate as to

such portions of the Premises and **Exhibit B-2** will replace and supersede **Exhibit B-1** in its entirety without further action by the parties.

- The remainder of the Pier 33 South Bulkhead Building will remain under this Lease, consisting of: Parcel E-1 Pier 33 South Bulkhead Building: 1st Floor: approximately 1,382 sq. ft. of space on the first floor; and Parcel G Pier 33 South Bulkhead Building 3rd Floor: approximately 4,612 sq. ft. of office space.
- The final premises shall consist of approximately 119,250 sq. ft. as depicted in **Exhibit B-2**.
- The initial Phase I monthly Base Rent will be approximately \$43,600. Base Rent for the final premises shall be approximately \$64,345. All square footages and related Base Rent will be subject to re-measurement upon completion of each phase. Base Rent for office space will increase by 3% annually and Base Rent for all other space will increase by 2.5% annually.
- In addition to the monthly Base Rent specified above, Tenant shall pay monthly Percentage Rent of:
  - (i) 7.50% of Gross Ticket Revenue minus the NPS Concession Franchise Fee; PLUS
  - (ii) 8.00% of Gross Ancillary Revenue minus the NPS Concession Franchise Fee; PLUS
  - (iii) 7.25% of Gross Food and Beverage Revenue minus the NPS Concession Franchise Fee.
- The NPS franchise fee deducted from the above revenue types will be no more than 25.5% of Gross Ticket, Ancillary, and Food and Beverage Revenue, regardless of the actual amount of the franchise fee paid to NPS. Note that the Prospectus requires respondents to provide not less than a 35% franchise fee in bids. Therefore, the constraint on the franchise fee deduction negotiated in the Form of Lease and GA of no more than 25.5% limits deductions in calculating the Port's rent.
- As previously described in detail, Tenant must complete the following: waterside improvements, including new ferry barges, docks and associated infrastructure; Pier 31½ Marginal Wharf deck surface and visitor amenities; Pier 33 Shed visitor restrooms; Pier 31 bulkhead restrooms; interior improvements in the Pier 31 and Pier 33 Sheds; Pier 33 South Bulkhead Building ticketing area improvements; and demolition of a portion of the 2nd floor of the Pier 33 South Bulkhead Building and construction of a mezzanine area no later than the 5th anniversary date.
- NPS estimate the costs of Embarkation Site Project Improvements to be approximately \$30 million for the ferry concessioner. Tenant shall be entitled to a rent credit in a maximum amount of \$2,520,000 for the Embarkation Site Improvements. Once the improvements are completed, certain portions of the property will be turned over to the Conservancy.
- Upon Completion of the Initial Tenant Improvements, Tenant shall be eligible for the rent credit amounts shown above amortized on a straight line basis over a 48-month period starting upon Completion of each phase yielding equal monthly amounts to be taken at a rate of seventy percent (70%) of the total monthly Rent due.
- Tenant shall have a one-time right of first refusal to use additional aprons in the Water Basin for lay berthing at standard rates set by the Port Commission for a



period of up to the term of the lease. Otherwise, the aprons and water basin must remain open for safe, unimpeded vessel navigation and routine Port maritime uses as depicted in **Exhibit B-3**.

- Port will maintain and repair: the substructure of the Pier 31 Marginal Wharf; the substructure of the Pier 31 and Pier 33 bulkhead buildings; the Seawall; and the exterior of Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows). Tenant shall be responsible for all other maintenance and repair obligations. Under certain circumstances, Tenant may perform Port's obligations in exchange for rent credits.
- The Port reserves the rights to enter and use the Premises as needed for the purpose of inspecting, repairing, and rebuilding the Seawall and/or to terminate the Lease as needed due to the Seawall repair project.
- Tenant required to implement flood protection measures as determined to be necessary by the Chief Harbor Engineer (CHE) to protect the Site and public health and safety from a significant risk of flooding or other damage resulting from climate change or sea level rise.
- In the event that the Port/NPS Agreement is terminated under the Port/NPS Agreement due to issues with Alcatraz Island, and (a) no Event of Default, and (b) Tenant has Completed the Embarkation Site Improvements; then, Port may elect in its sole discretion to either: (i) terminate this Lease and pay Tenant a portion of the Improvements Costs for the Embarkation Site Improvements under the terms and conditions specified in Lease based on the expected term of the Ferry Concession Contract and this Lease; or (ii) offer Tenant an extension option to continue this Lease until the earliest of the following events: (A) the original expiration date of the Ferry Concession Contract; (B) NPS chooses another party as a Ferry Concessioner; or (C) the date the Embarkation Site Improvements are amortized.
- All city requirements are contained in the Lease and none of the requirements "conflict with federal law" including non-discrimination, local hire, prevailing wages, HCAO.
- Except as otherwise provided, the lease is on the Port's standard form lease for visitor-serving retail operations, including as-is provisions, compliance with laws (including historic preservation requirements), subleasing; Port's right to terminate, damage and destruction and eminent domain, defaults and remedies (subject to coordination with NPS under the General Agreement), indemnity and exculpation, Hazardous Materials, insurance, management covenants, and financial guarantees, including contractor's bonds.

#### **Golden Gate National Parks Conservancy Lease:**

A lease with the Golden Gate National Parks Conservancy for initial and ongoing site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a 30-year term with two 10-year options.

- Port will deliver possession of the Premises in two phases. The initial phase of the Premises consists of approximately 3,760 sq. ft. of retail and storage space as depicted in **Exhibit B**. Phase I Premises has an estimated commencement date of October 1, 2018. The Initial Ferry Concessioner will perform improvements to the

Phase II Premises prior to Port's delivery to Tenant. Upon the Initial Ferry Concessioner's Completion of the required improvements as defined and described in the Initial Ferry Concessioner's Lease, Port shall deliver the following additional Phase II parcels to Tenant, as depicted in **Exhibit B-1**

- The lease term is 30 years with two 10-year extension options (options available only if GA is extended and concurrent with the GA). With its extension option notice, the Conservancy must submit to Port a capital investment and improvement plan outlining its proposal for refurbishment of the restaurant and interpretive retail space during the Extension Term. At a minimum, the Plan shall include the scope of work for tenant improvements, a binding performance schedule, the estimated cost of such improvements, a financial projection pro-forma and evidence of adequate financing to implement the Plan based on the Port's Retail Leasing Policy. The Plan will be subject to Port's approval in its reasonable discretion.
- **Base Rent:** The initial Phase I monthly Base Rent will be approximately \$15,300. Base Rent for the final premises shall be approximately \$38,146. All square footages and related Base Rent will be subject to re-measurement upon completion of each phase. Base Rent will increase by 2.5% annually.
- **Percentage Rent:** In addition to the monthly Base Rent specified above, beginning on each of the Phase I Rent Commencement Date and Phase II Rent Commencement Date, Tenant shall pay monthly Percentage Rent in an amount equal to the difference between (i) the percentage rent for such calendar month and (ii) the Base Rent for such calendar month in any month in which the percentage rent exceeds the Base Rent. "Percentage Rent" shall be equal to 7.50% of the total monthly Gross Revenue.
- The Conservancy anticipates entering into a series of subleases over the term of the lease for the restaurant operations, potentially generating Excess Rent as defined in the lease. Tenant shall pay all such Excess Rent, less subleasing expenses, as Additional Rent. Allowable subleasing expenses include leasing commissions; certain tenant improvements, and a Conservancy management fee, all subject to a cap. Conservancy shall be entitled to retain from the payment of Excess Rent an amount of up to one percent (1%) of its Gross Revenues from a Sublease for the sole purpose of re-investing in future tenant improvements (including hard and soft costs) other than the Initial Tenant Improvements, improvements in the Capital Investment and Improvement Plan or any other maintenance and repair obligations or improvements required under the Lease.
- Improvements including the build-out of the Pier 31 bulkhead cafe; and in a later phase the Pier 33 visitor contact station/interpretive retail center. Port and NPS estimates the costs of initial Tenant Improvements to be approximately \$3.7 million. Tenant shall be entitled to a rent credit of \$554,000 for the Initial Tenant Improvements. Tenant must complete the Initial Tenant Improvements no later than the first anniversary of each of the two phases.
- Upon completion of the Initial Tenant Improvements, and subject to the conditions of the Lease, Tenant shall be eligible for the rent credit amounts shown above amortized on a straight line basis over a 48-month period starting upon Completion of each phase yielding equal monthly amounts to be taken at a rate of seventy percent (70%) of the total monthly Rent due.

- Port will maintain and repair: the substructure of the Pier 31 Marginal Wharf; the substructure of the Pier 31 and Pier 33 bulkhead buildings; the Seawall; and the exterior of Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows). Tenant shall be responsible for all other maintenance and repair obligations.
- The Port reserves the rights to enter and use the Premises as needed for the purpose of inspecting, repairing, and rebuilding the Seawall and/or to terminate the Lease as needed due to the Seawall repair project.
- Tenant required to implement flood protection measures as determined to be necessary by the Chief Harbor Engineer (CHE) to protect the Site and public health and safety from a significant risk of flooding or other damage resulting from climate change or sea level rise.
- All city requirements are contained in the Lease and none of the requirements "conflict with federal law" including non-discrimination, local hire, prevailing wages, HCAO.
- Except as otherwise provided, the lease is on the Port's standard form lease for visitor-serving retail operations, including as-is provisions, compliance with laws (including historic preservation requirements), subleasing; Port's right to terminate, damage and destruction and eminent domain, defaults and remedies (subject to coordination with NPS under the General Agreement), indemnity and exculpation, Hazardous Materials, insurance, management covenants, and financial guarantees, including contractor's bonds and all current City requirements.

### **CLIMATE ACTION**

Due to the long term nature of the agreements, the Port and NPS have agreed that the GA may be terminated due to climate change/sea level rise or other catastrophic events at the Site or Alcatraz that pose a risk to public health and safety.

In addition both the Ferry Concessioner and the Conservancy may be required to implement flood protection measures determined to be necessary by the Chief Harbor Engineer (CHE) to protect the Site and public health and safety from a significant risk of flooding or other damage resulting from climate change or sea level rise. Such measures may include: (1) temporary public access closures, sandbagging or similar temporary measures to minimize the risks associated with wave overtopping of the pier apron; (2) waterproofing or relocation of utility infrastructure from underneath the pier to minimize the risk of water or wastewater discharges to San Francisco Bay; and/or (3) short perimeter flood walls, but would not include raising first floor elevations or regional improvements such as breakwater or levee improvements. If the CHE determines conditions continue to pose a threat to public health and safety, Port may terminate a lease.

### **ENVIRONMENTAL AND REGULATORY REVIEW**

A final Environmental Impact Statement (EIS) was released in January 2017 as required by the National Environmental Protection Act (NEPA). Golden Gate National Recreation Area completed the Record of Decision (ROD) for the Alcatraz Ferry Embarkation Plan/Environmental Impact Statement on January 11, 2018. As the project is also subject to

the California Environmental Quality Act (CEQA), the San Francisco Planning Department published a Preliminary Mitigated Negative Declaration (PMND) for the Project on December 6, 2017. The required 30-day public review period ended on January 5, 2018, with an appeal filed by the City of Sausalito on December 27, 2017 as noted above. After considering the appeal, the PMND was upheld by the Planning Commission on February 22, 2018 and the Final Mitigated Negative Declaration was signed by the Environmental Review Officer on February 23, 2018.

A number of regulatory approvals are also required including permits from the Bay Conservation and Development Commission (BCDC), the U.S. Army Corps of Engineers (USACE), and the Regional Water Quality Control Board (RWQCB). Port staff will coordinate with NPS and the Conservancy on preparing the permit applications and seeking approvals over the course of the next 12-18 months. As described above, the project was reviewed by the WDAC and BCDC's DRB on August 7, 2017, and again on January 22, 2018, as part of the BCDC permit application process. These regulatory approval processes are ongoing and will involve a collaborative effort by Port, NPS, and Conservancy staff.

### **ANALYSIS OF THE TRANSACTION**

Since endorsement of the Term Sheet, Port and NPS staff have negotiated proposed transaction documents implementing the Term Sheet and collaborated with City Planning and BCDC on Project design and environmental review. Port staff has also coordinated with Port Engineering to deliver the Pier 31½ substructure repair and with Port Maritime to maximize continued availability of berths within the Piers 31-33 water basin.

The key benefits of the proposed transaction are described below.

- 1) Long-term retention of:
  - a) One of the highest revenue operations on Port property.
  - b) A high-profile and important maritime operation on Port property.
  - c) One of the highest volume operations on Port property, which attracts more than one million visitors to the waterfront, providing positive economic benefits to complementary businesses.
- 2) Significant private investment in Port property of approximately \$30 million.
- 3) Activation of a currently vacant Bulkhead and creation of a unified site.
- 4) Opportunity for revenue upside through the expansion of services to include a new Park Cruise excursion.

The Port contracted with Seifel Consulting, a respected economics firm, and with R. Blum and Associates, a MAI-certified appraiser. With assistance from these consultants, staff prepared the following revenue projections and analysis in bringing the Term Sheet to the Port Commission. The below analysis has not changed since Term Sheet endorsement in 2016.

1. **The rent structure is on par or higher than comparable recent leases.** Retail, food and beverage, base rents, and office rents reflect rates of recent leases in and

around the waterfront. Percentage rent on ferry services – the largest by far of the rental revenue from the Project – will continue at the recently-increased level of 7.5% of adjusted gross receipts. This level is 0.5% below the rate achieved by New York City Parks for Statue of Liberty ferry service (8.0% on unadjusted gross revenues) but is consistent with San Francisco Bay Area ferry service percentage rent and above ferry excursion percentage rents found in Southern California.

2. **The Project and deal structure facilitates revenue growth for the Port.** A Port negotiating principle was to ensure that each component of the Project – ferry, retail, food and beverage – met fair market value. Another principle was to ensure that the overall Project exceeded plausible alternatives. **Figure 3** illustrates these alternatives alongside the Project, with a 15-year projection of cash flow to the Port.

**Figure 3** includes:

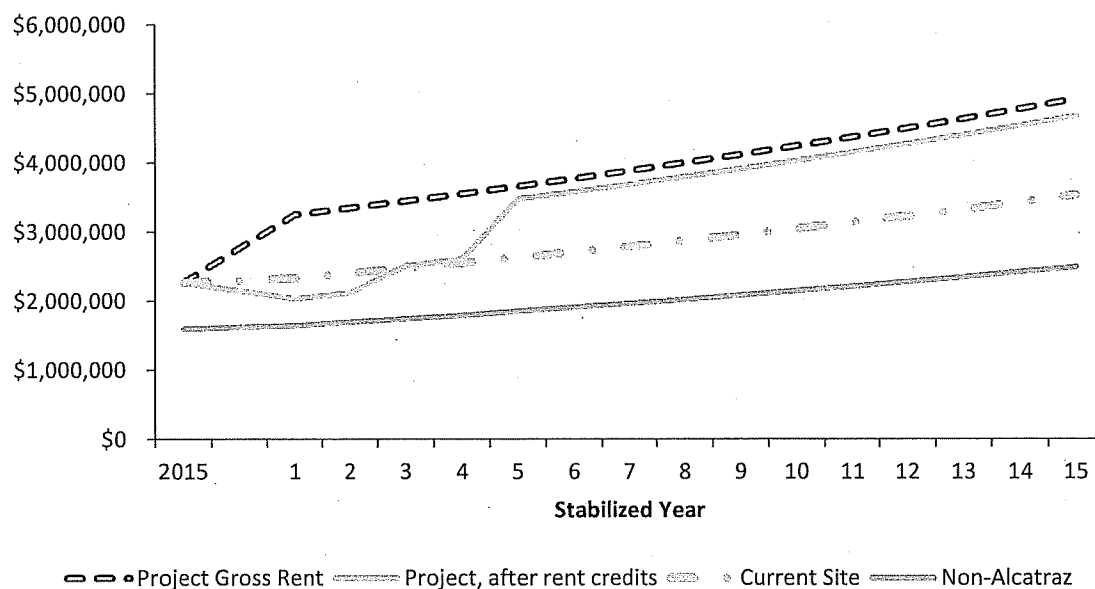
- a. **Non-Alcatraz anchored site.** This alternative assumes the Alcatraz ferry moves off of Port property and the Site is occupied by a bay cruise ferry and ancillary retail and restaurant uses. It produces the lowest estimated Site revenue.
- b. **Current site.** This projection is based on current site operations.
- c. **Project.** The two lines at the top of the chart reflect estimated Project revenues. Year 0 reflects current site revenues and Year 1 reflects the first year of stabilized operations.<sup>4</sup> The top line reflects gross Port rent. The second line from the top reflects gross rent, less anticipated rent credits in years 1 to 4.

The revenue projection for the Project, after deducting rent credits, dips slightly below the Current site alternative for years 1 and 2 (because of the rent credits) and then increases to appreciably above the Current site lease revenues in years 5 and beyond. The Project provides higher Port revenues and significant investment in the Site (\$30 million from tenants and \$5.7 million from the Port).

---

<sup>4</sup> This reflects a simplification of the likely reality, which is anticipated to include more than a year of construction on different parts of the site. However, ferry service to Alcatraz is anticipated to continue uninterrupted during construction so years 1 and 2 revenues from the Project are projected to include a stable source of rental revenue.

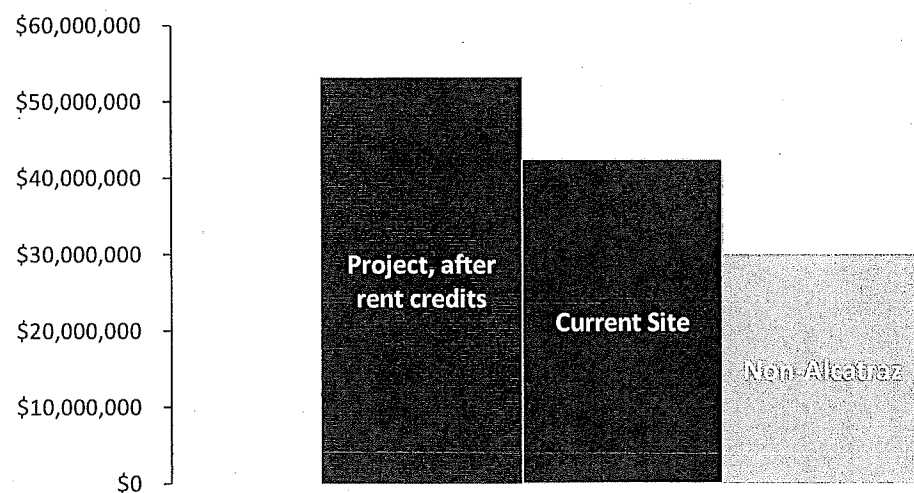
**Figure 3. Project vs. Illustrative Alternatives – Projected Revenue to Port**



**Figure 4** provides this similar comparison in net present terms (calculated for 30 years with a 6 percent discount rate). The net present value (NPV) of: Project revenues to the Port total \$53 million (after rent credit deductions); Current site revenues are estimated at \$43 million in NPV; and Non-Alcatraz NPV of revenues total \$26 million.

**Figure 4. Project vs. Illustrative Alternatives – Net Present Value of Revenue to Port**

*30 years, 6% discount rate*



It is also important to note two compromises the Port has made in pursuing the proposed transaction:

- 1) The Port will not select a ferry tenant for the Pier 31½. Rather, under the GA, NPS would conduct its mandated competitive process to select the Alcatraz ferry concessioner and the selected operator from that process would be the recipient of both the Alcatraz Concession Contract and the Port's lease. NPS is the controller entity for Alcatraz Island and the only way for the Port to retain the Alcatraz Embarkation Site on Port property over the long-term is to rely upon NPS's competitive process to select the Tenant.
- 2) The proposed lease for the retail and café portions of the Site operated by the Conservancy is for a term concurrent with the GA, for 30 years plus 2 10-year options if the GA is extended for that period. The Port generally prefers more frequent turnover of these types of leases. The Conservancy's unique role as NPS's nonprofit partner and as the primary entity which interprets the Alcatraz Island experience for the public set it apart from the Port's typical approach to visitor-serving food and beverage and retail.

Staff recognize these compromises and judge them to be fair ones, in light of the benefits described above (among them, investment in Site and retention of high-revenue and high-visibility use for 30-plus years) that will accrue to the Port and to the visitors to the Waterfront who will enjoy a significantly improved plaza, retail and café amenities, and ferry embarkation site.

#### **TIMELINE / NEXT STEPS**

Upon approval by the Port Commission, staff will submit the GA and Conservancy Lease for Board of Supervisors (BOS) approval. Under Charter Section 9.118(c), as maritime leases, neither the initial Ferry Concession form lease nor subsequent ferry concessioner leases will require BOS approval. Subsequent Ferry Concession leases will conform to the requirements of the GA and will include the then-current standard terms and conditions in the Port's form lease for similar operations. These leases will also include all then-applicable City Requirements (unless they conflict with federal law or are waived). Subsequent Ferry Concession leases will not require Port Commission approval, provided there are no material changes to the above-described terms.

The form of lease for the Concessioner is attached to NPS's concession contract prospectus for Alcatraz ferry service which was released on January 18, 2018. The solicitation, award and transition process is expected to take over a year with an effective date of mid- to late-2019 for the new concession contract. The Ferry Concession lease will become effective at the same. The Conservancy lease will be fully executed and effective after BOS approval and the Conservancy is expected to take possession on October 2018.

The key project milestones are summarized below; dates shown are estimates only and subject to change.

- NPS released Prospectus for new ferry concession contract: **1/18/2018**
- Final Mitigated Negative Declaration (FMND) issued by San Francisco Planning Department: **2/23/2018**
- National Parks Conservancy signs Port lease: **2/26/2018 6/18/2018**
- Port Commission Approval of Transaction Documents: **5/22/2018 6/25/2018**

- Introduction to Full Board: **May/June-July 2018**
- Board Committee: **June-July 2018**
- Board Approval: **July 2018**
- Mayor Signs Resolution: **July 2018**
- Prospectus solicitation period ends: **6/28/2018**
- Conservancy takes possession for Phase I: **10/1/2018**
- Conservancy completes Phase I construction: **10/1/2019**
- Bid evaluation process, award, Congressional notification, and contract transition: **7/1/2018 – 4/30/2019**
- Concession Contract and Lease Effective Dates: **5/1/2019**
- Concession Construction Period: **10/1/2019 – 12/1/2023**
- Conservancy Phase II construction: **4/1/2020 – 12/1/2023**
- Site becomes completely built out: **2024**

## **CONCLUSION AND STAFF RECOMMENDATION**

Following Port Commission and Board of Supervisors' endorsement of a Term Sheet in July, 2016, Port staff concluded negotiations with the National Park Service on a set of Transaction Documents that will facilitate a major maritime project, namely the creation of a permanent Alcatraz Embarkation Site located at Piers 31, 31½ and 33. This Project entails significant capital upgrades to Port maritime and commercial facilities at the Site, and will enable the Port and the National Park Service to deliver an enhanced visitor experience to Alcatraz Island visitors, along with enhanced public access for all visitors to the Embarkation Site, for many years to come.

Port staff recommends approval of the Alcatraz Embarkation Site project as described in this staff report and further recommends the Port Commission take the following actions through adoption of the attached Resolution:

- Adopt FMND and the Mitigation Monitoring and Reporting Program for the Alcatraz Ferry Embarkation Project attached to the Resolution;
- Approve the General Agreement (GA) between the Port and NPS;
- Approve the form of lease with the initial ferry concessioner (Concessioner) that NPS selects to provide initial site improvements and ferry services; and
- Approve the lease with the Conservancy for improvements and to operate visitor amenities including a visitor contact station and café.

If approved the NPS and Conservancy transaction documents will be forwarded to the Board of Supervisors for final approval. The form of lease with initial ferry concessioner will be finally approved.

Prepared by: Jay Edwards, Senior Property Manager  
Real Estate & Development

James Hurley, Project Manager  
Real Estate & Development



Rebecca Benassini  
Asst. Deputy Director  
Real Estate & Development

For: Michael Martin  
Deputy Director  
Real Estate & Development

Byron Rhett  
Port Chief Operating Officer

**ATTACHMENTS**

Exhibit A: Site Aerial Map

Exhibit B: Parcel Maps

Exhibit C: Amendment to Prospectus: amended Wage Determination

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

**RESOLUTION NO. 18-39**

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and
- WHEREAS, The Golden Gate National Recreation Area ("GGNRA") established as a unit of the National Park Service ("NPS") in 1972, encompasses more than 80,000 acres of coastal lands in Marin, San Mateo and San Francisco counties. One of GGNRA's most prominent sites is Alcatraz Island which is historically significant as part of early coastal fortification systems and later as a federal prison; and
- WHEREAS, Since 1972, the Port of San Francisco has served as the embarkation point for tourists and local residents visiting Alcatraz Island; and
- WHEREAS, NPS is empowered by the federal government to issue a bid prospectus and to select a ferry concessioner through a competitive process; and
- WHEREAS, The Port has periodically negotiated leases with ferry concessioners for embarkation locations to Alcatraz Island, with the embarkation point moving from Pier 41 to Pier 31½ as different ferry companies with leaseholds along Port property have been selected through the NPS ferry-bid process; and
- WHEREAS, The Port and NPS share a common goal of enhancing the Alcatraz visitor experience through significant investments in landside and waterside capital improvements – to improve the ease of movement of the more than 1.5 million visitors each year – and in interpretative installations and site amenities including food, retail, and restrooms; and
- WHEREAS, Alcatraz Island, access to which is controlled by NPS, is a one-of-a-kind visitor destination, attracting thousands of people each day to the waterfront and providing revenues roughly double the amount the Port would expect for a similar use not associated with Alcatraz Island; and
- WHEREAS, In 2008, the Port's Executive Director and the GGNRA Superintendent began discussions about NPS selecting a permanent embarkation point at the Port and entering a direct agreement with the Port that governs the terms by which the embarkation point would be leased to NPS's concessionaires; and

- WHEREAS, By entering such a direct agreement for the use of a set embarkation point, NPS, the Port and the public could be spared the disruption of moving the service each time a new concessioner is selected; and
- WHEREAS, Port staff, based on site criteria developed in conjunction with NPS staff, identified the following five potential Port properties for a permanent Alcatraz Embarkation location: Piers 19½, 29 ½, 31½, 41, and 45 Shed A as detailed in a December 3, 2009 informational presentation to the Port Commission; and
- WHEREAS, NPS completed a draft Environmental Impact Study under the National Environmental Policy Act to support its site selection process; and
- WHEREAS, Port staff in coordination with NPS staff selected Pier 31½ as the preferred Alcatraz Embarkation site and updated the Port Commission in a May 26, 2015 informational presentation; and
- WHEREAS, Pier 31½ is part of the Northeast Waterfront area and retail, food and beverage, and ferry service are allowed uses in such area under the Port's Waterfront Land Use Plan,; and
- WHEREAS, NPS developed an implementable vision for the project (the "Project") for Alcatraz ferry service and amenities within the bulkheads and portions of the sheds of Piers 31 and 33 and the Pier 31½ marginal wharf (the "Site"); and
- WHEREAS, The Site is currently operated for ferry service to Alcatraz Island and supporting food and beverage; the Project would expand existing uses to include a visitor contact station and ancillary retail uses, and
- WHEREAS, NPS has determined that a long-term embarkation site is desirable to improve the quality of the Alcatraz visitor experience; and
- WHEREAS, NPS has partnered with the Golden Gate National Parks Conservancy (the "Conservancy"), a local nonprofit dedicated to conservation of GGNRA lands through public education, historic interpretation, public access, and capital improvements, as part of its long-term plan for the Site; and
- WHEREAS, The Conservancy is a local nonprofit with a proven track record of developing and operating memorable and stimulating visitor experiences in nationally- and internationally-renowned destinations including Alcatraz Island cell house tours and Museum Store, Golden Gate Bridge Welcome Center, Crissy Field Center, and Lands End Visitor Center, among others; and
- WHEREAS, The shared vision of a unified visitor experience - from site entrance and orientation, to ferry embarkation, to Alcatraz Island and jailhouse -

requires specialized knowledge of and experience in historic interpretation and education; and

- WHEREAS, As set forth in Administrative Code Section 2.6-1, the Board of Supervisors' policy is to approve only such proposed leases involving City property or facilities that departments have awarded to the highest responsible bidder under the competitive bidding procedures, except where competitive bidding is impractical or impossible; and
- WHEREAS, Development of an embarkation site with access to Alcatraz Island, a visitor contact station and retail and food and beverage amenities presents an important opportunity to provide public serving, cultural, historic and other significant public benefits to the people of the City, the entire Bay Area region and beyond, including an opportunity for a significantly improved one-of-a-kind waterfront destination that will achieve public access objectives for the Site while adding an attractive mix of uses and destinations along the waterfront; and
- WHEREAS, The achievement of the Port's goal of retaining the Alcatraz embarkation site and the benefits noted above on Port property requires negotiating directly with NPS and NPS's selected partner, the Conservancy; and,
- WHEREAS, NPS and Port staff negotiated, on a sole source basis, a Term Sheet dated July 7, 2016 (the "Term Sheet"), which sets forth the essential terms upon which the Port and NPS would negotiate in good faith to reach agreement on a final agreement (the General Agreement or GA) regarding the Project leases that will be attached to the GA: a form lease with the NPS-selected concessioner for ferry service and a lease with the Conservancy for a visitor contact station, retail, and food and beverage uses; and
- WHEREAS, On July 12, 2016, the Port Commission approved Resolution No. 16-30 endorsing the Term Sheet and authorizing the Executive Director of the Port to execute the Term Sheet and present the Term Sheet to the Board of Supervisors for its endorsement and a determination that the proposed Project is exempt from competitive bidding requirements pursuant to Administrative Code Section 2.6-1; and
- WHEREAS, On November 29, 2106 the Board of Supervisors adopted Resolution No.497-16 endorsing the Term Sheet and exempting the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1; and
- WHEREAS, The Port and NPS have negotiated a final GA regarding the Project and its associated lease attachments; and

- WHEREAS, The GA between the Port and NPS has a term of up to 50 years (30 years plus two 10-year options to extend) for the Alcatraz Island ferry embarkation site on Piers 31, 31½, and 33; and
- WHEREAS, The GA designates the Site as the long-term sole visitor contact station and ferry embarkation for public access to Alcatraz Island and outlines independent and joint obligations, such as NPS selecting and contracting for ferry concession services and the Port entering leases with NPS's selected operator(s) for ferry concessions and the Conservancy for visitor services and a café, and
- WHEREAS, The GA describes capital obligations of the ferry concessioner, the Conservancy, and the Port, and provides for clarity, cooperation and coordination throughout the term between the Port and NPS as further described in the June 7, 2018 Memorandum to the Port Commission that accompanied this Resolution (the "Memorandum"); and
- WHEREAS, NPS is solely responsible for selection of and contracting with operators for the ferry concession (the "Ferry Concession Contract") and Port has no role in the selection, solicitation, and/or award of a contract to a selected operator (a "Ferry Concessioner"); and
- WHEREAS, On January 18, 2018, the National Park Service (NPS) released a prospectus (the "Prospectus") soliciting proposals to operate Alcatraz passenger ferry service and associated services within Golden Gate National Recreation Area; and
- WHEREAS, As set forth in the Prospectus, the term of the new Ferry Concession Contract will be for fifteen (15) years and proposals are due in summer 2018; and
- WHEREAS, That in the support of the issuance of a timely and appropriate supplemental wage determination (the "Supplemental Wage Determination"), Port staff forwarded correspondence to the attention of the Department of Labor including publicly-available data on the current wages for relevant occupations at Port ferry operations; and
- WHEREAS, NPS published the Supplemental Wage Determination from the Department of Labor for commonly used labor classifications for a San Francisco passenger ferry operation (e.g. Master Captain, Senior Deckhand/Mate, Deckhand and Able-Bodied Seaman) and has amended the Prospectus with the Supplemental Wage Determination on May 21, 2018; and
- WHEREAS, The initial and each subsequent NPS prospectus for a Ferry Concession Contract must include as part of the information furnished in the

Prospectus a form lease (a "Ferry Concessioner Lease") prepared and approved by the Port that the Ferry Concessioner will be required to sign; and

WHEREAS, Under the GA, the Port agrees to enter into a Ferry Concessioner Lease for portions of the Site with the Initial Ferry Concessioner substantially in the form of the lease attached to the GA with no changes other than (A) changes agreed to by the Port and NPS in the sole discretion of each; and (B) to add new Laws and City Requirements effective as of the commencement date of the Ferry Concessioner Lease; and

WHEREAS, Subsequent Ferry Concession Leases will be prepared by Port based on the then-current Ferry Concessioner's Lease and the then-current standard terms and conditions in the Port's form lease for similar operations, including retail/maritime uses, and shall include all then-applicable City Requirements; and

WHEREAS, Each Ferry Concessioner will be required to pay monthly Base Rent for its premises, escalated annually, and

WHEREAS, In addition to Base Rent, the Ferry Concessioner shall pay monthly Percentage Rent on the difference between the Gross Revenue minus the NPS Concession Franchise Fee, but only to the extent that such amount exceeds Base Rent, and

WHEREAS, The NPS-selected Initial Ferry Concessioner must complete the following no later than the 5th anniversary date of the Ferry Concessioner Lease: waterside improvements, including new ferry barges, docks and associated infrastructure; Pier 31½ Marginal Wharf deck surface and visitor amenities; Pier 33 Shed visitor restrooms; Pier 31 bulkhead restrooms; interior improvements in the Pier 31 and Pier 33 Sheds; Pier 33 South Bulkhead Building ticketing area improvements; and demolition of a portion of the 2nd floor of the Pier 33 South Bulkhead Building and construction of a mezzanine area(together, the "Embarkation Site Improvements"); other material business terms are set forth in the attached Memorandum; and

WHEREAS, Upon completion of the Embarkation Site Improvements the Initial Ferry Concessioner shall be entitled to a rent credit in a maximum amount of \$2,520,000 for the Embarkation Site Improvements as generally described above and further set forth in the attached Memorandum; and

WHEREAS, Once the Embarkation Site Improvements are completed, certain portions of the property will be turned over to the Conservancy; and

- WHEREAS, Port and NPS agree that, in order to enhance the visitor experience, NPS selected the Conservancy to provide the interpretive retail and food and beverage services and other public amenities at the Site and as described above, the Board of Supervisors exempted the lease with the Conservancy from the City's competitive bidding policy; and
- WHEREAS, Port has negotiated a lease with the Conservancy for initial and potentially future site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a 30-year term with two 10-year options; and
- WHEREAS, The current sole source exemption under Board of Supervisors Resolution No.497-16 covers the initial thirty (30) year term of the Conservancy Lease, Port proposes to extend the sole source exemption for the two 10-year option periods because it will provide for continuing capital improvements to its premises and will continue to provide a cohesive visitor experience to the Site; and
- WHEREAS, The Conservancy will be required to pay monthly Base Rent, escalated annually, for its premises. In addition to Base Rent, the Conservancy shall pay monthly Percentage Rent on the amount by which Gross Revenues exceed Base Rent; other material business terms are set forth in the attached Memorandum; and
- WHEREAS, The Conservancy shall construct improvements including the build-out of the Pier 31 bulkhead cafe; and in a later phase the Pier 33 visitor contact station/interpretive retail center (together, the "Initial Tenant Improvements"); and
- WHEREAS, The Conservancy must complete the Initial Tenant Improvements no later than the first anniversary of each of the two phases, and upon completion the Conservancy shall be entitled to a rent credit of \$554,000 for the Initial Tenant Improvements as further described in the Memorandum; and
- WHEREAS, The entire Site is subject to the common law public trust for commerce, navigation and fisheries and the Burton Act statutory trust (collectively, the "Public Trust"); and
- WHEREAS, Use of Public Trust lands is generally limited to maritime commerce, navigation, fisheries, water-oriented recreation, including commercial facilities that must be located on or adjacent to water, and environmental stewardship and recreation, such as natural resource protection, wildlife habitat and study, and facilities for fishing, swimming, and boating; and
- WHEREAS, Ancillary or incidental uses that promote Public Trust uses or accommodate public enjoyment of Public Trust lands such as hotels,

restaurants, and visitor-serving retail are also permitted on Public Trust lands; and

- WHEREAS, The Project has been planned and designed to provide multiple Public Trust benefits delivered via development and use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public; and
- WHEREAS, A Preliminary Mitigated Negative Declaration (PMND) for the Project was prepared and published for public review on December 6, 2017; and
- WHEREAS, On December 27, 2017, an appeal of the decision to issue the Final Mitigated Negative Declaration (FMND) was filed within the 30-day public review period; and
- WHEREAS, The Planning Department prepared responses to Sausalito's comments, made minor revisions to the PMND and on February 22, 2018, the Planning Commission held a public hearing on the PMND and after consideration of the points raised by the appellant, both in writing and at the February 22, 2018 hearing, found that the contents of the PMND and the procedures through which the PMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") and finalized the PMND (the Final MND); and
- WHEREAS, The Planning Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission, and reaffirmed its conclusion that the Project could not have a significant effect upon the environment; and
- WHEREAS, On February 23, 2018, the Environmental Review Officer signed the FMND for the Project and the Final MND was issued in compliance with CEQA, the CEQA Guidelines and Chapter 31; and
- WHEREAS, The Commission Secretary for the Planning Department, Jonas Ionin, is the custodian of records at 1650 Mission Street, Fourth Floor, San Francisco, California; and
- WHEREAS, Port staff prepared a Mitigation Measures and Improvement Measures Monitoring and Reporting Program (MMRP), which material was made



available to the public and this Commission for this Commission's review, consideration and action; and now, therefore be it

RESOLVED, That retaining the high-revenue generating, maritime Alcatraz embarkation use on Port property is a priority for economic and visibility reasons, with no similar use able to attract the number of visitors and economic activity generated by the internationally-known Alcatraz Island; and be it further

RESOLVED, That the Board of Supervisors exempted the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1, including (1) a lease for ferry service to Alcatraz Island with a future concessioner selected by NPS and (2) a lease with the Golden Gate National Parks Conservancy; and be it further

RESOLVED, That Port Commission directs staff to seek a determination that the entire term of the Conservancy Lease, including the two extension options are exempt from competitive bidding requirements pursuant to Administrative Code, Section 2.6-1; and be it further

RESOLVED, That prior to execution of the Initial Ferry Concessioner Lease, the Operations Plan included in the lease will be updated to reflect the following annual limits for interpretive park cruises: 45,000 passengers in years 1 and 2; 46,125 passengers in year 3; 47,278 passengers in year 4; 48,460 passengers in year 5; and 90,000 passengers annually in year 6 through lease expiration after year 15; and, be it further

RESOLVED, That in addition to the remedies the Port may have for any violation of the Operations Plan, including but not limited to the declaration of a material default, the initial Ferry Concessioner Lease shall provide that any violation of the limits noted above in a given year will result in an equivalent reduction of the interpretive cruise passenger limit in the following year; and, be it further

RESOLVED, That a provision shall be added to the GA to prohibit interpretive park cruises from any subsequent Ferry Concessioner Lease without the prior consent of both the Port and NPS, in each such party's sole discretion; and, be it further

RESOLVED, That in acknowledgement of the concerns raised by the City of Sausalito as to future construction at Fort Baker, the General Agreement should be amended to include a statement noting that the parties intend to comply with any required environmental and regulatory reviews and approvals for any proposed changes to the vessel landing operations at Fort Baker; and be it further

- RESOLVED, That subject to Board of Supervisors' approval, the Port Commission approves the GA between the Port and NPS that designates the Site as the long term sole visitor contact station and ferry embarkation for public access to Alcatraz Island on the terms further described in the Memorandum; and be it further
- RESOLVED, That the Port Commission approves the form of lease for the Initial Ferry Concessioner substantially in the form of the lease attached to the GA as further described in the Memorandum with no changes other than (A) changes agreed to by the Port and NPS in the sole discretion of each; and (B) to add new Laws and City Requirements effective as of the commencement date of the Lease; and be it further
- RESOLVED, If space within the Site is not available, Port may allow the Initial Ferry Concessioner to use additional space under a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule; provided that, Port agrees to waive the requirement to pay rent for up to 3,000 square feet of space for up to two (2) years during construction of the Embarkation Site Improvements; and be it further
- RESOLVED, The Port Commission authorizes Port staff to prepare and execute leases for portions of the Site with subsequent Ferry Concessioners selected by NPS based on the then-current Ferry Concessioner's Lease and the then-current standard terms and conditions in the Port's form lease for similar operations, including retail/maritime uses, which shall include all then-applicable City Requirements; and be it further
- RESOLVED, Each Ferry Concessioner shall have a one-time right of first refusal to use specified, additional aprons in the Water Basin, as available and appropriate for such use, for lay berthing subject to the Ferry Concessioner entering into a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule for a term that may exceed five years but may not exceed the term of the associated Ferry Concessioner Lease; and be it further
- RESOLVED, That, subject to Board of Supervisors' approval, the Port Commission approves the Conservancy Lease for initial and ongoing site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a thirty (30) year term with two (2) ten (10) year options as further described in the Memorandum; and be it further

RESOLVED, That the Port Commission has reviewed and considered the FMND and the record as a whole, finds that the FMND is adequate for its use as the decision-making body for the Project, that there is no substantial evidence that the Project will have a significant effect on the environment with the adoption of the measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and hereby adopts the FMND; and be it further

RESOLVED, That the Port Commission hereby adopts the FMND and the MMRP attached hereto as Attachment A and incorporated herein as part of this Resolution by this reference thereto and all required mitigation measures identified in the FMND and contained in the MMRP will be included in the lease between the Port and each successive Ferry Concessioner and the Port and the Conservancy; and be it further

RESOLVED, That the Port Commission finds that the Project, including the GA and leases is consistent with the Public Trust in that the Project will provide multiple Public Trust benefits delivered via use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public; and be it further

RESOLVED, That, upon approval by the Board of Supervisors as described above, the Port Commission authorizes the Executive Director of the Port, or her designee, to execute the GA, initial Ferry Concession Lease, successive Ferry Concession Leases and the Conservancy Lease; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director of the Port, or her designee, to enter into any amendments or modifications to the General Agreement, initial Ferry Concession Lease, successive Ferry Concession leases and the Conservancy lease and to exercise associated extension options that the Executive Director determines, in consultation with the City Attorney, are in the best interests of the Port, do not materially decrease the benefits to or materially increase the obligations or liabilities of the Port, and are in compliance with all applicable laws and are necessary and advisable to complete the transaction and effectuate the purpose and intent of this Resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of any such documents.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 25, 2018.***

---

**Secretary**

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

**RESOLUTION NO. 18-39**

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and
- WHEREAS, The Golden Gate National Recreation Area ("GGNRA") established as a unit of the National Park Service ("NPS") in 1972, encompasses more than 80,000 acres of coastal lands in Marin, San Mateo and San Francisco counties. One of GGNRA's most prominent sites is Alcatraz Island which is historically significant as part of early coastal fortification systems and later as a federal prison; and
- WHEREAS, Since 1972, the Port of San Francisco has served as the embarkation point for tourists and local residents visiting Alcatraz Island; and
- WHEREAS, NPS is empowered by the federal government to issue a bid prospectus and to select a ferry concessioner through a competitive process; and
- WHEREAS, The Port has periodically negotiated leases with ferry concessioners for embarkation locations to Alcatraz Island, with the embarkation point moving from Pier 41 to Pier 31½ as different ferry companies with leaseholds along Port property have been selected through the NPS ferry-bid process; and
- WHEREAS, The Port and NPS share a common goal of enhancing the Alcatraz visitor experience through significant investments in landside and waterside capital improvements – to improve the ease of movement of the more than 1.5 million visitors each year – and in interpretative installations and site amenities including food, retail, and restrooms; and
- WHEREAS, Alcatraz Island, access to which is controlled by NPS, is a one-of-a-kind visitor destination, attracting thousands of people each day to the waterfront and providing revenues roughly double the amount the Port would expect for a similar use not associated with Alcatraz Island; and
- WHEREAS, In 2008, the Port's Executive Director and the GGNRA Superintendent began discussions about NPS selecting a permanent embarkation point at the Port and entering a direct agreement with the Port that governs the terms by which the embarkation point would be leased to NPS's concessionaires; and

- WHEREAS, By entering such a direct agreement for the use of a set embarkation point, NPS, the Port and the public could be spared the disruption of moving the service each time a new concessioner is selected; and
- WHEREAS, Port staff, based on site criteria developed in conjunction with NPS staff, identified the following five potential Port properties for a permanent Alcatraz Embarkation location: Piers 19½, 29 ½, 31½, 41, and 45 Shed A as detailed in a December 3, 2009 informational presentation to the Port Commission; and
- WHEREAS, NPS completed a draft Environmental Impact Study under the National Environmental Policy Act to support its site selection process; and
- WHEREAS, Port staff in coordination with NPS staff selected Pier 31½ as the preferred Alcatraz Embarkation site and updated the Port Commission in a May 26, 2015 informational presentation; and
- WHEREAS, Pier 31½ is part of the Northeast Waterfront area and retail, food and beverage, and ferry service are allowed uses in such area under the Port's Waterfront Land Use Plan; and
- WHEREAS, NPS developed an implementable vision for the project (the "Project") for Alcatraz ferry service and amenities within the bulkheads and portions of the sheds of Piers 31 and 33 and the Pier 31½ marginal wharf (the "Site"); and
- WHEREAS, The Site is currently operated for ferry service to Alcatraz Island and supporting food and beverage; the Project would expand existing uses to include a visitor contact station and ancillary retail uses, and
- WHEREAS, NPS has determined that a long-term embarkation site is desirable to improve the quality of the Alcatraz visitor experience; and
- WHEREAS, NPS has partnered with the Golden Gate National Parks Conservancy (the "Conservancy"), a local nonprofit dedicated to conservation of GGNRA lands through public education, historic interpretation, public access, and capital improvements, as part of its long-term plan for the Site; and
- WHEREAS, The Conservancy is a local nonprofit with a proven track record of developing and operating memorable and stimulating visitor experiences in nationally- and internationally-renowned destinations including Alcatraz Island cell house tours and Museum Store, Golden Gate Bridge Welcome Center, Crissy Field Center, and Lands End Visitor Center, among others; and
- WHEREAS, The shared vision of a unified visitor experience - from site entrance and orientation, to ferry embarkation, to Alcatraz Island and jailhouse –

requires specialized knowledge of and experience in historic interpretation and education; and

- WHEREAS, As set forth in Administrative Code Section 2.6-1, the Board of Supervisors' policy is to approve only such proposed leases involving City property or facilities that departments have awarded to the highest responsible bidder under the competitive bidding procedures, except where competitive bidding is impractical or impossible; and
- WHEREAS, Development of an embarkation site with access to Alcatraz Island, a visitor contact station and retail and food and beverage amenities presents an important opportunity to provide public serving, cultural, historic and other significant public benefits to the people of the City, the entire Bay Area region and beyond, including an opportunity for a significantly improved one-of-a-kind waterfront destination that will achieve public access objectives for the Site while adding an attractive mix of uses and destinations along the waterfront; and
- WHEREAS, The achievement of the Port's goal of retaining the Alcatraz embarkation site and the benefits noted above on Port property requires negotiating directly with NPS and NPS's selected partner, the Conservancy; and,
- WHEREAS, NPS and Port staff negotiated, on a sole source basis, a Term Sheet dated July 7, 2016 (the "Term Sheet"), which sets forth the essential terms upon which the Port and NPS would negotiate in good faith to reach agreement on a final agreement (the General Agreement or GA) regarding the Project leases that will be attached to the GA: a form lease with the NPS-selected concessioner for ferry service and a lease with the Conservancy for a visitor contact station, retail, and food and beverage uses; and
- WHEREAS, On July 12, 2016, the Port Commission approved Resolution No. 16-30 endorsing the Term Sheet and authorizing the Executive Director of the Port to execute the Term Sheet and present the Term Sheet to the Board of Supervisors for its endorsement and a determination that the proposed Project is exempt from competitive bidding requirements pursuant to Administrative Code Section 2.6-1; and
- WHEREAS, On November 29, 2016 the Board of Supervisors adopted Resolution No. 497-16 endorsing the Term Sheet and exempting the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1; and
- WHEREAS, The Port and NPS have negotiated a final GA regarding the Project and its associated lease attachments; and

- WHEREAS, The GA between the Port and NPS has a term of up to 50 years (30 years plus two 10-year options to extend) for the Alcatraz Island ferry embarkation site on Piers 31, 31½, and 33; and
- WHEREAS, The GA designates the Site as the long-term sole visitor contact station and ferry embarkation for public access to Alcatraz Island and outlines independent and joint obligations, such as NPS selecting and contracting for ferry concession services and the Port entering leases with NPS's selected operator(s) for ferry concessions and the Conservancy for visitor services and a café, and
- WHEREAS, The GA describes capital obligations of the ferry concessioner, the Conservancy, and the Port, and provides for clarity, cooperation and coordination throughout the term between the Port and NPS as further described in the June 7, 2018 Memorandum to the Port Commission that accompanied this Resolution (the "Memorandum"); and
- WHEREAS, NPS is solely responsible for selection of and contracting with operators for the ferry concession (the "Ferry Concession Contract") and Port has no role in the selection, solicitation, and/or award of a contract to a selected operator (a "Ferry Concessioner"); and
- WHEREAS, On January 18, 2018, the National Park Service (NPS) released a prospectus (the "Prospectus") soliciting proposals to operate Alcatraz passenger ferry service and associated services within Golden Gate National Recreation Area; and
- WHEREAS, As set forth in the Prospectus, the term of the new Ferry Concession Contract will be for fifteen (15) years and proposals are due in summer 2018; and
- WHEREAS, That in the support of the issuance of a timely and appropriate supplemental wage determination (the "Supplemental Wage Determination"), Port staff forwarded correspondence to the attention of the Department of Labor including publicly-available data on the current wages for relevant occupations at Port ferry operations; and
- WHEREAS, NPS published the Supplemental Wage Determination from the Department of Labor for commonly used labor classifications for a San Francisco passenger ferry operation (e.g. Master Captain, Senior Deckhand/Mate, Deckhand and Able-Bodied Seaman) and has amended the Prospectus with the Supplemental Wage Determination on May 21, 2018; and
- WHEREAS, The initial and each subsequent NPS prospectus for a Ferry Concession Contract must include as part of the information furnished in the

Prospectus a form lease (a "Ferry Concessioner Lease") prepared and approved by the Port that the Ferry Concessioner will be required to sign; and

WHEREAS, Under the GA, the Port agrees to enter into a Ferry Concessioner Lease for portions of the Site with the Initial Ferry Concessioner substantially in the form of the lease attached to the GA with no changes other than (A) changes agreed to by the Port and NPS in the sole discretion of each; and (B) to add new Laws and City Requirements effective as of the commencement date of the Ferry Concessioner Lease; and

WHEREAS, Subsequent Ferry Concession Leases will be prepared by Port based on the then-current Ferry Concessioner's Lease and the then-current standard terms and conditions in the Port's form lease for similar operations, including retail/maritime uses, and shall include all then-applicable City Requirements; and

WHEREAS, Each Ferry Concessioner will be required to pay monthly Base Rent for its premises, escalated annually, and

WHEREAS, In addition to Base Rent, the Ferry Concessioner shall pay monthly Percentage Rent on the difference between the Gross Revenue minus the NPS Concession Franchise Fee, but only to the extent that such amount exceeds Base Rent, and

WHEREAS, The NPS-selected Initial Ferry Concessioner must complete the following no later than the 5th anniversary date of the Ferry Concessioner Lease: waterside improvements, including new ferry barges, docks and associated infrastructure; Pier 31½ Marginal Wharf deck surface and visitor amenities; Pier 33 Shed visitor restrooms; Pier 31 bulkhead restrooms; interior improvements in the Pier 31 and Pier 33 Sheds; Pier 33 South Bulkhead Building ticketing area improvements; and demolition of a portion of the 2nd floor of the Pier 33 South Bulkhead Building and construction of a mezzanine area(together, the "Embarkation Site Improvements"); other material business terms are set forth in the attached Memorandum; and

WHEREAS, Upon completion of the Embarkation Site Improvements the Initial Ferry Concessioner shall be entitled to a rent credit in a maximum amount of \$2,520,000 for the Embarkation Site Improvements as generally described above and further set forth in the attached Memorandum; and

WHEREAS, Once the Embarkation Site Improvements are completed, certain portions of the property will be turned over to the Conservancy; and



- WHEREAS, Port and NPS agree that, in order to enhance the visitor experience, NPS selected the Conservancy to provide the interpretive retail and food and beverage services and other public amenities at the Site and as described above, the Board of Supervisors exempted the lease with the Conservancy from the City's competitive bidding policy; and
- WHEREAS, Port has negotiated a lease with the Conservancy for initial and potentially future site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a 30-year term with two 10-year options; and
- WHEREAS, The current sole source exemption under Board of Supervisors Resolution No.497-16 covers the initial thirty (30) year term of the Conservancy Lease, Port proposes to extend the sole source exemption for the two 10-year option periods because it will provide for continuing capital improvements to its premises and will continue to provide a cohesive visitor experience to the Site; and
- WHEREAS, The Conservancy will be required to pay monthly Base Rent, escalated annually, for its premises. In addition to Base Rent, the Conservancy shall pay monthly Percentage Rent on the amount by which Gross Revenues exceed Base Rent; other material business terms are set forth in the attached Memorandum; and
- WHEREAS, The Conservancy shall construct improvements including the build-out of the Pier 31 bulkhead cafe; and in a later phase the Pier 33 visitor contact station/interpretive retail center (together, the "Initial Tenant Improvements"); and
- WHEREAS, The Conservancy must complete the Initial Tenant Improvements no later than the first anniversary of each of the two phases, and upon completion the Conservancy shall be entitled to a rent credit of \$554,000 for the Initial Tenant Improvements as further described in the Memorandum; and
- WHEREAS, The entire Site is subject to the common law public trust for commerce, navigation and fisheries and the Burton Act statutory trust (collectively, the "Public Trust"); and
- WHEREAS, Use of Public Trust lands is generally limited to maritime commerce, navigation, fisheries, water-oriented recreation, including commercial facilities that must be located on or adjacent to water, and environmental stewardship and recreation, such as natural resource protection, wildlife habitat and study, and facilities for fishing, swimming, and boating; and
- WHEREAS, Ancillary or incidental uses that promote Public Trust uses or accommodate public enjoyment of Public Trust lands such as hotels,

restaurants, and visitor-serving retail are also permitted on Public Trust lands; and

- WHEREAS, The Project has been planned and designed to provide multiple Public Trust benefits delivered via development and use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public; and
- WHEREAS, A Preliminary Mitigated Negative Declaration (PMND) for the Project was prepared and published for public review on December 6, 2017; and
- WHEREAS, On December 27, 2017, an appeal of the decision to issue the Final Mitigated Negative Declaration (FMND) was filed within the 30-day public review period; and
- WHEREAS, The Planning Department prepared responses to Sausalito's comments, made minor revisions to the PMND and on February 22, 2018, the Planning Commission held a public hearing on the PMND and after consideration of the points raised by the appellant, both in writing and at the February 22, 2018 hearing, found that the contents of the PMND and the procedures through which the PMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") and finalized the PMND (the Final MND); and
- WHEREAS, The Planning Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission, and reaffirmed its conclusion that the Project could not have a significant effect upon the environment; and
- WHEREAS, On February 23, 2018, the Environmental Review Officer signed the FMND for the Project and the Final MND was issued in compliance with CEQA, the CEQA Guidelines and Chapter 31; and
- WHEREAS, The Commission Secretary for the Planning Department, Jonas Ionin, is the custodian of records at 1650 Mission Street, Fourth Floor, San Francisco, California; and
- WHEREAS, Port staff prepared a Mitigation Measures and Improvement Measures Monitoring and Reporting Program (MMRP), which material was made

available to the public and this Commission for this Commission's review, consideration and action; and now, therefore be it

RESOLVED, That retaining the high-revenue generating, maritime Alcatraz embarkation use on Port property is a priority for economic and visibility reasons, with no similar use able to attract the number of visitors and economic activity generated by the internationally-known Alcatraz Island; and be it further

RESOLVED, That the Board of Supervisors exempted the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1, including (1) a lease for ferry service to Alcatraz Island with a future concessioner selected by NPS and (2) a lease with the Golden Gate National Parks Conservancy; and be it further

RESOLVED, That Port Commission directs staff to seek a determination that the entire term of the Conservancy Lease, including the two extension options are exempt from competitive bidding requirements pursuant to Administrative Code, Section 2.6-1; and be it further

RESOLVED, That prior to execution of the Initial Ferry Concessioner Lease, the Operations Plan included in the lease will be updated to reflect the following annual limits for interpretive park cruises: 45,000 passengers in years 1 and 2; 46,125 passengers in year 3; 47,278 passengers in year 4; 48,460 passengers in year 5; and 90,000 passengers annually in year 6 through lease expiration after year 15; and, be it further

RESOLVED, That in addition to the remedies the Port may have for any violation of the Operations Plan, including but not limited to the declaration of a material default, the initial Ferry Concessioner Lease shall provide that any violation of the limits noted above in a given year will result in an equivalent reduction of the interpretive cruise passenger limit in the following year; and, be it further

RESOLVED, That a provision shall be added to the GA to prohibit interpretive park cruises from any subsequent Ferry Concessioner Lease without the prior consent of both the Port and NPS, in each such party's sole discretion; and, be it further

RESOLVED, That in acknowledgement of the concerns raised by the City of Sausalito as to future construction at Fort Baker, the General Agreement should be amended to include a statement noting that the parties intend to comply with any required environmental and regulatory reviews and approvals for any proposed changes to the vessel landing operations at Fort Baker; and be it further

- RESOLVED, That subject to Board of Supervisors' approval, the Port Commission approves the GA between the Port and NPS that designates the Site as the long term sole visitor contact station and ferry embarkation for public access to Alcatraz Island on the terms further described in the Memorandum; and be it further
- RESOLVED, That the Port Commission approves the form of lease for the Initial Ferry Concessioner substantially in the form of the lease attached to the GA as further described in the Memorandum with no changes other than (A) changes agreed to by the Port and NPS in the sole discretion of each; and (B) to add new Laws and City Requirements effective as of the commencement date of the Lease; and be it further
- RESOLVED, If space within the Site is not available, Port may allow the Initial Ferry Concessioner to use additional space under a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule; provided that, Port agrees to waive the requirement to pay rent for up to 3,000 square feet of space for up to two (2) years during construction of the Embarkation Site Improvements; and be it further
- RESOLVED, The Port Commission authorizes Port staff to prepare and execute leases for portions of the Site with subsequent Ferry Concessioners selected by NPS based on the then-current Ferry Concessioner's Lease and the then-current standard terms and conditions in the Port's form lease for similar operations, including retail/maritime uses, which shall include all then-applicable City Requirements; and be it further
- RESOLVED, Each Ferry Concessioner shall have a one-time right of first refusal to use specified, additional aprons in the Water Basin, as available and appropriate for such use, for lay berthing subject to the Ferry Concessioner entering into a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule for a term that may exceed five years but may not exceed the term of the associated Ferry Concessioner Lease; and be it further
- RESOLVED, That, subject to Board of Supervisors' approval, the Port Commission approves the Conservancy Lease for initial and ongoing site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a thirty (30) year term with two (2) ten (10) year options as further described in the Memorandum; and be it further

RESOLVED, That the Port Commission has reviewed and considered the FMND and the record as a whole, finds that the FMND is adequate for its use as the decision-making body for the Project, that there is no substantial evidence that the Project will have a significant effect on the environment with the adoption of the measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and hereby adopts the FMND; and be it further

RESOLVED, That the Port Commission hereby adopts the FMND and the MMRP attached hereto as Attachment A and incorporated herein as part of this Resolution by this reference thereto and all required mitigation measures identified in the FMND and contained in the MMRP will be included in the lease between the Port and each successive Ferry Concessioner and the Port and the Conservancy; and be it further

RESOLVED, That the Port Commission finds that the Project, including the GA and leases is consistent with the Public Trust in that the Project will provide multiple Public Trust benefits delivered via use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public; and be it further

RESOLVED, That, upon approval by the Board of Supervisors as described above, the Port Commission authorizes the Executive Director of the Port, or her designee, to execute the GA, initial Ferry Concession Lease, successive Ferry Concession Leases and the Conservancy Lease; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director of the Port, or her designee, to enter into any amendments or modifications to the General Agreement, initial Ferry Concession Lease, successive Ferry Concession leases and the Conservancy lease and to exercise associated extension options that the Executive Director determines, in consultation with the City Attorney, are in the best interests of the Port, do not materially decrease the benefits to or materially increase the obligations or liabilities of the Port, and are in compliance with all applicable laws and are necessary and advisable to complete the transaction and effectuate the purpose and intent of this Resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of any such documents.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 25, 2018.***

---

**Secretary**





**CITY AND COUNTY OF SAN FRANCISCO  
LONDON N. BREED, MAYOR**

---

**GENERAL AGREEMENT**

**BY AND BETWEEN**

**THE CITY AND COUNTY OF SAN FRANCISCO  
OPERATING BY AND THROUGH THE  
SAN FRANCISCO PORT COMMISSION**

**AND**

**UNITED STATES DEPARTMENT OF THE INTERIOR  
NATIONAL PARK SERVICE**

**ALCATRAZ ISLAND FERRY EMBARKATION**

**PIERS 31, 31 ½ AND 33**

**[DATE]**

---

**ELAINE FORBES  
EXECUTIVE DIRECTOR**

**SAN FRANCISCO PORT COMMISSION**

**KIMBERLY BRANDON, PRESIDENT  
WILLIE ADAMS, VICE PRESIDENT  
GAIL GILMAN, COMMISSIONER  
VICTOR MAKRAS, COMMISSIONER  
DOREEN WOO HO, COMMISSIONER**

## TABLE OF CONTENTS

	<u>Page</u>
1. Site	3
2. NPS Obligations	3
2.1. Sole Ferry Embarkation Site	3
2.2. Initial Ferry Concession Contract	4
(a) NPS Rights; Responsibilities	4
(b) Solicitation and Contract	4
(c) Contract Duration; Extensions	4
(d) Form Lease	4
(e) Rent; Franchise Fee	4
(f) Embarkation Site Improvements	6
(g) Additional Excursions	6
(h) Assignment	6
2.3. Subsequent Ferry Concession Contracts	7
(a) Rent	7
(b) Interpretive Park Cruises	7
(c) Other	7
2.4. Conservancy	7
2.5. Existing Leases	7
2.6. Permitting; Design Development for Initial Improvements	8
2.7. Closure of Alcatraz Island	9
2.8. Subsequent Environmental Review	10
2.9. Conditions Precedent to Ferry Concession Contract Execution	10
3. Port's Obligations	11
3.1. Pier 31½ Marginal Wharf Improvements	11
3.2. Port's Maintenance and Repair	11
3.3. Pier 31/ 33 Water Basin and Aprons	11
3.4. Initial Ferry Concessioner Lease	11
(a) Form Lease	11
(b) Lease Duration	12
(c) Rent During Initial Term	12



(d)	Embarkation Site Improvements	12
(e)	Subtenants; Mortgages	12
(f)	Use of Aprons for Layberthing	12
3.5.	Subsequent Concessioner Leases	12
(a)	Form Lease	12
(b)	Rent During Initial Term	13
(c)	Rent During Extension Term(s) of this Agreement	13
3.6.	Conservancy Lease	13
(a)	Conservancy Lease	13
(b)	Lease Duration	13
(c)	Execution and Delivery	13
(d)	Rent	13
(e)	Conservancy's Improvements	13
(f)	Transfer; Subtenants; Mortgages	13
3.7.	Existing and New Leases	14
3.8.	Conditions Precedent to Lease Execution	14
(a)	Ferry Concessioner's Lease	14
(b)	Conservancy Lease	15
4.	Joint Obligations	15
4.1.	Cooperation/Coordination	15
(a)	Cooperation	15
(b)	Copies of Official Correspondence	16
(c)	Timeframes	16
(d)	Initial Transition; Phased Delivery of Premises; Construction Phasing	16
(e)	Transition Plan For Successive Ferry Concessioners	16
(f)	Contingency Planning in Case of Delayed Transition	17
(g)	Preparation for Subsequent Ferry Concessioners	17
(h)	Resolution of Disputes; Non-Binding Mediation	17
(i)	Notice of Potential Claims	18
(j)	Other Agreements	18
(i)	Enforcement	18
(ii)	Coterminous	19
(iii)	Amendment	19

4.2.	Interruption of Alcatraz Island Service Due to Construction	19
4.3.	Contacts with Regulatory Agencies	19
4.4.	Media; Public Relations and Outreach	20
5.	Term	20
5.1.	Initial Term	20
5.2.	Extension Terms	20
5.3.	Conservancy Extension Options	20
5.4.	Terms During Extension Term(s)	21
	(a) Ferry Concessioner Lease General Terms	21
	(b) Fair Market Rent Determination; Appraisal Process	21
	(c) Final Determination	24
5.5.	Termination	24
6.	Casualty	25
6.1.	Before Lease Execution	25
6.2.	After Lease Execution	25
6.3.	Insurance Policies	25
7.	Defaults, Remedies	25
7.1.	NPS Events of Default	25
7.2.	Port Events of Default	25
7.3.	Remedies	26
7.4.	Institution of Legal Actions	26
8.	Force Majeure	26
9.	Left Blank By Agreement of Parties	27
10.	Mineral Reservation	27
11.	General Provisions	27
11.1.	Notices	27
11.2.	Conflict of Interest	28
11.3.	Document Sharing	28
11.4.	Time of Performance	29
11.5.	Interpretation of Agreement	29
11.6.	Further Approvals	29
11.7.	Charter Provisions	29
11.8.	Costs and Expenses	29

11.9. Successors and Assigns	30
11.10. Non-Liability of Officials, Employees and Agents	30
11.11. Transfer	30
11.12. Cumulative Remedies	30
11.13. No Representations or Warranties	30
11.14. No Third Party Beneficiaries	30
11.15. Authority	30
11.16. No Waiver	30
11.17. Counterparts	31
11.18. Entire Agreement	31
11.19. Amendment	31
11.20. Governing Law	31
11.21. Federal Anti-Deficiency Act	31
11.22. Severability	31
12. Effective Date	31
13. Definitions	32

#### **EXHIBITS AND SCHEDULES**

Exhibit A	Site Plan
Exhibit B	Concessioner Form of Lease for Initial Ferry Concessioner Lease
Exhibit C	Hornblower Lease Premises
Exhibit D	SF Pier 33 LLC Lease Premises
Exhibit E	Port of San Francisco Historic Preservation Review Guidelines for Pier and Bulkhead Wharf Substructures
Exhibit F	Port Pier 31½ Marginal Wharf Improvements
Exhibit G	Conservancy Lease

## GENERAL AGREEMENT

**THIS GENERAL AGREEMENT** dated for reference purposes as of \_\_\_\_\_, 2018, is by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation ("**City**"), operating by and through the **SAN FRANCISCO PORT COMMISSION** ("**Port**"), and the **UNITED STATES OF AMERICA, NATIONAL PARK SERVICE**, an agency of the United States Department of the Interior, ("**NPS**"), collectively referred to as the "**Parties**." The exhibits, recitals and this General Agreement are and shall be construed as a single instrument and are referred herein as this "**Agreement**". All initially capitalized terms in this Agreement are defined in Section 13.

### RECITALS

This Agreement is made with reference to the following facts and circumstances:

**A.** Port is an agency of the City, exercising its functions and powers over property under its jurisdiction and organized and existing under the Burton Act and the City's Charter. Most Port property consists of tidelands and submerged lands that are subject to the common law public trust doctrine, the California Constitution, the Burton Act, and the related transfer agreement under which the State of California transferred most of the San Francisco waterfront to the City in 1969. Port has jurisdiction over the area that is the subject of this General Agreement and depicted on *Exhibit A* attached hereto ("**Site**").

**B.** NPS is an agency of the United States Department of the Interior, part of the United States federal government. The mission of the National Park Service is to "promote and regulate the use of the National Park System by means and measures that conform to the fundamental purpose of the System units, which purpose is to conserve the scenery, natural and historic objects and wild life in the System units and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations." 54 U.S. C. § 100101.

**C.** NPS administers the Golden Gate National Recreation Area ("**GGNRA**"), which was established in 1972 as a unit of the National Park System by the GGNRA enabling legislation, 16 U.S.C. § 460bb et seq. NPS is entering this Agreement in accordance with the National Park Service Organic Act, 54 U.S.C. §§ 100101, 100301-100302, 100751, and the GGNRA enabling legislation. GGNRA encompasses over 80,000 acres of land within San Francisco, Marin, and San Mateo counties, including 75 miles of ocean and bay shoreline. One of GGNRA's most prominent sites is Alcatraz Island, which is historically significant as a famed federal prison and also as part of early coastal fortification systems and the site that ignited the movement for American Indian self-determination.

**D.** Access to Alcatraz Island is provided by a Ferry Concessioner selected by NPS through a competitive process, as mandated by the 1998 Concessions Act and consistent with 36 CFR Part 51. Historically, the concession contract solicitation required offerors to have an existing lease with the Port to provide the embarkation site for Alcatraz Island visitors. This approach resulted in the Alcatraz embarkation moving around Port property, which created challenges during concession contract transitions, limited the amount of investment that could be made into an embarkation site and adjacent Port property, and limited competition for the contract, since an offeror was required to have an existing Port lease to compete.

**E.** NPS, in close cooperation with the Port, undertook a planning effort under the National Environmental Policy Act ("**NEPA**") to identify a long-term Alcatraz embarkation site to benefit visitors to Alcatraz and the San Francisco waterfront as well as the Parties. The NPS published the Final Environmental Impact Statement for the Alcatraz Ferry Embarkation project on January 24, 2017 and the Record of Decision was signed on January 11, 2018. The Site described herein will provide a stable location in San Francisco, with certainty for more than 1.5

million visitors annually, neighbors, and businesses, and it will allow for long-term investment even as Ferry Concessioners change. The Site will provide a high quality NPS welcome and orientation, significantly enhancing the Visitor Experience and including introductions to Alcatraz Island, GGNRA, the national park system, and the Port. Additionally, the Site will enable sound financial stewardship of both Parties' capital and operational needs.

**F.** The purpose of this Agreement between the NPS and the Port is to memorialize the Parties' partnership and designate the Site as the embarkation point to Alcatraz Island for the term of the Agreement and to establish the associated terms and conditions. Site investment will be made by: future Ferry Concessioners, who will be required to invest in the Site as part of the Ferry Concession Contract and Port lease; Golden Gate National Parks Conservancy ("**Conservancy**"), NPS' nonprofit cooperating association that will make investments in an interpretive welcome and retail operation, a food and beverage operation, and other interpretive opportunities at the Site as part of an NPS agreement and Port lease; and the Port, which will repair and upgrade the marginal wharf substructure. The Parties expect these investments coupled with new services offered as part of an expanded, long-term Site to result in both a higher quality Visitor Experience and higher financial returns to the Parties.

**G.** The Parties acknowledge that the Site is the beginning and end point of the transportation services provided for the visiting public by the Ferry Concessioner and an integral part of the visitor services provided under the NPS ferry concession contract. Through this Agreement, the Parties will coordinate their separate relationships with a ferry concessioner. Assuming all pre-conditions are met for both Parties, NPS will select a concessioner on a periodic basis through its federally-mandated competitive process and Port will execute a lease with the selected concessioner. Each Ferry Concession Contract and lease will be coterminous and there will be multiple ferry concession contracts and leases throughout the Term.

**H.** The Port of San Francisco Waterfront Land Use Plan (the "**WLUP**") is Port's adopted land use document for property within Port jurisdiction, which provides the policy foundation for waterfront development and improvement projects. The Site is located in the area identified as the Northeast Waterfront Subarea in the WLUP and is located generally within the bulkheads of Piers 31 and 33 and includes the Pier 31½ marginal wharf. The Site totals about 25,000 square feet of indoor space in the bulkheads and sheds of Piers 31 and 33; about 43,000 square feet of open wharf area (Pier 31½); and about 60,000 square feet of submerged land (portion of water basin between Pier 31 and 33).

**I.** Port is entering this Agreement to further its core mission and functions set out in the Burton Act, the Port's Strategic Plan, the Port's Capital Plan, and the Waterfront Land Use Plan. Consistent with these guiding documents, the Agreement and associated leases will improve and expand maritime facilities and functions consistent with Public Trust uses and purposes; create new public access areas and improve Visitor Experience; facilitate significant investment in the Site including an estimated \$21 million investment by the future Site tenants and an estimated \$5 million investment by the Port; and secure and increase Trust revenues from Alcatraz Island operations.

**J.** On July 12, 2016, the Port Commission approved Resolution No. 16-30 endorsing a non-binding term sheet describing the fundamental deal terms for the Project ("**Term Sheet**") and recommending an exemption from the Board of Supervisors from the City's competitive bidding policies for the successive Ferry Concessioner leases and 30-year Conservancy lease. In the same resolution, the Port Commission directed the Executive Director, or her designee, to work with NPS to undertake project review and negotiate the terms and conditions of a final agreement.

**K.** On November 29, 2016, the Board adopted Resolution No. 497-16 endorsing the non-binding Term Sheet between the Parties and exempting the successive Ferry Concessioner Leases and 30-year Conservancy Lease from the City's competitive bidding requirements.

L. The Planning Department reviewed the long term development and operation of an improved ferry embarkation operation at the Site to support Alcatraz Island visitors (the “Project”) and determined that a Mitigated Negative Declaration would be appropriate because the Project is a continuation and small expansion of an existing use. The San Francisco Planning Department prepared a Preliminary Mitigated Negative Declaration (2017-0001888ENV) for the proposed Project, which was subject to a 30-day public review period. The Mitigated Negative Declaration became final on February 23, 2018 (“MND”). Compliance with the Mitigation Monitoring and Reporting Program in the MND is an enforceable condition of the leases.

M. NPS has or intends to enter into an agreement with the Conservancy for Alcatraz Embarkation that addresses the Conservancy’s operations and Visitor Experience.

N. NPS issued the prospectus on January 30, 2018 and closed bidding in July 2018.

O. On June 25, 2018, by Resolution No. 18-39, the Port Commission, among other things, adopted the MND and the MMRP, made findings that the Project advanced and benefited the Public Trust (“Public Trust Determination”), approved of this Agreement, the attached form lease for the Ferry Concessioner and the attached Conservancy Lease and authorized the Executive Director to seek approval of this Agreement and the Conservancy Lease from the Board of Supervisors.

P. On [\_\_\_\_], 2018, by Resolution No. XX-XX, the Board of Supervisors, relying on the MND, among other things, approved this Agreement, adopted the MMRP and approved the Conservancy Lease.

Q. The Parties now desire to enter into this Agreement to establish the Site as the long-term ferry embarkation site for Alcatraz Island and other NPS sites in the Bay Area with expanded visitor-serving amenities and infrastructure improvements and to set forth certain terms and conditions upon which NPS would enter into concession contracts with successive Ferry Concessioners and the Port would enter into Leases with the Conservancy and successive Ferry Concessioners over the Term.

#### AGREEMENT

Accordingly, in consideration of the foregoing and the mutual agreements set forth herein, the Parties agree as set forth below.

#### 1. SITE.

The “Site” is located at Piers 31, 31 ½ and 33 in the City and County of San Francisco, and is more particularly shown on the Site Plan attached as *Exhibit A*. The Site is comprised of pier sheds, pier bulkhead buildings, piers aprons, marginal wharf/plaza, and submerged lands and associated buildings, structures, fixtures and other improvements located thereon.

#### 2. NPS OBLIGATIONS.

**2.1. Sole Ferry Embarkation Site.** NPS acknowledges that the anticipated economic and non-economic benefits to Port and to the Site were material consideration for Port entering into this Agreement and the Leases. As a result, to enhance the possibility that the anticipated benefits will be realized, the Parties agree that, except as specifically provided in this Section, the Site shall be the only public Alcatraz Island visitor contact station and ferry embarkation site for public access to Alcatraz Island. During the Term, NPS agrees that it will not authorize or contract for any other public ferry embarkation site or excursion operation landing at Alcatraz Island from any other location except for service to and from the Rosie the Riveter WWII Home Front National Historic Park in Richmond; provided that such service must: (i) add, not replace, trips from the Site; (ii) be for the purpose of developing cross-NPS programming between the parks and not for general visitor access; and (iii) have only de minimis impacts on financial revenue from the Site.

The foregoing is not intended to limit NPS's authority (i) to allow the use of other embarkation sites for non-public trips to Alcatraz Island, such as for filming and construction access, or (ii) to allow or offer excursion ferries from other embarkation sites to other NPS sites other than and excluding Alcatraz Island.

## **2.2. Initial Ferry Concession Contract.**

(a) NPS Rights; Responsibilities. Port and NPS agree that NPS is solely responsible for selection of and contracting with operators for the Ferry Concession Contract. Port has no role in the selection, solicitation, and/or award of a contract to a Ferry Concessioner, which is a federal governmental process governed by applicable federal Laws including without limitation, the 1998 Concessions Act.

(b) Solicitation and Contract. NPS will conduct a solicitation for and, subject to the limitations of Laws (including without limitation those of the 1998 Concessions Act) and any valid order of a court with jurisdiction, award (within the meaning of the 1998 Concessions Act) a Ferry Concession Contract with an Initial Ferry Concessioner. The Parties acknowledge that it is in their mutual interest as well as the interest of the visiting public that there be no disruption of Alcatraz Island services from the Site and NPS shall use its diligent efforts to complete the solicitation and award so that the that the Initial Ferry Concession Contract will be effective upon the expiration date of the Ferry Concession Contract in effect on the Effective Date (including extensions to such contract) with the goal of avoiding any disruption in Alcatraz Island service from the Site including working with the Port to provide a smooth transition between operators, if necessary.

NPS shall require in any solicitation for a Ferry Concession Contract that any offeror submitting a proposal for that Ferry Concession Contract acknowledge and agree in writing at the time its proposal is submitted that NPS is solely responsible for selection of and contracting with a Ferry Concessioner and that Port has no role in the solicitation, selection, contracting or enforcement process for the Ferry Concession Contract.

(c) Contract Duration; Extensions. Each Ferry Concession Contract will have a term as determined by NPS of up to the maximum term allowed by Law and which may include extensions by NPS in its sole discretion subject to the limitations in this subsection. NPS must provide Port with prior written notice of its intent to extend any Ferry Concession Contract. NPS agrees that it will not extend a Ferry Concession Contract if any material Tenant Event of Default as defined by the relevant Lease and determined by Port in its sole discretion is outstanding at the time NPS notifies Port of its intent to extend a Ferry Concession Contract, in which case Port may elect by written notice to NPS to reject the extension in which case the Lease and the Concession Contract will expire as of their original expiration dates. Subject to Section 5.4(d) regarding rent during an Extension Term for any Ferry Concession Contract that is in effect both before and after a relevant Expiration Date, any extension of a Ferry Concession Contract during the initial Term shall be on all of the same material terms as the Initial Ferry Concession Contract.

The Parties agree that upon the expiration or earlier termination of this Agreement, any provision of a Ferry Concession Contract that concerns use of the Site shall be null and void.

(d) Form Lease. The initial and each subsequent solicitation for a Ferry Concession Contract must include as part of the information furnished in the Prospectus, a form Ferry Concessioner Lease prepared and approved by Port as described further in Section 3.5(a) that the Ferry Concessioner will be required to sign. The form lease for the Initial Ferry Concessioner is attached hereto as **Exhibit B**.

(e) Rent; Franchise Fee. Rent under the Initial Ferry Concessioner Lease shall be as described in Section 3.4(c). The Parties agree that during the initial Term, the amount a Ferry Concessioner pays to NPS as a Franchise Fee shall be excluded from the total gross revenues used to calculate the Port's percentage rent under the Ferry Concessioner Lease as further

defined in the Lease and as shown in the example below. For purposes of determining the rent under the Lease, gross receipts shall be as defined in the Ferry Concession Contract and shall exclude only: (i) sums collected for any sales or excise tax imposed directly upon the Ferry Concessioner by any duly constituted governmental authority (but only if stated separately from the selling price of the goods, merchandise or services, and collected from customers, and in fact paid to the appropriate governmental authority for which they are collected); (ii) audio and interpretive tours revenue passed through to the Conservancy for tours on Alcatraz Island; (iii) NPS Federal Lands Recreation Enhancement Act (“**FLREA**”) fees passed through to NPS; and (iv) Angel Island Tram Tour and Park Entrance Fees passed through to California State Parks or its concessioners. The Parties agree that administrative overhead or markups on these items will not be excluded from gross receipts for purposes of determining rent under the Lease. Notwithstanding the Franchise Fee as determined by NPS, the Parties agree that throughout the Term for the purposes of determining rent paid to the Port, without Port’s approval in its sole discretion: (i) exclusions from gross receipts under the Lease shall include only those specified above for purposes of calculating rent; and (ii) a Franchise Fee of no more than twenty-five and one-half percent (25.5%) shall be excluded from the total gross receipts used to calculate the Port’s percentage rent under any Ferry Concessioner Lease with the Port (but this provision shall not limit NPS’s right to receive a higher Franchise Fee as set forth in the initial Prospectus or to increase its Franchise Fee under future Ferry Concession Contracts). Adjustments to the preceding sentence can only be made by mutual agreement of the Parties, each in its sole discretion.

The following illustrates the calculation of gross receipts for ferry ticket sale revenues under the Ferry Concessioner’s Lease for descriptive purposes only.

Total Monthly Ferry Ticket Sales gross receipts under Ferry Concession Contract (before exclusions permitted by gross receipts definition as modified by Section 2.2(e))	\$1,000,000	A
Total Exclusion from Gross Receipts for Ferry Ticket Sales	<u>\$250,000</u>	B
Adjusted gross receipts under Port Lease for Ferry Ticket Sales	\$750,000	C=A-B
NPS Franchise Fee at up to 25.5% of gross receipts	<u>\$191,250</u>	D=C*25.5%
Gross revenue under Lease for Ferry Ticket Sales	\$558,750	E=C-D
Percentage Rent Due under Lease for Ferry Ticket Sales (if, added to other categories, exceeds monthly base rent).	\$41,906	F=E*7.5%

NPS agrees that, any increase of other pass through fees included in the overall ticket price (currently NPS “amenity fee” or Conservancy audio tour fee) or change in calculation or collection of such fee will cause the overall ticket price to increase by the same amount, thus not



decreasing the actual ticket revenue for the Ferry Concessioner or negatively affecting Port's revenues under a Ferry Concessioner Lease.

(f) Embarkation Site Improvements. The Initial Ferry Concession Prospectus must include a description of the required Embarkation Site Improvements (defined below in Section 2.6(a)). The Initial Ferry Concession Contract must include as a schedule the Ferry Concessioner Lease, which includes a requirement that the improvements shall be completed no later than the date that is five (5) years after the effective date of the Initial Ferry Concession Contract. Because the Initial Ferry Concession Lease and the Initial Ferry Concession Contract address rights and obligations that, while separate and independent, nevertheless require performance in part at the same location, NPS and the Port recognize that any material breach by the Concessioner of the Initial Ferry Concession Lease may and any termination of the Initial Ferry Concession Lease will affect the beginning and end point of the visitor services to be provided by the Concessioner under the Initial Ferry Concession Contract. Consistent with this, NPS agrees, independent of any action taken by the Port under the terms of the Initial Ferry Concession Lease, to terminate the Initial Ferry Concession Contract in the event the Concessioner fails to complete the required Embarkation Site Improvements (defined below in Section 2.6(a)) within five (5) years of the effective date of the Initial Ferry Concession Contract, with such termination to become effective (in order to allow for orderly solicitation and award of the immediate next Ferry Concession Contract ("**2nd Ferry Concession Contract**")) no later than three (3) years after the date specified in the written notice of termination given to the Concessioner by NPS (collectively, the "**Improvements Early Termination Provision**"). NPS shall include in the 2nd Ferry Concession Contract a requirement to complete any Embarkation Site Improvements that were not completed prior to termination of the Initial Ferry Concession Contract and are required by the Port as well as an Improvements Early Termination Provision. No information, notices or assurances regarding the Embarkation Site Improvements that are provided by the Concessioner to NPS and/or by the Port to NPS shall establish a contractual relationship between NPS and the Port.

(g) Additional Excursions. NPS shall include in the Ferry Concession Contract a requirement that the Ferry Concessioner operate Interpretive Park Cruises. Notwithstanding any other provision of this Agreement, there shall be no Interpretive Park Cruises allowed under any subsequent Ferry Concession without the prior written consent of the Parties, each in its sole discretion. NPS may also include ferry transportation from the Embarkation Site to Fort Baker when associated infrastructure improvements at Fort Baker are completed.

During the initial Term, all Ferry operations from or to the Embarkation Site as required or authorized in a Ferry Concession Contract, including without limitation Interpretive Park Cruises, shall be subject to the same terms and conditions in this Agreement applicable to service to Alcatraz Island; except that gross receipts under a Ferry Concessioner Lease shall include on-vessel audio and interpretive tours revenues if the Interpretive Park Cruises include such revenues.

(h) Assignment. Port agrees that, as between Port and NPS, NPS has sole discretion to approve or reject an Assignment of the Ferry Concession Contract, in which case Port will consent to an Assignment of the Ferry Concessioner Lease to the new entity, provided that, as further described in the form lease: (i) Port is given reasonable prior notice of the Assignment; (ii) the Ferry Concessioner executes the Port standard form consent and pays the costs of Port's review to the extent provided in the Lease; (iii) the agreement between the assigning Ferry Concessioner and the assignee includes the following terms: (A) assignee's express assumption of, and acknowledgement and agreement that the assignee will be liable for, all of the Tenant's obligations under the Lease; (B) an indemnification clause and waiver of claims provisions as provided in the Lease; (C) provisions requiring that all of the assignee's insurance policies name the City as an additional insured as required under the Lease and acknowledging Port's right to demand increased coverage to amounts customarily required for similar operations under then current market conditions; (D) a provision stating that if this Agreement or the Lease is

terminated for any reason, the assignee's right to possession will terminate; (E) a provision under which the assignee expressly waives any and all relocation assistance and benefits in connection with the Lease to the extent permitted by applicable Laws; (F) Port shall participate in the proceeds of any Assignment as provided in the Lease; and (G) if the proposed assignee is a tenant of the Port, there must be no Event of Default under the relevant lease(s) and tenant must be in compliance with all applicable City requirements at the time of the proposed transfer as determined by Port in its sole discretion. The Parties acknowledge that the 1998 Concessions Act governs assignments and NPS agrees that it will not unreasonably withhold its consent to an Assignment to the extent that such consent is consistent with and allowed by the 1998 Concessions Act and/or other Laws.

**2.3. Subsequent Ferry Concession Contracts.** Subsequent to the Initial Ferry Concession Contract, and in accordance with then applicable Law, NPS will solicit and subject to the limitations of applicable Law (including without limitation the 1998 Concessions Management Act) and any valid order of a court with jurisdiction, contract with successive Ferry Concessioners during the Term in a timely manner. Unless specified below or otherwise in this Agreement, the process and requirements (including as to timeliness) for subsequent Ferry Concessioners will be the same as described above in Section 2.2 for the Initial Ferry Concession Contract. The form lease for subsequent Ferry Concessioners is described in Section 3.5(a).

(a) **Rent.** Rent under Ferry Concessioner Leases subsequent to the Initial Ferry Concessioner Lease shall be as described in Sections 3.5(b), 3.5(c) and 5.3(b).

(b) **Interpretive Park Cruises.** As provided in Section 2.2(g), subsequent Ferry Concession Contracts shall not include Interpretive Park Cruises without the prior written consent of the Parties, each in its sole discretion.

(c) **Other.** In each solicitation for a Ferry Concession Contract, NPS will include as part of the information furnished in the Prospectus and as a requirement of the Ferry Concession Contract the terms and conditions established through the process described in Sections 4.1(e) and 4.1(g) regarding transitions.

**2.4. Conservancy.** Port and NPS agree that, in order to enhance the Visitor Experience, NPS selected the Conservancy to provide the interpretive retail and food and beverage services and other public amenities at the Site and that the Board of Supervisors exempted the Conservancy Lease from the City's competitive bidding process.

**2.5. Existing Leases.** NPS acknowledges the following existing Port leases at the Site:

(i) Port Amendment to and Restatement of Lease No. L- 12501, as amended, with Hornblower Yachts, Inc., a California corporation ("**Hornblower Lease**") for portions of the Site comprised of approximately: 42,952 square feet of open pier space at Pier 33 ½; 60,000 square feet of submerged land; and 7,035 square feet of shed space in Pier 33 as shown on **Exhibit C** ("**Hornblower Lease Premises**"). The Hornblower Lease expired on October 31, 2014 and has continued on a month to month holdover basis with Port's consent pursuant to Section 27 of the Hornblower Lease since that date.

(ii) Port Lease No. L-15837 with San Francisco Pier 33 LLC, a California limited liability company, as amended ("**SF Pier 33 LLC Lease**") for portions of the Pier 33 South Bulkhead building comprised of approximately 4,515 square feet on the ground floor, and approximately 9,030 square feet on the second and third floors as shown on **Exhibit D** ("**SF Pier 33 LLC Lease Premises**"). SF Pier 33 LLC has several subtenants. The SF Pier 33 LLC Lease expires on July 31, 2019.

## ***2.6. Permitting; Design Development for Initial Improvements.***

(a) **Initial Improvements.** The Initial Improvements consist of the following improvements as more particularly described in the respective Leases: (A) by the Ferry Concessioner ("**Embarkation Site Improvements**"): waterside infrastructure including new ferry barges, docks and associated infrastructure, Pier 31½ marginal wharf deck surface, Pier 33 shed visitor restrooms, Pier 31 bulkhead restrooms, Pier 33 bulkhead improvements, and improvements to the interior of the Pier 31 and 33 sheds; and (B) by the Conservancy (the "**Conservancy's Improvements**"): Pier 31 interior bulkhead improvements including the build-out of the Pier 31 bulkhead restaurant and the Pier 33 visitor contact station/interpretive retail center. Unless specified otherwise in the respective Lease, each Tenant will construct, own and operate and its respective Initial Improvements during the term of its Lease.

Construction of the Initial Improvements and operation of the Site require Regulatory Approvals from Regulatory Agencies. Ferry Concessioner and/or the Conservancy as applicable shall, at no cost to Port (other than Port's own internal staff and attorney time and the cost of any consultants retained by the Port), obtain all of the necessary Regulatory Approvals for construction of the Initial Improvements no later than the date assigned to each in the schedule of performance as required by the Leases.

In order to avoid delays as the Site transitions to the new Tenants, NPS will use diligent efforts to complete the following no later than April 2, 2018. Port agrees that, in so doing, NPS shall not become a permittee or be responsible for completing any improvements or associated permit obligations, including mitigation or monitoring, contemplated to be performed by the new Tenants.

NPS shall:

(i) facilitate the submission of a permit application by the Port and the Conservancy for a BCDC permit(s) for the construction of the Initial Improvements and operation of the Site (and the Ferry Concessioner, once selected, will be added to the permit);

(ii) facilitate the submission of a permit application by the Port for an Army Corps of Engineers permit for construction of the Embarkation Site Improvements (including concurrence from National Marine Fisheries and US Fish and Wildlife Service if needed) (and the Ferry Concessioner, once selected, will replace Port as the permittee); and

(iii) facilitate the submission of a permit application by the Port for a RWQCB permit for construction and stormwater management (and the Ferry Concessioner, once selected, will replace Port as permittee).

(b) **Port Design Approval.** The Ferry Concessioner and Conservancy shall obtain Port's approval (at a staff level, unless Port Commission approval is required) of the design of all Exterior Improvements at the Site. Port shall provide such approval in a timely manner. In order to avoid delays as the Site transitions to new Tenants, NPS may seek Port's approval on behalf of the Ferry Concessioner and the Conservancy in connection with the permits listed above.

(c) **Embarcadero Historic District.** NPS acknowledges that the Site contains contributing resources to the Port of San Francisco Embarcadero Historic District on the National Register. Accordingly, all improvements are subject to review by Port for consistency with the design policies and criteria set forth in the Waterfront Land Use Plan, Design and Access Element, the Secretary of the Interior's Standards for the Treatment of Historic Properties, and the Port of San Francisco Historic Preservation Review Guidelines for Pier and Bulkhead Wharf Substructures attached hereto as ***Exhibit E***.

(d) Regulatory Approvals. NPS understands that Port is entering into this Agreement in its capacity as a landowner with a proprietary interest in the Site (subject to the Public Trust) and not as a Regulatory Agency with certain police powers and that Port has made no representation or warranty that the necessary Regulatory Approvals to allow for construction of the Concessioner's and Conservancy's Improvements and operation of the Site can be obtained. NPS shall not submit an application for any Regulatory Approval without first obtaining the approval of Port, which (except as set forth herein) shall not be unreasonably withheld, conditioned or delayed, and NPS shall not become liable for completing such improvements or associated monitoring or mitigation. Port shall cooperate reasonably with NPS in its efforts to obtain Regulatory Approvals on behalf of the Tenants; however, NPS shall not agree to the imposition of conditions or restrictions if: (1) Port is required to be a co-permittee under such permit and such conditions and/or restrictions could create any obligations on the part of Port off-Site or could otherwise encumber, restrict or change the use of Port property (other than the Site), unless in each instance Port has previously approved, in Port's sole discretion, such conditions or restrictions; or (2) Port is required to be a co-permittee under such permit and the conditions or restrictions could create any obligations on the part of Port on-Site, or could otherwise encumber, restrict or change the use of the Site, unless in each instance Port has previously approved, in Port's reasonable discretion, such conditions and/or restrictions.

Port shall provide NPS with its approval or disapproval under the prior paragraph in writing to NPS within ten (10) days after receipt of NPS's written request, or if Port's Executive Director determines that Port Commission or Board of Supervisors action is necessary, at the first Port and subsequent Board hearings after receipt of NPS's written request subject to notice requirements and reasonable staff preparation time, not to exceed forty-five (45) days for Port Commission action alone and sixty (60) days if both Port Commission and Board of Supervisors action is required.

Port shall join in any application by NPS or a Tenant for a BCDC permit or other required Regulatory Approval for which Port is required to be a co-permittee and execute such permit where required, provided that Port shall have no obligation to join in any such application or sign the permit if Port does not approve the conditions or restrictions imposed by BCDC or other Regulatory Agency under such permit as set forth above.

## ***2.7. Closure of Alcatraz Island.***

As soon as possible after NPS knows of a potential anticipated closure of Alcatraz Island to visitors, NPS shall provide written notice to Port including the start date, estimated duration, cause of closure, plan for re-opening, interim plan, estimated revenue impact, and other information requested by Port of such anticipated closure.

(a) Port agrees to suspend base rent due from the Ferry Concessioner and the Conservancy during periods when Alcatraz Island closes to visitors for more than one (1) day for reasons outside NPS's or its Agent's control (such as weather, earthquake damage or a government shutdown, but not deferred maintenance) to the extent that such interruption is not covered by Tenant's business interruption insurance. There shall be no abatement for base rent for office uses (including for the upper floors of the Pier 33 South Bulkhead building) or for any percentage rent under such circumstances.

(b) If the closure is due to deferred maintenance or other reasons within the control of NPS or its Agents and continues for one (1) year, then, upon ninety (90) days' prior written notice, Port may terminate this Agreement without cost or liability. There shall be no rent abatement or other concessions under the Leases during any such period or due to termination under this Section.

(c) While the Parties recognize that revenues will be significantly impacted during any Alcatraz Island closure, during any such closure, NPS and Port will work together to authorize the Ferry Concessioner to expand its offerings of Interpretive Park Cruises in a manner

that attempts to protect the revenue stream for both Parties, subject to applicable Law, required environmental review, Regulatory Approvals and approval processes and necessary agreements.

**2.8. Subsequent Environmental Review.** Without cost to Port (other than Port's internal staff and attorney time and the costs of any consultants retained by the Port), NPS and/or the relevant Ferry Concessioner or the Conservancy shall conduct any environmental review under federal, state or local Laws necessitated by NPS's proposed changes or intensification of uses, improvements or services beyond those approved under the Final Environmental Impact Statement for the Alcatraz Ferry Embarkation project and MND. NPS shall not be responsible for environmental review under federal, state or local Laws for changes or intensification of uses, improvements or services proposed by the Ferry Concessioner or Conservancy; such environmental review shall be the responsibility of the Ferry Concessioner or Conservancy, as applicable, unless NPS agrees otherwise in writing.

**2.9. Conditions Precedent to Ferry Concession Contract Execution.** The following are conditions precedent to NPS's obligation to execute any Ferry Concession Contracts required under this Agreement:

(a) Port shall have performed all obligations under this Agreement required to be performed on its part and no uncured Port Event of Default exists;

(b) No changes in Laws have occurred that would prevent the performance of NPS's or Port's obligations as contemplated in this Agreement;

(c) The Ferry Concessioner shall have executed and delivered to NPS a Ferry Concession Contract;

(d) Port and Ferry Concessioner shall have executed a Ferry Concessioner Lease in the form included with the Prospectus that will become effective only as of the date of award (within the meaning of 36 C.F.R. §51.3) of the Ferry Concession Contract (e.g. after completion of any Congressional notifications and the expiration of waiting periods required by 54 U.S.C. §101913(6) and execution by NPS);

(e) As to the Initial Ferry Concessioner's Lease, NPS shall have completed the items relating to permitting listed in Section 2.6(a)(i) – (iii) to the extent permitted without assuming obligations intended to be performed by the new Tenant;

(f) NPS shall have received and reasonably approved documentation submitted by the entity selected to be the Ferry Concessioner that demonstrates its ability to meet the initial investment requirements of the Contract. Because performance of the Contract is dependent on Ferry Concessioner's execution of the Ferry Concessioner's Lease, which in turn requires the Ferry Concessioner to construct certain improvements as described therein, NPS's estimate of the initial investment under the Contract shall include an amount deemed reasonably sufficient for construction of Lease improvements by both NPS and Port. Such approval of Ferry Concessioner's adequate financial resources and/or financing by NPS shall in no way constitute a guarantee to the Port of the adequacy of the amount or the availability of the funds when needed;

(g) Any applicable Congressional notifications required by 54 U.S.C. §101913(6) (or any successor statute) have been completed and the waiting period prescribed by 54 U.S.C. §101913(6)(B) (or any successor statute) has expired; and

(h) Any Environmental and other regulatory review required by Law shall have been completed.

The conditions precedent set forth above are intended solely for the benefit of NPS. Each Party will use diligent efforts to meet or satisfy the conditions precedent within its control. If, however, any condition precedent is not satisfied, NPS may, in its sole discretion and without cost or liability, either waive in writing the condition precedent in question and proceed with

execution of a Ferry Concessioner Contract or terminate this Agreement. NPS agrees that it will not terminate this Agreement under this provision provided that there is an existing Port Lease in effect with a Ferry Concessioner.

### 3. PORT'S OBLIGATIONS.

**3.1. Pier 31½ Marginal Wharf Improvements.** Subject to availability of adequate funding (which Port shall use its diligent efforts to secure) as approved and appropriated by the Port Commission and Board of Supervisors each in its sole discretion, Port will use its diligent efforts to perform improvements to the substructure of the Pier 31½ marginal wharf as described in this Section and in *Exhibit F* ("Port Pier 31½ Marginal Wharf Improvements") on a schedule mutually agreeable to the Parties. Port shall be solely responsible for obtaining all Regulatory Approvals required for the Port Pier 31½ Marginal Wharf Improvements. The Pier 31 ½ Marginal Wharf Improvements are estimated to cost up to Five Million Dollars (\$5,000,000.00). If Port does not obtain funding to undertake the Pier 31 ½ Marginal Wharf Improvements by December 31, 2019, the Port will work with the Ferry Concessioner to undertake this work in accordance with the Ferry Concessioner Lease in exchange for rent credits.

**3.2. Port's Maintenance and Repair.** Port is responsible for the maintenance and repair of the Pier 31 marginal wharf substructure, Piers 31 and 33 bulkhead substructure and seawall, and the exteriors of Piers 31 and 33 sheds. Port's maintenance and repair obligations are set forth in the Leases. Consistent with its routine maintenance and repair regime for similar structures and subject to budgetary restrictions and appropriations, Port will (i) inspect the applicable substructure (including the seawall) and superstructure on a periodic and as-needed basis, but no less frequently than every five (5) years, and (ii) will provide as-needed maintenance and repairs in compliance with applicable codes regarding protection of health and safety as determined in the sole discretion of the Port's Chief Harbor Engineer in his/her regulatory capacity as the Port's chief building official.

**3.3. Pier 31/ 33 Water Basin and Aprons.** The Ferry Concessioner Lease includes only a portion of the Pier 31/ 33 Water Basin and a portion of the Pier 31 and Pier 33 aprons. The aprons and areas of the Pier 31/ 33 Water Basin outside the leased premises must remain open for safe, unimpeded access to and from The Embarcadero and the leased areas, including for vessel navigation. Accordingly, the Parties agree as follows: (A) all users of the Pier 31/ 33 Water Basin shall be required to navigate as close to the centerline as possible taking local conditions (including currents) into consideration in order to leave the basin clear for the safe maneuvering of vessels; there shall be no idling vessels in the basin; (B) each Ferry Concessioner Lease will provide a vessel berthing, scheduling and operations plan to address use of the Pier 31/ 33 Water Basin; and (C) except for vessels providing passenger services using the aprons which shall be subject to NPS's prior approval in NPS's sole discretion based on considerations of safety and Visitor Experience, Port reserves the right to allow use of the aprons in connection with uses of the Pier 31/ 33 Water Basin in the case of emergencies and for the following routine maritime uses without limitation: (1) layberthing (including potentially of the Ferry Concessioner's Alcatraz Island ferry vessels including under the Ferry Concessioner's right of first refusal as described in Section 3.4(f)), (2) maintenance and repair vessels, barges and equipment including pile driving and dredging equipment, (3) fishing vessels associated with the fish processing operations within the Piers 31 and 33 sheds; and (4) commercial or private vessels laying over during regional transit. For purposes of this Agreement, layberthing is generally defined as berthing/storing a vessel that is not being deployed in some kind of in-water service, typically for repairs or on stand-by orders including overnight berthing/storage.

#### **3.4. Initial Ferry Concessioner Lease.**

(a) Form Lease. Subject to satisfaction or waiver of all of the conditions set forth in Section 3.8(a), Port agrees to enter into a Lease for portions of the Site with the Ferry Concessioner substantially in the form of the lease attached as *Exhibit B* with no changes other than (A) changes agreed to by the Parties in the sole discretion of each; and (B) to add new Laws

and City Requirements effective subsequent to the Effective Date of this Agreement but prior to the commencement date of the Lease.

(b) Lease Duration. Without limiting Port's rights to terminate a Lease as provided by the Lease, the term of the Ferry Concessioner Lease will be coterminous with the term of the Ferry Concession Contract as described further in Section 2.2(c) of this Agreement.

(c) Rent During Initial Term. As more particularly described in *Exhibit B*, initial base rent shall be set at approximately \$58,000 per month (or \$696,000 per year). During the Initial Term, percentage rent will be 7.5% of adjusted gross revenue on ferry service, 7.25% of adjusted gross revenue from ferry food and beverage, and 8.00% of adjusted gross ancillary revenue. Rent shall be the greater of the guaranteed monthly base rent or percentage rent, calculated and paid to the Port monthly. The Parties agree that gross receipts under the Ferry Concessioner Lease shall exclude only the sums described above in Section 2.2(e). Annual base rent escalation for office space will be three percent (3%). For all other parcels/uses, annual base rent escalation will be two and one-half percent (2.5%). As more particularly described in *Exhibit B*, initial rent for the Pier 33 office space shall be set at approximately \$13,836 per month (or \$166,032 per year) escalated by 3.0% annually. This portion of the premises will not be counted for purposes of calculating percentage rent.

(d) Embarkation Site Improvements. The form lease attached as *Exhibit B* describes the Ferry Concessioner's obligation to construct the Embarkation Site Improvements in accordance with the deadlines set forth in the schedule of performance attached to the Lease and provides monetary penalties for failure to do so. If the Initial Ferry Concessioner does not complete the Embarkation Site Improvements, Port shall require the subsequent Ferry Concessioner to do so.

(e) Subtenants; Mortgages. The Ferry Concessioner must obtain NPS's and Port's prior written consent to any Sublease, management agreement or similar agreement or of any mortgage or other encumbrance secured by Port-owned property as provided under the terms of the Ferry Concessioner Lease.

(f) Use of Aprons for Layberthing. Under the terms and conditions set forth in *Exhibit B*, the Ferry Concessioner shall have a one-time right of first refusal to enter into an agreement with Port to use portions of the aprons for layberthing vessels used by the Ferry Concessioner for Alcatraz service on the same terms and conditions as Port would allow such uses by others.

(g) In the event that Port exercises its rights under a Ferry Concessioner Lease to relet the premises or any part thereof to a third party for Ferry Concessioner's account as a result of a Ferry Concessioner's lease default, Port agrees that it will not "relet" the Ferry Concessioner premises to a new tenant without the prior written concurrence of NPS.

**3.5. Subsequent Ferry Concessioner Leases.** Unless specified below or otherwise in this Agreement, the lease terms for subsequent Ferry Concessioners will be the same as described above in Section 3.4 for the Initial Ferry Concessioner Lease.

(a) Form Lease. Port will draft a form lease which shall conform with the requirements of this Agreement and be based on the then-current Ferry Concessioner's Lease and the then-current standard terms and conditions in the Port's form lease for similar operations, including retail/maritime uses, and shall include all then-applicable City Requirements. Port will provide NPS a reasonable opportunity to review and comment on the draft form lease as to conformance with NPS's planned solicitation process and requirements, provisions agreed upon under this Agreement, and as to City Requirements to be included, whether the requirements conflict with federal law or NPS would like to request waiver subject to Port Commission and Board of Supervisor approval. The form lease shall be subject to approval by the Port Commission and Board of Supervisors (if required) each in its sole discretion.



(b) Rent During Initial Term . Rent for subsequent Ferry Concessioner Leases during the Initial Term of the Agreement shall be as described in Section 3.4(c).

(c) Rent During Extension Term(s) of this Agreement. Rent during any Extension Term(s) under this Agreement shall be determined as provided in Section 5.4(b).

### **3.6. Conservancy Lease.**

(a) Conservancy Lease. Subject to satisfaction or waiver of all of the conditions set forth in Section 3.8(b), Port agrees to enter into a Lease for portions of the Site with Conservancy substantially in the form attached as **Exhibit G** with no changes other than (A) changes agreed to by Port and Conservancy in the sole discretion of each; and (B) to add new Laws and City Requirements effective subsequent to the Effective Date of this Agreement but prior to the commencement date of the Lease. Port will provide NPS a reasonable opportunity to review and comment on the draft lease as to conformance with the requirements of this Agreement. The lease shall be subject to approval by the Port Commission and Board of Supervisors each in its sole discretion.

(b) Lease Duration. The Conservancy Lease shall be for a term of thirty (30) years. The Conservancy shall have two (2) options to extend the term for ten (10) years each, provided that this Agreement is extended for the applicable Extension Term as defined and described in Section 5.2. The terms and conditions for extension of the Conservancy Lease are set forth in the lease attached as **Exhibit G**

(c) Execution and Delivery. The Conservancy will execute the Lease prior to the Port seeking approval of this Agreement by the Port Commission. The Conservancy will take possession of the relevant leasehold by the date that is ninety (90) days after the Conservancy Lease is fully executed.

#### **(d) Rent .**

(i) As more particularly described in **Exhibit G**, the rent to be paid by the Conservancy for the initial thirty (30) year term of the Conservancy Lease shall be approximately \$27,500 per month (or \$330,000 per year) escalated by 2.5% annually. During the Initial Term, percentage rent will be 7.5% of gross revenue on both food and beverage and retail land side operations. Rent during any extension term(s) of the Conservancy Lease shall be determined as provided in Section 5.4(b). The Parties agree that gross receipts under the Conservancy Lease shall exclude only the following: (i) sums collected for any sales or excise tax imposed directly upon the Conservancy by any duly constituted governmental authority (but only if stated separately from the selling price of the goods, merchandise or services, and collected from customers, and in fact paid to the appropriate governmental authority for which they are collected); and (ii) audio and interpretive tours revenue paid to the Conservancy for tours of Alcatraz Island; and (iii) revenues generated on Alcatraz Island, such as sales from the on island book store.

(ii) As further described in the Conservancy Lease, Port agrees to abate rent during the construction of the Conservancy's Improvements for up to a maximum period of Two Hundred Seventy (270) days.

(e) Conservancy's Improvements. The Conservancy Lease attached describes the Conservancy's obligation to construct the Conservancy's Improvements in accordance with the deadlines set forth in the schedule of performance attached to the Conservancy Lease.

(f) Transfer; Subtenants; Mortgages. The Conservancy must obtain Port's and NPS's prior written consent to any transfer (as defined in the Conservancy Lease), and Port's and NPS's prior written consent to any Sublease, management agreement or similar agreement or of any mortgage or other encumbrance secured by Port-owned property as provided under the terms of the Conservancy Lease.



(g) In the event that Port exercises its rights under the Conservancy Lease to relet the premises or any part thereof to a third party for Conservancy's account as a result of a Conservancy lease default, Port agrees that it will not "relet" the Conservancy's premises to a new tenant without prior consultation with NPS as to the Visitor Experience.

### **3.7. Existing and New Leases.**

(a) Port reserves the right to execute new leases or other property use agreements allowing parking, temporary storage, construction lay down or similar uses at the Site or any portion thereof prior to the anticipated delivery of the Site to the Initial Ferry Concessioner and Conservancy, provided that any such new agreement shall expire or be terminable by Port prior to the anticipated delivery of that portion of the Site under the Leases unless otherwise approved by NPS. Any other new lease or other property use agreement for the Site or any portion thereof shall be subject to NPS's approval not to be unreasonably delayed or withheld.

(b) Port agrees to use diligent efforts including prosecution of an unlawful detainer action should it be necessary to ensure that existing tenants or others surrender their property rights in a timely manner upon expiration or termination of their respective agreements in order to execute and deliver new Leases but Port shall not be liable for damages, delays or claims due to its failure to regain possession of the Site or any portion thereof provided that Port has used diligent efforts.

**3.8. Conditions Precedent to Lease Execution.** The following are conditions precedent to Port's obligation to execute the Leases.

#### **(a) Ferry Concessioner Leases.**

(i) NPS shall have performed all obligations under this Agreement required to be performed on its part and no uncured NPS Event of Default exists;

(ii) If the proposed Ferry Concessioner is or was a tenant of the Port, there must be no Event of Default occurring within the previous five (5) years for which the Port could have terminated (after written notice to the proposed Ferry Concessioner and opportunity to cure) under the relevant lease(s) as determined by Port in its sole discretion;

(iii) No changes in Laws have occurred that would prevent the performance of NPS's or Port's obligations as contemplated in this Agreement;

(iv) As to the Initial Ferry Concessioner's Lease, NPS shall have completed the items relating to permitting listed in Section 2.6(a)(i) – (iii) to the extent permitted without assuming obligations intended to be performed by the new Tenant;

(v) The Ferry Concessioner shall have executed and delivered to Port a Lease on the form approved by Port (including any revision that has been properly approved in accordance with applicable Laws and this Agreement) and have delivered to Port the security deposit, satisfactory evidence of insurance and first months' rent as required by the Lease;

(vi) Port shall have received and reasonably approved evidence of adequate financing for the Embarkation Site Improvements (or subsequent improvements by Ferry Concessioners), including evidence of its ability to meet any debt service obligation(s) attendant thereto and duly executed and authorized performance bonds and other guarantees required by Port;

(vii) Port and City shall have received and approved the submissions and other actions tenants are required to make prior to Port's execution including those relating to City Requirements as specified the Leases; and

(viii) Environmental and other regulatory review has been completed in compliance with Laws and the Port Commission's and Board of Supervisors' approval, by resolution, of this Agreement, the Lease and any other transaction document to be executed by Port shall have been obtained; and

(ix) The Ferry Concessioner shall have signed the Concession Contract and NPS shall have prepared it for submittal for applicable Congressional notifications as described in Section 2.9(g) above.

Provided that the conditions in the above (i) – (ix) are met, Port will execute a Ferry Concessioner Lease which the Parties agree will not become effective until the Ferry Concession Contract becomes effective.

**(b) Conservancy Lease:**

(i) NPS shall have performed all obligations under this Agreement required to be performed on its part and no uncured NPS Event of Default exists;

(ii) No changes in Laws have occurred that would prevent the performance of NPS's or Port's obligations as contemplated in this Agreement;

(iii) NPS shall have completed the items relating to permitting listed in Section 2.6(a)(i) – (iii);

(iv) The Conservancy shall have executed and delivered to Port a Lease on the form approved by Port and have delivered to Port the security deposit, satisfactory evidence of insurance and first months' rent as required by the Lease;

(v) Port shall have received and reasonably approved evidence of adequate financing for the Conservancy's Improvements, including evidence of its ability to meet any debt service obligation(s) attendant thereto and duly executed and authorized performance bonds and other guarantees required by Port;

(vi) Port and City shall have received and approved the submissions Tenants are required to make prior to Port's execution relating to City Requirements as specified the Leases; and

(vii) Environmental and other regulatory review has been completed in compliance with Laws and the Port Commission's and Board of Supervisor's approval, by resolution, of this Agreement, the Lease and any other transaction document to be executed by Port shall have been obtained.

(c) The conditions precedent set forth above are intended solely for the benefit of the Port. Each Party will use diligent efforts to meet or satisfy the conditions precedent within its control. If any condition precedent is not satisfied, Port may in its sole discretion and without cost or liability, waive in writing the condition precedent in question and proceed with execution of a Lease, discuss other options with NPS or terminate this Agreement. Port agrees that it will not terminate this Agreement under this provision provided that there is an existing and operational Ferry Concession Contract in place.

#### **4. JOINT OBLIGATIONS.**

##### **4.1. Cooperation/Coordination.**

(a) Cooperation. Subject to the terms and conditions of this Agreement, the Parties agree to cooperate each at its own cost, to do or cause to be done, all things reasonably necessary or advisable to carry out the purposes of this Agreement, including the execution and delivery of any additional documents. The obligations and covenants of the Parties are interdependent. The Parties will each bear the costs of their own approval processes (including all levels of approval,

e.g. Port Commission, Board of Supervisors) and no fees or reimbursement to each other will be charged. Due to the long term nature of this partnership, the Parties agree that they will work together to resolve differences in a cooperative manner.

(b) Copies of Official Correspondence. Each Party will provide contemporaneous copies of official correspondence (written correspondence and not email communications) with the Ferry Concessioner/Tenant and the Conservancy/Tenant regarding material financial and operational matters for the Site, with redactions of information protected from disclosure by Law (such as confidential business information or trade secrets), but either Party's failure to do so will not constitute a breach of this Agreement.

(c) Timeframes. Except as otherwise provided in this Agreement, all timeframes in this Agreement may be extended by mutual agreement of the Parties.

(d) Initial Transition; Phased Delivery of Premises; Construction Phasing.

(i) Initial Transition.

(1) Laydown/Staging Space. If space within the Site is not available, Port will use diligent efforts to identify adjacent and/or nearby space for the Ferry Concessioner's use for laydown/staging, subject the Ferry Concessioner entering into a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule; provided that, Port agrees to waive the requirement to pay rent for up to 3,000 square feet of space for up to two (2) years during construction of the Embarkation Site Improvements. In order to qualify for the rent waiver, the Ferry Concessioner must demonstrate continuous active use of such space in connection with construction of the Embarkation Site Improvements.

(2) Condition of Premises; Maritime and Other Improvements.

The Parties will work together towards a smooth initial transition to the Conservancy and Initial Ferry Concessioner with no interruptions to Alcatraz Island service. The Parties will meet and confer regarding the requirements of the existing lease and ferry concession contract and will make diligent efforts as allowed by those agreements and Laws, to achieve an orderly and coordinated transition of operations in order to avoid disruption of services to the visiting public and minimize transition expenses. The Parties will use diligent efforts to obtain the agreement and cooperation of the current ferry concessioner or otherwise provide for the timely transfer of personal property the Ferry Concessioner is obligated to transfer on the marginal wharf to the next operator.

(ii) Phased Delivery of Premises. As further defined in the

Leases:

(1) Port will deliver premises to the Ferry Concessioner generally as follows: all parcels except the Pier 33 South Bulkhead building upon full Lease execution and, subject to the provisions of Sections 3.7(b) and 8 (Force Majeure), the Pier 33 South Bulkhead building in 2019. Once the Ferry Concessioner completes the required Embarkation Site Improvements on the Pier 33 South Bulkhead building, the Ferry Concessioner Lease will terminate as to certain portions of the Pier 33 South Bulkhead building and that space will be added to the Conservancy Lease.

(2) Port will deliver premises to the Conservancy generally as follows: Pier 31 bulkhead upon full Lease execution and portions of the Pier 33 South Bulkhead building after the Ferry Concessioner completes the required Embarkation Site Improvements on the Pier 33 South Bulkhead building.

(e) Transition Plan For Successive Ferry Concessioners.

(i) NPS will include in any Ferry Concession Contract requirements for transition to a new Ferry Concessioner regarding Site-specific issues that will include the following: (1) cooperation prior to the expiration of the Ferry Concession Contract regarding continuation of operations to provide for no interruption of service from the Site to Alcatraz Island due to a change in the Ferry Concessioner; (2) cooperation with the transfer or assignment of all contracts and licenses entered into by the Ferry Concessioner that the successor Ferry Concessioner elects to assume and (3) provision of a detailed list of personal property owned or leased by the Ferry Concessioner at the Site that are essential to maintaining the continuity of operations or the special character of the concession operations..

(ii) Port will include in each Lease standard requirements regarding surrender of the premises including that: (1) unless specified otherwise by Port, permitted improvements constructed on or affixed to the premises shall, upon expiration or termination of the Lease, become part of the realty owned by Port and shall remain on the premises without compensation to Tenant; (2) before the expiration or earlier termination of the Lease, Tenant shall remove from the premises, and repair any damage caused by removal of, Tenant's personal property; and (3) any items not removed shall be deemed abandoned and Port may retain, store, remove, and sell or otherwise dispose of it pursuant to Law at Tenant's cost without cost or liability to Port.

(f) Contingency Planning in Case of Delayed Transition. No less than sixty (60) days after execution of a Ferry Concession Contract, if the Parties believe there may be a delayed transition, the Parties will meet and confer to discuss the transition between Ferry Concessioners. During and subsequent to this meeting, the Parties will develop contingency plans to facilitate continued service to and from Alcatraz Island in case of a delayed transition. These contingency plans may include an alternative temporary Port embarkation site, subject to all required environmental review, Regulatory Approvals and approval processes and necessary agreements.

(g) Preparation for Subsequent Ferry Concessioners. No later than forty-two (42) months prior to the expiration of a Ferry Concession Contract, the Parties will meet to consult and discuss coordination of the upcoming solicitation, including without limitation, any open issues with the current operations or operator, removal of and new improvements that would materially affect Visitor Experience, and new Federal and City Requirements. The Port will inform NPS regarding any deferred maintenance or improvement needs for subsequent leases.

(h) Resolution of Disputes; Non-Binding Mediation. The Parties shall attempt to resolve any matters of dispute under this Agreement at the designated staff levels as follows. Each Party will designate staff to be the initial person or persons to discuss any apparent dispute or disagreement between the Parties and to initiate this procedure. Each such designated person may contact his or her counterpart at the same level at any time to raise any apparent disagreement related to this Agreement. For the Port, the first-level person shall be the Senior Property Manager for the Northern Waterfront; for NPS, the first-level person shall be Chief, Business Management Division, GGNRA. For matters not resolved at the first level, the second-level person for the Port shall be Deputy Director for Real Estate and for NPS shall be Deputy Superintendent, GGNRA. For matters not resolved at the second level, the third level person for the Port shall be Port's Executive Director and for NPS shall be General Superintendent, GGNRA. The Parties can change the designated persons at any time by written notice to the other Party. The time period provided for dispute resolution at each level will be ten (10) business days unless the designated level persons for both Parties agree to extend such time period.

If a matter is not resolved at the third level of dispute resolution, either Party may initiate non-binding mediation by providing notice to the other Party. Upon such notice, the Parties shall, within thirty (30) days, attempt to agree upon a single mediator and the process/rules for

such non-binding mediation. If the Parties cannot agree on a mediator, the Parties will each prepare a two (2) page statement setting forth the nature of the dispute and provide the statements to the San Francisco Office of Judicial Arbitration and Mediation Services, Inc. or a similar successor entity (JAMS) and ask JAMS to appoint an appropriate mediator from the Bay Area and to set the process/rules. Any efforts at mediation shall conclude within ninety (90) days of the initial notice, unless the Parties mutually agree to extend the time period for the mediation. After one (1) day of mediation, either party may terminate the mediation at any time without penalty. Any mediation under this Agreement shall be non-binding.

Each Party shall bear its own costs for the mediation and the cost of the mediator and other joint costs shall be split equally by the Parties.

As part of any dispute resolution process the Parties may consider commercially and operationally reasonable measures (including amendments to this Agreement or to a Contract, Other Agreement or Lease subject to all required environmental review, Regulatory Approvals and approval processes) to ensure: (1) continued maximum public access to a suitable embarkation site and (2) preservation of revenue to the Parties. These measures could include without limitation: identifying an alternative temporary Port embarkation site to prevent or minimize disruption of access to Alcatraz Island, partnering with Regulatory Agencies to develop a streamlined approach to any required Regulatory Approvals for needed improvements, and planning and implementing new investment in a cost effective manner including by providing rent credits to Tenants to perform work at the Site.

(i) Notice of Potential Claims. Each Party will provide written notice to the other as soon as it has information that could result in a claim against either Party.

(j) The Parties intend to comply with any required environmental and regulatory reviews and approvals necessary for any proposed changes to vessel landing operations at Fort Baker.

**4.2. Other Agreements.** With respect to all Other Agreements, the Parties agree as follows:

(a) Enforcement. As set forth in Section 11.14, neither party is a third party beneficiary of the agreements of the other party. Each Party is responsible at its own cost and in its own reasonable judgement in accordance with Laws and standard practices for enforcing all aspects of its Other Agreements with respect to the Site. While recognizing that neither Party is a third party beneficiary of the agreements of the other Party, the Parties acknowledge that because the Lease and Ferry Concession Contract are interrelated to the extent they address different actions but at the same Site, any breach by the Ferry Concessioner of the Lease or Contract may affect the beginning and end point of transportation services to be provided to the visiting public as well as Visitor Experience. The Parties intend to provide for an orderly transition in the event of a material breach by the Ferry Concessioner that results in a termination of a Ferry Concession Contract or Lease. The Parties will use the following process in the event of a breach by the Ferry Concessioner. If a Party gives the Ferry Concessioner notice of breach under either a Ferry Concessioner Lease (if Port) or the Ferry Concession Contract (if NPS), it shall also provide notice of such breach to the other Party at the same time. Within ten (10) days following notice of default, the Parties will meet and confer (in person not required) to discuss the reasons for the notice of breach, steps that the Ferry Concessioner may be taking to cure, and whether the Ferry Concessioner Lease or Ferry Concession Contract may be terminated. If the Ferry Concessioner fails to cure in accordance with the cure provisions of the Ferry Concessioner Lease or Ferry Concession Contract, and the Party elects to proceed with termination for default, the Parties will meet and confer to discuss how to provide for an orderly transition to a new Ferry Concessioner. The Parties intend that the transition to a new Ferry Concessioner will follow this Agreement, subject to applicable Law, without causing an interruption in service to Alcatraz Island.

(b) Coterminous. As provided in this Agreement, for purposes of the Parties' obligations to each other, the term of each Ferry Concessioner Lease and Ferry Concession Contract are intended to be coterminous and the term of any Other Agreement is not intended to survive the expiration or earlier termination of this Agreement. But, notwithstanding anything to the contrary in this Agreement and for purposes of clarity, this Agreement is not intended to and shall not preclude either Party from continuing an Other Agreement after the expiration or earlier termination of this Agreement, provided that such Other Agreement does not purport to bind the other Party or to create or impose any obligations or liabilities of the other Party. For example, and as further described in Section 5.5 should Port terminate this Agreement due to a risk to public safety at the Site, NPS's rights with respect to its Ferry Concessioner would be not be affected as to issues unrelated to the Site and NPS would not be required to terminate its Ferry Concession Contract but could choose to continue with that Ferry Concessioner at an alternative embarkation site. The leases will provide for an interim lease extension term in the event that this Agreement terminates under either Section 5.5(a) or 5.5(e) due to conditions at Alcatraz Island, so that the Ferry Concessioner will have an opportunity to recoup its investment in the Embarkation Site Improvements at the Site; provided that the Ferry Concessioner has completed the Embarkation Site Improvements, is not in default under the lease and meets other conditions as set forth in the lease.

(c) Amendment. The Parties shall not make any material modification or amendment to any Other Agreement that is inconsistent with the terms of this Agreement (including modifying required improvements or other modifications that may affect the Visitor Experience) without the prior written consent of the other Party.

#### ***4.3. Interruption of Alcatraz Island Service Due to Construction.***

The Parties do not anticipate any break in the ability to serve Alcatraz Island throughout the Term due to construction of the Conservancy's Improvements, Embarkation Site Improvements, the Port's Pier 31½ Marginal Wharf Improvements or any other improvements or maintenance and repairs by either Port or Tenants. The Leases will include provisions requiring coordination among Ferry Concessioner, Port, and Conservancy for scheduling all work at the Site to avoid and/or minimize any disruption in service to Alcatraz Island. If, despite the Parties' diligent efforts, the Port's activities discussed in this section result in a documented loss of Alcatraz Island customers in any month, such that a Tenant's percentage rent due is less than that Tenant's base rent due, then, as the sole remedy for instances described in this Section 4.3 where the Parties are making diligent efforts and there still is a documented loss, Port will provide rent abatement to such Tenant in the form of a prorata reduction in base rent on a per square footage lost basis for up to a maximum of six (6) months.

***4.4. Contacts with Regulatory Agencies.*** The Parties acknowledge the importance of maintaining professional working relations with state and federal agencies and acting in accordance with their respective missions. Accordingly, the Parties agree as follows:

(a) Binding Agreements. Each Party will provide the other Party with an opportunity to comment over a period of no less than thirty (30) days prior to entering into a binding agreement (including a binding term of a Regulatory Approval) with a Regulatory Agency related to the Site or that will materially affect the Ferry Concessioner's vessel size or times in which it could land at Alcatraz Island as to whether any proposed binding agreement relating to the activities covered under this Agreement would, in the other Party's view, negatively impact that Party as to the substantive legal, strategic, design of improvements, operations, or other material issues affecting the Site, the Ferry Concessioner's vessel size, or times in which the Ferry Concessioner could land at Alcatraz Island. The Parties agree to discuss in good faith any provision of any such binding agreement.

(b) Studies. If submitted to a Regulatory Agency, each Party will provide a copy of any required technical studies or reports pertaining to the physical condition of the Site to the other for review and comment no less than five (5) days before submission.

#### **4.5. Media; Public Relations and Outreach**

(a) **Public Relations and Outreach.** Each Party shall notify the other at least two (2) days in advance of press releases mentioning the Site or the other Party. The Parties may review the other Party's social media content for appropriateness and accuracy and can require removal of any offensive, inaccurate or inappropriate postings.

(b) **Promotional Material.** Each Party shall submit to the other any new or updated promotional material, including without limitation to brochures, videos and website information referencing the other Party at least thirty (30) days prior to the projected need.

(c) **Use of the NPS Arrowhead.** In order to support and reinforce the objectives of this Agreement, the Port shall be allowed to use the NPS Arrowhead, other NPS graphic identity elements, and accompanying typographic identification on Port promotional channels and materials, subject to NPS standards and guidelines. The Port may not use the Arrowhead on merchandise, souvenirs or clothing.

(d) **Port Signage and Branding.** Port shall be entitled to identify the Site as Port property, install signage and use the Site in promotion (subject to Section 4.5(b), media, and presentations. All on-Site elements must be mutually agreed to by the Parties.

#### **5. TERM.**

**5.1. Initial Term.** The Term shall commence on the Effective Date and shall expire on June 30, 2049, unless earlier terminated in accordance with the terms of this Agreement (the "Expiration Date").

**5.2. Extension Terms.** Provided that all the terms and conditions of this Section 5.2 are satisfied, NPS shall have two (2) options to extend this Agreement with respect to the Conservancy Lease and/or the Ferry Concession for ten (10) years each (each an "Extension Option" for an "Extension Term"). NPS agrees that it will not extend the Term as to the Conservancy if any material Tenant Event of Default as defined by the Conservancy Lease and determined by Port in its sole discretion is outstanding at the time NPS notifies Port of its intent to extend, in which case Port may elect by written notice to NPS to reject the extension in which case the Conservancy Lease will expire as of its original expiration date. Unless extended by mutual agreement by the Parties, no later than five (5) years prior to the Expiration Date, NPS may exercise an Extension Option by providing Port with written notice of its intent to exercise an Extension Option. NPS's exercise of an Extension Option shall be non-revocable, provided that nothing in this sentence shall limit or otherwise restrict NPS's rights under other provisions of this Agreement including without limitation NPS's right to terminate this Agreement (see Section 5.5) and conditions precedent to Ferry Concession Contract execution (see Section 2.9). The agreement between the Parties during any Extension Term shall be upon all of the terms, covenants and conditions of this Agreement, except that the Expiration Date shall mean the date the relevant Extension Term expires.

If any Event of Default by NPS occurring within the previous five (5) years is outstanding hereunder at the time of NPS's exercise of the Extension Option (after notice and the expiration of all applicable cure periods), then Port no later than ninety (90) days after receipt of NPS's notice of intent to exercise an Extension Option, may elect by written notice to NPS to reject NPS's exercise of an Extension Option, whereupon the Extension Option shall be null and void.

If NPS fails to exercise an Extension Option within the timeframe specified above or Port rejects NPS's exercise of an Extension Option in accordance with this Section, then this Agreement will terminate as of the original Expiration Date.

**5.3. Conservancy Extension Options .** As further provided in and subject to the terms and conditions set forth in the Conservancy Lease, if NPS exercises an Extension Option as to the Conservancy Lease as described in Section 5.2 and Port does not reject such Extension

Option as to the Conservancy Lease no later than ninety (90) days after receipt of NPS's notice, then, within ninety (90) days, the Conservancy may exercise its extension option for the same period by providing Port with written notice of its intent. Conservancy's exercise of an extension option shall be non-revocable.

#### **5.4. Terms During Extension Term(s).**

(a) Ferry Concessioner Lease General Terms. Other than Ferry Concessioner's Rent during Extension Term(s) as provided in subsection (b), new Federal Requirements, new City Requirements and any terms mutually agreed to in advance by the Parties (and subject to approval by the Port Commission, the Board of Supervisors and the Mayor, each in their respective sole discretion if required), during any Extension Term this Agreement shall be upon all of the same terms, covenants and conditions as during the initial Term, except that the Expiration Date shall mean the date the relevant Extension Term expires.

(b) Fair Market Rent Determination; Appraisal Process. Rent under a Ferry Concessioner Lease and the Conservancy Lease (if applicable) during each Extension Term shall be adjusted to equal the then fair market value rent to be composed of a monthly rental base rent and percentage rate component (including exclusions and deductions from gross revenues and the amount and treatment of the Franchise Fee as to the Ferry Concessioner) subject to escalations as may be determined as described below ("**Extension Term FMV Rent**"). Notwithstanding the Extension Term FMV Rent determination process as provided in this Section, in no event will the base rent during an Extension Term be less than the base rent in effect as of the original Expiration Date or the expiration date of the prior Extension Term as the case may be.

The methodologies and standards for determining Extension Term FMV Rent shall be consistent with the Uniform Standards of Professional Appraisal Practice (or, in the case of its discontinuance, with any successor standards applicable to commercial properties similar to the Site). Any appraisal conducted under this Section 5.3 (b) shall be by California licensed commercial real estate appraisers with at least fifteen (15) years of commercial appraisal experience who hold the MAI designation from the Appraisal Institute or if the Appraisal Institute no longer exists, shall hold the senior professional designation awarded by the most prominent organization of appraisal professionals then awarding such professional designations (a "**Qualified Appraiser**"). For each Extension Term FMV Rent, the Qualified Appraisers shall determine the following:

(i) Fair market value monthly rent (base and percentage) in money for the premises described in the Ferry Concessioner Lease and/or the Conservancy Lease;

(ii) The frequency and method of escalation of Extension Term FMV Rent (e.g., Consumer Price Index-based escalation or periodic fixed-percentage escalations) and any minimum or maximum escalation expressed on a percent basis as may be determined by the market as appropriate for (A) office use and (B) all other uses ("**Interim Escalation**").

(c) The Extension Term FMV Rent shall be determined as follows.

All timeframes described below may be extended by mutual agreement of the Parties, but the final Extension Term FMV Rent shall be effective on the first date of an Extension Term. In the event that the Extension Term FMV Rent is not finally determined on the first date of an Extension Term, the Extension Term FMV Rent as proposed by Port pursuant to Section 5.4(c)(i) shall take effect on the first date of an Extension Term and shall be adjusted with an invoice or credit once the Extension Term FMV Rent is finally determined as provided hereunder.



(i) Port shall propose the Extension Term FMV Rent for the first Extension Term by using its good faith judgment based upon the components described in Section 5.4(b)(i) – (ii) above and shall submit to NPS its written determination of the Extension Term FMV Rent no less than fifty-four (54) months prior to the Extension Term start date. If the Parties fail to mutually agree on the Extension Term FMV Rent within nine (9) months of the date Port submitted its determination of the Extension Term FMV Rent to NPS or by such earlier date as mutually agreed in writing by the Parties (the “**Negotiation Period**”), then the Extension Term FMV Rent shall be set by the appraisal process described below, provided, however that the Parties may mutually agree to the Extension Term FMV Rent at any time prior to the appraisal process being completed.

(ii) No later than sixty (60) days after the expiration of the Negotiation Period, the Parties shall meet and confer on appraisal instructions based on the components set forth in Section 5.4(b)(i) – (ii) above. The Parties shall negotiate in good faith to agree on a single set of joint appraisal instructions, but nothing in this Agreement shall be construed as requiring the Parties to agree on appraisal instructions. No later than forty-five (45) days after the Parties meet and confer on appraisal instructions, each Party, at its own cost and by giving notice to the other Party, shall appoint a Qualified Appraiser to prepare an appraisal of the Extension Term FMV Rent using the single set of agreed-upon joint appraisal instructions if the Parties have agreed, or using their own instructions (“**Appraisal Instructions**”). If a Party does not appoint a Qualified Appraiser within such 45-day period, the single Qualified Appraiser appointed shall be the sole appraiser and shall prepare the appraisal. Each Qualified Appraiser shall conduct an independent appraisal based on the Appraisal Instructions within sixty (60) days after appointment. Each Qualified Appraiser may utilize the services of special experts, including experts to determine without limitation, property condition, market lease rates, leasing commissions, renovation or upgrade costs and other pertinent matters. Further, either Party may submit simultaneously to both Qualified Appraisers any information regarding the premises or Lease terms and conditions that is deemed by the Party pertinent to the determination of the Extension Term FMV Rent. The Parties shall cause each Qualified Appraiser to submit simultaneously to both Parties his or her written opinion of the Extension Term FMV Rent with supporting data and analysis. Neither of the Qualified Appraisers shall have access to the appraisal of the other (except for the sharing of objective information contained in such appraisals) until both of the appraisals are submitted to the Parties.

(iii) If the higher appraised monthly base rent component described in Section 5.4(b)(i) is one hundred ten percent (110%) or less than the lower appraised monthly base rent component, then the final FMV for that component shall be the average of such two (2) figures (rounded to the nearest \$1.00).

For each use category analyzed by the appraisers, if the higher appraised percentage rent is fifty (50) basis points or less than the lower appraised percentage rent for the same category, then the final FMV for that category shall be the average of such two (2) figures (rounded to the nearest tenth (10<sup>th</sup>) of a percentage point.

If the two Qualified Appraisers determine different Interim Escalations, then the Parties’ Qualified Appraisers shall meet and endeavor to mutually agree upon a final Interim Escalation.

(iv) For any component or use category that exceeds the ranges set forth above (e.g., the difference in appraised base rent is more than 110% or the difference in any use category for percentage rent is more than fifty (50) basis points) or if the two Qualified Appraisers cannot agree upon an Interim Escalation (collectively “**Disputed Appraisal Components**”), then the Parties shall cause the first two Qualified

Appraisers to agree upon and appoint an independent third Qualified Appraiser within thirty (30) days after both of the first two (2) appraisals have been submitted to the Parties and shall inform the Parties of their appointment at or before the end of such 60-day appointment period. The third Qualified Appraiser shall also have experience acting as a third Qualified Appraiser in cases of disputes.

(v) Within five (5) days of appointment, the third Qualified Appraiser shall submit a declaration to the Parties disclosing any work performed by such Qualified Appraiser for either Party, any entity related to either Party, or their attorneys, principals, or officers, and any relationship between the third Qualified Appraiser and either Party that could reasonably be construed as a conflict of interest. Within ten (10) days of receipt of such declaration, either Party may, by written notice to the other Party and the two Qualified Appraisers, raise a good faith objection to the selection of the third Qualified Appraiser based on his or her failure to meet the requirements of this Section, experience, past working relationships with the Parties, and any other matters relevant to the appraisal set forth in this Agreement. In such event, if the two (2) Qualified Appraisers determine that the objection was made in good faith, the Parties shall cause the two (2) Qualified Appraisers to promptly select (but in no case longer than ten (10) days) another third Qualified Appraiser, subject again to the same process for the raising of objections. If neither Party raises a good faith objection to the appointment of the third Qualified Appraiser within ten (10) days after receipt of the declaration, each such Party shall be deemed to have waived any issues or questions relating to the qualifications or independence of the third Qualified Appraiser or any other matter relating to the selection of the third Qualified Appraiser under this Agreement. If for any reason the two Qualified Appraisers do not appoint a third Qualified Appraiser within the designated period after they have submitted their two (2) appraisals to the Parties (or within a reasonable period thereafter not to exceed sixty (60) days in the event a good faith objection is made as provided above), then either Party may apply to the American Arbitration Association or any similar provider of professional commercial arbitration services for appointment in accordance with the rules and procedures of such organization of an independent third Qualified Appraiser meeting the foregoing qualifications.

(vi) Each Party shall bear the fees, costs and expenses of the Qualified Appraiser it selects and of any experts and consultants used by that Qualified Appraiser. Each Party shall bear one-half (1/2) of the cost of any fee associated with selecting and charged by the third Qualified Appraiser (if any).

(vii) The third Qualified Appraiser shall not perform another independent appraisal, but within sixty (60) days after his or her appointment, shall review the first two appraisals with respect to the Disputed Appraisal Element and, after prior written notice to the Port and NPS, convene a meeting with the first two (2) Qualified Appraisers to review and discuss Disputed Appraisal Elements as presented in the appraisals prepared by each of the Parties' Qualified Appraisers. Prior to this meeting, the Port and NPS may each submit supplemental written information related to a Disputed Appraisal Element to all three (3) Qualified Appraisers. If the third Qualified Appraiser utilizes, obtains or considers any information other than that provided in the first two appraisals or in submittals made by the Port and NPS, he or she must provide a written report of such information to the Parties and to the first two Qualified Appraisers prior to the meeting. Within thirty (30) days following the initial meeting, the third Qualified Appraiser shall convene a second meeting limited in attendance only to the three Qualified Appraisers and the three Qualified Appraisers shall reach a majority agreement on any Disputed Appraisal Element based on the record of information provided as part of the process described in this Section. The final determination of a Disputed Appraisal Element must be within the range set forth in the

first two appraisals. The third Qualified Appraiser shall prepare a letter indicating the final determination of each Disputed Appraisal Element with the written signatures of each concurring Qualified Appraiser.

(viii) The Extension Term FMV Rent determined as provided above shall be conclusive, final and binding on the Parties, except if (a) the Extension Term FMV Rent was procured by corruption, fraud, or other undue means, (b) there was corruption in any of the Qualified Appraisers, (c) the rights of a Party were substantially prejudiced by the misconduct of a Qualified Appraiser, (d) the Qualified Appraisers exceeded their powers and the Extension Term FMV Rent cannot be corrected without affecting the rights of either Party, or (e) a Qualified Appraiser failed to disclose any work that could have reasonably been construed as a conflict of interest of which the Qualified Appraiser was then aware.

(d) Final Determination. Upon final determination of the Extension Term FMV Rent, the Parties shall acknowledge by an addendum hereto the Extension Term FMV Rent, provided that failure to do so shall not affect the effectiveness of the Extension Term FMV Rent. The Extension Term FMV Rent shall be effective on the start date of the Extension Term and shall be included (either as a specific rental amount or a description of the process) in any Prospectus, form lease, Ferry Concession Contract and Lease that will be in effect during a possible Extension Term.

#### **5.5. Termination.**

The Parties' rights to terminate this Agreement during the Initial or any Extension Term are as set forth below. Either party may invoke the dispute resolution process in Section 4.1(h) prior to termination of this Agreement under this Section. The notice periods prior to the termination date specified below shall be suspended (tolled) during the dispute resolution process unless circumstances present an emergency or imminent threat to human health and safety or property in which case the Parties will use good faith efforts to resolve the issues. If the Parties have not resolved the issues upon conclusion of the dispute resolution process, the notice period will re-commence and this Agreement may be terminated as provided below. For purposes of clarity and without modifying any other provisions of this Agreement, the Parties agree that (1) as set forth in Section 11.14, there are no third party beneficiaries to this Agreement, (2) these termination provisions apply only with respect to this Agreement as between Port and NPS, (3) as between Port and NPS, termination is the sole remedy for the events provided in this Section; (4) termination of any Contract or Other Agreement will be governed by the provisions of that Contract or Other Agreement, and termination of any Lease will be governed by the provisions of that Lease.

(a) Upon no less than thirty (30) day's prior written notice, either Party, in its sole discretion and without cost or liability, has the right to terminate this Agreement due to climate change/sea level rise or other catastrophic events impacting the Site and/or Alcatraz Island such that flooding or other damage or conditions pose a present or imminently foreseeable risk to public health and safety.

(b) Upon ninety (90) days prior written notice, if either Party determines that conditions exist that the render use of the Site unusable for the purposes contemplated in this Agreement other than those specified under Section 5.5(a), either party may terminate this Agreement without cost or liability.

(c) As provided by Section 2.7, upon ninety (90) days' prior written notice, Port may terminate this Agreement without cost or liability if Alcatraz Island is closed for one (1) year or more due to deferred maintenance or other reasons within the control of NPS or its Agents.

(d) Upon no less than thirty (30) days' prior written notice, Port in its sole discretion and without cost or liability, may terminate this Agreement if public visits to Alcatraz Island are

suspended or interrupted due to delays in NPS's solicitation or contracting process and such suspension or interruption continues for one (1) year.

(e) NPS, consistent with the legal limits on its authority under the 1988 Concessions Act to enter into and perform concession contracts, and without cost or liability, may terminate this Agreement if NPS exercises its rights to terminate the Ferry Concession Contract in order to protect park visitors, protect, conserve and preserve park resources or to limit visitor services in the park to those that continue to be necessary and appropriate. Prior to such termination, NPS shall provide Port with no less than ninety (90) days' prior written notice that it intends to terminate a Ferry Concession Contract except in circumstances involving emergencies or imminent risk to visitors or park resources.

(f) Upon no less than thirty (30) days' prior written notice, either Party in its sole discretion and without cost or liability, may terminate this Agreement if an event of Force Majeure extends beyond four (4) years.

**6. CASUALTY.** Port will not under any circumstances be liable to NPS for any damages that may result should any portion of the Site be damaged or destroyed due to a Casualty.

**6.1. Before Lease Execution.** If any damage or destruction of any portion of the Site due to Casualty occurs before lease execution or delivery of the relevant portion of the Site or Facility, then either Port or NPS may terminate this Agreement under the circumstances set forth in Section 5.5.

**6.2. After Lease Execution.** Casualty after Lease execution will be governed by the relevant Lease.

**6.3. Insurance Policies.** Port will maintain its own current insurance policies and will require current tenants to maintain coverages in amounts generally required by commercial owners of property similar in character, age and location as the Site with respect to risks comparable to those associated with the current use of the Site.

## **7. DEFAULTS, REMEDIES.**

**7.1. NPS Events of Default.** The following shall each constitute a "NPS Event of Default":

(a) NPS fails to complete the items listed in Section 2.6(a) with respect to permitting within the time frames set forth in Section 2.6(a) and such failure is not cured within thirty (30) days following notice from Port; or

(b) The conditions in NPS's favor to NPS's execution of a Ferry Concession Contract have been satisfied or waived by NPS, and NPS fails to execute such Ferry Concession Contract where such failure is in violation of this Agreement, and continues for a period of twenty (20) business days from the date of written notice from NPS;

(c) NPS violates any other covenant, or fails to perform any other obligation to be performed by NPS under this Agreement, and such violation or failure continues without cure for more than sixty (60) days after written notice from Port specifying the nature of such violation or failure, or, if such cure cannot reasonably be completed within such sixty (60) day period, if NPS does not within such sixty (60) day period commence such cure, or having so commenced, does not prosecute such cure with diligence and dispatch to completion within a reasonable time thereafter, but in no event more than one hundred eighty (180) days.

**7.2. Port Events of Default.** The following shall each constitute a "Port Event of Default":

(a) The conditions in Port's favor to Port's execution of a Lease have been satisfied or waived by Port, and Port has not terminated this Agreement and Port fails to execute such Lease

where such failure is in violation of this Agreement, and continues for a period of twenty (20) business days from the date of written notice from NPS;

(b) Port violates any other covenant, or fails to perform any other obligation to be performed by Port under this Agreement, and such violation or failure continues without cure for more than sixty (60) days after written notice from NPS specifying the nature of such violation or failure, or, if such cure cannot reasonably be completed within such sixty (60) day period, if Port does not within such sixty (60) day period commence such cure, or having so commenced, does not prosecute such cure with diligence and dispatch to completion within a reasonable time thereafter, but in no event more than one hundred eighty (180) days.

**7.3. Remedies.** A Party shall provide written notice of an alleged default to the other Party, including a description of the alleged default, necessary cure and applicable cure period as specified by this Agreement. Upon issuance of such written notice, either Party may initiate the dispute resolution process in Section 4.1(h). The cure period shall be suspended (tolled) during the dispute resolution process. If the Parties have not resolved the dispute upon conclusion of the dispute resolution process and the alleged defaulting Party fails to cure the alleged default during any applicable cure period (which will commence after the conclusion of the dispute resolution process), the alleged default may be considered an Event of Default by the non-defaulting Party and the non-defaulting Party may terminate this Agreement upon ninety (90) days' prior written notice to the alleged defaulting Party if the alleged breach could: materially interfere with a third parties' ability to comply with any Other Agreement related to the Site; decrease or impair bargained-for benefits or rights of the non-defaulting Party under this Agreement; shift responsibility, liability or obligations to the non-defaulting Party or to a third party; or otherwise increase the non-defaulting Party's responsibility, liability or obligations under this Agreement or any Other Agreement.

**7.4. Institution of Legal Actions.** Either Party may institute legal action in law or equity in a court of competent jurisdiction to obtain any available cure or remedy in case of an Event of Default as determined as described in this Section.

## **8. FORCE MAJEURE.**

For the purpose of this Agreement, neither Port nor NPS (the "**Delayed Party**," as applicable) will be considered in breach of or default in any obligation or satisfaction of a condition to an obligation of the other Party in the event of Force Majeure, and the time fixed for performance of any such obligation or satisfaction of conditions shall be extended by a period of time equal to the duration of the Force Majeure event; provided, however, within thirty (30) days after the beginning of any such Force Majeure event, the Delayed Party shall have first notified the other Party of the cause or causes of such delay and claimed an extension for the reasonably estimated period of the enforced delay. The Parties shall each proceed with diligent efforts and shall cooperate with one another to take measures to resolve any Force Majeure delay.

"**Force Majeure**" means events that cause delays in the Delayed Party's performance of its obligations under this Agreement, or in the satisfaction of a condition to the other Party's performance under this Agreement, due to causes beyond the Delayed Party's control and not caused by the acts or omissions of the Delayed Party (excluding, in any case, a Delayed Party's performance of the payment of money required under the terms of this Agreement), including: acts of nature or of the public enemy; war; invasion; insurrection; riots; any general moratorium in the issuance of governmental or regulatory permits applicable to the Site or the Initial Improvements; a government shutdown; fires; floods; tidal waves; epidemics; quarantine restrictions; freight embargoes; earthquakes; unusually severe weather (but only if such unusually severe weather causes actual delays); unlawful detainer actions or other administrative appeals, litigation or arbitration relating to the relocation of tenants or other users from the Site; or any Litigation Force Majeure, provided that the Delayed Party proceeds with diligent efforts

to defend or commence, as applicable, such action or proceeding or take other appropriate measures to resolve any dispute that is the subject of such action or proceeding.

**"Litigation Force Majeure"** means any action or proceeding before any court, tribunal, or other judicial, adjudicative or legislative decision-making body, including any administrative appeal, brought by a third party, (a) which seeks to challenge the validity of any action taken by the City or NPS in connection with the Ferry Concessioner's contracting process, Port's Pier 31½ Marginal Wharf Improvements, this Agreement or the Site, including the Parties' approval, execution, and delivery of this Agreement, the Contracts, Other Agreements or the Leases and their performance hereunder, or other action by the City or NPS or any action required or permitted to be performed by City or NPS hereunder, or any findings upon which any of the foregoing are predicated, or (b) which seeks to challenge the validity of any other Regulatory Approval required in connection with the Site. Performance by a Party hereunder shall be deemed delayed or made impossible by virtue of Litigation Force Majeure during the pendency thereof, and until a judgment, order, or other decision resolving such matter in favor of the Party whose performance is delayed has become final and unappealable.

Under no circumstances shall the delay attributable to an event of Force Majeure extend beyond four (4) years unless both Parties expressly waive such limitation. The Parties also retain the right to terminate this Agreement, as set forth in Section 5.5(f), if an event of Force Majeure extends beyond four (4) years.

## **9. LEFT BLANK BY AGREEMENT OF PARTIES.**

## **10. MINERAL RESERVATION.**

In accordance with Sections 2 and 3.5(c) of the Burton Act, NPS and Port acknowledge that the State reserves certain subsurface mineral rights from a point of entry outside of the Site, and subject to certain limitations, as more particularly described in the leases.

## **11. GENERAL PROVISIONS.**

### **11.1. Notices.**

(a) Manner of Delivery. Except as otherwise expressly provided in this Agreement, all notices, demands, approvals, consents and other formal communications between Port and NPS required or permitted under this Agreement shall be in writing and shall be deemed given and effective (i) upon the date of receipt if given by personal delivery on a business day (or the next business day if delivered personally on a day that is not a business day) or (ii) if mailed by (x) the U.S. Postal Service, two (2) business days after deposit with the U.S. Postal Service for delivery by United States certified mail, with return receipt requested or (y) a nationally recognized overnight courier, one (1) business day after deposit with such nationally recognized overnight courier, to Port or NPS at their respective addresses for notice designated below. For convenience of the Parties, copies of notices may also be given by electronic mail or telefacsimile ("FAX") to the electronic mail address or FAX number set forth below or such other number as may be provided from time to time by notice given in the manner required under this Agreement; however, neither Party may give official or binding notice by electronic mail or FAX.

(b) Request for Comment/Approval. In order for a request for any comment or approval required under the terms of this Agreement to be effective, it shall be clearly marked "**Request for Comment/Approval**" and state (or be accompanied by a cover letter stating) substantially the following:

(i) the section of this Agreement under which the request is made and the action or response required; and

(ii) if applicable, the period of time as stated in this Agreement within which the recipient of the notice shall respond.

In the event that a request for comment/approval states a period of time for response that is less than the time period provided for in this Agreement, the time period stated in this Agreement shall be the controlling time period.

In no event shall a recipient's comment, approval of or consent to the subject matter of a notice be deemed to have been given by its failure to object to such notice if such notice (or the accompanying cover letter) does not comply with the requirements of this Section.

(c) Addresses for Notices. All notices shall be properly addressed and delivered to the Parties at the addresses set forth below or at such other addresses as either Party may designate by written notice given in the manner provided in this Section:

To Port: San Francisco Port Commission  
Pier 1  
San Francisco, California 94111  
Attention: Deputy Director of Real Estate &  
Development (Reference: NPS Alcatraz)  
Telephone: (415) 274-0400  
FAX: (415) 274-0495

With a copy to: Port General Counsel  
Pier 1  
San Francisco, California 94111  
Telephone: (415) 274-0486  
FAX: (415) 274-0494

To NPS: Superintendent  
Golden Gate National Recreation Area  
Building 201, Fort Mason  
San Francisco, CA 94123  
Telephone: (415) 561-4720

With a copy to: Chief, Business Management Division,  
GGNRA

**11.2. *Conflict of Interest.*** No member, official or employee of the City, including its Port, may have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee participate in any decision relating to this Agreement which affects her or his personal interest or the interests of any corporation, partnership or association in which she or he is interested directly or indirectly.

**11.3. *Document Sharing.*** The Parties, including their Agents, have the right at all reasonable times and from time to time to inspect the public (not subject to privilege and/or other protections from disclosure) documents and records of the other Party pertaining to compliance with the obligations under this Agreement in a location in San Francisco during regular business hours.

#### **11.4. Time of Performance.**

(a) Expiration. All performance dates (including cure dates) expire at 5:00 p.m., San Francisco, California time, on the performance or cure date.

(b) Weekends and Holidays. A performance date that falls on a Saturday, Sunday, federal or City holiday is deemed extended to the next business day.

(c) Days for Performance. All periods for performance specified in this Agreement in terms of days shall be calendar days, and not business days, unless otherwise expressly provided in this Agreement.

(d) Time of the Essence. Time is of the essence with respect to all provisions of this Agreement for which a definite time for performance is specified.

#### **11.5. Interpretation of Agreement.**

(a) Exhibits. Whenever an "Exhibit" or "Schedule" is referenced, it means an exhibit, schedule or attachment to this Agreement unless otherwise specifically identified. All such Exhibits and Schedules are incorporated in this Agreement by reference.

(b) Captions. Whenever a section or paragraph is referenced, it refers to this Agreement unless otherwise specifically identified. The captions preceding the sections of this Agreement and in the table of contents have been inserted for convenience of reference only. Such captions shall not define or limit the scope or intent of any provision of this Agreement.

(c) Words of Inclusion. The use of the term "including", "include", "such as" or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used with reference thereto. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) No Presumption Against Drafter. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, experienced and knowledgeable legal counsel has represented each Party. Accordingly, this Agreement shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the Party responsible for drafting any part of this Agreement (including California Civil Code Section 1654).

(e) Agreement References. Wherever reference is made to any provision, term or matter "in this Agreement," "herein" or "hereof" or words of similar import, the reference shall be deemed to refer to any and all provisions of this Agreement reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered section or paragraph of this Agreement or any specific subdivision of this Agreement.

**11.6. Further Approvals.** The Parties agree to execute and acknowledge such other and further documents and take such other reasonable actions as may be necessary or reasonably required to effectuate the terms of this Agreement. Unless this Agreement otherwise expressly provides or unless the City's Charter otherwise requires, all approvals, consents or determinations to be made by or on behalf of the City or Port under this Agreement shall be made by Port's Executive Director. Unless this Agreement otherwise expressly provides, all approvals, consents or determinations to be made by or on behalf of NPS under this Agreement shall be made by NPS's General Superintendent of GGNRA.

**11.7. Charter Provisions.** This Agreement is governed by and subject to the provisions of the Charter of the City and County of San Francisco.

**11.8. Costs and Expenses.** The Party on which any obligation is imposed in this Agreement shall be solely responsible for paying all costs and expenses incurred in the



performance of such obligation, unless the provision imposing such obligation specifically provides to the contrary.

**11.9. *Successors and Assigns.*** This Agreement is binding upon and will inure to the benefit of the successors and assigns of Port and NPS. Where the term "NPS," or "Port" is used in this Agreement, it means and includes their respective successors and assigns. Whenever this Agreement specifies Port as a Party or the holder of the right or obligation to give approvals or consents, if Port or a comparable public body which has succeeded to Port's rights and obligations no longer exists, then the City (or the State, if applicable) will be deemed to be the successor and assign of Port for purposes of this Agreement.

**11.10. *Non-Liability of Officials, Employees and Agents.*** No elective or appointive board, commission, member, officer, employee or other Agent of either Party shall be personally liable to the other, or its successors and assigns, in the event of any default or breach by a Party or for any obligation of either Party under this Agreement. Under no circumstances shall either Party, or their respective Agents be liable under any circumstances for any consequential, incidental or punitive damages.

**11.11. *Transfer.*** This Agreement is personal and non-assignable and neither Party may sell, convey, assign, transfer, alienate or otherwise dispose of all or any of its interest or rights in this Agreement, without obtaining the prior written approval of the other Party, which approval may be given, withheld, or conditioned in its sole discretion. In the event of any such transfer, the transferring Party will be relieved from and after the date of such transfer of all liability with regard to the performance of any covenants or obligations contained in this Agreement thereafter to be performed on the part of that Party, but not from liability incurred by such Party on account of covenants or obligations to be performed hereunder before the date of such transfer.

**11.12. *Cumulative Remedies.*** All rights and remedies of either Party hereto set forth in this Agreement are in addition to and not in limitation of other remedies including those provided at Law or in equity, except as may otherwise be provided herein.

**11.13. *No Representations or Warranties.*** Nothing contained in this Agreement will operate as a representation or warranty by Port or NPS of any nature whatsoever. Each Party acknowledges that, in executing this Agreement, it is acting on its own, independent judgment and has either been advised by legal counsel or has decided in its sole discretion not to seek legal counsel.

**11.14. *No Third Party Beneficiaries.***

(a) This Agreement is made and entered into for the sole protection and benefit of Port and NPS and their successors and assigns. No other person, including without limitation Conservancy, any concessioner, tenant or prospective tenant shall have or acquire any right or action based upon any provisions of this Agreement.

(b) The provisions of any Contract or Other Agreements are and will be for the benefit only of the parties to that Contract or Other Agreements and are not for the benefit of any third party including Port. Likewise, the provisions of any Lease are and will be for the benefit only of the parties to that Lease and are not for the benefit of any third party including NPS.

**11.15. *Authority.*** Each of the persons executing this Agreement covenants and warrants that the Party has full right and authority to enter into this Agreement, and that it is authorized to bind the Party to this Agreement. Upon request, evidence reasonably satisfactory to confirm the foregoing will be provided.

**11.16. *No Waiver.*** No waiver made by either Party with respect to the performance, or manner or time of performance, or any obligation of the other Party or any condition to its own obligation under this Agreement will be considered a waiver with respect to the particular obligation of the other Party or condition to its own obligation beyond those expressly waived to

the extent of such waiver, or a waiver in any respect in regard to any other rights of the Party making the waiver or any other obligations of the other Party.

**11.17. Counterparts.** This Agreement may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument.

**11.18. Entire Agreement.** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the terms and conditions mentioned in or incidental to this Agreement. No parole evidence of any prior draft of this Agreement, or of any other agreement shall be permitted to contradict or vary the terms of this Agreement.

**11.19. Amendment.** Neither this Agreement nor any of its terms may be terminated, amended or modified except by a written instrument executed by the Parties.

**11.20. Governing Law.** This Agreement is governed by, and shall be construed and interpreted in accordance with, federal law, the Laws of the State of California and the City's Charter provided that, in the event of a conflict between federal law and the laws of the State of California and/or City's Charter, the federal law will govern.

**11.21. Federal Anti-Deficiency Act.** Notwithstanding any provision to the contrary herein, nothing in this Agreement shall be construed as binding the United States of America to expend in any one fiscal year any sum in excess of appropriations made by Congress or administratively allocated for the purpose of compliance with the conditions for this Agreement for the fiscal year, or bind the United States under any contract or other obligation for the further expenditure of money in excess of such appropriations or allocations, and nothing in this Agreement may be considered as implying that Congress will at a later date appropriate funds sufficient to meet deficiencies.

**11.22. Severability.** If any provision of this Agreement, or its application to any person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be grossly inequitable under all of the circumstances, or would frustrate the fundamental purposes of this Agreement.

**11.23.** Nothing in this Agreement shall be construed to diminish NPS' or the Port's rights or obligations under Laws.

## **12. EFFECTIVE DATE.**

This Agreement shall become effective on the date the Parties duly execute and deliver this Agreement following approval by the Port Commission, the Board of Supervisors and the Mayor, each in their respective sole discretion ("**Effective Date**").

Notwithstanding anything to the contrary contained in this Agreement, NPS acknowledges and agrees that no officer or employee of Port has authority to commit to this Agreement unless and until the Board of Supervisors shall have duly adopted a resolution approving this Agreement and authorizing the transactions contemplated hereby. Therefore, any obligations or liabilities of Port hereunder are contingent upon adoption of such a resolution and this Agreement shall be null and void if City's Mayor and the Board of Supervisors do not approve this Agreement, in their respective sole discretion. Approval of this Agreement by any department, commission or agency of City shall not be deemed to imply that such resolution will be enacted, nor will any such approval create any binding obligations on City or Port.

### 13. DEFINITIONS.

For purposes of this Agreement, initially capitalized terms shall have the meanings ascribed to them in this Section:

**"1998 Concessions Act"** means the National Park Service Concessions Management Improvement Act of 1998 (54 U.S.C. §101911 et seq.) and its implementing regulations, as may be superseded or amended.

**"Agents"** means, when used with reference to either Party to this Agreement or any other person, the members, managers, officers, directors, commissioners, employees, agents and contractors of such Party (including, for NPS the Ferry Concessioners and Conservancy) or other person, and their respective heirs, legal representatives, successors and assigns.

**"Agreement"** means this Memorandum of Agreement, including its exhibits and schedules, as it may be amended in accordance with its terms.

**"Assign" or Assignment"** as used in this Agreement in connection with the Ferry Concessioner shall have the same meanings as in the 1998 Concessions Act and the Ferry Concession Contract.

**"base rent"** means the minimum rent due from a Tenant as defined in the relevant Lease.

**"BCDC"** means the Bay Conservation and Development Commission, a State agency established under the McAteer Petris Act.

**"Board of Supervisors"** means the Board of Supervisors of the City and County of San Francisco.

**"Burton Act"** means the provisions of Chapter 1333 of the Statutes of 1968 of the California Legislature, as amended, providing for the transfer to the City from the State, subject to specified terms, conditions and reservations, of the control and management of the certain tide and submerged lands comprising the Harbor of San Francisco.

**"Casualty"** means fire or other casualty, including war, earthquake, tidal wave, or other acts of nature.

**"City"** means the City and County of San Francisco, a municipal corporation. "City" shall refer to the City operating by and through its Port Commission, where appropriate. All references to the City shall include Port.

**"City Requirements"** means those current and future City ordinances that apply to the Port's agreements with the Conservancy and Ferry Concessioner, e.g., leases with the City as landlord, and excepting only those requirements that are preempted by federal law or are waived by the appropriate City department or Board of Supervisors each in its sole discretion.

**"Claims"** means all liabilities, injuries, losses, costs, claims, demands, rights, causes of action, judgments, settlements, damages, liens, fines, penalties and expenses, including without limitation, direct and vicarious liability of any kind for money damages, compensation, penalties, liens, fines, interest, attorneys' fees, costs, equitable relief, mandamus relief, specific performance, or any other relief.

**"Conservancy"** means the Golden Gate National Parks Conservancy, a California nonprofit corporation.

**"Conservancy's Improvements"** are defined in Section 2.6(a) and the lease attached as *Exhibit G*.

**"Contract"** means an NPS contract with a Ferry Concessioner.

**"Delayed Party"** is defined in Section 8.

"**diligent efforts**" means efforts that (a) are steady, earnest and energetic, (b) are in keeping with good government practices and the respective mission of each Party, (c) do not violate Laws, and (d) during circumstances of Force Majeure as defined in Section 8 of this Agreement, do not exceed the obligations of the Parties set forth in that Section.

"**Effective Date**" is defined in Section 12.

"**Embarkation Site Improvements**" means the Initial Ferry Concessioner's required capital improvements to the Site as summarized in Section 2.6(a) and the form lease attached as **Exhibit B**. Required capital improvements to the Site by subsequent Ferry Concessioners will be included in future form leases.

"**EPA**" means the United States Environmental Protection Agency.

"**Executive Director**" means the Executive Director of Port or her or his designee.

"**Expiration Date**" means June 30, 2049.

"**Extension Option(s)**" is defined in Section 5.2.

"**Extension Term(s)**" is defined in Section 5.2.

"**Extension Term FMV Rent**" is defined in Section 5.4(b).

"**Exterior Improvements**" means any improvements, furnishings, fixtures, or equipment located in the exterior areas of the Site (whether public access or not and including the roof) and/or located in the public access areas of the buildings which may include mechanical equipment, photovoltaic panels, satellite dishes, antennae and other communication equipment, public art, bollards, flower baskets, benches, tables, chairs, umbrellas, heaters, railings, gates, trash receptacles, cleats, signs, kiosks, flagpoles, canopies, awnings, landscaping, planter boxes, light poles, lighting fixtures, fountains, ticket booths, bicycle racks, plaques, markers, tents, and paving or other surface treatments.

"**Facility**" means the piers, buildings or other structure in or on which the Site is located including the: Pier 31½ Facility No. 1315; Pier 33 Bulkhead Facility No. 1330; Pier 33 Shed Facility No. 1300; Pier 31 Shed Facility No. 1310; and the Pier 31/33 Water Basin.

"**Fair Market Value**" is defined in Section 5.4(b).

"**Federal Requirements**" means those current and future federal Laws, regulations, and policies that apply to NPS's agreements with the Conservancy and the Ferry Concessioner.

"**FEMA**" means the Federal Emergency Management Agency.

"**Ferry Concession**" means the visitor services authorized by NPS to be provided under a Ferry Concession Contract.

"**Ferry Concession Contract**" means a valid and effective contract entered into under authority of the 1998 Concessions Act between NPS and each successive Ferry Concessioner authorizing a Ferry Concessioner to provide: (i) passenger ferry and associated services between the Embarkation Site and a landing at Alcatraz Island; (ii) if authorized or required by NPS: passenger ferry and associated services between the Embarkation Site and a landing at another NPS site in the San Francisco Bay Area and/or a landing at a non-NPS park within the San Francisco Bay Area for which NPS provides cooperative services through a partnership with another entity; and (iii) Interpretive Park Cruises.

"**Ferry Concessioner**" means the person(s) party to a Ferry Concession Contract. There will be successive Ferry Concessioners during the Term.

"**Force Majeure**" means Force Majeure or Litigation Force Majeure, as described in Section 8.

**"Franchise Fee"** means the Ferry Concessioner's franchise fee as defined in the Ferry Concession Contract.

**"GGNRA"** is defined in the Recitals.

**"Hazardous Material"** means any substance, waste, or material that is now or in the future designated by any Regulatory Agency to be capable of posing a present or potential risk of injury to human health or safety, the environment, or property. This definition includes anything designated or defined in any Law as hazardous, hazardous substance, hazardous waste, toxic, pollutant, or contaminant; any asbestos, asbestos-containing materials and presumed asbestos-containing materials, whether or not part of the structure of any improvements on the Site, any improvements to be constructed on the Site by or on behalf of Tenants, or occurring in nature; and other naturally-occurring substances such as petroleum, including crude oil or any fraction, and natural gas or natural gas liquids.

**"Historic District"** means the San Francisco Embarcadero National Register Historic District.

**"Improvements Early Termination Provision"** is defined in Section 2.2(f).

**"Initial Ferry Concessioner, Initial Ferry Concession Contract or Initial Ferry Concessioner Lease"** means (i) with regard to "Initial Ferry Concessioner," the first person awarded (within the meaning of the 1998 Concessions Act) a Ferry Concession Contract; (ii) with regard to "Initial Ferry Concession Contract," the first Ferry Concession Contract awarded; and (iii) with regard to "Initial Ferry Concessioner Lease," the first Lease executed; each as first awarded or executed after the Effective Date of this Agreement.

**"Initial Improvements"** means the Embarkation Site Improvement (by the Ferry Concessioner) and the Conservancy's Improvements as defined in Section 2.6(a) and *Exhibits B and G*.

**"Interpretive Park Cruises"** means an excursion departing from and returning to the Embarkation Site without any landings in between which travels through waters within Golden Gate National Recreation Area and includes substantive interpretive materials regarding the NPS and NPS's parks.

**"Invitees"** means the clients, customers, invitees, patrons, and guests of a Party or other person.

**"Laws"** means all present and future applicable laws, ordinances, rules, regulations, permits, codes, authorizations, orders and requirements, whether or not foreseen or unforeseen, or in the contemplation of the Parties, which may affect or be applicable to the Tenants, Ferry Concessioner, the solicitation, award and or administration of any Ferry Concession Contract, the Ferry Concessioner, Alcatraz Island, the Site and any other location affected by this Agreement or any part thereof (including their use and the buildings and improvements thereon or affixed thereto), including all consents or approvals (including Regulatory Approvals) required to be obtained from or issued by, and all rules and regulations of, and all building and zoning laws (including the Waterfront Plan) of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, authorities, board of officers, any national or local board of fire underwriters, or any other body or bodies exercising similar functions, having or acquiring jurisdiction over such locations the use thereof and of the buildings and Improvements thereon; and similarly the phrase "Law" shall be construed to mean the same as the above in the singular as well as the plural.

**"Lease"** means a lease of a portion of the Site between Port and a Ferry Concessioner or Port and the Conservancy.

**"Litigation Force Majeure"** is defined in Section 8.

**"NPS"** means the National Park Service.

"NPS Event of Default" is defined in Section 7.1.

"NEPA" means the National Environmental Policy Act.

"Other Agreements" means those agreements between a Party and a third person that authorizes or requires such third person to use, occupy, operate or perform construction at the Site, including without limitation, the various Contracts and Leases. Other Agreements also includes a site-specific agreement between NPS and Conservancy, but does not include any other agreements between NPS and the Conservancy.

"Party" means Port or NPS as a party to this Agreement; "Parties" means both Port and NPS as parties to this Agreement.

"percentage rent" means that portion of rent due from a Tenant in excess of the base rent as defined in the relevant Lease.

"person" means any individual, partnership, corporation (including any business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or any other entity or association, the United States, or a federal, state or political subdivision thereof.

"Port" means the City and County of San Francisco acting by and through the San Francisco Port Commission.

"Port Event of Default" is defined in Section 7.2.

"Port's Guidelines" means Port's Historic Preservation Review Guidelines for Pier and Bulkhead Wharf Substructures attached as *Exhibit E*.

"Port Pier 31½ Marginal Wharf Improvements" is defined in Section 3.1.

"Prospectus" means the document issued by NPS under the authority of the 1998 Concessions Act inviting the public to submit proposals for the Ferry Concession Contract.

"Public Trust" means the public trust for commerce, navigation and fisheries, including the statutory trust imposed by the Burton Act.

"Qualified Appraiser" is defined in Section 5.4(b).

"Regulatory Agency" means the municipal, county, regional, state, or federal government and their bureaus, agencies, departments, divisions, courts, commissions, boards, officers, or other officials, including BCDC, RWQCB, Port (in its regulatory capacity), other departments, offices, and commissions of the City and County of San Francisco (each in its regulatory capacity), Port's Chief Harbor Engineer, the Dredged Material Management Office, SHPO, State Lands, the U.S. Coast Guard, the Army Corps of Engineers, or any other governmental agency now or later having jurisdiction over Port property.

"Regulatory Approval" means any authorization, approval, license, registration, or permit required or issued by any Regulatory Agency.

"RWQCB" means the State of California Regional Water Quality Control Board.

"Secretary's Standards" means the Secretary of the Interior's Standards for the Treatment of Historic Properties.

"SHPO" means the State's Historic Preservation Officer.

"Site" is defined in Section 1.

"State" means the State of California.

"State Lands" means the California State Lands Commission, a State agency.

**"Sublease"** means the following events or proposed events: (a) a proposed or actual sublease, sublicense or agreement of similar effect with a subtenant, sublicensee, manager, vendor, concessionaire, food truck or food cart operator of all or any part of the premises as defined in a Lease; (b) any person other than Tenant occupies or claims a right of possession to any part of the Site; or (c) any further sublease, sublicense or agreement of similar effect with a subtenant of any of its interest in its sublease or premises.

**"Tenant(s)"** refers to the entities that will operate the Site under a Lease with Port including Conservancy and each successive Ferry Concessioner.

**"Term"** means the period starting on the Effective Date and ending on the Expiration Date, including any Extension Term(s).

**"Visitor Experience"** refers to the space, interpretive information and amenities available to visitors to the Site, including but not limited to: (i) opportunities for visitors to learn about Alcatraz Island to the maximum extent possible such that it increases visitor appreciation and understanding of the unique resource, (ii) opportunities for the Site to serve as a gateway to introducing GGNRA and the National Park System, and (iii) performance of Site improvements, alterations and activities in a manner that enables such interpretive opportunities, meets fundamental visitor needs, and demonstrates sound environmental management, stewardship and leadership.

**"Waterfront Plan"** means the Port of San Francisco Waterfront Land Use Plan, including the Waterfront Design and Access Element, for the approximately 7-1/2 miles of waterfront property under Port jurisdiction.

**[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]**

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly appointed representatives as of the date first above written.

**PORT:**

**CITY AND COUNTY OF SAN FRANCISCO,**  
a municipal corporation act by and through the  
**SAN FRANCISCO PORT COMMISSION**

By: \_\_\_\_\_  
Elaine Forbes, Executive Director

Date Signed: \_\_\_\_\_

**NPS:**

**UNITED STATES OF AMERICA**

By: \_\_\_\_\_  
Laura E. Joss, General Superintendent,  
Golden Gate National Recreation Area

Date Signed: \_\_\_\_\_

Prepared by: Rebecca Benassini and Jay Edwards \_\_\_\_\_  
initials

APPROVED AS TO FORM:  
DENNIS HERRERA, City Attorney

By: \_\_\_\_\_  
Name: Rona H. Sandler  
Deputy City Attorney

Port Commission Resolution No. 18-39  
BoS Resolution No.



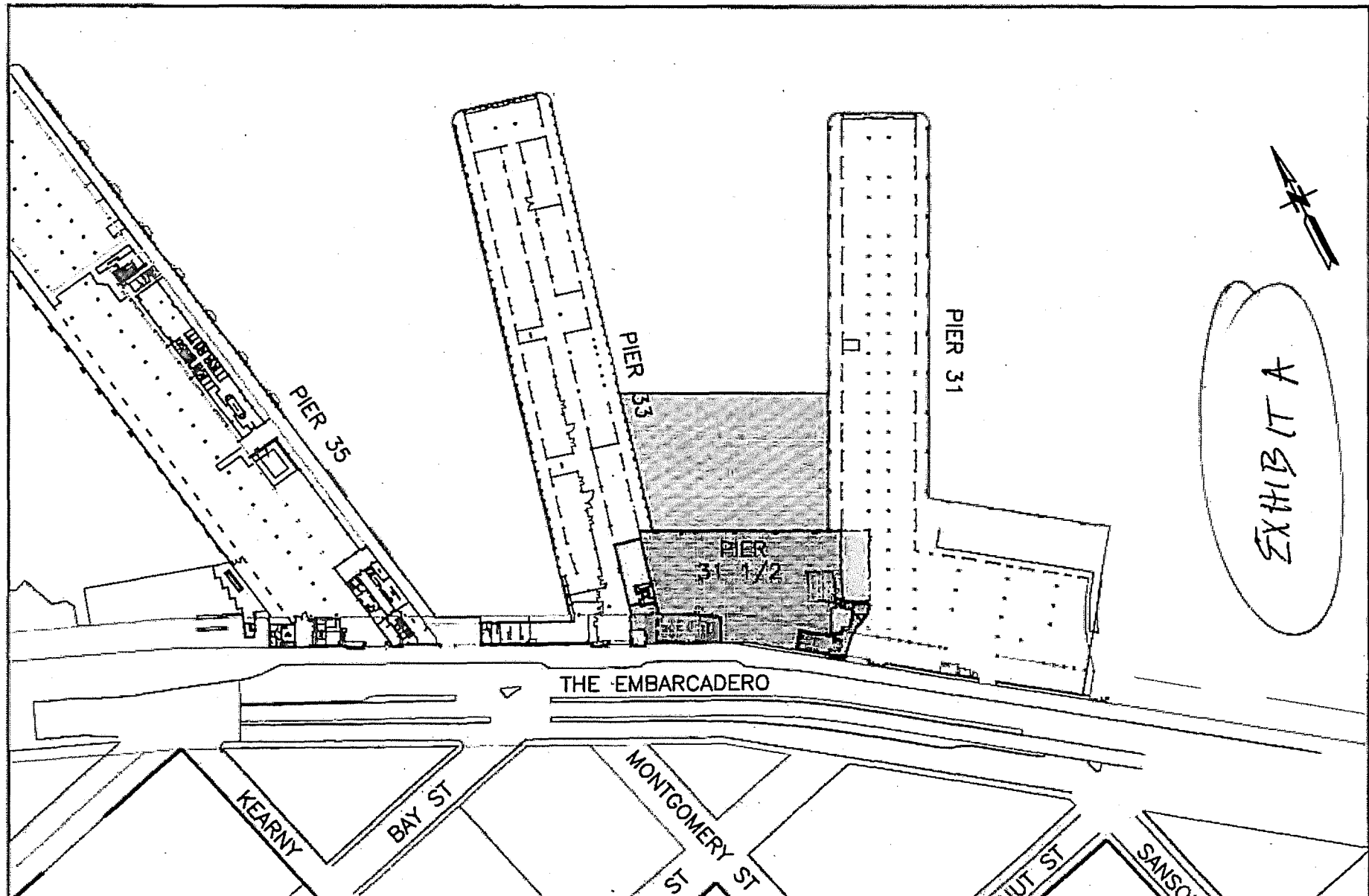
**[PAGE INTENTIONALLY LEFT BLANK]**

**EXHIBIT A**

**SITE PLAN**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**



APPROVED BY  
SAN FRANCISCO PORT COMMISSION  
DATE \_\_\_\_\_

CHIEF HARBOR ENGINEER



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

# ALCATRAZ LANDING VICINITY MAP

DRAWN BY : J. DOMINGUEZ  
CHECKED BY : J. EDWARDS  
DRAWING NO. \_\_\_\_\_

DATE: JULY 26TH 2017  
SCALE: 1"=200'

SHEET NO. \_\_\_\_\_  
OF SHEETS

PROJECT: ALCATRAZ LANDING VICINITY MAP - 31 Avenue Landing - 31 Avenue Landing - 31 Avenue Landing

**EXHIBIT B**

**CONCESSIONER FORM OF LEASE FOR  
INITIAL FERRY CONCESSIONER LEASE**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**

**EXHIBIT B  
FORM OF LEASE FOR  
FERRY CONCESSIONER**



**CITY AND COUNTY OF SAN FRANCISCO  
LONDON N. BREED, MAYOR**

---

**LEASE No. L-16723**

**BY AND BETWEEN**

**THE CITY AND COUNTY OF SAN FRANCISCO  
OPERATING BY AND THROUGH THE  
SAN FRANCISCO PORT COMMISSION**

**AND**

**[INSERT NAME OF TENANT]**

**ALCATRAZ ISLAND FERRY EMBARKATION  
PIERS 31, 31 ½ AND 33**

**ELAINE FORBES  
EXECUTIVE DIRECTOR**

**SAN FRANCISCO PORT COMMISSION**

**KIMBERLY BRANDON, PRESIDENT  
WILLIE ADAMS, VICE PRESIDENT  
GAIL GILMAN COMMISSIONER  
VICTOR MAKRAS, COMMISSIONER  
DOREEN WOO HO, COMMISSIONER**

## TABLE OF CONTENTS

	<u>Page</u>
1. DEMISE.....	1
2. DEFINITIONS.....	1
3. PREMISES; AS-IS CONDITION .....	11
3.1. Premises .....	11
3.2. Accessibility Inspection Disclosure .....	11
3.3. San Francisco Disability Access Disclosures .....	12
3.4. Proximity of Development Project .....	12
3.5. No Light, Air or View Easement .....	12
3.6. Unique Nature of Premises .....	12
3.7. Seawall.....	13
3.8. As-Is Condition.....	13
3.9. Reserved Rights Regarding Seawall.....	13
3.10. Port's Rights Regarding Premises .....	14
3.11. Flags.....	14
3.12. Use of Intellectual Property; Music Broadcasting Rights/Port logo.....	14
3.13. No Right to Encroach.....	14
4. TERM OF LEASE; EXTENSIONS; TERMINATION BY PORT .....	15
4.1. Term.....	15
4.2. Existing Leases .....	15
4.3. Delivery of Premises.....	15
4.4. Port's Termination Rights.....	16
4.5. Termination of Port/NPS Agreement Due to Alcatraz Island .....	16
4.6. Month to Month Hold Over .....	17
4.7. Waiver of Relocation Benefits.....	17
5. RENT .....	17
5.1. Definitions.....	17
5.2. Base Rent .....	18
5.3. Exclusion for Concession Franchise Fee .....	18
5.4. Percentage Rent .....	19



5.5.	Rent Credits .....	20
5.6.	Books and Records .....	22
5.7.	No Joint Venture .....	22
5.8.	Audit .....	22
5.9.	Default Interest.....	23
5.10.	Late Charges/Habitual Late Payer .....	23
5.11.	Returned Checks .....	23
5.12.	Net Lease .....	23
5.13.	Additional Charges .....	23
6.	TAXES AND ASSESSMENTS .....	24
6.1.	Payment of Taxes.....	24
6.2.	Possessory Interest Tax.....	24
7.	REQUIRED FINANCIAL ASSURANCES.....	25
7.1.	Security Deposit.....	25
7.2.	Environmental Oversight Deposit.....	25
8.	USE OF THE PREMISES .....	26
8.1.	Permitted Use.....	26
8.2.	Prohibited Use.....	26
8.3.	Notice of Prohibited Use Charge .....	26
9.	COMPLIANCE WITH LAWS AND REGULATIONS .....	27
10.	PORT ACTING AS OWNER OF PROPERTY; REGULATORY APPROVALS; COMPLIANCE WITH CITY'S RISK MANAGER'S REQUIREMENTS.....	27
10.1.	Port Acting as Owner of Property.....	27
10.2.	Regulatory Approvals .....	28
10.3.	Compliance with City's Risk Manager's Requirements .....	28
11.	MAINTENANCE AND REPAIRS .....	29
11.1.	Port's Obligations .....	29
11.2.	Tenant Maintenance and Repair Obligations.....	29
11.3.	Port's Right to Inspect.....	30
11.4.	Port's Right to Repair.....	30
11.5.	Dredging .....	30
11.6.	Acts of Nature .....	32
12.	UTILITIES AND SERVICES .....	32

12.1.	Utilities.....	32
12.2.	Services .....	33
12.3.	On-Site Renewable Energy .....	33
13.	IMPROVEMENTS AND ALTERATIONS .....	33
13.1.	Port Consent Required .....	33
13.2.	Tenant's Obligation to Construct the Embarkation Site Improvements .....	34
13.3.	Construction Requirements Subsequent Alterations .....	34
13.4.	Improvements Part of Realty .....	35
13.5.	Removal of Improvements.....	36
13.6.	Removal of Non-Permitted Improvements .....	36
13.7.	All-Gender Toilet Facilities .....	36
13.8.	Signs.....	36
13.9.	Improvements on Roof .....	36
13.10.	Port's Work .....	37
14.	FLOOD RISK AND SEA LEVEL RISE .....	37
14.1.	Pier Flood Protection Measures .....	37
14.2.	Termination.....	38
14.3.	Required Flood Protection Improvements for Other Port Property .....	38
14.4.	Limitations; Waiver .....	39
14.5.	Additional Improvements To Address Sea Level Rise.....	39
15.	LIENS .....	39
16.	HAZARDOUS MATERIALS .....	40
16.1.	Requirements for Handling.....	40
16.2.	Tenant Responsibility .....	40
16.3.	Tenant's Environmental Condition Notification Requirements .....	40
16.4.	Requirement to Remediate.....	41
16.5.	Port's Right to Audit .....	42
16.6.	Notification of Asbestos .....	42
16.7.	Notification of Lead .....	43
16.8.	Storm Water Pollution Prevention .....	43
16.9.	Presence of Hazardous Materials.....	43
16.10.	Survival .....	44
17.	INSURANCE.....	44

17.1.	Required Insurance Coverage .....	44
17.2.	Claims-Made Policies .....	47
17.3.	Annual Aggregate Limits.....	47
17.4.	Payment of Premiums .....	47
17.5.	Waiver of Subrogation Rights .....	47
17.6.	General Insurance Matters .....	47
18.	DAMAGE AND DESTRUCTION.....	48
18.1.	Prior to Delivery .....	48
18.2.	After Delivery .....	49
18.3.	Waiver.....	50
19.	EMINENT DOMAIN .....	50
19.1.	General.....	50
19.2.	Partial Takings .....	50
19.3.	Taking of the Facility.....	50
19.4.	Temporary Takings.....	50
19.5.	Award; Waiver; Termination of Lease; Rent.....	51
20.	INDEMNITY AND EXCULPATION .....	51
20.1.	Indemnity Prior to Delivery .....	51
20.2.	Indemnity After Delivery.....	51
20.3.	Hazardous Materials Indemnity .....	52
20.4.	Scope of Indemnities.....	52
20.5.	Exculpation and Waiver.....	53
20.6.	Survival .....	53
21.	MORTGAGE, ASSIGNMENT AND SUBLEASING .....	53
21.1.	Mortgage .....	53
21.2.	Assignment .....	54
21.3.	Sale.....	54
21.4.	Subleasing by Tenant.....	55
21.5.	Assignment of Sublease Rents.....	57
21.6.	No Further Consent Implied .....	57
21.7.	Fees for Review .....	57
21.8.	No Release of Tenant.....	57
21.9.	Notice to Port .....	57

21.10.	Assignment/Sublease Audit.....	58
21.11.	Acknowledgement .....	58
22.	DEFAULTS BY TENANT.....	58
23.	PORT'S REMEDIES .....	60
23.1.	Tenant's Right to Possession Not Terminated .....	60
23.2.	Termination of Tenant's Right to Possession.....	61
23.3.	Appointment of Receiver.....	61
23.4.	Port's Right to Cure Tenant's Default .....	61
23.5.	No Accord and Satisfaction .....	61
23.6.	Waiver of Redemption.....	62
23.7.	Habitual Late Payer.....	62
23.8.	Remedies Not Exclusive.....	62
24.	LITIGATION EXPENSES; ATTORNEYS' FEES .....	62
24.1.	Litigation Expenses.....	62
24.2.	Appeals .....	62
24.3.	City Attorney .....	62
25.	PORT'S ENTRY ON PREMISES .....	62
25.1.	Entry for Inspection .....	62
25.2.	General Entry .....	62
25.3.	Emergency Entry .....	63
25.4.	No Liability .....	63
25.5.	Nondisturbance .....	63
26.	SURRENDER AND QUITCLAIM.....	63
26.1.	Surrender.....	63
26.2.	Quitclaim.....	64
26.3.	Abandoned Property .....	64
26.4.	Survival .....	64
27.	NOTICES.....	64
28.	REPRESENTATIONS AND WARRANTIES OF TENANT .....	65
29.	TENANT'S MANAGEMENT COVENANTS .....	65
29.1.	Covenants.....	65
29.2.	Continuous Operations.....	66
30.	MINERAL RESERVATION.....	66

31.	CITY AND PORT REQUIREMENTS .....	66
31.1.	Nondiscrimination.....	66
31.2.	Requiring Health Benefits for Covered Employees.....	67
31.3.	First Source Hiring.....	68
31.4.	Local Business Enterprises .....	68
31.5.	Indoor Air Quality.....	68
31.6.	Prohibition of Tobacco Sales and Advertising .....	68
31.7.	Prohibition of Alcoholic Beverages Advertising .....	68
31.8.	Graffiti Removal .....	69
31.9.	Restrictions on the Use of Pesticides .....	69
31.10.	MacBride Principles Northern Ireland.....	69
31.11.	Tropical Hardwood and Virgin Redwood Ban .....	70
31.12.	Preservative-Treated Wood Containing Arsenic .....	70
31.13.	Notification of Limitations on Contributions .....	70
31.14.	Sunshine Ordinance .....	70
31.15.	Conflicts of Interest.....	71
31.16.	Drug-Free Workplace .....	71
31.17.	Prevailing Wages and Working Conditions.....	71
31.18.	Public Transit Information.....	71
31.19.	Food Service and Packaging Waste Reduction Ordinance.....	72
31.20.	Consideration Of Criminal History In Hiring And Employment Decisions.....	72
31.21.	Local Hire .....	73
31.22.	San Francisco Bottled Water Ordinance.....	73
31.23.	Port's Zero Waste Events and Activities Policy .....	73
31.24.	Vending Machines; Nutritional Standards and Calorie Labeling Requirements; Offerings .....	73
31.25.	Employee Signature Authorization Ordinance .....	74
32.	MISCELLANEOUS PROVISIONS.....	74
32.1.	California Law .....	74
32.2.	Entire Agreement.....	74
32.3.	Amendments .....	74
32.4.	Severability .....	74
32.5.	Interpretation of Lease .....	74

32.6.	Successors .....	75
32.7.	Real Estate Broker's Fees.....	75
32.8.	Counterparts .....	75
32.9.	Authority .....	75
32.10.	No Implied Waiver .....	76
32.11.	Time is of Essence .....	76
32.12.	Cumulative Remedies .....	76
32.13.	Survival of Indemnities.....	76
32.14.	Relationship of the Parties .....	76
32.15.	No Recording .....	76
32.16.	Additional Written Agreement Required.....	76
33.	LIMITATION ON DAMAGES .....	76
33.1.	No Recourse Beyond Value of Premises .....	76
33.2.	Non-Liability of City Officials, Employees and Agents .....	76
33.3.	Limitation on Port's Liability Upon Transfer .....	77
34.	TENANT ESTOPPEL CERTIFICATES .....	77

#### **EXHIBITS AND SCHEDULES**

<b>EXHIBIT A</b>	<b>FORM EFFECTIVE DATE, COMMENCEMENT DATE AND EXPIRATION DATE MEMORANDUM</b>
<b>EXHIBIT B</b>	<b>DESCRIPTION OF PREMISES – INITIAL PHASE I</b>
<b>EXHIBIT B-1</b>	<b>DESCRIPTION OF PREMISES – PHASE II</b>
<b>EXHIBIT B-2</b>	<b>DESCRIPTION OF PREMISES – FINAL PIER 33 SOUTH BULKHEAD PREMISES - REPLACEMENT EXHIBIT FOR EXHIBIT B-1</b>
<b>EXHIBIT B-3</b>	<b>APRON SITES</b>
<b>EXHIBIT B-4</b>	<b>APPROXIMATE LOCATION OF THE SEAWALL IN RELATION TO THE PREMISES</b>
<b>EXHIBIT C</b>	<b>FORM OF OPERATIONS PLAN – TO BE REPLACED BY PORT-APPROVED OPERATIONS PLAN</b>
<b>EXHIBIT D</b>	<b>PERMITTED VESSELS</b>
<b>EXHIBIT E</b>	<b>WORK LETTER</b>
<b>EXHIBIT F</b>	<b>SCOPE OF WORK FOR Pier 31 ½ MARGINAL WHARF IMPROVEMENTS</b>
<b>EXHIBIT G</b>	<b>LICENSE AREA FOR CURB LICENSE</b>
<b>EXHIBIT H</b>	<b>FORM OF LOCAL HIRE PLAN – TO BE REPLACED BY APPROVED LOCAL HIRE PLAN</b>
<b>EXHIBIT I</b>	<b>MITIGATION MEASURES AND IMPROVEMENT MEASURES MONITORING AND REPORTING PROGRAM</b>
<b>EXHIBIT J</b>	<b>SUMMARY OF SECRETARY’S STANDARDS</b>
<b>EXHIBIT K</b>	<b>PORT OF SAN FRANCISCO HISTORIC PRESERVATION REVIEW GUIDELINES FOR PIER AND BULKHEAD WHARF SUBSTRUCTURES</b>
<b>EXHIBIT L</b>	<b>ESTOPPEL CERTIFICATE</b>
<b>EXHIBIT M</b>	<b>PORT’S ZERO WASTE EVENTS AND ACTIVITIES POLICY</b>

#### **SCHEDULE 1 ASBESTOS NOTIFICATION AND INFORMATION**

**SCHEDULE 2 SUBSTRUCTURE REPORT(S)**  
**SCHEDULE 3 FEMA DISCLOSURE NOTICE**  
**SCHEDULE 4 HAZARDOUS MATERIALS DISCLOSURE**

# BASIC LEASE INFORMATION

<i>Lease Number:</i>	L-16723
<i>Landlord or Port:</i>	<b>City and County of San Francisco</b> , a municipal corporation, operating by and through the <b>San Francisco Port Commission</b>
<i>Landlord's Address:</i>	Port of San Francisco Pier 1 San Francisco, California 94111 Attention: Director of Real Estate  Telephone: (415) 274-0400 Facsimile: (415) 274-0494
<i>Port/National Park Service ("NPS") Agreement and Concession Contract Background:</i>	<p>In order to provide a stable location in San Francisco for the ferry embarkation site to Alcatraz Island, and to allow for long-term investment in the site, Port and NPS entered into a long term General Agreement dated xx, xx, xxxx as may be amended from time to time ("<b>Port/NPS Agreement</b>") that establishes portions of Piers 31, 31 ½ and 33 and the Pier 31/33 Water Basin as the ferry embarkation site for Alcatraz Island ("<b>Embarkation Site</b>") and sets forth various other agreements and timing between the Port and NPS. The Embarkation Site will provide a high quality welcome and orientation facility, significantly enhancing the visitor experience including introductions to Alcatraz Island, Golden Gate National Recreation Area, the National Park System, and the Port.</p> <p>The Embarkation Site will be constructed and operated by Tenant, as the Ferry Concessioner selected by NPS pursuant to a federal governmental process governed solely by applicable federal Laws including without limitation, the 1998 Concessions Act, and the Golden Gate National Parks Conservancy ("<b>Conservancy</b>"), NPS' nonprofit cooperating association, as to other visitor amenities including food service, under their respective leases with the Port.</p> <p>Tenant acknowledges and agrees that (i) the Port/NPS Agreement includes provisions that affect and relate to certain provisions of this Lease, but Tenant is not a third party beneficiary of nor does it have any rights under the Port/NPS Agreement; and (ii) NPS is solely responsible for selection of and contracting with operators for the Ferry Concession Contract and Port has no role in the selection, solicitation, and/or award of a contract to a Ferry Concessioner.</p>
<i>Tenant:</i>	Alcatraz Passenger Ferry Concessioner



<i>Tenant's Main Contact Person and Mailing Address:</i>	
<i>Tenant's Billing Contact and Address:</i>	
<i>Tenant's Emergency Contact and Address:</i>	
<i>Tenant's Insurance Contact and Address (not broker):</i>	
<i>Tenant's Parking Contact and Address:</i>	
<i>Contact Information for Tenant's Agent for Service of Process (including address) :</i>	
<i>Effective Date; Expiration Date Term:</i>	<p>This Lease shall become effective on the date of award of the Ferry Concession Contract (within the meaning of 36 C.F.R. §51.3) which will occur only after completion of any Congressional notifications, the expiration of any waiting periods required by 54 U.S.C. §101913(6) and execution of the Ferry Concession Contract by NPS ("<b>Effective Date</b>").</p> <p>Unless earlier terminated or extended in accordance with this Lease, the Term of this Lease shall be coterminous with the term of the Ferry Concession Contract including any extensions of the term of the Ferry Concession Contract by NPS; the "<b>Expiration Date</b>" shall be the date the Ferry Concession Contract expires or is earlier terminated.</p> <p>Promptly following the actual Effective Date, Port and Tenant shall execute a Memorandum substantially in the form attached hereto as <b>Exhibit A</b>, confirming the actual Effective Date and Expiration Date, but either party's failure to do so shall not affect the Effective Date or Expiration Date. Similarly, promptly following any extension of the Ferry Concession Contract by NPS that extends the original Expiration Date, Port and Tenant shall execute a Memorandum substantially in the form attached hereto as <b>Exhibit A</b>, confirming the new Expiration Date, but either party's failure to do so shall not affect the expiration of the Term.</p>
<i>Premises; Commencement Dates and Delivery:</i>	<p>Port will deliver possession of the Premises in two phases as described below. Tenant's delay in or failure to accept possession upon delivery by Port is a material breach of this Lease.</p>

**Phase I Delivery - Estimated as the "effective date" of the Ferry Concession Contract as defined by the Ferry Concession Contract:**

The initial phase of the Premises consists of shed and office space; submerged land; and space on the Marginal Wharf comprised of the following and as depicted in *Exhibit B*:

**Parcel A Submerged land:** approximately 60,000 sq. ft.;

**Parcel B Pier 31½ Marginal Wharf and plaza:** approximately 43,890 sq. ft. of pier-supported outdoor space; and

**Parcel C Pier 31 Shed:** approximately 5,300 sq. ft. of non-contiguous shed space; and

**Parcel D Pier 33 Shed:** approximately 4,062 sq. ft. of shed space; and

**Parcel D-1 Pier 33 Shed:** approximately 1,240 sq. ft. of shed space.

Parcels A-D will remain in the Premises for the Term of the Lease.

Promptly following delivery of the Phase I Premises, Port and Tenant shall execute a Memorandum substantially in the form attached hereto as *Exhibit A*, confirming the actual delivery date ("Phase I Commencement Date"), but either party's failure to do so shall not affect the Phase I Commencement Date. Rent for all parcels in the Phase I Premises shall commence on the Phase I Commencement Date ("Phase I Rent Commencement Date").

**Phase II Delivery - Estimated Commencement Date: August 1, 2019:**

Phase II will consist of a total of approximately 13,775 square feet of retail and office space in the Pier 33 South Bulkhead Building as described below.

**Parcel E Pier 33 South Bulkhead Building: 1st Floor:** approximately 4,612 sq. ft. of on the first floor; and

**Parcel F Pier 33 South Bulkhead Building 2nd Floor:** approximately 4,555 sq. ft. on the second floor; and

**Parcel G Pier 33 South Bulkhead Building 3<sup>rd</sup> Floor:** approximately 4,612 sq. ft. on the third floor;

As of the Phase II Commencement Date, **Exhibit B-1** showing the Phase II Premises will be added to this Lease as part of the Premises without further action by the parties. Tenant acknowledges and agrees that the Phase II Premises and delivery thereof will be made without representation or warranty by Port and subject to all provisions of this Lease including without limitation the "as-is" provisions in Section 3. Promptly following the delivery of the Phase II Premises, Port and Tenant shall execute a Memorandum substantially in the form attached hereto as **Exhibit A**, confirming the actual delivery date ("Phase II Commencement Date"), but either party's failure to do so shall not affect the Phase II Commencement Date.

Parcel G will remain in the Premises for the Term of the Lease.

**Final Pier 33 South Bulkhead Building Premises:**

As described below, Embarkation Site Improvements will include demolition/construction of significant portions of the Phase II Premises and construction of an approximately 992 square foot mezzanine to replace the second floor. Upon Completion of the Embarkation Site Improvements to the Pier 33 South Bulkhead Building as described below and written notice by Port ("**Pier 33 South Bulkhead Building Completion Date**"), Tenant shall surrender Parcel D-1, and approximately 3,280 sq. ft. on the first floor and the entire second floor mezzanine of the Pier 33 South Bulkhead Building to Port in compliance with Section 26. Tenant shall surrender and deliver the relevant property to Port strictly in compliance with the conditions and specifications in the Work Letter, including without limitation, the Scope of Development (including the Schematic Design and Drawings) attached as Attachment 1 to the Work Letter which is attached hereto as **Exhibit E**. Acceptance of such surrender and conditions shall be in Port's sole discretion. As of the Pier 33 South Bulkhead Building Completion Date, this Lease will terminate as to such portions of the Premises and **Exhibit B-2** will replace and supersede **Exhibit B-1** in its entirety without further action by the parties.

The remainder of the Pier 33 South Bulkhead Building will remain under this Lease, consisting of:

**Parcel E-1 Pier 33 South Bulkhead Building: 1st Floor:** approximately 1,382 sq. ft. of space on the first floor; and

**Parcel G Pier 33 South Bulkhead Building 3<sup>rd</sup> Floor:** approximately 4,612 sq. ft. of office space.

Promptly following the Pier 33 South Bulkhead Building Completion Date, Port and Tenant shall execute a

	Memorandum substantially in the form attached hereto as <b><i>Exhibit A</i></b> , confirming the actual Pier 33 South Bulkhead Building Completion Date.
<i>Square Footage and Rent Adjustments:</i>	All square footages are approximate. Port, upon either party's request after Completion of any phase of the Embarkation Site Improvements, will re-measure the relevant parcel(s) and Base Rent will be recalculated for such parcel based on the rent per square foot as shown below. The parties will document such technical corrections, if any, by counter-signed addenda and replacement exhibits to this Lease which addenda and replacement exhibits shall be fully incorporated into this Lease.
<i>Access to Embarkation Site Prior to Delivery of Parcels:</i>	After the Effective Date and prior to any Commencement Date, Port will allow Tenant to access the relevant areas of the Embarkation Site for due diligence purposes under a Port license or other agreement subject to Port's standard terms and conditions for such access agreements and the rights of any existing tenants and users.
<i>Permitted Use:</i>	<p>As more specifically described below and elsewhere in this Lease and subject to all terms and conditions of this Lease, Tenant shall use the Premises solely to operate a ferry embarkation site and related amenities for: (i) excursions to Alcatraz Island; (ii) as authorized in a Concession Contract: passenger ferry and associated services between the Embarkation Site and a landing at another NPS site in the San Francisco Bay Area and/or a landing at a non-NPS park within the San Francisco Bay Area for which NPS provides cooperative services through a partnership with another entity; (iii) Interpretive Park Cruises; and (iv) ancillary occasional Special Events approved in writing by NPS and for no other purpose.</p> <p><b>Parcel A Submerged land:</b> vessel berthing for the vessel(s) permitted under this Lease (see below and <b><i>Exhibit D</i></b>); use of floats and ramps; vessel provisioning; overnight berthing; passenger loading and unloading;</p> <p><b>Parcel B Pier 31½ Marginal Wharf and plaza:</b> for public assembly; visitor circulation; ferry passenger queueing, and staging; information kiosk, interpretive exhibits; souvenir photography directly serving ferry passengers; protected seating and dining area; and support for routine/minor maintenance of ferry vessels ;</p> <p><b>Parcel C Pier 31 Shed:</b> maritime storage and other storage, including food storage; employee and accessible vehicular parking; public restrooms; and bicycle parking;</p> <p><b>Parcel D and D-1 Pier 33 Shed:</b> maritime storage and other storage, including food storage; employee break area; utility area and public restrooms and construction activities;</p>

	<p><b>Parcel E Pier 33 South Bulkhead Building 1st Floor:</b> ticketing, office and circulation areas;</p> <p><b>Parcel F Pier 33 South Bulkhead Building 2nd Floor:</b> office and construction activities;</p> <p><b>Parcel G Pier 33 South Bulkhead Building 3rd Floor:</b> office uses.</p> <p>All Permitted Uses must be consistent with the uses described in the Final Mitigated Negative Declaration for the project (2017-000188ENV) (“FMND”). Tenant shall seek Port’s prior written consent for any new or modified uses subject to further environmental review and approval by the Port Commission and Board of Supervisors, each in its sole discretion if required. If Port approves such new or modified uses, Port may impose reasonable conditions on such uses.</p>
<p><i>Additional Prohibited Uses:</i></p>	<p>In addition to, and without limiting, the Prohibited Uses specified in Section 8.2 below, Tenant shall be prohibited from using the Premises for any of the following activities:</p> <p>Tenant shall not offer food and beverage on Parcels B-G. Except for souvenir photography directly serving ferry passengers, Tenant shall not offer merchandise on Parcels B- G.</p> <p>The follow uses are prohibited unless and under the terms and conditions allowed in the approved Operations Plan:</p> <ul style="list-style-type: none"> <li>(a) Use of vehicles on the Marginal Wharf, including for deliveries, loading and unloading which weigh in excess of the DOT H20 rating.</li> <li>(b) Use or storage of Hazardous Materials, as defined in Section 2, including without limitation engine and hydraulic oils, diesel fuel, gasoline, compressed gases, such as propane, acetylene, oxygen, paints and paint-related products. No fuel tanks, temporary or otherwise, will be allowed on the Premises.</li> <li>(c) Fueling or performing maintenance of vessels or vehicles or other machinery, fixtures or furniture, including fluid changes or transfers; painting; sanding; chipping; sandblasting; painting preparation work, and engine work.</li> <li>(d) Washing vessels with anything other than biodegradable soap and clean water. Washing vessels with biodegradable soap and clean water is permitted.</li> <li>(e) Discharging bilge water or any oily liquid into Bay waters.</li> </ul>

	<p>(f) Conducting hot works and welding, except with all necessary Regulatory Approvals.</p> <p>Port shall have all remedies set forth in this Lease, and at law or equity in the event Tenant performs any of the Prohibited Uses.</p>		
<i>Operations Plan:</i>	<p>All Permitted Uses must be performed in compliance with the Port-approved Operations Plan attached hereto as <b>Exhibit C</b> and hereby incorporated.</p> <p>Failure to comply with the Operations Plan is a material breach of this Lease. Port may, from time to time, review Tenant's Operations Plan and make recommendations for revisions. All revisions to the Operations Plan, whether initiated by Port or Tenant, are subject to Port approval, in its sole discretion.</p>		
<i>Permitted Vessels:</i>	<p>Tenant may use the Premises only for Tenant-leased or owned vessels (including Affiliate-owned vessels) used for service to Alcatraz Island unless otherwise approved in advance in writing by Port in response to Tenant's request no less than three (3) business days in advance of mooring such vessel. Tenant must secure all required Regulatory Approvals prior to mooring vessels at the Premises.</p> <p>Prior to the Phase I Commencement Date, Tenant shall provide a list of vessels that it intends to operate at the Premises which shall be attached as <b>Exhibit D</b> to this Lease. <b>Exhibit D</b> shall list each vessel, its ownership (including whether it is owned by an Affiliate) and name, the state or federal vessel registration number, the length overall (LOA), the net registered tons and the capacity of the vessels and include a copy of the US Coast Guard Certificate for each vessel. Changes and additions to the vessels listed in <b>Exhibit D</b> may be made with three (3) business days' written notice to Port which notice must include all of the above information. <b>Exhibit D</b> and any additions thereto shall be subject to Port's approval in its sole discretion.</p>		
<b>BASE RENT</b>			
<b>PHASE I</b>			
<b>Parcels A-D will remain in the Premises for the Term of this Lease</b>			
<i>Monthly Base Rent Months 1-12 (beginning on the Phase I Commencement Date):</i>	Sq. Ft.	Monthly Base Rate	Total Monthly Base Rent
<b>Parcel A Submerged land</b>	60,000	\$.20	\$12,000

<b>Parcel B Pier 31½ Marginal Wharf and plaza</b>	43,890	\$.40	\$17,556
<b>Parcel C Pier 31 Shed</b>	5,300	\$1.50	\$7,950
<b>Parcel D Pier 33 Shed</b>	4,062	\$1.50	\$6,093
<p align="center"><b>PHASE II</b></p> <p><b>Upon Completion of the Embarkation Site Improvements to the Pier 33 South Bulkhead Building, Parcel D-1 will be surrendered; Parcel G will remain in the Premises for the Term of this Lease. Parcel E in the Phase II Premises will be replaced and superseded by Parcel E-1 in the Final Configuration as shown below and in the Lease Exhibits</b></p>			
<i>Monthly Base Rent Months 1-12 (beginning on the 271<sup>st</sup> day after the Phase II Commencement Date):</i>	Sq. Ft.	Monthly Base Rate	Total Monthly Base Rent
<b>Parcel D-1 Pier 33 Shed:</b>	1,240	\$1.50	\$1,860
<b>Parcel E Pier 33 South Bulkhead Building 1st Floor</b>	4,612	\$5.00	\$23,060
<b>Parcel F Pier 33 South Bulkhead Building 2<sup>nd</sup> Floor</b>	4,555	\$3.00	\$13,655
<b>Parcel G Pier 33 South Bulkhead 3<sup>rd</sup> Floor</b>	4,612	\$3.00	\$13,836
<p align="center"><b>FINAL CONFIGURATION AFTER PIER 33 SOUTH BULKHEAD COMPLETION DATE FOR THE PIER 33 SOUTH BULKHEAD BUILDING</b></p>			
<i>Monthly Base Rent Months 1-12 (beginning on the Pier 33 South Bulkhead Building Completion Date):</i>	Sq. Ft.	Monthly Base Rate	Total Monthly Base Rent
<b>Parcel A Submerged land</b>	60,000	\$.20	\$12,000

<b>Parcel B Pier 31½ Marginal Wharf and plaza</b>	43,890	\$ .40	\$17,556
<b>Parcel C Pier 31 Shed</b>	5,300	\$1.50	\$7,950
<b>Parcel D Pier 33 Shed</b>	4,062	\$1.50	\$6,093
<b>Parcel E-1 Pier 33 South Bulkhead 1st Floor</b>	1,382	\$5.00	\$6,910
<b>Parcel G Pier 33 South Bulkhead 3<sup>rd</sup> Floor</b>	4,612	\$3.00	\$13,836
<i>Annual Base Rent Adjustment:</i>	For Parcel G, on each Anniversary Date, Base Rent shall increase by three percent (3%). For all other parcels, on each Anniversary Date, Base Rent shall increase by two and one-half percent (2.5%).		
<i>Phase II Construction Rent Abatement:</i>	Base Rent for Parcels E and F in the Pier 33 South Bulkhead shall be waived for Two Hundred and Seventy (270) days beginning on the Phase II Commencement Date. No Base Rent is due for Parcels E and F during this 270-day period provided that there is no other existing Tenant default. Tenant shall resume Base Rent payments for Parcels E and F on the Two Hundred Seventy First (271 <sup>st</sup> ) day after the Phase II Commencement Date regardless of whether the Embarkation Site Improvements to Parcels E and F have been Completed (“ <b>Phase II Rent Commencement Date</b> ”). The Phase II Rent Commencement Date shall be stated in the Memorandum for Phase II.		
<i>Percentage Rent:</i>	<p>As further defined and described in Section 5, in addition to the monthly Base Rent specified above, Tenant shall pay monthly Percentage Rent in an amount equal to the difference between (i) the percentage rent for such calendar month and (ii) the Base Rent for such calendar month for all Parcels, except Parcel G, in any month in which the percentage rent exceeds the Base Rent.</p> <p>As further defined and described in Section 5, “<b>percentage rent</b>” shall be equal to the total monthly:</p> <p>(i) 7.50% of Gross Ticket Revenue; PLUS</p> <p>(ii) 8.00% of Gross Ancillary Revenue; PLUS</p> <p>(iii) 7.25% of Gross Food and Beverage Revenue.</p>		



<i>Rent Abatement During Alcatraz Island Shut down:</i>	Base Rent shall be suspended for Parcels A-E, during periods when Alcatraz Island closes to visitors for more than one (1) day for reasons outside NPS's or its Agent's (including Tenant's) control (such as weather, earthquake damage or a government shutdown, but not deferred maintenance) to the extent that such interruption is not covered by Tenant's business interruption insurance. Percentage Rent will continue to be due for any such period.
<i>Security Deposit</i>	Two Hundred Eight Thousand Three Hundred dollars (\$208,300) which consists of: twenty-thousand dollars (\$20,000) plus an amount equal to two (2) months of the total initial base rent for Parcels A-G (\$188,300).
<i>Embarkation Site Improvements:</i>	<p>Tenant must Complete the following improvements as more particularly described in the Scope of Development, including the Schematic Design and Drawings, attached as Attachment 1 to the Work Letter which is attached hereto as <b>Exhibit E</b> and incorporated (collectively, the "<b>Embarkation Site Improvements</b>"): waterside improvements, including new ferry barges, docks and associated infrastructure; Pier 31½ Marginal Wharf deck surface and visitor amenities; Pier 33 Shed visitor restrooms; Pier 31 bulkhead restrooms; interior improvements in the Pier 31 and Pier 33 Sheds; Pier 33 South Bulkhead Building ticketing area improvements; and demolition of a portion of the 2nd floor of the Pier 33 South Bulkhead Building and construction of a mezzanine area. The Embarkation Site Improvements must achieve a Leadership in Energy and Environmental Design ("<b>LEED®</b>") Gold rating, regardless of the applicable minimum square footage threshold under the Port Green Building Standards Code unless the Chief Harbor Engineer grants a waiver of such certification based on the circumstances listed in Section 101.12 of the Port Green Building Standards Code (as may be amended from time to time) and subject to any conditions the Chief Harbor Engineer imposes as a condition to such waiver.</p> <p>Tenant must Complete the Embarkation Site Improvements no later than the Fifth (5th) anniversary of the Effective Date of this Lease (the "<b>Embarkation Site Improvements Outside Completion Date</b>").</p> <p>Port and NPS estimate the costs of Embarkation Site Improvements to be thirty million dollars (\$30,000,000).</p> <p>Tenant shall own and maintain the Embarkation Site Improvements during the Term of this Lease. Unless specified otherwise by Port in writing, the Embarkation Site Improvements will become part of the realty upon expiration or earlier termination of this Lease and shall remain on the Premises at no cost to Port.</p>

	All the Embarkation Site Improvements shall be constructed at Tenant's sole cost and expense and in accordance with Section 13 below and the Work Letter.
<i>Rent Credits for Embarkation Site Improvements:</i>	<p>Upon Completion of the Embarkation Site Improvements by the Embarkation Site Improvements Outside Completion Date, and subject to the conditions of Section 5.5, Tenant shall be entitled to a rent credit in a maximum amount of Two Million Five Hundred Twenty Thousand dollars (\$2,520,000) amortized on a straight line basis over a forty-eight (48) month period in equal monthly amounts to be taken at a rate of seventy percent (70%) of the total monthly Rent due.</p> <p>Other than explicitly provided herein, Tenant understands and agrees that it will not receive or seek rent credits or other compensation or consideration for the Embarkation Site Improvements and agrees that it will not seek additional term for the purpose of amortizing such improvements.</p>
<i>Contractor's Bond:</i>	In an amount equal to One Hundred percent (100%) of the construction costs in a form acceptable to Port as described in the Work Letter.
<i>Maintenance and Repair:</i>	<p>As further described in Section 11 below, the parties have the following maintenance and repair responsibilities:</p> <p>Consistent with its routine maintenance and repair regime for similar structures and subject to budgetary restrictions and appropriations, Port will (i) inspect the applicable Substructure (including the Seawall) and exterior of the Pier 31 and Pier 33 bulkhead buildings and Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows) of the Premises on a periodic and as-needed basis, but no less frequently than every five (5) years, and (ii) will provide as-needed maintenance and repairs in compliance with applicable codes regarding protection of health and safety as determined in the sole discretion of the Chief Harbor Engineer in connection with the following:</p> <ul style="list-style-type: none"> <li>(a) Substructure of the Pier 31 Marginal Wharf;</li> <li>(b) Substructure of the Pier 31 and Pier 33 bulkhead buildings and Sheds 31 and 33;</li> <li>(c) Seawall;</li> <li>(d) exterior of the Pier 31 and Pier 33 bulkhead buildings and Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows).</li> </ul> <p>Tenant shall be responsible for all other maintenance and repair obligations including without limitation: all Utilities; all ferry barges, docks and associated waterside infrastructure; Marginal Wharf deck surface; all interior improvements within the Premises, including without limitation: Pier 33 visitor restrooms; Pier 33 ticketing area, interior of the Pier 31</p>

	<p>and 33 Sheds; the Pier 31 bulkhead restrooms; and all interiors and exteriors of the Pier 33 bulkhead within the Premises including exterior windows and doors.</p> <p>If, for reasons other than Tenant's or its Agents' or Invitees' acts or omissions, Port is unable to perform its maintenance and repair obligations such that Tenant's vessels cannot operate from the Premises or customers are not able to access the vessels, Port, in its sole discretion, and subject to appropriations by the Port Commission and Board of Supervisors, may request that Tenant conduct the necessary repairs provided that the costs of such repairs can be amortized by Tenant during the remaining Term as agreed by Port and Tenant. The parties agree that Tenant has the right but not the obligation to perform the requested necessary repairs. If Tenant chooses to perform the repairs, Tenant must competitively bid the scope of work for the necessary repairs and maintenance and Port must pre-approve such costs and a schedule for the work. Port agrees to consider and pre-approve changes to costs using the same process as the original pre-approval. Upon Port's written approval of the costs and schedule, Tenant will undertake the work in compliance with Section 13. Upon Completion, (a) subject to the conditions of Section 5.5, Tenant shall be entitled to a rent credit not to exceed the lesser of: the costs pre-approved by Port or Tenant's actual costs amortized on a straight line basis over the remaining Term of the Lease yielding equal monthly amounts to be taken at a rate of seventy percent (70%) (or a higher percentage as agreed by Port and Tenant in order for Tenant to amortize such costs during the remaining Term) of the total monthly Rent due; and (b) Tenant shall have no further obligations with respect to the repairs performed by Tenant, and Port shall resume its maintenance and repair obligations as set forth in this Lease.</p> <p>Notwithstanding any provision of this Lease, Port shall have no maintenance and repair obligations or responsibility to address the effects or impacts of flooding or sea level rise on the Premises or Facility.</p>
<p><i>Port Pier 31½ Marginal Wharf Improvements:</i></p>	<p>Tenant acknowledges that Port intends to perform improvements to the substructure of the Pier 31½ Marginal Wharf ("<b>Pier 31½ Marginal Wharf Improvements</b>") as further described in <i>Exhibit F</i> during the Term. Tenant agrees that Port and its authorized Agents shall have the right to enter the Premises at all reasonable times and upon reasonable notice to perform the Pier 31½ Marginal Wharf Improvements and Tenant shall cooperate by providing access and other reasonably requested assistance at no cost to Port. Port agrees to use its commercially reasonable efforts to minimize annoyance or disturbance to Tenant, its Subtenants (if any), and their respective Invitees.</p> <p>To the extent that Port is unable to obtain funding to undertake the Pier 31 ½ Marginal Wharf Improvements by</p>

	<p>December 31, 2019, upon Port's written notice, Tenant shall perform the scope of work described in <i>Exhibit F</i> (as amended if needed) as determined by Port in its sole discretion in accordance with the following provisions provided that such scope of work can be amortized by Tenant during the remaining Term as agreed by Port and Tenant. Tenant must competitively bid the scope of work for the Pier 31½ Marginal Wharf Improvements and Port must pre-approve such costs and a schedule for the work. Port agrees to consider and pre-approve changes to costs using the same process as the original pre-approval. Upon Port's written approval of the cost and schedule, Tenant will undertake the Pier 31½ Marginal Wharf Improvements in compliance with Section 13. Upon Completion, (a) subject to the conditions of Section 5.5(b), Tenant shall be entitled to a rent credit not to exceed the lesser of the costs pre-approved by Port or Tenant's actual costs amortized on a straight line basis over the remaining Term of the Lease yielding equal monthly amounts to be taken at a rate of seventy percent (70%) (or a higher percentage as agreed by Port and Tenant in order for Tenant to amortize such costs during the remaining Term) of the total monthly Rent due; and (b) Tenant shall have no further obligations with respect to the repairs performed by Tenant, and Port shall resume its maintenance and repair obligations as set forth in this Lease.</p>
<p><i>Pier 31/ 33 Water Basin and Aprons:</i></p>	<p>Tenant acknowledges that this Lease includes only a portion of the Pier 31/ 33 Water Basin and a portion of the Pier 31 and Pier 33 aprons. The Pier 31 and Pier 33 aprons serve as the secondary means of ingress and egress to the Pier 31 and Pier 33 sheds and must remain accessible for purposes of access and egress to and from The Embarcadero and Tenant shall not obstruct or restrict such access. The areas of the Pier 31/ 33 Water Basin outside the Premises must remain open for safe, unimpeded vessel navigation. Accordingly, the Parties agree as follows: (A) Tenant shall navigate as close to the centerline of the Pier 31/ 33 Water Basin as possible taking local conditions (including currents) into consideration in order to leave the basin clear for the safe maneuvering of vessels; there shall be no idling vessels in the basin; (B) as part of its Operations Plan, Tenant shall provide a vessel berthing, scheduling and operations plan to address use of the Pier 31/ 33 Water Basin; and (C) Port reserves the right to allow use of the aprons in connection with uses of the Pier 31/ 33 Water Basin in the case of emergencies and for the following routine maritime uses without limitation: (1) layberthing (including potentially by Tenant including under Tenant's Right of First Refusal as described below), (2) maintenance and repair vessels, barges and equipment including pile driving and dredging equipment, (3) fishing vessels associated with the fish processing operations within the Piers 31 and 33 sheds; and (4) commercial or private vessels laying over during regional transit. For purposes of</p>

	<p>this Lease, layberthing is generally defined as berthing/storing a vessel that is not being deployed in some kind of in-water service, typically for repairs or on stand-by orders including overnight berthing/storage.</p>
<p><i>Tenant's Right of First Refusal for Use of Aprons and Submerged Lands for Layberthing:</i></p>	<p>Tenant shall have a one-time right of first refusal to enter into an agreement with Port to use the site(s) shown in <b>Exhibit B-3</b> attached hereto (the "<b>Apron Site(s)</b>") or any portion thereof for layberthing Tenant and/or Affiliate owned vessels used in Alcatraz service under the following circumstances and material terms: (i) no later than the Effective Date, Tenant has notified Port in writing of the areas it wishes to use and the duration of such use; (ii) Tenant agrees to use such sites continuously for layberthing and for no other purpose; (iii) a default of the terms of an agreement for layberthing will be a default of this Lease and vice versa; (iv) Tenant must execute an agreement with Port which includes the then-current standard terms and conditions for similar operations including all then-applicable City and Port requirements and payment of rent as established by the then-current published Port Commission-approved rental rate schedule and terms; and (iv) such agreement will be subject to further environmental review and Port Commission and/or Board of Supervisors' approval, each in its sole discretion, as may be applicable.</p> <p>Tenant agrees that the Right of First Refusal provided in this Section is a one-time opportunity expiring on the Effective Date and that Tenant shall have no rights to the Apron Site(s) after the Effective Date. Upon Tenant's exercise of its Right of First Refusal and execution of an agreement on the terms and conditions described in this Section, Port shall use commercially reasonable efforts deliver such site(s) on the Phase I Commencement Date or the earliest date possible after such date if the Apron Site(s) are not available on the Phase I Commencement Date.</p> <p>Tenant shall have no rights under this Section, and Port need not enter into any agreement with Tenant to allow use of any portion of the Apron Sites under this Section if: (i) Tenant cannot adequately demonstrate the need for additional layberthing space relating to its operations at the Premises; or (ii) Tenant is in default under this Lease beyond any applicable cure period at the time that Port would otherwise deliver the Apron Site(s); or (iii) the Apron Site is not intended for the exclusive use of Tenant during the term of the layberthing agreement.</p>
<p><i>Curb License:</i></p>	<p><u>Grant of License.</u> In connection with this Lease, Port hereby grants permission to Tenant to carry out the activities described below in the area consisting of approximately one hundred (100) linear feet of "white zone" curb space on the eastern side of The Embarcadero in front of Pier 33 in the City and County of San Francisco, State of California as more particularly described on <b>Exhibit G</b> attached hereto and made a part hereof, together with any and all Improvements and Alterations ("<b>License Area</b>"). This license (the "<b>Curb License</b>")</p>

	<p>is a revocable, personal, non-assignable (except in connection with a permitted Assignment pursuant to this Lease), non-exclusive, and non-possessory privilege to enter and use the License Area on a temporary basis that commences on the Phase I Commencement Date and expires on the Expiration Date unless sooner terminated pursuant to the terms of this Lease.</p> <p>The License Area shall be used as a "white zone" solely for a bus/shuttle stop for the drop off and pick up of Tenant's Invitees. This license is subject to all requirements of the Port Harbor Code, as amended from time to time, including without limitation Section 24(d) which states that white zones "shall indicate stopping only for loading or unloading of passengers, day or night, and in any such event the stopping shall be limited to a maximum period of five (5) minutes; provided, however, that in no event shall white zones be used, except for taxicab operators, to originate or solicit business for commercial tour operations or any other commercial operations."</p> <p>In addition, the following activities are prohibited in the License Area: (a) Parking or stopping for any purpose other than the drop off and pick up Tenant's Invitees; (b) loading or unloading supplies, equipment or materials; (c) interference with the use of the roadway, sidewalk or curb of adjacent Port property by the public, other Port tenants or the Port; (d) installation of any signs, material or equipment. Tenant shall actively manage the License Area to ensure compliance with the terms and conditions set forth herein.</p> <p>Except as provided herein, the rights by license described above are for the same purposes and are subject to all of the terms and conditions of this Lease as if the License Area is the Premises (including without limitation Section 3.8, but Tenant agrees and acknowledges that, the License is personal, non-assignable (except in connection with a permitted Assignment pursuant to this Lease), non-exclusive, and non-possessory, and revocable and that Port may, in its sole and absolute discretion, upon not less than sixty (60) days' prior written notice to Tenant, revoke or terminate the Curb License at any time prior to the Expiration Date, without cause and without obligation to pay any consideration to Tenant. The parties agree that provisions regarding the nature of the Curb License are material and that the Port would not have granted the Curb License absent such provisions.</p> <p>Tenant shall be responsible to manage the License Area to ensure compliance with all rules pertaining to its use, and including if necessary, to compensate any City Agency including the Port for the cost of any dedicated enforcement officers, bollards, signage, repainting and minor repair to curbs, signs and bollards.</p> <p>Port has no obligation, responsibility or liability to provide any services in on or to the License Area; to maintain or repair</p>
--	--

	<p>the License Area; or to remove vehicles parked in the License Area. Tenant shall have no right to perform any Improvements or Alterations to the License Area.</p> <p><u>Curb License Fee.</u> From and after the Phase I Commencement Date, Licensee shall pay, as Additional Rent, a monthly License Fee ("<b>Curb License Fee</b>") equal to the then-current amount per zone adopted by the Port Commission. In addition, Tenant shall pay an initial set up fee equal to the then-current amount per zone adopted by the Port Commission. On each Anniversary Date, the Curb License Fee shall increase by three percent (3%).</p>
<i>Assignments, Subleases and Mortgages:</i>	As further described in Section 21: (i) Port will consent to an Assignment of this Lease if NPS approves an Assignment of the Ferry Concessioner Contract; and (ii) without NPS's and Port's independent consent, Tenant shall not (A) enter into a sublease or similar agreement allowing another person to use the Premises or any portion thereof including without limitation a manager, vendor or concessionaire; or (B) enter into a mortgage or similar agreement.
<i>Embarkation Site Construction Coordination:</i>	Tenant and Port will cooperate with each other and with the Conservancy to coordinate construction, maintenance and repair and other activities at the Embarkation Site. If, despite the parties' diligent efforts, the Port's construction, maintenance and repair activities discussed above or in Sections 3.9, 13.10 or 14.3 result in a direct documented loss of Alcatraz Island customers in any month such that Tenant's Percentage Rent due is less than that Tenant's Base Rent due for such month, then, as the sole remedy under this Lease and upon satisfactory documentation where parties are making diligent efforts and there is still a documented loss, Port will provide rent abatement to Tenant in the form of a prorata reduction in Base Rent on a per square footage lost basis for up to a maximum of six (6) months. The Parties agree that, for purposes of this Section, diligent efforts shall include scheduling construction, maintenance and repair work in a manner that preserves Tenant's ability to continue trips to Alcatraz Island.
<i>Certain Regulatory Approvals:</i>	<p>Tenant acknowledges that Port obtained the following Regulatory Approvals:</p> <ul style="list-style-type: none"> <li>(i) a BCDC permit(s) for the construction of the Embarkation Site Improvements and Tenant's operations;</li> <li>(ii) an Army Corps of Engineers permit for construction of the Embarkation Site Improvements; and</li> <li>(iii) a RWQCB permit for construction of the Embarkation Site Improvements and Tenant's stormwater management.</li> </ul> <p>Prior to the Phase I Commencement Date, Tenant shall, at its sole cost and expense, add its name to the BCDC permit and transfer the other two permits into its name and remove Port</p>

	from such permits. Port will cooperate with such actions at no cost to Port (except for Port's internal staff time). Tenant agrees and acknowledges that it will be solely responsible at its sole cost and expense and without liability to Port for compliance with all the terms and conditions of these Regulatory Approvals, including without limitation, development, maintenance and repair of any public access areas required by the BCDC permit (notwithstanding that Port will be co-permittee on the BCDC permit).
<i>Utilities:</i>	Tenant's sole responsibility, as further described in Section 12 below. New or upgraded Utilities must be installed above the top surface of the pier deck.
<i>Local Hiring Requirements:</i>	Tenant shall comply with the Local Hire Plan attached hereto as <b>Exhibit H</b> which is hereby incorporated.
<i>City Requirements:</i>	[Placeholder to add new Laws and City Requirements (that do not conflict with federal law or for which NPS has not obtained a waiver) effective subsequent to the effective date of the Port/NPS Agreement but prior to the Effective Date of this Lease].
<i>Development Project:</i>	Pier 31½ Marginal Wharf Improvements; Long-term Conservancy Lease (Port Lease No. L-16274); Seawall Resiliency Project.
<i>Mitigation Measures and Improvement Measures Monitoring and Reporting Program (MMRP):</i>	In order to mitigate any potential significant environmental impacts of the project, Tenant agrees that its development and operation will be in accordance with the MMRP set forth in the FMND and attached as <b>Exhibit I</b> and fully incorporated herein. Tenant is responsible for implementation and compliance with all measures relating to its activities. As appropriate, in addition, Tenant will incorporate the MMRP into any contract for the development and/or operation of the Premises. Failure to comply with the requirements of this Section shall be a default of this Lease.
<i>Lease Prepared By:</i>	Jay Edwards, Senior Property Manager



## LEASE AGREEMENT

This Lease Agreement, dated for reference purposes only as of the Effective Date set forth in the Basic Lease Information, is by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation ("**City**"), operating by and through the **SAN FRANCISCO PORT COMMISSION** ("**Port**"), as landlord, and the Tenant identified in the Basic Lease Information ("**Tenant**"). The basic lease information (the "**Basic Lease Information**"), the exhibits, schedule and this Lease Agreement are and shall be construed as a single instrument and are referred to herein as this "**Lease**". In the event of any conflict or inconsistency between the Basic Lease Information and this Lease Agreement, the Basic Lease Information will control.

### 1. DEMISE.

In consideration for the rents and all other charges and payments payable by Tenant, and for the agreements, terms and conditions to be performed by Tenant in this Lease, Port does hereby lease to Tenant, and Tenant does hereby hire and take from Port, the Premises upon the agreements, terms and conditions of this Lease for the Term hereinafter stated.

### 2. DEFINITIONS.

Definitions used in this Lease are found in the specified locations in this Lease or are set forth below. Definitions that are not capitalized below are not capitalized when used in this Lease.

"**1998 Concessions Act**" means the National Park Service Concessions Management Improvement Act of 1998 (54 U.S.C. §101911 et seq.) and its implementing regulations, as may be superseded or amended.

"**ACMs**" is defined in Section 16.6 below.

"**ADA**" means the Americans with Disabilities Act, a federal law codified at 42 U.S.C. §§ 12101 et seq., including, but not limited to, Title III thereof, and all regulations and guidelines related thereto, together with any and all laws, rules, regulations, ordinances, codes and statutes now or hereafter enacted by local or state agencies having jurisdiction thereof, including all requirements of Title 24 of the State of California, as the same may be in effect on the date of this Lease and may be hereafter modified, amended or supplemented.

"**Additional Rent**" means the Curb License Fee and all taxes, assessments, insurance premiums, operating and maintenance charges, fees, costs, expenses, liabilities and obligations of every description which Tenant assumes or is obligated to pay or discharge pursuant to this Lease, together with every fine, penalty, interest or other charge which may be added for non-payment or late payment, whether payable to Port or to other persons, parties or entities designated herein.

"**Affiliate**" means: (i) a Person that Controls or is Controlled by Tenant, or is Controlled by the same Person that Controls Tenant; or (ii) if Tenant is a natural Person, any designated successor by trust, will, or court order following Tenant's death or incapacity.

"**Agents**" when used with reference to either party to this Lease or any other person means the officers, directors, employees, agents, and contractors of the party or other person, and their respective heirs, legal representatives, successors, and assigns.

"**Alterations**" means any alterations, installations, improvements, or additions to any Improvements or to the Premises.

"**Anniversary Date**" means the first and each subsequent anniversary of the Phase I Commencement Date.

"**Approved Pier Flood Protection Plan**" is defined in Section 14.

**"Apron Sites"** means open water areas for vessel berths directly adjacent to pier supported structures adjacent to and alongside Piers 31 and 33 as generally shown on *Exhibit B-3*.

**"Assign"** or **"Assignment"** shall have the same meanings as in the 1998 Concessions Act and the Ferry Concession Contract.

**"Audit Period"** is defined in Section 5.6.

**"Award"** means all compensation, sums or anything of value paid, awarded or received for a Taking, whether pursuant to judgment, agreement, settlement or otherwise.

**"Base Rent"** means the monthly Base Rent specified in the Basic Lease Information and described further in Section 5.2 hereof.

**"BCDC"** means the San Francisco Bay Conservation and Development Commission.

**"Books and Records"** means all of Tenant's books, records, and accounting reports or statements relating to its business, this Lease, the Embarkation Site Improvements and the operation and maintenance of the Premises, including without limitation, cash journals, rent rolls, general ledgers, income statements, bank statements, income tax schedules relating to the Premises and any other bookkeeping documents Tenant utilizes in its business operations for the Premises. Tenant shall maintain a separate set of accounts to allow a determination of Gross Revenue generated directly from the Premises and all exclusions therefrom.

**"business day"** means any week day during which businesses are generally open for business, excluding local, state, and federal holidays observed by Port.

**"Cal-OSHA"** means the Division of Occupational Safety and Health of the California Department of Industrial Relations.

**"Cash Consideration"** means cash or its equivalent in immediately available funds.

**"CEQA"** means the California Environmental Quality Act.

**"Certified Construction Costs"** are Construction Costs that Port has approved through the procedures described in Section 21.3(c).

**"Changes"** is defined in Section 10.2 below.

**"Chief Harbor Engineer"** or **"CHE"** means the Port's Chief Harbor Engineer acting in his/her regulatory capacity as the Port's chief building official in accordance with applicable Laws.

**"CHE Determination"** as defined in Section 14.

**"CHE Determination Notice"** as defined in Section 14.

**"City"** means the City and County of San Francisco, a municipal corporation.

**"City Agency"** means a department of the City and County of San Francisco, a municipal corporation.

**"Claims"** means all liabilities, injuries, losses, costs, claims, demands, rights, causes of action, judgments, settlements, damages, liens, fines, penalties and expenses, including without limitation, direct and vicarious liability of any kind for money damages, compensation, penalties, liens, fines, interest, attorneys' fees, costs, equitable relief, mandamus relief, specific performance, or any other relief.

**"Class Life"** means the classification of and amortization period applicable to the Embarkation Site Improvements under Internal Revenue Code Section 168(e).

**"CMD"** means the Contract Monitoring Division of the City's General Services Agency

**"Commission"** means the San Francisco Port Commission.

**"Common Areas"** means all areas outside of the Premises and within the boundaries of the Facility that are not now or hereafter exclusively leased or exclusively permitted to other tenants or permittees, and that are designated by Port from time to time for the general common use or convenience of Port, Tenant, or other tenants of Port, and the respective authorized Agents and Invitees of the same. The Common Areas include, without limitation, driveways, delivery areas, pedestrian walkways, service corridors accessing loading docks, utility rooms, and other areas or improvements provided or designated by Port for common use. The Common Areas shall not include any parking areas located outside the boundaries of the Facility.

**"Completion"** or **"Completed"** means, as the case may be, completion by Tenant of all aspects of (i) the Embarkation Site Improvements in accordance with the Work Letter (including the Scope of Development), (ii) Subsequent Alterations, or (iii) any other improvements undertaken by Tenant under the provisions of this Lease; each in compliance with all Regulatory Approvals and Port's issuance of applicable certificates of occupancy, completion or other written evidence of Port's sign-off on a building permit or other documentation as required. Where this Lease specifies phased construction, Completion means Completion as to each specified phase.

**"Conduct Code"** is defined in Section 31.13.

**"Concession Franchise Fee"** is defined in Section 5.1.

**"Conservancy"** is defined in the Basic Lease Information.

**"Construction Costs"** means actual costs paid by Tenant for all categories of costs for Embarkation Site Improvements, without interest, and subject to the limitations set forth in the Work Letter, and amortized on a straight line basis over the Class Life of the Embarkation Site Improvements.

**"Construction Costs Report"** means a report prepared by a CPA specifying the Class Life of and verifying Tenant's actual Construction Costs for the Embarkation Site Improvements, accompanied by copies of documentation substantiating all expenditures, such as: (a) executed contracts; (b) invoices for labor, services, goods, and materials, bills of lading, and other bills or receipts marked "Paid" or similarly indicating payment in full; (c) canceled checks or other written evidence of payment; and (d) other documents reasonably requested by Port.

**"Control"** means the direct or indirect ownership of: (a) fifty percent (50%) or more of each class of equity interests in the entity; or (b) fifty percent (50%) or more of each class of interests that have the right to nominate, vote for, or otherwise select the members of the governing body that directs or causes the direction of substantially all of the management and policies of the entity; or (c) the right to direct or cause the direction of substantially all of the management and policies of the entity.

**"Core Benefits"** is defined in Section 31.1(c).

**"Costs of Sale"** means the following costs, but only to the extent Tenant actually incurred them in connection with a Sale: (a) reasonable (as determined by the Port in its reasonable discretion) brokerage commissions; (b) customary closing fees and costs, including title insurance premiums, survey fees, escrow fees, recording charges, and transfer taxes; (c) reasonable attorneys' fees; and (d) new tenant improvements to be made solely in connection with the Sale and performed in compliance with Section 13. Costs of Sale exclude rents, taxes, or other income or expense items customarily prorated in connection with sales of real property.

**"CPA"** means an independent certified public accounting firm acceptable to Port in its reasonable discretion.

**"Curb License"** is defined in the Basic Lease Information.

**"Curb License Fee"** is defined in the Basic Lease Information.

**"Date of Taking"** means the earlier of (i) the date upon which title to the portion of the Property taken passes to and vests in the condemnor or (ii) the date on which Tenant is dispossessed.

**"disturbed or removed"** is defined in Section 13.3(g) below.

**"Dredging Work"** is defined in Section 11.5.

**"DMMO"** means the Dredged Material Management Office.

**"Effective Date"** is defined in the Basic Lease Information.

**"Embarkation Site"** is defined in the Basic Lease Information.

**"Embarkation Site Improvements"** means the Improvements to be constructed by Tenant as further described in the Basic Lease Information and the Work Letter.

**"Embarkation Site Improvements Outside Completion Date"** is defined in the Basic Lease Information.

**"Encroachment Area"** is defined in Section 3.13 below.

**"Encroachment Area Charge"** is defined in Section 3.13 below.

**"Environmental Laws"** means any Laws relating to Hazardous Material (including its Handling, Release, or Remediation) or to human health and safety, industrial hygiene, or environmental conditions in the environment, including structures, soil, air, bay water, and groundwater, and any environmental mitigation measure adopted under Environmental Laws affecting any portion of the Facility.

**"Environmental Regulatory Action"** when used with respect to Hazardous Materials means any inquiry, Investigation, enforcement, Remediation, agreement, order, consent decree, compromise, or other action that is threatened, instituted, filed, or completed by an Environmental Regulatory Agency in relation to a Release of Hazardous Materials, including both administrative and judicial proceedings.

**"Environmental Regulatory Agency"** means the United States Environmental Protection Agency, OSHA, any California Environmental Protection Agency board, department, or office, including the Department of Toxic Substances Control and the San Francisco Bay Regional Water Quality Control Board, Cal-OSHA, the Bay Area Air Quality Management District, the San Francisco Department of Public Health, the San Francisco Fire Department, the San Francisco Public Utilities Commission, Port, or any other Regulatory Agency now or later authorized to regulate Hazardous Materials.

**"Environmental Regulatory Approval"** means any approval, license, registration, permit, or other authorization required or issued by any Environmental Regulatory Agency, including any hazardous waste generator identification numbers relating to operations on the Premises and any closure permit.

**"Event of Default"** is defined in Section 22.

**"Exacerbate" or "Exacerbating"** when used with respect to Hazardous Materials means any act or omission that increases the quantity or concentration of Hazardous Materials in the affected area, causes the increased migration of a plume of Hazardous Materials in soil, groundwater, or bay water, causes a Release of Hazardous Materials that had been contained until the act or omission, or otherwise requires Investigation or Remediation that would not have been required but for the act or omission. Exacerbate also includes the disturbance, removal or generation of Hazardous Materials in the course of Tenant's operations, Investigations, maintenance, repair, Improvements and Alterations under this Lease. "Exacerbation" has a correlating meaning.

**"Excess Rent"** means Sublease rent and any other sums paid or payable to Tenant under a Sublease, excluding the value of goodwill, in excess of Tenant's concurrent Rent obligation for the Sublease premises.

**"Expiration Date"** means the date on which the Term expires as specified in the Basic Lease Information.

**"Facility"** means the piers, buildings or other structure in or on which the Premises is located including the entire Embarkation Site and Pier 31½ Facility No. 1315; Pier 33 Bulkhead Facility No. 1330; Pier 33 Shed Facility No. 1300; Pier 31 Shed Facility No. 1310; and the Pier 31/33 Water Basin.

**"Facility Systems"** means the plumbing, electrical, fire protection, life safety, security and other mechanical, electrical, and communications systems of the Facility.

**"Ferry Concession Contract"** means a valid and effective contract entered into under authority of the 1998 Concessions Act between NPS and each successive Ferry Concessioner authorizing a Ferry Concessioner to provide: (i) passenger ferry and associated services between the Embarkation Site and a landing at Alcatraz Island; (ii) if authorized or required by NPS: passenger ferry and associated services between the Embarkation Site and a landing at another NPS site in the San Francisco Bay Area and/or a landing at a non-NPS park within the San Francisco Bay Area for which NPS provides cooperative services through a partnership with another entity; and (iii) Interpretive Park Cruises.

**"Ferry Concessioner"** means the party identified as Tenant in the Basic Lease Information.

**"financial statements"** mean a current balance sheet and profit and loss statements that have been reviewed or examined by a CPA.

**"Force Majeure"** means events which result in delays of performance of a party's obligations hereunder due to causes beyond the party's control and not caused by the acts or omissions of such party, including acts of nature or of the public enemy, war, invasion, insurrection, riots, any general moratorium in the issuance of governmental or regulatory permits applicable to the Premises or the Improvements, acts of the government, fires, floods, earthquakes, tidal waves, epidemics, quarantine, restrictions, strikes, freight embargoes, unusually severe weather (but only if such unusually severe weather causes actual delays); delays of contractors or subcontractors due to any of the foregoing causes; strikes and substantial interruption of work because of labor disputes (excluding strikes and labor disputes directly related to any contracts between a party and its contractors or work performed on behalf of such party). Force Majeure does not include (1) failure to obtain financing or failure to have adequate funds, (2) sea level rise; and (3) any event that does not cause an actual delay.

**"goodwill"** means the value assigned to Tenant's intangible business assets in connection with an Assignment, but only if the Assignee will continue to operate the same business that Tenant operated at the Premises and Port reasonably agrees with the valuation.

**"Gross Ancillary Revenue"** is defined in Section 5.1.

**"Gross Revenue"** is defined in Section 5.1.

**"Gross Food and Beverage Revenue"** is defined in Section 5.1.

**"Gross Sale Proceeds"** means all consideration in any form directly or indirectly received by or for the account of the Tenant in connection with a Sale, including: (a) Cash Consideration; (b) the principal amount of any loan by Tenant to the Assignee to finance the Sale; and (c) the fair market value of any other non-cash consideration representing a portion of the purchase price.

**"Gross Ticket Revenue"** is defined in Section 5.1.

**"Habitual Late Payer"** means Tenant has received (a) at least two (2) notices of monetary default, or (b) at least three (3) notices of default within a twelve (12) month period.

**"Handle"** or **"Handling"** means to use, generate, process, manufacture, produce, package, treat, transport, store, emit, discharge, or dispose of a Hazardous Material.

**"Hard costs"** is defined in Section 11.4 below.

**"Hazardous Material"** means any substance, waste, or material that is now or in the future designated by any Regulatory Agency to be capable of posing a present or potential risk of injury to human health or safety, the environment, or property. This definition includes anything designated or defined in any Environmental Law as hazardous, hazardous substance, hazardous waste, toxic, pollutant, or contaminant; any asbestos, ACMs, and PACMs, whether or not part of the structure of any existing Improvements on the Premises, any Improvements to be constructed on the Premises by or on behalf of Tenant, or occurring in nature; and other naturally-occurring substances such as petroleum, including crude oil or any fraction, and natural gas or natural gas liquids.

**"Hazardous Material Claim"** means any Environmental Regulatory Action or any Claim made or threatened by any third party against the Indemnified Parties, or the Premises or the Facility, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence or Release of any Hazardous Materials, including, without limitation, losses based in common law. Hazardous Material Claims include, without limitation, Investigation and Remediation costs, fines, natural resource damages, damages for decrease in value of the Premises, any other part of the Facility, or other Port property, the loss or restriction of the use or any amenity of the Premises, any other part of the Facility, or other Port property, and attorneys' fees and consultants' fees and experts' fees and costs.

**"Hazardous Material Condition"** means the presence, Release, or threatened Release of Hazardous Materials in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises.

**"HEPA"** is defined in Section 13.3(g) below.

**"Improvements"** means any and all buildings, structures, fixtures or other improvements constructed or installed on the Premises or any other part of the Facility, including those constructed by or on behalf of Tenant pursuant to this Lease (including, without limitation, any trailers, signs, roads, trails, driveways, parking areas, curbs, walks, fences, walls, stairs, poles, plantings and landscaping, and ferry barges, docks and associated infrastructure).

**"Improvement Costs"** is defined in Section 4.4(b).

**"Improvements Pertaining to the Realty"** means machinery or equipment installed for use on the property that cannot be removed without a substantial economic loss or without substantial damage to the property on which it is installed, regardless of the method of installation. In determining whether particular property can be removed "without a substantial economic loss," the value of the machinery or equipment in place and considered as part of the realty should be compared with its value if it were removed and sold.

**"Indemnified Parties"** means Port and City, including, but not limited to, all of their respective boards, commissions, departments, agencies, and other subdivisions, and their respective Agents.

**"Indemnify"** means to indemnify, protect, defend, and hold harmless forever. "Indemnification" and "Indemnity" have correlating meanings.

**"Interpretive Park Cruises"** means an excursion departing from and returning to the Embarkation Site without any landings in between which travels through waters within Golden

Gate National Recreation Area and includes substantive interpretive materials regarding the NPS and NPS's parks.

**"Interest Rate"** means ten percent (10%) per year or, if a higher rate is legally permissible, the highest rate an individual is permitted to charge under Law.

**"Investigate"** or **"Investigation"** when used with reference to Hazardous Materials means any activity undertaken to determine and characterize the nature and extent of Hazardous Materials that have been, are being, or are threatened to be Released in, on, under or about the Premises, any other part of the Facility, other Port property, or the environment, and includes, without limitation, preparation and publication of site history, sampling, and monitoring reports, performing equipment and facility testing such as testing the integrity of secondary containment and above and underground tanks, and sampling and analysis of environmental conditions before, during, and after Remediation begins and continuing until the appropriate Environmental Regulatory Agency has issued a no further action letter, lifted a clean-up order, or taken similar action.

**"Invitees"** means Tenant's clients, customers, invitees, patrons, guests, members, licensees, permittees, concessionaires, assignees, subtenants, and any other person whose rights arise through them.

**"Late Charge"** means a fee equivalent to fifty dollars (\$50.00) with respect to Base Rent and a fee equivalent to One Hundred Dollars (\$100.00) with respect to Percentage Rent and Monthly and Annual Statements.

**"Law"** means any present or future law, statute, ordinance, code, resolution, rule, regulation, judicial decision, requirement, proclamation, order, decree, policy (including the Waterfront Land Use Plan), and Regulatory Approval of any Regulatory Agency with jurisdiction over any portion of the Premises, including Regulatory Approvals issued to Port which require Tenant's compliance, and any and all recorded and legally valid covenants, conditions, and restrictions affecting any portion of the Facility, whether in effect when this Lease is executed or at any later time and whether or not within the present contemplation of the parties, as amended from time to time.

**"Lease"** is defined in the preamble to this Lease.

**"Lease Year"** means the twelve (12) month period starting on each Commencement Date and ending on the last day of the twelfth (12<sup>th</sup>) month after such date and each subsequent twelve month period.

**"License Area"** is defined in the Basic Lease Information.

**"Marginal Wharf"** means the pier supported wharf shown on *Exhibit B*.

**"NPS"** means the National Park Service.

**"Net Sale Proceeds"** means Gross Sale Proceeds less Costs of Sale and goodwill. If Tenant made Embarkation Site Improvements at the Premises, Tenant's Adjusted Basis may be deducted if Tenant previously complied with Section 21.3.

**"Notice of Removal"** is defined in Section 13.5 below.

**"Notice to Cease Prohibited Use"** is defined in Section 8.3 below.

**"Notice to Vacate"** is defined in Section 3.13 below.

**"Official Records"** means the official records of the City and County of San Francisco.

**"OSHA"** means the United States Occupational Safety and Health Administration.

**"PACMs"** is defined in Section 16.6 below.

**"Percentage Rent"** means the Percentage Rent set forth in the Basic Lease Information and Section 5.

**"Person"** means any natural person, corporation, limited liability entity, partnership, joint venture, or governmental or other political subdivision or agency.

**"Phase I Commencement Date"** is defined in the Basic Lease Information.

**"Phase II Commencement Date"** is defined in the Basic Lease Information.

**"Phase I Premises"** means that portion of the Premises that is delivered on the Phase I Commencement Date.

**"Phase II Premises"** means that portion of the Premises that is delivered on the Phase II Commencement Date.

**"Phase I Rent Commencement Date"** the date on which the payment of Rent commences for the Phase I Premises as specified in the Basic Lease Information.

**"Phase II Rent Commencement Date"** the date on which the payment of Rent commences for the Phase II Premises as specified in the Basic Lease Information.

**"Pier 31½ Marginal Wharf Improvements"** is defined in the Basic Lease Information.

**"Pier 31/ 33 Water Basin"** means the open water area between and extending to the end of Piers 31 and 33.

**"Pier Flood Protection Measures"** is defined in Section 14.

**"Pier Flood Protection Plan"** is defined in Section 14.

**"Port"** means the San Francisco Port Commission.

**"Port program or project"** shall mean (a) any development, removal or renovation, by public and/or private parties, of the building, pier or seawall lot in, on or in the vicinity of the Premises and any Development Project described in the Basic Lease Information, (b) the Seawall Resiliency Project; and (c) the Pier 31½ Marginal Wharf Improvements.

**"Port representative"** means Port, a City auditor, or any auditor or representative designated by Port.

**"Port's Sale Participation"** means the portion of Net Sale Proceeds that Tenant must pay to Port.

**"Port Work"** is defined in Section 13.10 below.

**"Premises"** means the real property described in Section 3.1 below and depicted on *Exhibit B*.

**"preservative-treated wood containing arsenic"** is defined in Section 31.12.

**"prevailing party"** is defined in Section 24.1 below.

**"Prohibited Use(s)"** is defined in Section 8.2.

**"Project Requirements"** is defined in the Work Letter.

**"Proof of Expenditures"** documentation, certified by a financial officer or other accountant employed by Tenant who is authorized and competent to make such statements, as accurate, complete and current, satisfactory to Port evidencing expenditures for improvements. Proof of Expenditures shall include, without limitation, (i) copies of canceled checks, (ii) copies of executed contracts, (iii) invoices for labor services and/or materials marked "Paid"; or otherwise evidenced as having been paid; bills of lading marked "Paid"; other bills, and contracts and receipts for services marked "Paid", (iv) and such other proofs of expenditure as may be



reasonable approved by Port, and (v) as applicable, unconditional lien waivers from all contractors and subcontractors.

**"Regulatory Agency"** means the municipal, county, regional, state, or federal government and their bureaus, agencies, departments, divisions, courts, commissions, boards, officers, or other officials, including BCDC, any Environmental Regulatory Agency, Port (in its regulatory capacity), other departments, offices, and commissions of the City and County of San Francisco (each in its regulatory capacity), Port's Chief Harbor Engineer, the Dredged Material Management Office, the State Lands Commission, the Army Corps of Engineers, the United States Department of Labor, the United States Department of Transportation, or any other governmental agency now or later having jurisdiction over Port property.

**"Regulatory Approval"** means any authorization, approval, license, registration, or permit required or issued by any Regulatory Agency.

**"Release"** when used with respect to Hazardous Materials means any actual or imminent spilling, introduction, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises, any other part of the Facility, other Port property, or the environment.

**"Remediate"** or **"Remediation"** when used with respect to Hazardous Materials means to clean up, abate, contain, treat, stabilize, monitor, remediate, remedy, remove, or otherwise control Hazardous Materials, or to restore the affected area to the standard required by the applicable Environmental Regulatory Agency in accordance with applicable Environmental Laws and any additional Port requirements. **"Remediation"** also includes the creation of a remedial work plan to be approved by the appropriate Environmental Regulatory Agency when required.

**"Renewable Energy System"** is defined in Section 12.3 below.

**"Rent"** means the Base Rent, Percentage Rent, Additional Rent and all other sums payable by Tenant to Port hereunder, including, without limitation, any Late Charge and any interest assessed pursuant to Section 5.

**"Repair Period"** means two hundred ten (210) days after the date of damage to the Premises or the Facility by fire or other casualty.

**"Rules and Regulations"** means the Rules and Regulations, if any, applicable to the Facility, as may be amended from time to time.

**"RWQCB"** means the State of California Regional Water Quality Control Board.

**"Sale"** means: (a) Tenant's transfer of its entire interest in this Lease or the entire leasehold estate, including the sale of Tenant's Property at the Premises and Tenant's goodwill to any other Person or entity; or (b) a transfer affecting ownership of the beneficial interests in or the business assets of Tenant.

**"Sale Closing"** means the date that any Sale closes.

**"saltwater immersion"** is defined in Section 31.12.

**"Scope of Development"** means schematic design and drawings, the Schedule of Performance, the preliminary plans and any narrative description which is attached to the Work Letter (*Exhibit E*) as Attachment 1. The Scope of Development includes the Schematic Design and Drawings prepared by NPS and approved by Port prior to the Effective Date.

**"Seawall"** is defined in Section 3.7 and shown on *Exhibit B-4* in relation to the Premises.

**"Security Deposit"** means the amount specified in the Basic Lease Information and as further described in Section 7 below.

**"Significant Change"** means (1) a change in the identity of Controlling Tenant, (2) the admission of any new shareholder or other equity investor that has the right to exercise Control over Tenant, (3) the dissolution of Tenant, or (4) the sale of fifty percent (50%) or more of Tenant's assets, outstanding equity interests, capital or profits or of the assets, outstanding equity interests, capital or profits of any Person Controlling Tenant. So long as Tenant is an entity whose outstanding stock is listed on a nationally recognized security exchange or if at least eighty percent (80%) of Tenant's voting stock is owned by another entity, the voting stock of which is so listed a transfer of such stock does not constitute a Significant Change under this Lease.

**"Special Event"** means use of the Premises for the following types of activities, which, in each case, have been approved in writing by NPS: concerts, musical and theatrical performances and other forms of live entertainment, public ceremonies, art or historical exhibitions or other public or private exhibitions and activities related thereto related to programming on Alcatraz Island or other NPS sites or programs.

**"Sublease"** means the following events or proposed events: (a) a proposed or actual sublease, sublicense or agreement of similar effect with a subtenant, sublicensee, manager, vendor, concessionaire, food truck or food cart operator for all or any part of the premises as defined in a lease or similar agreement; (b) any person other than Tenant occupies or claims a right of possession to any part of the Premises; or (c) any further sublease, sublicense or agreement of similar effect with a subtenant of any of its interest in its sublease or premises.

**"Subleasing Expenses"** means verifiable and reasonable brokerage commissions incurred in connection with a Sublease and the costs of any new tenant improvements for which Tenant is responsible under the Sublease.

**"Subsequent Alteration"** means all alterations, installations, Improvements, repairs to and reconstruction, replacement, addition, expansion, restoration, alteration or modification of any Improvements, or any construction of additional Improvements, following completion of the Embarkation Site Improvements pursuant to the Work Letter. As otherwise provided by this Lease, Subsequent Alterations may include: the Pier 31½ Marginal Wharf Improvements and/or specified Port's maintenance and repair obligations if assigned to Tenant.

**"Substructure"** means that portion of the pier that includes all the load bearing structural elements that are at or below the top surface of the pier deck. The load bearing structural elements of the substructure include but are not limited to slab/deck, beams and piles. For purposes of this Lease, "Substructure" does not include the asphalt covering the apron or the wooden decking or any utilities located within or under the Substructure.

**"SWPPP"** is defined in Section 16.8(a) below.

**"Taking"** means a taking or damaging, including severance damage, by eminent domain, inverse condemnation or for any public or quasi-public use under Law. A Taking may occur pursuant to the recording of a final order of condemnation, or by voluntary sale or conveyance in lieu of condemnation or in settlement of a condemnation action.

**"Tariff"** means the Port of San Francisco Tariff No. 5 on file with the Federal Maritime Commission, as amended or superseded from time to time (including amendments to the numbering designation). Except as otherwise set forth in this Lease, Tenant is contractually bound by all Tariff terms and conditions as if the same were set forth in full herein. In the event of a conflict between the provisions of the Tariff and the provisions of this Lease, the provisions of this Lease shall prevail.

**"Tenant"** means the party identified as Tenant in the Basic Lease Information.

**"Tenant's Property"** means all furniture, trade fixtures, office equipment, and articles of movable personal property installed in the Premises by or for the account of Tenant, and any

Improvements or Alterations constructed on or affixed to the Premises if designated under this Lease as Tenant's Property, in either case without cost to Port.

"Term" is defined in Section 4.1 below.

"trade fixtures" means those items of personalty, furniture, equipment, machinery used in trade by Tenant which are customarily removed without damage to the Premises at the end of a lease term in the ordinary course of businesses of the type operated by Tenant at the Premises.

"Utilities" means electricity, water, gas, heat, sewers, oil, telecommunication services and all other Utilities.

"Waiving Party" is defined in Section 17.5.

"Work" when used in reference to construction is defined in Section 13.3(c).

"worth at the time of award" is defined in Section 23.2 below.

### 3. PREMISES; AS-IS CONDITION.

#### 3.1. *Premises.*

(a) Subject to the provisions of this Lease, Port hereby leases to Tenant, and Tenant hereby leases from Port, the Premises identified in the Basic Lease Information. The Premises has the address and contains the square footage specified in the Basic Lease Information. The location and dimensions of the Premises are depicted on *Exhibit B* attached hereto and incorporated herein by reference. Except as otherwise set forth in the Basic Lease Information regarding re-measurement upon Completion of the Embarkation Site Improvements, Port and Tenant agree and acknowledge that (i) any statement of rentable or usable (if applicable) square footage set forth in this Lease is an approximation which Port and Tenant agree is reasonable and that the usable square footage of the Premises may be less than the rentable square footage of the Premises; (ii) the rentable square footage of the Premises shall be used at all times to calculate the Base Rent due and payable by Tenant under this Lease; and (iii) neither the Base Rent nor any other economic term based on rentable square footage shall be subject to revision whether or not the actual rentable or usable square footage is more or less.

(b) Tenant shall have the non-exclusive right to use, together with other tenants, the Common Areas. All of the Common Areas shall at all times be subject to the exclusive control, regulation, and management of Port. Port shall have the right to construct, maintain, and operate lighting facilities on all Common Areas; to patrol all Common Areas; to temporarily close any Common Areas for maintenance, repairs or alterations; from time to time to change the area, level, location and arrangement of Common Area facilities; to use the Common Areas and restrict access and use of the same during the maintenance, repair, construction or reconstruction of buildings, additions or improvements; to erect buildings, additions and improvements on the Common Areas from time to time; and to restrict parking by tenants, their Agents and Invitees. Port may operate and maintain the Common Areas and perform such other acts and make such other changes at any time and from time to time in the size, shape, location, number and extent of the Common Areas or any of them as Port in its sole discretion shall determine; provided, however, that no exercise by Port of its rights hereunder shall unreasonably restrict access to the Premises.

#### 3.2. *Accessibility Inspection Disclosure.*

California law requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a Certified Access Specialist ("CASp") to determine whether the property meets all applicable construction-related accessibility requirements. The law does not require landlords to have the inspections performed. Tenant is hereby advised that the Premises has not been inspected by a CASp and, except to the extent expressly set forth in this Lease, Port shall have no liability or responsibility to make any repairs or modifications to

the Premises in order to comply with accessibility standards. The following disclosure is required by law:

“A Certified Access Specialist (CASP) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASP inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASP inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASP inspection, the payment of the fee for the CASP inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.”

**3.3. San Francisco Disability Access Disclosures.** Tenant is hereby advised that the Premises may not currently meet all applicable construction-related accessibility standards, including standards for public restrooms and ground floor entrances and exits. Tenant understands and agrees that Tenant may be subject to legal and financial liabilities if the Premises does not comply with applicable federal and state disability access Laws. As further set forth in Section 9 (Compliance with Laws), Tenant further understands and agrees that it is Tenant's obligation, at no cost to Port, to cause the Premises and Tenant's use thereof to be conducted in compliance with the ADA and any other federal or state disability access Laws. Tenant shall notify Port if it is making any Alterations or Improvements to the Premises that might impact accessibility standards required under federal and state disability access Laws.

**3.4. Proximity of Development Project.** Tenant acknowledges that during the Term, a Port program or project and/or the Development Project(s) described in the Basic Lease Information, if any, is scheduled to be, or may be, constructed on the Premises or on property in the vicinity of the Premises. Tenant is aware that the construction of such project(s) and the activities associated with such construction will generate certain adverse impacts which may result in some inconvenience to or disturbance of Tenant. Impacts may include, but are not limited to, increased vehicle and truck traffic, traffic delays and re-routing, loss of street and public parking, dust, dirt, construction noise and visual obstructions. Tenant hereby waives any and all Claims against Port, City, and their Agents arising out of such inconvenience or disturbance.

**3.5. No Light, Air or View Easement.** This Lease does not include an air, light, or view easement. Any diminution or shutting off of light, air or view by any structure which may be erected on lands near or adjacent to the Facility or by any vessels berthed near the Facility shall in no way affect this Lease or impose any liability on Port, entitle Tenant to any reduction of Base Rent or Additional Rent, or affect this Lease in any way or Tenant's obligations hereunder.

**3.6. Unique Nature of Premises.** Tenant acknowledges that: (a) the Facility is located along the waterfront in a building on a pier and/or wharf, supported by a partially-submerged substructure in a marine environment, which was originally built approximately 100 years ago; and/or (b) the Facility is located along adjacent to, or on top of, and/or bayward of the Seawall that is in need of repair and presents increased risk of damage to property and injury or death to persons from seismic events, as further described in Section 3.7 below; and (c) Port's regular maintenance may involve activities, such as pile driving, that create noise and other effects not normally encountered in locations elsewhere in San Francisco due to the unique nature of the Premises; (d) there is a risk that all or a portion of the Premises will be inundated with water due to floods or sea level rise; (e) there is a risk that sea level rise will increase the cost of substructure repairs and/or prevent or limit the ability to make repairs to the substructure; and (f) Port cannot guarantee that piers, decks, wharves, and aprons will be suitable for leased occupancy during the entire Term of this Lease.

**3.7. Seawall.** The City is engaged in an effort to prepare for a major earthquake and to create more resilient City infrastructure. As part of this effort, the Port is developing a plan to strengthen the Northern Waterfront Seawall which stretches from Fisherman's Wharf to Mission Creek ("Seawall") to maintain viability of Port's operations, increase protection of Port and City assets, and enhance life safety in the face of degradation, flooding, earthquakes, climate change, and security hazards. The Seawall was constructed over 100 years ago within the Bay and supports reclaimed land, or fill, and as a result is more vulnerable to seismic risk. Earthquake performance of reclaimed land is an issue for coastal communities worldwide. *The Seawall Earthquake Vulnerability Study of the Northern Waterfront Seawall, San Francisco, California July 2016* and information about Port and City's resiliency goals and plans and improvements can be found on the Port's website at: <http://sfport.com/seawall>. Tenant agrees that its waiver of Claims set forth in Section 20 below (Indemnity and Exculpation) is given with full knowledge of the direct or indirect, known or unknown, and foreseeable or unforeseeable losses and claims (including the potential additional risks of injury or death to persons or damage to property) due to the Seawall's condition or the proximity of the Premises to the Bay and the Seawall.

**3.8. As-Is Condition.** Tenant acknowledges and agrees that Tenant is familiar with the Premises, the Premises is being leased and accepted in phases in their "as-is" condition, without any preparation, improvements or alterations by Port except for the Pier 31½ Marginal Wharf Improvements, without representation or warranty of any kind, and subject to all applicable Laws governing their use, occupancy and possession. Tenant acknowledges that it has been afforded a full opportunity to inspect Port's records relating to conditions of the Facility. Port makes no representation or warranty as to the accuracy or completeness of any matters contained in such records and Tenant is not relying on any such information. All information contained in such records is subject to the limitations set forth in this Section. Tenant represents and warrants to Port that Tenant has received and reviewed the disclosures regarding the Seawall in Section 3.7 above including *The Seawall Earthquake Vulnerability Study of the Northern Waterfront Seawall, San Francisco, California July 2016* and information on the Port's website; the FEMA disclosure notice attached as **Schedule 3** and a copy of the report(s) relating to the Substructure and/or superstructure of the Facility, as further described in **Schedule 2** attached hereto. Tenant further represents and warrants to Port that Tenant has investigated and inspected, either independently or through agents of Tenant's own choosing, the condition of the Facility and its suitability for Tenant's business and intended use including (i) its quality, nature, adequacy and physical condition including the structural elements, foundation, and the condition and load-bearing capacity of the piles, and all other physical and functional aspects; (ii) its quality, nature, adequacy, and physical, geotechnical and environmental conditions (including Hazardous Materials conditions, including the presence of asbestos or lead, with regard to the buildings, soils, sediments and any groundwater); (iii) its suitability for the Improvements; (iv) its zoning, land use regulations, historic preservation laws, and other Laws governing use of or construction on the Site; and (v) all other matters of material significance affecting the Facility and its use and development under this Lease. Tenant specifically acknowledges and agrees that neither City, Port nor any of their agents have made, and Port hereby disclaims, any representations or warranties, express or implied of any kind, concerning the rentable area of the Premises, the physical or environmental condition of the Premises or the Facility (including, but not limited to the substructure and/or the Seawall), the present or future suitability of the Premises for Tenant's business, any compliance with laws or applicable land use or zoning regulations, any matter affecting the use, value, occupancy or enjoyment of the site, or any other matter whatsoever relating to the Premises, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

**3.9. Reserved Rights Regarding Seawall.** Port has the right to use the Premises on an extended basis, without charge, and Tenant shall cooperate by providing access and other reasonably requested assistance at no cost to Port and permit Port and its Agents to enter the Premises upon reasonable prior notice but not less than ten (10) business days (except in the event of an emergency which poses an imminent danger to public health or safety as determined

by Port in its sole discretion) for the purpose of inspecting, repairing and rebuilding the Seawall as Port reasonably deems necessary. Nothing herein shall imply any duty upon the part of Port to perform any work which under any provision of this Lease Tenant may be required to perform or place upon Port any obligation, or liability, for the care, supervision or repair of the Premises or Seawall. If Port elects to perform work on the Seawall within the Premises pursuant to this Section, Port shall not be liable for and Tenant hereby waives any and all Claims against Port, City and their Agents arising out of any disturbance, inconvenience, nuisance, loss of business or other damage to Tenant by reason of the performance of such work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, provided Port uses commercially reasonable efforts to minimize inconvenience or disturbance to the activities of Tenant, its Subtenants (if any), and their respective Invitees. Except as provided in the Basic Lease Information in the section entitled "*Embarkation Site Construction Coordination*," in no event will inconvenience or disturbance caused by Port's activities under this Section constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease. If such use of the Premises is required by Port or its Agents, then the Parties will coordinate their use of the Premises and use their good faith efforts to minimize adverse impacts to each of their respective needs. Port will have the absolute right to use the Premises without charge in the event of an emergency involving the Seawall.

**3.10. *Port's Rights Regarding Premises.*** Port shall have the full right and authority to make, revoke, impose, and amend any Rules and Regulations pertaining to and reasonably necessary for the proper use, operation and maintenance of the Facility and Tenant agrees to be bound by any Rules and Regulations Port imposes on the Facility. Tenant also acknowledges that Port's exercise of any of its rights regarding the Premises and other Port property in the vicinity of the Premises will not entitle Tenant to any abatement or diminution of Rent.

**3.11. *Flags.*** Throughout the Term, a Port flag will fly on each flagpole within the Premises ("**Flagpoles**"). Port will provide the Port flags to Tenant. The dimensions of Port flags will be similar to the dimensions of Port flags flown on the roofs of Port buildings in the Central Waterfront. Tenant will promptly, at no charge, install, raise, lower and remove Port flags at Port's request. Tenant also may use the Flagpoles to fly other flags on each Flagpole, provided that such other flags, other than the flags of the United States and the State of California, must be placed beneath the Port flag.

**3.12. *Use of Intellectual Property; Music Broadcasting Rights/Port logo.*** Tenant is solely responsible for obtaining any necessary clearances or permissions for the use of intellectual property owned by third parties, including musical or other performance rights.

**3.13. *No Right to Encroach.***

(a) If Tenant (including, its Agents, Invitees, successors and assigns) uses or occupies space outside the Premises without the prior written consent of Port (the "**Encroachment Area**"), then upon written notice from Port ("**Notice to Vacate**"), Tenant shall immediately vacate such Encroachment Area and pay as Additional Rent for each day Tenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area, multiplied by the higher of the (i) highest rental rate then approved by the San Francisco Port Commission for the Premises or the Facility, or (ii) then current fair market rent for such Encroachment Area, as reasonably determined by Port (the "**Encroachment Area Charge**"). If Tenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period shall be prorated based on a thirty (30) day month. In no event shall acceptance by Port of the Encroachment Area Charge be deemed a consent by Port to the use or occupancy of the Encroachment Area by Tenant, its Agents, Invitees, successors or assigns, or a waiver (or be deemed as a waiver) by Port of any and all other rights and remedies of Port under this Lease (including Tenant's obligation to Indemnify Port as set forth in the last paragraph of this Section 3.13, at law or in equity).

(b) In addition, Tenant shall pay to Port, as Additional Rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Port determines during subsequent inspection(s) that Tenant has failed to vacate the Encroachment Area, then Tenant shall pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars (\$300.00) for each additional Notice to Vacate, if applicable, delivered by Port to Tenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Tenant's failure to comply with the applicable Notice to Vacate and Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Port under this Lease, at law or in equity.

(c) In addition to Port's rights and remedies under this Section, the terms and conditions of the indemnity and exculpation provision set forth in Section 20 below (Indemnity and Exculpation) shall also apply to Tenant's (including, its Agents, Invitees, successors and assigns) use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Tenant shall additionally Indemnify Port from and against any and all loss or liability resulting from delay by Tenant in surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any Claims against Port made by any tenant or prospective tenant founded on or resulting from such delay and losses to Port due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

(d) All amounts set forth in this Section shall be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area. By signing this Lease, each party specifically confirms the accuracy of the statements made in this Section and the reasonableness of the amount of the charges described in this Section.

#### **4. TERM OF LEASE; EXTENSIONS; TERMINATION BY PORT.**

**4.1. Term.** The term of this Lease (the "**Term**") shall be for the period specified in the Basic Lease Information commencing on the Effective Date and expiring on the Expiration Date as set forth in the Basic Lease Information and in any Memorandum executed by Port and Tenant confirming an actual Effective Date and/or Expiration Date.

**4.2. Existing Leases.** Tenant acknowledges the following existing leases as of the Effective Date:

(i) Port Amendment to and Restatement of Lease No. L- 12501, as amended, with Hornblower Yachts, Inc. for portions of the Facility.

(ii) Port Lease No. L-15837 with San Francisco Pier 33 LLC for the Pier 33 South Bulkhead Building.

**4.3. Delivery of Premises.** If Port is unable to deliver possession of the Premises or any portion thereof to Tenant, then the validity of this Lease shall not be affected thereby and Port shall not be liable to Tenant for any Claims resulting therefrom, and Tenant waives all provisions of any Laws to the contrary. In such case, the Term and regular payments of Rent shall not commence until Port delivers possession of the Premises or any portion thereof. Notwithstanding anything to the contrary above, if Port's inability to deliver possession of the Premises or any portion thereof on an estimated Commencement Date results from Tenant's or its Agents' acts or omissions, then Rent payable by Tenant hereunder shall commence on the date when Port would have delivered possession of the Premises but for such acts or omissions.



**4.4. *Port's Termination Rights.*** Notwithstanding any other provision of this Lease,

(a) Port has the right to terminate this Lease if the CHE determines, in his or her sole and absolute discretion that, the condition of the Facility's structures, Substructure or utilities has deteriorated to a condition that would create a foreseeable risk of hazard to health or safety. Port may exercise this right without liability or expense, except as specifically set forth in this Section. Port will attempt to provide Tenant with no less than ninety (90) days' prior written notice of termination under this Subsection, but reserves the right to terminate this Lease upon any shorter notice that the Port in its sole and absolute discretion determines is justified given the risk of hazard. Tenant agrees and shall be required to surrender possession of the Premises by the end of the notice period, except as provided in this Section.

For a period ending fifteen (15) calendar days after receipt of Port's notice of termination, Tenant may request Port's consent, in Port's sole and absolute discretion, to allow Tenant to make the repairs required by Port in accordance with this Lease and any additional conditions reasonably imposed by Port, in consideration of concessions by Port. If Port consents in writing, Port's notice of termination will be deemed rescinded and of no further effect.

(b) Within sixty (60) days after Tenant's surrender under this Section, Port agrees to pay Tenant a portion of those expenses which are documented by Tenant as having been incurred by Tenant prior to the delivery of Port's termination notice in making alterations, additions and improvements to the Premises which were approved in advance and in writing by Port and which were not previously reimbursed to Tenant through rent credits, rent abatement or other form of compensation ("**Improvement Costs**"). Such Improvement Costs shall be determined by the value attributable to any alterations, additions and improvements in any Port building permits for such work obtained by Tenant and which are approved in advance in writing by a Port Property Manager to the extent supported by reasonable evidence of such expenditures provided by Tenant. If no building permits are required for such work, value shall only be attributed to such alterations, additions or improvements if the value is approved in writing by a Port Property Manager prior to the commencement of the work and if the cost is supported by reasonable evidence of such expenditures provided by Tenant. The portion of the Improvement Costs paid by Port shall be a fraction, of which the numerator shall be the number of months remaining in the Term of this Lease after Tenant surrenders the Premises, and the denominator shall be the number of months in the Term of this Lease, or for work undertaken following the Effective Date, the number of months beginning at the second month following the Port's approval of the improvements and ending at the Expiration Date of the Term of this Lease. In no event shall Port be responsible for paying any moving or relocation expense or other expense incurred by Tenant due to any termination under this Section.

**4.5. *Termination of Port/NPS Agreement Due to Alcatraz Island.***

(a) In the event that the Port/NPS Agreement is terminated under Sections 5.5(a) or 5.5(e) of the Port/NPS Agreement due to issues with Alcatraz Island, and (a) no Event of Default, or an event that with notice or the passage of time or both would constitute an Event of Default if not cured, has occurred and remains uncured; and (b) Tenant has Completed the Embarkation Site Improvements; then, Port may elect in its sole discretion to either: (i) terminate this Lease and pay Tenant a portion of the Improvements Costs for the Embarkation Site Improvements under the terms and conditions specified in Section 4.4(b) based on the expected term of the Ferry Concession Contract and this Lease; or (ii) offer Tenant an extension option to continue this Lease until the earliest of the following events: (A) the original expiration date of the Ferry Concession Contract; (B) NPS chooses another party as a Ferry Concessioner; or (C) the date the Embarkation Site Improvements are amortized.

(b) If Port offers an extension option and Tenant elects to extend, then the Lease shall be on all of the terms, conditions and covenants of this Lease, including Tenant's eligibility for rent credits. If Tenant does not elect to extend, the Lease shall expire on the date that the Port/NPS Agreement terminates (or such later date established by mutual written agreement for



the convenience of the parties) and the parties will have no further obligations except those that expressly survive the expiration or earlier termination of this Lease. In this case, Port shall have no obligation to pay Improvement Costs or any portion thereof, moving or relocation costs or any other responsibility or liability to Tenant except as expressly provided in this Lease

(c) Nothing in this Section 4.5 affects Port's or Tenant's rights under Section 4.4(a) or (b), Section 18 (Damage and Destruction), Section 19 (Eminent Domain) or Section 14 (Flood Risk and Sea Level Rise).

**4.6. Month to Month Hold Over.** Any holding over after the expiration of this Lease or the expiration or earlier termination of the Port/NPS Agreement (including without limitation, any holding over after expiration of an extension term provided in Section 4.5) shall not constitute a renewal of this Lease, but shall be deemed a month-to-month tenancy upon the terms, conditions, and covenants of this Lease. Either party may cancel the month-to-month tenancy upon thirty (30) days written notice to the other party. If Tenant holds over with the prior written consent of Port, monthly Base Rent shall be equal to the higher of: (a) the Base Rent payable in the month immediately preceding the expiration of this Lease increased by three percent (3%), or (b) the then current rate for the Facility approved by the Port Commission; in either case together with any monthly charge of Additional Rent payable under this Lease.

If Tenant holds over without the prior written consent of Port, monthly Base Rent shall equal two hundred percent (200%) of the monthly Base Rent payable in the month immediately preceding the expiration of this Lease plus any Percentage Rent which would be otherwise due.

Tenant shall Indemnify Port from and against any and all loss or liability resulting from Tenant's delay in surrendering the Premises including, without limitation, any loss or liability resulting from any claim against Port made by any succeeding tenant or prospective tenant founded on or resulting from such delay and losses to Port due to lost opportunities to lease any portion of the Premises to any such succeeding tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

**4.7. Waiver of Relocation Benefits.** To the extent allowed by applicable Law, Tenant hereby waives any and all rights, benefits or privileges of the California Relocation Assistance Law, California Government Code §§ 7260 et seq., or under any similar law, statute or ordinance now or hereafter in effect, except as specifically provided in this Lease.

## **5. RENT.**

Unless otherwise specified in this Lease, Tenant's obligation to pay Rent shall commence on the relevant Commencement Date. Tenant shall pay Rent to Port in the manner described below.

### **5.1. Definitions.**

**"Concession Franchise Fee"** means the Ferry Concessioner's franchise fee as defined in the Ferry Concession Contract.

**"Gross Ancillary Revenue"** all other Gross Revenues including revenues from, without limitation, charter transportation for Special Events and photo sales after exclusions above are deducted.

**"Gross Food and Beverage Revenue"** means the Gross Revenue from food and beverages sales on board vessels after exclusions above are deducted.

**"Gross Revenue"** means, subject only to the exceptions explicitly provided in this Lease, all sales, payments, revenues, income, fees, rentals, receipts, proceeds and amounts of any kind whatsoever, whether for cash, credit or barter, received or receivable by Tenant or any other party from any business, use or occupation, or any combination thereof, transacted, arranged or performed, in whole or in part, on the Premises, including without limitation, all returns and refunds, employee meals, discounted and complimentary meals,

beverages and services or similar benefits and/or goodwill, the total value, based on price, for the tickets, cover charges, merchandise and any other items and the operation of any event, including any Special Event or fundraising event, and catering or food delivery business conducted by, from or at the Premises (irrespective of where the orders therefor originated or are accepted and irrespective of where the food or beverages are consumed). Gross Revenues shall include on-vessel audio and interpretive tours revenues if an Interpretive Park Cruise includes such revenues. Without exception, Gross Revenues shall be determined without reserve or deduction for failure or inability to collect (including, without limitation, spillage and waste) and without deduction or allowance for cost of goods sold or other costs, charges or expenses of purchasing or selling incurred by Tenant. No value added tax, no franchise or capital stock tax and no income, gross receipts or similar tax based upon income, profits or gross receipts as such shall be deducted from Gross Revenues.

The following amounts shall be excluded from Gross Revenues in the manner illustrated in Section 5.3 provided that, Tenant provide to Port separate records to support such deductions or exclusions, as the case may be, and separate notations are made for same on Tenant's Monthly and Annual Statements:

(i) (A) sums collected for any sales or excise tax imposed directly upon the Ferry Concessioner by any duly constituted governmental authority (but only if stated separately from the selling price of the goods, merchandise or services, and collected from customers, and in fact paid to the appropriate governmental authority for which they are collected); (B) audio and interpretive tours revenue passed through to the Conservancy for tours on Alcatraz Island; (C) NPS Federal Lands Recreation Enhancement Act ("FLREA") fees passed through to NPS; and (D) Angel Island Tram Tour and Park Entrance Fees passed through to California State Parks or its concessioners;

(ii) the amount paid to NPS as a Concession Franchise Fee (the deduction of which shall be no more than twenty-five and one-half percent (25.5%)).

Administrative overhead or markups on these above items will not be excluded from Gross Revenues. Any increase of other pass through fees included in the overall ticket price (currently NPS "amenity fee" or Conservancy audio tour fee) or change in calculation or collection of such fee will not affect the amount of the deduction for the purposes of determining Gross Revenues.

"Gross Ticket Revenue" means the Gross Revenues from ticket sales after the exclusions above are deducted.

**5.2. Base Rent.** Tenant shall pay Base Rent for the first month for the Phase I Premises on or before the Effective Date. Subsequently, beginning on the relevant Commencement Date for each parcel, Tenant shall pay the monthly Base Rent, in advance, on or before the first day of each calendar month throughout the Term. If necessary, Base Rent shall be apportioned based on a thirty (30) day month. Except as otherwise specifically set forth in this Lease, under no circumstances shall Tenant's obligation to pay Rent be delayed due to failure to complete the Embarkation Site Improvements, Force Majeure, Port delays or other reasons.

**5.3. Exclusion for Concession Franchise Fee.** The following illustrates the exclusion of the Concession Franchise Fee for descriptive purposes only assuming a 25.5% Concession Franchise Fee:

Total Monthly ferry ticket revenues	\$1,000,000	A
Allowable exclusions under Lease other than Concession Franchise Fee	<u>\$250,000</u>	B
	\$750,000	C=A-B
Concession Franchise Fee at 25.5%	<u>\$191,250</u>	D
"Gross Revenue" under Lease for Ferry Ticket Sales	\$558,750	E=C-D
Monthly Percentage Rent Due under Lease for Ferry Ticket Sales (if, added to other categories, exceeds monthly base rent).	\$41,906	F=E*7.5%

#### 5.4. *Percentage Rent.*

As further described in the Basic Lease Information, Tenant agrees to pay to Port, in addition to the monthly Base Rent payable by Tenant pursuant to Section 5.1 above, a monthly Percentage Rent in an amount equal to the difference between (i) the percentage rent for such calendar month and (ii) the Base Rent for such calendar month for all Parcels except Parcel G in any month in which the percentage rent exceeds the Base Rent the taking into consideration any rent credits that may be applicable. Tenant shall separately determine and report percentage rent for: (A) excursions that land at Alcatraz Island; and (B) Interpretative Park Cruises.

(a) No reduction, change, waiver or concession by NPS with respect to the Concession Franchise Fee will affect the calculation of Gross Revenues unless approved in writing by Port in advance in its sole discretion.

(b) Percentage Rent shall be determined and paid by Tenant for each calendar month within twenty (20) days after the end of the prior calendar month, except that in the event this Lease expires or terminates on a day other than the last day of a calendar month, Percentage Rent for such calendar month shall be determined and paid within twenty (20) days after such expiration or termination date. At the time of paying the Percentage Rent, Tenant shall furnish a complete statement (the "**Monthly Percentage Rent Statement**") in a form approved by Port. In addition, Tenant shall furnish to Port, within thirty (30) days after the expiration of each Lease Year, a complete statement, showing the computation of the Percentage Rent for the immediately preceding Lease Year ("**Annual Statement**") in a form approved by Port. The Annual Statement is for verification and certification of Monthly Percentage Rent Statements only and shall not result in any averaging of monthly Percentage Rent. Each Monthly Percentage Rent Statement and Annual Statement shall set forth in reasonable detail Gross Revenues for such immediately preceding calendar month or Lease Year, as applicable, including an itemized list of any and all deductions or exclusions from Gross Revenues that Tenant may claim and which are expressly permitted under this Lease, and a computation of the Percentage Rent for the immediately preceding calendar month or Lease Year, as applicable.

(c) Each Monthly Percentage Rent Statement shall be certified as accurate, complete and current by a financial officer or other accountant employed by Tenant who is authorized and competent to make such Monthly Percentage Rent Statement. Each Annual Statement shall be certified as accurate, complete and current by an independent CPA. Tenant must submit payment of the balance owing together with any Annual Statement showing that Tenant has underpaid Percentage Rent. At Port's option, overpayments may be refunded to

Tenant, applied to any other amount then due under the Lease and unpaid, or applied to Rent due at the first opportunity following Tenant's delivery of any Annual Statement showing an overpayment.

(d) If Tenant fails to (i) pay the Percentage Rent on the date due as provided above; (ii) submit the Monthly Percentage Rent Statement therewith (even if the statement indicates that Percentage Rent is not due); or (iii) fails to submit the Annual Statement, such failure in each instance shall be subject to a Late Charge. Tenant shall also pay any costs including attorneys' fees incurred by Port by reason of such failure. Additionally, if Tenant fails to deliver any Monthly Percentage Rent Statement or Annual Statement within the time period set forth in this Section 5.3 (irrespective of whether any Percentage Rent is actually paid or due to Port) and such failure continues for three (3) days after the date Tenant receives (or refuses receipt of) written notice of such failure from Port, Port shall have the right, among its other remedies under this Lease, to employ a certified public accountant to make such examination of Tenant's Books and Records (and the Books and Records of any other occupant of the Premises) as may be necessary to certify the amount of Tenant's Gross Revenues for the period in question and the certification so made shall be binding upon Tenant and Tenant shall promptly pay to Port the total reasonable cost of the examination, together with the full amount of Percentage Rent due and payable for the period in question, including any Late Charge. Tenant acknowledges that late submittal of the Monthly Percentage Rent and Annual Statements and late payment of Percentage Rent will cause Port increased costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. The parties agree that the charges set forth in this Section represent a fair and reasonable estimate of the cost that Port will incur by reason of Tenant's lateness.

(e) Acceptance by Port of any monies paid to Port by Tenant as Percentage Rent as shown by any Monthly Percentage Rent Statement or Annual Statement, shall not be an admission of the accuracy of said Monthly Percentage Rent Statement or Annual Statement or the amount of such Percentage Rent payment.

#### **5.5. Rent Credits.**

(a) Rent Credits for Embarkation Site Improvements. As described in this Section, and subject to subsection (b), Tenant shall be entitled to a rent credit for Embarkation Site Improvements that are so designated in the Work Letter Attachment 1 in an amount not to exceed Two Million Five Hundred Twenty Thousand dollars (\$2,520,000) to be taken monthly against all Rent due in the manner described in the Basic Lease Information. The following example demonstrates how the rent credit shall be applied.

Total Rent Credit Available: \$2,520,000 divided by 48 months = \$33,075

Monthly Revenues Subject to Percentage Rent: \$2,000,000

Percentage rent: \$150,000

Less Monthly Base Rent: \$70,000

Percent Rent Due: \$80,000

Total Rent due: \$150,000

Maximum Rent Credit applied: \$52,200

Net Rent Due: \$97,500

(b) Rent Credits for the Pier 31½ Marginal Wharf Improvements and/or specified Port's maintenance and repair obligations if assigned to Tenant. Costs expended by Tenant for the Pier 31½ Marginal Wharf Improvements and/or specified Port's maintenance and repair obligations assigned to Tenant as otherwise provided under this Lease must be "Certified" in order to be eligible for rent credits. Certified costs are those hard and soft costs for which Tenant: (a) has obtained prior written approval by Port to incur for the purposes of eligibility for rent credits

as part of a proposed work plan or otherwise; (b) has paid any and all permit or review fees (including, but not limited to those charged by Port); and (c) has obtained all required Regulatory Approvals. Port agrees to consider and pre-approve changes to costs using the same process as the original pre-approval.

(c) Additional Conditions for All Rent Credits. In addition to the requirements set forth in the Basic Lease Information and the specific requirements applicable to each obligation as set forth above in Subsections(a) and (b), the following requirements apply regarding rent credits:

(1) Within thirty (30) days after final Completion of the Embarkation Site Improvements, Tenant shall deliver to Port an itemized statement of the actual costs expended by Tenant accompanied by Proof of Expenditures for such work reasonably satisfactory to Port. Costs expended for improvements that are eligible for rent credits shall not include any items other than those identified in the Work Letter Attachment 1 for the Embarkation Site Improvements or items pre-approved by Port for any other scope of work and shall not include items related to Tenant's trade fixtures, office equipment and supplies, furniture, communications facilities or any other items of personalty not intended to be affixed to or become a part of the Facility or Facility Systems, nor any fees, exactions, impositions, or similar charges imposed as a condition to permit approval. To the extent Tenant (through its employees, contractors, or any party in which Tenant has a direct financial interest) performs any of the improvements, the costs for such labor shall be no more than the commercially reasonable, market-rate labor charges typically charged for such work by parties in an arms-length transaction. In no event shall the cost of any construction management fees, general administrative costs or other forms of mark-up be eligible for rent credits unless clearly identified in the approved scope of work. Furthermore, in no event shall maintenance, repair and/or replacement costs for the Embarkation Site Improvements be eligible for rent credits. Upon receipt of Proof of Expenditures, Port in its reasonable discretion shall determine in writing the costs eligible for rent credits and Tenant may apply such rent credits in accordance with the provisions of the Basic Lease Information and this Section.

(2) Rent credits cannot be applied retroactively.

(3) Notwithstanding anything to the contrary contained herein, in no event shall Tenant receive any rent credit in the event Tenant is in default, or an event has occurred which, with the passage of time or the giving of notice, or both, would constitute a default. Upon the occurrence of a Tenant Event of Default during period Tenant is eligible for rent credits, Tenant's right to apply any rent credit shall cease and shall not be reinstated until the Tenant Event of Default is cured. If a Tenant Event of Default occurs on a day other than the first day of the calendar month or a Tenant Event of Default is cured on a day other than the last day of the calendar month, Base Rent due to Port shall be apportioned based on a thirty (30) day month. In no event shall the cessation in the application of the rent credit against any Base Rent extend the rent credit period.

(4) In the event all or any portion of the rent credit available to Tenant exceeds seventy percent (70%) (or a higher percentage as agreed by Port and Tenant as described in the Basic Lease Information) of the monthly installment of Rent due, the remaining portion of the rent credit shall be carried forward to the next installment of monthly Rent until the earlier to occur of (i) the rent credit being fully applied, (ii) the expiration or earlier termination of this Lease excluding any holdover period (with or without Port consent), or (iii) an uncured default by Tenant of any term or condition of this Lease.

(5) Tenant agrees and acknowledges that any right or claim Tenant may have to any form of rent credit that has not yet been actually applied ("**unused rent credit**") shall, upon the earlier to occur of (a) an uncured default by Tenant of any term or condition of this Lease, (b) Tenant's failure to submit to Port within thirty (30) days following completion of the work, Proof of Expenditures related to such improvements, as described in Section 5.5(b); or (c) the expiration or earlier termination of this Lease excluding any holdover

period (with or without Port consent), be immediately terminated, without notice, and Port shall have no liability or obligation to pay or credit Tenant all or any portion of the unused rent credit.

**5.6. Books and Records.** Tenant agrees that the business of Tenant upon the Premises shall be operated with a non-resettable register and so that a duplicate dated sales slip or such other recording method reasonably acceptable to Port shall be issued with each sale, whether for cash, credit or exchange. Furthermore, Tenant shall keep (and shall cause its Subtenants and assignees to keep) at the Premises at all times during the Term complete and accurate Books and Records that contain all information required to permit Port to verify Gross Revenues and deductions and exclusions therefrom that are in accordance with this Lease and with generally accepted accounting practices consistently applied with respect to all operations of the business to be conducted in or from the Premises and shall retain such Books and Records until the later of (i) four (4) years after the end of each Lease Year to which such Books and Records apply or, (ii) if an audit is commenced or if a controversy should arise between the parties hereto regarding the Percentage Rent payable hereunder, until such audit or controversy is concluded even if such audit period extends beyond the expiration or earlier termination of the Lease (the "**Audit Period**").

**5.7. No Joint Venture.** Port's receipt of a portion of Tenant's Gross Revenues as Percentage Rent shall be deemed strictly as rental and nothing herein shall be construed to create the legal relation of a partnership or joint venture between Port and Tenant.

**5.8. Audit.**

(a) Tenant agrees to make its Books and Records available to Port, or to any City auditor, or to any auditor or representative designated by Port or City (hereinafter collectively referred to as "**Port Representative**"), upon no less than fifteen (15) business days prior written notice to Tenant, for the purpose of examining said Books and Records to determine the accuracy of Tenant's reporting of Percentage Rent for a period not to exceed the Audit Period after a Percentage Statement is delivered to the Port. Tenant shall cooperate with the Port Representative during the course of any audit, provided however, such audit shall occur at Tenant's business office, or at such other location in San Francisco where the Books and Records are kept, and no books or records shall be removed by Port Representative without the prior express written consent of Tenant (provided, however, copies may be made by the Port Representative on site), and once commenced, with Tenant's cooperation, such audit shall be diligently pursued to completion by Port within a reasonable time of its commencement, provided that Tenant makes available to the Port Representative all the relevant Books and Records in a timely manner. If an audit is made of Tenant's Books and Records and Port claims that errors or omissions have occurred, the Books and Records shall be retained by Tenant and made available to the Port Representative until those matters are expeditiously resolved with Tenant's cooperation. If Tenant operates the Premises through one or more Subtenants or Agents (other than Port), Tenant shall require each such Subtenant or Agent to provide the Port with the foregoing audit right with respect to its Books and Records. Upon completion of the audit, Port shall promptly deliver a copy of the audit report to Tenant.

(b) If an audit reveals that Tenant has understated its Gross Revenues for said Audit Period, Tenant shall pay Port, promptly upon demand, the difference between the amount Tenant has paid and the amount it should have paid to Port, plus interest at the Interest Rate from the date of the error in the payment. If an audit reveals that Tenant has overstated its Gross Revenues for said Audit Period, Tenant shall be entitled to a credit against rent for either Base Rent or Percentage Rent next owed equal to the difference between the amount Tenant has paid and the amount it should have paid to Port. If Tenant understates its Gross Revenues for any Audit Period by three percent (3%) or more, Tenant shall pay the cost of the audit. A second understatement within any three (3) Lease Year period of the first such understatement shall be considered an Event of Default.

**5.9. Default Interest.** Any Rent, if not paid within five (5) days following the due date and any other payment due under this Lease not paid by the applicable due date, shall bear interest from the due date until paid at the Interest Rate. However, interest shall not be payable on Late Charges incurred by Tenant nor on other amounts to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Tenant. Tenant shall also pay any costs, including attorneys' fees incurred by Port by reason of Tenant's failure to pay Rent or other amounts when due under this Lease.

**5.10. Late Charges/Habitual Late Payer.** Tenant acknowledges that late payment by Tenant to Port of Rent or other sums due under this Lease will cause Port increased costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if Tenant fails to pay Rent on the date due, such failure shall be subject to a Late Charge at Port's discretion. Tenant shall also pay any costs including attorneys' fees incurred by Port by reason of Tenant's failure to timely pay Rent. Additionally, in the event Tenant is notified by Port that Tenant is considered to be a Habitual Late Payer, Tenant shall pay, as Additional Rent, an amount equal to Fifty Dollars (\$50.00) (as such amount may be adjusted from time to time by the Port Commission) upon written notification from Port of Tenant's Habitual Late Payer status. The parties agree that the charges set forth in this Section represent a fair and reasonable estimate of the cost that Port will incur by reason of any late payment. Such charges may be assessed without notice and cure periods and regardless of whether such late payment results in an Event of Default. Payment of the amounts under this Section shall not excuse or cure any default by Tenant.

**5.11. Returned Checks.** If any check for a payment for any Lease obligation is returned without payment for any reason, Tenant shall pay, as Additional Rent, an amount equal to Fifty Dollars (\$50.00) (as such amount may be adjusted from time to time by the Port Commission) and the outstanding payment shall be subject to a Late Charge as well as interest at the Interest Rate.

**5.12. Net Lease.** It is the purpose of this Lease and intent of Port and Tenant that all Rent shall be absolutely net to Port, so that this Lease shall yield to Port the full amount of the Rent at all times during the Term, without deduction, abatement or offset. Except as otherwise expressly set forth in this Lease, under no circumstances, whether now existing or hereafter arising, and whether or not beyond the present contemplation of the Parties shall Port be expected or required to incur any expense or make any payment of any kind with respect to this Lease or Tenant's use or occupancy of the Premises, including any Improvements. Without limiting the foregoing, but except as expressly provided to the contrary in this Lease, Tenant shall be solely responsible for paying each item of cost or expense of every kind and nature whatsoever, the payment of which Port would otherwise be or become liable by reason of Port's estate or interests in the Premises and any Improvements, any rights or interests of Port in or under this Lease, or the ownership, leasing, operation, management, maintenance, repair, rebuilding, remodeling, renovation, use or occupancy of the Premises, any Improvements, or any portion thereof. No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant from its liability to pay all of the sums required by any of the provisions of this Lease, or shall otherwise relieve Tenant from any of its obligations under this Lease, or shall give Tenant any right to terminate this Lease in whole or in part, except as otherwise expressly provided in this Lease. Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease or to receive any abatement, diminution, reduction or suspension of payment of such sums, on account of any such occurrence or situation, provided that such waiver shall not affect or impair any right or remedy expressly provided Tenant under this Lease.

**5.13. Additional Charges.** Without limiting Port's other rights and remedies set forth in this Lease, at law or in equity, in the event Tenant fails to submit to the appropriate party, on a timely basis, the items identified in Sections: 12.1 (Utilities), 16.3 (Tenant's Environmental

Condition Notification Requirements), 16.8. (Storm Water Pollution Prevention), 31.1(d) (CMD Form), and 34 below or to provide evidence of the required insurance coverage described in Section 17 below, then upon written notice from Port of such failure, Tenant shall pay, as Additional Rent, an amount equaling One Hundred Dollars (\$100.00). In the event Tenant fails to provide the necessary document within the time period set forth in the initial notice and Port delivers to Tenant additional written notice requesting such document, then Tenant shall pay to Port, as Additional Rent, an amount equaling One Hundred Fifty Dollars (\$150.00) for each additional written notice Port delivers to Tenant requesting such document. The parties agree that the charges set forth in this Section 5.13 represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Tenant's failure to provide the documents identified in this Section 5.13 and that Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights under this Lease, at law or in equity. By signing this Lease, each party specifically confirms the accuracy of the statements made in this Section 5.13 and the reasonableness of the amount of the charges described in this Section 5.13.

## **6. TAXES AND ASSESSMENTS.**

**6.1. *Payment of Taxes.*** During the Term, Tenant agrees to pay, when due, to the proper authority any and all real property and personal taxes, general and special assessments, license fees, permit fees and all other governmental charges of any kind or nature whatsoever, including without limitation all penalties and interest thereon, levied or assessed on the Premises, on Tenant's Property, the leasehold or subleasehold estate or Tenant's use of the Premises, whether in effect at the time this Lease is entered into or which become effective thereafter, and all taxes levied or assessed on the possession, use or occupancy, as distinguished from the ownership, of the Premises. Tenant further recognizes and agrees that its leasehold interest may be subject to the payment of special taxes, including without limitation a levy of special taxes to finance energy efficiency, water conservation, water pollution control and similar improvements under the Special Tax Financing Law in Chapter 43 Article X of the Administrative Code. Tenant shall not permit any such taxes, assessments or other charges to become a defaulted lien on the Premises or the Improvements thereon; provided, however, that in the event any such tax, assessment or similar charge is payable in installments, Tenant may make, or cause to be made, payment in installments; and provided, further, that Tenant may, through such proceeding as Tenant considers necessary or appropriate, contest the legal validity or the amount of any tax, assessment or similar charge so long as such assessment or charge does not become a defaulted lien. In the event of any such dispute, Tenant shall Indemnify Port, City, and their Agents from and against all Claims resulting therefrom.

**6.2. *Possessory Interest Tax.*** Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxation and that Tenant may be subject to the payment of property taxes levied on such interest. Tenant further recognizes and understands that any sublease or assignment permitted under this Lease and any exercise of any option to renew or other extension of this Lease may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder. Tenant agrees to pay taxes of any kind, including, but not limited to, possessory interest taxes, that may be lawfully assessed on the leasehold interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Tenant's usage of the Premises that may be imposed upon Tenant by Law, all of which shall be paid when the same become due and payable and before delinquency. Tenant agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that Tenant, if so desiring, may have reasonable opportunity to contest the validity of the same. San Francisco Administrative Code Sections 23.38 and 23.39 (or any successor statute) require that the City and County of San Francisco report certain information relating to this Lease, and any renewals thereof, to the County Assessor within sixty (60) days after any such transaction and that Tenant report certain



information relating to any assignment of or sublease under this Lease to the County Assessor within sixty (60) days after such assignment or sublease transaction.

## **7. REQUIRED FINANCIAL ASSURANCES.**

**7.1. Security Deposit.** Tenant shall pay to Port upon execution of this Lease, in addition to the advance payment of the first month's Base Rent, the Security Deposit, in cash, in the sum specified in the Basic Lease Information, as security for the faithful performance by Tenant of all terms, covenants and conditions of this Lease. The parties agree that the Security Deposit shall, at all times during the Term, equal twenty-thousand dollars (\$20,000) plus an amount equal to two (2) months of the then-current Base Rent. Any increase in the Security Deposit to maintain the same ratio of Security Deposit to Base Rent shall be delivered to Port on the same date that such increase in Base Rent is first due.

Tenant agrees that Port may (but shall not be required to) apply the Security Deposit in whole or in part to (a) pay any sum due to Port under this Lease; (b) compensate Port for any expense incurred or damage caused by Tenant, its Agents or Invitees; (c) cure any default by Tenant; or (d) cure, or attempt to cure, any failure of Tenant to perform any other covenant, term or condition contained herein. Tenant shall immediately upon demand pay Port a sum equal to the portion of the Security Deposit expended or applied by Port. Port shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to any interest on the Security Deposit. Nothing contained in this Section shall in any way diminish or be construed as waiving any of Port's other remedies set forth in this Lease or provided by law or equity.

Tenant hereby waives the provisions of California Civil Code Section 1950.7 and/or any successor statute, it being expressly agreed that Port may apply all or any portion of the Security Deposit in payment of any and all sums reasonably necessary to compensate Port for any other loss or damage, foreseeable or unforeseeable, caused by the act or omission of Tenant or any Agent or Invitee of Tenant, and that following a default by Tenant, all or any portion of the Security Deposit may be retained by Port following a termination of this Lease and applied to future damages, including damages for future Rent, pending determination of the same. Subject to the foregoing, Port will return any balance to Tenant within ninety (90) days of the expiration or earlier termination of this Lease.

## **7.2. Environmental Oversight Deposit.**

(a) Tenant shall pay to Port upon execution of this Lease an Environmental Oversight Deposit in cash in the amount of Ten Thousand Dollars (\$10,000), as security for Port's recovery of costs of inspection, monitoring, enforcement, and administration during Tenant's operations under this Lease; provided, however, that the Environmental Oversight Deposit will not be deemed an advance of Rent, an advance of any other payment due to Port under this Lease, a security deposit subject to the California Civil Code, or a measure of Port's damages upon an Event of Default.

(b) Port may use, apply, or retain the Environmental Oversight Deposit in whole or in part to reimburse Port for costs incurred if an Environmental Regulatory Agency delivers a notice of violation or order regarding a Hazardous Material Condition ("**Environmental Notice**") to Tenant and either: (i) the actions required to cure or comply with the Environmental Notice cannot be completed within fourteen (14) days after its delivery; or (ii) Tenant has not begun to cure or comply with the Environmental Notice or is not working actively to cure the Environmental Notice within fourteen (14) days after its delivery. Under these circumstances, Port's costs may include staff time corresponding with and responding to Regulatory Agencies, attorneys' fees, and collection and laboratory analysis of environmental samples.

(c) If an Environmental Notice is delivered to Tenant, and Tenant has cured or complied with the Environmental Notice within fourteen (14) days after its delivery, Port may

apply a maximum of \$500 from the Environmental Oversight Deposit as Additional Rent for each Environmental Notice delivered to Tenant to reimburse Port for its administrative costs.

(d) Tenant must pay to Port immediately upon demand a sum equal to any portion of the Environmental Oversight Deposit Port expends or applies.

(e) Provided that no Environmental Notices are then outstanding, Port will return the balance of the Environmental Oversight Deposit, if any, to Tenant within a reasonable time after the expiration or earlier termination of this Lease. Port's obligations with respect to the Environmental Oversight Deposit are those of a debtor and not a trustee, and Port may commingle the Environmental Oversight Deposit or use it in connection with its business.

## **8. USE OF THE PREMISES.**

**8.1. Permitted Use.** The Premises shall be used and occupied only for the Permitted Use specified in the Basic Lease Information and for no other purpose.

**8.2. Prohibited Use.** Tenant agrees that the following activities, by way of example only and without limitation, and any other use that is not a Permitted Use (in each instance, a "Prohibited Use" and collectively, "Prohibited Uses"), are inconsistent with this Lease, are strictly prohibited and are considered Prohibited Uses:

(a) any activity, or the maintaining of any object, which is not within the Permitted Use;

(b) any activity, or the maintaining of any object, which will in any way increase the existing rate of, affect or cause a cancellation of, any fire or other insurance policy covering the Premises, any part thereof or any of its contents;

(c) any activity or object which will overload or cause damage to the Premises;

(d) any activity which constitutes waste or nuisance, including, but not limited to, the preparation, manufacture or mixing of anything that might emit any objectionable odors, noises or lights onto adjacent properties, or the use of loudspeakers or sound or light apparatus which can be heard or seen outside the Premises;

(e) any activity which will in any way injure, obstruct or interfere with the rights of other tenants in the Facility or of owners or occupants of adjacent properties, including, but not limited to, rights of ingress and egress;

(f) use of the Premises for residential, sleeping or personal living quarters and/or "Live/Work" space;

(g) any auction, distress, fire, bankruptcy or going out of business sale on the Premises without the prior written consent of Port, which consent may be granted, conditioned, or withheld in the sole and absolute discretion of Port; or

(h) the storage of any and all excavated materials, including but not limited to, dirt, concrete, sand, asphalt, and pipes;

(i) except during construction of the Embarkation Site Improvements or Subsequent Alterations, the storage of any and all aggregate material, or bulk storage, such as wood or of other loose materials; or

(j) other Prohibited Uses identified in the Basic Lease Information, if any.

**8.3. Notice of Prohibited Use Charge.** In the event Port determines after inspection of the Premises that Prohibited Uses are occurring on the Premises, then Tenant shall immediately cease the Prohibited Use and shall pay to Port, as Additional Rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of written notice to Tenant to cease the Prohibited Use ("Notice to Cease Prohibited Use"). In the event Port determines in subsequent inspection(s) of the Premises that Tenant has not ceased the Prohibited Use, then Tenant shall pay to Port, as

Additional Rent, an amount equaling Three Hundred Dollars (\$300.00) for each additional Notice to Cease Prohibited Use delivered to Tenant. The parties agree that the charges associated with each inspection of the Premises and delivery of the Notice to Cease Prohibited Use, if applicable, represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises and Tenant's failure to comply with the applicable Notice to Cease Prohibited Use and that Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights under this Lease, at law or in equity. By signing this Lease, each party specifically confirms the accuracy of the statements made in this Section and the reasonableness of the amount of the charges described in this Section.

## **9. COMPLIANCE WITH LAWS AND REGULATIONS.**

Tenant, at Tenant's sole cost and expense, promptly shall comply with all Laws relating to or affecting the condition, use or occupancy of the Premises and shall comply with all Laws relating to Tenant's specific use of the Facility and all Rules and Regulations, if any, in effect either at the time of execution of this Lease or which may hereafter be in effect at any time during the Term, whether or not the same are now contemplated by the parties. Tenant further understands and agrees that it is Tenant's obligation, at Tenant's sole cost and expense, to cause the Premises and Tenant's activities and operations conducted thereon, to be in compliance with the ADA. Tenant shall be solely responsible for conducting its own independent investigation of this matter and for ensuring that the design of all Alterations and Improvements strictly complies with all requirements of the ADA. If Tenant's use or occupancy of the Premises triggers a requirement to remove barriers or perform other work to any part of the Facility outside of the Premises to comply with the ADA, then, Tenant shall perform such work at Tenant's sole cost and expense.

The parties acknowledge and agree that Tenant's obligation to comply with all Laws as provided herein is a material part of the bargained for consideration under this Lease. Tenant's obligation under this Section 9 shall include, without limitation, the responsibility of Tenant to make substantial or structural repairs and Alterations to the Premises, regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term hereof, the relative benefit of the repairs to Tenant or Port, the degree to which the curative action may interfere with Tenant's use or enjoyment of the Premises, the likelihood that the parties contemplated the particular Laws involved, and whether the Laws involved are related to Tenant's particular use of the Premises. Any Alteration or Improvements made by or on behalf of Tenant pursuant to the provisions of this Section 9 shall comply with the provisions of Section 13 below. Except as otherwise expressly set forth in this Lease, no occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant of its obligations hereunder, nor give Tenant any right to terminate this Lease in whole or in part or to seek redress against Port, except to the extent Tenant may have remedies against Port pursuant to this Lease or applicable Law. Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease, to receive any abatement, diminution, reduction or suspension of payment of Rent, or to compel Port to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

## **10. PORT ACTING AS OWNER OF PROPERTY; REGULATORY APPROVALS; COMPLIANCE WITH CITY'S RISK MANAGER'S REQUIREMENTS.**

**10.1. *Port Acting as Owner of Property.*** Tenant understands and agrees that Port is entering into this Lease in its capacity as a landowner with a proprietary interest in the Premises and not as a Regulatory Agency of the City with certain police powers. By entering into this Lease, Port is in no way modifying or limiting the obligation of Tenant to obtain any required Regulatory Approvals from Regulatory Agencies, and to cause the Premises to be used and occupied in accordance with all Laws and required Regulatory Approvals. Examples of Port

actions as a Regulatory Agency include Port issuance of building, encroachment and other construction-related permits, and the Chief Harbor Engineer's actions to protect public health and safety.

**10.2. *Regulatory Approvals.*** Tenant understands that Tenant's operations on the Premises, changes in use, or Improvements or Alterations to the Premises (individually and collectively, "**Changes**") may require Regulatory Approvals, including Regulatory Approvals issued by Port in its capacity as a Regulatory Agency.

Tenant shall be solely responsible for obtaining any Regulatory Approvals, and Tenant shall not seek any Regulatory Approval without first obtaining the prior written approval of Port. All costs associated with applying for and obtaining any necessary Regulatory Approval shall be borne solely and exclusively by Tenant. Tenant shall be solely responsible for complying with any and all conditions imposed by Regulatory Agencies as part of a Regulatory Approval; provided, however, Tenant shall not agree to the imposition of conditions or restrictions in connection with its efforts to obtain a permit or other entitlement from any Regulatory Agency (other than Port), if: (1) conditions and/or restrictions under such permit or other entitlement could affect use or occupancy of the Facility or other Port property or Port's interest therein or would create obligations on the part of Port or could otherwise encumber, restrict or change the use of Port property (other than the Premises), unless in each instance Port has previously approved, in Port's sole discretion, such conditions or restrictions; or (2) conditions and/or restrictions under such permit or other entitlement could affect use or occupancy of the Premises or Port's interest therein or would create obligations on the part of Port on the Premises or could otherwise encumber, restrict or change the use of the Premises, unless in each instance Port has previously approved, in Port's reasonable discretion, such conditions and/or restrictions.

Any fines or penalties imposed as a result of the failure of Tenant to comply with the terms and conditions of any Regulatory Approval shall be promptly paid and discharged by Tenant, and Port shall have no liability, monetary or otherwise, for any fines and penalties. To the fullest extent permitted by Law, Tenant agrees to Indemnify City, Port and their Agents from and against any Claim which City or Port may incur as a result of Tenant's failure to obtain or comply with the terms and conditions of any Regulatory Approval.

Without limiting the terms and conditions of Sections 10.1 and 10.2, by signing this Lease, Tenant agrees and acknowledges that (i) Port has made no representation or warranty that Regulatory Approvals to allow for the Changes, if any, can be obtained, (ii) although Port is an agency of the City, Port has no authority or influence over any Regulatory Agency responsible for the issuance of such required Regulatory Approvals, (iii) Port is entering into this Lease in its capacity as a landowner with a proprietary interest in the Facility and not as a Regulatory Agency of the City with certain police powers, and (iv) Tenant is solely responsible for obtaining any and all required Regulatory Approvals in connection with any Changes. Accordingly, Tenant understands that there is no guarantee, nor a presumption, that any required Regulatory Approvals will be issued by the appropriate Regulatory Agency and Port's status as an agency of the City shall in no way limit the obligation of Tenant to obtain approvals from any Regulatory Agencies (including Port) that have jurisdiction over the Facility. Tenant hereby releases and discharges Port from any liability relating to the failure of any Regulatory Agency (including Port) from issuing any required Regulatory Approval.

**10.3. *Compliance with City's Risk Manager's Requirements.*** Tenant shall faithfully observe, at no cost to Port, any and all requirements of City's Risk Manager with respect to Tenant's use and occupancy of the Premises, so long as such requirements do not unreasonably interfere with Tenant's use of the Premises or are otherwise connected with standard prudent commercial practices of other landlords.

## 11. MAINTENANCE AND REPAIRS.

**11.1. Port's Obligations.** Port's obligations to maintain and repair the Premises are strictly limited to those explicitly stated in the Basic Lease Information and nothing in this Lease shall imply any greater duty upon the part of Port to perform any other repair or maintenance work and under any provision of this Lease. Port shall use commercially reasonable efforts to conduct any of the foregoing activities in a manner that, to the extent reasonably practicable, will minimize inconvenience or disturbance to Tenant; Port will have no obligation to minimize inconvenience or disturbance to Tenant when such work is necessary, in Port's sole and absolute discretion, to maintain Port property in safe, hazard-free condition. In no event will inconvenience or disturbance caused by Port's maintenance and repair work constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease. Port shall not be liable in any manner, and Tenant hereby waives any Claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, including without limitation any abatement or reduction in Rent, arising out of Port's or its authorized Agents entry onto the Premises to perform its maintenance and repair obligations or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, except damage resulting solely from the willful misconduct or gross negligence of Port or its authorized representatives.

If Port fails to perform its maintenance and repair obligations as set forth in this Lease and such failure materially impacts Tenant's ability to operate, then Tenant must provide written notice to Port specifying the nature of Port's default and actions needed to cure. If, after receipt of such written notice, Port's failure to perform its obligations continues without cure for more than one hundred eighty (180) days (or, if such cure cannot reasonably be completed within such 180-day period, Port fails to commence with due diligence and dispatch within such ninety-day period the curing of such failure, or having so commenced, fails to diligently and with good faith prosecute such cure to completion within twelve (12) months), Tenant shall be entitled to seek an order for specific performance to compel Port to perform such obligations. Tenant agrees that, notwithstanding anything to the contrary in this Lease or pursuant to any applicable Laws, Tenant's remedies hereunder shall constitute Tenant's sole right and remedy for Port's default under this Section. In no event shall Tenant be entitled to offset from all or any portion of Rent becoming due hereunder or to otherwise recover or obtain from Port or its Agents any damages arising out of Port's default under this Section.

**11.2. Tenant Maintenance and Repair Obligations.** Unless otherwise set forth in the Basic Lease Information: (i) beginning on the relevant Commencement Date for each parcel, Tenant shall at all times during the Term, and at its sole cost and expense, maintain, repair and replace in good and working order, condition and repair the Premises and all Improvements and Alterations thereon, including, but not limited to, glazing; and (ii) Port shall not be obligated to make any repairs, replacement or renewals of any kind, nature or description whatsoever to the Premises nor to any Improvements or Alterations now or hereafter located thereon. Maintenance and repair shall be in accordance with the Embarkation Site Waterside Improvements and Maintenance Specifications included in the Work Letter which is attached hereto as **Exhibit E**. Tenant hereby waives all rights to make repairs at Port's expense under Sections 1932(1), 1941 and 1942 of the California Civil Code or under any similar Law now or hereafter in effect. Notwithstanding any maintenance and repair obligations of Port that may be set forth in the Basic Lease Information, in the event that Tenant, its Agents or Invitees cause any damage to the Premises or any other property within Port's jurisdiction, Tenant shall be responsible for repair and Port may repair the same at Tenant's sole cost and expense and Tenant shall immediately reimburse Port therefor.

Tenant shall not make, nor cause or suffer to be made, any repairs or other work for which a permit is required by any applicable building code, standard or regulation, including,

without limitation, the Port Building Code or of any rule or regulation of Port without first obtaining Port's prior written consent and a permit therefor.

In the event that damage or deterioration to the Premises or any portion thereof which is Tenant's obligation to maintain results in the same not meeting the standard of maintenance required by Port for such uses as Tenant is making of the Premises, then Tenant shall have the independent responsibility for, and shall promptly undertake, maintenance or repair of the Premises and complete the same with due diligence.

**11.3. Port's Right to Inspect.** Without limiting Section 25 below, Port may make periodic inspections of the Premises and may advise Tenant when maintenance or repair of the Premises is required, but such right of inspection shall not relieve Tenant of its independent responsibility to maintain such Premises and Improvements in a condition as good as, or better than, their condition at the Phase I Commencement Date, excepting ordinary wear and tear.

**11.4. Port's Right to Repair.** In the event Tenant fails to maintain the Premises in accordance with this Lease or Tenant fails to promptly repair any damage to the Facility or the Facility Systems caused by Tenant or its Agents, Port may repair the same at Tenant's sole cost and expense and Tenant shall immediately reimburse Port therefore. If the cost (including, but not limited to, salaries of Port staff and attorneys' fees) of any such repairs or replacements made at Tenant's expense is in excess of Two Thousand Dollars (\$2,000), then Tenant shall pay to Port an administrative fee equal to ten percent (10%) of the total "**Hard costs**" of the work. "**Hard costs**" shall include the cost of materials and installation, but shall exclude any costs associated with design, such as architectural fees. With respect to any work where the total hard costs of such work are less than Two Thousand Dollars (\$2,000), Tenant shall pay to Port, as Additional Rent, an amount equaling Two Hundred Dollars (\$200).

In addition, upon delivery of the initial notice relating to Tenant's failure to maintain the Premises in accordance with Section 11 ("**Maintenance Notice**"), Tenant shall pay, as Additional Rent, an amount equaling Two Hundred Dollars (\$200.00). In the event Port determines during subsequent inspection(s) that Tenant has failed to maintain the Premises in accordance with Section 11, then Tenant shall pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars (\$300) for each additional Maintenance Notice, if applicable, delivered by Port to Tenant following each inspection. By signing this Lease, each party specifically agrees that the charges associated with each inspection of the Premises and delivery of each Maintenance Notice represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises and issuance of each Maintenance Notice. Tenant's failure to comply with the applicable Maintenance Notice and Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Port under this Lease, at law or in equity. The amounts set forth in this Section shall be due within three (3) business days following delivery of the applicable Maintenance Notice.

For purposes of this Lease, the term "**ordinary wear and tear**" shall not include any deterioration in the condition or diminution of the value of any portion of the Premises and/or the Facility in any manner whatsoever related directly or indirectly to Tenant's failure to comply with the terms and conditions of this Lease.

**11.5. Dredging.** Tenant shall be solely responsible for any dredging and dredging-related activities required in connection with its operations or use of the Premises, including areas outside of the Premises necessary to provide access to the Premises (the "**Dredging Work**"), and for all costs associated with the Dredging Work, including pre- and post-dredge hydrographic surveys; pre-dredge sediment sampling and analyses as required by all Regulatory Agencies; permitting; all consultant and dredging contracting; and for repair of any damages to existing structures incurred during Tenant's Dredging Work.

(a) Tenant must comply with all of the following conditions in connection with any Dredging Work:

(i) Dredging Work must be performed in accordance with the requirements of the permits issued to Tenant by Regulatory Agencies and in accordance with the authorizations obtained from the Dredged Material Management Office (“DMMO”).

(ii) At least three (3) months prior to commencement of any Dredging Work, Tenant must notify Port in writing of the anticipated start date, along with the anticipated time required to perform and complete the Dredging Work, and the anticipated volume of materials that will be dredged with each dredging episode.

(iii) Tenant shall provide to Port copies of all pre-dredge and post-dredge hydrographic surveys within fifteen (15) days of conducting the survey. Tenant shall provide all submittals to DMMO and Regulatory Agencies to Port including dredging permit applications, Sampling and Analysis Plans, Sampling and Analysis Reports and sample analytical data, Dredge Operations Plans, Work Notices, Post-Dredging Reports and any other information developed in connection with the Dredging Work at the time of submittal to DMMO and Regulatory Agencies. Tenant shall provide Port approved permits issued to Tenant by Regulatory Agencies within seven (7) calendar days after receipt of the permit from the permitting Regulatory Agency. Tenant shall provide Port evidence of all DMMO authorizations obtained by Tenant including, but not limited to, sampling and analysis plan and dredge operations plan authorizations, and dredged material Suitability Determinations. As used in this Section, a “Suitability Determination” means a DMMO authorization that dredged materials are suitable for placement at a proposed re-use or disposal location. All reports, surveys, results, plans, notices, sampling data, or such other information that is required to be provided to Port under this Section 11.5 will be provided at no cost to Port. Tenant will provide Port one (1) electronic copy (in the format then requested by the Port) of all the foregoing documents and authorizations.

(iv) Within seven (7) calendar days after DMMO authorization of Tenant’s sampling and analysis plan, Tenant shall provide Port with a proposed schedule of activities beginning with pre-dredge sediment sampling, pre-dredge hydrographic surveying, dredging, post-dredge hydrographic surveying and concluding with the submittal of the Post-Dredging Report.

(v) Tenant shall maintain records of dredging operations, such as daily logs, dredged material disposal documentation, and pre- and post-dredging hydrographic surveys to be included in a Post-Dredging Report.

(vi) Tenant is solely responsible for notifying all vessel operators using the Pier 31/33 Water Basin along with tenants and licensees of Port adjacent to the Premises, of Tenant’s dredging schedule (i.e., commencement of and period of dredging).

(vii) Tenant is solely responsible for ensuring that the scheduled Dredging Work does not interfere with other activities previously scheduled by Port or other Port tenants near the Premises provided that Port makes such scheduling information available to Tenant in a reasonable time prior to Tenant’s commencement of the Dredging Work.

(viii) Tenant must submit post-dredging report(s) to Regulatory Agencies and Port in accordance with the reporting schedules and documentation requirements specified in Tenant’s dredging permits.

(ix) Tenant shall be solely responsible for testing, sampling, removing, and disposing of the sediments and any associated debris or other materials excavated from the Bay in connection with any Dredging Work performed by Tenant under this Section 11.5 and in accordance with this Lease and any required Regulatory Approval.

(b) Beneficial Re-Use of Dredged Materials. Tenant will seek a Suitability Determination from DMMO that the dredged materials from any Dredging Work may be beneficially re-used at Tenant’s sole cost. Tenant will commence the applicable Dredging Work



only after DMMO has made a Suitability Determination that the dredged materials may or may not be beneficially re-used at an authorized beneficial re-use site. If DMMO determines that the dredged materials may be beneficially re-used and the authorized beneficial re-use site is accepting dredged materials, then Tenant will deposit dredged materials at the authorized beneficial re-use site, at no cost to Port. If DMMO determines that the dredged materials are not suitable for beneficial re-use or if the DMMO determines that the dredged materials may be beneficially re-used and the authorized beneficial re-use site cannot accept the materials due to scheduling, equipment, or similar beneficial re-use site constraints, then Tenant will dispose of dredged materials at a DMMO-authorized disposal location. Should an authorized beneficial re-use site exist on Port property, and at the Port's request, Tenant shall prioritize and seek a Suitability Determination from DMMO for beneficial re-use of a portion or the entire volume of dredged materials, as determined by Port, at such Port property, and at no cost to Port.

**11.6. Acts of Nature.** Nothing contained herein shall require Port to repair or replace the Premises or the Improvements thereon as a result of damage caused by acts of war, earthquake, tidal wave or other acts of nature, except that this provision shall not affect any obligation to make repairs to the Premises pursuant to Section 18 in the event of any damage or destruction of the Premises.

## **12. UTILITIES AND SERVICES.**

**12.1. Utilities.** Tenant shall make arrangements and shall pay all charges for all Utilities to be furnished on, in or to the Premises or to be used by Tenant. Tenant shall procure all electricity for the Premises from the San Francisco Public Utilities Commission at rates to be determined by the SF Public Utilities Commission. If the SF Public Utilities Commission determines that it cannot feasibly provide service to Tenant, Tenant may seek another provider

Tenant shall be obligated, at its sole cost and expense, to repair and maintain in good operating condition all utilities serving the Premises (whether within or outside the Premises and regardless of who installed same). The obligation to repair and maintain includes the obligation to routinely inspect and assess such Utilities using qualified licensed professionals and to report the results of such inspections to Port. Tenant shall coordinate with Port and impacted Port tenants, if necessary, with respect to maintenance and repair of any off-Premises utility infrastructure, including providing advance notice of maintenance and repair requirements. If Tenant requests Port to perform such maintenance or repair, whether emergency or routine, Port shall charge Tenant for the cost of the work performed at the then prevailing standard rates, and Tenant agrees to pay Port promptly upon billing.

If Tenant requires electric current in excess of that usually furnished or supplied for the Premises, Tenant shall first procure the written consent of Port, which Port may refuse, in its sole and absolute discretion, to the use thereof, and Port may cause an electric current meter to be installed in the Premises so as to measure the amount of electric current consumed for any such other use. The cost of any such meter and of installation, maintenance, and repair thereof shall be paid for solely by Tenant and Tenant agrees to pay to Port promptly upon demand therefor by Port for all such electric current consumed, as shown by the meter, at the rates charged for such service by the San Francisco Public Utilities Commission or the local public utility, as the case may be, furnishing the same, plus any additional expense incurred in keeping account of the electric current so consumed.

The parties agree that any and all utility improvements (not including telephone wiring and equipment) shall become part of the realty and are not trade fixtures or Tenant's Property. Port makes no representation or warranty that utility services, including telecommunications services, will not be interrupted. Port shall not be liable in damages or otherwise for any failure or interruption of any utility services, including telecommunications services, furnished to the Premises. No such failure or interruption shall constitute a basis for constructive eviction, nor entitle Tenant to terminate this Lease or abate Rent. Tenant hereby waives the provisions of



California Civil Code Section 1932(1), 1941, and 1942, or any other applicable existing or future Laws permitting the termination of this Lease due to such interruption, failure or inability.

In the event any Law imposes mandatory or voluntary controls on Port, the Facility, or the property or any part thereof, relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions, or the provision of any other utility or service provided with respect to this Lease, or in the event Port is required or elects to make alterations to any part of the Facility in order to comply with such mandatory or voluntary controls or guidelines, such compliance and the making of such alterations shall in no event entitle Tenant to any damages, relieve Tenant of the obligation to pay the full Base Rent and Additional Rent reserved hereunder or to perform each of its other covenants hereunder or constitute or be construed as a constructive or other eviction of Tenant. Port shall have the right at any time to install a water meter in the Premises or otherwise to measure the amount of water consumed on the Premises, and the cost of such meter or other corrective measures and the installation and maintenance thereof shall be paid for by Tenant.

Without Port's prior written consent, which Port may give or refuse in its sole and absolute discretion, Tenant shall not place or install in the Premises any equipment that weighs in excess of the normal load-bearing capacity of the floors of the Facility, and as may be further described in this Lease. If Port consents to the placement or installation of any such machine or equipment in the Premises, Tenant, at no cost to Port, shall reinforce the floor of the Premises, pursuant to plans and specifications approved by Port and otherwise in compliance with Section 13 below, to the extent necessary to assure that no damage to the Premises or the Facility or weakening of any structural or substructural supports, as the case may be, will be occasioned thereby.

**12.2. Services.** Except as may be otherwise provided in the Basic Lease Information, Tenant shall make arrangements and shall pay all charges for all services to be furnished on, in or to the Premises or to be used by Tenant, including, without limitation, garbage and trash collection, janitorial service and extermination service.

**12.3. On-Site Renewable Energy.** At any time during the Term, Port shall have the right, at its sole and absolute discretion, to install, or cause another party to install, a renewable energy system, using sources such as solar (photovoltaic or solar thermal power), wind, tidal or biofuel power ("**Renewable Energy System**") on the roof of any of the buildings within the Premises or otherwise on or near the Facility for the purpose of supplying power to the Facility or other locations. Notwithstanding Section 12.1, unless the cost per kilowatt of power to Tenant from such Renewable Energy System is greater than the cost per kilowatt Tenant would otherwise pay for power, Tenant shall purchase all or a portion of its power needs from the operator of the Renewable Energy System.

### **13. IMPROVEMENTS AND ALTERATIONS.**

#### **13.1. Port Consent Required.**

(a) Tenant shall not make nor cause or suffer to be made, any Alterations or Improvements to the Premises (i) without the prior written consent of Port, which consent shall not be unreasonably withheld; provided, however, that Port shall have the right in its sole and absolute discretion to consent or to withhold its consent to any Alterations or Improvements which affect the structural portions of the Premises, the Facility or the Facility Systems, and (ii) until Tenant shall have procured and paid for all Port and other Regulatory Approvals of the various Regulatory Agencies having jurisdiction over the Premises, including, but not limited to, any building or similar permits required by Port or its CHE in the exercise of its jurisdiction with respect to the Premises.

(b) As a condition to giving consent, Port may require Tenant to provide Port, at Tenant's sole cost and expense, one or more financial guarantees, each in a form and issued by a bank or surety acceptable to Port, such as: (i) a standby letter of credit or bond; and/or (ii) a

payment and performance bond from Tenant's Contractors naming Port as co-obligee, each in a principal amount up to one hundred fifty percent (150%) but not less than one hundred percent (100%) of the estimated costs of the Alteration or Improvement, to ensure Port against any liability for mechanics' and materialmen's liens, stop notices and to ensure completion of work.

(c) At least thirty (30) days before commencing any Alterations or Improvements to the Premises, Tenant shall notify Port. Tenant's notice shall be accompanied by Final Construction Documents for the Alterations or Improvements, if applicable. Port shall have the right to object to any of the Alterations or Improvements within sixty (60) days after receipt of notice from Tenant. Port's failure to notify Tenant of Port's objection within the 60-day period shall be deemed Port's disapproval of the Alterations.

(d) None of the following will constitute Alterations or Improvements requiring Port's consent, unless the installation will affect Facility Systems or the structure of any building: (i) installation of furnishings, trade fixtures, equipment, or decorative improvements; (ii) painting the interior of any of the buildings within the Premises; and (iii) carpeting any of the buildings within the Premises.

**13.2. Tenant's Obligation to Construct the Embarkation Site Improvements.** Tenant shall construct the Embarkation Site Improvements in accordance with, and subject to all the terms, covenants, conditions and restrictions of this Section 13 and the Work Letter. Any Subsequent Alteration shall be performed in accordance with this Section 13.

**13.3. Construction Requirements; Subsequent Alterations.** All Alterations and Improvements to the Premises including without limitation all Subsequent Alterations made by or on behalf of Tenant shall be subject to the following conditions, which Tenant covenants faithfully to perform:

(a) All Alterations and Improvements shall be performed in a good and workmanlike manner in accordance with plans and specifications previously approved by Port in writing and in compliance with the applicable building, zoning and other applicable Laws, including, but not limited to, compliance with the ADA, and in compliance with the terms of and conditions imposed in any Regulatory Approval or any permit or authorization for the Premises.

(b) All Alterations and Improvements shall be performed at the sole cost and expenses of Tenant, with reasonable dispatch and prosecuted to completion, and only by duly licensed and bonded contractors or mechanics approved by Port, and subject to any conditions that Port may reasonably impose.

(c) Tenant, while performing any subsequent construction or maintenance or repair of the Improvements (for purposes of this Section only, "Work"), shall undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or damage to adjoining portions of the Premises and Improvements and the surrounding property, or the risk of injury to members of the public, caused by or resulting from the performance of its Work. Tenant shall undertake commercially reasonable measures to minimize damage, disruption or inconvenience caused by the Work and make adequate provision for the safety and convenience of all persons affected by the Work. Dust, noise and other effects of the Work shall be controlled using commercially-accepted methods customarily used to control deleterious effects associated with construction projects in populated or developed urban areas. Tenant shall erect appropriate construction barricades substantially enclosing the area of such construction and maintain them until the Work has been substantially completed, to the extent reasonably necessary to minimize the risk of hazardous construction conditions.

(d) At the completion of any Work described in this Section, Tenant shall furnish to Port one reproducible "as built" drawing of all Alterations and Improvements made in the Premises. If Tenant fails to provide such as-built drawings to Port within sixty (60) days after completion of the Improvements, Port, after giving notice to Tenant shall have the right, but not

the obligation, to cause the preparation by an architect of Port's choice of "as-built" drawings, at Tenant's sole cost, to be paid by Tenant to Port within thirty (30) days after Port's request therefor.

(e) Tenant expressly acknowledges that the Embarkation Site is a contributing resource to the Port of San Francisco Embarcadero Historic District on the National Register. Accordingly, all interior and exterior Alterations (including but not limited to, any repair, alteration, improvement, or construction to the interior or exterior of the Embarkation Site) are subject to review by Port for consistency with the design policies and criteria set forth in the Waterfront Land Use Plan, Design and Access Element, the Secretary of the Interior's Standards for the Treatment of Historic Properties, which are published by the National Park Service and posted on its website at <http://www.nps.gov/history/hps/tps/Standards/index.htm> (the "Secretary's Standards") and summarized in the attached *Exhibit J*, and the Port of San Francisco Historic Preservation Review Guidelines for Pier and Bulkhead Wharf Substructures attached hereto as *Exhibit K* ("Port's Guidelines"). Tenant expressly agrees to comply with the Secretary's Standards for all current and future interior and exterior repair, alteration, improvement or construction. Additionally, Tenant expressly agrees to comply with Port's Guidelines as applicable.

(f) Without limiting Section 16 below (Hazardous Materials), in the event that asbestos-containing materials ("ACM") are determined to exist in or about the Premises, Tenant shall ensure that all Alterations and Improvements and any asbestos related work, as further defined in California Health & Safety Code Section 25914.1(b), is performed in compliance with all Laws relating to asbestos, including but not limited to, Cal-OSHA regulations found in Title 8 of the California Code of Regulations, Sections 1502 and 1529. Additionally, Tenant shall distribute notifications to all employees and contractors as required pursuant to California Health & Safety Code Sections 25915 et seq. informing them of the existence of ACM and that moving, drilling, boring, or otherwise disturbing ACM may present a health risk and should not be attempted by an unqualified employee. No Alterations or Improvements affecting ACM-containing areas or any asbestos related work shall be performed without Port's prior written consent in each instance.

(g) Tenant, on behalf of itself and its Agents or Invitees, shall comply with all requirements of the Port Building Code, Section 3424, and all other Laws, including, without limitation, the California and United States Occupational Health and Safety Acts and their implementing regulations, when the work of Alterations or Improvements disturbs or removes lead-based or presumed lead-based paint (as described below). Tenant and its Agents or Invitees shall give to Port three (3) business days prior written notice of any disturbance or removal of lead-based or presumed lead-based paint. Further, Tenant and its Agents or Invitees, when disturbing or removing lead-based or presumed lead-based paint, shall not use or cause to be used any of the following methods: (a) acetylene or propane burning and torching; (b) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate Air filter ("HEPA") local vacuum exhaust tool; (c) hydroblasting or high-pressure wash without containment barriers, without Port's prior written consent; (d) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool, without Port's prior written consent; and (e) heat guns operating above 1,100 degrees Fahrenheit. Paint on the interior and exterior of buildings built before December 31, 1978, is presumed to be lead-based paint unless lead-based paint testing, as defined in Section 3424 of the Port Building Code, demonstrates an absence of lead-based paint on the surfaces of such buildings. Under this Section 13.3(g), lead-based paint is "disturbed or removed" if the work of Alterations or Improvements involves any action that creates friction, pressure, heat or a chemical reaction upon any lead-based or presumed lead-based paint on an interior or exterior surface so as to abrade, loosen, penetrate, cut through or eliminate paint from that surface.

**13.4. Improvements Part of Realty.** Except as set forth in Section 13.5 below, all Alterations and Improvements constructed on or affixed to the Premises by or on behalf of Tenant shall become part of the realty owned by Port upon expiration or earlier termination of this Lease, and, shall, at the end of the Term, remain on the Premises without compensation to

Tenant. Tenant may not remove any such property at any time during or after the Term unless Port so requires as further provided in Section 26 (Surrender).

**13.5. Removal of Improvements.** Prior to the Expiration Date or earlier termination of this Lease, Port may give written notice to Tenant (herein "**Notice of Removal**") specifying the Alterations or Improvements that are designated as Tenant's Property as defined in this Lease or as may be specifically provided in the relevant permits or plans approved by Port, which Tenant shall be required to remove and relocate or demolish and remove from the Premises in accordance with Section 26. Any such removal is subject to the requirements of this Section, including the requirement to obtain a Port building or similar permit. If termination of this Lease is the result of loss or destruction of the Premises or any Improvements thereon, Port shall deliver the Notice of Removal to Tenant within a reasonable time after the loss or destruction. Tenant shall be obligated at its own expense to remove all Alterations or Improvements specified in the Notice of Removal, including without limitation all telephone wiring and equipment installed by Tenant. Tenant shall promptly repair, at its own expense, in good and workmanlike fashion any damage occasioned thereby. If Tenant fails to complete any required demolition or removal on or before the termination of this Lease, Port may perform such removal or demolition at Tenant's expense, and Tenant shall reimburse Port within three (3) business days after demand therefor.

**13.6. Removal of Non-Permitted Improvements.** If Tenant constructs any Alterations or Improvements without Port's prior written consent or without complying with Section 13.2 above, then, in addition to any other remedy available to Port, Port may require Tenant to remove, at Tenant's expense, any or all such Alterations or Improvements and to promptly repair, at Tenant's expense and in good workmanlike fashion, any damage occasioned thereby. Tenant shall pay to Port all special inspection fees as set forth in any applicable building code, standard or regulation, including, without limitation, the Port Building Code, for inspection of work performed without required permits. The foregoing obligation of Tenant to reimburse Port for all cost and expenses incurred by Port in connection with Tenant's failure to comply with the provisions of Section 13 shall survive the expiration or earlier termination of this Lease.

**13.7. All-Gender Toilet Facilities.** If applicable, Tenant shall comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of any new building on City-owned land and within existing buildings leased by the City, including the Premises, where extensive renovations are made. An "**all-gender toilet facility**" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "**extensive renovations**" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by this section. If Tenant has any question about applicability or compliance, Tenant should contact the Port's Property Manager for guidance.

**13.8. Signs.** Tenant shall not install business signage, awnings or other exterior decoration or notices on the Premises without Port's prior written consent. Any sign that Tenant is permitted to place, construct or maintain on the Premises shall comply with all Laws relating thereto, including but not limited to, Port's Sign Guidelines, as revised by Port from time to time, and building permit requirements, and Tenant shall obtain all Regulatory Approvals required by such Laws. Port makes no representation with respect to Tenant's ability to obtain such Regulatory Approval. Tenant, at its sole cost and expense, shall remove all signs placed by it on the Premises at the expiration or earlier termination of this Lease.

**13.9. Improvements on Roof.** Tenant shall not install any equipment on the roof of any building within the Premises or on any other part of the Facility outside of the Premises without Port's prior written consent. If Port consents, then Tenant shall have a non-exclusive revocable license on and over the roof and/or to other areas necessary to install, maintain and repair the equipment in a location mutually agreeable to Port and Tenant, subject to and consistent with all necessary Regulatory Approvals, including a building or encroachment permit issued by Port.

Port makes no representation with respect to Tenant's ability to obtain such Regulatory Approvals. Tenant's use of any licensed areas shall be subject to all the terms and conditions of this Lease and Tenant shall have the obligations and liabilities as if the licensed areas are included in the Premises under this Section, and Sections 3.6, 9-11, 13, 16, 17, 20 and 26 of this Lease. The license granted to Tenant hereunder is for the sole purpose of constructing, maintaining, restoring, replacing and operating Tenant's approved equipment, including any necessary conduits, only in connection with Tenant's Permitted Uses under this Lease and Tenant shall not have the right to install any other equipment outside of the Premises, including without limitation a telecommunications (cell) site or any other equipment that can be used for any commercial purpose. The license granted hereby includes the right of ingress and egress through the Facility during non-business hours for access to or from the Premises and Tenant's equipment, provided that Tenant must notify the Port's Property Manager at least 24 hours in advance of any access and shall comply with all reasonable requirements of such designated person with respect to Tenant's requested access. In the event of an emergency, Tenant shall have the right to enter the licensed areas provided it makes good faith efforts if possible to notify Port in advance of such entry.

**13.10. Port's Work.** Port reserves the right at any time to make Alterations, additions, repairs, deletions or improvements to the Facility, the Facility Systems, or adjacent Port property ("**Port Work**") upon reasonable prior notice but not less than ten (10) business days (except in the event of an emergency which poses an imminent danger to public health or safety as determined by Port in its sole discretion). If the Port causes any damage while using the Premises for the activities performed by Port in accordance with this Section 13.10, upon satisfactory documentation of such damage, Port shall promptly restore the Premises to a mutually acceptable condition at its cost. Port shall use commercially reasonable efforts to conduct any of the foregoing activities in a manner that, to the extent reasonably practicable, will minimize inconvenience or disturbance to Tenant; Port will have no obligation to minimize inconvenience or disturbance to Tenant for Port Work when the Port Work is necessary, in Port's sole and absolute discretion, to maintain Port property in safe, hazard-free condition. Except as provided in the Basic Lease Information in the section entitled "*Embarkation Site Construction Coordination*," in no event will inconvenience or disturbance caused by Port Work constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease. Tenant hereby waives any and all Claims against Port, City and their Agents arising out of any inconvenience or disturbance occasioned by Port Work; provided that Port uses commercially reasonable efforts to conduct its activities in a manner that, to the extent reasonably practicable, will minimize inconvenience or disturbance to Tenant except when the Port Work is necessary, in Port's sole and absolute discretion, to maintain Port property in safe, hazard-free condition.

#### **14. FLOOD RISK AND SEA LEVEL RISE.**

**14.1. Pier Flood Protection Measures.** In addition to Tenant's obligations to comply with Laws and to repair and maintain the Premises if, at any time during the Term of this Lease, and subject to compliance with CEQA, CHE determines that there is a need for **Pier Flood Protection Measures** (as defined below) at the Premises or proximate to the Premises to protect the Premises from a significant risk of flooding or other damage resulting from climate change or sea level rise, in order to protect public health and safety ("**CHE Determination**"), Tenant shall be responsible at no cost to Port for permitting, constructing and implementing any such Pier Flood Protection Measures in the manner described in this Section. Tenant understands and agrees that it will not receive or seek rent credits or other compensation or consideration for any Pier Flood Protection Measures. Port and Tenant agree that neither a CHE Determination nor a Threat Determination (as defined below) under this Section 14 shall be a Taking for purposes of this Lease.

"**Pier Flood Protection Measures**" may include without limitation (1) temporary public access closures, sandbagging or similar temporary measures to minimize the risks associated

with wave overtopping of the pier apron; (2) waterproofing or relocation of utility infrastructure from underneath the pier to minimize the risk of water or wastewater discharges to San Francisco Bay; and/or (3) short perimeter flood walls or similar measures to address more frequent and serious flooding associated with stillwater levels at or above the elevation of the pier deck. For purposes of this section, and without affecting Tenant's other obligations under this Lease, Pier Flood Protection Measures do not include substantial repairs, maintenance or improvements to the Substructure, raising first floor elevations or regional improvements such as breakwater or levee improvements which the parties acknowledge may be necessary to protect the City from sea level rise, but are beyond the scope of this Lease.

(a) **CHE Determination Notice.** Promptly following a CHE Determination, Port will deliver to Tenant notice of the CHE Determination ("**CHE Determination Notice**"). The CHE Determination Notice will include a description of the need for required Pier Flood Protection Measures and a timeline for Tenant to submit for the CHE's approval, in his or her sole discretion, a conceptual level scheme of the required measures along with a schedule for completing design, securing all Regulatory Approvals and completing construction ("**Pier Flood Protection Plan**"). The CHE has the sole discretion to approve or disapprove the final designs and implementation of any Pier Flood Protection Measures to be constructed within Port's jurisdiction (including the Premises). Within sixty (60) days of receiving such plan, the CHE will review and either approve the plan or request revisions to the plan. If revisions are required, Tenant will promptly revise the Pier Flood Protection Plan and re-submit to the CHE for his or her review and approval. Tenant will continue to revise and re-submit until the CHE approves the Pier Flood Protection Plan, as revised; provided, however, Tenant must have obtained the CHE's approval of a Pier Flood Protection Plan (the "**Approved Pier Flood Protection Plan**") within the time period set forth in the CHE Determination Notice.

(b) If Tenant fails to implement any required Pier Flood Protection Measures or the Approved Pier Flood Protection Plan within the time required in the CHE Determination, Port shall provide Tenant with thirty (30) days written notice and the right to cure such failure. If Tenant fails to cure within the 30-day period, Port shall have the right but not the obligation to implement the measure(s) on Tenant's behalf following an additional thirty (30) days' written notice of Port's intent to do so (unless such failure to cure gives rise to an emergency which creates an imminent danger to public health or safety as determined by the CHE) and Tenant shall reimburse Port for its actual costs.

**14.2. Termination.** If, at any time during the Term, the CHE determines conditions at the Premises or Facility pose an ongoing threat to public health and safety due to flood risk and sea level rise conditions (even despite construction of the Pier Flood Protection Measures) ("**Threat Determination**"), this Lease will terminate within ninety (90) days of the CHE's written notice to Tenant of the Threat Determination, or the termination date set forth in the Threat Determination notice, whichever is earlier, without cost or liability to Port.

**14.3. Required Flood Protection Improvements for Other Port Property.** If the CHE determines that there is a need to install flood protection measures within the Premises to protect other Port property, Tenant shall cooperate by providing access and other reasonably requested assistance at no cost to Port. Nothing herein shall imply any duty upon the part of Port to perform any work which under any provision of this Lease Tenant may be required to perform, nor to place upon Port any obligation, or liability, for the care, supervision or repair of Port property outside the Premises; provided that, if the Port causes any damage while using the Premises for the activities performed by Port in accordance with this Section 14.3, upon satisfactory documentation of such damage, Port shall promptly restore the Premises to a mutually acceptable condition at its cost. If Port elects to perform flood protection measures for other Port property, Port shall not be liable for inconvenience, loss of business or other damage to Tenant by reason of the performance of such work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course of such work, provided Port uses commercially reasonable efforts to minimize the interference any

such work may cause with the activities of Tenant, its Subtenants, and their respective Invitees. Except as provided in the Basic Lease Information in the section entitled "*Embarkation Site Construction Coordination*," in no event will inconvenience or disturbance caused by Port's activities under this Section constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease.

#### **14.4. *Limitations; Waiver.***

(a) Tenant's obligation hereunder in connection with the Pier Flood Protection Measures shall include, without limitation, the obligation to make substantial or structural repairs and alterations to the Premises regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term hereof, the relative benefit of the repairs to Tenant or Port, the degree to which curative action may interfere with Tenant's use or enjoyment of the Premises, or the likelihood that the Parties contemplated the particular Pier Flood Protection Measures involved. Further, no occurrence or situation arising during the Term, nor any present or future Law or circumstance, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant of its obligations hereunder, nor give Tenant any right to terminate this Lease in whole or in part or to otherwise seek redress against Port except with respect to Tenant's right to terminate under the terms and conditions specified in Section 18 (Damage and Destruction) and Section 19 (Eminent Domain). Without waiving the right to terminate as provided in Section 18 (Damage and Destruction) and Section 19 (Eminent Domain), Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease, to receive any abatement, diminution, reduction or suspension of payment of Rent, or to compel Port to make any repairs to comply with any such Laws or on account of any such occurrence or situation.

(b) If the CHE determines that there is a need for Pier Flood Protection Measures or makes a Threat Determination as described in this Section, the rights and obligations of the Parties shall be as set forth in this Section. Accordingly, Port and Tenant each hereby waive the provisions of Sections 1932(2) and 1933(4) of the California Civil Code and Sections 1265.110, 1265.120, 1265.130, and 1265.140 of the California Code of Civil Procedure as such sections may from time to time be amended, replaced, or restated. Notwithstanding the prior sentence, Port and Tenant do not intend to waive their rights under Section 18 (Damage and Destruction) and Section 19 (Eminent Domain) in the event of damage, destruction or a Taking.

#### **14.5. *Additional Improvements To Address Sea Level Rise .***

At any time during the Term, Port or Tenant may propose optional additional improvements to be performed by Tenant, at its option and at its cost that (i) are beyond the scope of the potential Pier Flood Protection Measures contemplated in this Section; and (ii) are not otherwise Tenant's obligation under this Lease (including under Section 9 (Compliance with Laws) and Section 11 (Maintenance and Repair)). Tenant acknowledges that additional Regulatory Approvals will be required for such improvements.

#### **15. *LIENS.***

Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant or its Agents. In the event that Tenant shall not, within twenty (20) days following the imposition of any such lien, cause the same to be released of record, Port shall have, in addition to all other remedies provided by this Lease or by Law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including without limitation, payment of the claim giving rise to such lien. All sums paid by Port for such purpose, plus interest at the Interest Rate, and all reasonable expenses incurred by Port in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to Port by Tenant upon demand. Port shall have the right to post on the Premises any notices that Port may deem proper for the protection of Port, the Premises, and the



Facility, from mechanics' and materialmen's liens. Tenant shall give to Port at least fifteen (15) days' prior written notice of commencement of any Alteration, repair or construction on the Premises. Tenant agrees to Indemnify Port, City and their respective Agents from and against any Claims for mechanic's, materialmen's or other liens in connection with any Alterations, repairs or construction on the Premises, or materials furnished or obligations incurred by or for Tenant.

Without limiting the foregoing, Tenant shall not create, permit or suffer any liens or encumbrances affecting any portion of the Premises, the Facility or Port's interest therein or under this Lease.

## **16. HAZARDOUS MATERIALS.**

**16.1. *Requirements for Handling.*** Except as provided in the Operations Plan and in full compliance with all Environmental Laws neither Tenant nor its Agents or Invitees may Handle or permit any other person to Handle any Hazardous Material in, on, under or about the Premises, any other part of the Facility, or other Port property.

**16.2. *Tenant Responsibility.*** Tenant agrees to protect its Agents and Invitees in its operations on the Premises from hazards associated with Hazardous Materials in accordance with all Environmental Laws and also agrees, for itself and on behalf of its Agents and Invitees, that during its use and occupancy of the Premises, each of them:

(a) will not permit any Hazardous Materials to be present in, on, under or about the Premises, any other part of the Facility, or other Port property except as permitted under Section 16.1;

(b) will not cause or permit any Hazardous Material Condition; and

(c) will comply with all Environmental Laws relating to the Premises and any Hazardous Material Condition, and will not engage in or permit any activity at the Premises, any other part of the Facility, other Port property, or in the operation of any vehicles or vessels used in connection with the Premises in violation of any Environmental Laws.

### **16.3. *Tenant's Environmental Condition Notification Requirements.***

(a) Tenant must notify Port immediately, orally or by other means that will transmit the earliest possible notice to Port staff, followed within twenty-four (24) hours by written notice, of and when Tenant learns or has reason to believe Hazardous Materials were Released or, except as allowed under Section 16.1, Handled, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels that Tenant or its Agents or Invitees use during Tenant's occupancy of the Premises, whether or not the Release or Handling is in quantities that would be required under Environmental Laws to be reported to an Environmental Regulatory Agency.

(b) Tenant must notify Port immediately, orally or by other means that will transmit the earliest possible notice to Port staff, followed within twenty-four (24) hours by written notice, and contemporaneously provide Port with an electronic copy, of:

(i) Any notice of the Release or Handling of Hazardous Materials, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises that Tenant or its Agents or Invitees provides to an Environmental Regulatory Agency;

(ii) Any notice of a violation, or a potential or alleged violation, of any Environmental Law that Tenant or its Agents or Invitees receives from any Environmental Regulatory Agency;



(iii) Any other Environmental Regulatory Action that is instituted or threatened by any Environmental Regulatory Agency against Tenant or its Agents or Invitees and that relates to the Release or Handling of Hazardous Materials, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises;

(iv) Any Hazardous Material Claim that is instituted or threatened by any third party against Tenant or its Agents or Invitees and that relates to the Release or Handling of Hazardous Materials, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises; and

(v) Any notice of the termination, expiration, or substantial amendment of any Environmental Regulatory Approval needed by Tenant or its Agents or Invitees for their operations at the Premises.

(c) Tenant must notify Port of any meeting, whether conducted face-to-face or telephonically, between Tenant and any Environmental Regulatory Agency regarding an Environmental Regulatory Action. Port will be entitled to participate in any such meetings at its sole election.

(d) Tenant must notify Port of any Environmental Regulatory Agency's issuance of an Environmental Regulatory Approval. Tenant's notice to Port must state the issuing entity, the Environmental Regulatory Approval identification number, and the date of issuance and expiration of the Environmental Regulatory Approval. In addition, Tenant must provide Port with a list of any plan or procedure required to be prepared and/or filed with any Environmental Regulatory Agency for operations on the Premises, including a "Spill Prevention Control and Countermeasure Plan." Tenant must provide Port with copies of any of the documents within the scope of this section upon Port's request.

(e) Tenant must provide Port with copies of all communications with Environmental Regulatory Agencies and all non-privileged communications with other persons regarding potential or actual Hazardous Material Claims arising from Tenant's or its Agents' or Invitees' operations at the Premises. Upon Port's request, Tenant must provide Port with a log of all communications withheld under a claim of privilege that specifies the parties to and subject of each withheld communication.

(f) Port may from time to time request, and Tenant will be obligated to provide, information reasonably adequate for Port to determine that any and all Hazardous Materials are being Handled in a manner that complies with all Environmental Laws.

#### **16.4. Requirement to Remediate.**

(a) Tenant's Remediation obligations under this subsection are subject to subsection (b).

(i) After notifying Port in accordance with Section 16.3(a), Tenant must Remediate at its sole cost in compliance with all Environmental Laws and this Lease, any Hazardous Material Condition occurring during the Term or while Tenant or its Agents or Invitees otherwise occupy any part of the Premises. Tenant must obtain Port's approval of a Remediation work plan, whether or not required under Environmental Laws, then begin Remediation actions immediately following Port's approval of the work plan and continue diligently until Remediation is complete, as determined by Port, in its sole discretion.

(ii) In addition to its obligations under clause (i), before this Lease terminates for any reason, Tenant must Remediate at its sole cost in compliance with all Environmental Laws and this Lease: (A) any Hazardous Material Condition caused by Tenant's or its Agents' or Invitees' Handling Hazardous Materials during the Term; and (B) any Hazardous Material Condition discovered during Tenant's occupancy that any Regulatory

Agency requires to be Remediated if Remediation would not have been required but for Tenant's use of or Changes to the Premises.

(iii) If Environmental Laws governing Remediation require a remedial action plan, Tenant must provide a draft of its plan to Port for comment and approval before submittal to the appropriate Environmental Regulatory Agency, and a copy of the final plan as submitted.

(iv) In all situations relating to Handling or Remediating Hazardous Materials, Tenant must take all actions that are reasonably necessary in Port's sole judgment to protect the value of the Premises or the Facility, such as obtaining Environmental Regulatory Approvals related to Hazardous Materials and taking measures to remedy any deterioration in the condition or diminution of the value of any portion of the Premises or the Facility in any manner related directly or indirectly to Hazardous Materials.

(b) Unless Tenant or its Agents or Invitees Exacerbate the Hazardous Material Condition, Tenant will not be obligated to Remediate any Hazardous Material Condition: (i) caused solely by City, Port, or their Agents during Tenant's occupancy of the Premises; or (ii) arising before the Phase I Commencement Date as to the Phase I Premises or before the Phase II Commencement Date as to the Phase II Premises.

**16.5. Port's Right to Audit.** Port will have the right, but not the obligation, to inspect and audit the Premises for any Hazardous Materials, including the right to Investigate, at reasonable times under Section 25 (Port's Entry on Premises). Port's failure to inspect or obtain samples or to detect conditions attributable to Tenant's operations if an inspection is conducted may not be deemed to be a release of any liability for any Hazardous Materials subsequently determined to be Tenant's responsibility under this Lease.

**16.6. Notification of Asbestos.** Port hereby notifies Tenant, in accordance with the OSHA Asbestos Rule (1995), 59 Fed. Reg. 40964, 29 CFR §§ 1910.1001, 1926.1101 (as amended, clarified and corrected) (OSHA Asbestos Rule); California Health and Safety Code §§ 25915-259.7 and Cal-OSHA General Industry Safety Order for Asbestos, 8 CCR § 5208, of the presence of asbestos-containing materials ("ACMs") and/or presumed asbestos-containing materials ("PACMs") (as such terms are defined in Cal-OSHA General Industry Safety Order for Asbestos), in the locations identified in the summary/table, if any, set forth in **Schedule 1** attached hereto.

This notification by Port is made pursuant to a building inspection survey(s), if any, performed by Port or its contractors qualified to perform an asbestos building survey identified in the summary/table, if any, set forth in **Schedule 1** attached hereto. Such survey(s), monitoring data and other information are kept at Port of San Francisco, Pier 1, San Francisco, California, 94111 and are available for inspection upon request.

Tenant hereby acknowledges receipt of the notification specified in the first paragraph of Section 16.6 hereof and the notice or report attached as **Schedule 1** hereto and understands, after having consulted its legal counsel, that it must make its employees and contractors aware of the presence of ACMs and/or PACMs in or about the Premises in order to avoid or minimize any damage to or disturbance of such ACMs and/or PACMs. Tenant further acknowledges its obligations under Cal-OSHA General Industry Safety Order for Asbestos to provide information to its employees and contractors regarding the presence of ACMs and PACMs at the Premises and to provide a training program for its employees that conforms with 8 CCR § 5208(j)(7)(C).

Tenant agrees that its waiver of Claims set forth in Section 20 below (Indemnity and Exculpation) is given with full knowledge of the presence, or possibility, of asbestos in or about the Premises and/or the Facility and the potential consequences of such fact. Tenant is aware that the presence, or possibility, of asbestos in or about the Premises may limit Tenant's ability to construct Alterations to the Premises without Tenant first performing abatement of such asbestos. The presence of asbestos in the Premises and/or the Facility and the removal or non-

removal by Port of all or a portion of the asbestos in the Facility, whether in the Premises or elsewhere in the Facility, shall not, however, (i) entitle Tenant to any Claim, (ii) relieve Tenant of any of its obligations hereunder, including without limitation the obligation to pay Rent, (iii) constitute or be construed as a constructive or other eviction of Tenant, or (iv) constitute or be construed as a breach of Port's covenant assuring Tenant's quiet enjoyment of the Premises.

Notwithstanding any other provisions of this Lease, Tenant agrees to Indemnify Port for Tenant's acts or omissions that result in (1) asbestos-related enforcement actions, including both administrative or judicial proceedings, and (2) any Claims arising from an alleged violation of Cal-OSHA General Industry Safety Order for Asbestos and/or exposures to asbestos.

**16.7. Notification of Lead.** Port hereby notifies Tenant of the potential presence of lead-containing and presumed lead-containing materials in the Premises or Facility. Disturbance or removal of lead is regulated by, among other Laws, 29 CFR §§ 1910.1025, 1926.62; California Health & Safety Code §§ 105185-105197 and 105250-105257; Cal-OSHA Construction Safety Order for Lead, Title 8 CCR § 1532.1; Title 17 CCR Chapter 8; and Port Building Code § 3424.

Tenant agrees that its waiver of Claims set forth in Section 20 below (Indemnity and Exculpation) is given with full knowledge of the presence, or possibility, of lead in or about the Premises and/or the Facility and the potential consequences of such fact. Tenant is aware that the presence, or possibility, of lead in or about the Premises may limit Tenant's ability to perform any Improvements or Alterations to the Premises without Tenant first performing abatement of such lead. The presence of lead in the Premises and/or the Facility and the removal or non-removal by Port of all or a portion of the lead, whether in the Premises or elsewhere in the Facility, shall not, however, (i) entitle Tenant to any Claim, (ii) relieve Tenant of any of its obligations hereunder, including without limitation the obligation to pay Rent, (iii) constitute or be construed as a constructive or other eviction of Tenant, or (iv) constitute or be construed as a breach of Port's covenant assuring Tenant's quiet enjoyment of the Premises. Notwithstanding any other provisions of this Lease, Tenant agrees to Indemnify Port for its acts or omissions that result in (1) lead-related enforcement actions, including both administrative or judicial proceedings, and (2) any Claims arising from an alleged violation of Cal-OSHA Construction Safety Order for Lead and/or exposures to lead.

**16.8. Storm Water Pollution Prevention.**

(a) Tenant must comply with the applicable provisions of the Statewide General Permit for Discharge of Industrial Storm Water issued by the State Water Resources Control Board, including filing a Notice of Intent to be covered, developing and implementing a site-specific Storm Water Pollution Prevention Plan ("SWPPP"), and conducting storm water monitoring and reporting. Tenant's SWPPP and a copy of a Notice of Intent for Tenant's Premises must be submitted to Port's Real Estate Division before beginning operations on the Premises.

(b) In addition to requiring compliance with the permit requirements under Subsection (a), Tenant shall comply with the post-construction stormwater control provisions of the Statewide General Permit for Discharge of Stormwater from Small Municipalities and the San Francisco Stormwater Design Guidelines, subject to review and permitting by the Port's Engineering Division.

**16.9. Presence of Hazardous Materials.** California Law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous Materials. Accordingly, Tenant is hereby advised that Hazardous Materials (as herein defined) may be present on or near the Premises, including, but not limited to, vehicle fluids, janitorial products, tobacco smoke, and building materials containing chemicals, such as asbestos, naturally-occurring radionuclides, lead and formaldehyde. Further, the following known Hazardous Materials are present on the property: asbestos in building, if any, as described in *Schedule 1* attached hereto, naturally

occurring asbestos, contamination commonly found in fill, petroleum contamination, lead-based paint, etc. and the Hazardous Materials described in the reports listed in ***Schedule 4***, attached hereto, copies of which have been delivered to or made available to Tenant. By execution of this Lease, Tenant acknowledges that the notice set forth in this section satisfies the requirements of California Health and Safety Code Section 25359.7 and related Laws. Tenant must disclose the information contained in this Section 16.9 to any subtenant, licensee, transferee, or assignee of Tenant's interest in this Lease. Tenant also acknowledges its own obligations pursuant to California Health and Safety Code Section 25359.7 as well as the penalties that apply for failure to meet such obligations.

**16.10. *Survival.*** Tenant's obligations under Section 16 shall survive the expiration or earlier termination of this Lease.

## **17. INSURANCE.**

**17.1. *Required Insurance Coverage.*** Tenant, at its sole cost and expense, shall maintain, or cause to be maintained, throughout the Term, the following insurance:

(a) **Commercial General Liability Insurance.** Tenant will maintain "**Commercial General Liability**" insurance with coverage at least as broad as Insurance Services Office form CG 00 01 10 93 (or its replacement) insuring against claims for bodily injury (including death), property damage, personal injury and advertising injury, including coverage for premises operations, blanket contractual liability (to the extent possible under the above-referenced policy form or under a separate policy form) which includes coverage extending to the Indemnity in broad form property damage, explosion, collapse and underground hazards, independent contractors, products and completed operations, with such insurance to afford protection in an amount not less than Five Million Dollars (\$5,000,000) per occurrence and annual aggregate, and Ten Million Dollars (\$10,000,000) products and completed operations aggregate, and deleting any exclusions for care, custody and control of real property. All such insurance may be provided under a combination of primary and umbrella excess policies and may be provided under policies with a "claims made" trigger as provided in Section 17.2.

(b) **Worker's Compensation Insurance.** Worker's compensation insurance as required by Laws, U.S. Longshore and Harborworker's Act Insurance and Jones Act insurance with employer's liability limit not less than Five Million Dollars (\$5,000,000) for each accident, on employees eligible for each. Tenant's insurance must be from a carrier with an A M Best rating of A-7 or better; must be statutory in nature; must include USL&H on an "if any basis", with E L coverage of \$5,000,000.00. In the event Licensee is self-insured, it shall furnish Certificate of Permission to Self-Insure signed by Department of Industrial Relations, Administration of Self Insurance, Sacramento, California.

(c) **Comprehensive or Business Automobile Liability Insurance.** Comprehensive or Business Automobile Liability Insurance with limits not less than Five Million Dollars (\$5,000,000.00) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including coverage for owned, non-owned and hired automobiles, as applicable, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Tenant's activity on, in or around the License Area. If parking is a Permitted Activity under this License, Tenant must obtain, maintain, and provide to Port upon request evidence of personal automobile liability insurance for persons parking vehicles at the License Area on a regular basis, including without limitation Tenant's Agents and Invitees.

(d) **Watercraft Liability Insurance.** Watercraft Liability Insurance acceptable to Port, with limits not less than Five Million Dollars (\$5,000,000) including coverages for owned and non-owned watercraft.

(e) **Contractor's Pollution Legal Liability Insurance.** Contractor's Pollution Legal Liability Insurance with combined single limit of Two Million Dollars (\$2,000,000.00) each claim, Five Million Dollars (\$5,000,000.00) aggregate, and with coverage to include legal liability

arising from the sudden and accidental release of pollutants, and no less than a one-year extended reporting period.

(f) Vessel Pollution Liability Insurance. Vessel Pollution Liability Insurance with combined single limit of Two Million Dollars (\$2,000,000.00) each claim, Five Million Dollars (\$5,000,000.00) aggregate, and with coverage to include legal liability arising from the sudden and accidental release of pollutants, and no less than a one-year extended reporting period.

(g) Hull and Machinery Protection and Indemnity Insurance. Hull and Machinery Protection and Indemnity Insurance in a form and with limit of market value of the vessel.

(h) Bumbershoot; Umbrella; Excess Insurance. Bumbershoot; Umbrella; Excess Insurance with policy limits of no less than \$25 million dollars (\$25,000,000); applies to and follows form: Marine General Liability; Auto; Protection/Indemnity; Pollution; ELL; and Liquor.

(i) Construction Activities. At all times during any period of Tenant's construction of Improvements or Alterations subject to Section 13,

(i) Tenant shall require Tenant's contractor to maintain (a) commercial general liability insurance with limits of not less than Three Million Dollars (\$3,000,000) combined single limit for bodily injury and property damage (including personal injury and death), and products and completed operations coverage in an amount not less than Five Hundred Thousand Dollars (\$500,000) per incident, One Million Dollars (\$1,000,000) in the aggregate; (b) comprehensive automobile liability insurance with a policy limit of not less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage, providing coverage at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, "any auto", and insuring against all loss in connection with the ownership, maintenance and operation of automotive equipment that is owned, hired or non-owned; (c) worker's compensation with statutory limits and employer's liability insurance with limits of not less than One Hundred Thousand Dollars (\$100,000) per accident, Five Hundred Thousand Dollars (\$500,000) aggregate disease coverage and One Hundred Thousand Dollars (\$100,000) disease coverage per employee; and (d) owners and contractors protective liability with limits of not less than Three Million Dollars (\$3,000,000) combined single limit for bodily injury and property damage (including personal injury and death). Tenant shall cause Tenant's Agents (other than Tenant's contractor) to carry such insurance as shall be reasonably approved by Port taking into account the nature and scope of the work and industry custom and practice. In addition, Tenant shall carry "Builder's All Risk" insurance on a form reasonably approved by Port, in the amount of one hundred percent (100%) of the completed value of all new construction, insuring all new construction, including all materials and equipment incorporated in, on or about the Premises, and in transit or storage off-site, that are or will be part of the permanent Improvements, against "all risk" and "special form" hazards.

(ii) Tenant shall require all providers of professional services, including architectural, design, engineering, geotechnical, and environmental professionals under contract with Tenant for any Improvements or any Alterations to maintain professional liability (errors or omissions) insurance, with limits not less than One Million Dollars (\$1,000,000.00) each claim and aggregate, with respect to all professional services provided to Tenant therefor.

(j) Property Insurance; Earthquake and Flood Insurance. Tenant shall maintain property insurance policies with coverage at least as broad as Insurance Services Office ("ISO") form CP 10 30 06 95 ("Causes of Loss – Special Form", or its replacement), including earthquake, subject to provisions of Section 17.6(b), and flood, subject to the provisions of Section 17.6(c), in an amount not less than one hundred percent (100%) of the then-current full replacement cost of the Improvements and other property being insured pursuant thereto (including building code upgrade coverage).

(k) Builders Risk Insurance. At all times prior to Completion of the Embarkation Site Improvements and during any period of Subsequent Alteration, Tenant shall maintain, on a form reasonably approved by Port, builders' risk insurance in the amount of one hundred percent (100%) of the completed value of all new construction, insuring all new construction, including all materials and equipment incorporated in, on or about the Premises, and in transit or storage off-site, that are or will be part of the permanent Improvements, against "all risk" and "special form" hazards, water damage (including groundwater damage and water damage resulting from backed up sewers and drains) and flood insurance (subject to the provisions of Section 17.6(c).

(l) Boiler and Machinery Insurance. Unless same is not included within Tenant's property insurance, Tenant shall maintain boiler and machinery insurance covering damage to or loss or destruction of machinery and equipment located on the Premises or in the Improvements that is used by Tenant for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment.

(m) Business Interruption and Extra Expense Insurance. Tenant shall maintain business interruption and extra expense insurance for loss caused by any of the perils or hazards set forth in and required to be insured pursuant to Section 17.1(j) with a limit of not less than the annual Rent applicable immediately prior to the hazard causing the loss.

(n) Professional Liability. Tenant shall require all providers of professional services, including architectural, design, engineering, geotechnical, and environmental professionals under contract with Tenant for the Embarkation Site Improvements or any Subsequent Alteration to maintain professional liability (errors or omissions) insurance, with limits not less than One Million Dollars (\$1,000,000.00) each claim and aggregate, with respect to all professional services provided to Tenant therefor.

(o) Special Events/Participants. Tenant, at its sole cost and expense, shall procure and maintain Special Events/Participants Liability (GL) coverage insurance acceptable to Port, with limits not less than One Million Dollars (\$1,000,000.00).

(p) Garage Liability and Garage Keepers Legal Liability Insurance. Garage Liability and Garage Keepers Legal Liability Insurance with limits not less than One Million Dollars (\$1,000,000.00) per occurrence.

(q) Liquor Liability. If Tenant is engaged in the selling or service of alcoholic beverages other than aboard vessels, coverage must be provided for bodily injury or property damage including damages for care, loss of service, or loss of support arising out of the selling or serving of any alcoholic beverages. Coverage for any "package" store as well as lounge facility must be specifically included. The following minimum limits of liability are required: Each Common Cause Limit One Million Dollars (\$1,000,000.00); Aggregate Limit Five Million Dollars (\$5,000,000.00).

(r) Personal Property Insurance. Tenant, at its sole cost and expense, shall procure and maintain on all of its personal property and Alterations, in, on, or about the Premises, property insurance on an all risk form, excluding earthquake and flood, to the extent of full replacement value. The proceeds from any such policy shall be used by Tenant for the replacement of Tenant's personal property.

(s) Other Coverage. Not more often than every year and upon not less than sixty (60) days prior written notice, Port may require Tenant to increase the insurance limits set forth above or to provide other coverage and/or different coverage amounts as may be required by Law, the City's Risk Manager or as is generally required by commercial owners of buildings similar in size, character, age and location as the Facility with respect to risks comparable to those associated with the use of the Premises.

**17.2. Claims-Made Policies.** If any of the insurance required in Section 17.1 above is provided under a claims-made form of policy, Tenant shall maintain such coverage continuously throughout the Term and without lapse for a period of three (3) years beyond the termination of this Lease, to the effect that should occurrences during the Term give rise to claims made after termination of this Lease, such claims shall be covered by such claims-made policies.

**17.3. Annual Aggregate Limits.** If any of the insurance required in Section 17.1 above is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.

**17.4. Payment of Premiums.** Tenant shall pay the premiums for maintaining all required insurance.

**17.5. Waiver of Subrogation Rights.** Notwithstanding anything to the contrary contained herein, Port and Tenant (each a "**Waiving Party**") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Facility or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Lease or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Facility or the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

**17.6. General Insurance Matters.**

(a) All liability insurance policies required to be maintained by Tenant hereunder shall contain a cross-liability clause, shall name as additional insureds by written endorsement the "**CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO PORT COMMISSION AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS,**" shall be primary and non-contributory to any other insurance available to the additional insureds with respect to claims arising under this Lease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

(b) As to earthquake insurance:

(i) During construction of the Embarkation Site Improvements, such insurance shall be in an amount at least equal to the maximum amount as is available at rates that are commercially reasonable for owners or operators of comparable visitor serving businesses located in the City and County of San Francisco, from recognized carriers (with a deductible of up to but not to exceed five percent (5%) of the then-current, full replacement cost of the Improvements or other property being insured pursuant thereto (including building code upgrade coverage and without any deduction being made for depreciation).

(ii) From and after Completion of the Embarkation Site Improvements, such insurance shall be in an amount at least equal to One Hundred percent (100%) of the maximum probable loss that would be sustained by the Premises as a result of an earthquake measuring 8.0 on the Richter Scale, as determined not less frequently than every 5 years by the City's Risk Manager, but only at rates that are commercially reasonable for owners or operators of comparable visitor serving businesses located in the City and County of San Francisco.

(c) As to flood insurance only:

(i) During construction of the Embarkation Site Improvements, such insurance shall be in an amount at least equal to the maximum amount as is



available at rates that are commercially reasonable for owners or operators of comparable visitor serving businesses located in the City and County of San Francisco, from recognized insurance carriers (with a deductible up to, but not to exceed fifteen percent (15%) of the then-current, full replacement cost of the Improvements or other property being insured pursuant thereto (including building code upgrade coverage and without any deduction being made for depreciation);

(ii) From and after Completion of the Embarkation Site Improvements, such insurance shall be in an amount at least equal to the amount available at rates that are commercially reasonable for owners or operators of comparable visitor serving businesses located in the City and County of San Francisco, from recognized insurance carriers, but only at rates that are commercially reasonable for owners or operators of comparable visitor serving businesses located in the City and County of San Francisco.

(d) All insurance policies required to be maintained by Tenant hereunder shall be issued by an insurance company or companies reasonably acceptable to Port with an AM Best rating of not less than A-VIII and authorized to do business in the State of California. Tenant's compliance with this Section shall in no way relieve or decrease Tenant's liability under this Lease.

(e) All insurance policies required to be maintained by Tenant hereunder shall be endorsed to provide for thirty (30) days prior written notice of cancellation for any reason, intended non-renewal, or reduction in coverage to Tenant and Port.

(f) Tenant shall deliver to Port certificates of insurance, additional insured policy endorsements and waiver of subrogation endorsements in a form satisfactory to and at the direction of Port, such as hard copy documentation or use of an internet-based insurance compliance tracking systems such as EXIGIS, evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Effective Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. If Port is using an internet-based insurance compliance tracking system, Tenant's broker shall complete the insurance questionnaire and submit all required documentation. Tenant shall, upon Port's request, promptly furnish Port with a complete copy of any insurance policy required hereunder.

## **18. DAMAGE AND DESTRUCTION.**

### **18.1. Prior to Delivery.**

(a) If, prior to Phase I Commencement Date as to the Phase I Premises or any part thereof or prior to the Phase II Commencement Date as to the Phase II Premises or any part thereof, the Facility or the Phase I Premises or the Phase II Premises, as the case may be suffers any damage from fire or other casualty in an amount of less than One Million Dollars (\$1,000,000), Tenant agrees that it shall take delivery in accordance with this Lease and all of Port's right, title and interest in and to the proceeds of any insurance covering such damage shall be assigned to Tenant upon delivery of such parcel(s).

(b) If prior to Phase I Commencement Date as to the Phase I Premises or any part thereof or prior to the Phase II Commencement Date as to the Phase II Premises or any part thereof, the Facility or the Phase I Premises or the Phase II Premises, as the case may be suffers any damage from fire or other casualty in excess of One Million Dollars (\$1,000,000), then either Party may elect to terminate this Lease, by written notice to the other Party delivered not less than one hundred twenty (120) days following the event that caused such damage. If neither Party so terminates this Lease, all of Port's right, title and interest in and to the proceeds of any insurance covering such damage shall be assigned to Tenant and this Lease shall remain in effect. Tenant shall not be entitled to any additional rent credit, abatement or allowance under the Lease as a result of such casualty. Tenant shall, to the extent reasonably practicable, restore or secure the damaged property to the condition it was in immediately preceding the casualty.



(c) Following a termination pursuant to this Section 18.1, neither Party shall have any further right or obligation hereunder other than those that survive the termination of this Lease.

(d) Port will maintain its existing property insurance until the Phase I Commencement Date as to the Phase I Premises and the Phase II Commencement Date as to the Phase II Premises.

**18.2. After Delivery.** If, after the Phase I Commencement Date as to the Phase I Premises or any part thereof or after the Phase II Commencement Date as to the Phase II Premises or any part thereof the Facility or the Phase I Premises or the Phase II Premises, as the case may be is damaged by fire or other casualty, then Port shall repair the same provided that funds for such repairs are appropriated by Port, in its sole discretion, for such purpose and that such repairs can be made within the Repair Period. In the event such conditions are satisfied, this Lease shall remain in full force and effect except that so long as such damage or casualty is not attributable to Tenant, its Agents or Invitees, Tenant shall be entitled to a proportionate reduction of Base Rent during the Repair Period based upon the extent to which such damage and the making of such repairs materially interferes with Tenant's use or occupancy of the Premises less any insurance proceeds Tenant receives, or would have received if Tenant complied with the requirements set forth in Section 17 which proceeds are to be applied against the payment of Rent during any Repair Period.

Port shall use its commercially reasonable efforts to notify Tenant within ninety (90) days after the date of such damage whether or not such repairs can be made within the Repair Period, and Port's determination thereof shall be binding on Tenant. If such repairs cannot be made within the Repair Period, Port shall have the option to notify Tenant of: (a) Port's intention to repair such damage and diligently prosecute such repairs to completion within a reasonable period after the Repair Period, subject to appropriation of funds, in which event this Lease shall continue in full force and effect and the monthly Base Rent shall be reduced as provided herein; or (b) Port's election to terminate this Lease as of the date specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after notice is given by Port. In case of termination, the monthly Base Rent shall be reduced as provided above, and Tenant shall pay such reduced monthly Base Rent up to the date of termination.

If Port elects not to appropriate funds for such repair, Port shall give written notice to Tenant within sixty (60) days after the date Port elects not to appropriate funds of its election to terminate this Lease as of the date specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after notice is given by Port. In case of termination, the monthly Base Rent shall be reduced as provided above, and Tenant shall pay such reduced monthly Base Rent up to the date of termination.

Within thirty (30) days after receipt of Port's notice to terminate, Tenant shall have the right (but not the obligation) to notify Port that Tenant will provide the funds and perform such repair, and shall provide Port with such reasonable assurances as Port may require that such funds are available to Tenant. If Tenant exercises the foregoing option, Port's election to terminate shall be deemed rescinded and of no further force or effect and Tenant shall promptly (allowing for securing necessary Regulatory Approvals), commence and diligently repair and restore the damaged Premises and/or the Facility to the condition they were in immediately before such casualty in accordance with then applicable Laws (including any required code upgrades, the Secretary's Standards and Port's Guidelines), without regard to the amount of availability of insurance proceeds. All repair and restoration shall be performed in accordance with Section 13 and shall be at Tenant's sole cost and expense. In no event will Tenant be entitled to any reimbursement from Port or any rent credit, offset, or abatement in connection with any cost and expense incurred by Tenant for the repair and restoration of the damaged Premises and/or the Facility.

If at any time during the last six (6) months of the Term, the Premises or the Facility is damaged or destroyed, then either Port or Tenant may terminate this Lease by giving written notice to the other party of its election to do so within thirty (30) days after the date of the occurrence of such damage; provided, however, Tenant may terminate only if such damage or destruction substantially impairs its use or occupancy of the Premises for the Permitted Use. The effective date of termination shall be specified in the notice of termination, which date shall not be more than thirty (30) days from the date of the notice.

Except for the rights to terminate as set forth in this Section, no damage to or destruction of the Premises or any part thereof from any casualty event shall permit Tenant to surrender this Lease or relieve Tenant from any obligations, including the obligation to pay Rent. Notwithstanding anything to the contrary in this Lease, (i) Port shall have no obligation to repair the Premises or the Facility, and (ii) Tenant shall not be entitled to terminate this Lease, in the event the damage or destruction is attributable to any act or omission of Tenant, its Agents, or Invitees. In no event shall Port be required to repair any damage to Tenant's Property or any paneling, decorations, railings, floor coverings, or any Improvements or other Alterations installed or made on the Premises by or at the expense of Tenant. Proceeds of rental interruption or business interruption insurance, if any, will be applied first to unpaid Rent due or coming due.

**18.3. Waiver.** Port and Tenant intend that the provisions of this Section govern fully in the event of any damage or destruction and accordingly, Port and Tenant each hereby waives the provisions of Section 1932, subdivision 2, Section 1933, subdivision 4, Sections 1941 and 1942 of the Civil Code of California or under any similar Law now or hereafter in effect.

## **19. EMINENT DOMAIN.**

**19.1. General.** If all or part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, this Lease shall terminate as to any portion of the Premises so taken or conveyed on the Date of Taking.

**19.2. Partial Takings.** If (a) a part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, and (b) Tenant is reasonably able to continue the operation of Tenant's business in that portion of the Premises remaining, and (c) Port elects to restore the Premises to an architectural whole, then this Lease shall remain in effect as to the portion of the Premises remaining, and the Base Rent payable from the Date of Taking shall be reduced by an amount that is in the same ratio to the Base Rent as the value of the area so taken bears to the total value of the Premises immediately before the Date of Taking. If, after a partial taking, Tenant is not reasonably able to continue the operation of its business in the Premises or Port elects not to restore the Premises to an architectural whole, this Lease may be terminated by either Port or Tenant by giving written notice to the other party no earlier than thirty (30) days prior to the Date of Taking and no later than thirty (30) days after the Date of Taking. Such notice shall specify the date of termination, which shall be not less than thirty (30) nor more than sixty (60) days after the date of notice.

**19.3. Taking of the Facility.** If any substantial portion of the Facility is taken under the power of eminent domain or conveyance in lieu thereof, whether any portion of the Premises is taken or not, Port shall have the right to terminate this Lease by written notice to Tenant within thirty (30) days of the Date of Taking.

**19.4. Temporary Takings.** Notwithstanding anything to the contrary contained in this Section 19, if a taking occurs with respect to all or any part of the Premises for a limited period of time, this Lease shall remain unaffected thereby and Tenant shall continue to pay Rent and to perform all of the terms, conditions and covenants of this Lease. Tenant shall be entitled to receive that portion of any award representing compensation for its occupancy of the Premises up to the total Rent owing by Tenant for the period of the taking, and Port shall be entitled to receive the balance of any award.

**19.5. Award; Waiver; Termination of Lease; Rent.** Upon termination of this Lease in its entirety pursuant to Section 19.3, or pursuant to an election under Section 19.2, then:

(i) Tenant's obligation to pay Rent shall continue up until the date of termination and thereafter shall cease, and (ii) Port shall be entitled to the entire Award in connection therewith (including, but not limited to, any portion of the Award made for the value of the leasehold estate created by this Lease and any Improvements Pertaining to the Realty), and Tenant shall have no claim against Port for the value of any unexpired term of this Lease, provided that Tenant may make a separate claim for compensation, and Tenant shall receive any Award made specifically to Tenant, for Tenant's relocation expenses or the interruption of or damage to Tenant's business or damage to Tenant's Property. Port and Tenant intend that the provisions of Section 19 shall govern fully in the event of condemnation and accordingly, Port and Tenant each hereby waive any right to terminate this Lease in whole or in part under Sections 1265.110, 1265.120, 1265.130, and 1265.140 of the California Code of Civil Procedure or under any similar law now or hereafter in effect.

## **20. INDEMNITY AND EXCULPATION.**

**20.1. Indemnity Prior to Delivery.** After the Effective Date and before the Phase I Commencement Date as to the Phase I Premises and before the Phase II Commencement Date as to the Phase II Premises, and without limiting any indemnity provisions contained in any other agreement between Port and Tenant or under Law, Tenant shall Indemnify the Indemnified Parties from and shall defend them, without cost to the Indemnified Parties against any and all Claims arising directly or indirectly, out of: (a) any accident, injury to or death of any person, including any Agents and/or Invitees of Tenant, or loss or damage to or destruction of any property occurring in, on or about the Premises, the Facility or any other Port property, caused or permitted by any acts or omissions of Tenant, its Agents or Invitees, or (b) any default by Tenant in the observance or performance of any of the terms, covenants or conditions of this Lease, or (c) the use, occupancy, manner of use or occupancy or the activities therein by Tenant, its Agents or Invitees, or (d) any acts, omissions or negligence of Tenant, its Agents or Invitees, in, on or about the Premises, the Facility or any other Port property, or (e) claims by Tenant with regard to the acts or omissions of NPS in connection with the federal contracting process for or enforcement of a Ferry Concession Contract, or (f) the acts or omissions of Port in connection with obtaining the following Regulatory Approvals or any requirements of such Regulatory Approvals: a BCDC permit(s) for the construction of the Embarkation Site Improvements and operations, an Army Corps of Engineers permit for construction of the Embarkation Site Improvements, and a RWQCB permit for construction of the Embarkation Site Improvements and Tenant's stormwater management, or (g) Claims by NPS or the Conservancy against Port if arising directly or indirectly out of Tenant's acts or omissions under this Lease, including without limitation any default or breach of Tenant's obligations under this Lease.

**20.2. Indemnity After Delivery.** Tenant shall Indemnify the Indemnified Parties from, and shall defend them, without cost to the Indemnified Parties, against any and all Claims arising directly or indirectly out of: (a) any accident, injury to or death of any person, including any Agents and/or Invitees of Tenant, or loss or damage to or destruction of any property occurring in, on or about the Premises, the Facility or any other Port property, from any cause whatsoever, or (b) any default by Tenant in the observance or performance of any of the terms, covenants or conditions of this Lease, including the provisions of Section 21, or (c) the use, occupancy, manner of use or occupancy, or condition of the Premises or the activities therein by Tenant, its Agents, or Invitees, or (d) any construction or other work undertaken by Tenant on the Premises whether before or during the Term (including without limitation, failure to construct the Embarkation Site Improvements in compliance with this Lease), (e) any acts, omissions or negligence of Tenant, its Agents or Invitees, in, on or about the Premises, the Facility or any other Port property, or (f) claims by Tenant with regard to the acts or omissions of NPS in connection with the federal contracting process for or enforcement of a Ferry Concession Contract, or (g) the acts or omissions of Port in connection with obtaining the following

Regulatory Approvals or any requirements of such Regulatory Approvals: a BCDC permit(s) for the construction of the Embarkation Site Improvements and Tenant's operations, an Army Corps of Engineers permit for construction of the Embarkation Site Improvements, and a RWQCB permit for construction of the Embarkation Site Improvements and Tenant's stormwater management, or (h) Claims by NPS or the Conservancy against Port if arising directly or indirectly out of Tenant's acts or omissions under this Lease, including without limitation any default or breach of Tenant's obligations under this Lease.

### **20.3. *Hazardous Materials Indemnity.***

(a) In addition to its obligations under Sections 20.1 and 20.2, Tenant, for itself and on behalf of its Agents and Invitees, agrees to Indemnify the Indemnified Parties from any and all Claims and Hazardous Material Claims that arise as a result of: (i) any Hazardous Material Condition, and (ii) Tenant's Exacerbation of any Hazardous Material Condition. Unless Tenant or its Agents or Invitees Exacerbate the Hazardous Material Condition, Tenant's indemnity obligations do not include Claims arising as a result of any Hazardous Material Condition: (i) caused solely by City, Port, or their Agents during Tenant's occupancy of the Premises; or (ii) arising before the Phase I Commencement Date as to the Phase I Premises and before the Phase II Commencement Date as to the Phase II Premises.

(b) Tenant's obligation to Indemnify the Indemnified Parties includes: (i) costs incurred in connection with any Investigation or Remediation requested by Port or required by any Environmental Regulatory Agency and to restore the affected area to its condition before the Release; (ii) damages for diminution in the value of the Premises or the Facility; (iii) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Facility; (iv) damages arising from any adverse impact on marketing the space; (v) sums paid in settlement of Claims, Hazardous Material Claims, Environmental Regulatory Actions, including fines and penalties; (vi) natural resource damages; and (vii) attorneys' fees, consultant fees, expert fees, court costs, and all other litigation, administrative or other judicial or quasi-judicial proceeding expenses. If Port pays any costs within the scope of this section, Tenant must reimburse Port for Port's costs, plus interest at the Interest Rate from the date Port incurs each cost until paid, within three (3) business days after Port's payment demand. Tenant's obligations hereunder shall survive the expiration or earlier termination of this Lease.

**20.4. *Scope of Indemnities.*** The Indemnification obligations of Tenant set forth in this Lease shall be enforceable regardless of the joint or concurrent, active or passive negligence of the Indemnified Parties, and regardless of whether liability without fault is imposed or sought to be imposed on the Indemnified Parties. The Indemnification obligations of Tenant set forth in this Lease shall be enforceable except to the extent that such Indemnity is void or otherwise unenforceable under applicable Law in effect on, or validly retroactive to, the date of this Lease. Except as specifically provided otherwise, the Indemnification obligations of Tenant set forth in this Lease shall exclude Claims resulting solely from the willful misconduct or gross negligence of the Indemnified Parties.

In addition to Tenant's obligation to Indemnify the Indemnified Parties, Tenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend the Indemnified Parties from any Claim which actually or potentially falls within the Indemnification obligations of Tenant set forth in this Lease, even if the allegations are or may be groundless, false or fraudulent. This Indemnification by Tenant shall begin from the first notice that any claim or demand is or may be made and shall continue at all times thereafter.

Without limiting Tenant's Indemnity obligations with respect to the Premises or the Facility, Port agrees that Tenant's Indemnity for Claims relating to "other Port property" as set forth above in Subsection 20.1(a) and 20.2(a) applies only if such Claims arise directly or indirectly out of Tenant's, its Agent's or Invitee's acts, omissions or negligence.

**20.5. Exculpation and Waiver.** Tenant, as a material part of the consideration to be rendered to Port, hereby waives and the Indemnified Parties shall not be responsible for or liable to Tenant, and Tenant hereby assumes the risk of, and waives and releases the Indemnified Parties from any and all Claims, including without limitation all Claims arising from the joint or concurrent, active or passive, negligence of the Indemnified Parties, for, any injury, loss or damage to any person or property in or about the Premises by or from any cause whatsoever including, without limitation, (i) any act or omission of persons occupying adjoining premises or any part of the Facility or Embarkation Site adjacent to or connected with the Premises; (ii) theft; (iii) explosion, fire, steam, oil, electricity, water, gas or rain, pollution or contamination; (iv) stopped, leaking or defective Facility Systems; (v) Facility defects; (vi) damages to goods, wares, goodwill, merchandise, equipment or business opportunities; (vii) Claims by persons in, upon or about the Premises, the Facility or any other Port property for any cause arising at any time; (viii) alleged facts or circumstances of the process or negotiations leading to this Lease prior to the Effective Date including without limitation, claims under the Port/NPS Agreement; (ix) the acts or omissions of NPS in connection with the federal contracting process for or enforcement of the Ferry Concession Contract; (x) the acts or omissions of Port in connection with obtaining the following Regulatory Approvals or any requirements of such Regulatory Approvals: a BCDC permit(s) for the construction of the Embarkation Site Improvements and operations, an Army Corps of Engineers permit for construction of the Embarkation Site Improvements, and a RWQCB permit for construction of the Embarkation Site Improvements and stormwater management; (xi) Claims by NPS or the Conservancy against Port if arising directly or indirectly out of Tenant's acts or omissions under this Lease, including without limitation any default or breach of Tenant's obligations under this Lease; (xii) inability to use all or any portion of the Premises due to flood risk, sea level rise, a CHE Determination Notice, Threat Determination or other conditions more fully described in Section 14; and (xiii) any other acts, omissions or causes, but excluding from the above (A) any Claims caused solely by the Indemnified Parties' willful misconduct or gross negligence and (B) any Claims caused by Port's failure to perform its maintenance and repair obligations as set forth in this Lease subject to the limitations of Section 11.1.

Tenant understands and expressly accepts and assumes the risk that any facts concerning the Claims released in this Lease might be found later to be other than or different from the facts now believed to be true, and agrees that the releases in this Lease shall remain effective. Therefore, with respect to the Claims released in this Lease, Tenant waives any rights or benefits provided by Section 1542 of the Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Tenant specifically acknowledges and confirms the validity of the release made above and the fact that Tenant was represented by counsel who explained the consequences of the release at the time this Lease was made, or that Tenant had the opportunity to consult with counsel, but declined to do so.

**20.6. Survival.** The provisions of Section 20 shall survive the expiration or earlier termination of this Lease.

## **21. MORTGAGE, ASSIGNMENT AND SUBLEASING.**

**21.1. Mortgage.** Except with NPS's and Port's express prior written consent, each independently and in its sole and absolute discretion, Tenant shall not (i) engage in any financing or other transaction creating any mortgage, deed of trust or similar security instrument upon Tenant's leasehold estate in the Premises or Tenant's interest in the Improvements under this Lease; or (ii) place or suffer to be placed upon Tenant's leasehold estate in the Premises or

interest in the Improvements hereunder any lien or other encumbrance. Under no circumstance whatsoever shall Tenant place or suffer to be placed any lien or encumbrance on Port's fee interest in the land in connection with any financing permitted hereunder, or otherwise. Port shall not subordinate its interest in the Premises, nor its right to receive Rent, to any Mortgagee of Tenant. Any mortgage, deed of trust, encumbrance or lien not permitted by Port shall be deemed to be a violation of this covenant on the date of its execution or filing of record regardless of whether or when it is foreclosed or otherwise enforced. Tenant may seek Port's consent to any transaction subject to this Section only upon receipt of NPS's written consent to such transaction.

**21.2. Assignment.** This Lease is non-Transferable except as provided herein. In the event that NPS, in its sole discretion, approves an Assignment of the Ferry Concessioner Contract, Port will consent to an Assignment of this Lease, provided that: (i) Port is given reasonable prior notice of the Assignment; (ii) Tenant executes a consent agreement in a form approved by Port and reimburses Port for its reasonable review costs; (iii) the agreement between the assigning Tenant and the new assignee includes the following terms: (A) assignee's express assumption of, and acknowledgement and agreement that the assignee will be liable for, all of the original Tenant's obligations under this Lease; (B) an indemnification clause and waiver of claims provisions as provided in this Lease; (C) provisions requiring that all of the assignee's insurance policies name the City as an additional insured as required under Section 17 of this Lease and acknowledging Port's right to demand increased coverage to amounts customarily required for similar operations under then current market conditions; (D) a provision stating that if this Lease is terminated for any reason, the assignee's right to possession will terminate; (E) assignee's express waiver of any and all relocation assistance and benefits in connection with this Lease to the extent permitted by applicable Laws; (F) Port's participation in the proceeds of any Sale as provided in Section 21.3; and (G) if the proposed assignee is a tenant of the Port, there must be no Event of Default under the relevant lease(s) and the assignee must be in compliance with all applicable City requirements at the time of the proposed transfer as determined by Port in its sole discretion.

**21.3. Sale.** The following provisions apply to any Sale.

(a) Tenant must pay to Port fifteen percent (15%) of Tenant's Net Sale Proceeds as Port's Sale Participation, concurrently with and as a condition to the Sale Closing. If Tenant operates at multiple locations, then Port's Sale Participation will be calculated using only the Gross Sale Proceeds, Net Sale Proceeds, and Costs of Sale reasonably attributable to the Premises.

(b) As soon as available after Port consents to the Sale, Tenant must deliver to Port an estimated closing statement that includes Tenant's best estimate of: (i) Gross Sale Proceeds; (ii) Costs of Sale; (iii) Net Sale Proceeds; and (iv) Port's Sale Participation. The closing statement must be updated and delivered to Port the business day before the Sale Closing. If an escrow account is not established for the Sale, Tenant's chief financial officer or independent accountant must certify to Port under penalty of perjury the accuracy of the final closing statement or provide a detailed accounting of and documentation supporting any variances from the estimated closing statement in form and content reasonably acceptable to Port. Tenant must submit the amount of any underpayment with the certificate or accounting. Tenant's obligation to pay Port's Sale Participation will survive the Sale Closing and the expiration or termination of this Lease.

(c) If Tenant Completed construction of Embarkation Site Improvements as of the Sale Closing, Net Sale Proceeds will be reduced by Tenant's Adjusted Basis, but only if Port previously approved Tenant's Certified Construction Costs as follows.

Within ninety (90) days after Completion of the Embarkation Site Improvements, Tenant must deliver to Port a Construction Costs Report in form and content acceptable to Port in its reasonable discretion, accompanied by a CPA's agreed-upon procedures report prepared in accordance with AICPA standards for compliance attestation and specifying Port as an intended

user. Port will notify Tenant in writing whether Port agrees or disagrees with Tenant's Construction Costs Report within ninety (90) days after receiving it. Port will have the right to inspect Tenant's Books and Records for the Construction Costs Report. Tenant must keep accurate Books and Records of all Construction until the later of two (2) years after Tenant's submission of its Construction Costs Report or six (6) months after any dispute regarding the Construction Costs has been resolved. Tenant's failure to submit a Construction Costs Report as and when required under this Section will be deemed a waiver of its right to make a reduction to Net Sale Proceeds.

For example, if: (i) Embarkation Site Improvements have a Class Life of 15 years; (ii) Certified Construction Costs are \$3 million; (iii) Gross Sale Proceeds are \$10 million; (iv) Costs of Sale are \$200,000, leaving Net Sale Proceeds of \$9.8 million; and (v) the Closing Date is the 6th anniversary of the "placed in service" date of the Embarkation Site Improvements, then Port's Sale Participation is \$1,170,000, as shown in the calculation below.

Gross Sale Proceeds: \$10,000,000

Costs of Sale: \$200,000

Net Sales Proceeds before Adjusted Basis reduction: \$9,800,000

Certified Construction Costs of Embarkation Site Improvements: \$3,000,000

Adjusted Basis (10/15 years unamortized): \$2,000,000

Net Sales Proceeds less Adjusted Basis: \$7,800,000

Port's Sale Participation @ 15% of adjusted Net Sales Proceeds: \$1,170,000

#### **21.4. *Subleasing by Tenant.***

(a) Subleases. Tenant will not Sublease any portion of the Premises, including a Sublease to a Tenant Affiliate, without the prior written consent of Port which will not be unreasonably withheld. All Subleases must be in full compliance with all of the terms and provisions of this Section 21.4. A Sublease without Port's consent will be voidable by Port, in its sole discretion. Tenant may seek Port's consent to a Sublease subject to this Section only upon receipt of NPS's written consent to such transaction.

(b) Request for Sublease. Tenant must give Port at least thirty (30) days written notice before entering into a proposed Sublease (herein "**Notice of Request to Sublease**") and provide Port with the following information in writing: (a) the name, address, legal composition and ownership of the proposed Subtenant, (b) reasonably adequate evidence that the proposed Subtenant's financial condition and prospects are sufficient to support all of the financial and other obligations of the proposed Sublease, (c) a full description of the terms and conditions of the proposed Sublease, including copies of any and all proposed agreements concerning the proposed Sublease, (d) a description of the proposed use by the proposed Subtenant, (e) the material terms of any proposed Sublease, including all payments to be made or other consideration to be given in connection with the Sublease, and (f) evidence of NPS's prior written consent to such Sublease. Until such time as Tenant has provided to Port all information set forth hereinabove, Tenant's Notice of Request to Sublease will not be deemed to have been served or given. Tenant will immediately notify Port of any modifications to the proposed terms of the Sublease.

(c) Port's Options. Upon receiving a Notice of Request to Sublease, Port will have the right to either (1) consent to the proposed Sublease, which consent shall not be unreasonably withheld, subject to any reasonable conditions upon such Sublease or (2) deny its consent to the proposed Sublease on the following reasonable grounds: (1) at the time Tenant requests Port's consent, an Event of Default, or an event that with notice or the passage of time or both would constitute an Event of Default if not cured, has occurred and remains uncured; (2) that the proposed Subtenant's financial condition and prospects are or could become insufficient to support all of the financial and other obligations of the proposed Sublease; (3) that the use to



which the Premises will be put by the proposed Subtenant is inconsistent with the terms of this Lease or otherwise will affect any Port interest materially and adversely; (4) the business reputation or character of the proposed Subtenant is not reasonably acceptable to Port or the proposed Subtenant is not likely to conduct a business in the Premises of a quality substantially equal to Tenant's or otherwise reasonably acceptable to Port; (5) that the nature of the proposed Subtenant's intended or likely use of the Premises would involve an unmitigated risk of the Handling, Release or mishandling of Hazardous Materials and Port reasonably believes that the measures proposed by Subtenant are insufficient to mitigate the risk of Handling or Release of Hazardous Materials by Subtenant, or otherwise materially increase the risk of fire or other casualty; (5) that the Sublease rental rate does not reflect an arm's length transaction; (6) that the Sublease rental rate is below the fair market rent for similar use and type of premises; (7) failure of the Sublease to contain provisions specified in this Lease; or (8) NPS has not consented to the Sublease..

**(d) Required Provisions in Subleases.** Each and every Sublease must contain all the following provisions:

**(i)** the Indemnification clause and waiver of claims provisions in Section 20 (Indemnity and Exculpation);

**(ii)** insurance provisions requiring that all of the Subtenant's liability and other insurance policies name "The City and County of San Francisco, the San Francisco Port Commission, and their officers, agents, employees, and representatives" as additional insureds and acknowledging Port's right to demand increased coverage to amounts customarily required by other San Francisco landlords for premises where business activities similar to the Subtenant's are conducted;

**(iii)** a provision stating that if this Lease is terminated for any reason, by either party, the Subtenant's right to possession under the Sublease will terminate;

**(iv)** a requirement that the Subtenant must pay the rent and other sums due under the Sublease directly to Port upon receiving Port's written notice that Tenant is in default under this Lease, a copy of which Port will deliver to Tenant.

**(v)** a provision stating that in the event of termination, reentry or dispossession by Port under this Lease Port may, at its option, take over all of the right, title and interest of Tenant under such Sublease, and such Subtenant shall, at Port's option, attorn to Port pursuant to the then executory provisions of such Sublease;

**(vi)** an express waiver of any and all relocation assistance and benefits in connection with this Lease to the extent permitted by applicable Laws;

**(vii)** a statement that the Sublease is subject to and subordinate to this Lease;

**(viii)** a prohibition on assignment or further subleasing, in whole or in part, without Port's consent, which may be given or withheld in Port's sole discretion;

**(ix)** a provision similar to Section 25 (Port's Entry) requiring Subtenant to permit Port to enter its subleased space for the purposes specified in that Section; and

**(x)** a provision similar to Section 34 (Tenant Estoppel) requiring Subtenant, from time to time, to provide Port an estoppel certificate substantially similar to the form attached hereto as **Exhibit L**; and

**(e)** Any Sublease that does not comply with this Section fully including without limitation Tenant's failure to seek or obtain Port's consent when such consent is required, will constitute an incurable Event of Default and will be void as to Port and this Lease. Port's consent to one Sublease will have no effect with respect to any other Sublease.



(f) **Copy of Executed Sublease.** Tenant shall provide Port a true and complete copy of each executed Sublease within thirty (30) days after the execution thereof. Each executed Sublease must contain substantially the same (or more favorable to the landlord) business terms as set forth in the applicable Notice of Request to Sublease.

(g) **Excess Rent.** Tenant agrees to pay to Port immediately upon receipt all Excess Rent, less Subleasing Expenses, as Additional Rent. In calculating Excess Rent, Subleasing Expenses will be amortized on a straight-line basis over the term of the Sublease, without interest. For example, if: (i) the term of the Sublease is 5 years; (ii) Sublease rent is \$5,000 per month; (iii) Tenant's concurrent Rent payable for the Sublease premises is \$3,000 per month; (iv) Tenant's Subleasing Expenses are \$15,000 in brokerage commissions and \$15,000 for new tenant improvements for the Sublease premises, then the amount of Excess Rent Tenant must pay to Port in connection with the Sublease is \$1,500 per month, as shown in the calculation below.

Term of Sublease: 5 years x 12 months = 60 months

Subleasing Expenses: \$15,000 + \$15,000 = \$30,000

Amortized Subleasing Expenses: \$30,000/60 months = \$500/month

Excess Rent: \$5,000/month - \$3,000/month = \$2,000/month

Additional Rent: \$2,000/month - \$500/month = \$1,500/month

**21.5. Assignment of Sublease Rents.** Tenant immediately and irrevocably assigns to Port, as security for Tenant's obligations under this Lease, all of Tenant's interest in any rent from any Sublease, except that, until the occurrence of a Tenant Event of Default, Tenant has the right to receive, collect and enjoy such rents. Subtenant will pay the rent and other sums due under any Sublease directly to Port upon receiving written notice from Port that Tenant is in default under this Lease with respect to the payment of Rent. In the event that, notwithstanding the giving of such notice, Tenant collects any rent or other sums from any Subtenant, then Tenant will hold such sums in trust for the benefit of Port and will immediately forward the same to Port. Port's collection of such rent and other sums will not constitute an acceptance by Port or attornment by such Subtenant.

**21.6. No Further Consent Implied.** No material terms of an Assignment or Sublease after approval by Port, may be amended without Port's prior written consent. Consent to one Assignment or Sublease will not be construed as consent to a subsequent Assignment or Sublease.

**21.7. Fees for Review.** Tenant will reimburse Port for its reasonable costs in connection with the review, investigation, processing, documentation, disapproval and/or approval of any proposed Mortgage, Assignment or Sublease including without limitation attorneys' fees and costs.

**21.8. No Release of Tenant.** The acceptance by Port of Rent or other payment from any other person will not be deemed to be a waiver by Port of any provision of this Lease or to be a release of Tenant from any obligation under this Lease.

**21.9. Notice to Port.**

(a) In addition to the obligations under Section 16.26.2, within thirty (30) days of entering into any agreement under which Tenant grants any person the right to occupy or use any portion of the Premises for any period of time, including without limitation, any assignment, sublease, license, permit, concession or vendor agreement or other agreement or renewal thereof, Tenant shall provide written notice to Port and a copy of such agreement, regardless of whether Port consent is required under this Lease for such agreement. Tenant agrees to provide such

further information as may be requested by City or Port to enable compliance with reporting obligations under state Law and San Francisco Administration Code Sections 23.38 and 23.39 (or any successor ordinance).

(b) **Notice of Significant Change.** Tenant shall promptly notify Port of any and all Significant Changes regardless of whether such Significant Change constitutes an Assignment. At such time or times as Port may reasonably request, Tenant must furnish Port with a statement, certified as true and correct by an officer of Tenant, setting forth all of the constituent members of Tenant and the extent of their respective holdings, and in the event any other Persons have a beneficial interest in Tenant, their names and the extent of such interest.

**21.10. Assignment/Sublease Audit.** Tenant agrees to make its Books and Records available to, and cooperate with, any Port representative for the purpose of conducting an audit under the terms and conditions described in Section 5.8 of the accuracy of Tenant's financial reporting on an Assignment or Sublease during the Audit Period. If an audit reveals that Tenant has understated any amounts owed to Port during said Audit Period, Tenant shall pay Port, promptly upon demand, the difference between the amount Tenant has paid and the amount it should have paid to Port, plus interest at the Interest Rate from the date of the error in the payment. If an audit reveals that Tenant has overstated amounts owed to Port for said Audit Period, Tenant shall be entitled to a credit against Rent next owed equal to the difference between the amount Tenant has paid and the amount it should have paid to Port. If Tenant understates amounts owed to Port for any Audit Period by three percent (3%) or more, Tenant shall pay the cost of the audit. A second understatement within any three (3) Lease Year period of the first such understatement shall be considered an Event of Default.

**21.11. Acknowledgement.** Tenant acknowledges and agrees that Port's rights with respect to Assignments and Subleases are reasonable limitations for purposes of California Civil Code Section 1951.4 and waives any Claims arising from Port's actions under this Section 21.

**22. DEFAULTS BY TENANT.** Any of the following shall constitute an event of default (the "Event of Default") by Tenant hereunder:

(a) failure to pay to Port any Rent or other sum payable hereunder when due, and such default continues for a period of three (3) days following written notice from Port. Notwithstanding the foregoing, Port shall not be required to provide such notice more than twice during any 12-month period, and any such failure by Tenant after Tenant has received two (2) such notices in such 12-month period shall constitute an Event of Default by Tenant hereunder without any further action by Port or opportunity of Tenant to cure except as may be required by Section 1161 of the California Code of Civil Procedure; or

(b) failure by Tenant to deliver the Monthly Percentage Rent Statement or Annual Statement when due and such default continues for a period of three (3) days following written notice from Port. Notwithstanding the foregoing, Port shall not be required to provide such notice more than twice during any twelve (12) month period, and any such failure by Tenant after Tenant has received two (2) such notices in such twelve (12) month period shall, at the option of Port, constitute an Event of Default by Tenant hereunder without any further action by Port (including, but not limited to, notice to Tenant of such failure) or opportunity of Tenant to cure except as may be required by Section 1161 of the California Code of Civil Procedure; or

(c) a second understatement by Tenant of its Gross Revenues or any Assignment/Sublease proceeds owed to Port for any Audit Period within any three (3) Lease Year period of the first such understatement;

(d) failure to comply with the Port-approved Operations Plan or Tenant's management covenants set forth in Section 33, as determined by Port in its sole and absolute discretion and such failure continues for a period of two (2) days following written notice from Port; or

- (e) abandonment or vacation of the Premises by Tenant; or
- (f) failure to pay Port at close of escrow of any Sale, Port's Participation in Net Sale Proceeds and such default continues for a period of three (3) days following written notice from Port.
- (g) failure to use the Premises solely for the Permitted Use, as determined by Port in its sole and absolute discretion and such failure continues for a period of twenty-four (24) hours following written notice from Port; or
- (h) failure by Tenant to execute and deliver to Port the estoppel certificate within the time period and in the manner required by Section 34 below, and Tenant's failure to cure the foregoing default within five (5) days following written notice from Port; or
- (i) failure by Tenant to submit a Pier Flood Protection Plan within the time period set forth in the CHE Determination Notice; failure to implement any required Pier Flood Protection Measures or the Approved Pier Flood Protection Plan within the time required in the CHE Determination or failure to otherwise comply with the provisions of Section 14 within the time specified for such task in Section 14; or
- (j) a Mortgage, Assignment or Sublease, or attempted Mortgage, Assignment, or Sublease of the leasehold, this Lease or the Premises by Tenant contrary to the provision of Section 21 above; or
- (k) failure by Tenant or Tenant's broker as applicable to provide evidence of insurance coverage complying with the provisions of Section 17 above, failure to maintain any insurance required to be maintained by Tenant pursuant to this Lease, or if any such insurance shall be canceled or terminated or shall expire or be reduced or materially changed, except as permitted in this Lease, and Tenant's or Tenant's broker's failure to deliver evidence of such coverage or failure to reinstate such coverage, all within three (3) business days following written notice from Port; or
- (l) failure by Tenant to comply with the provisions of Section 16 and Tenant's failure to cure the foregoing default within twenty-four (24) hours following written notice from Port. If such default cannot reasonably be cured within such twenty-four (24) hour period, Tenant shall not be in default of this Lease if Tenant commences to cure the default within such twenty-four (24) hour period and diligently and in good faith continues to cure the default, provided, however, in no event shall Tenant have more than thirty (30) days to cure such default; or
- (m) failure by Tenant to discharge any lien or encumbrance placed on the Facility or any part thereof in violation of this Lease within ten (10) days after the date such lien or encumbrance is filed or recorded against the Facility or any part thereof, or if Tenant has no knowledge of such lien, then Tenant shall discharge such lien or encumbrance within fifteen (15) days following Tenant's knowledge of such lien or encumbrance (the timeframes in this subsection will be extended by Port provided Tenant promptly undertakes action to cure such default within such 10 or 15-day period and thereafter diligently prosecutes the same to completion); or
- (n) failure by Tenant to observe, keep or perform any of the other terms, covenants, agreements or conditions contained in this Lease and required to be observed or performed by Tenant and not specifically enumerated in this Section 22, and such failure continues for a period of fifteen (15) days after written notice by Port, provided that if such default is not capable of cure within such fifteen (15) day period, Tenant shall have a reasonable period to complete such cure if Tenant promptly undertakes action to cure such default within such fifteen (15) day period and thereafter diligently prosecutes the same to completion within sixty (60) days after the receipt of notice of default from Port. Port shall not be required to provide such notice more than twice in any twelve (12) month period with respect to any material non-monetary defaults and after the second notice in any calendar year, any subsequent failure by

Tenant during such twelve (12) month period shall automatically constitute an Event of Default hereunder; or

(o) Tenant shall become bankrupt or insolvent or make a transfer in fraud of creditors, or make an assignment for the benefit of creditors, or bring or have brought against Tenant any action or proceedings of any kind under any provision of the U.S. Bankruptcy Code or under any other insolvency, bankruptcy or reorganization act and, in the event such proceedings are involuntary, Tenant is not discharged from the same within sixty (60) days thereafter; or

(p) a receiver is appointed for a substantial part of the assets of Tenant and such receiver is not discharged within sixty (60) days; or

(q) this Lease or any estate of Tenant under this Lease shall be levied upon by any attachment or execution and such attachment is not stayed or lifted within sixty (60) days;

(r) without limiting the provisions of Sections 22(g) or 22(l) above or lengthening the cure periods under those subsections, failure by Tenant to comply with Laws and Tenant's failure to cure the foregoing default within forty-eight (48) hours following written notice from Port; or

(s) failure to comply with the terms and conditions governing use of the Curb License and such failure continues for a period of twenty-four (24) hours following written notice from Port.

### **23. PORT'S REMEDIES.**

Upon default by Tenant, Port shall, without further notice or demand of any kind to Tenant or to any other person, have the following remedies:

**23.1. *Tenant's Right to Possession Not Terminated.*** Port has the remedy described in Section 1951.4 of the California Civil Code (a landlord may continue the lease in effect after a tenant's breach and abandonment and recover rent as it becomes due, if the tenant has the right to sublet and assign subject only to reasonable limitations) under which it may continue this Lease in full force and effect and Port may enforce all of its rights and remedies under this Lease, including the right to collect Rent when due. During the period Tenant is in default, Port may enter the Premises without terminating this Lease and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Port for all reasonable costs Port incurs in reletting the Premises, including, but not limited to, broker's commissions, expenses of remodeling the Premises required by the reletting and like costs. Reletting can be for a period shorter or longer than the remaining Term, at such rents and on such other terms and conditions as Port deems advisable. Tenant shall pay to Port the Rent due under this Lease on the dates the Rent is due, less the Rent Port receives from any reletting. In the event that Port shall elect to so relet, then rentals received by Port from such reletting shall be applied in the following order: (i) to reasonable attorneys' fees incurred by Port as a result of a default and costs in the event suit is filed by Port to enforce such remedies; (ii) to the payment of any indebtedness other than Rent due hereunder from Tenant to Port; (iii) to the payment of any costs of maintaining, preserving, altering, repairing and preparing the Premises for reletting, the other costs of reletting, including but not limited to brokers' commissions, attorneys' fees and expenses of removal of Tenant's Personal Property, trade fixtures and Alterations; (iv) to the payment of Rent due and unpaid hereunder; (v) to the payment of future Rent and other sums payable by Tenant hereunder as the same may become due and payable hereunder; and (vi) the balance, if any, shall be paid to Tenant upon (but not before) expiration of the Term. Should that portion of such rentals received from such reletting during any month, which is applied to the payment of Rent hereunder, be less than the Rent payable during the month by Tenant hereunder, then Tenant shall pay such deficiency to Port. Such deficiency shall be calculated and paid monthly. No act by Port allowed by this Section 23.1 shall terminate this Lease unless Port notifies Tenant that Port elects to terminate this Lease. After Tenant's default and for as long as Port does not terminate Tenant's right to possession of the Premises, if Tenant obtains Port's consent Tenant

shall have the right to assign or sublet its interest in this Lease, but Tenant shall not be released from liability.

**23.2. Termination of Tenant's Right to Possession.** Upon an Event of Default, Port may terminate Tenant's right to possession of the Premises at any time. No act by Port other than giving notice of termination to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Port's initiative to protect Port's interest under this Lease shall not constitute a termination of Tenant's right to possession. If Port elects to terminate this Lease, Port has the rights and remedies provided by California Civil Code Section 1951.2, including the right to recover from Tenant the following.

(a) The worth at the time of award of the unpaid Rent which had been earned at the time of termination; plus

(b) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could be reasonably avoided; plus

(d) Any other amounts necessary to compensate Port for the detriment proximately caused by Tenant's default, or which, in the ordinary course of events, would likely result, including, but not limited to, attorneys' fees and court costs, the costs of carrying the Premises such as repairs, maintenance, taxes and insurance premiums, utilities, security precautions and the reasonable costs and expenses incurred by Port in (i) retaking possession of the Premises; (ii) cleaning and making repairs and alterations necessary to return the Premises to good condition and preparing the Premises for reletting; (iii) removing, transporting and storing any of Tenant's Property left at the Premises (although Port shall have no obligation so to do); and (iv) reletting the Premises, including, without limitation, brokerage commissions, advertising costs and attorneys' fees. Efforts by Port to mitigate the damages caused by Tenant's breach of this Lease do not waive Port's rights to recover damages upon termination.

The "worth at the time of award" of the amounts referred to in Sections 23.2(a) and 23.2(b) above shall be computed by allowing interest at an annual rate equal to the lesser of the Interest Rate or the maximum non-usurious rate Port is permitted by Law to charge. The "worth at the time of award" of the amount referred to in Section 23.2(c) above shall be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

**23.3. Appointment of Receiver.** If Tenant is in default of this Lease, Port shall have the right to have a receiver appointed to collect Rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Port to terminate this Lease.

**23.4. Port's Right to Cure Tenant's Default.** Port, at any time after Tenant commits a default, may, at Port's sole option, cure the default at Tenant's cost. If Port at any time, by reason of Tenant's default, undertakes any act to cure or attempt to cure such default that requires the payment of any sums, or otherwise incurs any costs, damages, or liabilities (including without limitation, attorneys' fees), all such sums, costs, damages or liabilities paid by Port shall be due immediately from Tenant to Port at the time the sum is paid, and if paid by Tenant at a later date shall bear interest at the lesser of the Interest Rate or the maximum non-usurious rate Port is permitted by Law to charge from the date such sum is paid by Port until Port is reimbursed by Tenant.

**23.5. No Accord and Satisfaction.** No payment by Tenant or receipt by Port of an amount less than the Rent due under this Lease shall be deemed to be other than "on account" of

the earliest Rent due; nor shall any endorsement or statement on any check or payment, or letter accompanying such check or payment, be deemed an accord and satisfaction. Port may accept any such partial payment or tender without prejudice to its right to recover the balance of any amount due and to pursue any other remedy herein provided at Law or in equity.

**23.6. *Waiver of Redemption.*** Tenant hereby waives, for itself and all persons claiming by and under Tenant, redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 and 1179, or under any other pertinent present or future Law, in the event Tenant is evicted or Port takes possession of the Premises by reason of any default of Tenant hereunder.

**23.7. *Habitual Late Payer.*** In the event Tenant is deemed to be a Habitual Late Payer, in addition to any other remedies available to Port, Port may require that Tenant enter into direct electronic payment arrangements and/or Port may require payments of Rent be made in advance on a quarterly basis.

**23.8. *Remedies Not Exclusive.*** The remedies set forth in Section 23 are not exclusive; they are cumulative and in addition to any and all other rights or remedies of Port now or later allowed by Law or in equity. Tenant's obligations hereunder shall survive any termination of this Lease.

## **24. LITIGATION EXPENSES; ATTORNEYS' FEES.**

**24.1. *Litigation Expenses.*** The prevailing party in any action or proceeding (including any cross-complaint, counterclaim, or bankruptcy proceeding) against the other party by reason of a claimed default, or otherwise arising out of a party's performance or alleged non-performance under this Lease, shall be entitled to recover from the other party its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. "**Prevailing party**" within the meaning of this Section shall include, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense.

**24.2. *Appeals.*** Attorneys' fees under this Section shall include attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal.

**24.3. *City Attorney.*** For purposes of this Lease, reasonable fees of attorneys of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

## **25. PORT'S ENTRY ON PREMISES.**

**25.1. *Entry for Inspection.*** NPS, Port and their authorized Agents shall have the right to enter the Premises without notice at any time during normal business hours of generally recognized business days, provided that Tenant or Tenant's Agents are present on the Premises (except in the event of an emergency), for the purpose of inspecting the Premises to determine whether the Premises is in good condition and whether Tenant is complying with its obligations under this Lease.

**25.2. *General Entry.*** In addition to its rights pursuant to Section 25.1 above, Port and its authorized Agents shall have the right to enter the Premises at all reasonable times and upon reasonable notice for any of the following purposes:

(a) To perform any necessary maintenance, repairs or restoration to the Premises or Seawall, to perform Port Work or to perform any services which Port has the right or obligation to perform;

(b) To serve, post, or keep posted any notices required or allowed under the provisions of this Lease;

(c) To post "For Sale" signs at any time during the Term; or "For Lease" signs during the last six (6) months of the Term or during any period in which Tenant is in default;

(d) On an occasional basis, at all reasonable times after giving Tenant reasonable advance written or oral notice, to show the Premises to prospective tenants or other interested parties;

(e) If any excavation or other construction is undertaken or is about to be undertaken on any property or street adjacent to the Premises, to shore the foundations, footings or walls of the Premises and to erect scaffolding and protective barricades around and about the Premises as reasonably necessary in connection with such activities (but not so as to prevent or unreasonably restrict entry to the Premises), and to do any other act or thing necessary for the safety or preservation of the Premises during such excavation or other construction; or

(f) To obtain environmental samples and perform equipment and facility testing.

**25.3. Emergency Entry.** Port may enter the Premises at any time, without notice, in the event of an emergency. Port shall have the right to use any and all means which Port may deem proper in such an emergency in order to obtain entry to the Premises. Entry to the Premises by any of these means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion of the Premises.

**25.4. No Liability.** Port shall not be liable in any manner, and Tenant hereby waives any Claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, including without limitation any abatement or reduction in Rent, arising out of NPS's, Port's or their authorized Agents entry onto the Premises as provided in this Section 25 or performance of any necessary or required work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, except damage resulting solely from the willful misconduct or gross negligence of Port or its authorized representatives.

**25.5. Nondisturbance.** Port shall use its commercially reasonable efforts to conduct its activities on the Premises as allowed in this Section 25 in a manner which, to the extent reasonably practicable, will minimize annoyance or disturbance to Tenant.

## **26. SURRENDER AND QUITCLAIM.**

**26.1. Surrender.** Upon expiration or earlier termination of this Lease, Tenant shall surrender to Port the Premises in good order, condition, and repair (except for ordinary wear and tear occurring after the last necessary maintenance made by Tenant and except for destruction or condemnation as described in Sections 18 and 19 hereof). Ordinary wear and tear shall not include any damage or deterioration that would have been prevented by proper maintenance by Tenant, or Tenant otherwise performing all of its obligations under this Lease. The Premises shall be surrendered clean, free of debris, waste, and Hazardous Materials, and free and clear of all liens and encumbrances other than liens and encumbrances existing as of the date of this Lease and any other encumbrances created by Port. On or before the expiration or earlier termination of this Lease, Tenant at its sole cost shall remove from the Premises, and repair any damage caused by removal of, Tenant's Property, including any signage and Alterations and Improvements specified in Port's Notice of Removal. Except for those designated in Port's Notice of Removal, Alterations and Improvements shall remain in the Premises as Port property.

If the Premises is not surrendered at the end of the Term or sooner termination of this Lease, and in accordance with the provisions of this Section 26 and Section 13.5, Tenant shall continue to be responsible for the payment of Rent (as the same may be increased pursuant to Section 4.6 as applicable) until the Premises is surrendered in accordance with these Sections,

and Tenant shall Indemnify Port from and against any and all loss or liability resulting from delay by Tenant in so surrendering the Premises including, without limitation, any costs of Port to obtain possession of the Premises; any loss or liability resulting from any Claim against Port made by any succeeding tenant or prospective tenant founded on or resulting from such delay and losses to Port due to lost opportunities to lease any portion of the Premises to any such succeeding tenant or prospective tenant, together with, in each instance, reasonable attorneys' fees and costs.

No act or conduct of Port, including, but not limited to, the acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the Term. Only a written notice from Port to Tenant confirming termination of this Lease and surrender of the Premises by Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of this Lease.

**26.2. Quitclaim.** Upon the expiration or earlier termination of this Lease, the Premises shall automatically, and without further act or conveyance on the part of Tenant or Port, become the property of Port, free and clear of all liens and without payment therefore by Port and shall be surrendered to Port upon such date. Upon or at any time after the expiration or earlier termination of this Lease, if requested by Port, Tenant shall promptly deliver to Port, without charge, a quitclaim deed to the Premises and any other instrument reasonably requested by Port to evidence or otherwise effect the termination of Tenant's leasehold estate hereunder and to effect such transfer or vesting of title to the Premises or any portion that Port agrees are to remain part of the Premises.

**26.3. Abandoned Property.** Any items, including Tenant's Property, not removed by Tenant as required herein shall be deemed abandoned. Port may retain, store, remove, and sell or otherwise dispose of abandoned Tenant's Property, and Tenant waives all Claims against Port for any damages resulting from Port's retention, removal and disposition of such property; provided, however, that Tenant shall be liable to Port for all costs incurred in storing, removing and disposing of abandoned Tenant's Property and repairing any damage to the Premises or the Facility resulting from such removal. Tenant agrees that Port may elect to sell abandoned Tenant's Property and offset against the sales proceeds Port's storage, removal, and disposition costs without notice to Tenant or otherwise according to the procedures set forth in California Civil Code Section 1993, the benefits of which Tenant waives.

**26.4. Survival.** Tenant's obligation under this Section 26 shall survive the expiration or earlier termination of this Lease.

## **27. NOTICES.**

Except as otherwise expressly provided in this Lease or by Law, all notices (including notice of consent or non-consent) required or permitted by this Lease or by Law must be in writing and be delivered by: (a) hand delivery; (b) first class United States mail, postage prepaid; or (c) overnight delivery by a nationally recognized courier or the United State Postal Service, delivery charges prepaid. Notices to a party must be delivered to that party's mailing address in the Basic Lease Information, unless superseded by a notice of a change in that party's mailing address for notices, given to the other party in the manner provided above, or by information provided by Tenant in Tenant's written response to Port's written request for such information.

All notices under this Lease shall be deemed to be duly delivered: (a) on the date personal delivery actually occurs; (b) if mailed, on the business day following the business day deposited in the United States mail or, if mailed return receipt requested, on the date of delivery or on which delivery is refused as shown on the return receipt; or (c) the business day after the business day deposited for overnight delivery.

Notices may not be given by facsimile or electronic mail, but either party may deliver a courtesy copy of a notice by facsimile or electronic mail.



## 28. REPRESENTATIONS AND WARRANTIES OF TENANT.

Tenant represents, warrants and covenants to Port as follows, as of the date hereof and as of the Effective Date:

(a) Valid Existence, Good Standing. Tenant is a [ ] duly formed and validly existing under the laws of the State of [ ]. Tenant has the requisite power and authority to own its property and conduct its business as presently conducted. Tenant is in good standing in the State of [ ].

(b) Authority. Tenant has the requisite power and authority to execute and deliver this Lease and the agreements contemplated hereby and to carry out and perform all of the terms and covenants of this Lease and the agreements contemplated hereby to be performed by Tenant.

(c) No Limitation on Ability to Perform. No applicable Law prohibits Tenant's entry into this Lease or its performance hereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other person is required for the due execution and delivery of this Lease by Tenant and Tenant's performance hereunder, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made. There are no undischarged judgments pending against Tenant, and Tenant has not received notice of the filing of any pending suit or proceedings against Tenant before any court, governmental agency, or arbitrator, which might materially adversely affect the enforceability of this Lease or the business, operations, assets or condition of Tenant.

(d) Valid Execution. The execution and delivery of this Lease and the performance by Tenant hereunder have been duly and validly authorized. When executed and delivered by Port and Tenant, this Lease will be a legal, valid and binding obligation of Tenant.

(e) Defaults. The execution, delivery and performance of this Lease (i) do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default by Tenant under (A) any agreement, document or instrument to which Tenant is a party or by which Tenant is bound, (B) any Law applicable to Tenant or its business, or (C) the articles of organization or the operating agreement of Tenant, and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of Tenant, except as contemplated hereby.

(f) Financial Matters. Except to the extent disclosed to Port in writing, (i) Tenant is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) Tenant has not filed a petition for relief under any chapter of the U.S. Bankruptcy Code, (iii) to Tenant's knowledge, no involuntary petition naming Tenant as debtor has been filed under any chapter of the U.S. Bankruptcy Code, and (iv) Tenant has not suffered any material adverse change to its financial condition that could reasonably effect its ability to perform its obligations under this Lease.

The representations and warranties herein shall survive any termination of this Lease.

## 29. TENANT'S MANAGEMENT COVENANTS.

**29.1. Covenants.** Tenant shall maintain and operate the Premises, or cause the Premises to be maintained and operated, in a first-class manner consistent other visitor serving businesses located on Port property. Tenant shall be exclusively responsible, at no cost to Port, for the management and operation of the Improvements in addition to all other aspects of the Premises. In connection with managing and operating the Premises, Tenant shall provide (or require others to provide) services as necessary and appropriate to the uses to which the Premises are put, including, but not limited to (a) repair and maintenance of the Improvements, as more fully described in Section 11, (b) utility and telecommunications services, (c) cleaning, janitorial, extermination, and trash removal, (d) landscaping and grounds keeping and (e) security services for the Premises.

**29.2. Continuous Operations.** Tenant shall use commercially reasonable efforts to ensure that all of the Premises are used continuously beginning on the relevant Commencement Date for each parcel for the Permitted Use and shall not allow any portion of the Premises to remain unoccupied or unused without the prior written consent of Port, which consent may be withheld in Port's sole and absolute discretion. Notwithstanding the foregoing, the Port shall not unreasonably withhold its consent to any cessation of operations for any reasonably necessary time period due to the following causes or in the following circumstances: (a) if the Premises become untenable due to fire or other casualty, (b) as may be necessary in connection with performing repairs to the Premises, or (c) while conducting periodic inventory of Tenant's goods and merchandise.

### **30. MINERAL RESERVATION.**

The State of California ("State"), pursuant to Section 2 of Chapter 1333 of the Statutes of 1968, as amended, has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying the Premises and Tenant acknowledges such reserved rights including necessary ingress and egress rights. In no event shall Port be liable to Tenant for any Claims arising from the State's exercise of its rights nor shall such action entitle Tenant to any abatement or diminution of Rent or otherwise relieve Tenant from any of its obligations under this Lease.

### **31. CITY AND PORT REQUIREMENTS.**

The San Francisco Municipal Codes (available at [www.sfgov.org](http://www.sfgov.org)) and City and Port policies described or referenced in this Lease are incorporated by reference as though fully set forth in this Lease. The descriptions below are not comprehensive but are provided for notice purposes only; Tenant is charged with full knowledge of each such ordinance and policy and any related implementing regulations as they may be amended from time to time. Tenant understands and agrees that its failure to comply with any provision of this Lease relating to any such code provision shall be deemed a material breach of this Lease and may give rise to penalties under the applicable ordinance. Capitalized or highlighted terms used in this Section and not defined in this Lease shall have the meanings ascribed to them in the cited ordinance.

#### **31.1. Nondiscrimination.**

(a) **Covenant Not to Discriminate.** In the performance of this Lease, Tenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), weight, height, association with members of classes protected under Chapter 12B or 12C of the San Francisco Administrative Code or in retaliation for opposition to any practices forbidden under Chapter 12B or 12C of the Administrative Code against any employee of Tenant, any City and County employee working with Tenant, any applicant for employment with Tenant, or any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant in the City and County of San Francisco.

(b) **Subleases and Other Contracts.** Tenant shall include in all subleases and other contracts relating to the Premises a non-discrimination clause applicable to such subtenant or other contractor in substantially the form of Section (a) above. In addition, Tenant shall incorporate by reference in all subleases and other contracts the provisions of Sections 12B.2 (a), 12B.2 (c)-(k) and 12C.3 of the Administrative Code and shall require all subtenants and other contractors to comply with such provisions. Notwithstanding any provision of this Lease, this subsection shall not apply to the Ferry Concessioner Contract.

(c) **Nondiscrimination in Benefits.** Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco or where the work is being performed for the City, discriminate in the provision of bereavement leave, family medical leave,

health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits (collectively "**Core Benefits**") as well as any benefits other than the Core Benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local Law authorizing such registration, subject to the conditions set forth in Section 12B.2 of the Administrative Code.

(d) CMD Form. On or prior to the Effective Date, Tenant shall execute and deliver to Port the "Nondiscrimination in Contracts and Benefits" form approved by the CMD.

(e) Penalties. Tenant understands that pursuant to Section 12B.2(h) of the Administrative Code, a penalty of \$50.00 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

**31.2. Requiring Health Benefits for Covered Employees.** Unless exempt, Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in Administrative Code Chapter 12Q (Chapter 12Q).

(a) For each Covered Employee Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO.

(b) Notwithstanding the above, if Tenant meets the requirements of a "small business" by the City pursuant to Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with Section 31.2(a).

(c) If, within 30 days after receiving written notice of a breach of this Lease for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such 30-day period, Tenant fails to commence efforts to cure within such period, or thereafter fails to diligently pursue such cure to completion, the City shall have the remedies set forth in Section 12Q.5(f). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Sublease or Contract regarding services to be performed on the Premises entered into by Tenant shall require the Subtenant or Contractor and Subcontractors, as applicable, to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in Chapter 12Q of the Administrative Code. Tenant shall notify the Office of Labor Standards Enforcement ("**OLSE**") when it enters into such a Sublease or Contract and shall certify to the OLSE that it has notified the Subtenant or Contractor of the obligations under the HCAO and has imposed the requirements of the HCAO on the Subtenant or Contractor through written agreement with such Subtenant or Contractor. Tenant shall be responsible for ensuring compliance with the HCAO for each Subtenant, Contractor and Subcontractor performing services on the Premises. If any Subtenant, Contractor or Subcontractor fails to comply, the City may pursue the remedies set forth in Section 12Q.5 of the Administrative Code against Tenant based on the Subtenant's, Contractor's, or Subcontractor's failure to comply, provided that the OLSE has first provided Tenant with notice and an opportunity to cure the violation.

(e) Tenant shall not discharge, reprimand, penalize, reduce the compensation of, or otherwise discriminate against, any employee for notifying the City of any issue relating to the HCAO, for opposing any practice proscribed by the HCAO, for participating in any proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the requirements of the HCAO.

(g) Tenant shall keep itself informed of the requirements of the HCAO, as they may change from time to time.

(h) Upon request, Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subtenants, Contractors, and Subcontractors.

(i) Within ten (10) business days of any request, Tenant shall provide the City with access to pertinent records relating to any Tenant's compliance with the HCAO. In addition, the City and its agents may conduct random audits of Tenant at any time during the Term. Tenant agrees to cooperate with City in connection with any such audit.

(j) If a Contractor or Subcontractor is exempt from the HCAO because the amount payable to such Contractor or Subcontractor under all of its contracts with the City or relating to City-owned property is less than \$25,000.00 (or \$50,000.00 for nonprofits) in that fiscal year, but such Contractor or Subcontractor later enters into one or more agreements with the City or relating to City-owned property that cause the payments to such Contractor or Subcontractor to equal or exceed \$75,000.00 in that fiscal year, then all of the Contractor's or Subcontractor's contracts with the City and relating to City-owned property shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements to equal or exceed \$75,000.00 in the fiscal year.

**31.3. First Source Hiring.** The City has adopted a First Source Hiring Program (San Francisco Administrative Code Sections 83.1 et seq.) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry-level positions as those terms are defined by the ordinance. Tenant acknowledges receiving and reviewing the First Source Hiring Program materials and requirements and agrees to comply with all requirements of the ordinance as implemented by Port and/or City, including without limitation, notification of vacancies throughout the Term and entering into a First Source Hiring Agreement, if applicable. Tenant acknowledges and agrees that it may be subject to monetary penalties for failure to comply with the ordinance or a First Source Hiring Agreement and that such non-compliance shall be a default of this Lease.

**31.4. Local Business Enterprises.** The Port Commission encourages the participation of local business enterprises ("LBEs") in Tenant's operations. Tenant agrees to consult with the CMD to determine appropriate methods for promoting participation by LBEs. Architecture, Engineering, Laboratory Services (Materials Testing), Trucking and Hauling, and Security Guard Services are categories of services that may provide opportunities for certified LBE participation. City maintains a list of certified LBEs at: <http://sfgov.org/cmd/lbe-certification-0>.

**31.5. Indoor Air Quality.** Tenant agrees to comply with Section 711(g) of the Environment Code and any additional regulations adopted by the Director of the Department of the Environment pursuant to Environment Code Section 703(b) relating to construction and maintenance protocols to address indoor air quality.

**31.6. Prohibition of Tobacco Sales and Advertising.** Tenant acknowledges and agrees that no sales or advertising of cigarettes or tobacco products is allowed on the Premises. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products, or (ii) encourage people not to smoke or to stop smoking.

**31.7. Prohibition of Alcoholic Beverages Advertising.** Tenant acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Premises. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and

other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of alcoholic beverages, (ii) encourage people not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services.

**31.8. Graffiti Removal.** Tenant agrees to remove all graffiti from the Premises, including from the exterior of the Facility if included within the Premises, within forty-eight (48) hours of the earlier of Tenant's: (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a tenant to breach any lease or other agreement that it may have concerning its use of the real property. "Graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and that is visible from the public right-of-way, but does not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of this Lease or the Port Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (Calif. Civil Code §§ 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

**31.9. Restrictions on the Use of Pesticides.** Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "**IPM Ordinance**") describes an integrated pest management ("**IPM**") policy to be implemented by all City departments. Tenant shall not use or apply or allow the use or application of any pesticides on the Premises, and shall not contract with any party to provide pest abatement or control services to the Premises, without first receiving City's written approval of an integrated pest management plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the term of this Lease, (ii) describes the steps Tenant will take to meet the City's IPM Policy described in Section 300 of the IPM Ordinance and (iii) identifies, by name, title, address and telephone number, an individual to act as the Tenant's primary IPM contact person with the City. Tenant shall comply, and shall require all of Tenant's contractors to comply, with the IPM plan approved by the City and shall comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, such provisions of the IPM Ordinance: (a) provide for the use of pesticides only as a last resort, (b) prohibit the use or application of pesticides on property owned by the City, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (c) impose certain notice requirements, and (d) require Tenant to keep certain records and to report to City all pesticide use by Tenant's staff or contractors. If Tenant or Tenant's contractor will apply pesticides to outdoor areas, Tenant must first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation and any such pesticide application shall be made only by or under the supervision of a person holding a valid Qualified Applicator certificate or Qualified Applicator license under state law. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

**31.10. MacBride Principles Northern Ireland.** Port and the City urge companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages

such companies to abide by the MacBride Principles. Port and the City urge San Francisco companies to do business with corporations that abide by the MacBride Principles.

**31.11. Tropical Hardwood and Virgin Redwood Ban.** Port and the City urge Tenant not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the Environment Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the Environment Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to the contractor's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

**31.12. Preservative-Treated Wood Containing Arsenic.** Tenant may not purchase preservative-treated wood products containing arsenic in the performance of this Lease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "**preservative-treated wood containing arsenic**" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Tenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Tenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "**saltwater immersion**" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

**31.13. Notification of Limitations on Contributions.** If this Lease is subject to the approval by City's Board of Supervisors, Mayor, or other elected official, the provisions of this Section 31 shall apply. Through its execution of this Lease, Tenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to (a) the City elective officer, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Tenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Tenant further acknowledges that, if applicable, the prohibition on contributions applies to each Tenant; each member of Tenant's board of directors, and Tenant's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Tenant; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Tenant. Additionally, Tenant acknowledges that if this Section 31.13 applies, Tenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126 and must provide to City the name of each person, entity or committee described above.

**31.14. Sunshine Ordinance.** In accordance with Section 67.24(e) of the Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between Port and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until

and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.

**31.15. *Conflicts of Interest.*** Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of Article III, Chapter 2 of Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the California Government Code, and certifies that it does not know of any facts which would constitute a violation of these provisions, and agrees that if Tenant becomes aware of any such fact during the Term, Tenant shall immediately notify the Port.

**31.16. *Drug-Free Workplace.*** Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101 et seq.), the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City or Port premises.

**31.17. *Prevailing Wages and Working Conditions.*** Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. Tenant shall require its contractors and subcontractors performing (i) labor in connection with a "public work" as defined under California Labor Code Section 1720 et seq. (which includes certain construction, alteration, maintenance, demolition, installation, repair, carpet laying, or refuse hauling work if paid for in whole or part out of public funds) or (ii) Covered Construction to: (A) pay workers performing such work not less than the highest prevailing rate of wages, (B) provide the same hours, working conditions and benefits as in each case are provided for similar work performed in San Francisco County, and (C) employ apprentices in accordance with San Francisco Administrative Code Section 23.61 (collectively, "**Prevailing Wage Requirements**"). Tenant agrees to cooperate with the City in any action or proceeding against a contractor or subcontractor that fails to comply with the Prevailing Wage Requirements.

Tenant shall include and shall require its subtenants, and contractors and subcontractors (regardless of tier), to include the Prevailing Wage Requirements and the agreement to cooperate in City enforcement actions in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.61. Each such Construction Contract shall name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable the City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party.

Tenant shall also pay, and shall require its subtenants, and contractors and subcontractors (regardless of tier) to pay, the Prevailing Rate of Wage for the following activities on the Premises as set forth in and to the extent required by San Francisco Administrative Code Chapter 21C: a Public Off-Street Parking Lot, Garage or Automobile Storage Facility (as defined in Section 21C.3), a Show (as defined in Section 21C.4), a "special event" (as defined in Section 21C.8), Broadcast Services (as defined in Section 21C.9), Commercial Vehicles, Loading and Unloading for Shows and "special events" (as defined in Section 21C.10), and Security Guard Services for Events (as defined in Section 21C.11).

**31.18. *Public Transit Information.*** Tenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Tenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Facility and encouraging use of such facilities, all at Tenant's sole expense.



**31.19. Food Service and Packaging Waste Reduction Ordinance.** Tenant agrees to comply fully with and be bound by all of the provisions of the Food Service and Packaging Waste Reduction Ordinance, as set forth in Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. By entering into this Lease, Tenant agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Tenant agrees that the sum of one hundred dollars (\$100.00) liquidated damages for the first breach, two hundred dollars (\$200.00) liquidated damages for the second breach in the same year, and five hundred dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Lease was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Tenant's failure to comply with this provision.

**31.20. Consideration Of Criminal History In Hiring And Employment Decisions.**

(a) Tenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; "Chapter 12T"), which are hereby incorporated, including the remedies and implementing regulations as may be amended from time to time, with respect to applicants and employees of Tenant who would be or are performing work at the Premises.

(b) Tenant shall incorporate by reference the provisions of Chapter 12T in all subleases of some or all of the Premises, and shall require all subtenants to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant and subtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

(d) Tenant and subtenants shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Tenant and subtenants shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

(e) Tenant and subtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Tenant or subtenant at the Premises, that the Tenant or subtenant will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(f) Tenant and subtenants shall post the notice prepared by OLSE, available on OLSE's website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.

(g) Tenant and subtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of \$50



for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.

(h) If Tenant has any questions about the applicability of Chapter 12T, it may contact Port for additional information. Port may consult with the Director of the City's Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8.

**31.21. Local Hire.** Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). Tenant Improvements and Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (i) estimated to be less than \$750,000 per building permit; (ii) is in connection with the set-up, execution and strike of special events of three (3) or fewer days costing in excess of the Threshold Amount; or (iii) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it will comply with the Local Hiring Requirements to the extent applicable. Before starting any Tenant Improvements or Alterations, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to determine whether the work is a Covered Project subject to the Local Hiring Requirements.

Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with the City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable the City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

**31.22. San Francisco Bottled Water Ordinance .** Tenant is subject to all applicable provisions of Environment Code Chapter 24 (which are hereby incorporated) prohibiting the sale or distribution of drinking water in plastic bottles with a capacity of twenty-one (21) fluid ounces or less at City-permitted events held on the Premises with attendance of more than 100 people.

**31.23. Port's Zero Waste Events and Activities Policy.** Tenant shall comply with the Port's Zero Waste Events and Activities Policy, a copy of which is attached hereto as *Exhibit M*, as it may be amended from time to time, for all special events (as defined by the policy), regardless of attendance numbers.

**31.24. Vending Machines; Nutritional Standards and Calorie Labeling Requirements; Offerings.** Tenant shall not install or permit any vending machine on the Premises without the prior written consent of Port. Any permitted vending machine must comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code section 4.9- 1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant agrees to incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section shall be deemed a material breach of this Lease. Without limiting Port's other rights and remedies under this Lease, Port shall have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements. In addition, any Restaurant including any employee eating establishment located on the Premises is encouraged to ensure that at least twenty-five percent (25%) of Meals (as capitalized terms are defined in San

Francisco Administrative Code section 4.9-1) offered on the menu meet the nutritional standards set forth in San Francisco Administrative Code section 4.9-1(e), as may be amended.

**31.25. Employee Signature Authorization Ordinance.** The City has adopted an Employee Signature Authorization Ordinance (S.F. Admin Code Sections 23.50-23.56). That ordinance requires employers of employees in hotel or restaurant projects on public property with fifty (50) or more employees (whether full-time or part-time) to enter into a "card check" agreement with a labor union regarding the preference of employees to be represented by a labor union to act as their exclusive bargaining representative. Tenant shall comply with the requirements of such ordinance, if applicable, including, without limitation, any requirements in the ordinance with respect to its Subtenants or operators.

## **32. MISCELLANEOUS PROVISIONS.**

**32.1. California Law.** This Lease is governed by, and shall be construed and interpreted in accordance with, the Laws of the State of California and City's Charter. Port and Tenant hereby irrevocably consent to the jurisdiction of and proper venue in the Superior Court for the City and County of San Francisco.

**32.2. Entire Agreement.** This Lease contains all of the representations and the entire agreement between the parties with respect to the subject matter of this Lease. Any prior correspondence, memoranda, agreements, warranties, or representations, whether written or oral, relating to such subject matter are superseded in total by this Lease. No prior drafts of this Lease or changes from those drafts to the executed version of this Lease shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider those drafts in interpreting this Lease.

**32.3. Amendments.** No amendment of this Lease or any part thereof shall be valid unless it is in writing and signed by all of the parties hereto.

**32.4. Severability.** If any provision of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons, entities or circumstances other than those as to which is invalid or unenforceable, shall not be affected thereby, and each other provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

### **32.5. Interpretation of Lease.**

(a) References in this Lease to Tenant's acts or omissions will mean acts or omissions by Tenant and its Agents and Invitees unless the context requires or specifically stated otherwise.

(b) Whenever an exhibit or schedule is referenced, it means an attachment to this Lease unless otherwise specifically identified. All exhibits and schedules are incorporated in this Lease by reference.

(c) Whenever a section, article or paragraph is referenced, it refers to this Lease unless otherwise specifically provided. The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference only and must be disregarded in the construction and interpretation of this Lease. Wherever reference is made to any provision, term, or matter "in this Lease," "herein" or "hereof" or words of similar import, the reference will be deemed to refer to any reasonably related provisions of this Lease in the context of the reference, unless the reference refers solely to a specific numbered or lettered article, section, subdivision, or paragraph of this Lease.

(d) References to all Laws, including specific statutes, relating to the rights and obligations of either party mean the Laws in effect on the effective date of this Lease and as they are amended, replaced, supplemented, clarified, corrected, or superseded at any time during the Term or while any obligations under this Lease are outstanding, whether or not foreseen or

contemplated by the parties. References to specific code sections mean San Francisco ordinances unless otherwise specified.

(e) The terms "include," "included," "including" and "such as" or words of similar import when following any general term, statement, or matter may not be construed to limit the term, statement, or matter to the specific items or matters, whether or not language of non-limitation is used, but will be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of the term, statement, or matter, and will be deemed to be followed by the phrase "without limitation" or "but not limited to."

(f) Tenant agrees that it has obtained this Lease as a result of NPS's selection, solicitation, and award of a contract to a Ferry Concessioner in its sole discretion pursuant to a federal governmental process governed solely by applicable federal Laws including without limitation, the 1998 Concessions Act and that Port has no role in such selection, solicitation, or award process. To the extent that any provision of this Lease has been negotiated between Port and Tenant, Tenant agrees that such provisions have been negotiated at arm's length between persons sophisticated and knowledgeable in the matters addressed. In addition, each party to this Lease has been represented by experienced and knowledgeable legal counsel, or has had the opportunity to consult with counsel. Accordingly, the provisions of this Lease must be construed as a whole according to their common meaning in order to achieve the intents and purposes of the parties, without any presumption (including a presumption under California Civil Code § 1654) against the party responsible for drafting any part of this Lease.

(g) The party on which any obligation is imposed in this Lease will be solely responsible for paying all costs and expenses incurred in performing the obligation, unless the provision imposing the obligation specifically provides otherwise.

(h) Whenever required by the context, the singular includes the plural and vice versa, the masculine gender includes the feminine or neuter genders and vice versa, and defined terms encompass all correlating forms of the terms (e.g., the definition of "waive" applies to "waiver," "waivers," "waived," "waiving," etc.).

(i) References to days mean calendar days unless otherwise specified, provided that if the last day on which a party must give notice, respond to a notice, or take any other action under this Lease occurs on a day that is not a business day, the date by which the act must be performed will be extended to the next business day.

**32.6. Successors.** The terms, covenants, agreements and conditions set forth in this Lease shall bind and inure to the benefit of Port and Tenant and, except as otherwise provided herein, their personal representatives and successors and assigns.

**32.7. Real Estate Broker's Fees.** Port will not pay, nor will Port be liable or responsible for, any finder's or broker's fee in connection with this Lease. Tenant agrees to Indemnify Port from any Claims, including attorneys' fees, incurred by Port in connection with any such Claim or Claims of any person(s), finder(s), or broker(s) to a commission in connection with this Lease.

**32.8. Counterparts.** For convenience, the signatures of the parties to this Lease may be executed and acknowledged on separate pages which, when attached to this Lease, shall constitute one complete Lease. This Lease may be executed in any number of counterparts each of which shall be deemed to be an original and all of which shall constitute one and the same Lease.

**32.9. Authority.** If Tenant signs as a corporation or a partnership, each of the persons executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing entity, that Tenant has and is qualified to do business in California, that Tenant has full right and authority to enter into this Lease, and that each and all of the persons signing on behalf of Tenant are authorized to do so. Upon Port's request, Tenant shall provide

Port with evidence reasonably satisfactory to Port confirming the foregoing representations and warranties.

**32.10. *No Implied Waiver.*** No failure by Port to insist upon the strict performance of any obligation of Tenant under this Lease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, and no acceptance of full or partial Rent during the continuance of any such breach shall constitute a waiver of such breach or of Port's rights to demand strict compliance with such term, covenant or condition. Port's consent to or approval of any act by Tenant requiring Port's consent or approval shall not be deemed to waive or render unnecessary Port's consent to or approval of any subsequent act by Tenant. Any waiver by Port of any default must be in writing and shall not be a waiver of any other default (including any future default) concerning the same or any other provision of this Lease.

**32.11. *Time is of Essence.*** Time is of the essence with respect to all provisions of this Lease in which a definite time for performance is specified.

**32.12. *Cumulative Remedies.*** All rights and remedies of either party hereto set forth in this Lease shall be cumulative, except as may otherwise be provided herein.

**32.13. *Survival of Indemnities.*** Termination or expiration of this Lease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Lease, the ability to collect any sums due, nor shall it affect any provision of this Lease that expressly states it shall survive termination or expiration hereof.

**32.14. *Relationship of the Parties.*** Port is not, and none of the provisions in this Lease shall be deemed to render Port, a partner in Tenant's business, or joint venturer or member in any joint enterprise with Tenant. Neither party shall act as the agent of the other party in any respect hereunder. This Lease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, including without limitation, NPS.

**32.15. *No Recording.*** Tenant shall not record this Lease or any memorandum hereof in the Official Records.

**32.16. *Additional Written Agreement Required.*** Tenant expressly agrees and acknowledges that no officer, director, or employee of Port or City is authorized to offer or promise, nor is Port or the City required to honor, any offered or promised rent credit, concession, abatement, or any other form of monetary consideration (individually and collectively, "consideration") without a written agreement executed by the Executive Director of Port or his or her designee authorizing such consideration and, if applicable, certification of the consideration from the City's Controller.

### **33. LIMITATION ON DAMAGES.**

**33.1. *No Recourse Beyond Value of Premises.*** Notwithstanding anything to the contrary contained in this Lease, Tenant agrees that Tenant will have no recourse with respect to, and Port shall not be liable for, any obligation of Port under this Lease, or for any claim based upon this Lease, except to the extent of the fair market value of Port's fee interest in the Premises (as encumbered by this Lease). Tenant shall look solely to the fair market value of Port's fee interest in the Premises for the recovery of any judgment or award. By Tenant's execution and delivery hereof and as part of the consideration for Port's obligations hereunder, Tenant expressly waives all other liability. Before filing suit for an alleged default by Port, Tenant shall give Port notice and reasonable time to cure the alleged default.

**33.2. *Non-Liability of City Officials, Employees and Agents.*** No elective or appointive board, commission, member, officer, employee or other Agent of City and/or Port shall be personally liable to Tenant, its successors and assigns, in the event of any default or breach by City and/or Port or for any amount which may become due to Tenant, its successors

and assigns, or for any obligation of City and/or Port under this Lease. Under no circumstances shall Port, City, or their respective Agents be liable under any circumstances for any consequential, incidental or punitive damages.

**33.3. *Limitation on Port's Liability Upon Transfer.*** In the event of any transfer of Port's interest in and to the Facility, Port (and in case of any subsequent transfers, the then transferor), subject to the provisions hereof, will be automatically relieved from and after the date of such transfer of all liability with regard to the performance of any covenants or obligations contained in this Lease thereafter to be performed on the part of Port, but not from liability incurred by Port (or such transferor, as the case may be) on account of covenants or obligations to be performed by Port (or such transferor, as the case may be) hereunder before the date of such transfer.

**34. TENANT ESTOPPEL CERTIFICATES.**

Tenant, at any time and from time to time upon not less than ten (10) days' prior notice from Port, shall execute and deliver to Port or to any party designated by Port a certificate in substantially the same form as that attached to this Lease as *Exhibit L*. If Tenant shall fail to provide such certificate within ten (10) days of receipt by Tenant of a written request by Port as herein provided, such failure shall, at Port's election, constitute a default under this Lease, and Tenant shall be deemed to have admitted the accuracy of any information supplied by Port to a prospective purchaser or mortgagee.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, PORT and TENANT execute this Lease as of the last date set forth below.

**PORT:**            **CITY AND COUNTY OF SAN FRANCISCO,**  
a municipal corporation, operating by and through the  
**SAN FRANCISCO PORT COMMISSION**

By: \_\_\_\_\_  
Michael J. Martin  
Deputy Director, Real Estate and Development

Date Signed: \_\_\_\_\_

**TENANT:**        **[INSERT NAME OF TENANT]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Name: Rona H. Sandler  
Deputy City Attorney

Lease Prepared By: Jay Edwards, Senior Property Manager \_\_\_\_\_ (initial)

Port Commission Reso. 18-39  
BoS Reso.

**EXHIBIT A**

**EFFECTIVE DATE, COMMENCEMENT DATE AND EXPIRATION DATE MEMORANDUM**

Landlord: **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation,  
operating by and through the **SAN FRANCISCO PORT**  
**COMMISSION**

Tenant:

Lease Number:

Effective Date:

Premises: \_\_\_\_\_, San Francisco, California

The Effective Date of the Lease is hereby established as \_\_\_\_\_, 20\_\_\_\_.

The Phase I Commencement Date of the Lease is hereby established as \_\_\_\_\_, 20\_\_\_\_.

The Phase I Rent Commencement Date of the Lease is hereby established as  
\_\_\_\_\_, 20\_\_\_\_.

The Phase II Commencement Date of the Lease is hereby established as \_\_\_\_\_, 20\_\_\_\_.

The Phase II Rent Commencement Date of the Lease is hereby established as  
\_\_\_\_\_, 20\_\_\_\_.

The Expiration Date is \_\_\_\_\_, 20\_\_\_\_.

**PORT:** **CITY AND COUNTY OF SAN FRANCISCO**,  
a municipal corporation, operating by and through the  
**SAN FRANCISCO PORT COMMISSION**

By: \_\_\_\_\_  
Michael J. Martin  
Deputy Director, Real Estate and Development

Date Signed: \_\_\_\_\_

Tenant:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**EXHIBIT B**

**DESCRIPTION OF PREMISES – PHASE I PREMISES**

[Attachment on following page]



**[PAGE INTENTIONALLY LEFT BLANK]**

SAN FRANCISCO BAY

PARCEL A  
BERTH/SUBMERGED LAND  
AREA = 60,000 Sq Ft

PARCEL B  
AREA = 43,890 Sq Ft

PIER  
33

PIER  
31

THE EMBARCADERO

EXHIBIT B  
PHASE I

INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER

PHASE  
I

DRAWN BY: J. DOMINGUEZ

DATE: JULY 26th, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 80'

PLACE CODE NO.

1335-00

SHEET NO.

OF SHEETS

**EXHIBIT B-1**

**DESCRIPTION OF PREMISES – PHASE II PREMISES**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**

SAN FRANCISCO BAY

PIER  
33

PIER  
31

PARCEL D  
SHED SPACE  
AREA = 4,062 Sq Ft

PARCEL D-1  
BULKHEAD BUILDING  
AREA = 1,191 Sq Ft

PARCEL C  
SHED SPACE  
AREA = 5,300 Sq Ft

THE EMBARCADERO

INITIALS: PORT:

TENANT:

EXHIBIT B  
PHASE I

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY CONCESSIONER  
PHASE I

DRAWN BY: J. DOMINGUEZ

DATE: NOV. 28th, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 80'

PLACE CODE NO.

1335-00

SHEET NO.

OF SHEETS

**EXHIBIT B-2**

**DESCRIPTION OF PREMISES – FINAL PIER 33 SOUTH BULKHEAD PREMISES  
REPLACEMENT EXHIBIT FOR EXHIBIT B-1**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**

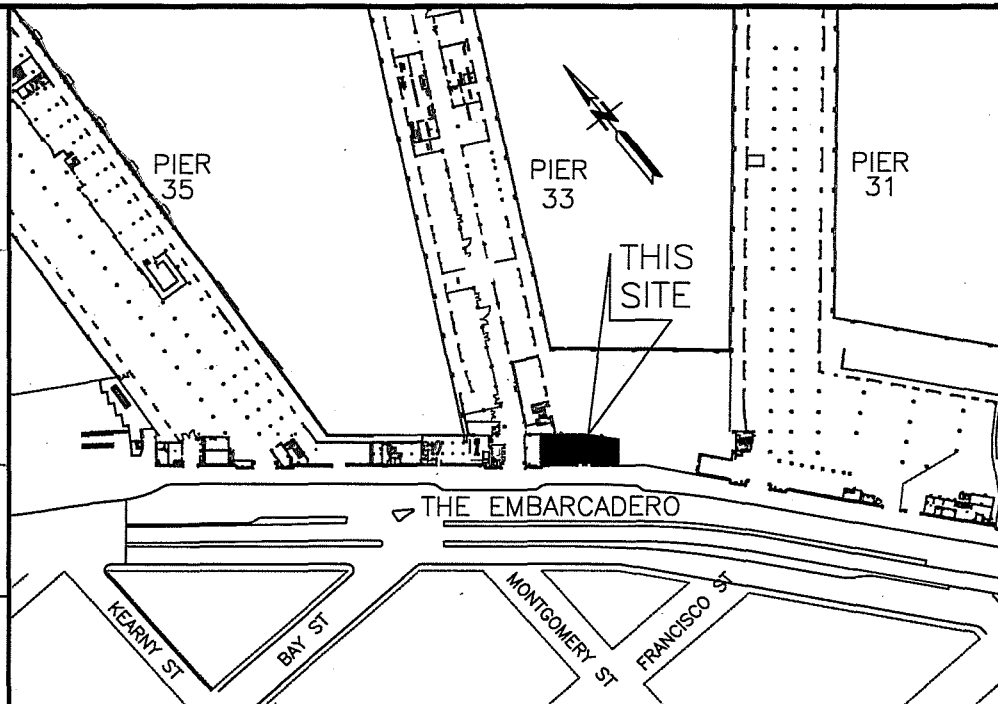
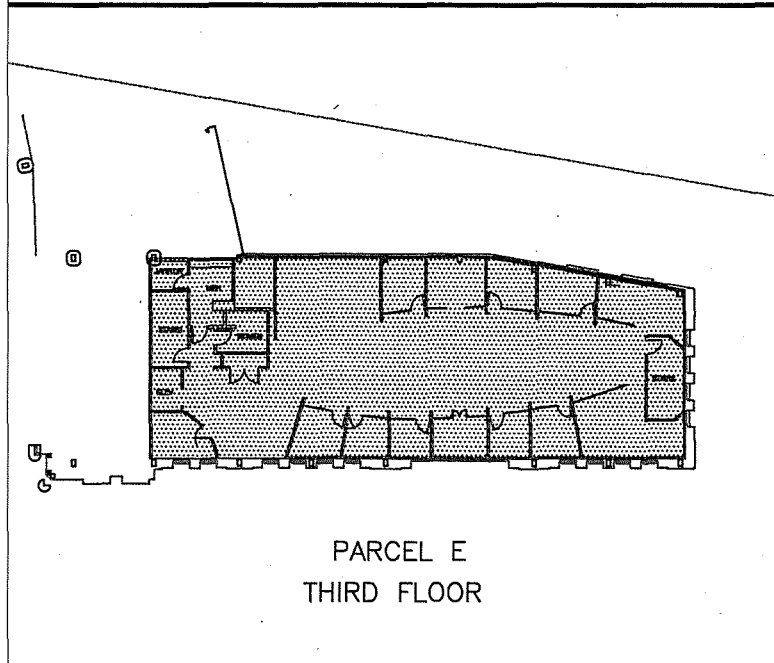
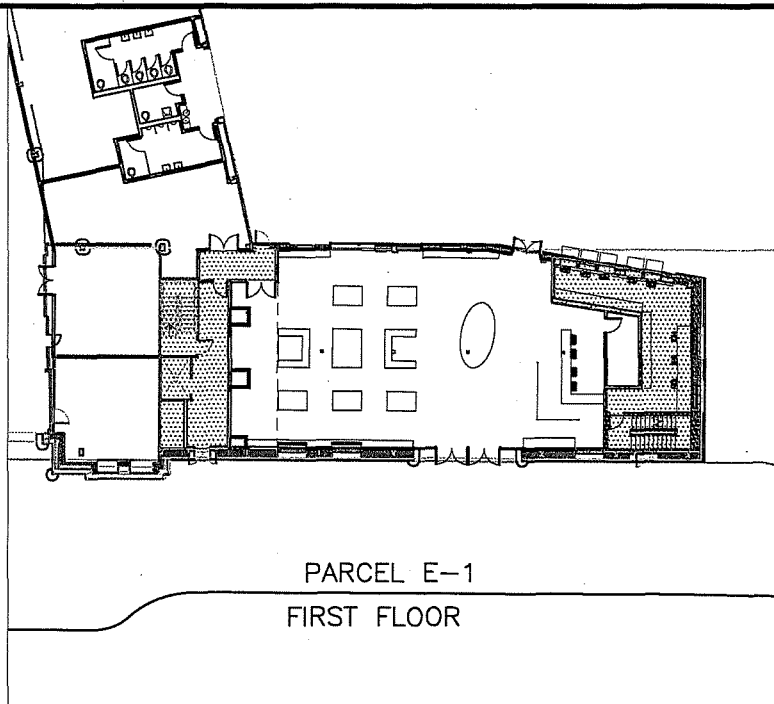
INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

PHASE III - FINAL PIER 33 SOUTH BULKHEAD PREMISES

EXHIBIT B-2



PIER 33 SOUTH BULKHEAD

PARCEL E-1  
FIRST FLOOR = 1,382 Sq Ft

PARCEL E  
THIRD FLOOR = 4,612 Sq Ft

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY PHASE  
CONCESSIONER III

DRAWN BY: J. DOMINGUEZ DATE: NOV. 28, 2017

CHECKED BY: J. EDWARDS SCALE: 1" = 40'

PLACE CODE NO. 1335-00

SHEET NO.

OF SHEETS



**EXHIBIT B-3**

**DESCRIPTION OF APRON SITES**

[Attachment on following page]

# PIER 31 North & 33 South LAY BERTHING + APRON SITES

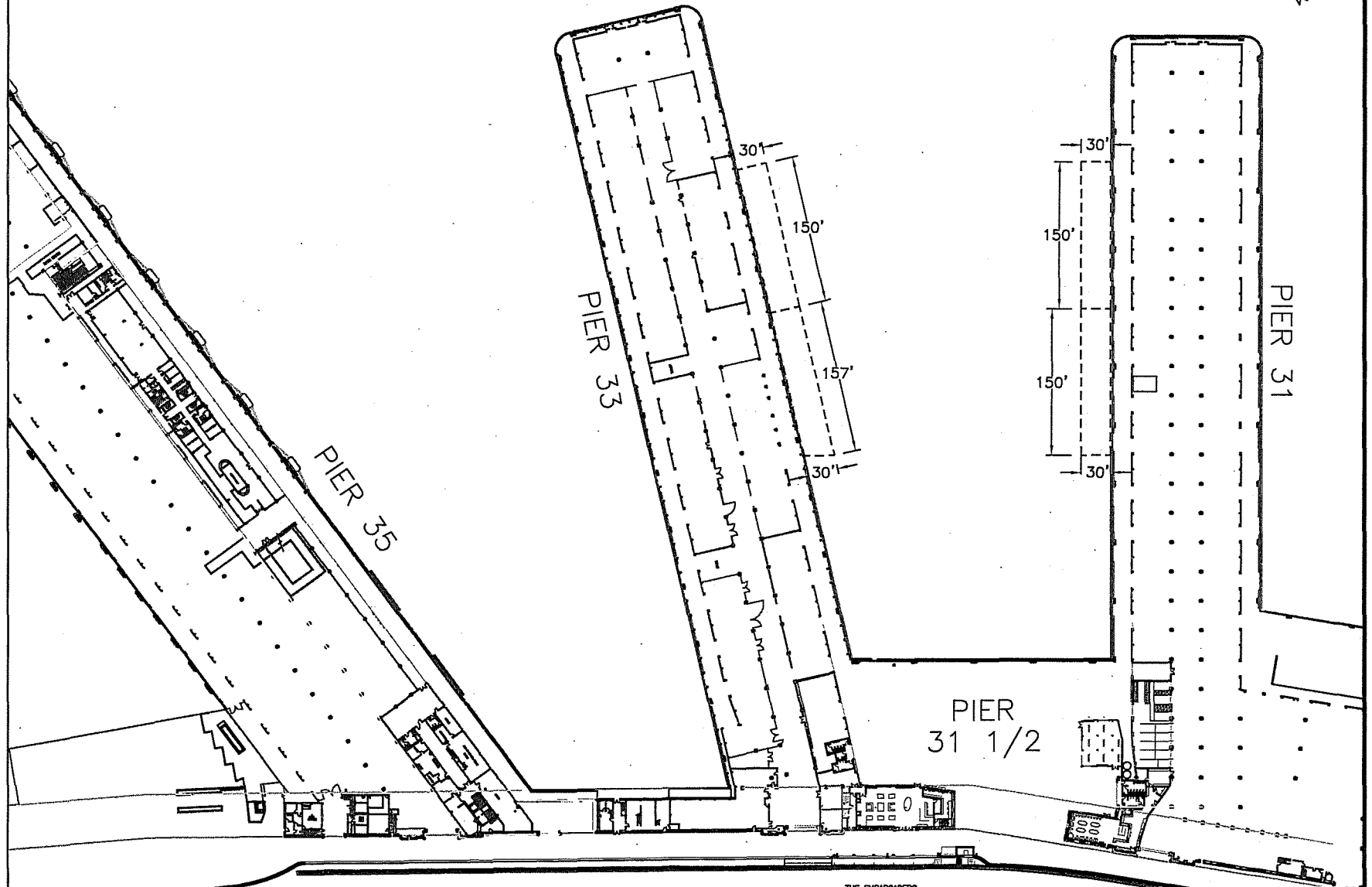


EXHIBIT B-3

INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

LEASE NO.

L-XXXXX



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER

DRAWN BY: J. DOMINGUEZ

DATE: JULY 9TH, 2018

CHECKED BY: J. EDWARDS

SCALE: 1"=150'

PLACE CODE NO.

1234-56

SHEET NO.

OF SHEETS

**[PAGE INTENTIONALLY LEFT BLANK]**

**EXHIBIT B-4**

**APPROXIMATE LOCATION OF SEAWALL  
IN RELATION TO THE PREMISES**

[Attachment on following page]

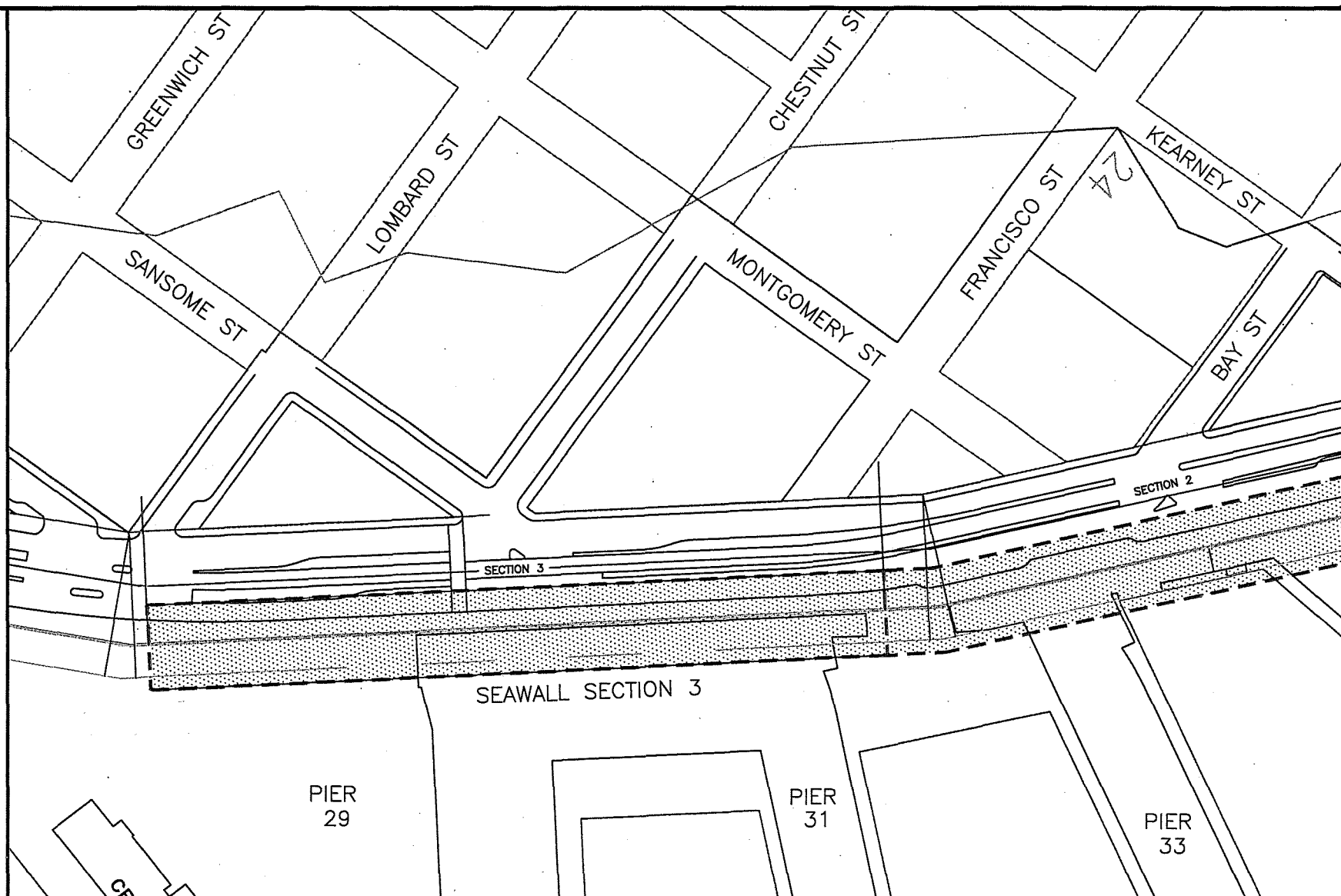
**[PAGE INTENTIONALLY LEFT BLANK]**

INITIALS: PORT: —

TENANT: —

DATE: —

## EXHIBIT B-4

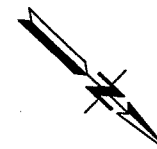


SEAWALL SECTION 3

PIER  
29PIER  
31PIER  
33

ROCK DYKE SECTION 3

SCALE: 1"=150'



LEASE NO.

L-16723



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER

DRAWN BY: J. DOMINGUEZ

DATE: ANY DAY

CHECKED BY: J. EDWARDS

SCALE: 1"=200'

PLACE CODE NO.

1234-56

SHEET NO.

OF SHEETS

**EXHIBIT C**

**FORM OF OPERATION PLAN  
[TO BE REPLACED BY PORT-APPROVED OPERATION PLAN]**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**



# **Operations Plan**

# **TEMPLATE**

[DATE]

## Table of Contents

<b>1.0</b>	<b>INTRODUCTION .....</b>	<b>5</b>
<b>2.0</b>	<b>GENERAL OPERATIONS.....</b>	<b>5</b>
2.1	KEY STAFF .....	5
2.2	KEY LOCATIONS AND ACTIVITIES .....	5
2.3	USE OF PORT FACILITIES – PROTECTING THE BAY.....	7
<b>3.0</b>	<b>DESCRIPTION OF OPERATIONS .....</b>	<b>8</b>
3.1	VESSEL AND VEHICLE OPERATIONS .....	8
3.2	FLOATING DOCKS AND BERTHED VESSELS .....	16
3.3	TENANT PARKING .....	18
3.4	OFFICE USE .....	19
3.5	VESSEL TRIPS AND PASSENGERS.....	19
<b>4.0</b>	<b>CONSTRUCTION ACTIVITIES.....</b>	<b>21</b>
4.1	ENVIRONMENTAL PROTECTION PLAN (EPP) .....	21
<b>5.0</b>	<b>REGULATORY/PERMITS SECTION.....</b>	<b>22</b>
5.1	CITY AND COUNTY OF SAN FRANCISCO.....	22
5.2	STATE OF CALIFORNIA.....	23
5.3	FEDERAL .....	24
<b>6.0</b>	<b>TRANSPORTATION MANAGEMENT.....</b>	<b>24</b>
<b>7.0</b>	<b>SECURITY.....</b>	<b>24</b>
<b>8.0</b>	<b>WASTE MANAGEMENT.....</b>	<b>24</b>
<b>9.0</b>	<b>CUSTODIAL MANAGEMENT .....</b>	<b>25</b>
<b>10.0</b>	<b>MISCELLANEOUS .....</b>	<b>25</b>
<b>11.0</b>	<b>APPENDICES .....</b>	<b>26</b>
11.1	APPENDIX A – SUMMARY OF BEST MANAGEMENT PRACTICES .....	26
11.2	APPENDIX B – SPILL RESPONSE .....	28
11.3	APPENDIX C – SELECT MARITIME RULES & REGULATIONS .....	29
11.4	APPENDIX D – RULES AND REGULATIONS FOR OFFICE BUILDINGS .....	32
11.5	APPENDIX E – SELECT PERMITTED & REGULATED ACTIVITY – SUMMARY TABLE .....	37
11.6	APPENDIX F – HAZARDOUS MATERIALS INVENTORY .....	39
11.7	APPENDIX G – HAZARDOUS MATERIALS INVENTORY .....	39
11.8	APPENDIX H – INDUSTRIAL STORMWATER POLLUTION PREVENTION PLAN .....	39
11.9	APPENDIX I – FIRE DEPARTMENT PERMIT LIST.....	39
11.10	APPENDIX J – ENVIRONMENTAL PROTECTION PLAN.....	39

11.11	APPENDIX K—DEFINITIONS .....	40
-------	------------------------------	----

**[TENANT NAME]**

**Operations Plan**

I certify that \_\_\_\_\_ has prepared this Operations Plan, dated Month \_\_\_\_\_, 20XX, and will comply with its terms and conditions. Any changes to the Operations Plan are subject to approval by the Port of San Francisco.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Title**

## 1.0 INTRODUCTION

This Operations Plan provides Environmental Requirements as referenced in the Lease for [BUSINESS NAME], and governs all operations and activities undertaken by the [BUSINESS NAME] (“Tenant”), and all of their Agents and Invitees conducting activities on Port property. The Operations Plan sets forth the Port's environmental requirements, followed by a description of the major operations. With each operation, protocols are discussed and then distilled into a series of Best Management Practices or BMPs. Following this is a review of the major regulatory requirements that pertain to the Tenant’s operations. Last is a series of appendices that includes a consolidation of operational BMPs, pertinent Port Rules and Regulations and additional supporting documents. In the event of any conflict between the provisions of this Operations Plan and the relevant Lease, the terms and provisions of the Lease shall prevail.

Definitions used in this Operations Plan, are found in the specified locations in this Operations Plan or are set forth in Appendix K. Other capitalized terms are defined in the relevant Lease.

## 2.0 GENERAL OPERATIONS

### 2.1 Key Staff

In the event of an emergency, the following key staff are responsible.

**TABLE 1: Key Staff**

NAME	TITLE	PHONE	EMAIL

### 2.2 Key Locations and Activities

A wide variety of activities will occur throughout the term of the Lease. These will vary by location and time. The following table lists several locations and the activities that are planned or that are being considered at these locations. This information shall be updated as needed throughout the term of the Lease.

## Operations Plan

**TABLE 2: Locations and Activities**

<b>LOCATION</b>	<b>ACTIVITIES</b>
Parcel A Submerged Land	Vessel berthing for the vessel(s) permitted under this Lease; use of floats and ramps; vessel provisioning; overnight berthing; passenger loading and unloading.
Parcel B Pier 31 ½ Marginal Wharf and plaza	Public assembly; visitor circulation; ferry passenger queueing, and staging; information kiosk, interpretive exhibits; souvenir photography directly serving ferry passengers; protected seating and dining area; and support for routine/minor maintenance of ferry vessels.
Parcel C Pier 31 Shed	Maritime storage and other storage, including food storage; employee and accessible vehicular parking; public restrooms; and bicycle parking.
Parcel D and D-1 Pier 33 Shed	Maritime storage and other storage, including food storage; employee break area; utility area and public restrooms and construction activities.
Parcel E Pier 33 South Bulkhead Building 1 <sup>st</sup> Floor	Ticketing, office and circulation areas.
Parcel F Pier 33 South Bulkhead Building 2 <sup>nd</sup> Floor	Office and construction activities.
Parcel G Pier 33 South Bulkhead Building 3 <sup>rd</sup> Floor	Office uses.

## 2.3 Use of Port Facilities – Protecting The Bay

Most Port piers and the structures on them drain to the San Francisco Bay. Therefore, materials that are released on pier aprons and inside pier sheds could ultimately be released into the Bay. Materials can also be conveyed to the Bay by stormwater or wind. Even materials that are spilled in the dry summer months can be washed into the Bay with the winter rains.

**TABLE 3a: Pollutants and Activities of Concern**

POLLUTANTS	ACTIVITIES OF CONCERN
Trash / Debris	Waste Management
Vehicle Fluids	Parking, Deliveries/Provisioning
Equipment Fluids	Operation of equipment
Hazardous Materials	Boat Maintenance and Repair

**TABLE 3b: Port Facilities and Environmental Risks**

PORT FACILITY TYPE	ENVIRONMENTAL RISKS
Pier Aprons and Decks	Discharge via sheet flow or storm drains to SF Bay Wind carries debris into SF Bay
Pier Sheds	Indoor area drains lead directly to SF Bay

The two most important Best Management Practice (BMP) when using Port facilities are:

- 1) Be aware of the potential to pollute the Bay.
- 2) Train staff to protect the Bay.

The following Best Management Practices (BMPs) shall be used at all times.

### **BMPs– General Use of Port Facilities**

- **BE AWARE:** Be aware of the potential to pollute the Bay.
- **TRAIN STAFF:** Train staff to be partners in protecting the Bay.
- **DEBRIS MANAGEMENT:** Place trash and debris in the proper containers.
- **END OF DAY CLEAN-UP:** At the end of the day or when activities are over, conduct a general clean-up to remove debris, trash, and inspect for spills.
- **SWEEP:** Use dry cleaning methods rather than pressure washing surfaces.
- **CLEAN SPILLS IMMEDIATELY:** Keep equipment clean. Avoid excessive build-up of oil and grease.

### 3.0 DESCRIPTION OF OPERATIONS

#### GENERAL

This section describes the Tenant's operations and activities that are authorized by the Lease. These operations and activities shall be conducted in accordance with this Operations Plan. Operations that are not approved shall be prohibited.

If the Tenant would like to conduct new activities and operations, it shall submit a revised Operations Plan to the Port for approval. A revised Operations Plan shall specify at a minimum:

- Proposed new activities.
- Additional venues for activities approved elsewhere.
- New permit requirements (new permits and modifications to existing permits).
- BMPs that will be employed.
- Other information reasonably required by Port.
- Any required/applicable Environmental Review and Approval

The Port will respond promptly to any request to revise the Operations Plan.

#### 3.1 Vessel and Vehicle Operations

Vessel and vehicle operations will be located at Piers 31.5, 31 and 33. Only limited vessel and vehicle maintenance activities are permitted to take place on the Premises, and boat yard maintenance is recognized under the Clean Water Act as a regulated activity. This section describes the activities and Best Management Practices (BMPs) required to ensure that the operations are clean and comply with the standards of the Clean Water Act and the Port of San Francisco.

Typical **vessel maintenance activities** may include:

- Boat washing
- Boat Maintenance
  - Simple hull and equipment Repair
  - Engine Repair
- Boat Equipment Storage

Typical **industrial activities** may include:

- Tools and Equipment Storage
- Hazardous Materials Storage and Mixing
- Metal Recycling
- Parts Washing

If the Tenant would like to conduct additional activities, it shall submit a revised Operations Plan to the Port for approval.



## Operations Plan

The following activities are permitted only when conducted in strict compliance with the provisions of the Lease, including the Environmental Requirements, and this Operations Plan.

- Handling any Hazardous Materials on or off any Vessels, and fueling of Vessels.
- Handling any Hazardous Materials on or off any Vessels on behalf of third parties.

## FUELING

Fueling of vessels, vehicles or equipment, shall be permitted in strict compliance with Port requirements and BMPs, and all other regulatory requirements. Fueling materials include propane, gasoline and diesel, marine gear oil (MGO) and lubricant. In-water fueling of boats shall only occur at Pier 31.5. Propane fueling (consisting of exchanging empty tanks for full ones which are filled offsite) of forklifts and other equipment may be conducted where use of the equipment is approved and listed in the Lease. If the Tenant would like to conduct additional fueling operations at any location not listed in the Lease, it shall submit a revised Operations Plan to the Port for approval that includes a description of Tenant's proposed compliance with the requirement for a Certificate of Financial Responsibility with the California Department of Fish & Wildlife.

All operational fueling activities shall be incorporated into the Industrial Stormwater Pollution Plan. Fueling for construction activities shall be addressed in the Port's Construction Stormwater Prevention Plan.

Fueling of forklifts, carts, and other equipment that use propane shall be done in accordance with BMPs and regulatory requirements for the handling of compressed flammable gases. Propane tanks that are being stored shall be secured in a cage on the exterior of the building and secured against earthquakes. Empty tanks shall be clearly identified.

### Miscellaneous Fueling

Miscellaneous and intermittent fueling of equipment such as forklifts, where consumption of fuel is less than a total of 10 gallons per day, shall be performed by on-site stored fuel in 5 portable containers cans. No more than two 5-gallon portable containers for either diesel or gas (total of four 5-gallon containers max) may be kept on site at any time. These containers shall be stored in approved flammable liquids cabinet and, properly ventilated area. Filling of jerry cans shall take place offsite. Fueling using portable containers shall take place in a designated area and operated in accordance with the following BMP's:

### **BMPs – Miscellaneous Fueling**

- **CLEAN AREA:** Maintain clean fuel-dispensing area using dry cleanup methods such as sweeping for removal of litter and debris, or use of rags and absorbents for leaks and spills.

## Operations Plan

- **DRIP PANS:** Place drip pans or other containment beneath each connection point to capture all spills and drips.
- **COVER DRAINS:** Cover storm drains in the vicinity during transfer.
- **OBSERVE:** Designate one person to watch the connection point to the fueling truck and another to watch the vehicle.
- **SPILL KIT:** Maintain ample spill clean-up equipment adjacent to the fueling area.
- **EMERGENCY INFORMATION:** Maintain emergency response and contact information.
- **TRAINING:** Train staff annually on response to a fueling emergency.

### Mobile Fueling of Vessels and Equipment

Regular fueling of vessels will be fueled using a method known as “mobile fueling” which means that fuel will be dispensed directly from a fuel tanker truck. Equipment will be fueled by portable containers in a designated area. The designated fueling area will be delineated using temporary berms in such a way to exclude any storm drains. The storm drains immediately outside the bermed area shall be covered.

The fuel company will deliver a maximum of \_\_\_\_\_ gallons diesel with each delivery. The frequency will be \_\_\_\_\_. Tenant’s designated Fueling Coordinator(s) are \_\_\_\_\_ and \_\_\_\_\_. Before each fueling event, the Fueling Coordinator will ensure that the temporary berm is set and the storm drains are covered. Before fueling begins, a drip pan will be placed beneath the connection point of each piece of equipment as it is fueled within the containment area. The fuel-delivery operator shall conduct a pre-fueling inspection. Once fueling of the equipment has been completed, the fueling operator will move to next equipment within fueling area, place spill pan again beneath connection point and begin fueling. Once fueling is completed, the fueling coordinator will survey the containment area for spills and leaks to be immediately cleaned up. Spill material and equipment listing is attached.

### BASIC WET FUELING INFORMATION

Fuel Provider	
EMERGENCY PHONE	
Phone	
Email	
Address	Street. City, CA ZIP

### FUELING EVENT

Location	
Maximum Amount of Fuel On Site	x gallons

# Vehicles/Vessels Fueled per Event	
Hours of Fueling	e.g. 08:00-10:00
Fueling Frequency	e.g. every day / weekly/ or est. weekly/

#### FUELING COORDINATORS

FUELING COORDINATOR	TITLE	PHONE

#### BMPs– Fueling

- **DESIGNATED BERMED AREA:** Use a designated, bermed area.
- **CLEAN AREA:** Maintain clean fuel-dispensing area using dry cleanup methods such as sweeping for removal of litter and debris, or use of rags and absorbents for leaks and spills.
- **DRIP PANS:** Place drip pans or other containment beneath each connection point to capture all spills and drips.
- **COVER DRAINS:** Cover storm drains in the vicinity during transfer.
- **OBSERVE:** Designate one person to watch the connection point to the fueling truck and another to watch the vessel/equipment.
- **SPILL KIT:** Maintain ample spill clean-up equipment adjacent to the fueling area.
- **EMERGENCY INFORMATION:** Maintain emergency response and contact information.
- **TRAINING:** Train staff annually on response to a fueling emergency.

#### TOOLS / EQUIPMENT: STORAGE AND USE

A variety of tools and equipment will be used, from small hand tools to large cranes. Most tools and equipment accumulate grease and other pollutants and require regular cleaning. Additionally, many types of equipment use fuels, oils, and hydraulic fluids. These require regular inspections and maintenance to stop leaks and prevent spills.

#### SECONDARY CONTAINMENT

Tools and equipment are commonly stored in containers that can be secured. However, these containers are not necessarily designed to contain liquids and do not provide adequate containment for leaks and spills. Absorbent pads, when placed under equipment reservoirs and hose connections, help to identify and contain leaks. For large equipment, drip pans are an effective and inexpensive alternative.

#### MAINTENANCE AREAS

Maintenance of equipment shall be conducted in specific areas that have signs that designate them as maintenance areas. All maintenance areas shall have an appropriate spill kit available.

The following Best Management Practices (BMPs) shall be used for the storage and use of tools and equipment.

**BMPs– Storage and Use of Tools and Equipment**

- **KEEP CLEAN:** Keep tools clean and free of excessive grease and grime.
- **TOOL CONTAINER:** Properly store when not in use. Do not leave tools lying around. Store under cover.
- **CATCH DRIPS:** Place absorbent pads or drip pans under equipment that contains fluids.
- **INSPECT EQUIPMENT:** Inspect equipment weekly for leaks and needed repairs.
- **CLEAN SPILLS IMMEDIATELY:** Clean spill immediately and completely. If absorbent materials are used, they must be removed and disposed promptly.
- **SPILL KIT:** Keep a properly sized spill kit in all areas with the potential for leaks.

**WEIGHT LOAD RESTRICTIONS ON FUEL TRUCKS**

Fuel trucks that enter the premises for on-site mobile fueling of vessels shall be weight restricted and are not to exceed 16.0 KIPS per wheel “H2O Loading” within the premises. Vehicle weight loads may be substantially less than H2O Loading in other designated areas. The Port shall provide Tenant with all available information regarding the condition of the substructure. Tenant will submit a proposed path of travel for fuel trucks, stamped by a licensed engineer and accompanied by a memorandum confirming the proposed path is in compliance with any weight load restrictions, for Port approval.

**MATERIALS MANAGEMENT**

Hazardous Materials as well as non-Hazardous Materials will be used at the Leased Premises. These materials must be stored under cover and are ideally stored indoors. All materials must be stored in accordance with regulatory requirements and permit conditions. These materials will be stored in containers that can be secured. However, these containers are not necessarily designed to contain liquids and do not provide adequate containment for leaks and spills.

**DESIGNATED AREAS**

All materials should be stored in specific areas with signs that designate them as materials storage. Incompatible materials such as corrosives and flammables should be segregated. Empty containers should be identified and stored separately.

Recyclable materials, compostable materials, and landfill waste shall be separated and stored in designated areas. Each area shall have clear signage.

## **SECONDARY CONTAINMENT**

All Hazardous Materials must be stored with proper secondary containment. Absorbent pads are an inexpensive and effective management tool. When placed under equipment reservoirs and hose connections, absorbent pads help to identify and contain leaks. For large equipment, drip pans are an effective and inexpensive alternative. All drums shall be stored on secondary containment pallets. Drums that are used for dispensing shall use secondary containment that includes a drip reservoir under the dispenser.

## **SPILLS**

Spills and drips around Hazardous Materials storage areas shall be cleaned up immediately. Appropriate spill kits shall be kept at all areas where Hazardous Materials are stored. When absorbent material is used, it shall be promptly removed and properly disposed.

## **LABELS**

All materials storage containers shall be properly labeled. All containers shall be stored so that the labels are visible. Any hazardous waste that is generated shall be immediately and properly labeled. Empty containers should be so designated.

## **SPILL KITS**

The purpose of the spill kit is to be prepared to clean up liquid releases of Hazardous Materials such as hydraulic oil and motor oil from parked trucks and vehicles or paints, solvents, or fuels. Burst hydraulic lines are a common source of pollution from heavy vehicles.

### **Spill Kit Contents**

- Absorbent spill pads and socks.
- Absorbent material (e.g. solvent absorbent, vermiculite, etc.)
- Hydrophobic mop (i.e. a mop that absorbs oil, but not water)
- Safety gloves (that are appropriate for oils, and other petroleum)
- 5 – 20 gallon bucket/drum with lid
- Hazardous Waste Labels

The following Best Management Practices (BMPs) shall be used for the storage and use of materials.

### **BMPs— Materials Management**

- **MATERIALS STORAGE AREAS:** Designate areas for storage of specific materials;
- **SECONDARY CONTAINMENT:** Store all materials with secondary containment;
- **DISPENSER CONTAINMENT:** Use secondary containment with drip reservoirs for dispensers;
- **CATCH DRIPS:** Place absorbent pads or drip pans under equipment that contains fluids;

## Operations Plan

- **CLEAN SPILLS IMMEDIATELY:** Clean spill immediately and completely. If absorbent materials are used, they should be removed and disposed promptly;
- **SPILL KIT:** Keep a properly sized spill kit in all areas with the potential for leaks;
- **LABELS:** Properly label all materials;
- **WASTE AREAS:** Designate areas to manage recyclable, compostable and landfill waste.

## Boat Repair / Maintenance

Boat repairs can involve a variety of activities. Activities of concern include woodwork, grinding and cutting of materials, welding, and painting. Wind and stormwater may easily carry materials into the Bay. There are several Best Management Practices (BMPs) that assist with the performance of these activities to eliminate pollution.

### DESIGNATED AREAS

Designating areas for specific activities is the best way to ensure that the activities are conducted safely and without generating pollution.

Tenant shall designate areas for specific boat maintenance activities:

- Grinding / Cutting – Dust Control Area
- Hazardous Materials / Resin Mixing Room – Liquid Containment
- Woodworking

### BOAT HULL WORK AREA

Work on a specific area of the hull to either add gear to the hull, do a modification, or a small/medium repair.

### CHEMICALS / RESIN MIXING ROOM

Chemicals or Hazardous Materials mixing room for resins or any material that needs to be mixed in a contained environment before it is brought into the shop to be applied to or used on the boat.

### GRINDING / CUTTING ROOM

Any activity that generates dust from metals, carbon fibers or similar materials shall be confined to an enclosed area. It will contain the dust and make collection of dust easy.

### WOOD WORKING ROOM

Tenant shall designate the location of the “tool container”. It is simply an area where hand tools are stored between jobs, and maintained.

## Operations Plan

### HEAT ROOM / HEAT TENT

A containment structure around the part or the part of the boat they want heat for the application of materials. This will commonly be a temporary tent-like structure.

### WORKSHOP ROOM

A typical workshop container with a workbench, storage for parts, etc. Parts washing solutions for cleaning items shall be aqueous-based with secondary containment and proper management of all materials.

### ENGINE REPAIR

Inboard engine repair in boats too large to be hoisted conveniently shall be performed aboard assuming all work takes place in a contained area and in conformance with the BMP's.

### BOAT WASHING

Boat washing shall be performed in designated areas with full containment to collect wash water. Wash water shall be pumped to a holding tank and properly disposed. In-water boat washing shall be limited to potable water only without additives or other products.

### TEMPORARY CONTROLS

When designated indoor/covered areas are not available for specific activities, each team shall employ best management practices to contain all materials. This shall include the use of temporary controls for containing all materials. Common temporary controls include

- Wind-blocking tarps;
- Plywood or plastic sheeting or to cover open areas on decks surfaces;
- Drop cloths, tarpaulins, drip pans and other protective devices to contain;
- Use vacuum sanders that have dust containment bags or are connected to extraction units.

### PROHIBITED ACTIVITIES

The following activities shall be prohibited without adequate containment structures in place.

- Spray painting
- Spray applications of materials
- Blasting activities to remove or prepare surface coatings.
- Sanding, by hand or power tools unless the power sander has vacuum containment bags.
- Sanding during windy conditions.

### GENERAL HOUSEKEEPING

Good housekeeping by all personnel is one of the most effective strategies to prevent pollution. Key features of good housekeeping include:

- Clean spills immediately and completely.

## Operations Plan

- Putting away materials/tools when not in use.
- Using clear signs and labels for areas and materials.
- Clean all areas after use on a daily basis.

The following Best Management Practices (BMPs) shall be used for the storage and use of tools and equipment.

### **BMPs – Boat Repair and Maintenance**

- **CONTAIN ALL MATERIALS:** Use secondary containment;
- **DESIGNATED AREAS:** Designate specific areas for specific activities;
- **TEMPORARY CONTROLS:** Use temporary controls to contain materials when working outside;
- **ADHERE TO PROHIBITIONS;**
- **GENERAL HOUSEKEEPING:** Maintain general housekeeping by all staff.

## **3.2 Floating Docks and Berthed Vessels**

All vessels using Port property or temporary floating docks identified in 2.2 shall comply with all laws and regulations. These include, but are not limited to those found in *Select Maritime Rules & Regulations - Appendix – C*.

### **GENERAL PROHIBITION ON DISCHARGES**

Discharges or releases of any kind are prohibited in the San Francisco Bay, unless specifically authorized under a state or federal permit. All vessels are prohibited from releasing ballast water into San Francisco Bay unless authorized under governing state or federal law. All vessels are prohibited from releasing into San Francisco Bay sewage, gray water, hazardous waste, solid waste, fuel, or oil-related substances. Discharges from Type II Marine Sanitation Devices are also prohibited in the Bay. These prohibitions include incidental discharges.

#### **Prohibited Discharges**

- Ballast Water (without authorization)
- Sewage
- Gray Water
- Hazardous Waste
- Solid Waste
- Fuel
- Oil-Related Substances
- Type II Marine Sanitation Device Contents



## Operations Plan

Additionally, Tenant shall be prohibited from the following activities unless expressly permitted in the relevant Lease, and in the Stormwater Pollution Prevention Plan:

- Storage of loose bulk materials such as gravel, sand, soil, and aggregates.
- Storage or placement of construction waste.
- Parking, storage, or operation of heavy equipment such as front loaders and excavators.

### EMERGENCY PLANNING

Tenant must report spills to both the U.S. Coast Guard National Response Center 800.424.8802 and Office of Emergency Services in your jurisdiction immediately.

**TABLE 4: Emergency Oil Spill Notifications**

AGENCY	PHONE
National Response Center	(800) 424-8802
California Emergency Management Agency	(800) 852-7550
U.S. Coast Guard, Marine Safety Office	(510) 437-3073
Port of San Francisco	(415) 274-0400

Each temporary floating dock shall be equipped with spill response resources.

#### Spill Response Resources

- Absorbent spill pads and socks.
- Absorbent material (e.g. solvent absorbent, vermiculite, etc.)
- Hydrophobic mop (i.e. a mop that absorbs oil, but not water)
- Safety gloves (that are appropriate for oils, and other petroleum)
- Disposal bucket/drum with lid
- Hazardous Waste Labels

If absorbent materials are used, they must be removed and disposed promptly.

### VESSEL MAINTENANCE SERVICES and OPERATIONS

Maintenance services such as fueling, bilge pump-out, and sewage pump-out will not be available at temporary floating docks. Vessel operators who require these services will need to contact one of the marinas in the San Francisco Bay to arrange for these services.

**TABLE 4: Marina Services and Locations in San Francisco**

SERVICE	LOCATION	PHONE
Sewage Pump Out Station	<ul style="list-style-type: none"><li>• Hyde Street Harbor</li><li>• Pier 39 Marina</li><li>• SF Marina, West Harbor &amp; Gashouse Cove</li><li>• South Beach Harbor</li></ul>	(415) 274-0513 (415) 705-5500 (415) 831-6322 (415) 495-4911
Port-a-Potty Dump Station	<ul style="list-style-type: none"><li>• SF Marina, West Harbor &amp; Gashouse Cove</li></ul>	(415) 831-6322
Bilge Pumpout Station	<ul style="list-style-type: none"><li>• Hyde Street Harbor</li></ul>	(415) 274-0513

Marine Battery Disposal	• South Beach Harbor	(415) 495-4911
Used Oil Collection	• Hyde Street Harbor • SF Marina, West Harbor & Gashouse Cove • South Beach Harbor	(415) 274-0513 (415) 831-6322 (415) 495-4911

For additional locations and services, Tenant may consult the *San Francisco Bay Area Clean Boating Map*, which is also available online.

[http://www.coastal.ca.gov/ccbn/SF\\_Bay\\_Clean\\_Boating\\_Map.pdf](http://www.coastal.ca.gov/ccbn/SF_Bay_Clean_Boating_Map.pdf).

### **BOAT CLEANING**

Boat cleaning shall be conducted in only with freshwater (no additives or products). Sanding, refinishing, and painting are prohibited.

The following Best Management Practices (BMPs) shall be used for the storage and use of tools and equipment.

#### **BMPs – Floating Docks and Berthed Vessels**

- **EDUCATION:** Provide educational resources to all employees, vendors and contractors berthing at Port facilities.
  - Select Maritime Rules & Regulations
  - Emergency Response Resources
  - Prohibition on discharges
- **SPILL RESPONSE:** Maintain Oil Spill Response Resources including:
  - Clean up Equipment
  - Emergency Notification Contacts
- **VESSEL SERVICES:** Ensure vessel owners/operators know where to obtain services.
- **BOAT CLEANING:** Educate vessel owners/operators on proper boat cleaning.
- **ZERO WASTE:** Assist Vessel owners with compliance with the Zero Waste Plan.

### **3.3 Tenant Parking**

Vehicle parking areas are a source of common pollutants such as fuel, grease, motor oils, antifreeze, sediments, metals, trash and debris. There are several Best Management Practices (BMPs) that help prevent this pollution. Tenant shall follow these protocols at all venues listed on Table 2 with vehicle parking.

## Operations Plan

### HOUSEKEEPING

The parking areas shall be kept clean and orderly. Debris shall be removed at the end of each day. Staff shall inspect parking lots on a daily basis for debris and leaking vehicles.

### SPILL CLEAN UP

When leaks are discovered from vehicles, staff shall clean them immediately using a proper spill kit. If absorbent materials are used, they must be removed and disposed promptly.

### PREVENT DISCHARGES TO STORM DRAINS

The use of water to wash surfaces shall be minimized. Sweeping surfaces is a preferred method of cleaning. If water is used to wash parking areas, staff shall use screens or filter fabrics to cover storm drains to prevent trash and debris from entering storm drains.

## **3.4 Office Use**

Portions of the Leased Premises may be used as offices or related uses by Tenant. Use of these facilities for these purposes shall be subject to the Port's *Rules and Regulations for Office Buildings* (see Appendix D).

## **3.5 Vessel Trips and Passengers**

The ferry services and number of passengers analyzed in the Final Mitigated Negative Declaration for the Project are described below. Failure to comply with the limits described herein is a Prohibited Use and each vessel trip which exceeds the limit shall be treated as a separate incident.

Tenant must submit a monthly and annual report to the Port showing actual vessel trips and passengers for each route. The monthly report shall be submitted, in writing and in a form acceptable to the Port, no later than 30 days after the close of each month and the annual report shall be submitted in writing in a form acceptable to Port no later than 60 days after the close of each lease year. Failure to submit the required reports by the dates specified is subject to a late filing fee of \$200. The parties agree that the charges associated with a late filing of the reports required in this Section represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's costs and that Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights under this Lease, at law or in equity. By signing this Lease, each party specifically confirms the accuracy of the statements made in this Section and the reasonableness of the amount of the charges described in this Section

### ALCATRAZ AND ALCATRAZ PLUS ANGEL ISLAND

These combined ferry service lines will serve an estimated 1.7 - 1.8 million passengers annually, with daily Alcatraz service. Number of daily calls and average daily visitors will vary with the seasons.

## Operations Plan

### FORT BAKER

Fort Baker service, if implemented, will serve a maximum of 40,000 passengers annually through weekend service limited to two boats on Saturdays and Sundays each.

### INTERPRETIVE PARK CRUISE

Interpretive Park Cruises will not exceed the number of passengers annually described in the below table. Number of daily calls and average daily visitors will vary with the seasons.

Exceeding Interpretive Cruise passenger limits in any given year will automatically result in a one-for one passenger reduction from the limit in the subsequent year.

<b>INTERPRETIVE PARK CRUISES ANNUAL PASSENGER LIMITS</b>	
<b>Year</b>	<b>Passengers</b>
Interpretive Park Cruise Year 1	45,000
Interpretive Park Cruise Year 2	45,000
Interpretive Park Cruise Year 3	46,125
Interpretive Park Cruise Year 4	47,278
Interpretive Park Cruise Year 5	48,460
Interpretive Park Cruise Years 6 - 15	90,000

## 4.0 CONSTRUCTION ACTIVITIES

This section pertains to construction activities that the Tenant will undertake pursuant to the Lease. All provisions regarding construction, maintenance and repairs are subject to all the pertinent provisions in the Lease including but not limited to, Section 13 Improvements and Exhibit F Work Letter. Prior to any construction work Tenant shall review and the applicable provisions to ensure understanding and compliance and shall communicate these requirements to its contractors, vendors and suppliers.

The following are Best Management Practices to ensure construction activities are safe and limit negative impact to adjacent tenants and the public:

- Tenant, while performing any construction or maintenance or repair ("**Work**"), shall undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or damage to adjoining portions of the Premises and Improvements and the surrounding property, or the risk of injury to members of the public, caused by or resulting from the performance of its Work.
- All Work shall be within Tenant's leased Premises only.
- No contractor vehicles shall be parked outside of the premises without proper Port parking permits, if available.
- No deliveries shall block any required exits from any Port property.
- All construction staging or materials shall be stored within Tenant's Premises.
- Any required permits for such Work shall be displayed on site and any Port personnel or regulatory personnel shall be allowed access to inspect ongoing or completed construction during normal business hours generally as defined between 7 am and 5 pm Monday through Friday.
- All hazardous construction materials shall be stored as required in the Operation Plan.
- Tenant shall erect appropriate construction barricades substantially enclosing the area of such construction and maintain them until the Work has been substantially completed, to the extent reasonably necessary to minimize the risk of hazardous construction conditions.
- Dust, noise and other effects of the Work shall be controlled using commercially-accepted methods customarily used to control deleterious effects associated with construction projects in populated or developed urban areas.
- All work shall be performed during normal business hours except in the case of an emergency or upon pre-approval of the Work schedule by Port in writing.

### 4.1 Environmental Protection Plan (EPP)

The Environmental Protection Plan sets forth the Port's environmental requirements for construction activities. Tenant shall comply with all provisions of the Environmental Protection

Plan for construction activity performed at Tenant's direction. Failure to comply these provisions shall be a material breach of the Lease. The EPP is included as Appendix J.

## **5.0 REGULATORY/PERMITS SECTION**

Several local, state, and federal agencies might have jurisdiction over the Tenant's activities. This section provides a summary of some of these agencies and their regulatory requirements. A summary table of these select requirements can be found in Appendix E. Tenant is responsible for determining the full range of Laws applicable to its operations and compliance with such Laws.

### **5.1 City and County of San Francisco**

Several City and County of San Francisco agencies exercise jurisdiction over the activities of tenants on Port property. These include:

- Department of Public Health – Hazardous Material Unified Public Agency
- Department of Public Health – Food Service Establishments
- Public Utilities Commission – Fats, Oils, and Grease (FOG) Control
- Public Utilities Commission – Industrial Waste Water (sewer discharges)
- Fire Department – Flammable Materials, Hot Works, etc.

Tenant shall be responsible for complying with the requirements of these and other local agency requirements at locations listed in 2.2.

#### **SAN FRANCISCO FIRE DEPARTMENT**

Tenant will obtain all necessary permits from the San Francisco Fire Department. The SF Fire Department issues several types of permits that might pertain to the Tenant's activities. Commonly issued permits pertain to the storage and use of flammable materials, hazardous chemicals and compressed gases, burning removal of paint, spray painting, hot works and welding, battery systems, and places of assembly for occupancy. A complete list of SF Fire Department permits is provided in Appendix I.

#### **HAZARDOUS MATERIALS UNIFIED PROGRAM AGENCY – (HMUPA)**

The Tenant will obtain a permit from the San Francisco Department of Public Health Hazardous Materials Unified Program Agency (HMUPA). The HMUPA permit includes six program elements that involve the storage and use of Hazardous Materials, including the generation of hazardous waste.

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

On [DATE], the San Francisco Planning Department certified a Mitigated Negative Declaration (MND) for the Lease pursuant to the California Environmental Quality Act. The certification of the MND was effective [DATE]. The Lease shall comply with all the conditions of this MND.

### **TARIFF**

The Port of San Francisco Tariff No. 5 establishes the rules, regulations, rates, and other provisions applying to the services and for the use of the wharfing facilities under the jurisdiction of the San Francisco Port Commission. Tenant must comply with those provisions of the Tariff described in Appendix C.

## **5.2 State of California**

### **CALIFORNIA OCCUPATIONAL SAFETY AND HEALTH (Cal-OSHA)**

California Division of Occupational Safety and Health (Cal-OSHA) is the regulator agency for pressure vessel permitting as well as employee health and safety standards.

### **DEPARTMENT OF TOXIC SUBSTANCES CONTROL (DTSC)**

Department of Toxic Substances Control is the regulatory agency for hazardous wastes recycling and disposal.

### **CALIFORNIA HIGHWAY PATROL (CHP)**

As part of the Federal Department of Transportation permit requirements, California Highway Patrol (CHP) routinely inspects commercial vehicles.

### **DEPARTMENT OF RESOURCES, RECYLING, AND RECOVERY (DRRR)**

DRRR oversees the states waste management and recycling programs.

### **STATE WATER BOARDS**

The State Water Resources Control Board (SWRCB) and the Regional Water Quality Control Board are charged with protection of the water quality of the state waters. As required by these agencies, the Tenant shall file a Notice of Intent for coverage under the *National Pollutant Discharge Elimination System – General Permit for Discharges of Storm Water Associated With Industrial Activities* (Industrial General Permit) for its operations at Piers 31.5 and 33. The Industrial General Permit is required of all activities that include, material handling equipment, or activities, raw materials, immediate products, final products, waste materials, by-products, or industrial machinery that are exposed to storm water. Material handling activities include the storage, loading and unloading, transportation, or conveyance of any raw material, intermediate produce, finished product, by-product, or waste product. Tenant's Waste Discharger Identification Number will be incorporated into this Operations Plan when issued.

## Operations Plan

Additionally, the Tenant's Project is subject to a conditional water quality certification pursuant to Section 401 of the Clean Water Act 33 U.S.C. §1251 et seq. as issued by the Regional Water Quality Control Board. Tenant and Tenant's employees, agents, guests, vendors and contractors shall comply with all conditions of this authorization.

### **CALIFORNIA DEPARTMENT OF FISH & WILDLIFE (DF&W)**

The California Department of Fish and Wildlife (DF&W) maintains jurisdiction over commercial and recreational activities that can affect fish, wildlife, and natural habitats.

## **5.3 Federal**

### **FEDERAL DEPARTMENT OF TRANSPORTATION (DOT)**

The Federal DOT authority includes regulating the transportation of Hazardous Materials.

## **6.0 TRANSPORTATION MANAGEMENT**

Tenant shall provide a comprehensive transportation management plan. The plan will address, at a minimum, the following:

- Visitor parking, if applicable
- Employee parking, if applicable
- Curbside traffic management
- Vendor deliveries
- Traffic control personnel/staffing
- Enforcement

The goal of the transportation management plan is to maintain access to the Leased Premises, prevent traffic delays through proactive curbside management, and manage vendor deliveries in such a manner as to ensure constant access to the Leased Premises and adjacent facilities.

## **7.0 SECURITY**

Tenant shall provide a comprehensive security plan for the Leased Premises.

## **8.0 WASTE MANAGEMENT**

Tenant shall provide a comprehensive waste management plan. The plan will address, at a minimum, the following:

- Method for containing waste, including trash and recycling options.
- Handling of waste containers, including frequency of service to prevent containers from becoming full.
- Waste removal and storage procedure that keeps waste out of public areas.
- Waste pick-up procedure.



## Operations Plan

- Frequency of waste removal and pick up.
- Procedures for sorting recyclables and minimizing waste diverted to landfill.
- Procedures for keeping waste out of the Bay.

## 9.0 CUSTODIAL MANAGEMENT

Tenant shall provide a comprehensive custodial management plan. The plan will address, at a minimum, the following:

- A detailed list of custodial services to be provided for the Premises, both indoors and outdoors, and public and private.
- Detailed schedules for the custodial services to be provided to ensure the Premises is clean, free of waste and debris, and well stocked with supplies.
- Procedure for handling possible hazardous waste, biological waste, needles, etc. that may be found on the Premises.
- Procedure for responding to emergency custodial needs.

## 10.0 MISCELLANEOUS

## 11.0 APPENDICES

### 11.1 Appendix A – Summary of Best Management Practices

#### General Use of Port Facilities

- **BE AWARE:** Be aware of the potential to pollute the Bay.
- **TRAIN STAFF:** Train staff to be partners in protecting the Bay.
- **DEBRIS MANAGEMENT:** Place trash and debris in the proper containers.
- **END OF DAY CLEAN-UP:** At the end of the day or when activities are over, conduct a general clean-up to remove debris, trash, and inspect for spills.
- **SWEEP:** Use dry cleaning methods rather than pressure washing surfaces.
- **CLEAN SPILLS IMMEDIATELY:** Keep equipment clean. Avoid excessive build-up of oil and grease.

#### Storage and Use of Tools and Equipment

- **KEEP CLEAN:** Keep tools clean and free of excessive grease and grime.
- **TOOL CONTAINER:** Properly store when not in use. Do not leave tools lying around. Store under cover.
- **CATCH DRIPS:** Place absorbent pads or drip pans under equipment that contains fluids.
- **INSPECT EQUIPMENT:** Inspect equipment weekly for leaks and needed repairs.
- **CLEAN SPILLS IMMEDIATELY:** Clean spill immediately and completely. If absorbent materials are used, they should be removed and disposed promptly.
- **SPILL KIT:** Keep a properly sized spill kit in all areas with the potential for leaks.

#### Materials Management

- **MATERIALS STORAGE AREAS:** Designate areas for storage of specific materials;
- **SECONDARY CONTAINMENT:** Store all materials with secondary containment;
- **DISPENSER CONTAINMENT:** Use secondary containment with drip reservoirs for dispensers;
- **CATCH DRIPS:** Place absorbent pads or drip pans under equipment that contains fluids;
- **CLEAN SPILLS IMMEDIATELY:** Clean spill immediately and completely. If absorbent materials are used, they should be removed and disposed promptly;
- **SPILL KIT:** Keep a properly sized spill kit in all areas with the potential for leaks;

- **LABELS:** Properly label all materials;
- **WASTE AREAS:** Designate areas to manage recyclable, compostable and landfill waste.

## Boat Repair and Maintenance

- **CONTAIN ALL MATERIALS;**
- **DESIGNATED AREAS:** Designate specific areas for specific activities;
- **TEMPORARY CONTROLS:** Use temporary controls to contain materials when working outside;
- **ADHERE TO PROHIBITIONS;**
- **GENERAL HOUSEKEEPING:** Maintain general housekeeping by all staff.

## Floating Docks and Berthed Vessels

- **EDUCATION:** Provide educational resources to all vessel operators berthing at Port facilities.
  - Notice-To-Boaters
  - Select Maritime Rules & Regulations
  - Emergency Response Resources
  - Prohibition on discharges
- **SPILL RESPONSE:** Maintain Oil Spill Response Resources including:
  - Clean up Equipment
  - Emergency Notification Contacts
- **VESSEL SERVICES:** Ensure vessel owners/operators know where to obtain services.
- **BOAT CLEANING:** Educate vessel owners/operators on proper boat cleaning.
- **ZERO WASTE:** Assist Vessel owners with compliance with the Zero Waste Plan.
- **PETS WASTE:** Pet waste must be cleaned up and disposed in the garbage.

## Spill Kit Contents

- Absorbent spill pads and socks.
- Absorbent material (e.g. solvent absorbent, vermiculite, etc.)
- Hydrophobic mop (i.e. a mop that absorbs oil, but not water)
- Safety gloves (that are appropriate for oils, and other petroleum)
- 5 – 20 gallon bucket/drum with lid
- Hazardous Waste Labels

## **11.2 Appendix B – Spill Response**

In the event of a significant spill or release the following steps will be taken immediately.

- **SAFETY FIRST!** – Ensure the safety of personnel
- **STOP SPILL** – Stop spill at the source if safe to do so.
- **CONTAIN** – Initiate containment activities
- **REPORT** – Report the spill to emergency and regulatory agencies.
- **CLEAN UP** – Initiate cleanup activities.

**NOTIFICATION:** in case of an oil spill, the Emergency Coordinator will call:

Will Call:	National Response Center	800-424-8802
	SF Department of Public Health	415-252-3900
	California Office of Emergency Services	800-852-7550

Will Call:	SF Department of Public Works	415-695-2020
	(When Hazardous Materials/waste spills/leaks into a sewer)	
	Port of San Francisco	415-274-0400
	(Ask for environmental staff)	

**Information to be reported includes:**

1. **LOCATION** – Location of spill and company name.
2. **TIME** – Time of spill, or time first observed.
3. **SOURCE** – Note the source of spill, if known.
4. **MATERIAL** – Note type of material spilled.
5. **AMOUNT** – Estimate of amount spilled.
6. **WEATHER** – Describe the on-scene weather.
7. **HAZARDS** – Describe any known fire or health hazards posed by the spill.
8. **DESTINATION** – Where is the spill going and affected waters. Sensitive receptors?
9. **ACTION** – Action being taken to contain and clean up the spill.
10. **ADDITIONAL** – Any information requested by the agency, so long as the information is known to be factual. Do not guess regarding the cause of potential impacts of spill.

### **11.3 Appendix C – Select Maritime Rules & Regulations**

These Maritime Rules and Regulations are adapted from the Port Tariff. For the full Tariff, go to the following internet link:

<http://www.sfport.com/modules/showdocument.aspx?documentid=2987>

#### **FIRE, WELDING, AND OPEN FLAMES, RULES GOVERNING**

Fire will not be used on board any vessel to heat flammable substances, while such vessel is in any slip, basin, channel, or canal, or moored to any wharf without the approval of the Fire Marshal, Chief Wharfinger, or Wharfinger.

(b) No bonfire nor open fire for the burning of rubbish or refuse materials, or for any other purpose, except as provided in this Item, will be allowed on any of the city property under the jurisdiction of the Commission.

(c) No welding or open fire will be allowed on any wharf, or upon any vessel in any slip, channel, basin or canal without the approval of the Fire Marshal, Chief Wharfinger, or Wharfinger. No such work shall be commenced until an operational permit therefore is approved. When "hot work" is to be conducted, operations shall conform to the current requirements of Chapter 26 of the SF Municipal Fire Codes.

#### **FIRE EXTINGUISHERS REQUIRED**

All tenants of the Port of San Francisco are required to furnish, maintain and service portable fire extinguishers in their leased or licensed areas in accordance with the S.F. Municipal Fire Code and U.S. Coast Guard regulations.

#### **LIGHTING OF VESSELS - RULE GOVERNING**

All vessels lying at anchor or moored within this port shall show lights in accordance with the applicable Federal, State, and municipal laws, rules, and regulations.

#### **MOORING AT ANY WHARF, DOCK OR LANDING WITHOUT THE CONSENT OF THE EXECUTIVE DIRECTOR**

It shall be unlawful for any person to make any vessel fast, or to cause or permit any vessel to be made fast, to any wharf, dock or landing, or to cause or permit any vessel to remain fastened to any wharf, dock or landing, or to be or remain moored immediately in front thereof, without the consent of the Executive Director of the Port of San Francisco (Executive Director) or her designee. It shall be unlawful for any vessel to remain fastened to any wharf, dock or landing, or to remain moored immediately in front thereof, after the consent to so remain fastened or moored has been revoked or withdrawn by the Executive Director. Any vessel made fast to or moored in front of any wharf, dock or landing, or remaining fastened to moored in front of any wharf, dock or landing shall be guilty of a misdemeanor or an infraction and further shall be subject to removal by or at the order of the Executive Director and at the

## Operations Plan

expense of such vessel, and its agent or owner, to such other place as the Executive Director may direct.

### **OBSTRUCTING NAVIGATION**

(a) "Every person who unlawfully obstructs the navigation of any navigable waters is guilty of a misdemeanor." (Harbors and Navigation Code, Sec. 131.)

(b) "Every person who, within the anchorage of any port, harbor, or cove of this State, into which vessels may enter for the purpose of receiving or discharging cargo, throws overboard from any vessel all or any part of the ballast, or who otherwise places or causes to be placed in such port, harbor, or cove, any obstructions to navigation, is guilty of a misdemeanor." (Harbors and Navigation Code, Section 132.)

(c) Every person, who deposits or causes to be deposited, in the waters of the harbor of San Francisco, which are subject to the jurisdiction of the San Francisco Port Commission (Port Commission), any substance which will sink and form an obstruction to navigation, without first obtaining permission, in writing, of the Port Commission is guilty of a misdemeanor. (Sec. 1605, Part 2, Ch. 8, S.F. Muni. Code)

(d) No substance that will sink or form an obstruction to navigation or become a nuisance shall be deposited in the waters of San Francisco Harbor.

### **PETROLEUM PRODUCTS ON WHARVES-RULES GOVERNING**

(a) The storage or keeping of gasoline, distillate, or other liquid petroleum products on wharves, except at such localities as may be specifically designated therefore, is strictly prohibited; and at such localities as may be designated therefor, the handling of gasoline, distillate, or other liquid petroleum products must conform to the applicable Municipal, State and Federal laws.

(b) Deliveries of gasoline or distillate, in bulk, to vessels will be allowed only after the Chief Wharfinger and the Fire Marshal have been notified, and the necessary protective fire apparatus provided, and other required precautions taken. Trucks making such deliveries must comply fully with all applicable laws and the directions of the Wharfinger.

(c) Empty gasoline or distillate drums must be removed from wharves immediately.

### **PROHIBITED AREA FOR VESSEL OPERATION**

Except for the purpose of entering or leaving a berth or slip, vessels shall not operate, run, or navigate within five hundred (500) feet of the pier head line.

### **LAW ENFORCEMENT**

As a condition to the use by any vessel of any property under the jurisdiction of the Commission, the Police must be permitted to board any vessel for police purposes. No person

## Operations Plan

shall hinder or molest any one so authorized, or refuse to allow him to go aboard any vessel for the purpose specified in this rule.

## **11.4 Appendix D – Rules and Regulations for Office Buildings**

These Rules and Regulations shall apply to Tenant's use of all office buildings on Port property.

### **OBSTRUCTIONS**

Sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls shall not be obstructed or encumbered by Tenant or used for any purpose other than ingress and egress to and from the Premises and if the Premises are situated on the ground floor of the Building, Tenant shall further, at Tenant's own expense, keep the sidewalks and curb directly in front of the Premises clean and free from rubbish.

### **APPEARANCES**

Tenant shall not place anything against or near glass partitions, doors or windows which may appear unsightly from outside the Premises or the Property. No awning, showcase, articles or other unauthorized items shall be attached to the outside walls or windows of the Building without the prior written consent of Port. No curtains, blinds, shades, drapes or screens shall be attached to or hung in, or used in connection with any window or door of the Premises, without the prior written consent of Port. Such awnings, unauthorized items, curtains, blinds, shades, drapes, screens and other fixtures must be of a quality, type, design, color, material and general appearance approved by Port, and shall be attached in the manner approved by Port. All lighting fixtures hung in offices or spaces along the perimeter of the Premises must be of a quality, type, design, bulb color, size and general appearance approved by Port.

### **SIGNS**

No sign, advertisement, notice, lettering, decoration or other thing shall be exhibited, inscribed, painted or affixed by Tenant on any part of the outside or inside of the Premises or of the Building, without the prior written consent of Port. In the event of the violation of the foregoing by Tenant, Port may remove it without any liability, and may charge the expense incurred by such removal to Tenant.

### **LIGHT**

The sashes, sash doors, skylights, windows and doors that reflect or admit light or air into the halls, passageways or other public places in the Building shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the window sills or in the public portions of the Building.

### **FIXTURES**

The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no foreign substances shall be thrown therein. Tenant shall shut off all water faucets or other water apparatus at the end of each day. Tenant shall be responsible for any damage or injuries sustained by other tenants or occupants of the Property or by Port for noncompliance with this rule.



#### **ATTACHMENTS**

Tenant shall not mark, paint, drill into or in any way deface any part of the Premises or the Building. No boring, cutting or stringing of wires shall be permitted, except with the prior written consent of Port, and as Port may direct. If Tenant requires wiring, conduit or connections for telecommunications, computer, burglar alarm or similar services, it shall first obtain, and comply with, Port's instruction in their installation. Tenant shall not go onto the roof or install any antenna or other devices on the roof or exterior walls of the Property without Port's written permission. Tenant shall not interfere with media broadcast reception to or from the Property or elsewhere. Tenant shall repair or be responsible for the cost to repair any damage resulting from noncompliance with this rule.

#### **USE**

Tenant shall not use the Premises for any business or activity other than that specified in the Lease. The Premises shall not be used for any activity disallowed by law or the Waterfront Land Use Plan.

#### **SECURITY**

Tenant must, upon the termination of the tenancy, restore to Port all keys to stores, offices and toilet rooms, either furnished to, or otherwise procured by Tenant, and in the event of the loss of any keys so furnished, Tenant shall pay to Port the cost thereof.

#### **SALES**

Canvassing, soliciting, peddling and distribution of handbills in the Building is prohibited and Tenant shall cooperate to prevent the same.

#### **RIGHT OF ENTRY**

Port reserves the right to exclude or expel from the Leased Area or Common Area any person who, in the judgment of Port, is intoxicated, under the influence of alcohol or drugs, or who shall in any manner do any act in violation of law or the rules and regulations of the Leased area. Port reserves the right to prevent access to the Property in case of invasion, mob, riot, public excitement or other commotion by closing the doors or by other appropriate action.

#### **NOISE AND ODORS**

Tenant shall not make, or permit to be made, any unseemly or disturbing noises or odors or disturb or interfere with occupants of the Building, or neighboring buildings or premises, or those doing business with them.

#### **ANIMALS**

No live animal, fish or bird of any kind shall be brought into or kept in or about the Premises or the Building, except seeing-eye dogs or other trained assistance animals.

## Operations Plan

### **FOOD**

Tenant shall not prepare any food nor do any cooking, operate or conduct any restaurant, luncheonette or cafeteria for the sale or service of food or beverages to its employees or to others without acquiring all required permits to do so, Food and beverage preparation by Tenant's employees using microwave ovens or coffee makers shall be permitted provided no odors of cooking or other processes emanate from the Premises. Tenant shall not install or permit the installation or use of any vending machine or permit the delivery of any food or beverage to the Premises except by such persons and in such manner as are approved in advance in writing by Port.

### **PEST CONTROL**

If the Premises becomes infested with vermin as a result of the use, misuse or neglect of the Premises by Tenant, its agents, servants, employees, contractors, visitors or licensees, Tenant shall forthwith, at Tenant's expense, cause the same to be exterminated to the satisfaction of Port and shall employ such licensed exterminators as shall be approved in writing in advance by Port.

### **CLEANLINESS**

Tenant shall store all its trash and garbage within its Premises and shall place all toxic waste within appropriate containers designated by health laws and regulations. Tenant shall not throw anything out of the doors, windows or skylights or down the passageways, or leave furnishings, supplies, equipment or debris in the common areas. Tenant shall not place in any trash box or receptacle any materials that cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All garbage and refuse disposal shall be made in accordance with directions issued from time to time by Port.

### **HAZARDOUS MATERIALS**

Neither Tenant nor any of Tenant's agents, servants, employees, contractors, visitors or licensees shall at any time bring or keep upon the Premises any flammable, combustible or explosive fluid, chemical or substance. Tenant shall not bring any Hazardous Materials onto the Premises except for those, which are in general commercial use and are incidental to Tenant's business office operations and only in quantities suitable for immediate use.

### **DELIVERIES**

There shall not be used in any premises, or in the public halls, plaza areas, lobbies, or elsewhere in the Building, either by Tenant or by jobbers or others, in the delivery or receipt of merchandise, any hand trucks or dollies, except those equipped with rubber tires and sideguards. All deliveries shall be made at such reasonable hours and under such reasonable regulations as may be fixed by Port.

### **EQUIPMENT**

Tenant shall not place a load upon any floor of the Premises which exceeds the load per square foot, which such floor was designed to carry and which is allowed by law. Tenant shall not

install any machine or equipment which causes noise, heat, cold or vibration to be transmitted to the structure of the building in which the Premises are located without Port's prior written consent, which consent may be conditioned on such terms as Port may require.

#### **MOVING**

No equipment, materials, furniture, packages, supplies, merchandise or other property which when loaded into an elevator reasonably eliminates the use thereof for any period of time may be received in the Property or carried in the elevators without prior written notice to Port, and all moving of the same into or out of the Property shall be done at such time and in such manner as Port shall designate.

#### **SAFES**

All removals, or the carrying in or out of any safes, freight, furniture, construction material, bulky matter or heavy equipment of any description must take place during the hours which Port or its agent may determine from time to time. Port reserves the right to prescribe the weight and position of all safes, which must be placed upon two-inch thick plank strips to distribute the weight. The moving of safes, freight, furniture, fixtures, bulky matter or heavy equipment of any kind must be made upon previous notice to the Building Manager and in a manner and at times prescribed by him, and the persons employed by Tenant for such work are subject to Port's prior approval. Port reserves the right to inspect all safes, freight or other bulky articles to be brought into the Building and to exclude from the Building all safes, freight or other bulky articles which violate any of these Rules and Regulations or the Lease of which these Rules and Regulations are a part.

#### **ENERGY**

Tenant shall not waste gas, electricity, water, heating or air-conditioning and agrees to cooperate fully with Port to assure the most efficient operation of the Property's heating and air-conditioning and to comply with any governmental energy-saving rules, laws or regulations of which Tenant has actual notice. Tenant shall keep corridor doors closed and, prior to leaving the Premises for the day, Tenant shall draw or lower window coverings and turn off all lights and water fixtures. Tenant shall keep its window coverings closed during any period of the day when the sun is shining directly on the windows of the Premises.

#### **FIRE SAFETY**

Tenant shall install and maintain, at Tenant's sole cost and expense, an adequate, visibly marked, and at all times properly operational fire extinguisher next to any duplicating or photocopying machine or similar heat producing equipment, which may or may not contain combustible material, in the Premises.

#### **SMOKING**

Smoking is prohibited in the Premises and all enclosed Common Areas of the Building, including, without limitation, the main lobby, all hallways, all elevators, all elevator lobbies, all restrooms and the parking areas.

**ADVERTISING**

Port shall have the right to prohibit any advertising or business conducted by Tenant referring to the Building which, in Port's opinion, tends to impair the reputation of the Building or its desirability as a first class building for offices and/or commercial services and upon notice from Port, Tenant shall refrain from or discontinue such advertising.

**COIN MACHINES**

Only Port shall have the right to place in and upon the Common area pay phones and coin-operated machines for the sale of beverage, candy and other merchandise or service.

**PARKING**

Tenant, Tenant's agents, servants, employees, contractors, licensees, or visitors shall not park any vehicles in any driveways, service entrances, or restricted parking areas and shall comply with any other parking regulations imposed by Port from time to time.

**AMENDMENTS**

Port reserves the right at any time to add, change or rescind any one or more of these rules and regulations or to make such other and further rules and regulations as the Port shall determine is in the best interest of the Common Area, the Tenants and their business agents and invitees. In the event of any conflict between these or any modified rules and regulations and the Lease, the terms and provisions of the Lease shall prevail.

### 11.5 Appendix E – Select Permitted & Regulated Activity – Summary Table

CITY & COUNTY OF SAN FRANCISCO				
AGENCY	REGULATED ACTIVITY	REQUIREMENT	APPLIES	PERMIT NO.
Port of San Francisco	- Post-Construction Stormwater	Stormwater Control Plan	YES	
SF Department of Public Health – Hazardous Materials Unified Program Agency (HMUPA)	- Hazardous Materials Storage - Hazardous Waste - Aboveground Storage Tanks - Underground Storage Tanks - Cellular Antennae	Hazardous Materials Business Plan  Review/Approval of Proposal	YES  YES	
SF PUC	- Industrial Wastewater - Fats, Oils, Grease Control - Chemical toilets, etc.	Industrial Discharge Permit FOG Control Compliance	YES	
SF Fire Department	- Flammable Materials - Compressed Gases - Open Flame Devices - Vehicle Garage, Repair - Hot Works, Welding, Cutting		YES	
SF Planning Department	- Project subject to CEQA	CEQA conditions	YES	2010.0493E
STATE OF CALIFORNIA				
AGENCY	ACTIVITY	REQUIREMENT	APPLIES	PERMIT NO.
DTSC	Hazardous Waste Generation	EPA ID Numbers	YES	
WATER BOARDS	- Industrial - Construction - Post-Construction - In-Water Activities	Conditions of 401 Permit	YES YES YES YES	
Department of Resources, Recycling, and Recovery	- Waste Tire Program			
Highway Patrol	- Required Vehicle and Driver Record Inspections			
CA PUC	- Carry Passengers			

# Operations Plan

	<ul style="list-style-type: none"> <li>- Issuance of Livery Plates</li> <li>- Certain Transit Routes</li> <li>- Reviews Passenger Rates</li> </ul>			
Cal-OSHA	- Employee Health and Safety		YES	
FISH & WILDLIFE – OFFICE OF SPILL PREVENTION & RESPONSE	<ul style="list-style-type: none"> <li>- Fueling Over Water</li> <li>- Yachts &gt; 300 gross tons</li> </ul>	Certificate of Financial Responsibility		
BCDC				
<b>FEDERAL</b>				
<b>AGENCY</b>	<b>ACTIVITY</b>	<b>REQUIREMENT</b>	<b>APPLIES</b>	<b>PERMIT NO.</b>
DOT				
			YES	
Army Corps	<ul style="list-style-type: none"> <li>- Temporary structures in navigable waters</li> <li>- Dredging</li> </ul>	Rivers and Harbors Act Section 10 Permit	YES YES	

**11.6 Appendix F – Hazardous Materials Inventory**

**11.7 Appendix G – Hazardous Materials Inventory**

Not yet available - To Be Provided By Tenant

**11.8 Appendix H – Industrial Stormwater Pollution Prevention Plan**

**11.9 Appendix I – Fire Department Permit List**

Available as pdf document

**11.10 Appendix J – Environmental Protection Plan**

## **11.11 Appendix K – Definitions**

1.1. **Definitions.** Definitions used in this Operations Plan are found in the specified locations in this Operations Plan or are set forth below. Definitions that are not capitalized below are not capitalized when used in this Operations Plan.

**"Agents"** is defined in the relevant Lease.

**"Berth"** or **"Berthing"** is defined in the relevant Lease.

**"Berthing Area"** is defined in the relevant Lease.

**"Berthing Area Improvements"** is defined in the relevant Lease.

**"BMPs"** means Best Management Practice.

**"CCR"** means the California Code of Regulations.

**"CFR"** means the Code of Federal Regulations.

**"City"** means the City and County of San Francisco, a municipal corporation.

**"Commission"** means the San Francisco Port Commission.

**"Environmental Laws"** is defined in the relevant Lease.

**"Environmental Regulatory Action"** is defined in the relevant Lease.

**"Environmental Regulatory Agency"** is defined in the relevant Lease.

**"Environmental Regulatory Approval"** is defined in the relevant Lease.

**"Environmental Requirements"** is defined in the relevant Lease.

**"EPA"** means the US Environmental Protection Agency.

**"Excursion Vessel"** is defined in the relevant Lease.

**"Harbor Services/Support Vessel"** is defined in the relevant Lease.

**"Hazardous Material"** is defined in the relevant Lease.

**"Hospitality Facilities"** is defined in the relevant Lease.

**"Invitees"** is defined in the relevant Lease.

**"Law"** is defined in the relevant Lease.

**"Premises"** is defined in the relevant Lease.

**"Regulatory Agency"** is defined in the relevant Lease.



**"Regulatory Approval"** is defined in the relevant Lease.

**"Release"** is defined in the relevant Lease.

**"Rules and Regulations"** means the Rules and Regulations, if any, applicable to the Premises, as may be amended from time to time.

**"RWQCB"** means the San Francisco Bay Regional Water Quality Control Board of Cal/EPA, a state agency.

**"Tenant"** means the Party identified as Tenant in the Basic Lease Information.

**"Tenant Vehicle"** is defined in the relevant Lease.

**"Tenant Vessel"** is defined in the relevant Lease.

**"Vessel"** is defined in the relevant Lease.

**EXHIBIT D**

**PERMITTED VESSEL INFORMATION**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**

## EXHIBIT E

### WORK LETTER

This Work Letter sets forth Tenant's obligation to construct the Embarkation Site Improvements and shall be deemed part of the Lease. The "Embarkation Site Improvements" are described in the Basic Lease Information, this Work Letter and its attachments and associated Port Building Permits and any amendments thereto.

#### 1. General Terms

**1.1. Definitions.** Initially capitalized terms used in this Work Letter have the meanings given them when first defined. Any initially capitalized words or acronyms used but not defined in this Work Letter shall have the same meanings as in the Lease.

**1.2. Relationship between Work Letter and the Lease.** This Work Letter governs Tenant's obligations to construct the Embarkation Site Improvements or, in the event Tenant fails to complete such improvements by the Embarkation Site Improvements Outside Completion Date, as defined in the Basic Lease Information, to such later date of Completion as determined by Port for the Embarkation Site Improvements. This Work Letter addresses, among other matters, the scope of Tenant's obligations to design and construct the Embarkation Site Improvements in accordance with the Schematic Design and Drawings, Tenant's obligations to obtain final approvals for the Embarkation Site Improvements, and the Schedule of Performance. Before the termination of this Work Letter, this Work Letter shall control in the event of any inconsistency between this Work Letter and the Lease. Upon expiration of this Work Letter, the Lease alone will govern the rights and obligations of the parties with respect to use and occupancy of the Premises.

**1.3. Term.** This Work Letter shall commence and become effective as of the Effective Date and shall expire on the date of Completion of the Embarkation Site Improvements.

**1.4. Lease Provisions.** The provisions of the Lease, except where clearly inconsistent or inapplicable to this Work Letter, are incorporated into this Work Letter.

**1.5. Extensions by Port.** Upon the request of Tenant, Port's Executive Director may, by written instrument, extend the time for Tenant's performance of any term, covenant or condition of this Work Letter or permit the curing of any default of this Work Letter upon such terms and conditions as she or he determines appropriate, including but not limited to the time within which Tenant must perform such terms and/or conditions, provided, however, that any such extension or permissive curing of any particular default will not operate to relieve Tenant of its obligations to pay Rent or release any of Tenant's obligations nor constitute a waiver of Port's rights with respect to any other term, covenant or condition of this Work Letter or the Lease or any other default in, or breach of, the Work Letter or the Lease or otherwise effect the time with respect to the extended date or other dates for performance hereunder.

#### 2. Construction Of The Embarkation Site Improvements

##### 2.1. Tenant's Construction Obligations.

**(a) Project Requirements.** Tenant hereby agrees for itself, successors, and assignees, to complete for the benefit of the Port the construction of the Embarkation Site Improvements by the Embarkation Site Improvements Outside Completion Date. Tenant shall Complete said construction free of claims, demands, actions and liens for labor, materials or equipment furnished for the construction, and shall be performed in accordance with applicable requirements of (i) all Laws; (ii) this Work Letter, including the Scope of Development; (iii) the Port Building Code as applicable; (iv) required Regulatory Approvals; (v) the Waterfront Land Use Plan; (vi) the design approved by the Port and, if required, the Planning Commission, pursuant to Section 240 of the Planning Code; and (vii) the Lease including without limitation

Section 13. All such requirements are sometimes referred to collectively as the "Project Requirements."

(b) Scope of Development; Schedule of Performance. Tenant shall use commercially reasonable efforts to construct or cause to be constructed the Embarkation Site Improvements on the Premises within the times and in the manner set forth in this Work Letter and the Scope of Development attached hereto as ***Attachment 1***. All construction with respect to the Embarkation Site Improvements shall be accomplished expeditiously, diligently and in accordance with good construction and engineering practices and applicable Laws. Tenant shall undertake commercially reasonable measures to minimize damage, disruption or inconvenience caused by such work and make adequate provision for the safety and convenience of all persons affected by such work. Tenant, while performing any construction with respect to the Embarkation Site Improvements, shall undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or damage to adjoining tenants, properties and improvements, or the risk of injury to members of the public, caused by or resulting from the performance of such construction.

(c) Costs; Private Development. Tenant shall bear all of the cost of construction of all Embarkation Site Improvements. Without limiting the foregoing, Tenant shall be responsible for performing all Premises preparation work necessary for construction of the Embarkation Site Improvements. Such preparation of the Premises shall include, among other things, asbestos and lead abatement investigation required for development or operation of the Embarkation Site Improvements, all structure and substructure work, disabled access improvements and public access improvements and tenant improvements.

**2.2. Utilities.** Tenant, at its sole expense, shall arrange for the provision and construction of all on-Premises utilities necessary to use the Premises for the Permitted Use. Tenant and Port shall coordinate, if necessary, with respect to installation of any off-Premises utility infrastructure and design of the Embarkation Site Improvements, including providing advance notice of trenching requirements, and coordinate any modification of utilities to any adjacent Port tenants or uses.

**2.3. Submittals after Completion.** Tenant shall furnish Port both design/permit drawings in their finalized form and "As-Built" Drawings, specifications and surveys with respect to the Premises (core and shell, and tenant improvements) within sixty (60) days after Completion of the Embarkation Site Improvements. If Tenant fails to provide such surveys and as-built plans and specifications to Port within such period of time, Port after giving notice to Tenant shall have the right, but not the obligation, to cause the preparation by an architect of Port's choice of final surveys and as-built plans and specifications, at Tenant's sole cost, to be paid by Tenant to Port within thirty (30) days after Port's request therefor.

**2.4. Insurance.** At all times during the construction of the Embarkation Site Improvements, in addition to the insurance required to be maintained by Tenant under the Lease, Tenant shall require Tenant's contractor to maintain (a) commercial general liability insurance with limits of not less than Three Million Dollars (\$3,000,000) combined single limit for bodily injury and property damage (including personal injury and death), and contractor's protective liability; and products and completed operations coverage in an amount not less than Five Hundred Thousand Dollars (\$500,000) per incident, One Million Dollars (\$1,000,000) in the aggregate; (b) comprehensive automobile liability insurance with a policy limit of not less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage, providing coverage at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, "any auto", and insuring against all loss in connection with the ownership, maintenance and operation of automotive equipment that is owned, hired or non-owned; (c) workers' compensation with statutory limits and employer's liability insurance with limits of not less than One Hundred Thousand Dollars (\$100,000) per accident, Five Hundred Thousand Dollars (\$500,000) aggregate disease coverage and One

Hundred Thousand Dollars (\$100,000) disease coverage per employee. Tenant shall cause Tenant's Agents (other than Tenant's contractor) to carry such insurance as shall be reasonably approved by Port taking into account the nature and scope of the work and industry custom and practice. In addition, Tenant shall carry "**Builder's All Risk**" insurance covering the construction of the Embarkation Site Improvements as set forth in the Lease. The liability insurance shall be written on an "**occurrence**" basis and shall name Port as additional insureds (by endorsement reasonably acceptable to Port). All of the insurance required to be carried by Tenant or Tenant's Agents hereunder shall provide that it is primary insurance, and not excess over or contributory with any other valid, existing, and applicable insurance in force for or on behalf of Port, shall provide that Port shall receive thirty (30) days' written notice from the insurer prior to any cancellation or change of coverage, and shall be placed with companies which are rated A-VIII or better by Best's Insurance Guide and licensed to business in the State of California. All deductibles and self-insured retentions under Tenant's policies are subject to Port's reasonable approval, and all insurance, except workers' compensation, maintained by Tenant's Agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Tenant's compliance with the provisions of this Section 2.4 shall in no way limit Tenant's liability under any of the other provisions of this Work Letter or the Lease.

**2.5. Performance Bond.** At least five (5) business days prior the start of construction, Tenant shall provide Port, at Tenant's sole cost and expense, (i) a corporate surety payment bond and a performance bond substantially in the form attached hereto as **Attachment 2** obtained by each of Tenant's contractors performing work on the Embarkation Site Improvements or, (ii) a financial guarantee, in a form approved by Port in its sole discretion, from a third party with liquid assets in an amount of no less than One Hundred Twenty-five percent (125%) of the cost of the Embarkation Site Improvements. Each bond shall be in an amount equal to one hundred percent (100%) of the estimated costs of such work on the Embarkation Site Improvements. Each performance bond shall guarantee the contractor's faithful performance of its contract(s) with Tenant. Each payment bond shall guarantee the Contractor's payment of labor, materials, supplies and equipment used in the performance of its contract(s) with Tenant. The bonds are intended to help protect the Port against any liability for mechanics' and materialmen's liens, stop notices and to ensure completion of the work. Corporate sureties issuing these bonds shall be legally authorized to engage in the business of furnishing surety bonds in the State of California. All sureties shall have a current A.M. Best Rating not less than A-, VIII. Each corporate surety bond shall obligate the surety to Tenant and the City and County of San Francisco as co-obligees.

**2.6. Compliance with Laws.** At its sole cost and expense, Tenant shall comply (taking into account any variances or other deviations properly approved) with: (i) all Laws; (ii) all Regulatory Approvals which place requirements on the Embarkation Site Improvements; (iii) all requirements of all policies of insurance which may be applicable to the Premises as to the Embarkation Site Improvements or Tenant's Personal Property; and (iv) all other applicable Project Requirements. It is expressly understood and agreed that the performance required of Tenant by the preceding sentence shall include the obligation to make, at Tenant's sole cost and expense, all additions to, modifications of, and installations on the Premises which may be required by any Laws regulating the Premises or any insurance policies covering the Premises as to the Embarkation Site Improvements or Tenant's Personal Property. Tenant shall, promptly upon request, provide Port with reasonable evidence of compliance with Tenant's obligations under this Section.

**2.7. Port and Other Governmental Permits.** Except as provided in the Basic Lease Information with respect to the BCDC permit(s) for the construction of the Embarkation Site Improvements, Army Corps of Engineers permit for construction of the Embarkation Site Improvements; and RWQCB permit for construction of the Embarkation Site Improvements, Tenant has the sole responsibility, at its sole cost and expense, for obtaining all necessary permits for the Embarkation Site Improvements and shall make application for such permits

directly to the applicable Regulatory Agency; subject to the requirements of Section 10.2 of the Lease.

**2.8. Port Rights of Access.** Without limiting the rights of Port in its regulatory capacity, Port and its Agents will have the right of access to the Premises to the extent reasonably necessary to carry out the purposes of this Work Letter, including, but not limited to, the inspection of the work being performed in constructing the Embarkation Site Improvements upon reasonable prior written notice to Tenant during regular business hours; provided, however, Port shall take such reasonable action necessary to minimize any interference with Tenant's construction activities. Port will provide Tenant promptly upon request with a copy of any written reports prepared by Port or its Agents with respect to the Embarkation Site Improvements under any such inspection, subject to withholding documents otherwise privileged or confidential. Port disclaims any warranties, representations and statements made in any such reports, will have no liability or responsibility with respect to any such warranties, representations and statements, and will not be estopped from taking any action (including, but not limited to, later claiming that the construction of the Embarkation Site Improvements is defective, unauthorized or incomplete) nor be required to take any action as a result of any such inspection. For purposes of clarity, this Section 2.8 does not apply to inspections, approvals, or other actions taken by the CHE in his/her regulatory capacity as the Port's chief building official.

**2.9. Construction Signs and Barriers.** Tenant shall provide appropriate construction barriers, construction signs and a project sign or banner describing the Embarkation Site Improvements, and shall post the signs on the Premises during the period of construction. The size, design, test and location of such signs and the composition and appearance of any non-moveable construction barriers shall be submitted to Port for approval before installation pursuant to Port's sign policy, which approval may not be withheld unreasonably. Failure by Port to disapprove any such submission within forty-five (45) days after submittal of all documents required or requested by Port, will be deemed to be an approval.

### **3. Preparation And Approval Of Plans**

#### **3.1. The Construction Documents.**

(a) Definition of Construction Documents. The Construction Documents shall be as follows:

(i) "Schematic Design and Drawings" for the Embarkation Site Improvements prepared by NPS on May 22, 2017, titled Alcatraz Embarkation Site Schematic Design Package, and attached hereto as part of the Scope of Development which includes, without limitation, the following:

(1) Perspective drawings sufficient to illustrate the Embarkation Site Improvements.

(2) Site plans at appropriate scale showing relationships of the Embarkation Site Improvements with their respective uses, designating public areas, open spaces, seating areas, walkways, canopies, buildings, service areas, boat docks, parking, and location of the monument sign and subordinate wayfinding signs. Adjacent existing and proposed streets, piers, arcades and structures should also be shown.

(3) Building plans, floor plans and elevations sufficient to describe the development proposal, the general architectural character, and the location and size of uses.

(4) Building and site cross sections showing height relationships of those areas noted above.

(5) Booklets submitted to the San Francisco Bay Conservation and Development Commission (BCDC) Design Review Board dated July 27, 2017 and January 22 2018 that are hereby incorporated by reference.

(6) the December 20, 2017 Embarkation Site Waterside Improvements and Maintenance Specifications.

(ii) **"Preliminary Construction Documents"** prepared by Tenant in sufficient detail and completeness to show that the Embarkation Site Improvements and the construction thereof shall comply with the Project Requirements, and which shall generally include, without limitation:

(1) Premises plan(s) at appropriate scale showing the buildings, canopies, streets, boat docks, walkways, and other open spaces. All land uses shall be designated. All Premises development details and bounding streets, points of vehicular and pedestrian access shall be shown.

(2) All building plans and elevations at appropriate scale.

(3) Cross section of buildings, canopies, and site showing all typical dimensions, materials, and connections at appropriate scale.

(4) Floor plans.

(5) Preliminary interior improvement plans.

(6) Plans and other detailed illustrations to sufficiently describe the proposed public areas including but not limited to, walls, fences, railings, benches, bicycle racks, interpretive markers, plaques, models, pavements, exterior lighting, signs, trash/recycling receptacles, and other site furnishings.

(7) Outline specifications for materials, finishes and methods of construction.

(8) Interior and Exterior Signage Plans.

(9) Exterior lighting plans.

(10) Material and color samples.

(11) Roof plans showing all mechanical and other equipment.

(iii) **"Final Construction Documents"** prepared by Tenant which shall include all plans and specifications required under applicable codes to be submitted with an application for a Premises Permit.

(b) **Exclusion.** As used in this Work Letter **"Construction Documents"** do not mean any contracts between Tenant and any contractor, subcontractor, architect, engineer or consultant.

**3.2. Scope of Tenant Submissions of Construction Documents.** The following provisions apply to all stages of Tenant's submission of Construction Documents. Each of the Construction Document stages is intended to constitute a further development and refinement from the previous stage. The elements of the Preliminary Construction Documents requiring Port's approval shall be in substantial conformance with the Scope of Development including the Schematic Design and Drawings, and shall incorporate conditions, modifications and changes specified by Port or required as a condition of Regulatory Approvals as approved by Port. Preliminary Construction Documents shall be in sufficient detail and completeness to show that the Embarkation Site Improvements and the construction of the Embarkation Site Improvements will be in compliance with the Project Requirements and matters previously approved. The Final Construction Documents shall be a final development of, and be based upon and conform to, the approved Preliminary Construction Documents. The elements of the Final Construction



Documents requiring Port approval shall incorporate conditions, modifications and changes required by Port for the approval of the Preliminary Construction Documents. The Final Construction Documents shall include all drawings, specifications and documents necessary for the Embarkation Site Improvements to be constructed and completed in accordance with this Work Letter.

### **3.3. Construction Document Review Procedures.**

(a) Method of Port Action/Prior Approvals. Port shall approve, disapprove or approve conditionally the Construction Documents, in writing, in accordance with the Schedule of Performance, but, in any event, within ninety (90) days after submittal, so long as the applicable Construction Documents are properly submitted in accordance with the Schedule of Performance. If Port fails to either approve or disapprove within five (5) business days after Tenant's second written request made to Port after such ninety (90) day period, the applicable Construction Documents shall be deemed disapproved.

(b) Timing of Port Disapproval/ Conditional Approval and Tenant Resubmission. If Port disapproves of the Construction Documents in whole or in part, Port in the written disapproval shall state the reason or reasons and may recommend changes and make other recommendations. If Port conditionally approves the Construction Documents in whole or in part, the conditions shall be stated in writing and a time shall be stated for satisfying the conditions. Tenant shall make a resubmittal as expeditiously as possible. Tenant may continue making resubmissions until the approval of the submissions or the time specified in any conditional approval.

### **3.4. Changes in Construction Documents.**

(a) Approval of Changes in Construction Documents. Tenant shall not make or cause to be made any material changes in any Port-approved Construction Documents without Port's express written approval in its reasonable discretion as provided in Section 3.4(b) below. Prior to making any changes that Tenant considers to be non-material to any Port-approved Construction Documents, including, without limitation, substituting materials which are the architectural equivalent as to aesthetic appearance, quality, color, design and texture, Tenant shall notify Port in writing. If Port in its reasonable discretion determines that such noticed changes are material, then such changes shall be subject to Port's approval under Section 3.4(b). Port's determination of whether such changes are material will be conclusive. Without otherwise limiting the requirements of this Section 3.4(a), any changes that cost Five Thousand Dollars (\$5,000.00) or less in the aggregate and that would not otherwise affect the structural elements of the Embarkation Site Improvements shall be presumed to be non-material changes.

(b) Response. Tenant shall request in writing Port's approval in connection with all material changes to the Construction Documents. Port shall respond to Tenant in writing within thirty (30) days after receipt of Tenant's request. If Port fails to respond within five (5) business days after Tenant's second written request made to Port after the thirty (30) day period, such changes will be deemed disapproved.

### **3.5. Conditions for Surrender of Portion of Parcel E; Parcel F and Parcel D- 1.**

The Embarkation Site Improvements will include build out of a "warm shell" for the following areas of the Pier 33 South Bulkhead Building and Pier 33 Shed which will then be surrendered to Port to be leased to the Conservancy for build out of the surrendered premises ("Surrendered Premises") and subsequent operation of an interpretive welcome center and ancillary uses under Port Lease No. L-16274: (i) approximately 3,280 sq. ft. on the first floor (Parcel E); (ii) approximately 992 square foot on the mezzanine (after demolition of the second floor) (Parcel F); and (iii) Parcel D-1. Completion of the Embarkation Site Improvements for these three areas shall be consistent with the Schematic Design and Drawings prepared by NPS on May 22, 2017, titled Alcatraz Embarkation Site Schematic Design Package and shall include:

(a) Installation of dedicated Utilities (including but not limited to valve boxes, sewer and storm structures, electrical, water, sewer, gas, telephone boxes and vaults) to a single drop point within the Surrendered Premises within each of the (i) the Pier 33 South Bulkhead Building and (ii) Parcel D-1 sufficient to support the intended subsequent occupancy and use. Tenant shall not be responsible for distribution of Utilities within the Surrendered Premises;

(b) Installation of a meter for each Utility service that meters use only within each of the (i) the Pier 33 South Bulkhead Building and (ii) Parcel D-1;

(c) Installation of functioning heating, cooling and ventilation systems to a single point within the Surrendered Premises within the Pier 33 South Bulkhead Building. Tenant shall not be responsible for distribution of such systems within the Surrendered Premises;

(d) Installation of infrastructure to support all required fire and life safety systems including but not limited to single point of entry for water for fire suppression within each of the (i) the Pier 33 South Bulkhead Building and (ii) Parcel D-1. Tenant shall not be responsible for distribution of such systems within the Surrendered Premises or for sprinklers, fire alarms, smoke detectors, or intrusion alarms;

(e) Establishment of a hub for telephone and internet service within each of the (i) the Pier 33 South Bulkhead Building and (ii) Parcel D-1;

(f) Removal of all Hazardous Materials, including but not limited to ACM, PACM and lead-based paint;

(g) Installation of a minimally finished interior with open walls and an open ceiling with no grid in place and concrete floor that is poured, leveled and sanded at a minimum within the Pier 33 South Bulkhead Building;

(h) All Utilities shall be installed so as to facilitate/enable a LEED® Gold rating;

(i) All Common Area space shall be ADA compliant; and

(j) All debris and construction materials shall be removed and the areas shall comply with standards for surrender in Section 26.1.

**3.6. Progress Meetings/Consultation.** During the preparation of Construction Documents, Port staff and Tenant agree to hold regular progress meetings, as appropriate considering Tenant's Construction Document progress, to coordinate the preparation of, submission to, and review of Construction Documents by Port. Port staff and Tenant (and its applicable consultants) agree to communicate and consult informally as frequently as is reasonably necessary to assure that the formal submittal of any Construction Documents to Port can receive prompt and speedy consideration.

#### **4. Completion of Construction.**

**4.1. Completion.** Subject to Force Majeure, Tenant shall use its best efforts to commence, prosecute and Complete the Embarkation Site Improvements by the Embarkation Site Improvements Outside Completion Date. During the Construction Period, Tenant shall submit written progress reports to City, in form and detail as may be required reasonably by Port, but at least on a monthly basis. Tenant's obligation to Complete construction of the Embarkation Site Improvements shall not be subject to Port delays, Regulatory Approval delays or any other delays (other than Force Majeure).

**4.2. Port's Remedy for Tenant's Failure to Timely Complete Construction.** In the event Tenant fails to Complete the Embarkation Site Improvements by the Embarkation Site Improvements Outside Completion Date, at Port's discretion, Tenant shall pay to Port an amount equaling Three Hundred Dollars (\$300.00) per day commencing on the Embarkation Site Improvements Completion Date and continuing at such rate until Port has determined that the Embarkation Site Improvements are Complete in addition to the Rent that would otherwise be

payable for such period. Under no circumstances shall these deadlines be extended due to Port delays or other reasons (other than Force Majeure as provided in this Work Letter).

THE PARTIES HAVE AGREED THAT PORT'S ACTUAL DAMAGES IN THE EVENT OF TENANT'S FAILURE TO COMPLETE CONSTRUCTION OF THE EMBARKATION SITE IMPROVEMENTS BY THE EMBARKATION SITE IMPROVEMENTS OUTSIDE COMPLETION DATE WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY PLACING THEIR INITIALS BELOW, THE PARTIES ACKNOWLEDGE THAT THEY HAVE AGREED UPON THE SUM SPECIFIED ABOVE, AFTER NEGOTIATION, AS THEIR REASONABLE ESTIMATE OF PORT'S DAMAGES IN SUCH EVENT.

TENANT \_\_\_\_\_

PORT \_\_\_\_\_

## **5. Certificate Of Completion.**

### **5.1. Completion.**

(a) After Tenant has Completed construction of the Embarkation Site Improvements in accordance with all the provisions of this Work Letter, including, but not limited to, the Project Requirements, Tenant may request a Completion determination.

(b) Port's issuance of any Completion determination does not relieve Tenant or any other Person from any obligations to secure or comply with any Regulatory Approval of any agency (including Port) that may be required for the occupancy or operation of the Embarkation Site Improvements.

(c) **Condition to Approval.** If there remain uncompleted (i) finishing details, minor omissions, decorations and mechanical adjustments of the type normally found on an architectural "punch list", (ii) landscaping, (iii) exterior finishes (to the extent Tenant can demonstrate to Port's reasonable satisfaction that such exterior finishes would be damaged during the course of later construction of Interior Improvements), or (iv) any other item that Port approves in writing in its sole and absolute discretion (collectively "**Deferred Items**"), Port may reasonably condition approval upon provision of security or other assurances in form, substance and amount satisfactory to Port that all the Deferred Items will be completed in a timely fashion. Such security may include a letter of credit (in a form and issued by an institution acceptable to Port) in the amount of one hundred ten percent (110%) of the cost of completion of the Deferred Items as reasonably determined by Port. The obligations set forth in this subsection shall survive a termination of the Lease.

## **6. Termination Of Lease.**

**6.1. Plans and Data.** If the Lease terminates as a result of an Event of Default by Tenant before Completion of the Embarkation Site Improvements, Tenant shall assign and deliver to Port (without cost to Port) any and all copies of reports in its possession regarding the Premises and all Construction Documents in the possession of or prepared for Tenant, for the contracting of the Embarkation Site Improvements within thirty (30) days after written demand from Port. Port may use said reports and Construction Documents for any purpose whatsoever relating to the Premises; provided, however, Port shall release Tenant and Tenant's contractor, architect, engineer, agents, employees and other consultants from any losses arising out of Port's use of such reports and Construction Documents except to the extent such contractor, architect, engineer, agent, employee or other consultant is retained by Port to complete the Embarkation Site Improvements. Tenant shall include in all contracts and authorizations for services pertaining to the planning and design of the Embarkation Site Improvements an express agreement by the Person performing such services that Port may use such reports or Construction Documents as provided in this Section 6.1 without compensation or payment from Port in the event such reports or Construction.

Documents are delivered to Port under the provisions of this Section 6.1, provided that Port agrees (i) not to remove the name of the preparer of such reports of Construction Documents without the preparer's written permission or (ii) to remove it at their written request.

**6.2. *Return of Premises.*** If the Lease terminates pursuant to this Section 6, Tenant shall, at its sole expense and as promptly as practicable, return the Premises to Port in a safe condition, and unless otherwise requested by Port, shall promptly remove all Improvements, loose building materials and debris present at the Premises resulting from Tenant's construction activities. In the event that Tenant is required to return the Premises as aforesaid, Tenant shall obtain those authorizations, permits and approvals customary and necessary to enter upon the Premises in order to complete such work and shall otherwise comply with applicable Law. In such event, Port shall cooperate with Tenant in Tenant's efforts to obtain such permits, provided that Port will not be required to expend any money or undertake any obligations in connection therewith. The provisions of this Section shall survive any termination of the Lease.

#### **ATTACHMENTS**

- |                     |   |
|---------------------|---|
| <b>ATTACHMENT 1</b> | <b>SCOPE OF DEVELOPMENT (INCLUDING THE SCHEMATIC DESIGN AND DRAWINGS AND SCHEDULE OF PERFORMANCE)</b> |
| <b>ATTACHMENT 2</b> | <b>FORM OF PERFORMANCE BOND &amp; PAYMENT (LABOR AND MATERIAL) BOND</b>                               |

**ATTACHMENT 1**  
**SCOPE OF DEVELOPMENT**

**[PAGE INTENTIONALLY LEFT BLANK]**

## **SCHEMATIC DESIGN AND DRAWINGS**

**[PAGE INTENTIONALLY LEFT BLANK]**



**SCHEDULE OF PERFORMANCE**  
**[APPROVED SCHEDULE OF PERFORMANCE TO BE INSERTED]**

**[PAGE INTENTIONALLY LEFT BLANK]**

**ATTACHMENT 2**  
**PERFORMANCE BOND AND PAYMENT (LABOR & MATERIALS) BOND**

KNOW ALL MEN BY THESE PRESENTS, that WHEREAS, the Port of San Francisco on behalf of City and County of San Francisco, State of California, has awarded to:

hereinafter designated as the "Principal", a Lease by Port Commission Resolution No. 18-39, adopted June 26, 2018 for:

***Embarkation Site Improvements***  
**Lease No. 16723 (the "Contract")**

WHEREAS, said Principal is required under the terms of said Contract to furnish a Bond for the faithful performance of certain improvements under said Contract; and to furnish a separate Bond for the payment of any materials, provisions, or other supplies, used in, upon, for or about the performance of the Work contracted to be done;

NOW, THEREFORE, we the Principal and

as Surety, are firmly bound unto the City and County of San Francisco in the penal sum of

(PERFORMANCE BOND)

and

(PAYMENT BOND)

lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents for the penal sum for a performance bond and an equal and separate penal sum for a separate payment bond. The conditions of this obligation is such that if the said principal does well and faithfully performs all the conditions and covenants of said Contract, according to the true intent and meaning thereof, upon its part to be kept and performed, then the above obligation is to be null and void, otherwise to remain in full force and effect.

(PERFORMANCE BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the said Contract, including the provisions for liquidated damages in the said Contract, any changes, additions or alterations thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City and County of San Francisco, its officers and agents, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

(PAYMENT BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said principal, its heirs, executors, administrators, successors or assigns, or its subcontractors, shall fail to pay (i) any of the persons named in California Civil Code Section 9100 for any materials, provisions, or other supplies used in, upon, for or about the performance of work under the Contract, or for any work or labor performed under the Contract; or (ii) amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the Contract; or (iii) for any amounts required to be deducted, withheld, and paid over to the State of California Employment Development Department from the wages of employees of Principal and subcontractors pursuant to Section 13020 of the California Unemployment Insurance Code with respect to such work or labor, that Surety will pay for the same in an amount not exceeding the sum specified in this Bond. In the event that suit is brought upon this Payment Bond, the parties not prevailing in such suit shall pay reasonable attorney's fees and costs incurred by the prevailing parties in such suit.

This Payment Bond shall inure to the benefit of any of the persons named in California Civil Code Section 9100 as to give a right of action to such persons or their assigns in any suit brought against this Bond.

Should the condition of this Payment Bond be fully performed, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

Surety, for value received, hereby expressly agrees that no change, extension of time, modification, alteration or addition to the undertakings, covenants, terms, conditions and agreements of the Contract, or to the work to be performed thereunder, or to the Specifications accompanying the same, and no inadvertent overpayment of progress payments, shall in any way affect its obligations on these Bonds; and it does hereby waive notice of any such change, extension of time, modification, alteration or addition to the undertakings, covenants, terms, conditions and agreements of the Contract, or to the Work to be performed thereunder, or to the Specifications, or of any inadvertent overpayment of progress payments.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Approved as to form:  
Dennis J. Herrera  
City Attorney

By: \_\_\_\_\_  
Deputy City Attorney

\_\_\_\_\_  
Principal

By: \_\_\_\_\_

\_\_\_\_\_  
Surety

By: \_\_\_\_\_

END OF DOCUMENT

**[PAGE INTENTIONALLY LEFT BLANK]**

**EXHIBIT F**  
**SCOPE OF WORK FOR PIER 31 1/2 MARGINAL WHARF IMPROVEMENTS**

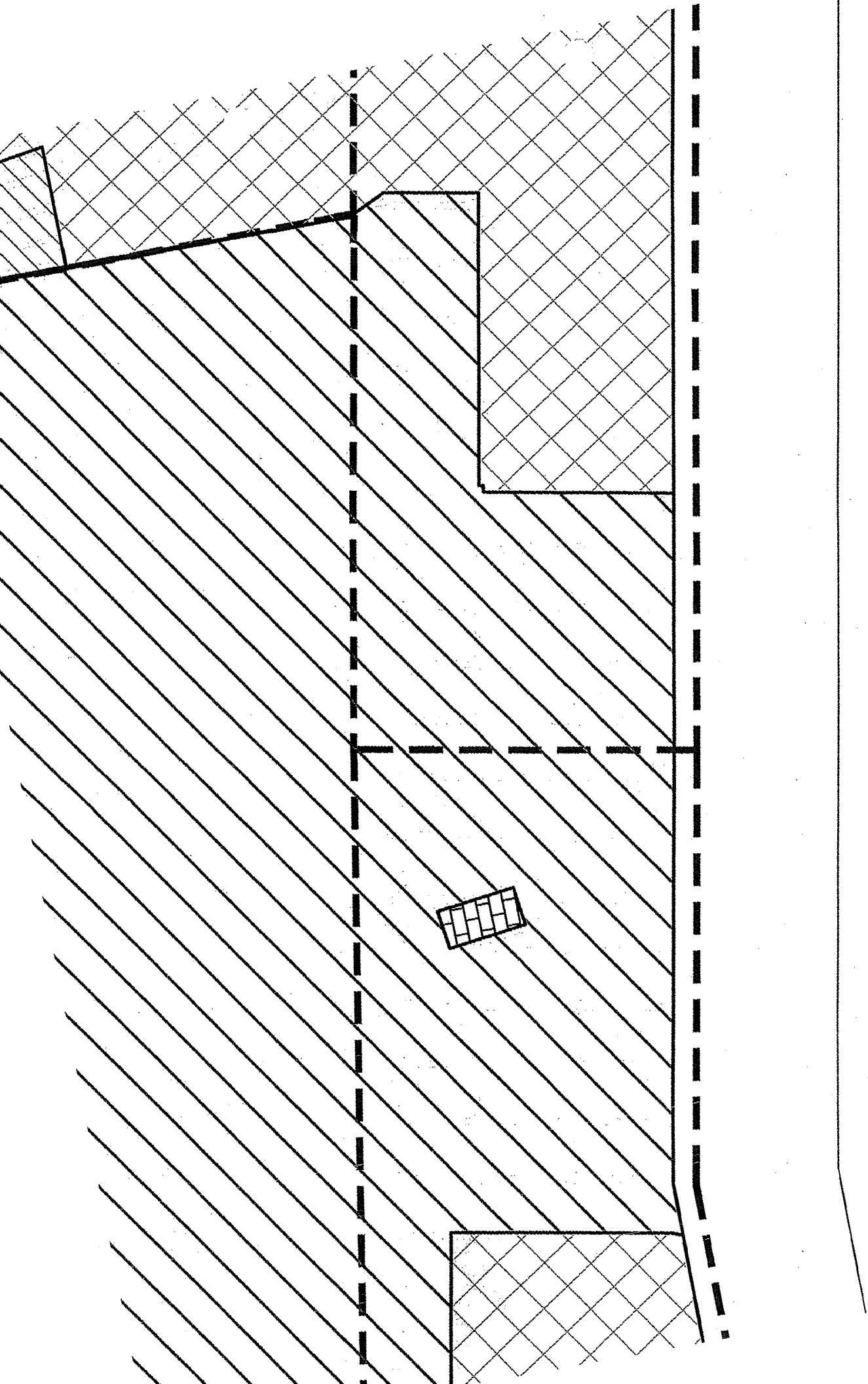
[ATTACHMENT ON FOLLOWING PAGE]

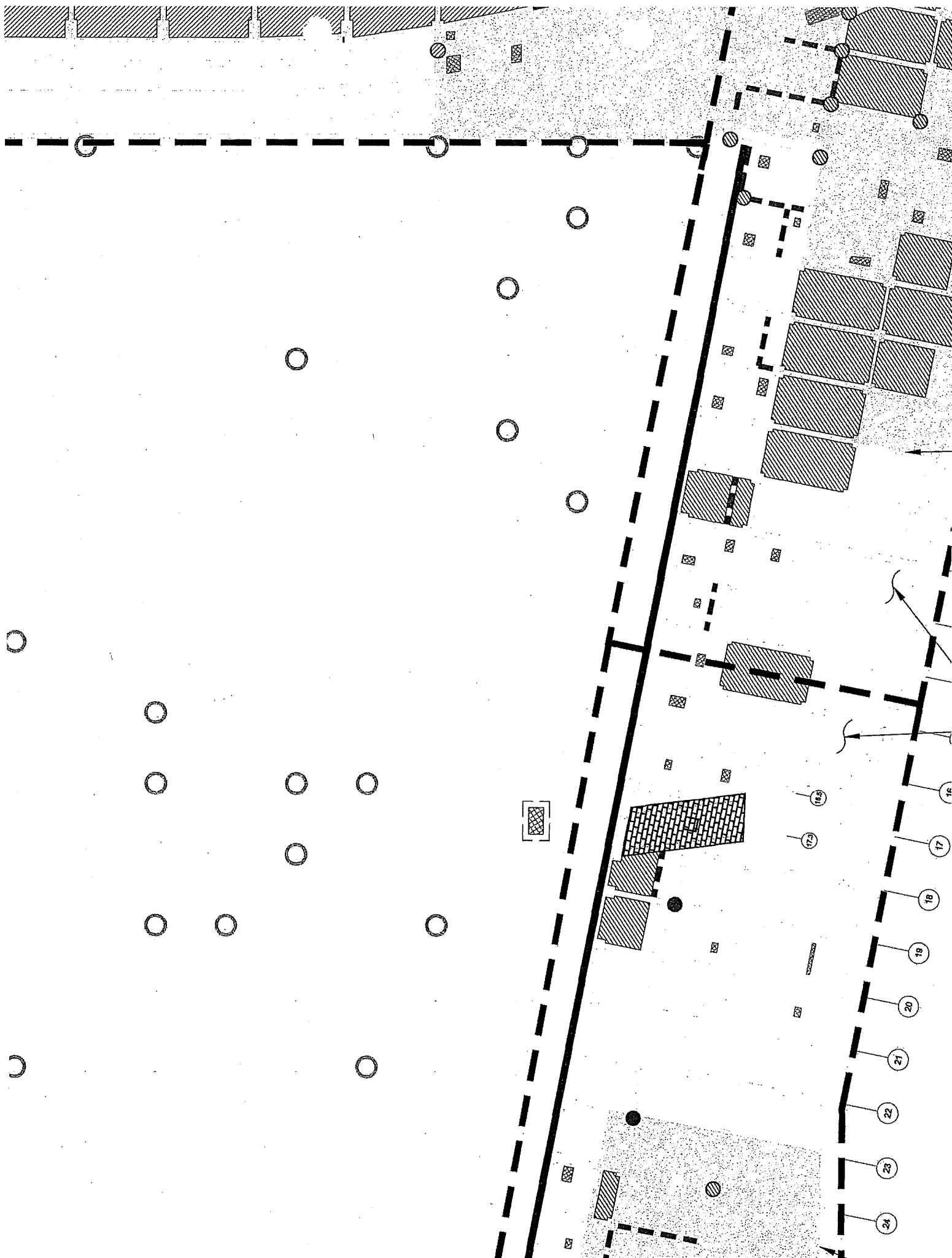
**[PAGE INTENTIONALLY LEFT BLANK]**

# DRAWING INDEX

SHEET NO.	TITLE	REV.	DATE
G1	TITLE SHEET—DRAWING INDEX	0	11-18-17
G2	GENERAL NOTES—1 OF 2	0	11-18-17
G3	GENERAL NOTES—2 OF 2	0	11-18-17
G4	TYPICAL DETAILS	0	11-18-17
G5	LIVE LOAD DIAGRAM	0	11-18-17
S1	SITE PLAN — OVERALL	0	11-18-17
S2	PARTIAL SOFFIT PLAN — PIER 33	0	11-18-17
S3	PARTIAL SOFFIT PLAN — ORIGINAL MARGINAL WHARF—1 OF 2	0	11-18-17
S4	PARTIAL SOFFIT PLAN — ORIGINAL MARGINAL WHARF—2 OF 2	0	11-18-17
S5	PARTIAL SOFFIT PLAN — PIER 31	0	11-18-17
S6	SOFFIT PLAN — PIER 31½ INFILL WHARF	0	11-18-17
S7	TOP OF DECK PLAN — PIER 31½ INFILL WHARF	0	11-18-17
S8	PARTIAL PILE PLAN — PIER 33	0	11-18-17
S9	PARTIAL PILE PLAN — ORIGINAL MARGINAL WHARF—1 OF 2	0	11-18-17







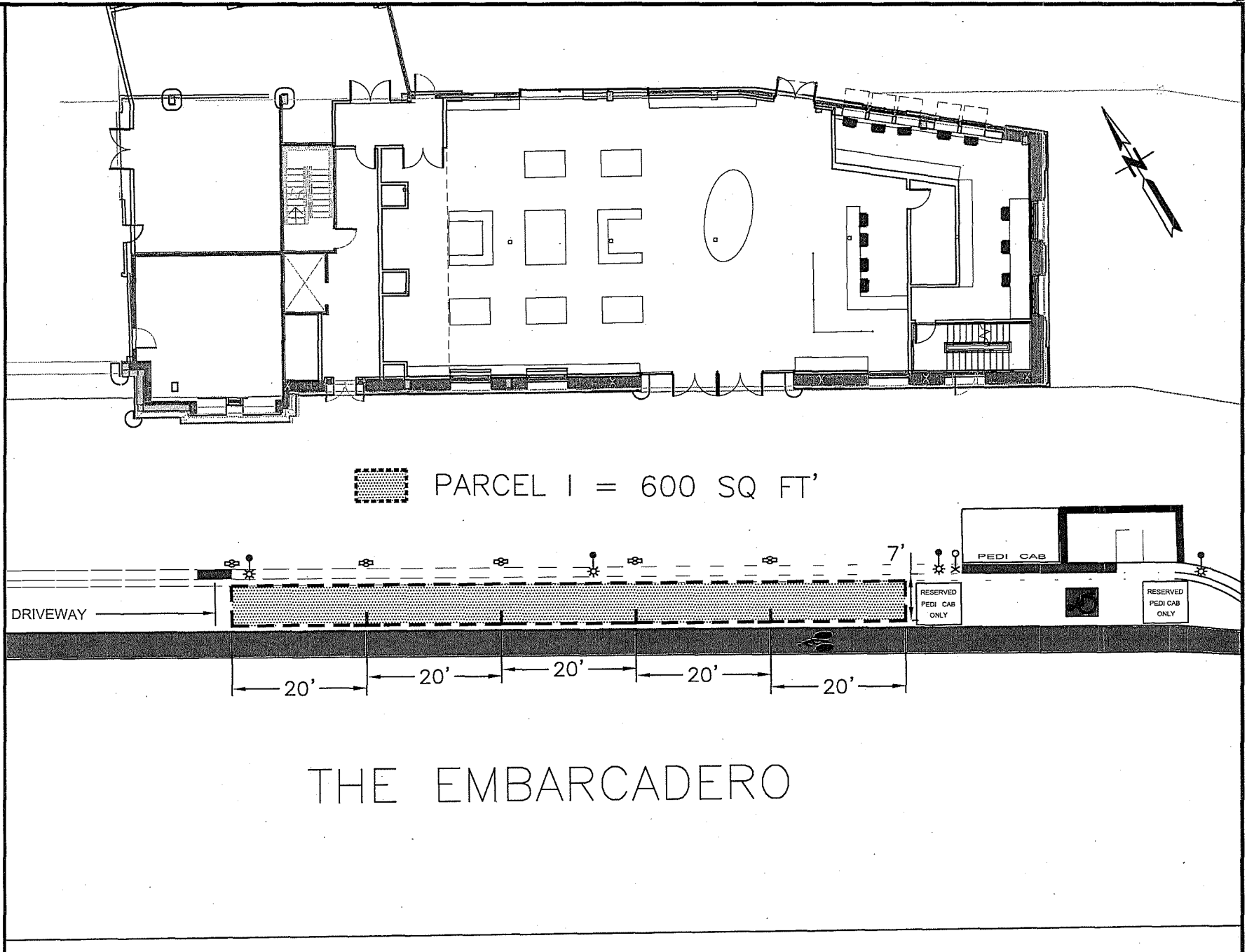
**EXHIBIT G**  
**LICENSE AREA FOR CURB LICENSE**  
**[ATTACHMENT ON FOLLOWING PAGE]**

**[PAGE INTENTIONALLY LEFT BLANK]**

INITIALS: PORT:

TENANT:

EXHIBIT G



LICENSE

16350



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER

DRAWN BY: J. DOMINGUEZ

DATE: DEC. 8th 2017

CHECKED BY: J. EDWARDS

SCALE: 1"=20'

PLACE CODE NO.

1234-56

SHEET NO.

OF SHEETS

**EXHIBIT H**  
**LOCAL HIRE PLAN**  
**[TO BE REPLACED BY APPROVED LOCAL HIRE PLAN]**

**[PAGE LEFT INTENTIONALLY BLANK]**

### San Francisco Local Hiring Policy for Construction Fact Sheet

- The effective date of the San Francisco Local Hiring Policy for Construction is March 25, 2011. Contracts first advertised for bid on or after March 25, 2011 are covered by the new ordinance.
- The mandatory participation level is 30% of all project hours within each trade to be performed by local residents, with no less than 15% of all project work hours within each trade to be performed by disadvantaged workers. All contractors, regardless of tier, are subject to these requirements.
- A local resident is defined as an individual who is domiciled within the City and County of San Francisco at least 7 days prior to commencing work on the project. An individual may have only one domicile, which is their principal residence and where they intend to return when they are absent.
- The mandatory participation level will increase annually over seven years up to a mandatory participation level of 50% of project work hours within each trade performed by local residents, with no less than 25% of all project hours within each trade performed by disadvantaged workers.
- At least 50% of the project work hours performed by apprentices within each trade shall be performed by local residents, with no less than 25% of project work hours performed by apprentices within each trade to be performed by disadvantaged workers.
- The local hiring ordinance applies to contracts for public work or improvement projects in excess of \$400,000.
- The ordinance establishes various consequences of non-compliance with the policy, including the authority of assessment of penalties against contractors that do not meet the local hiring requirements.
- The penalty for failing to meet the local hiring requirement shall be the amount equal to the journeyman or apprentice prevailing wage rate for the primary trade used by the contractor for each hour the contractor fell short.
- Contractors may request a conditional waiver from local hiring requirements on a project-specific basis for "specialized trades," by receiving credit for local hiring on non-covered projects, or sponsoring new apprentices.
- A contractor may utilize the Office of Economic and Workforce Development's CityBuild Referral Program if their preferred method of hiring does not enable them to meet the local hiring requirements of the policy.
- The Office of Economic and Workforce Development is charged with the enforcement of this policy.
- For more information and updates about the San Francisco Local Hiring Policy for Construction, please visit [www.workforcedevelopmentsf.org](http://www.workforcedevelopmentsf.org)
- Questions about the new policy can also be addressed by emailing [Local.Hire.Ordinance@sfgov.org](mailto:Local.Hire.Ordinance@sfgov.org) or by calling the Local Hire hotline at 415-701-4894.







## FORM 1: LOCAL HIRING WORKFORCE PROJECTION

**Contractor:** \_\_\_\_\_ **Project Name:** \_\_\_\_\_ **Contract #:** \_\_\_\_\_

The Contractor must complete and submit this Local Hiring Workforce Projection (Form 1) within 15 days of award of contract. The Contractor must include information regarding all of its Subcontractors who will perform construction work on the project regardless of Tier and Value Amount. Notice to Proceed (NTP) will not be issued until the City receives a completed Form 1 from Contractor. The Contractor shall be responsible for any delays to NTP and resulting damages incurred by the City caused by Contractor's failure to submit an accurate and complete Form 1 for its workforce and the workforce of its Subcontractors in a timely manner.

### Will you and your Subcontractors be able to meet the mandatory Local Hiring Requirements?

☐ **YES** (Please provide information for all contractors performing construction work in Table 1 below.)

☐ **NO** (Please complete Table 1 below and Form 4: Conditional Waivers.)

#### INSTRUCTIONS FOR COMPLETING TABLE 1:

1. Please organize the contractors' information based on their Trade Craft work.
2. For contractors performing work in various Trade Craft, please list contractor name in each Trade Craft (*i.e. if Contractor X will perform two trades, list Contractor X under two Trade categories.*)
3. Contractor may achieve the mandatory requirement for each trade using any combination of Subcontractors.
4. If you anticipate utilizing apprentices on this project, please note the requirement that 50% of apprentice hours must be performed by San Francisco residents.
5. Additional blank form is available at our Website: [www.oewd.org](http://www.oewd.org). For assistance or questions in completing this form, contact the CityBuild (415) 581-2363 or Email @ [Local.hire.ordinance@sfgov.org](mailto:Local.hire.ordinance@sfgov.org).

**TABLE 1: WORKFORCE PROJECTION**

Trade Craft	Contractor <i>List contractors by Trade Craft</i>		Est. Total Work Hours	Est. Total Local Work Hours	Est. Total Local Work Hours %
<i>Example:</i> Laborer	Contractor X	Journey	800	100	12.5%
		Apprentice	200	100	50%
<i>Example:</i> Laborer	Contractor Y	Journey	500	100	20%
		Apprentice	0	0	0
<i>Example:</i>	<b>TOTAL LABORER</b>	Journey	1300	200	15%
		Apprentice	200	100	50%
<i>Example:</i>	<b>TOTAL</b>		1500	300	20%
		Journey			
		Apprentice			
		Journey			
		Apprentice			
		Journey			
		Apprentice			

Name of Authorized Representative

Signature

Date

Phone

Email



## FORM 2: LOCAL HIRING PLAN

**Contractor:** \_\_\_\_\_ **Project Name:** \_\_\_\_\_ **Contract #:** \_\_\_\_\_

If the Engineer's Estimate for this Project exceeds **\$1 million**, then Contractor must submit a Local Hiring Plan using this Form 2 through the City's Project Reporting System. NTP will not be issued until Contractor submits a completed Form 2. Contractor shall be responsible for any delays to NTP and resulting damages incurred by the City caused by the Contractor's failure to submit a completed Form 2 in a timely manner. The Local Hiring Plan must be approved in writing by OEWD before any Application for Payment can be approved and progress payment paid to Contractor. The OEWD-approved Local Hiring Plan will be a Contract Document and will be the basis for determining Contractor's and its Subcontractors' compliance with the local hiring requirements. Any OEWD-approved Conditional Waivers (Form 4) will be incorporated into the OEWD-approved Local Hiring Plan.

**COMPLETE AND SUBMIT A SEPARATE FORM 2 FOR EACH TRADE THAT WILL BE UTILIZED ON THIS PROJECT.**

**INSTRUCTIONS:**

1. Please complete tables below for Contractor and all Subcontractors that will be contributing Project Work Hours to meet the Local Hiring Requirement.
2. Please note that a Form 2 will need to be developed and approved separately for each trade craft that will be utilized on this project.
3. If you anticipate utilizing apprentices on this project, please note the requirement that 50% of apprentice hours must be performed by San Francisco residents.
4. The Contractor and each Subcontractor identified in the Local Hiring Plan must sign this form before it will be considered for approval by OEWD.
5. If applicable, please attach all OEWD-approved Form 4 Conditional Waivers.
6. Additional blank form is available at our Website: [www.oewd.org](http://www.oewd.org). For assistance or questions in completing this form, contact the CityBuild (415) 581-2363 or Email @ [Local.hire.ordinance@sfgov.org](mailto:Local.hire.ordinance@sfgov.org).

**List Trade Craft. Add numerical values from Form 1: Local Hiring Workforce Projection and input in the table below.**

Trade Craft	Total Work Hours	Total Local Work Hours	Local Work Hours%	Total Apprentice Work Hours	Total Local Apprentice Work Hours	Local Apprentice Work Hours %
<i>Example: Laborer</i>	1500	300	20%	200	100	50%

**List all contractors contributing to the project work hours to meet the Local Hiring Requirements for the above Trade Craft**

Contractor and Authorized Representative	Local Journey Hours	Local Apprentice Hours	Total Local Work Hours	Start Date	Number of Working Days	*Contractor Signature
Contractor X Joe Smith	100	100	200	3/25/11	60	Joe Smith
Contractor Y Michael Lee	100	0	100	5/25/11	30	Michael Lee

**\*We the undersigned, have reviewed Form 2 and agree to deliver the hours set forth in this document.**

City Use Only	
OEWD Approval	<input type="checkbox"/> Yes <input type="checkbox"/> No
Signature and Date:	



## FORM 4: CONDITIONAL WAIVERS

**Contractor:** \_\_\_\_\_ **Project Name:** \_\_\_\_\_ **Contract #:** \_\_\_\_\_

Upon approval from OEWD, Contractors and Subcontractors may use one or more of the following pipeline and retention compliance mechanisms to receive a Conditional Waiver from the Local Hiring Requirements on a project-specific basis. Conditional Waivers must be approved by OEWD prior to approval of Contractor's first Application for Payment. If applicable, each contractor must submit their individual Waiver request to OEWD and copy their Prime Contractor.

**TRADE WAIVER INFORMATION:** Please provide information on the Trades you are requesting Waivers for:

Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours	Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours
1.			3.		
2.			4.		

*Please check any of the following Conditional Waivers and complete the appropriate boxes for approval:*

☐ 1. SPECIALIZED TRADES   
 ☐ 2. SPONSORING APPRENTICES   
 ☐ 3. CREDIT FOR NON-COVERED PROJECTS

<b>1. SPECIALIZED TRADES:</b> Will your firm be requesting Conditional Waivers for "Specialized Trades" designated by OEWD and listed on OEWD's website or project-specific Specialized Trades approved by OEWD during the bid period?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Please CHECK off the following Specialized Trades you are claiming for Condition Waiver:</b> <input type="checkbox"/> MARINE PILE DRIVER <input type="checkbox"/> HELICOPTER OPERATOR <input type="checkbox"/> CRANE OPERATOR <input type="checkbox"/> DERRICK BARGE OPERATOR <input type="checkbox"/> STAINLESS STEEL WELDER <input type="checkbox"/> TUNNEL OPERATING ENGINEER <input type="checkbox"/> ELECTRICAL UTILITY LINEMAN		
a. List OEWD-approved project-specific Specialized Trades approved during the bid period:		
<div style="display: flex; justify-content: space-between;"> <span>OEWD APPROVAL: <input type="checkbox"/> Yes <input type="checkbox"/> No</span> <span>OEWD Signature: _____</span> </div>		

<b>2. SPONSORING APPRENTICES:</b> Will you be able to work with OEWD to sponsor an OEWD-specified number of new apprentices in the agreeable trades into California Department of Industrial Relations' Division of Apprenticeship Standards approved apprenticeship programs?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>PLEASE PROVIDE DETAILS:</b>		
Construction Trade	Est. # of Sponsor Positions	Union (Yes / No) Y <input type="checkbox"/> N <input type="checkbox"/>
		If Yes, Local # _____
		Est. Start Date _____
		Est Duration of Working Days _____
		Est Total Work Hours Performed _____
<div style="display: flex; justify-content: space-between;"> <span>OEWD APPROVAL: <input type="checkbox"/> Yes <input type="checkbox"/> No</span> <span>OEWD Signature: _____</span> </div>		

<b>3. CREDIT for HIRING on NON-COVERED PROJECTS:</b> If your firm cannot meet the mandatory local hiring requirement, will you be requesting credit for hiring Targeted Workers on Non-covered Projects?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>PLEASE PROVIDE DETAILS:</b>		
Labor Trade, Position, or Title	Est. # of Off-site Hires	Est Total Work Hours Performed
Journey		
Apprentice		
<div style="display: flex; justify-content: space-between;"> <span>OEWD APPROVAL: <input type="checkbox"/> Yes <input type="checkbox"/> No</span> <span>OEWD Signature: _____</span> </div>		

**EXHIBIT I**  
**MITIGATION MEASURES AND IMPROVEMENT MEASURES MONITORING AND REPORTING**  
**PROGRAM**

**[PAGE LEFT INTENTIONALLY BLANK]**

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<b>MITIGATION MEASURES FOR THE ALCATRAZ FERRY EMBARKATION PROJECT</b>					
<b><i>Cultural Resources Mitigation Measures</i></b>					
<b>M-CR-2: Accidental Discovery of Archaeological Resources</b>  The following mitigation measure is required to avoid any potential adverse effect from the proposed project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a) and (c). The project proponent shall distribute the Planning Department archaeological resource "ALERT" sheet to the project prime contractor; any project subcontractor (including demolition, excavation, grading, foundation, pile driving, etc. firms); and any utilities firm involved in soil-disturbing activities within the project site. Prior to any soils disturbing activities being undertaken each contractor is responsible for ensuring that the "ALERT" sheet is circulated to all field personnel, including machine operators, field crew, pile drivers, supervisory personnel, etc. The project proponent shall provide the Environmental Review Officer and the Port of San Francisco with a signed affidavit from the responsible parties (prime contractor, subcontractor[s], and utilities firm) to the Environmental Review Officer confirming that all field personnel have received copies of the "ALERT" Sheet.	Project proponent	Prior to any soil disturbing activities	Project proponent must provide the Port of San Francisco and Environmental Review Officer with a signed affidavit from the responsible parties confirming that all field personnel have received copies of the "ALERT" sheet.	Distribution of the "ALERT" sheet is considered complete when the Port of San Francisco and Environmental Review Officer receive the affidavit.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)
Should any indication of an archaeological resource be encountered during any soils disturbing activity of the project, the project Head Foreman and/or project proponent shall immediately notify the Environmental Review Officer and the Port of San Francisco and shall immediately suspend any soils disturbing activities in the vicinity of the discovery until the	Head Foreman and/or project proponent	Accidental discovery	Notify Environmental Review Officer of accidental discovery		

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
Environmental Review Officer has determined what additional measures should be undertaken.					
If the Environmental Review Officer determines that an archaeological resource may be present within the project site, the project proponent shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archaeological consultant shall advise the Environmental Review Officer and the Port of San Francisco as to whether the discovery is an archaeological resource, retains sufficient integrity, and is of potential scientific/historical/cultural significance. If an archaeological resource is present, the archaeological consultant shall identify and evaluate the archaeological resource. The archaeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the Environmental Review Officer may require, if warranted, specific additional measures to be implemented by the project proponent.	Project proponent and archeological consultant	In case of accidental discovery	If Environmental Review Officer determines an archeological resource may be present, the archaeological consultant's work shall be conducted in accordance with this measure at the direction of the Port of San Francisco and Environmental Review Officer.	If it is determined there is a need for an archaeological consultant, this task is considered complete upon submittal of the Final Archaeological Resources Report.	
Measures might include: preservation in situ of the archaeological resource; an archaeological monitoring program; or an archaeological testing program. If an archaeological monitoring program or archaeological testing program is required, it shall be consistent with the Environmental Planning division guidelines for such programs. The Environmental Review Officer may also require that the project proponent immediately implement a site security program if the archaeological resource is at risk from vandalism, looting, or other damaging actions.	Project proponent	After determination by Environmental Review Officer of appropriate action to be implemented following	Implementation of archeological measures required by Environmental Review Officer.		
The project archaeological consultant shall submit a Final Archaeological					

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>Resources Report to the Environmental Review Officer and the Port of San Francisco that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the final report.</p> <p>Copies of the Draft Final Archaeological Resources Report shall be sent to the Environmental Review Officer for review and approval. Once approved by the Environmental Review Officer, copies of the Final Archaeological Resources Report shall be distributed as follows: the California Archaeological Site Survey Northwest Information Center shall receive one copy, and the Environmental Review Officer shall receive a copy of the transmittal of the Final Archaeological Resources Report to the Northwest Information Center. The Environmental Planning division of the Planning Department shall receive one bound copy; one unbound copy; and one unlocked, searchable PDF copy on CD of the Final Archaeological Resources Report, along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the Environmental Review Officer may require a different final report content, format, and distribution than that presented above.</p>	<p>Project proponent</p> <p>Project proponent</p>	<p>evaluation of accidental discovery</p> <p>Following completion of required archeological field program</p>	<p>Submittal of Draft/Final Archaeological Resources Report to Environmental Review Officer</p> <p>Distribution of Final Archaeological Resources Report</p>		
<p><b>M-CR-4: Tribal Cultural Resources Interpretive Program</b></p> <p>If the Environmental Review Officer determines that a significant</p>	<p>Project proponent and qualified</p>	<p>Prior to the issuance of site</p>	<p>If an archaeological consultant is</p>	<p>Considered complete when</p>	<p>Port of San Francisco</p>



MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
archaeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the Environmental Review Officer determines that the resource constitutes a tribal cultural resource and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible. If the Environmental Review Officer, in consultation with the affiliated Native American tribal representatives and the project proponent, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, the project proponent shall implement an interpretive program of the tribal cultural resources in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the Environmental Review Officer and affiliated tribal representatives, at a minimum, and approved by the Environmental Review Officer, would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and interpretation, and educational panels or other informational displays. In the event that construction activities disturb unknown archaeological sites that are considered tribal cultural resources, any inadvertent damage would be considered a significant impact.	professional archaeologist from the pool of archaeological consultants maintained by the Planning Department.	permits, submittal of all plans and reports for approval by the Port of San Francisco and Environmental Review Officer  Installation of displays (if needed) would occur prior to or during construction.	retained per Port of San Francisco and Environmental Review Officer direction, the archaeological consultant's work shall be conducted in accordance with this measure at the direction of the Port of San Francisco and Environmental Review Officer.	project proponent retains a qualified professional archaeological consultant, if required, and archeological consultant has approved scope by the Port of San Francisco and Environmental Review Officer for the interpretive program; and/or following program implementation.	(Pier 31½ site)  National Park Service (Fort Baker site)
<b>Noise Mitigation Measures</b>					
M-NO-2: Conduct Vibration Monitoring at Pier 31½	Project proponent	Prior to the start	Project proponent	Considered	Port of San

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>The project proponent would require that a qualified professional evaluate the subject structure(s) prior to the pile driving to assess their susceptibility to vibration impacts and provide pre-construction bracing if warranted. Based on the results of the evaluation, the professional shall develop a vibration control plan. The plan would include a set of site-specific vibration attenuation measures that would be implemented under the supervision of a qualified acoustical consultant during the project construction. These attenuation measures would include as feasible, in consideration of technical and structural requirements and conditions, implementing "quiet" pile driving technology, such as predrilling piles, using sonic pile drivers, or using more than one pile driver to shorten the total duration of pile driving. During construction, the construction contractor will conduct vibration monitoring when construction activities occur within 50 feet of the historic Pier 33 bulkhead building. If monitoring indicates that peak particle velocity caused by construction activities is approaching 0.12 inches per second, construction activities would be halted and a plan would be developed to reduce construction activities. Other effective strategies may also be required to the extent necessary to achieve a peak particle velocity vibration level at bulkhead buildings of less than the level of 0.12 inches per second.</p>	and construction contractor(s).	<p>of construction activities</p> <p>Implementation during construction</p>	<p>shall include requirements of vibration monitoring plan in all construction contracts for the Pier 31½ site. Vibration monitoring plan to be submitted to Port of San Francisco for review and approval prior to construction</p> <p>Project proponent to submit to the Port of San Francisco documentation of compliance of implemented control practices that show construction contractor</p>	complete upon submittal of documentation incorporating identified practices.	Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
			agreement with specified practices.		
<b><i>Air Quality Mitigation Measures</i></b>					
<b>M-AQ-4: Best Available Control Technology for Diesel Generators at Pier 31½</b>  The project proponent shall ensure that the backup diesel generator meets or exceeds one of the following emission standards for particulate matter: 1) Tier 4-certified engine; or 2) Tier 2- or Tier 3-certified engine that is equipped with a California Air Resources Board Level 3 Verified Diesel Emissions Control Strategy. A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical California Air Resources Board-verified model and if the Bay Area Air Quality Management District approves of its use. The project proponent shall submit documentation of compliance with the Bay Area Air Quality Management District New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.	Project proponent and construction contractor(s)	Prior to approval of a generator permit by the Port of San Francisco and New Source Review permit by the Bay Area Air Quality Management District	Anticipated location and engine specifications of a proposed diesel backup generator shall be submitted to the Port of San Francisco for review and approval prior to issuance of a generator permit; and to the Bay Area Air Quality Management District prior to New Source Review permit.	Considered complete upon review and approval by the Port of San Francisco and Bay Area Air Quality Management District.	Port of San Francisco
<b><i>Biological Resources Mitigation Measures</i></b>					
<b>M-BI-1a: Avoidance and Minimization Measures for Special Status Bats at Pier 31½</b>  The project proponent will implement the following measures:	Project proponent and qualified biological	Prior to demolition and potentially	Project proponent shall include avoidance	Considered complete upon completion of	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>Demolition within Pier 31 and 33 bulkhead buildings shall occur when bats are active, approximately between the periods of March 1 to April 15 and August 15 to October 15; outside of bat maternity roosting season (approximately April 15 – August 15) and outside of months of winter torpor (approximately October 15 – February 28), to the extent feasible.</li> <li>If demolition within Pier 31 and 33 bulkhead buildings during the periods when bats are active is not feasible, a qualified biologist will survey the project site to identify if active bat roosts being used for maternity or hibernation purposes are present. If so, a no disturbance buffer of 100 feet shall be established around these roost sites until they are determined to be no longer active by the qualified biologist.</li> <li>The qualified biologist shall be present during demolition within the Pier 31 and 33 bulkhead buildings if active bat roosts are present. Structures with active roosts shall be disturbed only when no rain is occurring or is forecast to occur for 3 days and when daytime temperatures are at least 50 °F.</li> <li>Removal of structures containing or suspected to contain active bat roosts shall be dismantled under the supervision of the qualified biologist in the evening and after bats have emerged from the roost to forage. Structures shall be partially dismantled to significantly change the roost conditions, causing bats to abandon and not return to the roost.</li> </ul>	consultant	<p>during demolition within bulkhead buildings</p> <p>Implementation during construction, if applicable</p>	<p>measures in all construction contracts. Qualified biological consultant to conduct bat surveys and present results to Port of San Francisco.</p>	any demolition or construction.	
<b>Mitigation Measure M-BI-1b: Nesting Bird Protection Measures</b>	Project proponent	Prior to	Project proponent	Considered	Port of San

[illegible]

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>effect and may revise their determination at any time during the nesting season. In this case, the following measure would apply.</p> <ul style="list-style-type: none"> <li>- If construction may affect the active nest, the biologist shall establish a no disturbance buffer. Typically, these buffer distances are between 25 feet and 250 feet for passerines and between 300 feet and 500 feet for raptors. These distances may be adjusted depending on the level of surrounding ambient activity (e.g., if the project area is adjacent to a road or active trail) and if an obstruction, such as a building, is within line-of-sight between the nest and construction. For bird species that are federally and/or state-listed sensitive species (i.e., fully protected, endangered, threatened, species of special concern), a proposed project representative, supported by the wildlife biologist, shall consult with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife regarding modifications to nest buffers, prohibiting construction within the buffer, modifying construction, and removing or relocating active nests that are found on the site.</li> <li>• Removing inactive passerine nests may occur at any time. Inactive raptor nests shall not be removed unless approved by the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife.</li> </ul>			needed.		

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>Removing or relocating active nests shall be coordinated by the project representative with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife, as appropriate, given the nests that are found on site.</li> <li>Any birds that begin nesting within the project area and survey buffers amid construction activities are assumed to be habituated to construction-related or similar noise and disturbance levels and no work exclusion zones shall be established around active nests in these cases.</li> </ul>					
IMPROVEMENT MEASURES FOR THE ALCATRAZ FERRY EMBARKATION PROJECT					
<b>I-TR-2a: Provide Information on Active Transportation and Transit Routes to/from the Pier 31½ Site</b>  The project proponent will require the concessioner to provide information regarding pedestrian, bicycle, and transit travel to/from the embarkation site to both employees and in advance to visitors. This may include maps designating preferred pedestrian, bicycle, or transit routes to/from the site, maps indicating where City-provided bicycle facilities or transit stops are present, and time estimates for walking or biking to common destinations, such as BART stations, Union Square, Pier 39, or other tourist destinations. This information would be presented on tickets and information websites, as well as distributed via mail or email to all ticketed visitors.	Project proponent and concessioner	Prior to and during operations	Port of San Francisco staff	Ongoing during operations	Port of San Francisco
<b>I-TR-2b: Install Multimodal Wayfinding Kiosk and Signage at the Pier 31½ Site</b>	Project proponent and concessioner	Prior to and during	Project proponent shall submit	Considered complete when	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
The project proponent will add a multimodal wayfinding kiosk that may include maps, signs, or digital displays to provide visitor information on various travel options and times. The kiosk will be located near the site entrance/exit to the Pier 31½ site. In addition to a centralized kiosk, signage could be placed at the site entrance with directional arrows indicating walk times to nearby destinations or transit stops.		operations	documentation of permanent kiosk and signage	kiosk and signage are approved by Port of San Francisco staff. These amenities would then be installed in the publicly accessible area of the site.	
<b>I-NO-1: Construction Noise Minimization Plan for Pier 31½</b>  The project proponent shall develop a construction noise minimization plan that requires the following: <ul style="list-style-type: none"> <li>Construction contractors shall specify noise-reducing construction practices and measures that will be employed to reduce construction noise from pile driving and construction activities. The practices and measures specified by the project proponent will be reviewed and approved by the City prior to the issuance of building permits. Practices and measures that can be used to limit noise include but are not limited to those listed below:               <ul style="list-style-type: none"> <li>Avoid simultaneous use of equipment that exceeds 90 dBA, particularly impact and vibratory pile drivers</li> <li>Install noise mufflers to stationary equipment and impact tools that are no less effective than those provided by the manufacturer</li> <li>Use construction equipment with low noise emission ratings</li> </ul> </li> </ul>	Project proponent and construction contractor(s)	Prior to the start of construction activities; implementation ongoing during construction	Project proponent shall submit the Construction Noise Minimization Plan to the Port of San Francisco. Project proponent shall include requirements of noise minimization plan in all construction contracts.	Considered complete with the Port of San Francisco's approval of the Construction Noise Minimization Plan and inclusion of the plan as a requirement in the building permit.	Port of San Francisco



MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>○ Locate equipment, materials, and staging areas as far as practicable from sensitive receptors</li> <li>○ Install barriers around particularly loud activities at the construction site to eliminate the line of sight between the source of noise and nearby sensitive receptors, which could reduce noise up to 10 dBA based on the configuration of the site and equipment used.<sup>1</sup></li> <li>○ Prohibit unnecessary idling of vehicles or equipment</li> <li>○ Require applicable construction-related vehicles or equipment to use designated truck routes to access the proposed project site</li> </ul> <p>Restrict construction activities between 7:00 AM to 8:00 PM Monday through Saturday</p>					

<sup>1</sup> The Federal Highway Administration's *Roadway Construction Noise Model Users' Guide* gives the following "rules of thumb" for estimating noise attenuation of barriers at construction sites:

- 3 dBA - if a noise barrier or other obstruction (like a dirt mound) just barely breaks the line-of-sight between the noise source and the receptor;
- 5 dBA - if the noise source is partly enclosed OR shielded with a barrier with some gaps located close to the source;
- 8 dBA - if the noise source is completely enclosed OR completely shielded with a solid barrier located close to the source;
- 10 dBA - if the noise source is completely enclosed AND completely shielded with a solid barrier located close to the source;
- 15 dBA - if a building stands between the noise source and receptor and completely shields the noise source.

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<b>I-AQ-1a: Use Cleaner Construction Equipment</b>  The project proponent shall develop a plan demonstrating that the off-road equipment (more than 50 horsepower) to be used in the construction project (i.e., owned, leased, and subcontractor vehicles) would achieve a project wide fleet-average 20 percent nitrogen oxide (NOx) reduction and 45 percent particulate matter (PM) reduction compared to the most recent California Air Resources Board fleet average. Acceptable options for reducing emissions include the use of late model engines, low-emission diesel products, alternative fuels, engine retrofit technology, after-treatment products, add-on devices such as particulate filters, and/or other options as such become available.	Project proponent and construction contractor	Prior to construction	Project proponent shall submit the Clean Construction Equipment Plan to the Port of San Francisco. Project proponent shall include requirements of clean construction equipment plan in all construction contracts.	Considered complete when compliance plan is approved by the Monitoring Agency.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)
		During construction	Monitoring agency shall ensure compliance with contract specifications.	Considered complete when project proponent or construction contractor submits certification statement.	
<b>I-AQ-1b: Use Cleaner Engines on Tugboats</b>  The project proponent shall use tugboats with Tier 4 propulsion engines and	Project proponent and construction	Prior to and during	Project proponent shall include	Considered complete after	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
Tier 3 auxiliary engines.	contractor(s)	construction involving tugboats	requirements in all construction contracts and submit documentation of tugboat engines to the Monitoring Agency.	submittal of certification statement.	(Pier 31½ site)  National Park Service (Fort Baker site)
<b>I-BI-1a: Pile Driving Work Windows</b>  Pile driving will occur between July 1 and November 30 at the Pier 31½ site and between July 1 and September 30 at the Fort Baker site.	Project proponent and construction contractor(s)	During construction	Project proponent shall include requirements in all construction contracts.	Considered complete after construction.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-BI-1b: Noise Monitoring Plan</b></p> <p>The project proponent will develop and implement a marine noise monitoring plan which would be subject to review and approval by the National Marine Fisheries Service. As part of this plan, the following measures will be implemented:</p> <ul style="list-style-type: none"> <li><i>Equipment Controls:</i> The proposed project will be required to bring loud mechanical equipment online slowly (employ a "soft-start").</li> <li><i>Noise Monitoring:</i> A trained acoustical specialist will conduct underwater noise monitoring during marine construction to ensure that pile driving noise levels do not exceed the levels identified through noise modeling for the proposed project. If noise levels are exceeded, the proposed project will implement cushion blocks in the hammer to reduce sound levels and prevent exceedance of the levels projected through noise modeling, and noise level exceedances will be reported to the National Marine Fisheries Service.</li> </ul>	Project proponent, construction contractor(s), and qualified biologist	Prior to and during in-water construction	<p>Qualified biologist shall develop noise monitoring plan. Project proponent shall include requirements of noise monitoring plan in all construction contracts.</p> <p>Project proponent shall submit documentation of noise monitoring to National Marine Fisheries Service.</p>	Considered complete after submitting documentation of noise monitoring to National Marine Fisheries Service.	<p>Port of San Francisco (Pier 31½ site)</p> <p>National Park Service (Fort Baker site)</p>

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-BI-1c: Marine Mammal Safety Zone</b></p> <p>The project proponent will maintain a 500-meter safety zone around sound sources in the event that the sound level is unknown or cannot be adequately predicted. This will be required at the onset of construction, prior to confirming noise levels through noise monitoring (as required through <b>Improvement Measure I-BI-1b, Noise Monitoring Plan</b>).</p> <p>A qualified marine biologist on shore or by boat will survey the safety zone to ensure that no marine mammals are within the zone before pile driving begins. If a marine mammal is observed within the safety zone before pile driving begins, pile driving will be delayed until the marine mammals move out of the area.</p> <p>If marine mammals enter the safety zone after pile driving of a segment has begun, pile driving will continue. The biologist will monitor and record the species and number of individuals observed, and make note of their behavior patterns. If the animal appears distressed, and if it is operationally safe to do so, pile driving will cease until the animal leaves the area. Prior to the initiation of each new pile driving episode, the area will again be thoroughly surveyed by the biologist.</p>	Project proponent, construction contractor(s), and qualified biologist	Prior to and during pile driving	Project proponent shall include requirements of safety zone in all construction contracts. Project proponent shall submit documentation of marine mammal safety zones to National Marine Fisheries Service.	Considered complete after submitting documentation of marine mammal safety zones to National Marine Fisheries Service.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)

**EXHIBIT J**  
**SUMMARY OF SECRETARY OF THE INTERIOR'S STANDARDS**  
**FOR THE TREATMENT OF HISTORIC PROPERTIES**

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in a such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

## EXHIBIT K

### PORT OF SAN FRANCISCO HISTORIC PRESERVATION REVIEW GUIDELINES FOR PIER AND BULKHEAD WHARF SUBSTRUCTURES

*Approved by San Francisco Port Commission, October 26, 2004, with proposed amendments to respond to comments from California State Office of Historic Preservation.*

#### **Background**

As part of the preparation of the Port of San Francisco Embarcadero Historic District nomination, the Port has developed Historic Preservation Review Guidelines (Guidelines) to define how the Secretary of the Interior's Standards for Rehabilitation (Secretary's Standards) should be interpreted and applied to the historic resources within the District, to ensure its responsible management and stewardship. The set of Guidelines below focuses on Pier and Bulkhead Wharf Substructures, providing an important tool to be used by the Port's historic preservation experts to define parameters for the repair, maintenance or alterations to the pile foundations, substructures and decks of piers and bulkhead wharves upon which pier sheds, bulkhead buildings and other waterfront structures sit.

These Guidelines were developed by the Port's historic preservation expert staff in concert with San Francisco Architectural Heritage and preservation experts familiar with the specific historic resources in the District. The Guidelines were approved by the San Francisco Port Commission in October 2004, and further amended to respond to comments from the California State Office of Historic Preservation. The Guidelines will be used in the review of pier and bulkhead wharf substructure projects that are subject only to approval by the Port. Projects affecting District resources which are subject to review and approval by any of the following entities are not subject to these Guidelines, in recognition of the separate review criteria and practices employed by those agencies to administer the Secretary's Standards:

- 1) Federal Undertakings - Requiring Section 106 consultation
  - Projects receiving federal funding
  - Transfer of federal property
  - Approval of a federal permit, license or similar entitlement (i.e. Army Corps. of Engineers)
- 2) Federal Historic Preservation Tax Credit Projects – Requiring State Office of Historic Preservation and National Park Service approvals
- 3) San Francisco Historic Preservation Commission – Subject to Planning Code Article 10 Provisions for City Landmarks and City Historic Districts

#### **Port of San Francisco Review Process – Overview**

For projects affecting historic resources within the Embarcadero Historic District that are subject only to the Port's review and approval, the Port conducts its review in conjunction with use of Historic Preservation Guidelines, where applicable, to direct actions that comply with the Secretary's Standards.

All projects undergo case-specific review to determine the appropriate application of the Guidelines and other related Port design reviews. The Port maintains qualified historic preservation expertise on staff and may work with other qualified historic preservation professionals to review projects for consistency with the Secretary's Standards and any applicable Guidelines.

In the case of repairing and managing pier and bulkhead wharf substructures, the Guidelines below are to be used in the Port review process. The process follows the principles of the Secretary's Standards for Rehabilitation and the Port's longstanding practice of repairing existing materials wherever feasible. Replacement of historic materials, if deterioration makes such repair infeasible, is limited to replacement in-kind (use of the same materials) whenever possible. Where replacement in-kind is infeasible, the Port directs use of new substitute materials that are compatible with the character defining features of the subject historic resource to preserve the historic integrity of contributing resources or, in the case of reviewing non-contributing resources, the integrity of the Historic District.

### **Pier and Bulkhead Wharf Substructures**

The historic piers and resources in the Embarcadero Historic District are made up of pile-supported platforms upon which pier shed and bulkhead building structures were built to conduct maritime commerce. The substructure of the piers and bulkhead wharf, described in detail in Section 7 of the Embarcadero Historic District nomination, consists of vertically driven piles, topped by stringer and pile cap beams, which create the horizontal structural framework upon which pier decks rest. Beneath these structures, the tides of the San Francisco Bay ebb and flow. Pier substructures are defined to include pier aprons, which are constructed at the perimeter of piers, generally used to provide a pile-supported platform for ship berthing, an outdoor work area, and in more recent times a public access and recreation area. In most instances, pier aprons are constructed of wood and have a shorter life span, historically requiring more maintenance and repair than steel and concrete substructures.

Within this complex, the bulkhead wharf is an important feature. It is comprised of 23 individual sections that extend end to end throughout the historic district, adjacent and connected to the Seawall, which establishes the constructed edge of the waterfront between piers. In addition, the bulkhead wharf plays an important role in defining the Embarcadero's urban form, which supports maritime, public access and commercial recreation/retail functions.



**EXHIBIT L**  
**TENANT ESTOPPEL CERTIFICATE**

The undersigned, \_\_\_\_\_, is the tenant of a portion of the real property commonly known as [Insert Premises Address] located in San Francisco, California (the "Property"), and hereby certifies to **THE CITY AND COUNTY OF SAN FRANCISCO THROUGH THE SAN FRANCISCO PORT COMMISSION ("Port")** [and to \_\_\_\_\_ ("Developer/Lender")] the following:

1. That there is presently in full force and effect a lease (as modified, assigned, supplemented and/or amended as set forth in paragraph 2 below, the "Lease") dated as of \_\_\_\_\_, 20\_\_\_\_, between the undersigned and Port, covering approximately \_\_\_\_\_ square feet of the Property (the "Premises").
2. That the Lease has not been modified, assigned, supplemented or amended except by:
3. That the Lease represents the entire agreement between Port and the undersigned with respect to the Premises.
4. That the commencement date under the Lease was \_\_\_\_\_, 20\_\_\_\_, the expiration date of the Lease is \_\_\_\_\_, 20\_\_\_\_.
5. That the present minimum monthly Base Rent which the undersigned is paying under the Lease is \$\_\_\_\_\_.
6. The security deposit held by Port under the terms of the Lease is \$\_\_\_\_\_ and Port holds no other deposit from Tenant for security or otherwise.
7. That the undersigned has accepted possession of the Premises and that, to the best of the undersigned's knowledge, any improvements required to be made by Port to the Premises by the terms of the Lease and all other conditions of the Lease to be satisfied by Port have been completed or satisfied to the satisfaction of the undersigned.
8. That, to the best of the undersigned's knowledge, the undersigned, as of the date set forth below, has no right or claim of deduction, charge, lien or offset against Port under the Lease or otherwise against the rents or other charges due or to become due pursuant to the terms of the Lease.
9. That, to the best of the undersigned's knowledge, Port is not in default or breach of the Lease, nor has Port committed an act or failed to act in such a manner, which, with the passage of time or notice or both, would result in a default or breach of the Lease by Port.
10. That, to the best of the undersigned's knowledge, the undersigned is not in default or in breach of the Lease, nor has the undersigned committed an act or failed to act in such a manner which, with the passage of time or notice or both, would result in a default or breach of the Lease by the undersigned.
11. The undersigned is not the subject of any pending bankruptcy, insolvency, debtor's relief, reorganization, receivership, or similar proceedings, nor the subject of a ruling with respect to any of the foregoing.

This Certificate shall be binding upon and inure to the benefit of the undersigned, Port, [Developer/Lender] and [its/their respective] successors and assigns.

Dated: \_\_\_\_\_, 20\_\_\_\_.

[Name of Tenant]

By:

Name:

Title:

**EXHIBIT M**

**PORT'S ZERO WASTE EVENTS AND ACTIVITIES POLICY**

[Attachment on following page(s)]

**[PAGE LEFT INTENTIONALLY BLANK]**

**EXHIBIT A  
TO RESOLUTION NO. 12-11**

**PORT OF SAN FRANCISCO  
ZERO WASTE EVENTS AND ACTIVITIES POLICY**

**February 2012**

The Port of San Francisco is proud to host numerous events on Port property each year. These include fundraising walks and runs, "tailgate parties" at athletic events, Christmas tree sales, 4th of July Celebration, Oktoberfest, Fleet Week, and the proposed 34<sup>th</sup> America's Cup events (subject to pending environmental review). Some events can generate public participation of 5,000 or more people during the period of the event. Large outdoor events of this size typically generate a variety of plastic wastes from the sale of water in single-use bottles, the use of non-compostable plastic food ware, and the distribution of plastic bags to customers for food, merchandise and souvenirs. Along the Port's facilities, the inherent challenges of waste management at a large event are compounded by a windy environment and proximity to the San Francisco Bay.

*Plastics*

Several plastic waste items have significant environmental impacts. Single use plastic bags are difficult to recycle and can contaminate existing recycling and composting streams. These products are easily scattered by the wind and can create significant litter problems on shore and in water. Single-use plastic water bottles are resource intensive to produce, fill and transport, and contribute to waste management challenges at events. Non-food product plastic packaging is also difficult to recycle, may create a significant litter problem and harm the marine environment. The National Oceanic and Atmospheric Administration (NOAA) has recognized burst latex and Mylar balloons as a commonly reported source of marine debris. Balloons drift onto the surface of water and mimic the appearance of jellyfish and other floating organisms that are a natural food source for turtles, fish, dolphins, and shorebirds.

Plastic wastes are of increasing concern in marine environments and are a focus of volunteer and non-profit clean-up activities along the waterfront and bay shoreline. Plastics from litter, stormwater and maritime sources enter the marine environment where they degrade into microscopic bits and damage the ecology of our oceans. They can entangle wildlife and disrupt their internal organs and, when digested by marine life, plastics can function as a pathway of exposure to several pollutants such as polychlorinated biphenyls (PCBs), dichlorodiphenyltrichloroethane (DDTs) and polycyclic aromatic hydrocarbons (PAHs). These pollutants can bio-accumulate and bio-magnify in the food chain, eventually making their way into human food sources. There are five ocean gyres, or large bodies of water that contain massive accumulations of degraded plastics around the globe.

### *Food-Related Wastes and Packaging*

Large events produce large volumes of food-related wastes and packaging. San Francisco Special Events Ordinance No. 73-89 requires any applicant seeking permission for the temporary use or occupancy of a public street, a street fair or an athletic event within the City and County that includes the dispensing of beverages or which generates large amounts of other materials to submit a recycling plan to the department issuing the permit for the event or activity. Recycling plans shall include arrangements for collection and disposition of source separated recyclables and/or compostables by a service provider of the event organizer. San Francisco offers one of the most successful and comprehensive large municipal food scrap collection programs in the nation.

Events at the Port of San Francisco attract tourists who may be less familiar with the City's recycling and composting programs than residents and local business owners. In the experience of the Department of the Environment, the best way to manage food waste streams at large events is to require the use of either compostable or durable, reusable food service ware.

Exclusive use of compostable food service ware facilitates source separation and the diversion of organic materials from landfill, mitigates contamination in the City's recycling programs, and streamlines composting and related waste diversion activities during large events. A wide variety of compostable food service ware and bags are available in the marketplace. These are made from renewable resources such as paper, corn starch and sugarcane.

### *Reusable Water Bottles and Refilling Stations*

The City's water delivery system consistently provides among the purest, safest drinking water in the nation from spring snowmelt stored in the Hetch Hetchy Reservoir and flowing down the Tuolumne River. Re-usable water bottles are easy to refill and use of Hetch Hetchy water guarantees a high quality of water for the public. Durable or compostable service ware can be combined with water filling stations to further reduce the need for single-use plastic packaging.

The Port Commission adopts the following measures to address the concerns outlined above and to 1) ensure that food waste streams from large outdoor events can be easily composted, and 2) marine life in the Bay is protected from plastics and litter through elimination or reduction of plastics at these events.

1. The provisions of this Policy are mandatory for all events or activities ("Events") on Port property that the Port expects will attract 5,000 or more people aggregated over the number of days the event is held. Examples of these Events include but are not limited to: exhibitions or presentations of sporting events, tournaments, concerts, musical and theatrical performances and other forms of live entertainment, public ceremonies, fairs, carnivals, markets, shows, fundraising events, races or other public or private exhibitions and activities related thereto. This Policy shall apply to all persons or entities organizing, sponsoring or hosting an Event, including all vendors, subcontractors and agents ("Event Organizers") for

an Event. Event Organizers of Events with an expected attendance of less than 5,000 people are strongly encouraged to comply with this Policy.

2. The sale, use and distribution of single-use plastic water bottles are prohibited. The Event Organizer must provide "water filling stations" supplied either by the San Francisco Public Utilities Commission or a vendor approved by the Port's Executive Director or her or his designee for use by individuals with reusable water bottles. This prohibition applies only to single-use plastic bottles that are used for non-carbonated or non-flavored water.
3. The sale, use and distribution of single-use disposable plastic bags are prohibited. The Event Organizer must use alternatives to single-use plastic bags such as recyclable paper, compostable plastic (preferably marine degradable) and/or reusable bags as those terms are defined by the City's Plastic Bag Reduction Ordinance.
4. The sale, use and distribution of single-use non-compostable plastic food ware are prohibited. The Event Organizer may only sell, use and distribute food service ware that is either labeled "compostable" and meets American Society for Testing and Materials (ASTM) standards for compostability or that is durable, washable, and reusable.
5. All compostable plastic food service ware must meet ASTM D-6400 standards for compostable plastics, have BPI certification ([www.BPIworld.org](http://www.BPIworld.org)), and be clearly labeled with a color-coded (green) identifying marker, such as a green sticker, stripe or band on all pieces of the product (for example the cup and lid must both be labeled), or other certification standards (such as marine degradability) as may be recommended from time to time by the San Francisco Department of the Environment and approved by the Port Executive Director.
6. The intentional release of balloons on Port property in connection with an Event subject to this Policy is prohibited.
7. Event Organizers are encouraged to minimize packaging and avoid the use of disposable plastic packaging.
8. The Port reserves the right at any time and from time to time to revise this Policy or to make such other and further Rules and Regulations as the Port shall determine are in the best interest of the Port, the San Francisco Bay, and the community, or that comply with City law.
9. For Events that the Port expects will attract 5,000 or more people in the aggregate, all licenses, leases, or other real property agreements with Event Organizers entered into after the date of adoption of this Policy by the Port Commission ("the adoption date"), and all amendments to licenses, leases, or other real property agreements with Event Organizers made beginning in 2012 shall require the Event Organizer to comply with this Policy. Such Event Organizer's failure to comply with this Policy shall be deemed a material breach of the agreement and the Port may

pursue remedies, including liquidated damages and termination of the agreement.

10. The Port Commission may grant a waiver of any of the provisions of this Policy, in its sole discretion, if the provision that is waived is replaced by an action that (i) protects the Port's and Bay's natural habitat, (ii) is compliant with law, and (iii) is in keeping with the environmental spirit of the Port's goals herein.

This Policy for Zero Waste Events and Activities shall apply to all events on Port property with a total expected attendance of 5,000 or more people aggregated over the number of days the event is held. This Policy for Zero Waste Events and Activities also serves as non-mandatory goals for events with an expected attendance of less than 5,000 people.

**SCHEDULE 1**

**ASBESTOS NOTIFICATION AND INFORMATION  
NOTICE TO EMPLOYEES,  
OWNERS, LESSEES, SUBLESSEES, AGENTS AND CONTRACTORS**

[Attachment on following page(s)]



**[PAGE LEFT INTENTIONALLY BLANK]**

**NOTICE TO EMPLOYEES,  
OWNERS, LESSEES, SUBLESSEES, AGENTS AND CONTRACTORS**

**ASBESTOS IN BUILDINGS**

**FOR: Pier 33 / Facility #1330  
FOR PERIOD THROUGH: March 2014**

It is the responsibility of the master tenant to provide this notice to any subtenant within their leasehold.

In January of 1989, Assembly Bill 3713 was signed into law and added to the California Health and Safety Code. This bill provides for written notice to employees concerning specific matters related to working in a building with asbestos containing construction materials. It applies to buildings built before 1979 where the owner knows that the building contains asbestos-containing materials; it does not require that a building be surveyed to determine the presence of asbestos.

**WHAT IS ASBESTOS?**

Asbestos is a naturally occurring group of fibrous minerals which have been used extensively in public buildings, apartment buildings and homes. Asbestos was incorporated into pipe insulation, acoustic plaster, acoustic tile, duct and furnace insulation, floor tiles, textiles and hundreds of other building materials. In most City buildings, asbestos is located in insulation on piping systems, acoustic plaster on ceilings, acoustic ceiling tiles, vinyl asbestos floor tiles, and structural fireproofing.

This notification includes the results of any air monitoring or bulk sampling for asbestos that has been conducted in your building during the previous calendar quarter. (This notice may also include older information of asbestos samples, for your information.)

**WHY IS ASBESTOS HAZARDOUS?**

Asbestos is a concern because of the potential health risks associated with breathing asbestos fibers. It is important for you to know that most people with asbestos-related diseases were asbestos workers before 1972. These workers were repeatedly exposed to high levels of asbestos each working day with little or no protection. Asbestos workers today are required to follow specific work practices and wear appropriate protection to minimize exposure.

Significant exposure to asbestos fibers can lead to asbestosis and certain forms of cancer. Asbestosis is one of the many dust-related lung diseases. It is associated with chronic exposure to relatively high levels of asbestos and is characterized by the permanent deposition of asbestos fibers in the respiratory tract. The earliest and most prominent clinical finding, breathlessness upon exertion, rarely becomes apparent until at least a decade of exposure.

In addition to asbestosis, the association of asbestos and lung cancer has been well established over the past two decades. Scientists have studied insulation and shipyard workers who were exposed to HIGH AIRBORNE LEVELS of asbestos. These studies indicated that asbestos workers were about five times as likely to get lung cancer as non-asbestos workers who did not smoke. Asbestos workers who also smoke were found to be at much greater risk (about 50 times) of dying of lung cancer than non-smoking non-asbestos workers. Mesothelioma, a rare form of cancer of the chest or abdominal cavity, occurs among occupational groups exposed to certain types of asbestos.

**ASBESTOS SAMPLING RESULTS**

A summary of the results of recent asbestos bulk sampling or air monitoring is attached to this notice.

A variety of exposure standards and health action levels have been established for various purposes:

The Occupational Safety and Health Administration (OSHA) asbestos standards (Title 29 of the Code of Federal Regulations), which apply to employees who actually work with asbestos, mandate a permissible exposure limit (PEL) of 0.1 fibers per cubic centimeter of air (f/cc) determined as an 8 hour time weighted average (TWA) and an excursion limit of 1 f/cc as a 30 minute TWA. When employees are exposed at these levels, OSHA and Cal/OSHA (Title 8 of the California Code of Regulations) require medical monitoring and other control methods.

The Environmental Protection Agency (EPA) has recommended a "clearance level" for asbestos of 0.01 f/cc, as measured by phase contrast microscopy (PCM). If measured by the transmission electron microscopy (TEM) method described in 40 CFR Part 763, the Asbestos Hazard Emergency Response Act (AHERA), the clearance level is either 0.02 structure/cc or 70 structures per square millimeter of filter (s/mm<sup>2</sup>). This means that once an operation involving asbestos (such as removal) is complete, the area is "safe" for re-occupancy as long as the asbestos air concentrations are less than or equal to the "clearance level". These same levels have also been adopted in the California Education Code (Section 494200.7) as the school abatement clearance level.

The state of California has an additional requirement relating to disclosure of the presence of asbestos. Proposition 65, which was voted into law by the state citizens, basically requires posting of area where anyone is exposed to a carcinogen at a level where there is a significant risk of cancer. The California Health and Welfare Agency has established this level at 100 fibers of asbestos per day.

### **GENERAL PROCEDURES AND HANDLING RESTRICTIONS**

As you can see, the concern is with asbestos fibers in the air. When asbestos materials are in good condition, it is unlikely that fibers will be released into the air, unless the asbestos materials are damaged or disturbed. Asbestos-containing materials must not be disturbed so that fibers do not get into the air. Do not cut into, drill into, nail or pin anything onto, sand, move, bump, rub against or otherwise disturb any asbestos containing materials. If you should discover any damaged asbestos-containing material, do not touch it; do not attempt to clean it up. Contact your supervisor or property manager immediately and report the situation.

City employees required to enter areas and perform work activities that might involve the disturbance of asbestos materials have been trained in the proper procedures to minimize exposure. Work that requires major disturbances of asbestos materials (such as removal) is performed under specifications which include work practice procedures, removal techniques, clean up and clearance air sampling.

If any construction, maintenance, or remodeling is conducted in an area of the building where there is the potential for employees to come in contact with, or release or disturb asbestos containing building materials, it is required that the area be posted with a clear and conspicuous warning sign. The warning sign must read:

**"CAUTION. ASBESTOS  
CANCER AND LUNG DISEASE HAZARD  
DO NOT DISTURB WITHOUT PROPER TRAINING AND EQUIPMENT"**

Much of this information may be new to you. If you have questions about asbestos, you may call the Department of Public Health Toxic Substances Control Program at 252-3800 to answer your questions.

This written announcement fulfills the asbestos notification requirement of Division 20, Chapter 10.4, Section 25915 of the California Health and Safety Code (Assembly Bill 3713).

### **SITE SPECIFIC INFORMATION**

The following pages are a summary of asbestos bulk sampling or air monitoring results that have been conducted at Pier 33 Facility #1330. Copies of the full sampling report(s) are available for review and photocopying at the Port of San Francisco Environmental Health and Safety Office (Pier 1; S.F.) between the hours of 8 a.m. and 5 p.m. The asbestos coordinator for this building is Tim Felton who can be reached at (415) 274-0582.

**NOTICE TO EMPLOYEES,  
OWNERS, LESSEES, SUBLESSEES, AGENTS AND CONTRACTORS**

**ASBESTOS IN BUILDINGS**

**FOR: Pier 31 / Facility #1310  
FOR PERIOD THROUGH: March 2014**

It is the responsibility of the master tenant to provide this notice to any subtenant within their leasehold.

In January of 1989, Assembly Bill 3713 was signed into law and added to the California Health and Safety Code. This bill provides for written notice to employees concerning specific matters related to working in a building with asbestos containing construction materials. It applies to buildings built before 1979 where the owner knows that the building contains asbestos-containing materials; it does not require that a building be surveyed to determine the presence of asbestos.

**WHAT IS ASBESTOS?**

Asbestos is a naturally occurring group of fibrous minerals which have been used extensively in public buildings, apartment buildings and homes. Asbestos was incorporated into pipe insulation, acoustic plaster, acoustic tile, duct and furnace insulation, floor tiles, textiles and hundreds of other building materials. In most City buildings, asbestos is located in insulation on piping systems, acoustic plaster on ceilings, acoustic ceiling tiles, vinyl asbestos floor tiles, and structural fireproofing.

This notification includes the results of any air monitoring or bulk sampling for asbestos that has been conducted in your building during the previous calendar quarter. (This notice may also include older information of asbestos samples, for your information.)

**WHY IS ASBESTOS HAZARDOUS?**

Asbestos is a concern because of the potential health risks associated with breathing asbestos fibers. It is important for you to know that most people with asbestos-related diseases were asbestos workers before 1972. These workers were repeatedly exposed to high levels of asbestos each working day with little or no protection. Asbestos workers today are required to follow specific work practices and wear appropriate protection to minimize exposure.

Significant exposure to asbestos fibers can lead to asbestosis and certain forms of cancer. Asbestosis is one of the many dust-related lung diseases. It is associated with chronic exposure to relatively high levels of asbestos and is characterized by the permanent deposition of asbestos fibers in the respiratory tract. The earliest and most prominent clinical finding, breathlessness upon exertion, rarely becomes apparent until at least a decade of exposure.

In addition to asbestosis, the association of asbestos and lung cancer has been well established over the past two decades. Scientists have studied insulation and shipyard workers who were exposed to HIGH AIRBORNE LEVELS of asbestos. These studies indicated that asbestos workers were about five times as likely to get lung cancer as non-asbestos workers who did not smoke. Asbestos workers who also smoke were found to be at much greater risk (about 50 times) of dying of lung cancer than non-smoking non-asbestos workers. Mesothelioma, a rare form of cancer of the chest or abdominal cavity, occurs among occupational groups exposed to certain types of asbestos.

**ASBESTOS SAMPLING RESULTS**

A summary of the results of recent asbestos bulk sampling or air monitoring is attached to this notice.

A variety of exposure standards and health action levels have been established for various purposes.

The Occupational Safety and Health Administration (OSHA) asbestos standards (Title 29 of the Code of Federal Regulations), which apply to employees who actually work with asbestos, mandate a permissible exposure limit (PEL) of 0.1 fibers per cubic centimeter of air (f/cc) determined as an 8 hour time weighted average (TWA) and an excursion limit of 1 f/cc as a 30 minute TWA. When employees are exposed at these levels, OSHA and Cal/OSHA (Title 8 of the California Code of Regulations) require medical monitoring and other control methods.

The Environmental Protection Agency (EPA) has recommended a "clearance level" for asbestos of 0.01 f/cc, as measured by phase contrast microscopy (PCM). If measured by the transmission electron microscopy (TEM) method described in 40 CFR Part 763, the Asbestos Hazard Emergency Response Act (AHERA), the clearance level is either 0.02 structure/cc or 70 structures per square millimeter of filter (s/mm<sup>2</sup>). This means that once an operation involving asbestos (such as removal) is complete, the area is "safe" for re-occupancy as long as the asbestos air concentrations are less than or equal to the "clearance level". These same levels have also been adopted in the California Education Code (Section 494200.7) as the school abatement clearance level.

The state of California has an additional requirement relating to disclosure of the presence of asbestos. Proposition 65, which was voted into law by the state citizens, basically requires posting of area where anyone is exposed to a carcinogen at a level where there is a significant risk of cancer. The California Health and Welfare Agency has established this level at 100 fibers of asbestos per day.

### **GENERAL PROCEDURES AND HANDLING RESTRICTIONS**

As you can see, the concern is with asbestos fibers in the air. When asbestos materials are in good condition, it is unlikely that fibers will be released into the air, unless the asbestos materials are damaged or disturbed. Asbestos-containing materials must not be disturbed so that fibers do not get into the air. Do not cut into, drill into, nail or pin anything onto, sand, move, bump, rub against or otherwise disturb any asbestos containing materials. If you should discover any damaged asbestos-containing material, do not touch it; do not attempt to clean it up. Contact your supervisor or property manager immediately and report the situation.

City employees required to enter areas and perform work activities that might involve the disturbance of asbestos materials have been trained in the proper procedures to minimize exposure. Work that requires major disturbances of asbestos materials (such as removal) is performed under specifications which include work practice procedures, removal techniques, clean up and clearance air sampling.

If any construction, maintenance, or remodeling is conducted in an area of the building where there is the potential for employees to come in contact with, or release or disturb asbestos containing building materials, it is required that the area be posted with a clear and conspicuous warning sign. The warning sign must read:

**"CAUTION. ASBESTOS  
CANCER AND LUNG DISEASE HAZARD  
DO NOT DISTURB WITHOUT PROPER TRAINING AND EQUIPMENT"**

Much of this information may be new to you. If you have questions about asbestos, you may call the Department of Public Health Toxic Substances Control Program at 252-3800 to answer your questions.

This written announcement fulfills the asbestos notification requirement of Division 20, Chapter 10.4, Section 25915 of the California Health and Safety Code (Assembly Bill 3713).

### **SITE SPECIFIC INFORMATION**

The following pages are a summary of asbestos bulk sampling or air monitoring results that have been conducted at Pier 31 Facility #1310. Copies of the full sampling report(s) are available for review and photocopying at the Port of San Francisco Environmental Health and Safety Office (Pier 1, S.F.) between the hours of 8 a.m. and 5 p.m. The asbestos coordinator for this building is Tim Felton who can be reached at (415) 274-0582.

PORT of San Francisco Asbestos Summary

Facility# 1310

Pier 31

All of the Facility

Survey Date	Room or Area	Contents of Survey / Description of ACM	Handling Procedures and Restrictions	Abated
6/30/1999	Roof	The roof patching mastic was found to contain 3% chrysotile asbestos. The roofing mastic found on the parapet wall was found to contain 8% chrysotile asbestos. (RGA 8/11/99)	The asbestos-containing materials found on the roof should be abated prior to building renovation if the roof is going to be impacted. A contractor licensed to perform asbestos-related work should conduct all abatement work.	No
6/30/1999	Roof	A complete building asbestos survey was conducted by RGA in June of 1999. The window putty on the skylights was found to contain trace (<1%) amounts of chrysotile asbestos. (RGA 8/11/99)	Asbestos must be removed by a certified abatement contractor if windows are removed.	No



**SCHEDULE 2**

**SUBSTRUCTURE REPORT(S)**

[Attachment on following page(s)]



**[PAGE LEFT INTENTIONALLY BLANK]**



## RAPID STRUCTURAL ASSESSMENT REPORT

<b>Structure Type:</b>	SUBSTRUCTURE	<b>Work Order:</b>	12720
<b>Facility Name:</b>	Pier 33-Substructure	<b>FIN:</b>	1330SUB
<b>Asset Number:</b>	1330-SUB3	<b>Facility Code:</b>	1330
<b>Asset Activity:</b>	SUBSTRUCTURE 4 YR INSPECTION	<b>Port Engineer:</b>	Duncan, Mr. Sherban A.
<b>Inspection Number:</b>	1330-SUB3-1-2015	<b>Inspected By:</b>	Port of San Francisco
<b>Inspection Start Date:</b>	2015/08/23 09:11:05	<b>Inspection End Date:</b>	2015/08/23 09:11:01
<b>Purpose Of Inspection:</b>	Periodic Inspection	<b>Lease Number:</b>	Multiple
<b>Address:</b>			
<b>Year Built:</b>			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

**Overall Rating:** Yellow With Green Hatching

**Immediate Actions:** See description below

**Required Repairs:** Repair broken pipes discharging water into the bay, repair areas of exposed rebar and spalling; remove hanging timbers

**Load Limits:**

**Barricades:**

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile	X		
4) Significant beam deterioration		X	
5) Significant slab deterioration	X		
6) Other Hazard present		X	

### Comments:

#### Sequence - 1

#### Description - Comments

**Comment** - Immediate Actions : Provide fences with a gate at North and South wales. Install signs as following : on each fence to read "DO NOT ENTER"; at all doors/gates to North apron to read "UNSAFE AREA/DO NOT EXIT"; at entrance to shed to read "MAXIMUM VEHICLE GROSS IS 8 TON"; at all doors/gates to South apron to read "MAXIMUM VEHICLE GROSS is 3 TON".

**Required Repairs** : Detailed engineering analysis is recommended to evaluate the load carrying capacity of the deteriorated substructure areas.



# RAPID STRUCTURAL ASSESSMENT REPORT

**Attachments:**

**Appendix A - Facility Data**

**Appendix B - Photographs and Structural Rating Map**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix A - Facility Data

### Substructure/Foundation Data:

**Substructure FIN:** 1330SUB

**Piling Type:** Concrete

**Substructure Deck Type:** Concrete

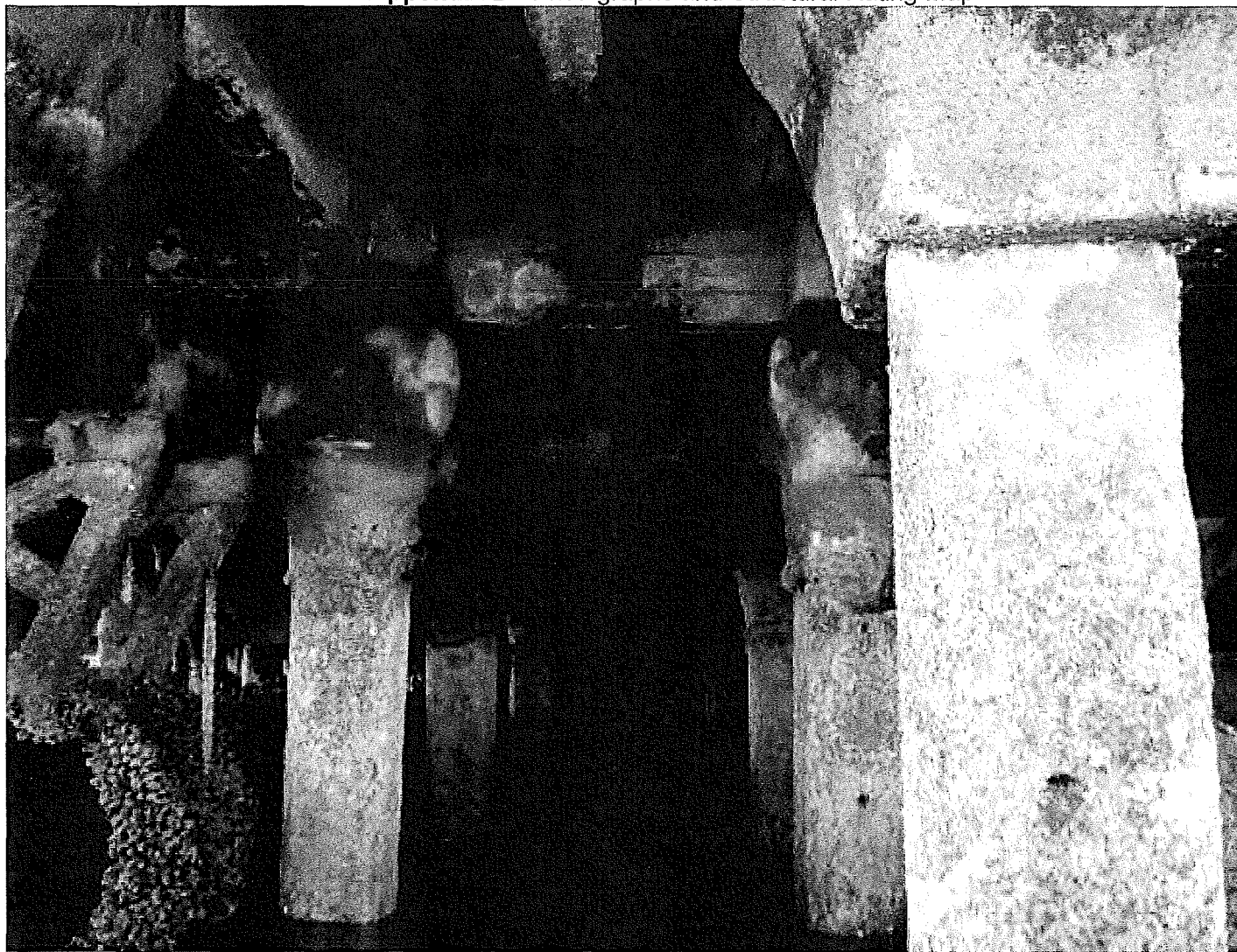
**Apron Type:** Concrete

**Detailed Substructure Description (If available):** Concrete Slab supported by Concrete Piles



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

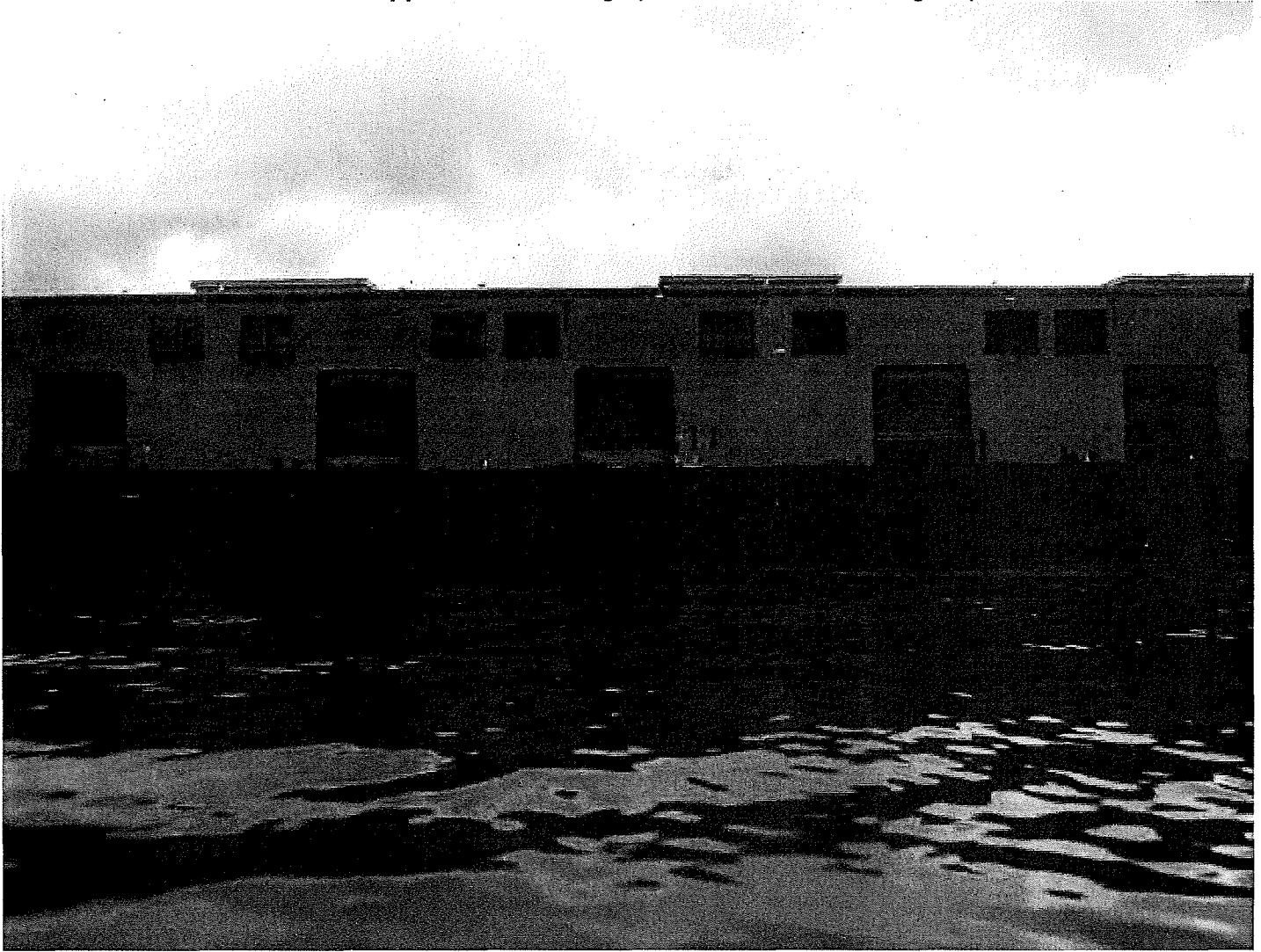


**Photo 1.** Spalled concrete beams and slabs above the outfalls under the Main Pier



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

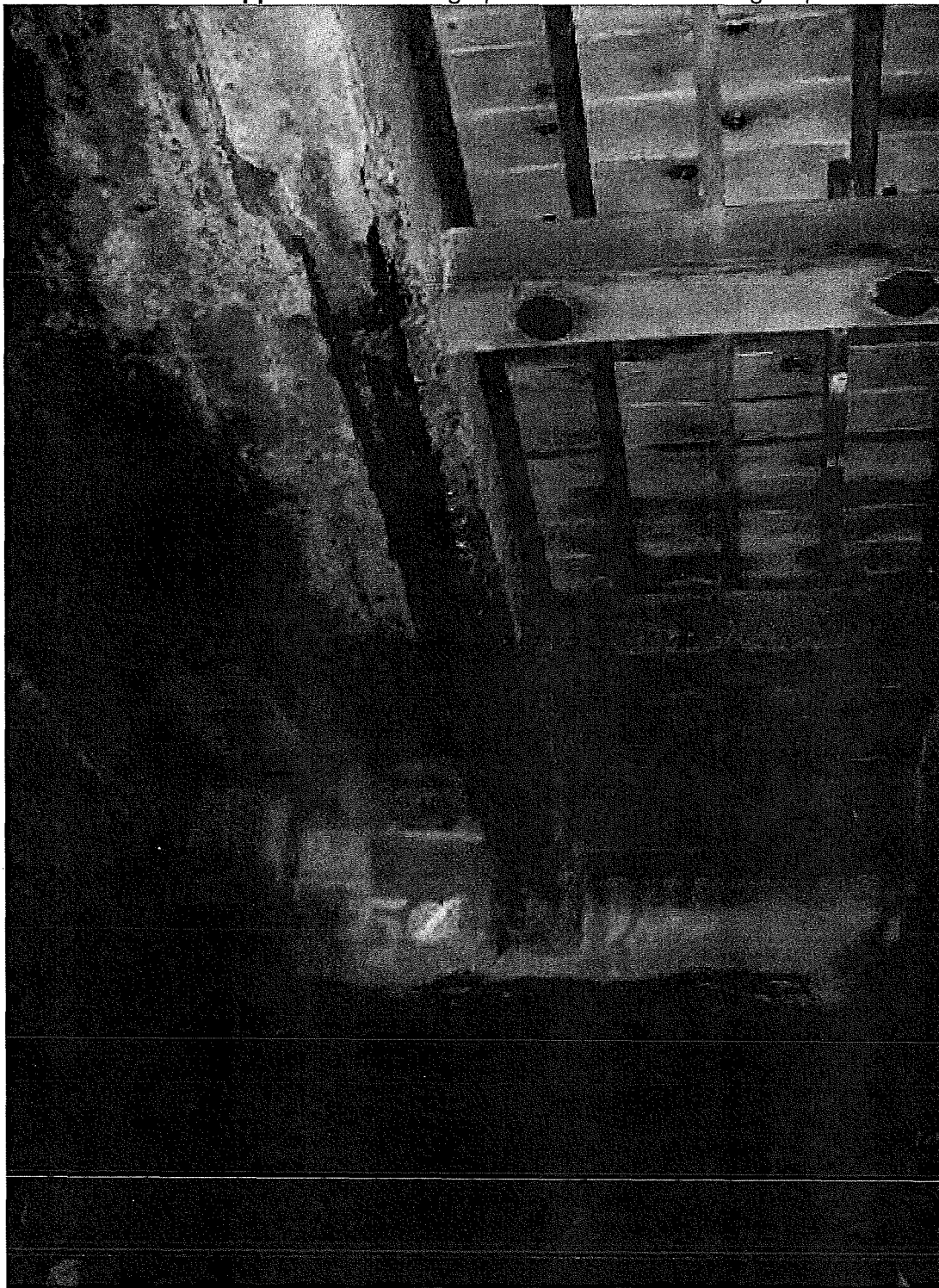


**Photo 2. North apron view**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 3.** Concrete spalling, typical



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

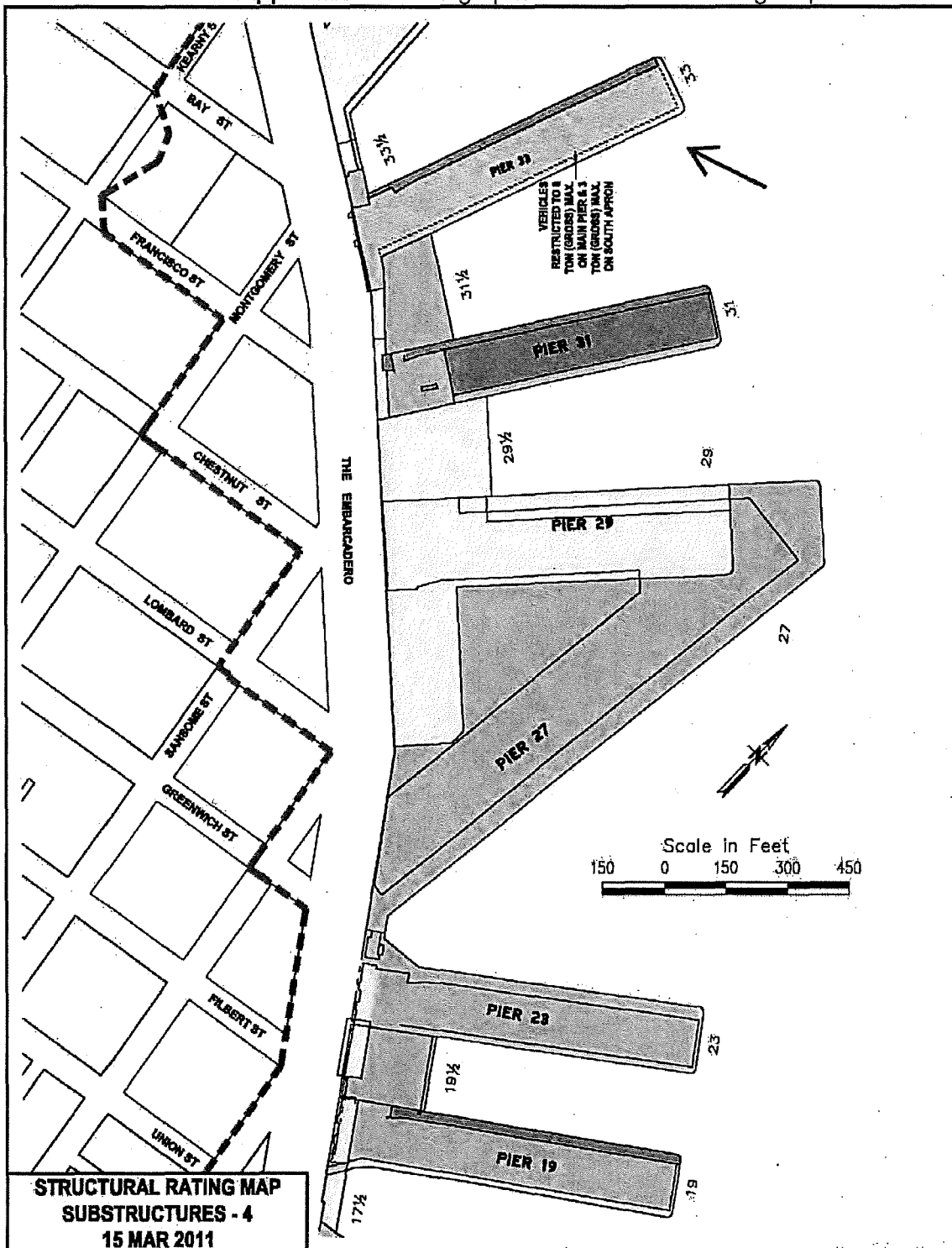


Photo 4. Structural Map





## RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUBSTRUCTURE	Work Order:	5406
Facility Name:	Pier 33 Southern Marginal Wharf (Crossing Bar)	FIN:	1330SSW
Asset Number:	1330-SUB5	Facility Code:	1330
Asset Activity:	SUBSTRUCTURE 4 YR INSPECTION	Type Use:	C-L
Inspection Number:	1330-SUB5-1-2013	Inspector Name:	Duncan, Mr. Sherban A.
		Affiliation:	C+D - Gelberg Rodriguez
Inspection Start Date:	2013/05/31 14:33:55	Inspection End Date:	2013/05/31 14:33:55
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Green

### Immediate Actions:

Required Repairs: Exposed rebar and spalling

Load Limits:

Barricades:

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration		X	
5) Significant slab deterioration		X	
6) Other Hazard present		X	

### Comments:

Sequence - 1

Description - Comments

Comment -

1. Some piles on northern end are out-of-plumb.



## **RAPID STRUCTURAL ASSESSMENT REPORT**

2. Some spalling with exposed/corroded rebar at slab and beams.
3. Some apparent repairs at north end.

### **Attachments:**

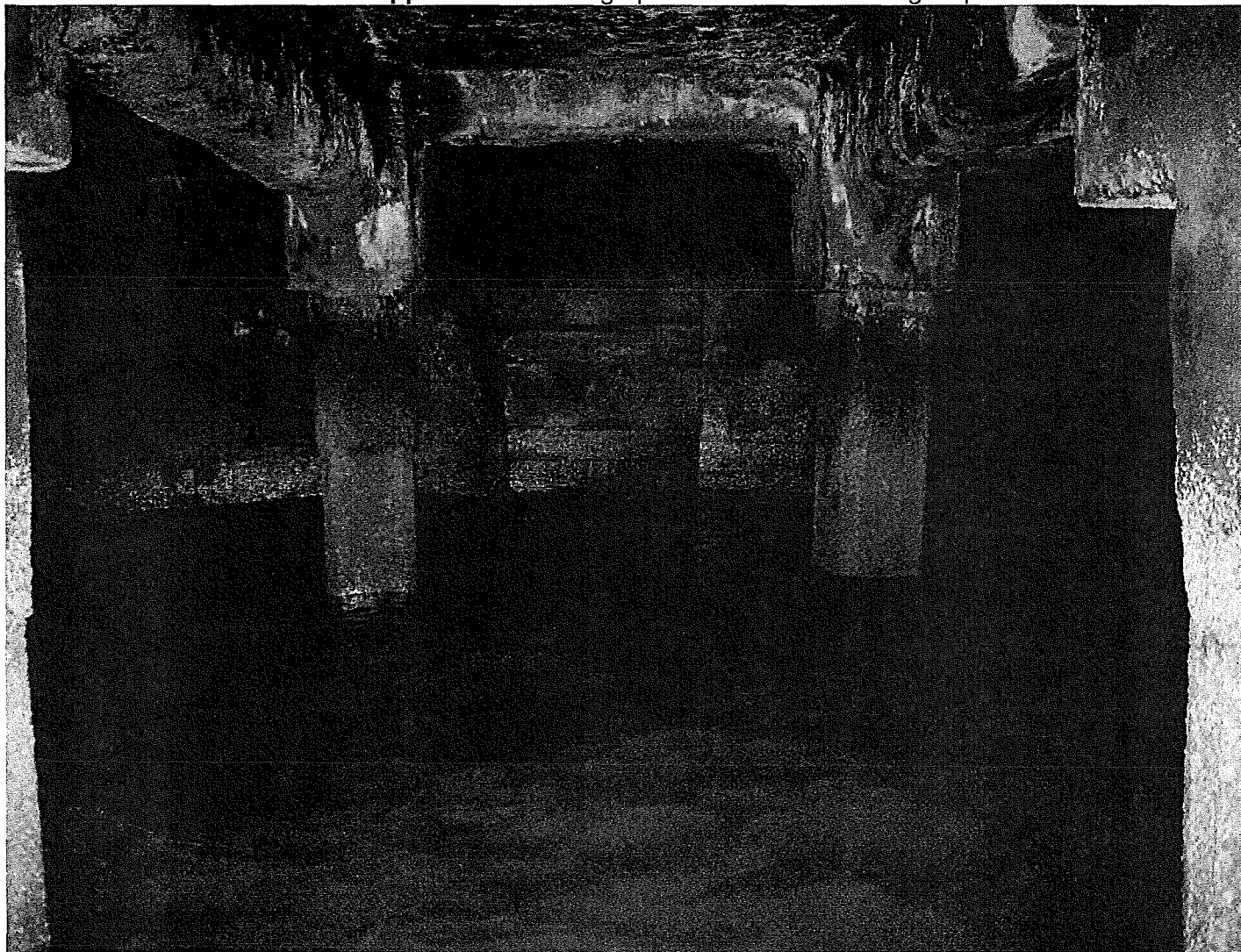
**Appendix A - Facility Data**

**Appendix B - Photographs and Structural Rating Map**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 1. Seawall**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

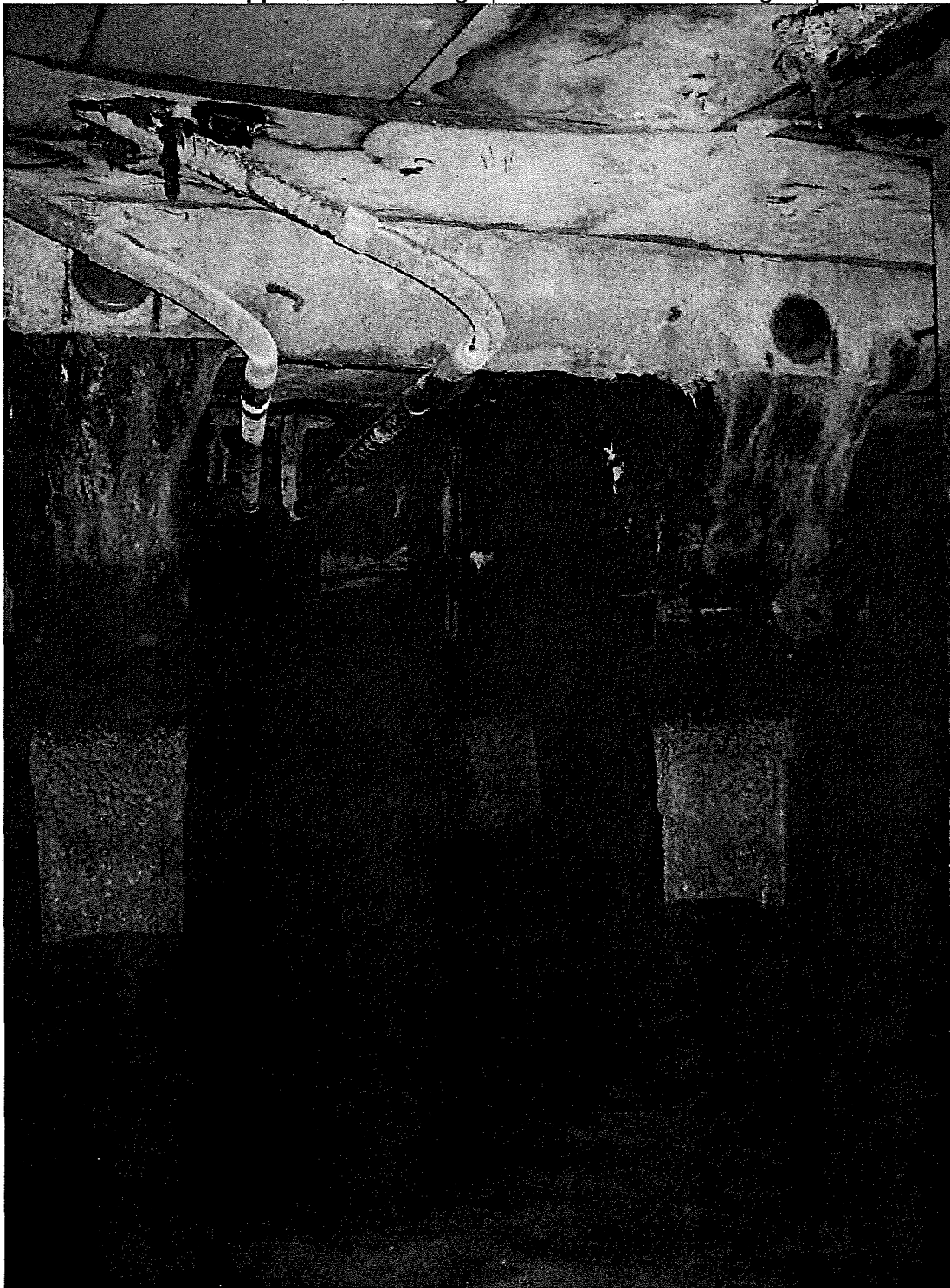


Photo 2. Piles out-of-plumb



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

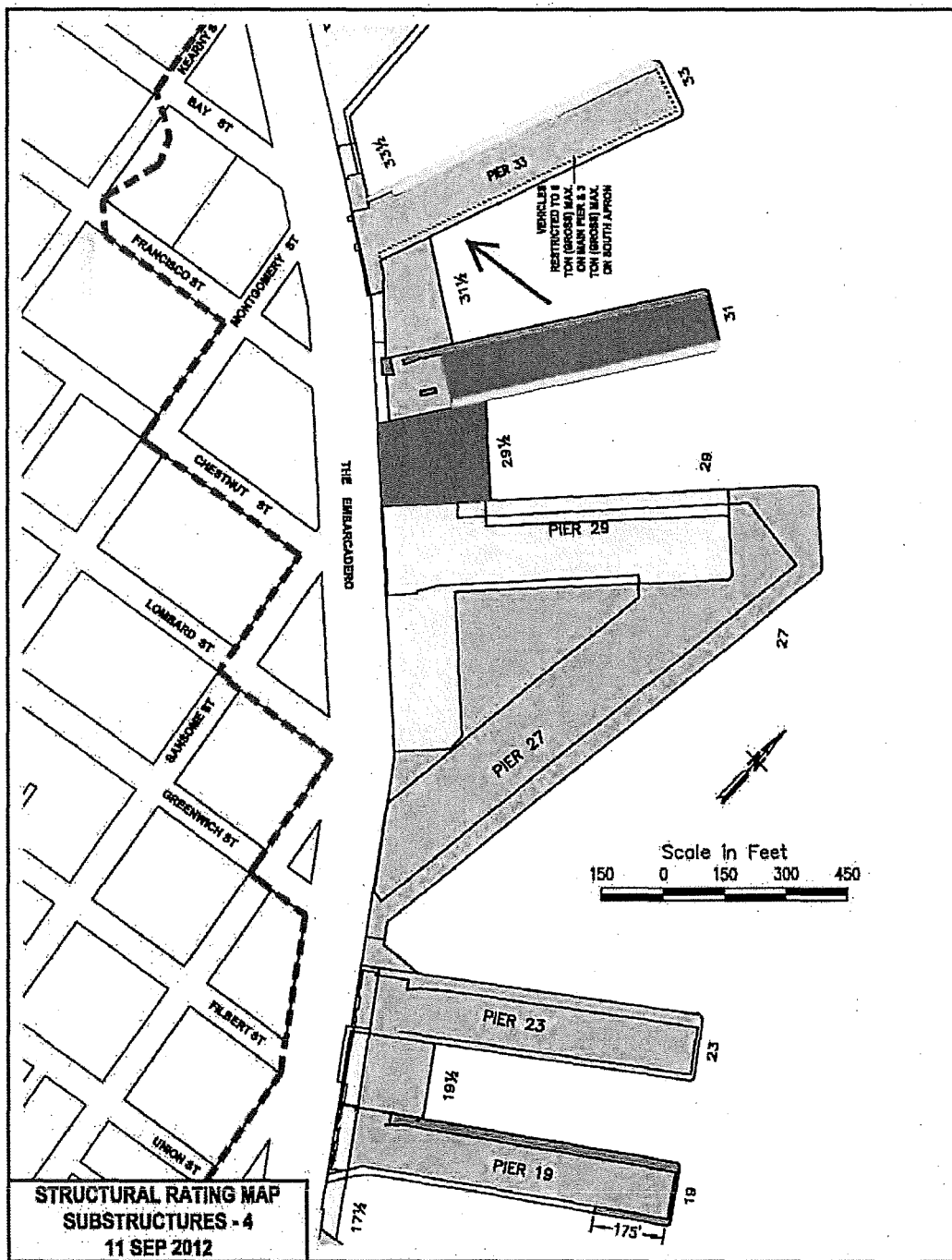


Photo 3. Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

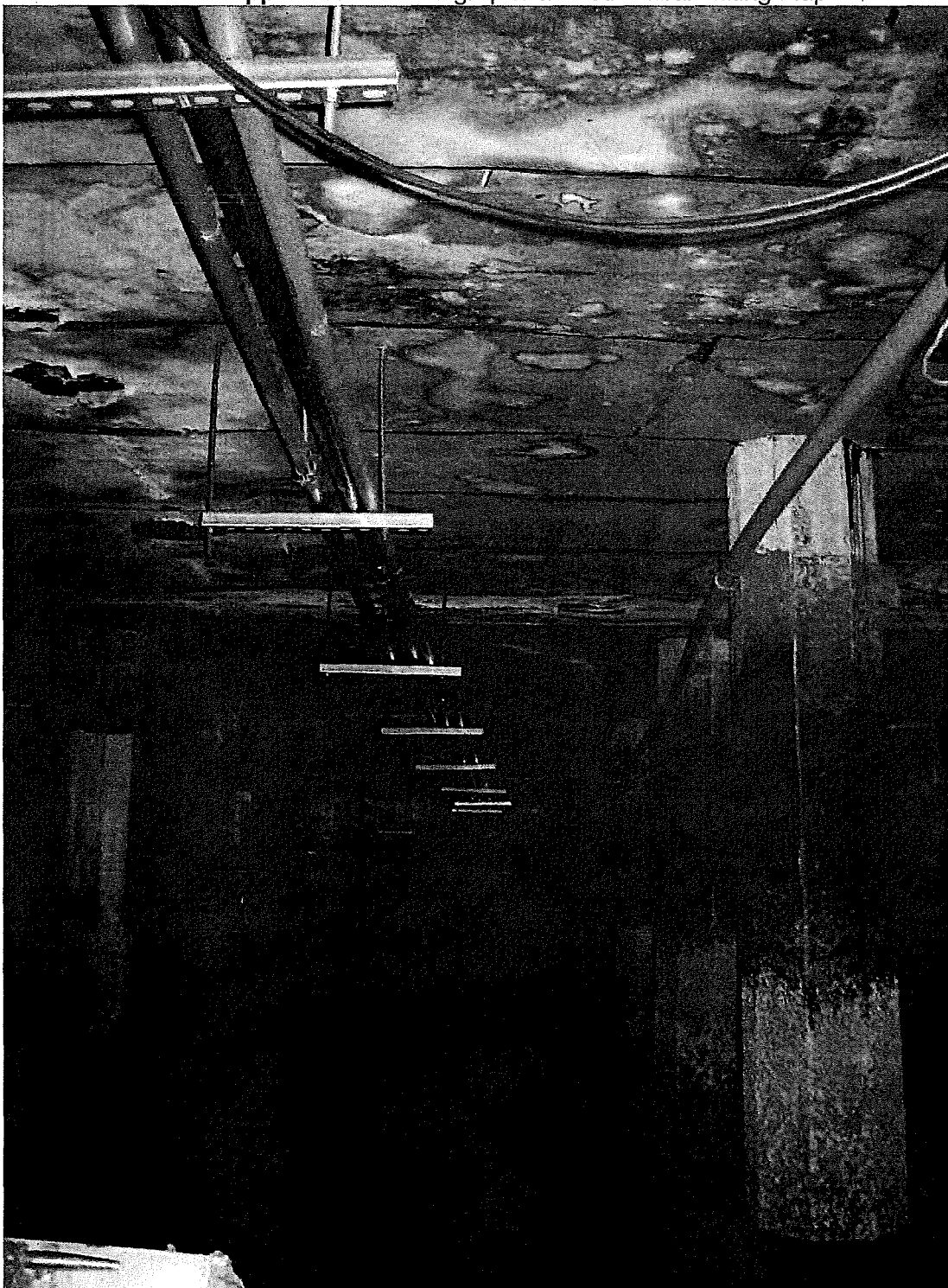
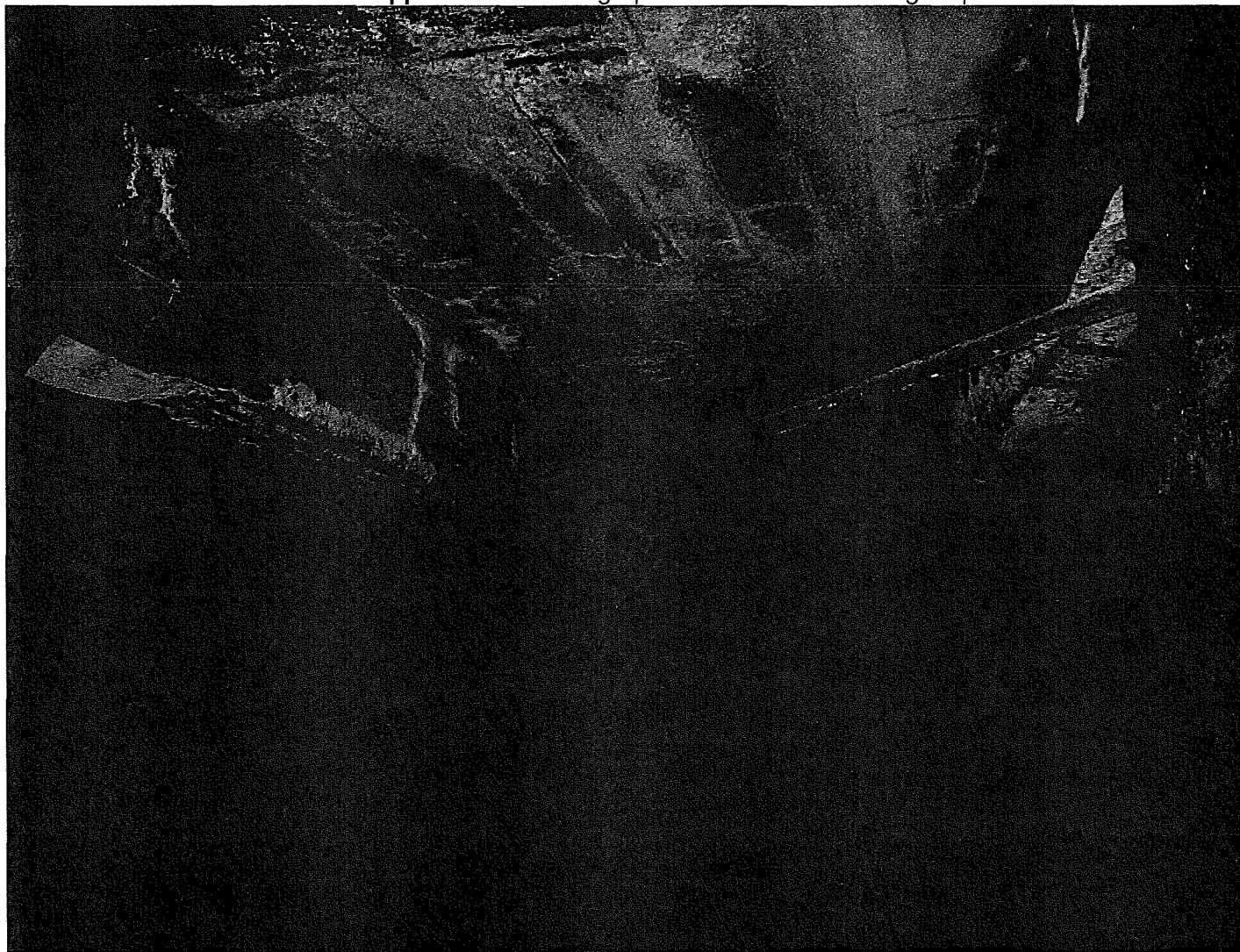


Photo 4. Typical framing



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 5.** Spalling and exposed/corroded rebar on beams and slab





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



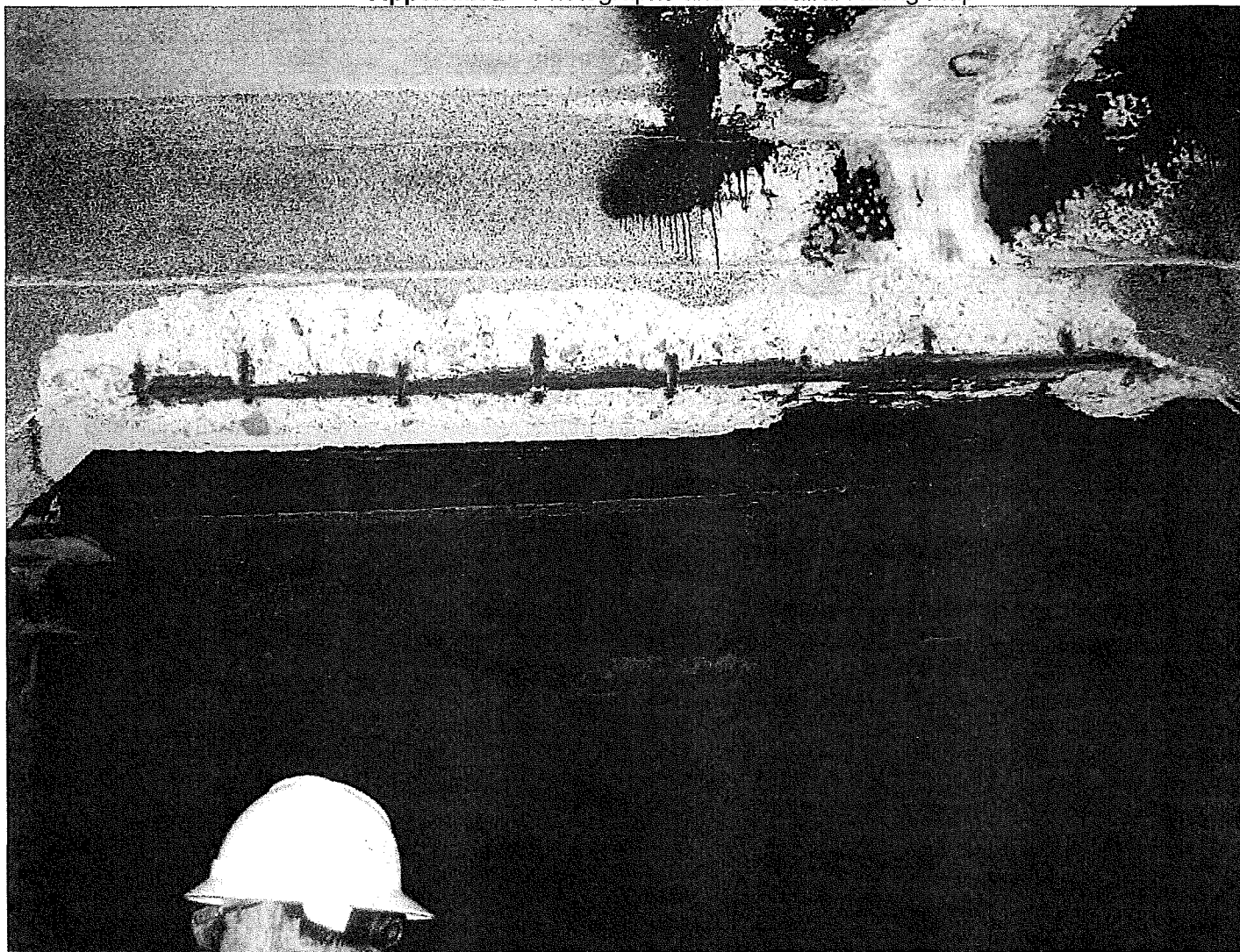
**Photo 6.** Spalling and exposed/corroded rebar on beam





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 7.** Spalling and exposed/corroded rebar at beam



## RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUBSTRUCTURE	Work Order:	12721
Facility Name:	Pier 33 South Apron	FIN:	1330SSA
Asset Number:	1330-SUB2	Facility Code:	1330
Asset Activity:	SUBSTRUCTURE 4 YR INSPECTION	Port Engineer:	Duncan, Mr. Sherban A.
Inspection Number:	1330-SUB2-1-2015	Inspected By:	Port of San Francisco
Inspection Start Date:	2015/07/23 10:52:39	Inspection End Date:	2015/07/23 10:52:36
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Yellow With Green Hatching

Immediate Actions: See description below

Required Repairs: Detailed engineering analysis is recommended to evaluate the load carrying capacity of the deteriorated substructure areas

Load Limits: Maximum vehicle gross is 3 TON

Barricades: Yes

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration			X
5) Significant slab deterioration		X	
6) Other Hazard present		X	

### Comments:

#### Sequence - 1

Description - Immediate actions

Comment - Provide fences with a gate at the south wale. Install signs as following:  
on each fence to read "DO NOT ENTER"

at entrance to shed to read "MAXIMUM VEHICLE GROSS IS 8 TON"

at all doors/gates to South apron to read "MAXIMUM VEHICLE GROSS IS 3 TON"



# RAPID STRUCTURAL ASSESSMENT REPORT

## Attachments:

Appendix A - Facility Data

Appendix B - Photographs and Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix A - Facility Data

### Substructure/Foundation Data:

Substructure FIN: 1330SSA

Piling Type:

Substructure Deck Type:

Apron Type:

Detailed Substructure Description (If available):



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

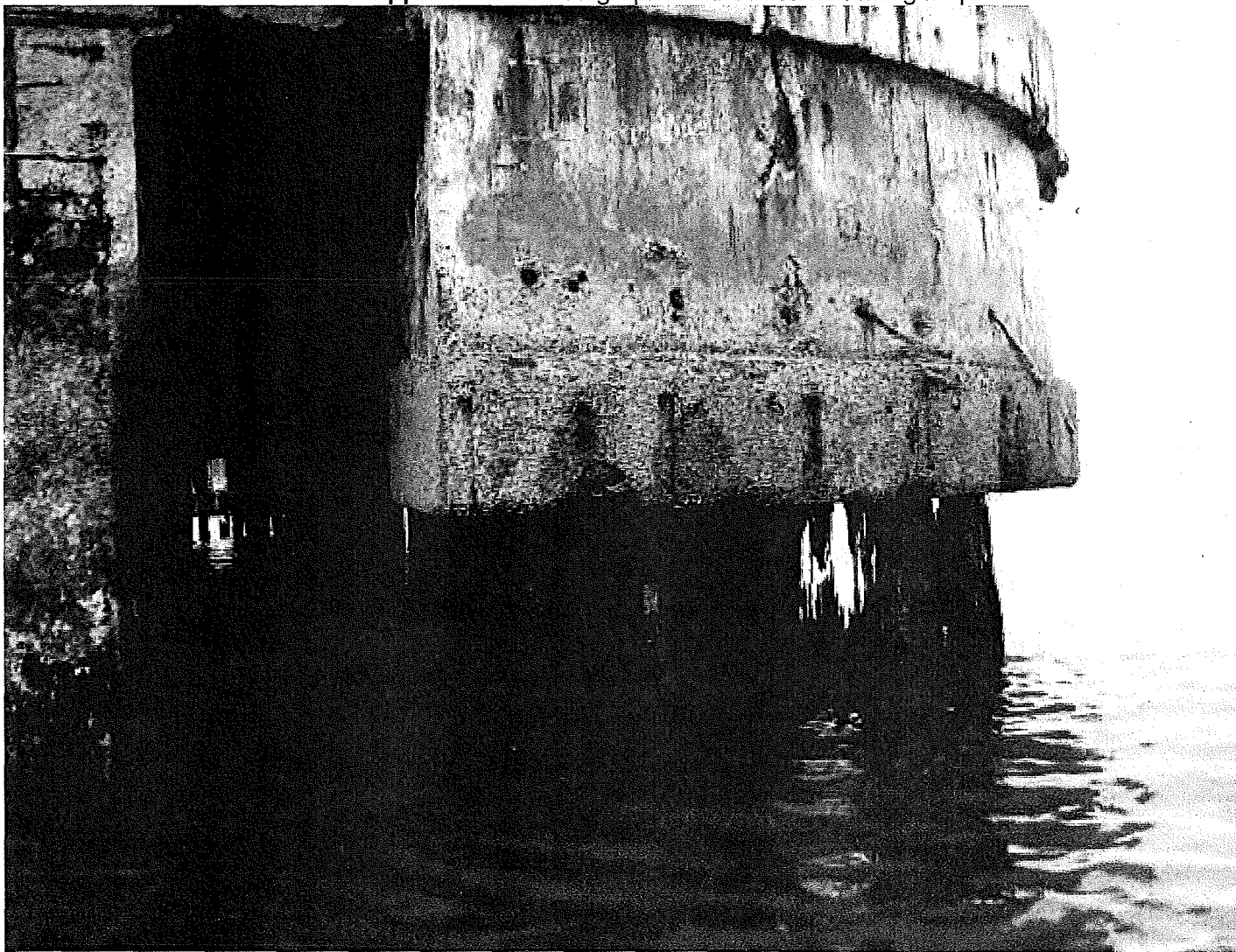


Photo 1. South wale piles seen from south apron



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



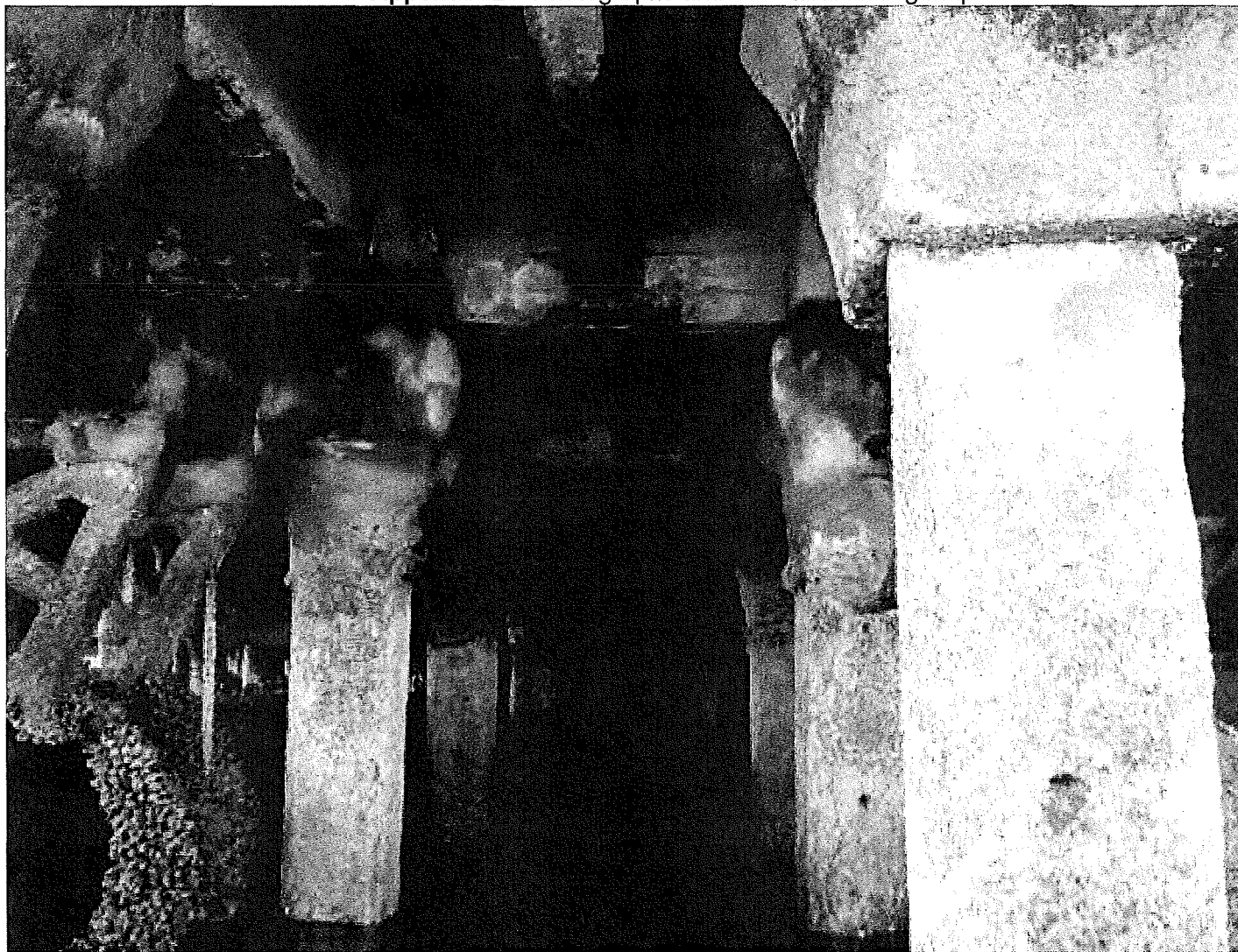
Photo 2. South apron





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 3.** Spalled concrete beams and slabs above the outfalls under the Main Pier



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

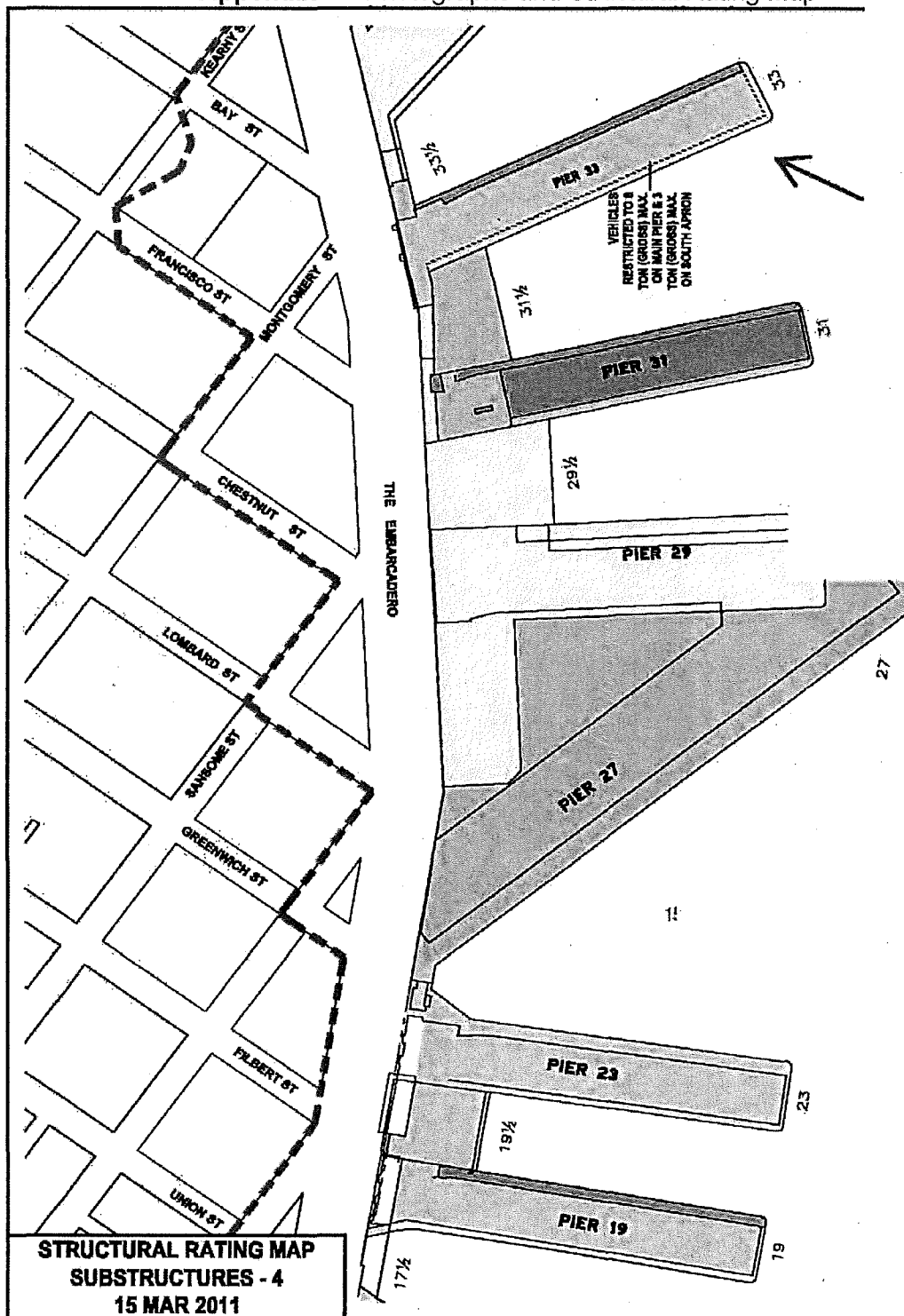


Photo 4. Structural Map



# BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM (rev. 7-2009)

**Facility Name:** Shed at Pier 33

**FIN:** 1330-SHEDA-ALL

**Inspection Number:** 1330-SHEDA-ALL-2010

**Report Posting Date:** 6/22/10

**Inspector's Name:** Sherban A. Duncan, P.E.

**Affiliation:** Port of San Francisco

**Inspection Date:** 06/01/10

**Start Time:** 2:00 P.M.

**End Time:** 3:30 P.M.

**Purpose of Inspection-(periodic insp., maritime request, real estate request, tenant move-in, tenant move-out, etc.):** periodic inspection

## Rating Criteria:

Green – Unrestricted use. May require some minor repair, or minimal barricading.

Yellow – Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red – Unsafe notice. Shall be barricaded to prevent public access and use.

**Overall Rating:** Green **XX**      Yellow      Red

**Immediate Actions:** Detailed Structural Evaluation when funds will be available.

**Required Repairs:** To be determined after the Detailed Structural Evaluation, when funds will be available.

## Condition Assessment Summary:

Condition	Yes	No	More Review Needed
1) Collapse, partial collapse, off foundation		X	
2) Major building element significantly damaged		X	
3) Severe cracking of walls, obvious distress		X	
4) Parapet or other falling hazard	X		Wall spalling
5) Severe ground or slope movement present		X	
6) Other hazard present		X	

## **Comments:**

Substructure deterioration; load restrictions – see existing load limit signs.

## Attachments:

**Appendix A-** General Facility Description

**Appendix B-** Photographs

**Appendix C-** Structural Rating Map

# **BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM** (rev. 7-2009)

## **Appendix A-Facility Data**

**Name of Facility:** Shed at P 33

**Facility Code:** 1330

**Address:**

**Lease Number(s):**

### **Building Data**

Building Structure: 1330-SHEDA-ALL-1-2010

No. of stories: 1

Support over water: yes

Support over land: no

Construction type (Wood, concrete, steel, masonry or combination): wood, steel, concrete

Occupancy Type (Commercial, office, industrial, assembly, residential, emergency service, etc.): commercial

### **Detailed Building Description (If available):**

- Wood plank roof sheathing on wood beams supported by wood trusses on interior wood posts
- Storage, workshops, parking, food delivery, and miscellaneous facilities in Main Structure

### **Substructure/Foundation Data:**

Substructure FIN: 1330-SUBST-ALL-1

Piling type: concrete

Substructure Deck Type: framed concrete

Apron Type: framed concrete

### **Detailed Substructure Description (if available)**

# BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM (rev. 7-2009)

## Appendix B- Photographs

FIN: 1330-SHEDA-ALL

Inspection Date: 06/01/10

Facility Name: Shed at P 33

Inspection Number: 1415-SHEDA-ALL-2010

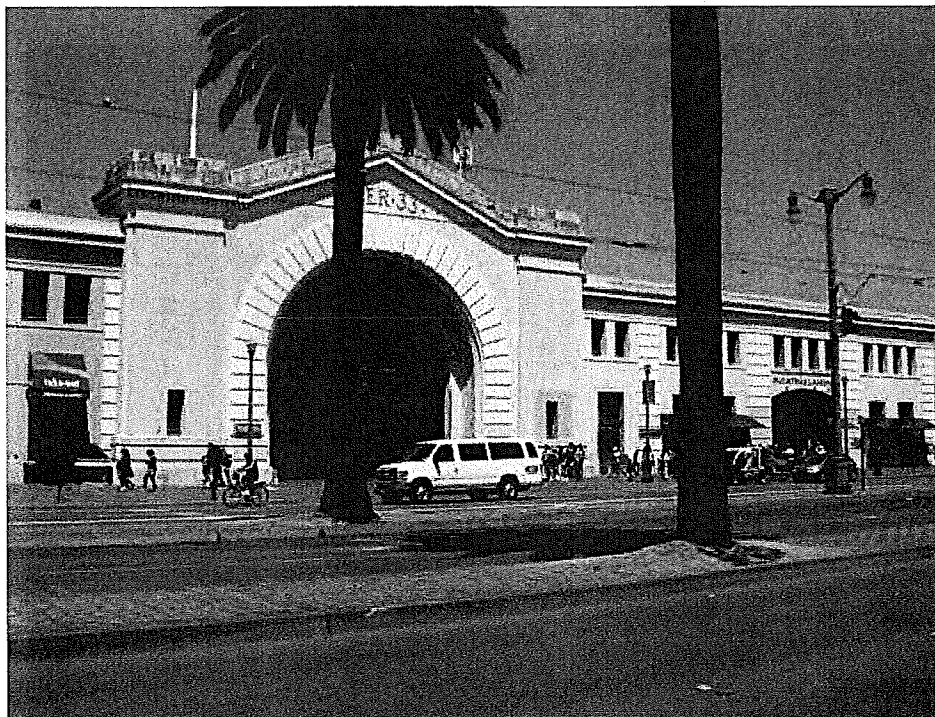


Photo 1. Facade cracks



Photo 2. Rusting eye bolts

# **BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM** (rev. 7-2009)

## **Appendix B- Photographs**

FIN: 1330-SHEDA-ALL

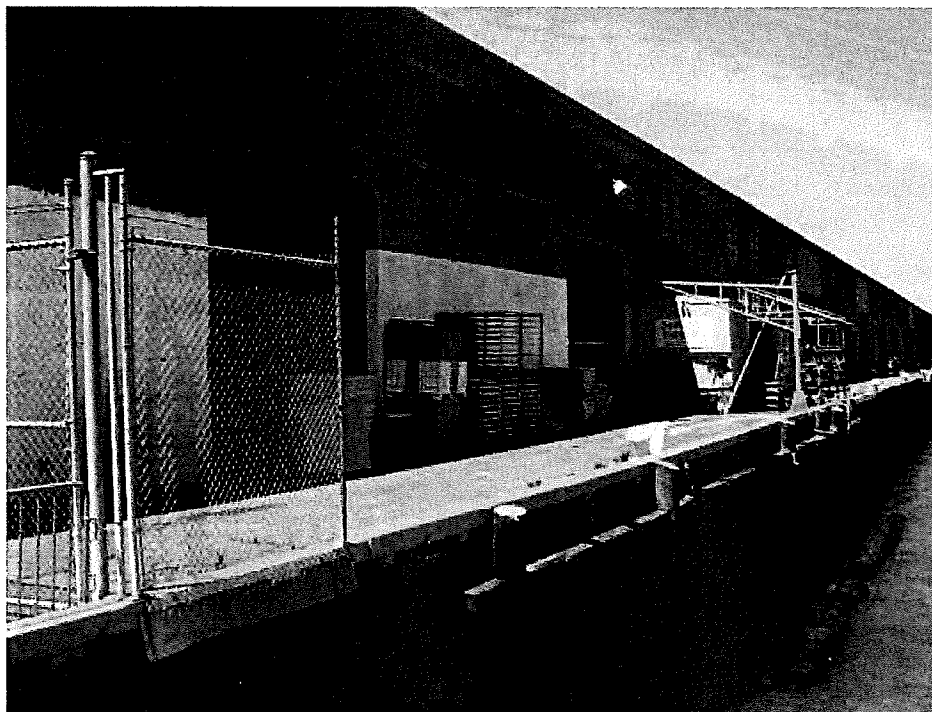
Inspection Date: 06/01/10

Facility Name: Shed at P 33

Inspection Number: 1415-SHEDA-ALL-2010



**Photo 3. Roof repair work and water staining**



**Photo 4. Concrete spalling around windows at east wall**

# **BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM** (rev. 7-2009)

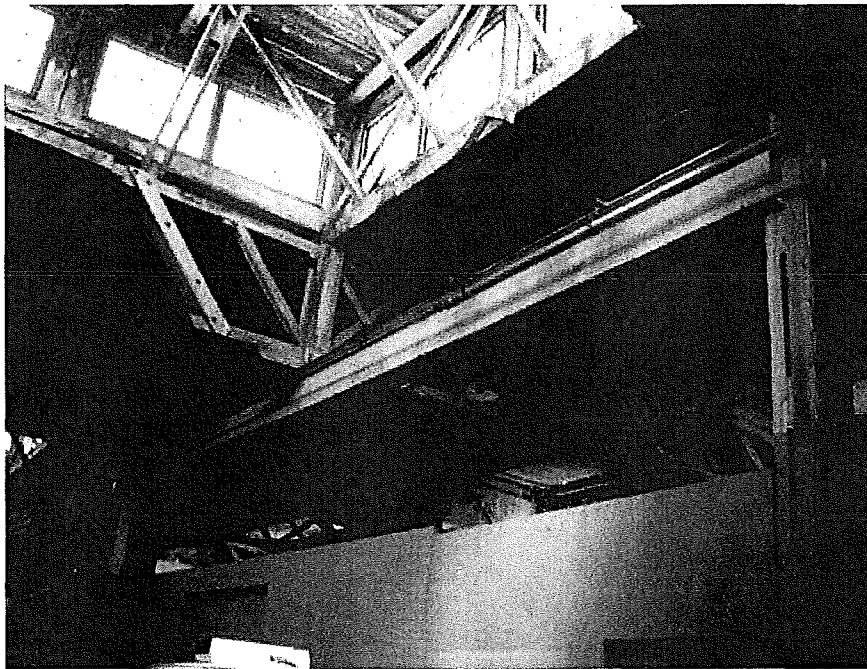
## **Appendix B- Photographs**

FIN: 1330-SHEDA-ALL

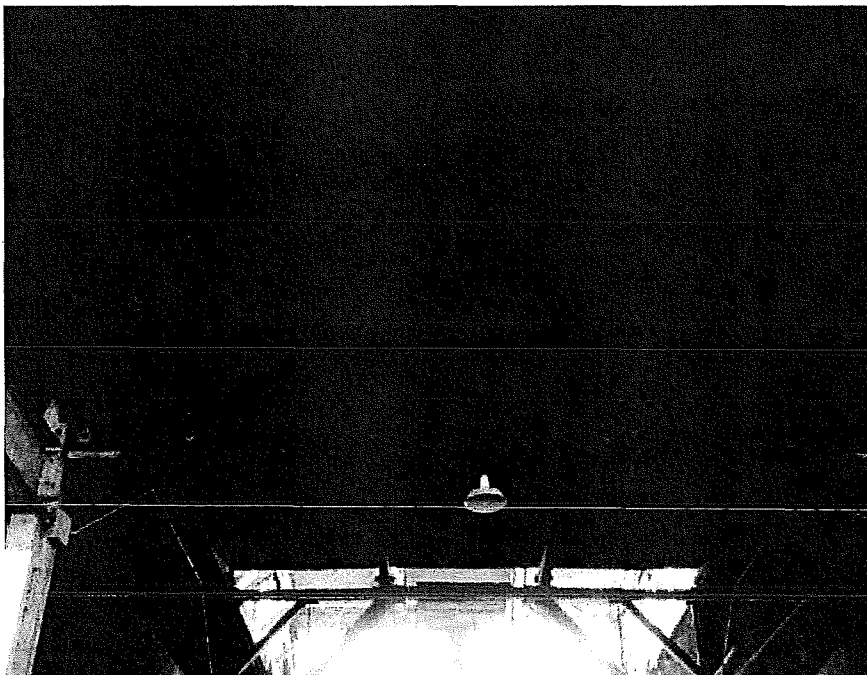
Inspection Date: 06/01/10

Facility Name: Shed at P 33

Inspection Number: 1415-SHEDA-ALL-2010

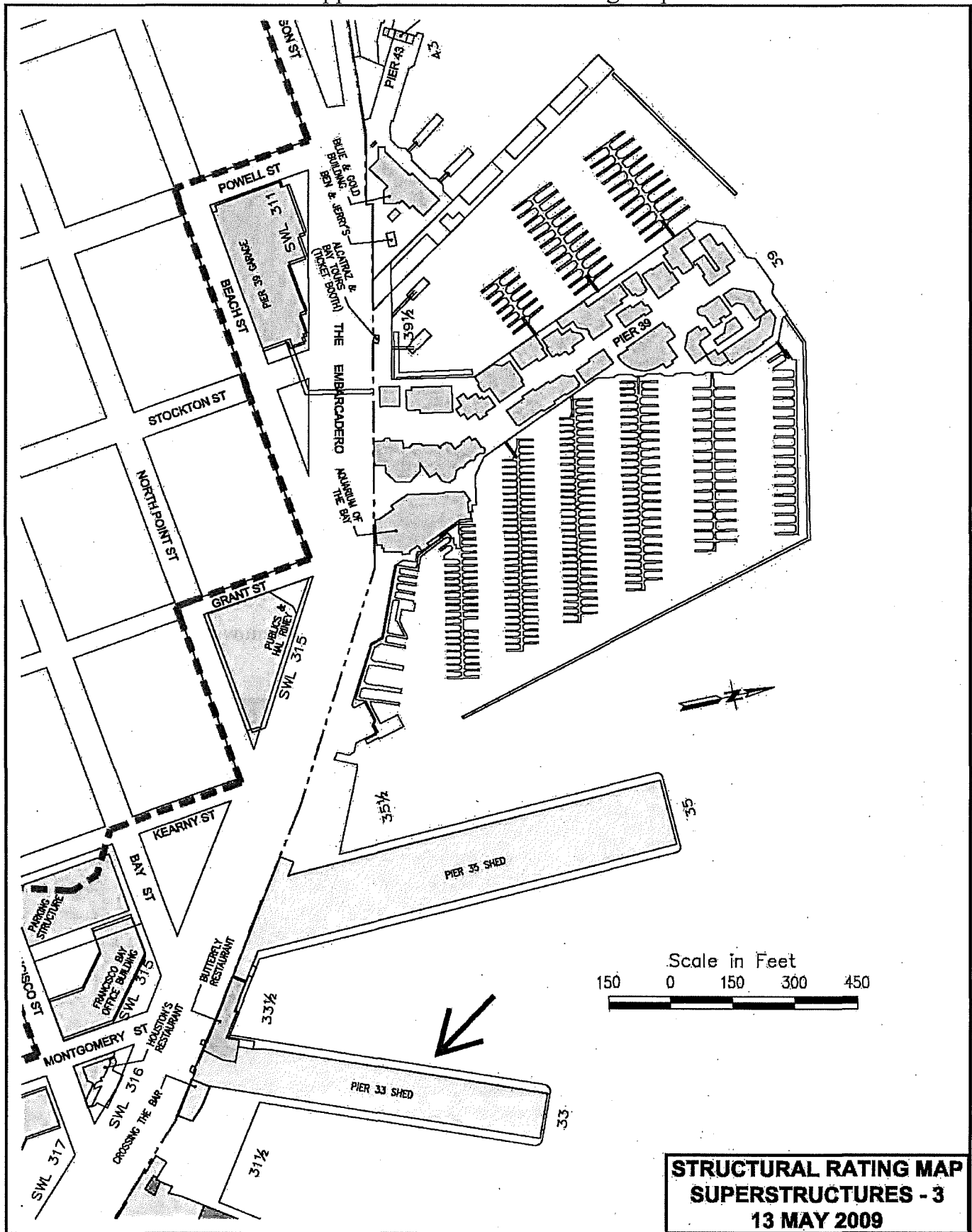


**Photo 5. Repair work with steel beams after the post removal**



**Photo 6. Fire damage at north end**

Appendix C-Structural Rating Map





# RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUPERSTRUCTURE	Work Order:	5484
Facility Name:	Pier 33 Shed Building (includes bulkhead)	FIN:	1330SHG
Asset Number:	1330-SHEDA	Facility Code:	1330
Asset Activity:	STRUCTURE & DRYROT 2YR INSPECT	Port Engineer:	Duncan, Mr. Sherban A.
Inspection Number:	1330-SHEDA-1-2013	Inspected By:	AGS - Jasper Chau
Inspection Start Date:	2013/05/14 11:31:09	Inspection End Date:	2013/05/14 11:31:01
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

## Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Yellow With Green Hatching

Immediate Actions: Not Required

Required Repairs: TBD by Port after Detailed Structural Evaluation

Load Limits: See substructure report

Barricades: Keep barriers in place in high pedestrian areas due to spalling

Long Term Actions: See comments below

Detailed Structural/Geotechnical Evaluation Required: TBD by Port when funds become available

## Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Full or Partial Collapse		X	
2) Major building element damaged		X	
3) Severe Cracking of walls		X	
4) Parapet or falling hazard	X		
5) Severe ground movement present		X	
6) Other Hazard present			X

## Comments:

### Sequence - 1

#### Description - Comments

**Comment** - There is no access to the exterior deck of the west, east, and north concrete walls. East and west concrete walls are spalling, potential falling hazard in locations where pedestrian traffic is high. Thus, the east wall is barricaded and fenced out not allowing for any public access in the area.



## RAPID STRUCTURAL ASSESSMENT REPORT

Fire damaged area on north end of building and repair work is evident. Repair work evident on the wood roof framing near center of building.. The steel beams have been placed due to removed posts and the trusses appear to have been modified (i.e., at center of truss, bottom chords have been cut and removed). There is evidence of water staining and penetration on various locations of the roof.

### Sequence - 2

**Description** - Detailed Building Description (If available)

**Comment** - Main Structure: Wood plank roof sheathing on wood beams supported by wood trusses on interior wood posts. Perimeter concrete walls on east, west, and south sides. North wall is wood-framed. Some steel support beams near north end (appears to be repair work). Southeast Structure: Wood plywood sheathing supported by glulam beams on steel posts. Main structure contains miscellaneous space including: storage, workshops, parking, food delivery and facilities. Southeast end of building has a restaurant and offices.

### Attachments:

Appendix A - Facility Data

Appendix B - Photographs and Structural Rating Map





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix A - Facility Data

**Name of Facility:** Pier 33 Shed Building (includes bulkhead)

**Facility Code:** 1330

**Address:**

**Lease Number(s):**

### Building Data

**Building Structure FIN:** 1330SHG

**No. of stories:** 1

**Support over water:** Yes

**Support over land:** No

**Construction Type (Wood, Concrete, Steel, Masonry or Combination):** Steel, Wood and Concrete

**Occupancy Type (Commercial, Office, Industrial, Assembly, Residential, Emergency Service, etc.):**  
Commercial and Office

**Detailed Building Description (If available):**

### Substructure/Foundation Data:

**Substructure FIN:** 1330SUB

**Piling Type:** Concrete

**Substructure Deck Type:** Concrete

**Apron Type:** Concrete

**Detailed Substructure Description (If available):** Concrete Slab supported by Concrete Piles



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

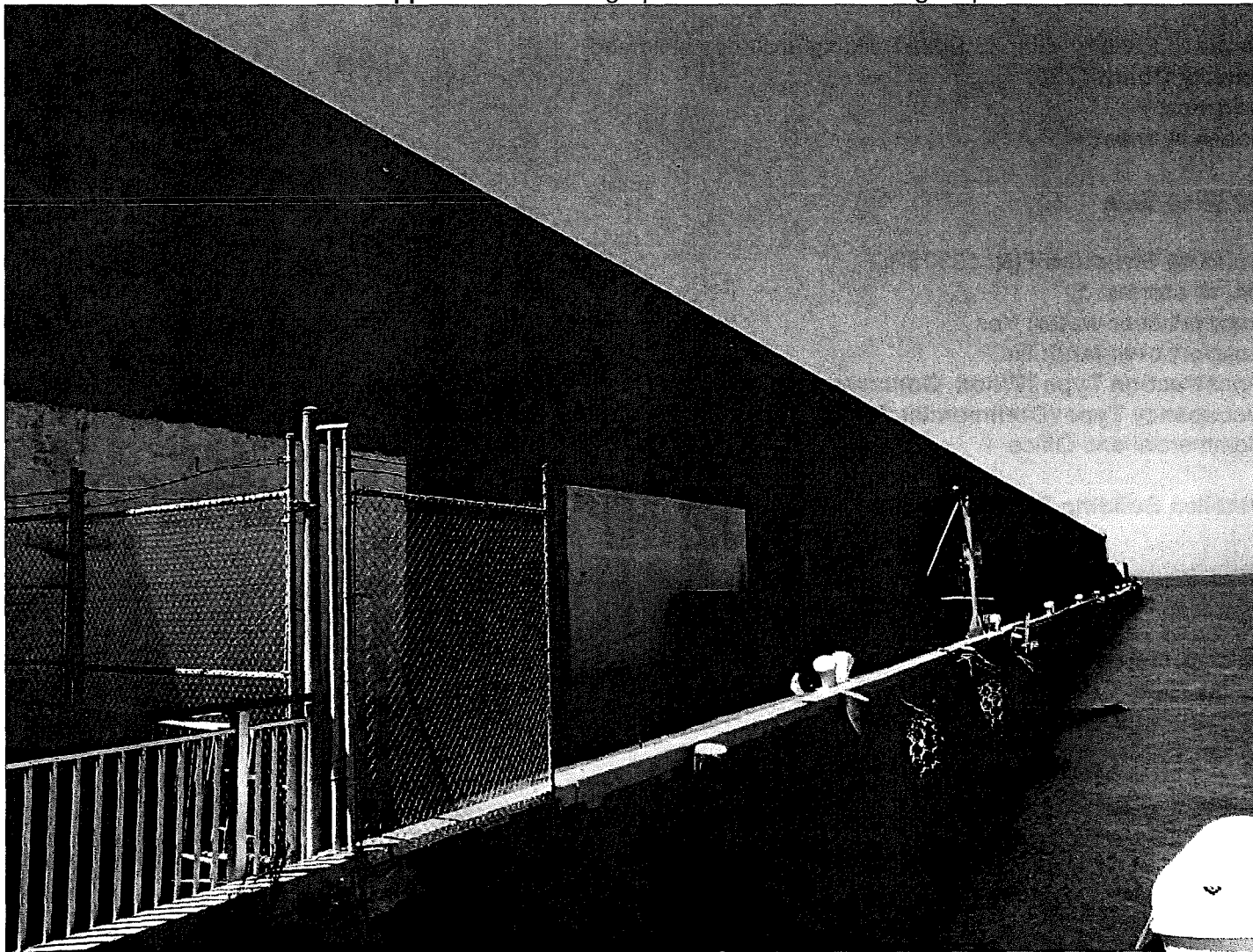
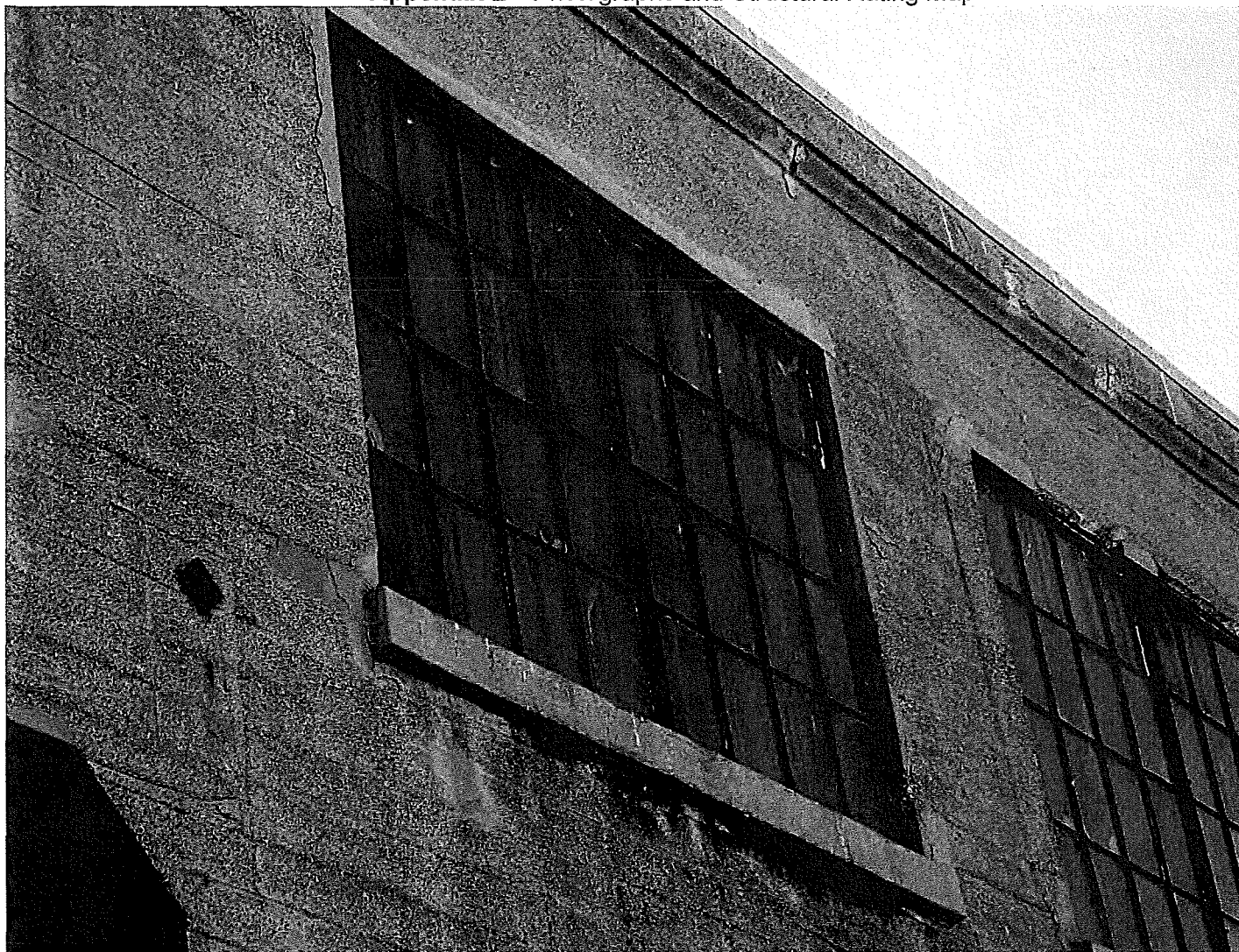


Photo 1. Overall view of east elevation



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

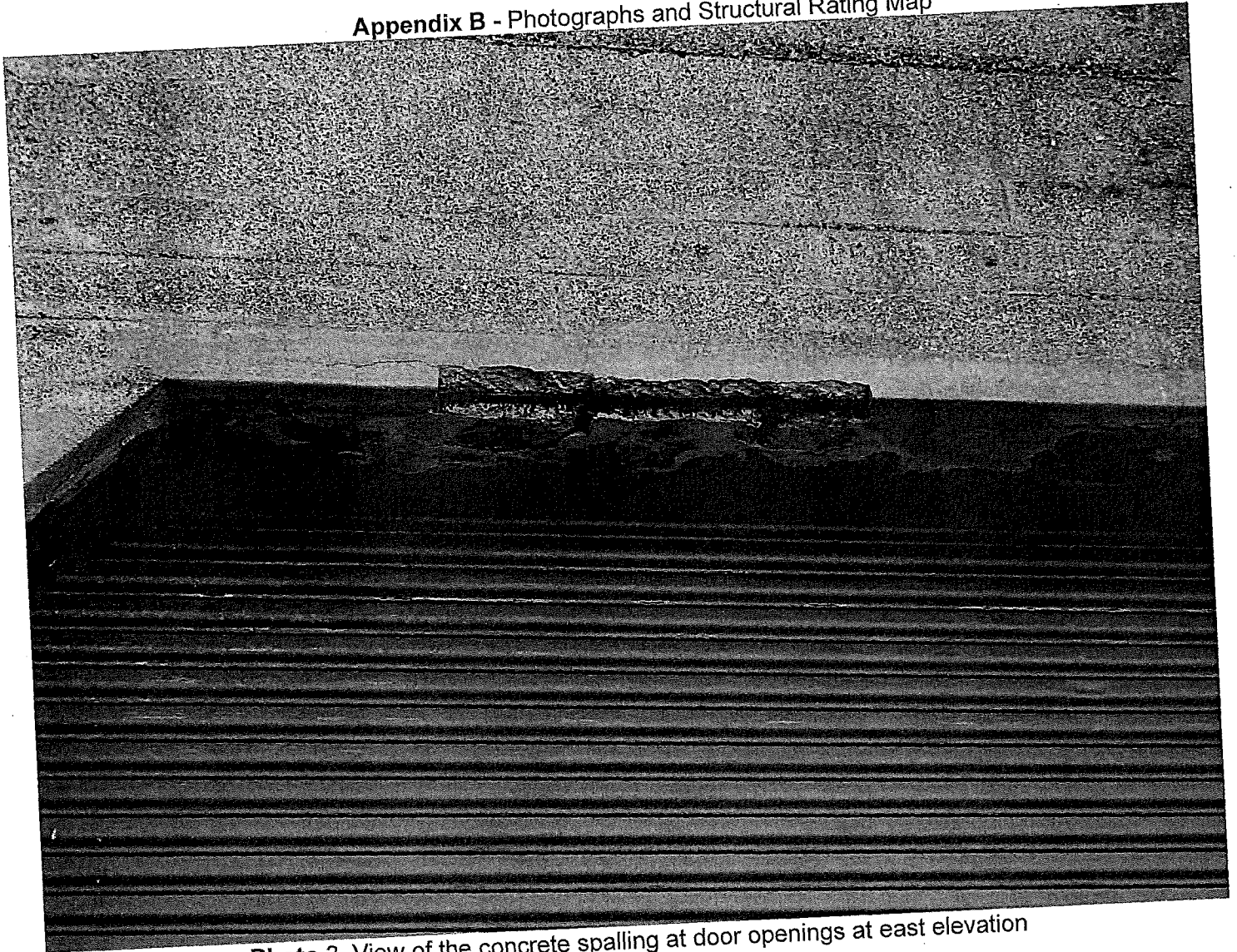


**Photo 2.** View of the concrete spalling at window openings at east elevation



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

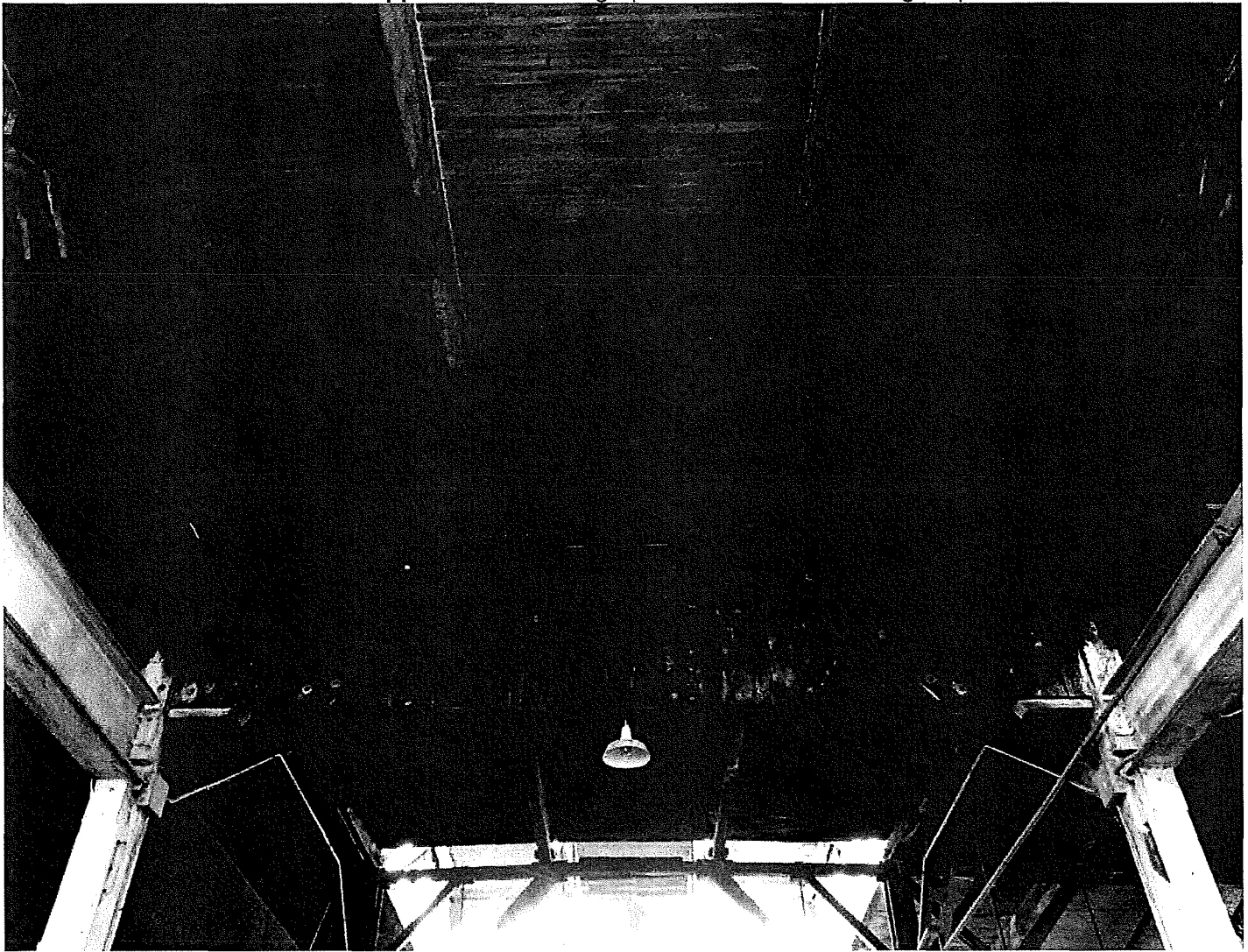


**Photo 3.** View of the concrete spalling at door openings at east elevation



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 4.** View of a portion of the roof displaying fire damage at the north end of the building





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 5.** View of roof repair work at the fire damaged area. Note: A steel beam replaces a removed wood post due to fire



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

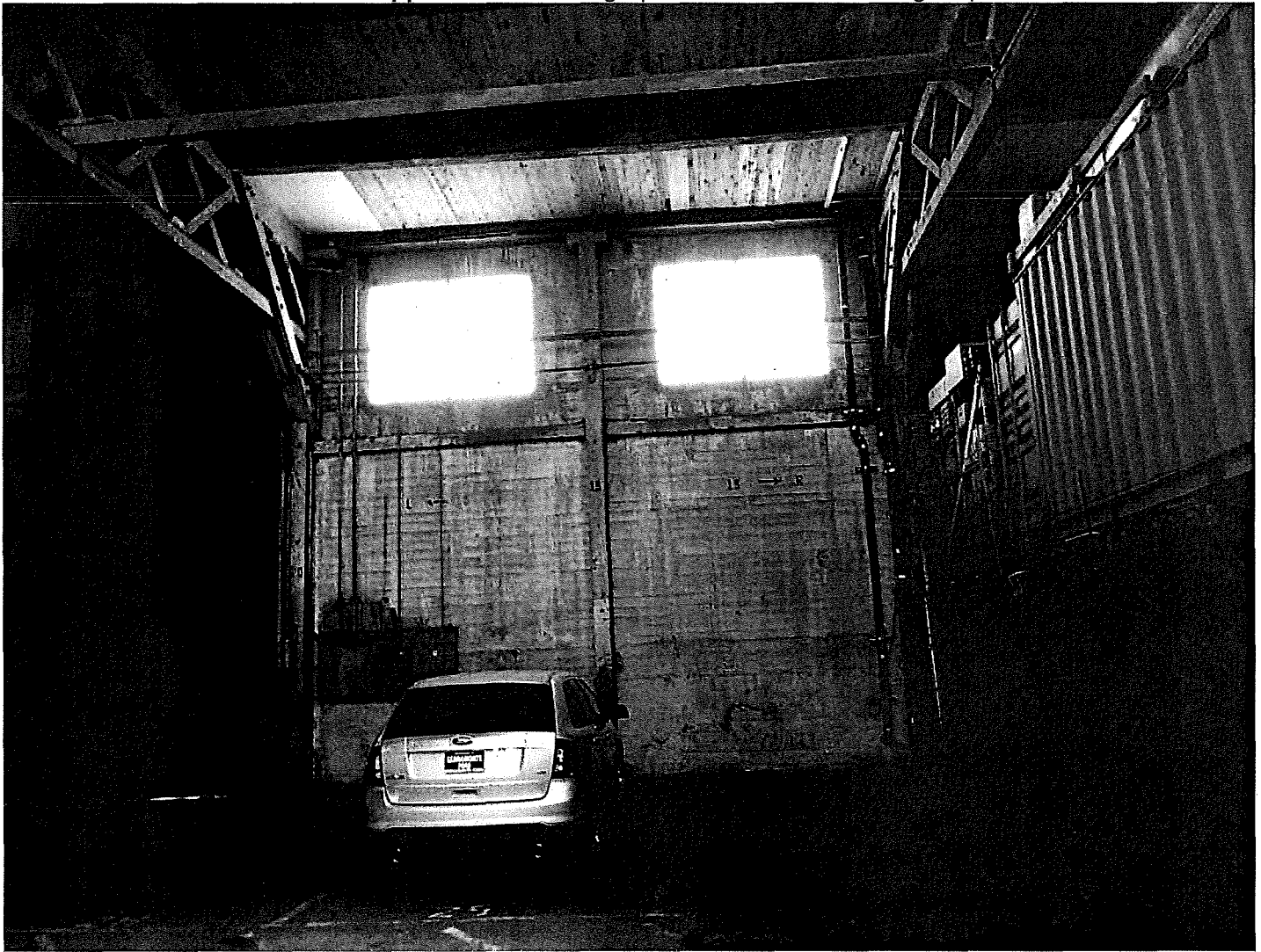


**Photo 6.** View of a roof pop-up area with shoring work on wood beams. Note water intrusion stains on roof sheathing



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 7.** View of the concrete wall with interior wood framing



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 8.** View of a timber roof pop-up area with shoring work on wood beams and replaced roof sheathing



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

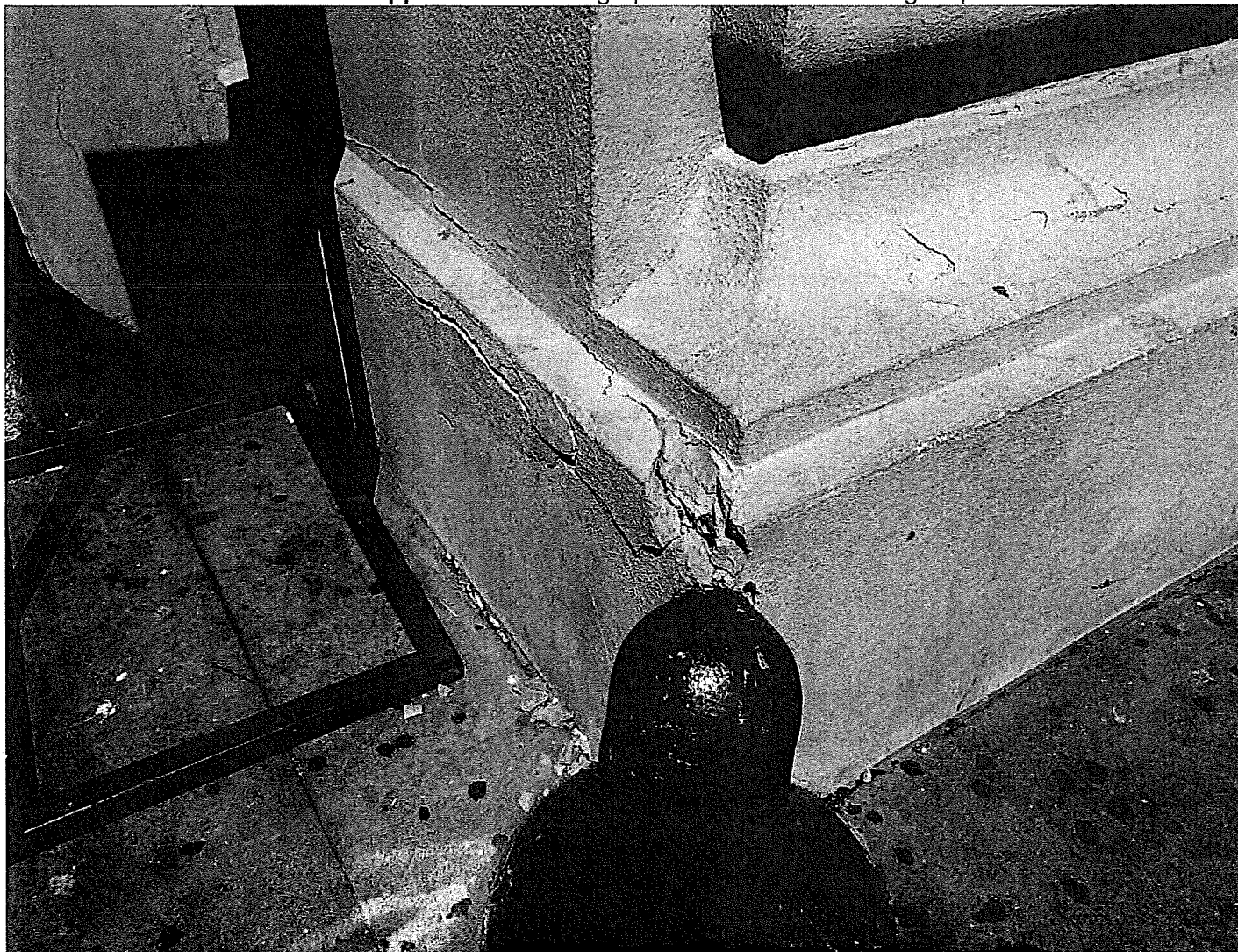


Photo 9. View of the structural framing near the interior entrance of the shed



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 10.** View of the stucco spalling in the wall base near the entrance



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

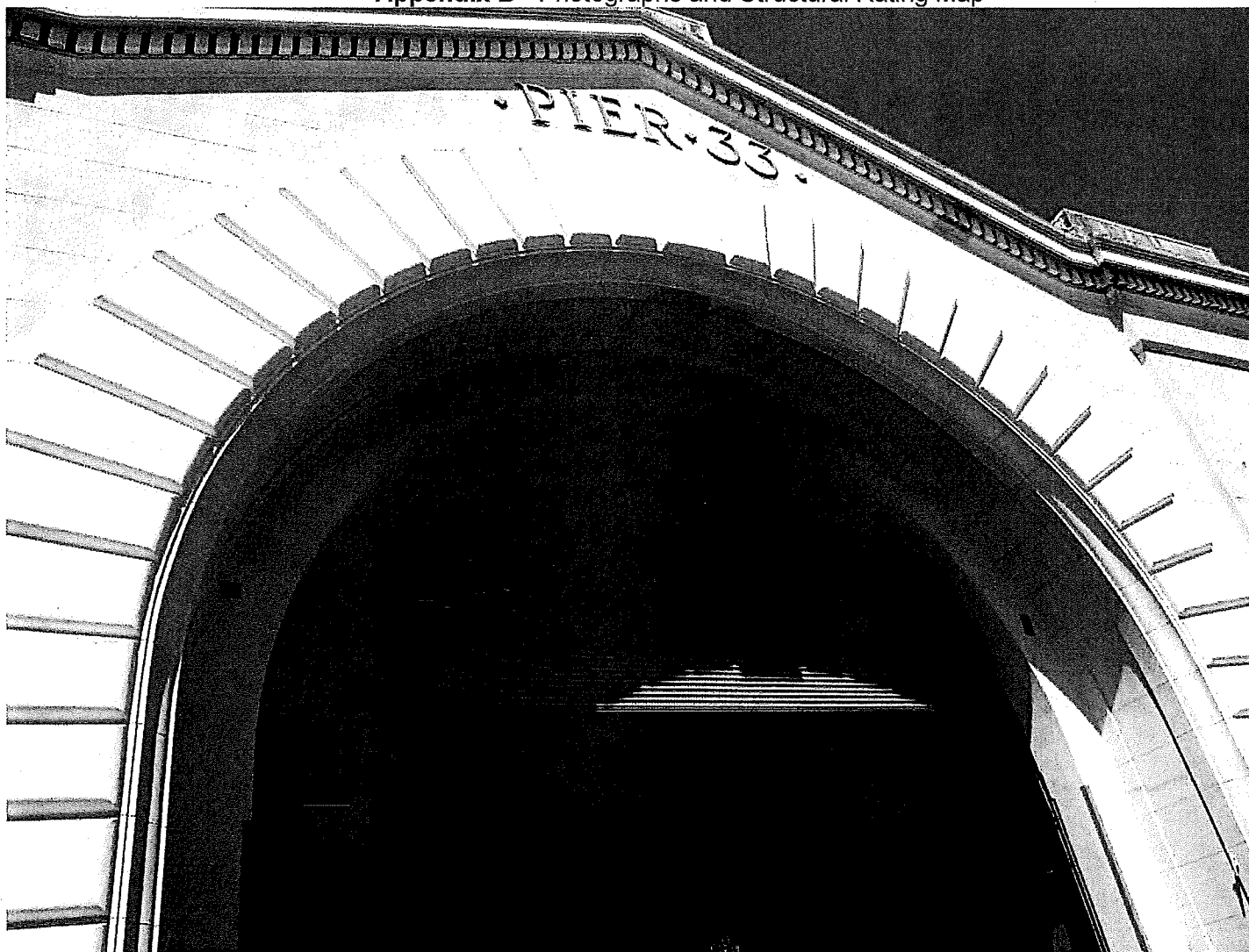


Photo 11. View of south elevation





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 12. View of the interior timber column

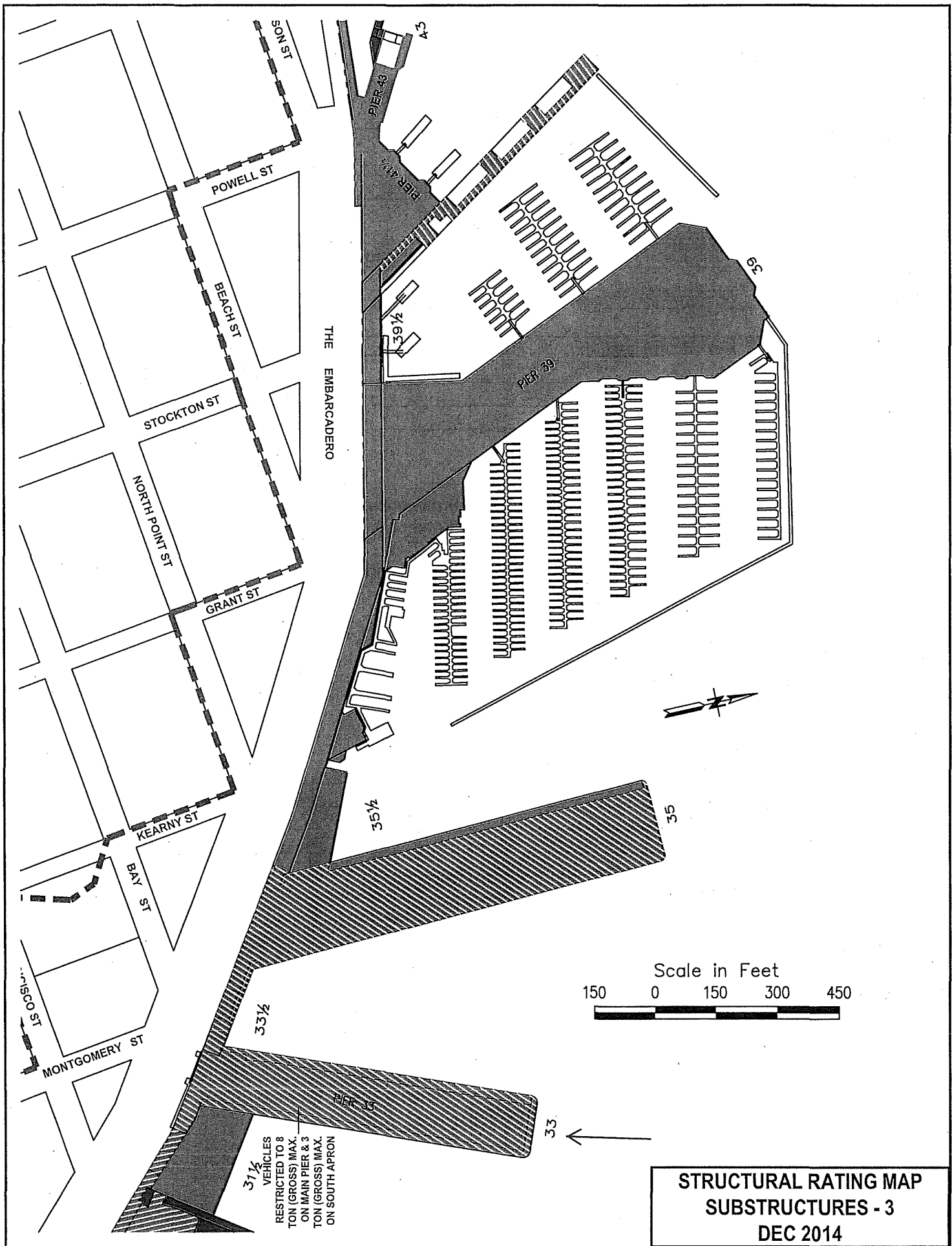


# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 13.** View of a modified timber roof truss. Note the water staining in the roof sheathing beyond





## RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUBSTRUCTURE	Work Order:	5419
Facility Name:	Pier 31.5 Substructure	FIN:	1315SUB
Asset Number:	1315-SUB	Facility Code:	1315
Asset Activity:	SUBSTRUCTURE 4 YR INSPECTION	Type Use:	C-L
Inspection Number:	1315-SUB-1-2013	Inspector Name:	Duncan, Mr. Sherban A.
		Affiliation:	C+D - Gelberg Rodriguez
Inspection Start Date:	2013/05/31 13:29:47	Inspection End Date:	2013/05/31 13:29:47
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Green

### Immediate Actions:

Required Repairs: Replace wood piles near metal deck

Load Limits:

Barricades:

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration		X	
5) Significant slab deterioration		X	
6) Other Hazard present		X	

### Comments:

#### Sequence - 1

#### Description - Comments

#### Comment -

1. Wood piles near metal deck (gangway) are deteriorated.
2. Concrete spalling at pile caps.
3. Minor corrosion of steel plates.





# RAPID STRUCTURAL ASSESSMENT REPORT

**Attachments:**

**Appendix A - Facility Data**

**Appendix B - Photographs and Structural Rating Map**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

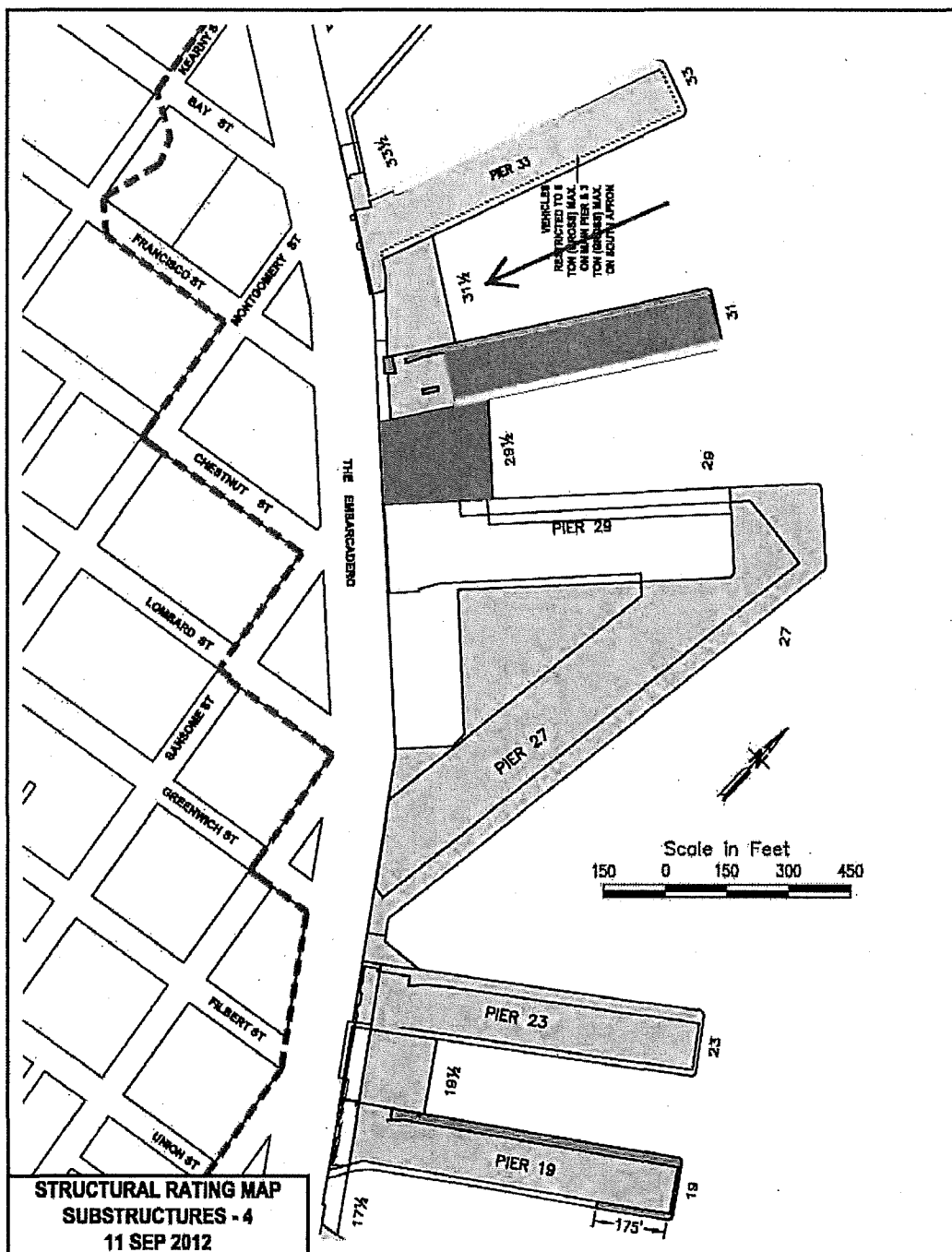
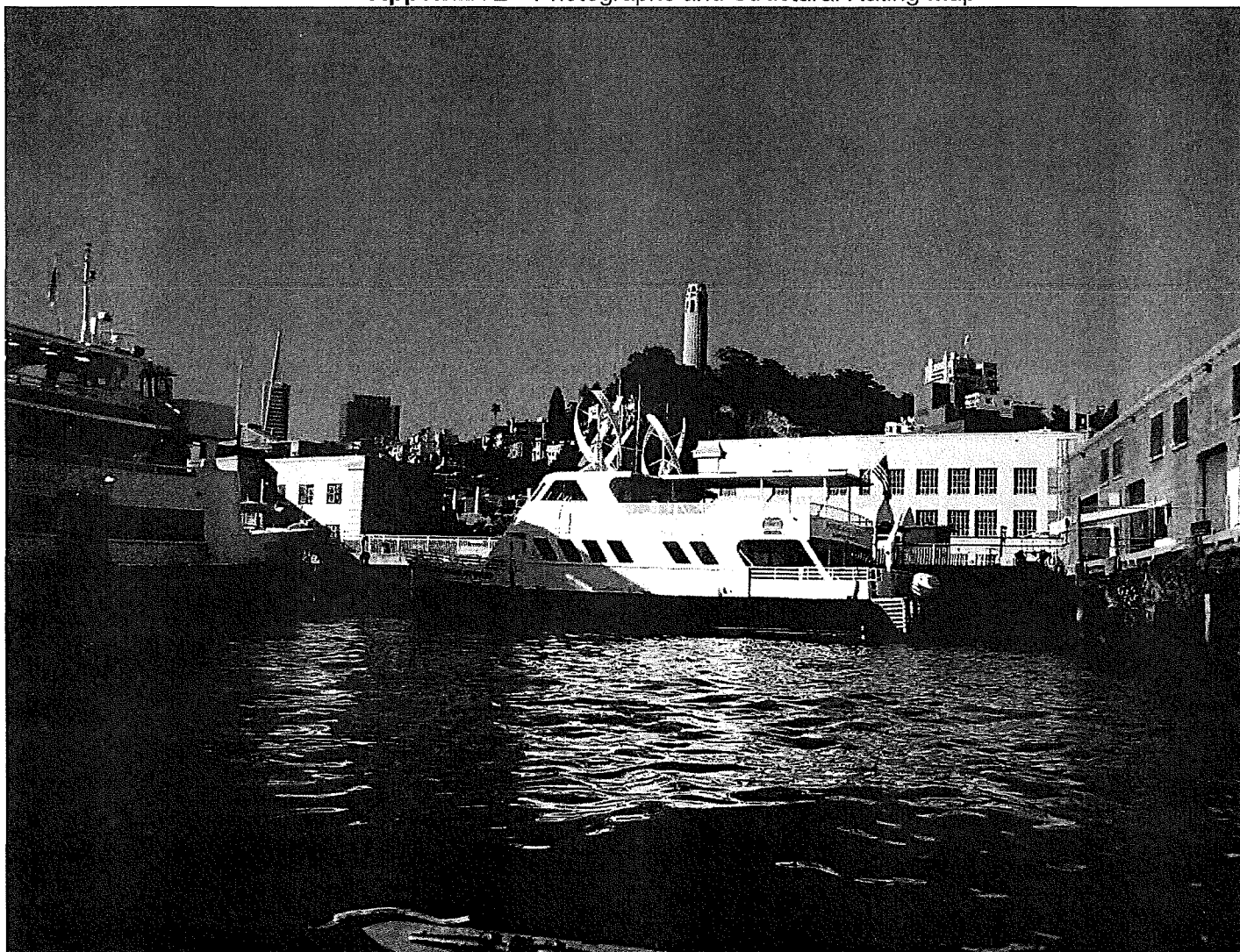


Photo 1. Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 2.** Overall view looking east



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

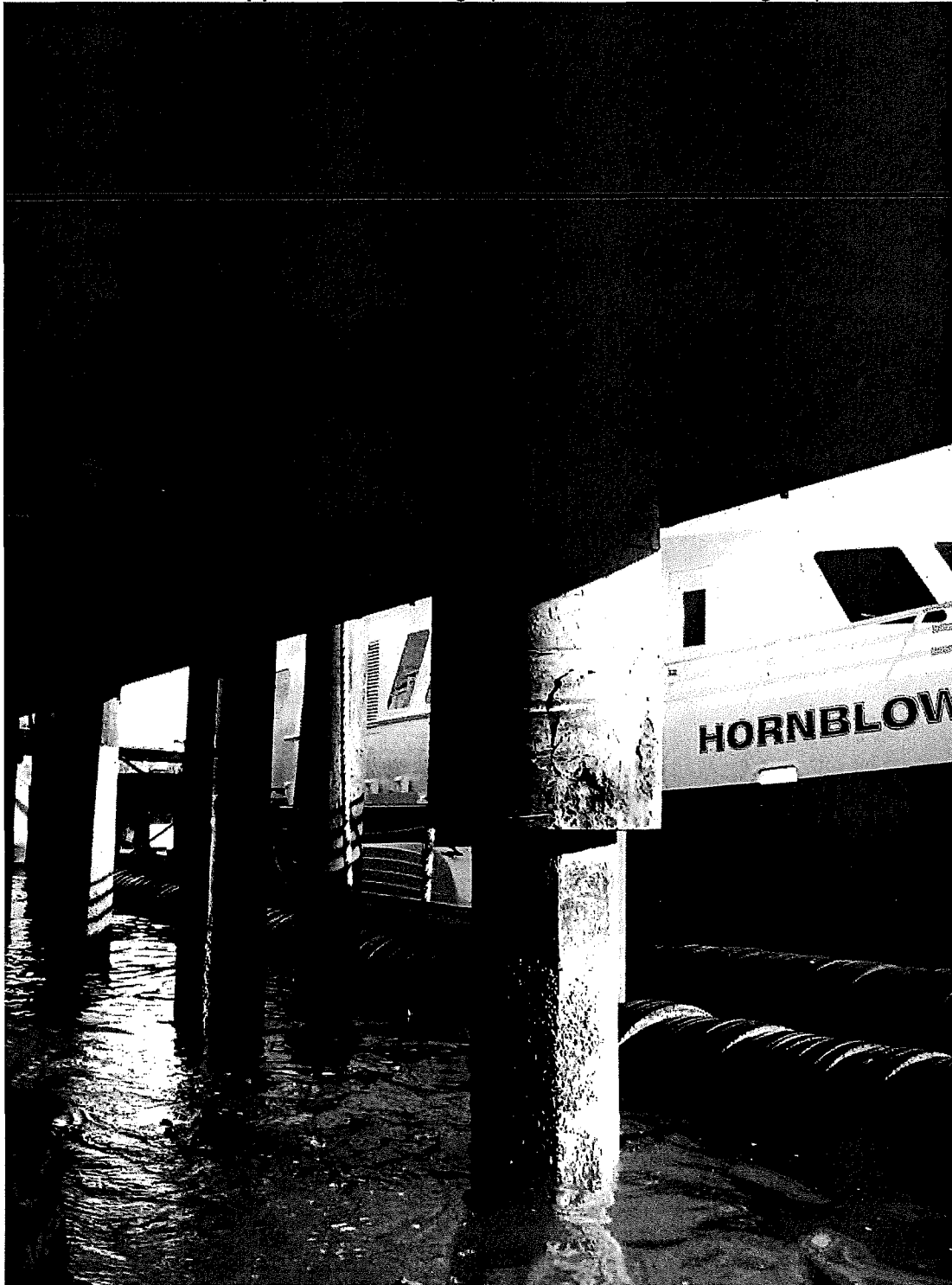


Photo 3. Crack on pile cap



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 4.** Deteriorated wood piles near metal deck



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

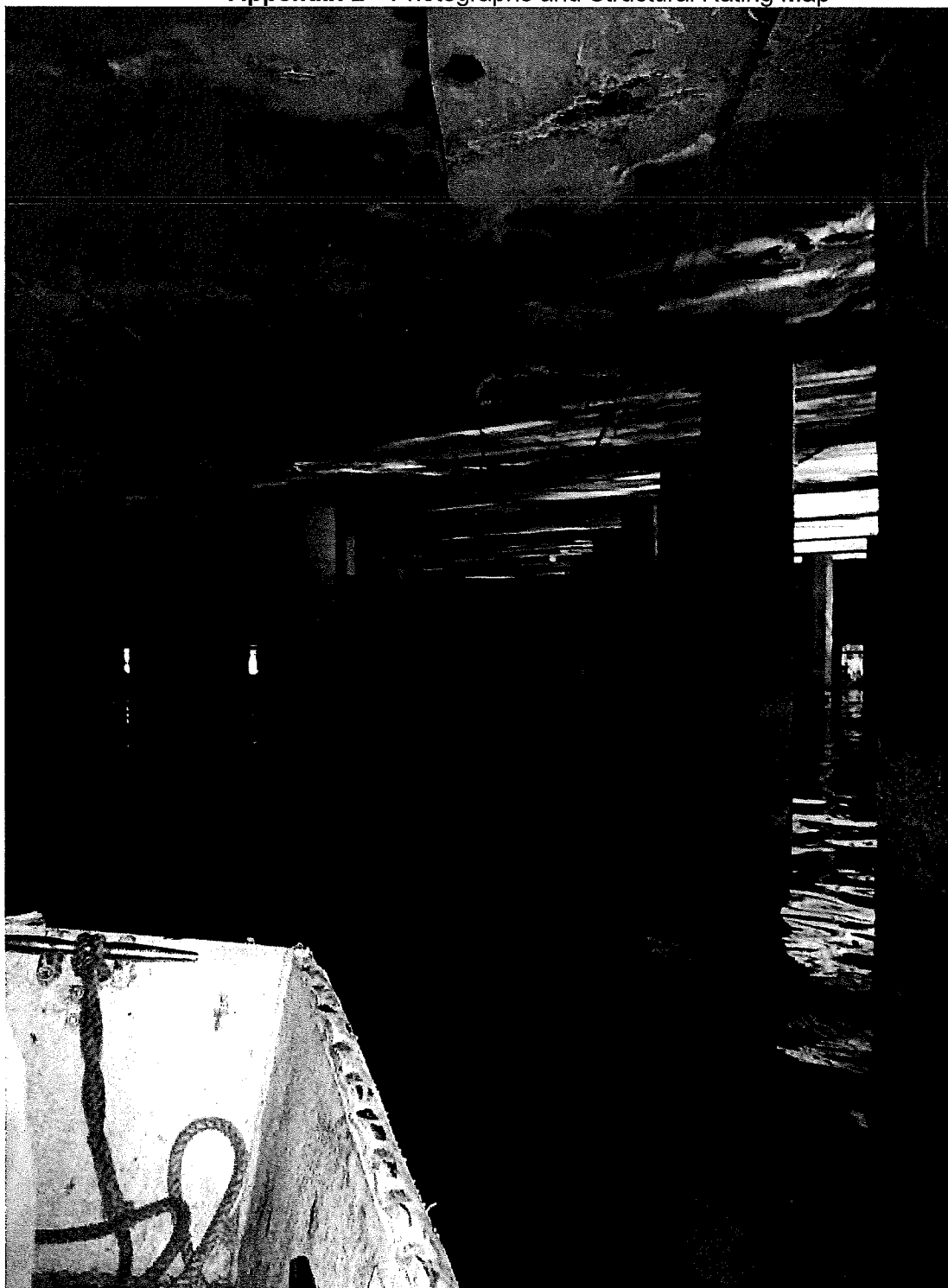


Photo 5. Typical framing



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 6. Metal deck





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 7.** Corrosion on steel plates





# RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUBSTRUCTURE	Work Order:	5456
Facility Name:	Pier 31 Substructure	FIN:	1310SUB
Asset Number:	1310-SUB3	Facility Code:	1310
Asset Activity:	SUBSTRUCTURE 4 YR INSPECTION	Type Use:	C-L
Inspection Number:	1310-SUB3-1-2013	Inspector Name:	Duncan, Mr. Sherban A.
		Affiliation:	C+D - Gelberg Rodriguez
Inspection Start Date:	2013/05/30 10:06:48	Inspection End Date:	2013/05/30 10:06:48
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Green

Immediate Actions: Further investigation to evaluate load limits recommended

Required Repairs: Repair areas of exposed rebar and spalling

Load Limits:

Barricades:

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration		X	
5) Significant slab deterioration		X	
6) Other Hazard present		X	

### Comments:

Sequence - 1

Description - Comments

Comment -

1. Spalling and exposed/corroded rebar on slab and beams.
2. Some piles are out-of-plumb



# RAPID STRUCTURAL ASSESSMENT REPORT

## Attachments:

Appendix A - Facility Data

Appendix B - Photographs and Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

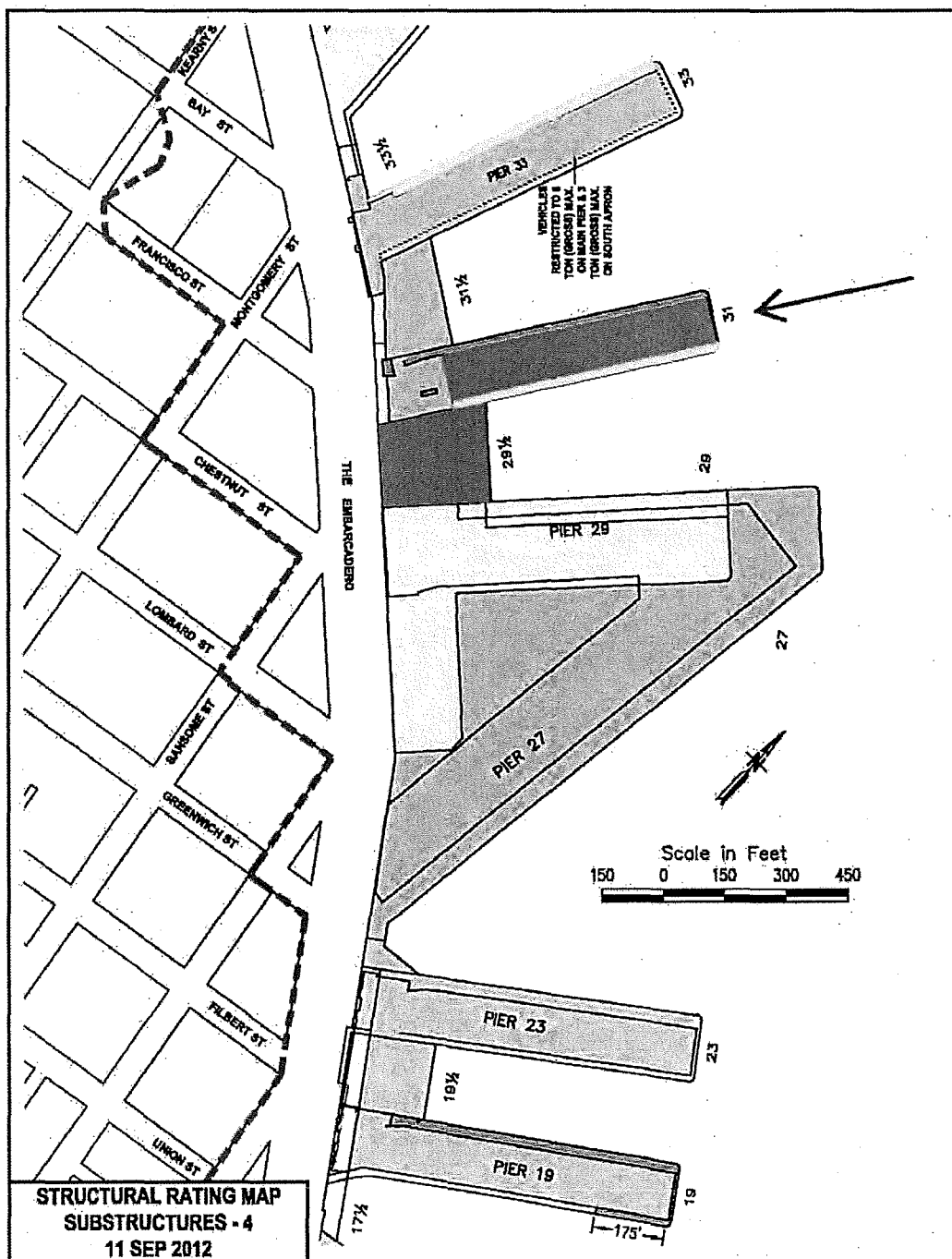
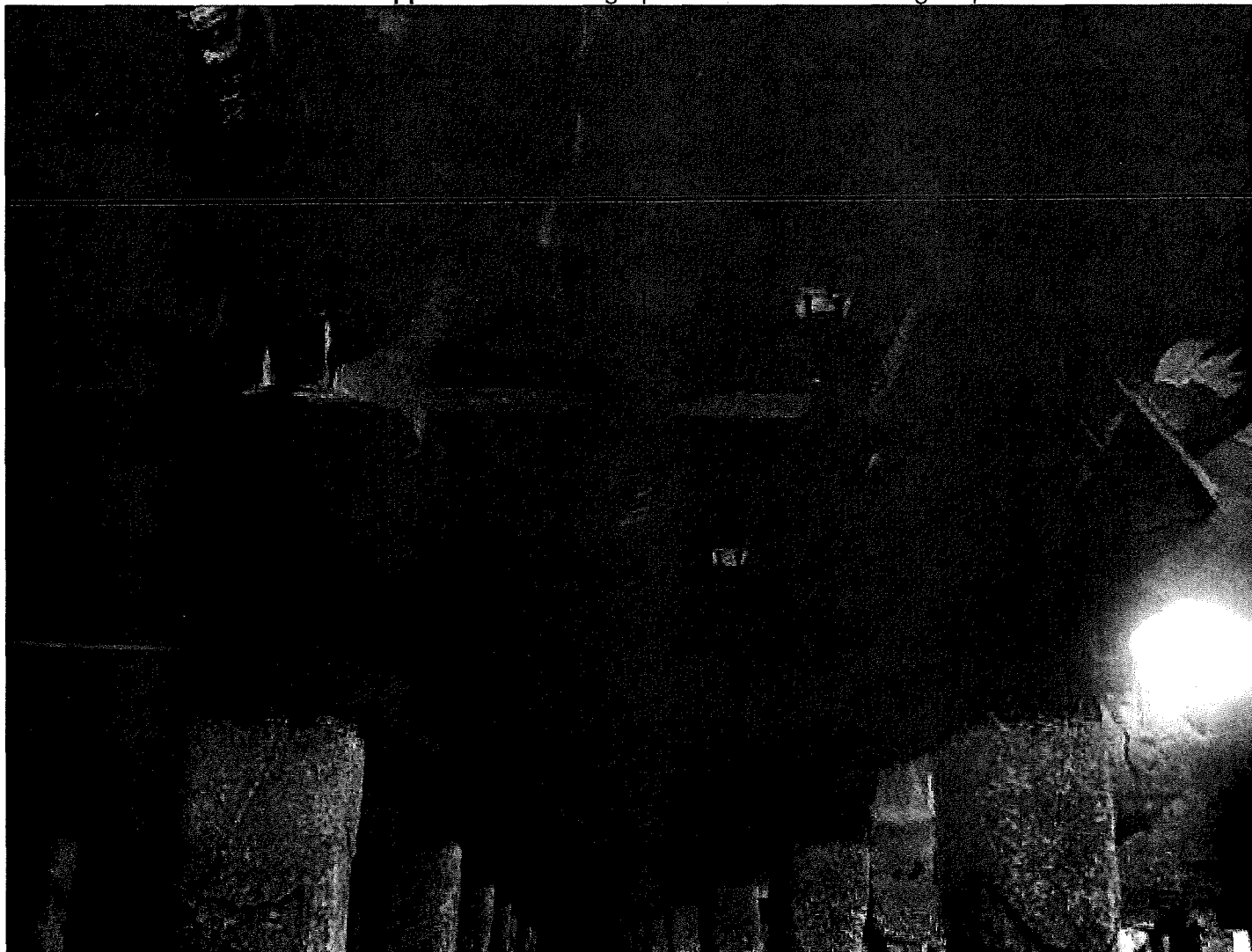


Photo 1. Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 2.** Gunite on concrete framing



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 3. Overall view looking at east end



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 4. Hole at deck





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 5.** Spalling of concrete beam with exposed/corroded rebar



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 6. Concrete spalling at slab**





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

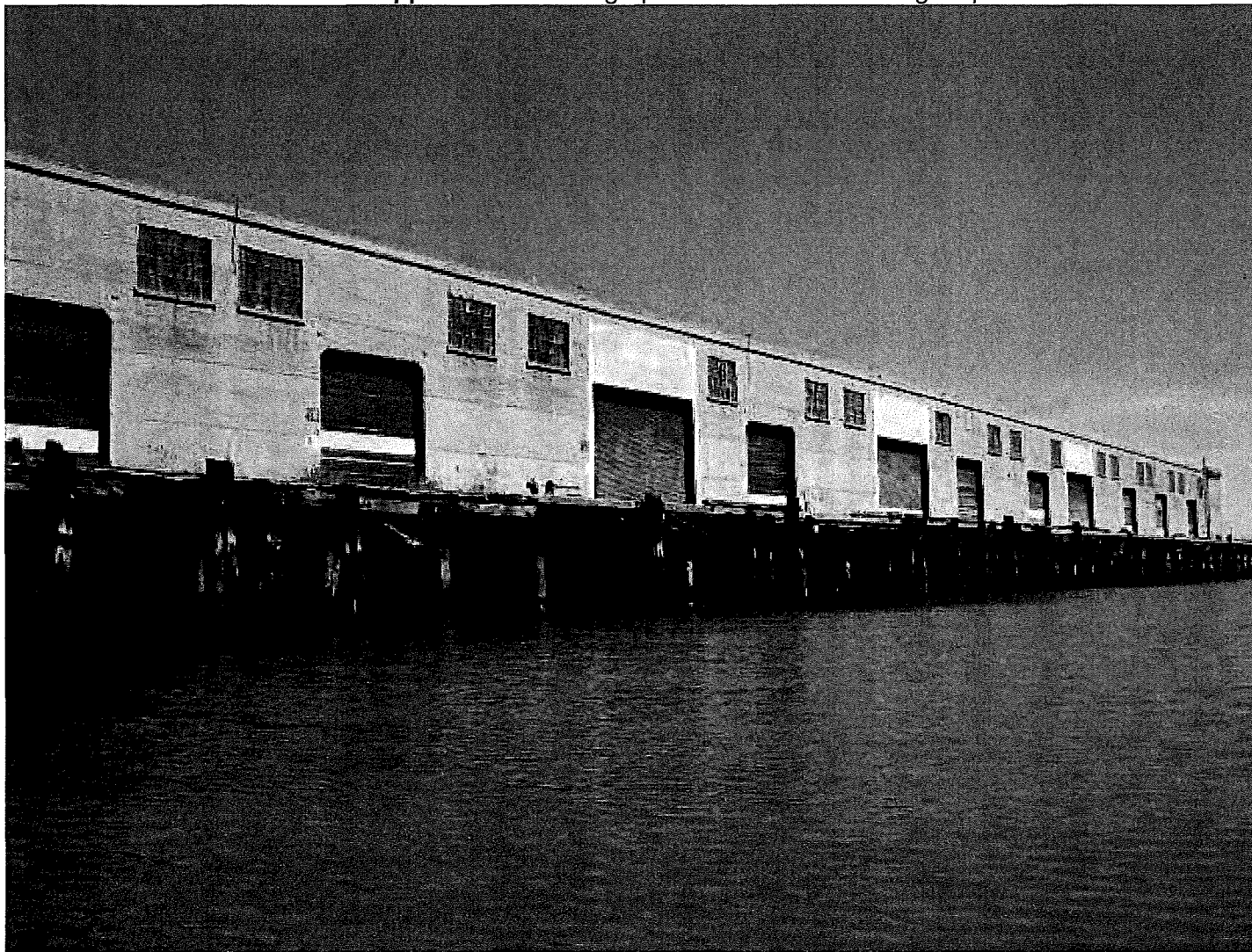


**Photo 7.** Seawall protected by rip-rap



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

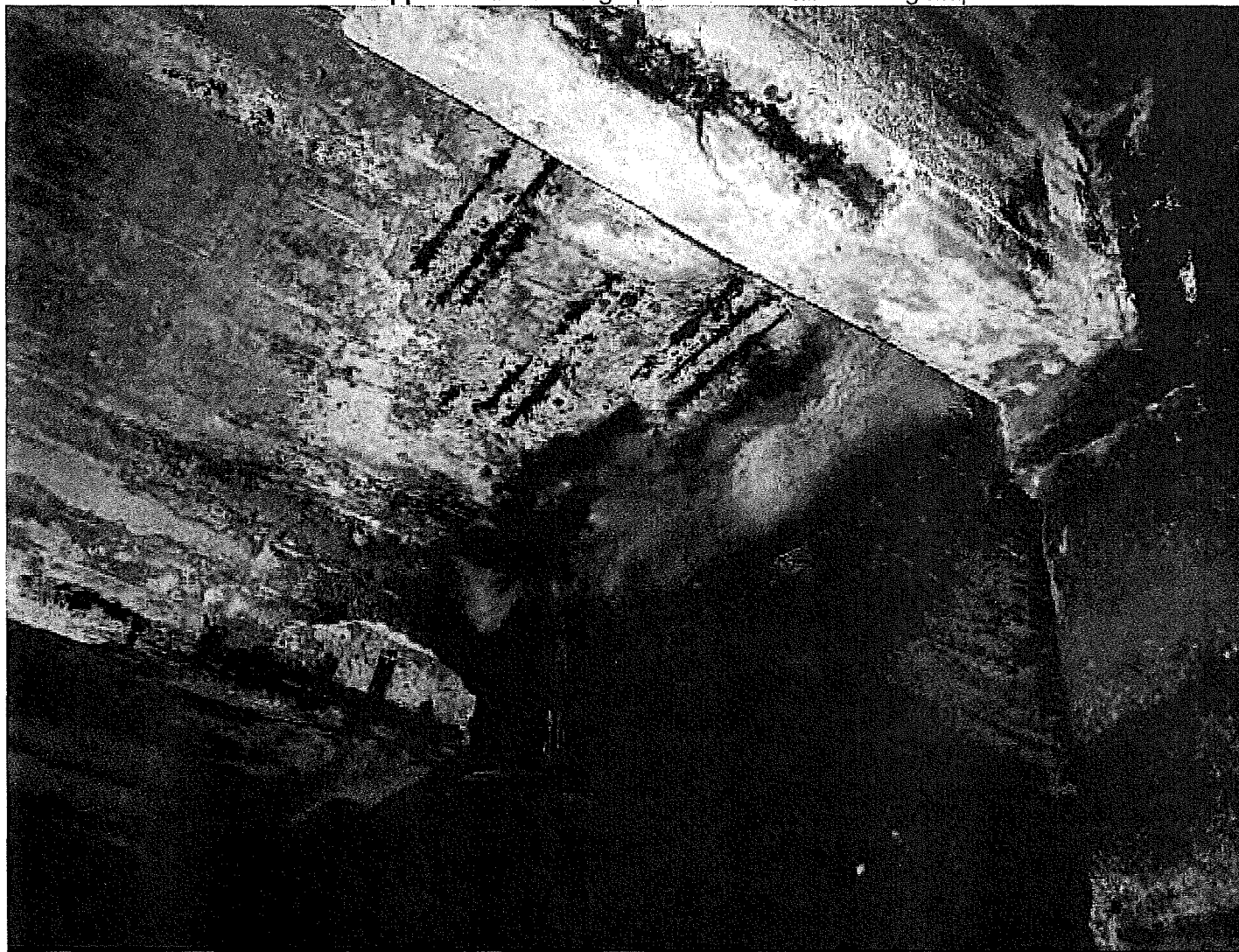


**Photo 8.** Overall view looking at south side



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 9.** Spalling of concrete beams and slab





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 10. Typical framing



## RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUPERSTRUCTURE	Work Order:	20007
Facility Name:	Pier 31 Bulkhead/Shed Building	FIN:	1310SHG
Asset Number:	1310-SHEDA	Facility Code:	1310
Asset Activity:	STRUCTURE FOUR YR INSPECTION	Port Engineer:	Bell, Mr. Jonathan Matthew N
Inspection Number:	1310-SHEDA-1-2017	Inspected By:	Port of San Francisco
Inspection Start Date:	2017/06/19 14:00:00	Inspection End Date:	2017/06/19 15:30:00
Purpose Of Inspection:	Real Estate Request	Lease Number:	L-14169
Address:			
Year Built:	1918		

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Green and Yellow with Green Hatching

Immediate Actions: No

Required Repairs: Repairs are planned to the three shored columns and concrete walls

Load Limits: No new roof or truss loads at three shored columns until permanent repairs are complete

Barricades: No

Long Term Actions: No

Detailed Structural/Geotechnical Evaluation Required: No

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Full or Partial Collapse		X	
2) Major building element damaged		X	
3) Severe Cracking of walls		X	
4) Parapet or falling hazard		X	
5) Severe ground movement present		X	
6) Other Hazard present		X	

### Comments:

Sequence - 1

Description - Inspector Comment

Comment - Port of San Francisco Engineer performed superstructure inspection of the Pier 31 shed building and Pier 29.5 Bulkhead building on 6/19/2017. Inspection was performed on all interior and exterior portions of the building that were accessible by foot. The inspection was initiated by the completion of the Pier 31 Roof and Structural Repair Project (Contract 2762). The scope of this project was roof repair and wood structural



## RAPID STRUCTURAL ASSESSMENT REPORT

framing repair and strengthening at Pier 31 shed building and Pier 29.5 bulkhead building.

Overall Pier 31 superstructure rating is Green - Unrestricted Use, due to repairs completed during this project. There are three remaining damaged truss columns which are currently shored and are scheduled for replacement in the next fiscal year (2017-18). The area of the roof supported by these three shored columns is rated Yellow - Restricted Use until permanent repairs are completed. The rating map also shows the outer end of the shed yellow-tagged due to the substructure rating in that area.

The building was constructed around 1918. The Pier 31 shed, Pier 29.5 infill wharf building, and the Pier 29 bulkhead were all constructed from the same set of drawings. All original structural framing consists of wood columns supporting wood trusses with steel rod tension ties. Bulkhead building walls along the Embarcadero are wood stud walls with lath and plaster. All other Pier 31 walls are cast in place reinforced concrete.

The structural scope of the 2017 project was mainly replacement and strengthening of wood structural members that had deteriorated due to exposure to moisture and dry rot. Typical susceptible locations include the bases of columns near the building exterior, tops of roof supporting members, and wood truss connection joint details that trapped water leaking through the roof.

Roofing was replaced as part of 2017 project and we do not expect any further dry rot deterioration over the lifespan of the new roof. Major structural members with dry rot damage were replaced or strengthened. Currently all wood columns, trusses, and roof framing appears to be in serviceable condition, with the exception of the three shored columns previously noted.

There are five steel beams installed some time prior to the 2017 project that are not shown in the Port's record drawings. These beams were added in order to remove wood columns while maintaining support for the wood trusses above. The 2017 project added a large steel girder directly underneath an existing wood truss that required strengthening. In all cases, posts were added adjacent to existing wood columns to support the ends of the beams.

The wood stud walls of the bulkhead building had no notable defects.

The reinforced concrete walls along the apron have various spalls and cracks, with more damage on the north face than the south face. Spalls appear to be due to corroding rebar. Cracks are typically at corners of door openings. Where rebar was exposed it did not appear to have significant section loss. Cracks and spalls are planned to be repaired in an upcoming project. The rear concrete wall was only inspected from the interior. There were no defects noted on the interior face of the wall.

There are four old shoring posts supporting beams at the rear wall. These posts appear to have been keyed into the concrete slab and then rotated up in to place and wedged under the beams. As a result they are not vertically plumb. The original connections to the concrete wall were not investigated in detail.

The roof was not inspected, but photos from the 2017 project showing the new roofing work are included for reference.

### Attachments:



# **RAPID STRUCTURAL ASSESSMENT REPORT**

**Appendix A - Facility Data**

**Appendix B - Photographs and Structural Rating Map**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix A - Facility Data

**Name of Facility:** Pier 31 Bulkhead/Shed Building

**Facility Code:** 1310

**Address:**

**Lease Number(s):** L-14169

### Building Data

**Building Structure FIN:** 1310SHG

**No. of stories:** 1

**Support over water:** Yes

**Support over land:** No

**Construction Type (Wood, Concrete, Steel, Masonry or Combination):** Wood

**Occupancy Type (Commercial, Office, Industrial, Assembly, Residential, Emergency Service, etc.):**  
Industrial

**Detailed Building Description (If available):** Primary structure is wood columns and wood trusses. Some supplemental steel beams have been added to replace trusses and columns.

### Substructure/Foundation Data:

**Substructure FIN:** 1310SUB

**Piling Type:**

**Substructure Deck Type:**

**Apron Type:**

**Detailed Substructure Description (If available):** Concrete slab on concrete beams, supported by concrete piles; concrete seawall.





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

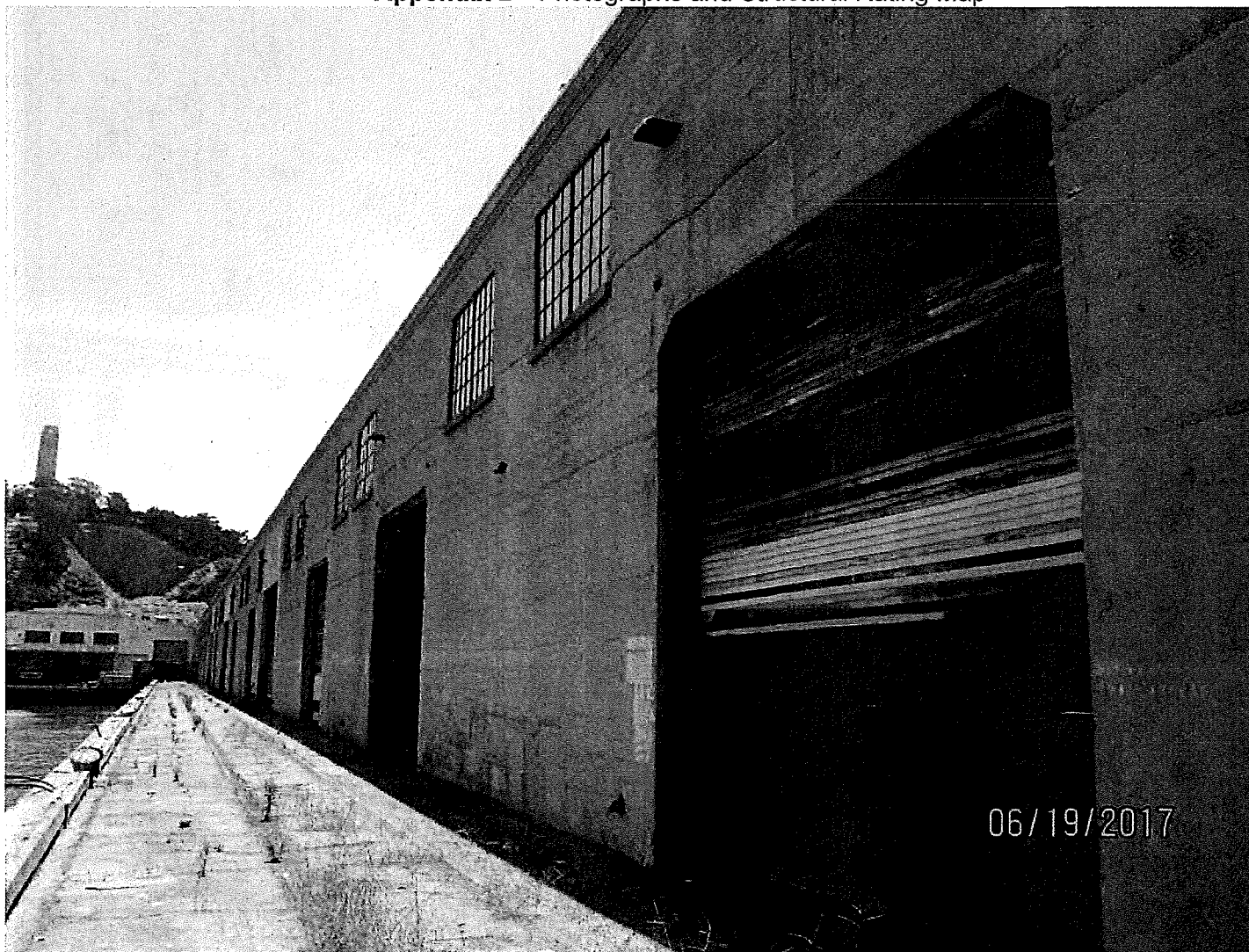


**Photo 1.** Bulkhead portion of Pier 31 shed building.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

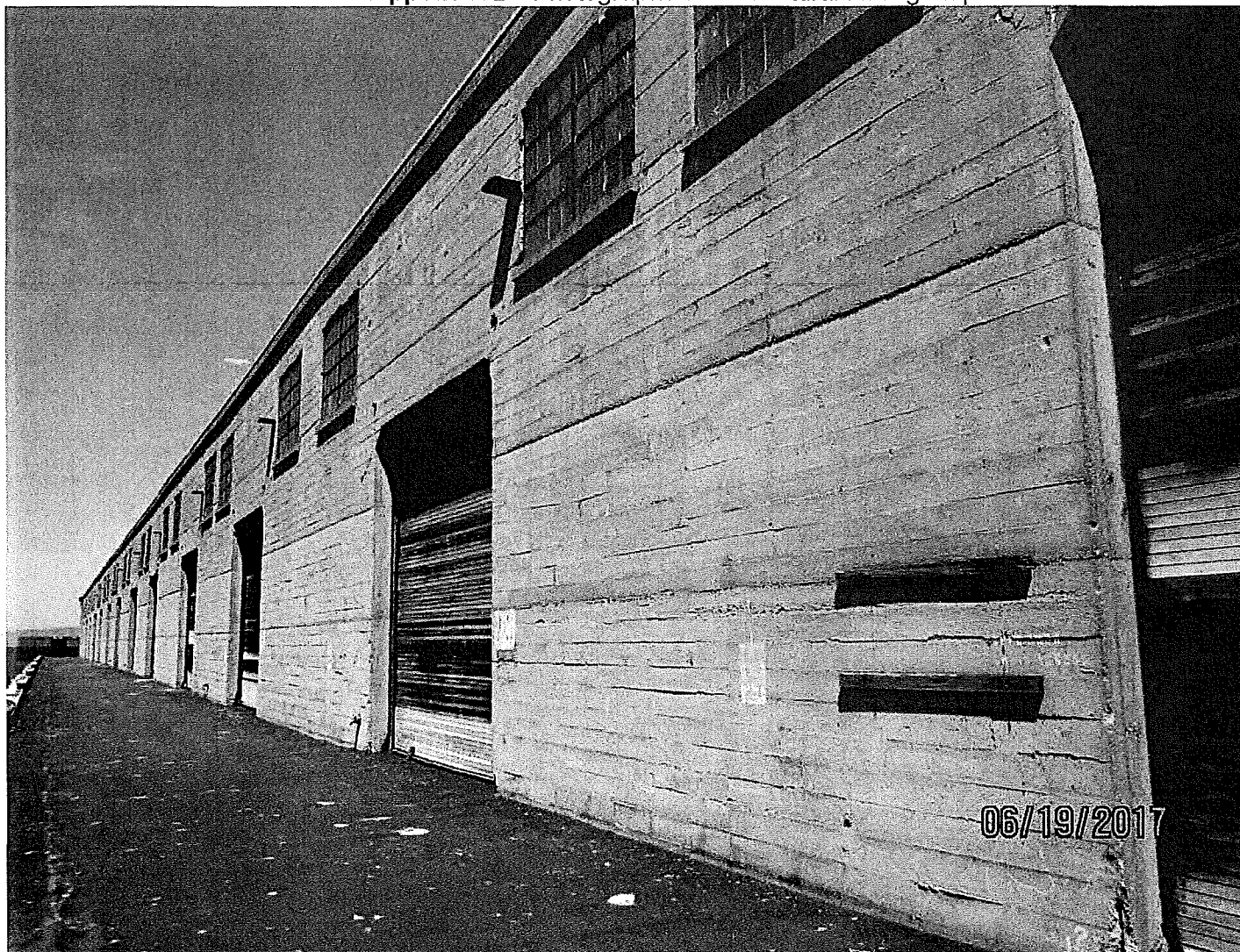


**Photo 2.** Exterior concrete wall along south face of building.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 3.** Exterior concrete wall along north face of building.





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 4.** Spalls around roll-up door opening on north face wall. Repairs are planned as part of a future project.

# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 5.** Typical bulkhead framing.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 6.** Overall view of shed framing looking towards the Embarcadero



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 7.** New steel beam and tube steel posts added in 2017 to strengthen existing wood truss.





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 8.** Replacement truss column and strengthened truss connections installed in 2017





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 9.** New concrete footings installed to replace dry rotted column bases in 2017.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 10. Roof monitor with new beam and 2x4 sheathing.



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

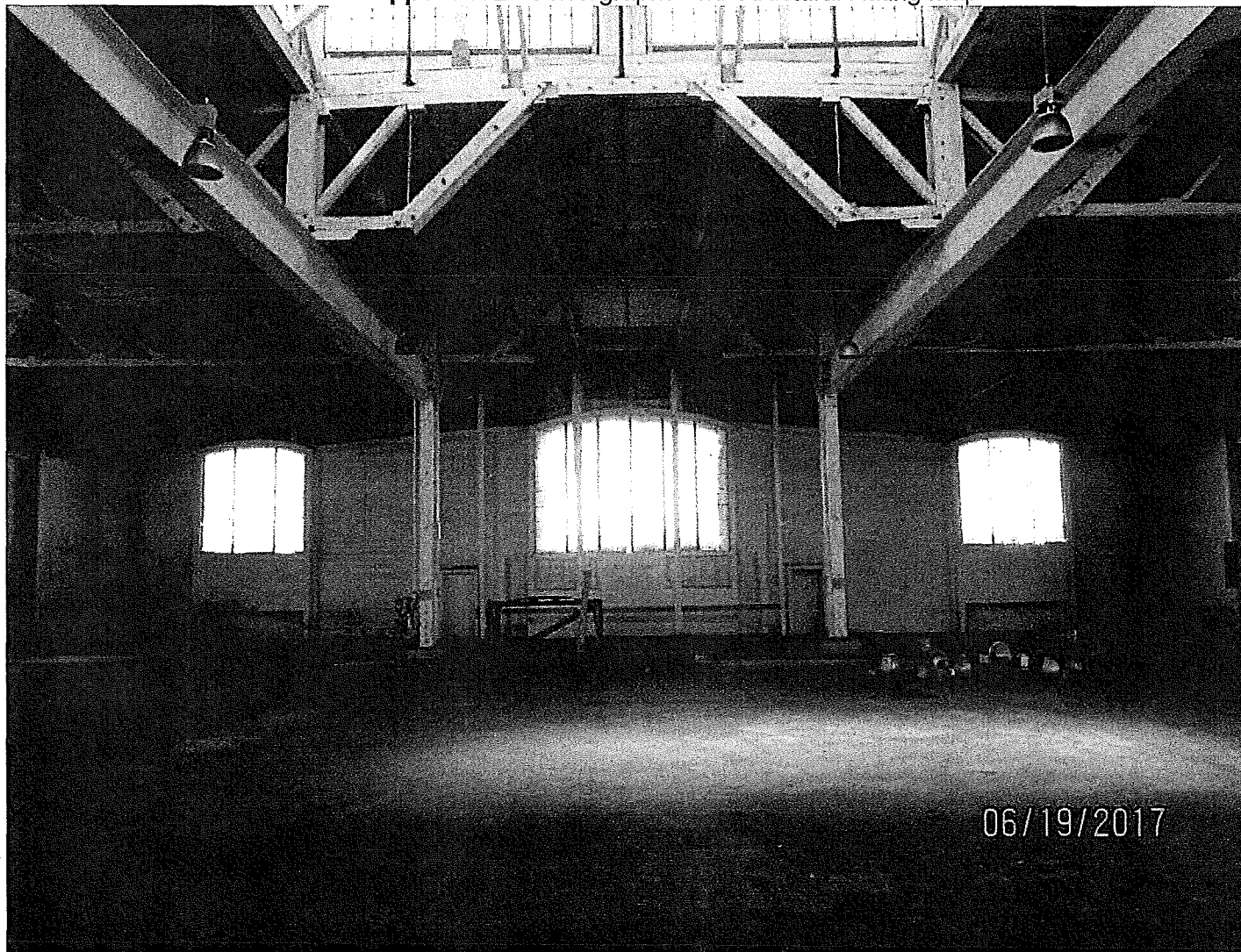


Photo 11. Rear concrete wall viewed from inside shed.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 12.** Steel beams and supplemental wood posts added in the past in order to remove original columns.





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 13.** Shoring posts under roof beams near rear wall. Posts are keyed into substructure concrete slab.



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

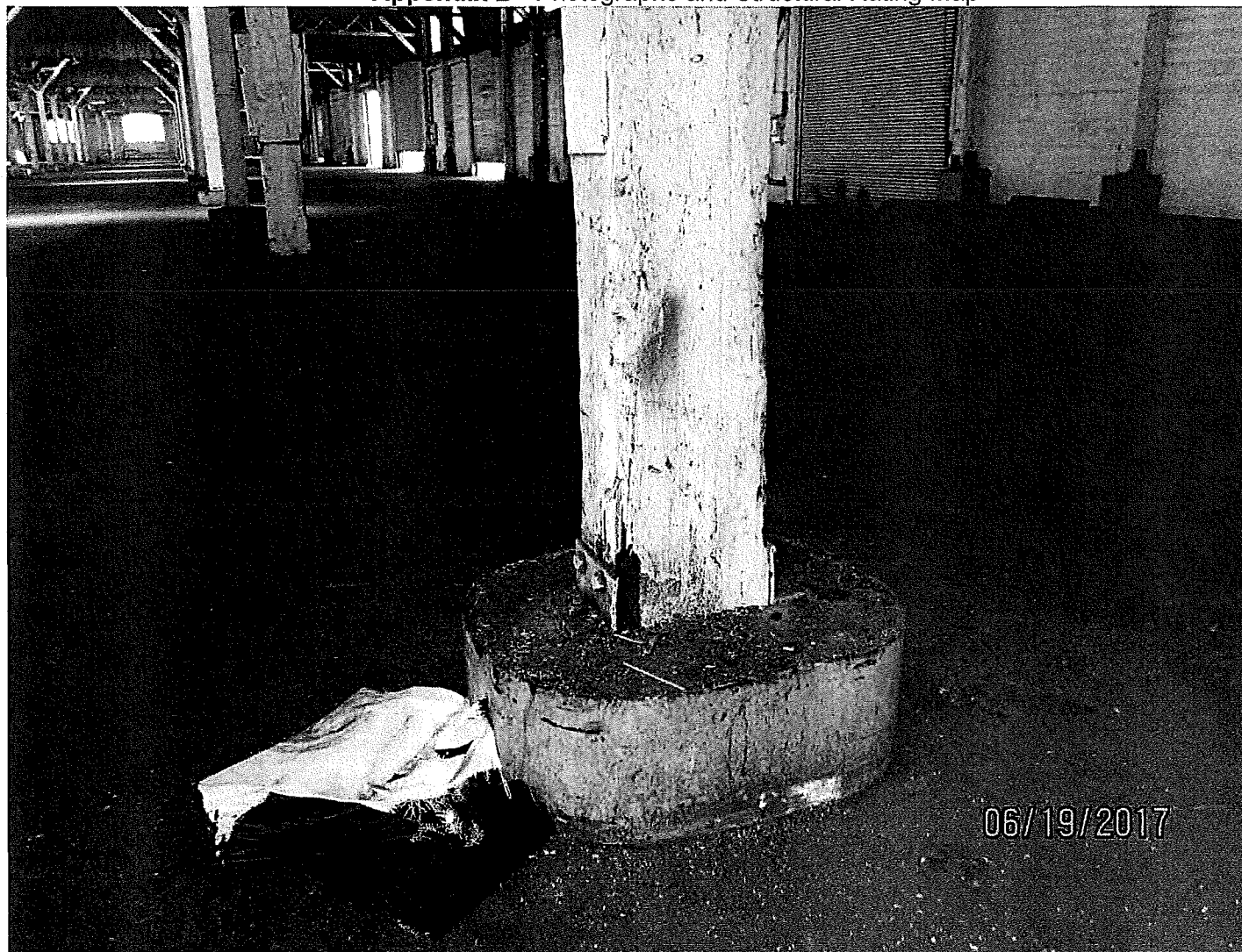


Photo 14. Wood roof beams strengthened in the past.



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 15.** Interior wood columns on raised footings. Less susceptible to dry rot, but some have minor damage from vehicle impact.



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



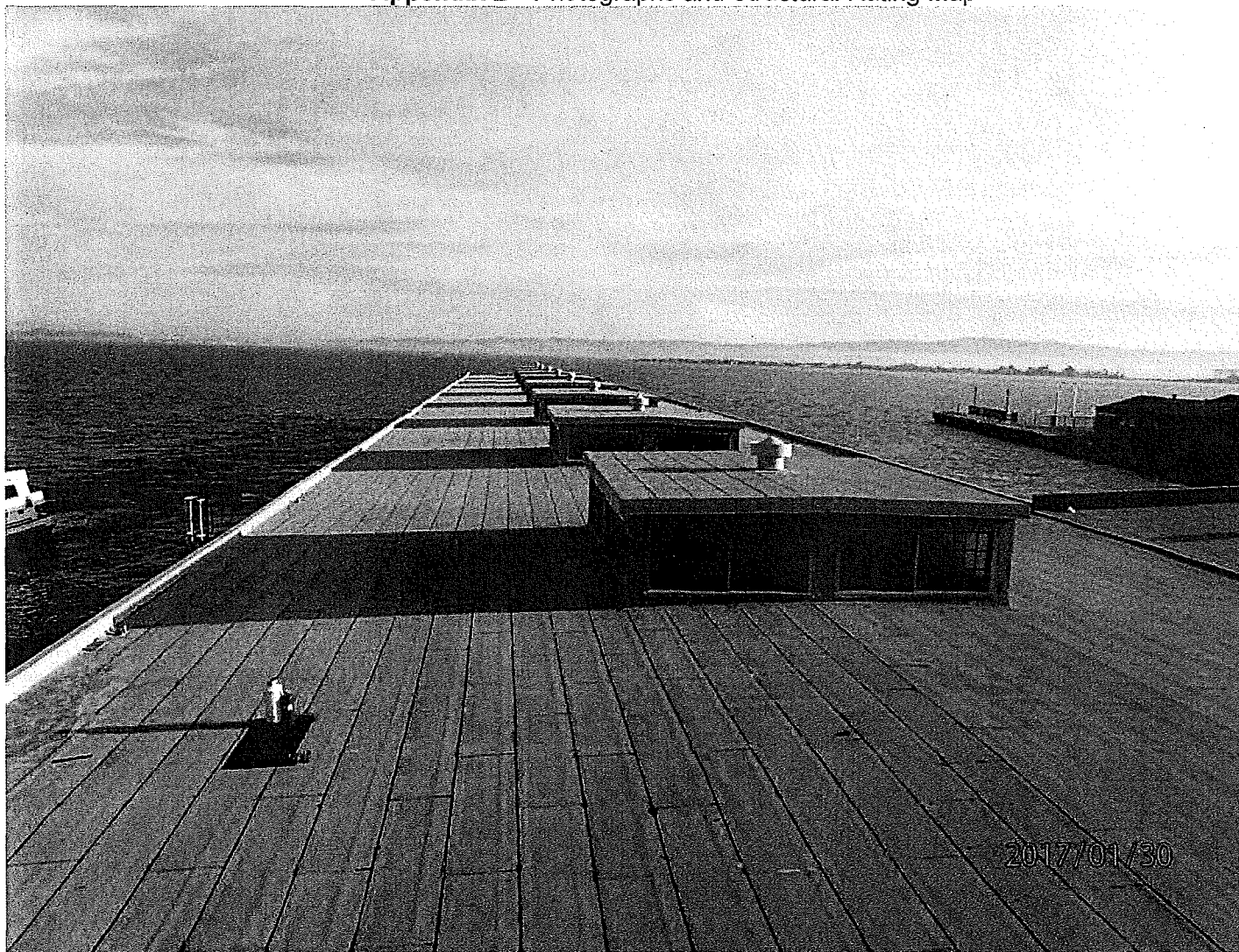
**Photo 16.** Shoring post installed at column grid H26 due to additional dry rot discovery. Permanent repairs are already planned. Similar shoring at B14 and B42. Roof area supported by these posts are shown yellow tagged until permanent repairs are complete.





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

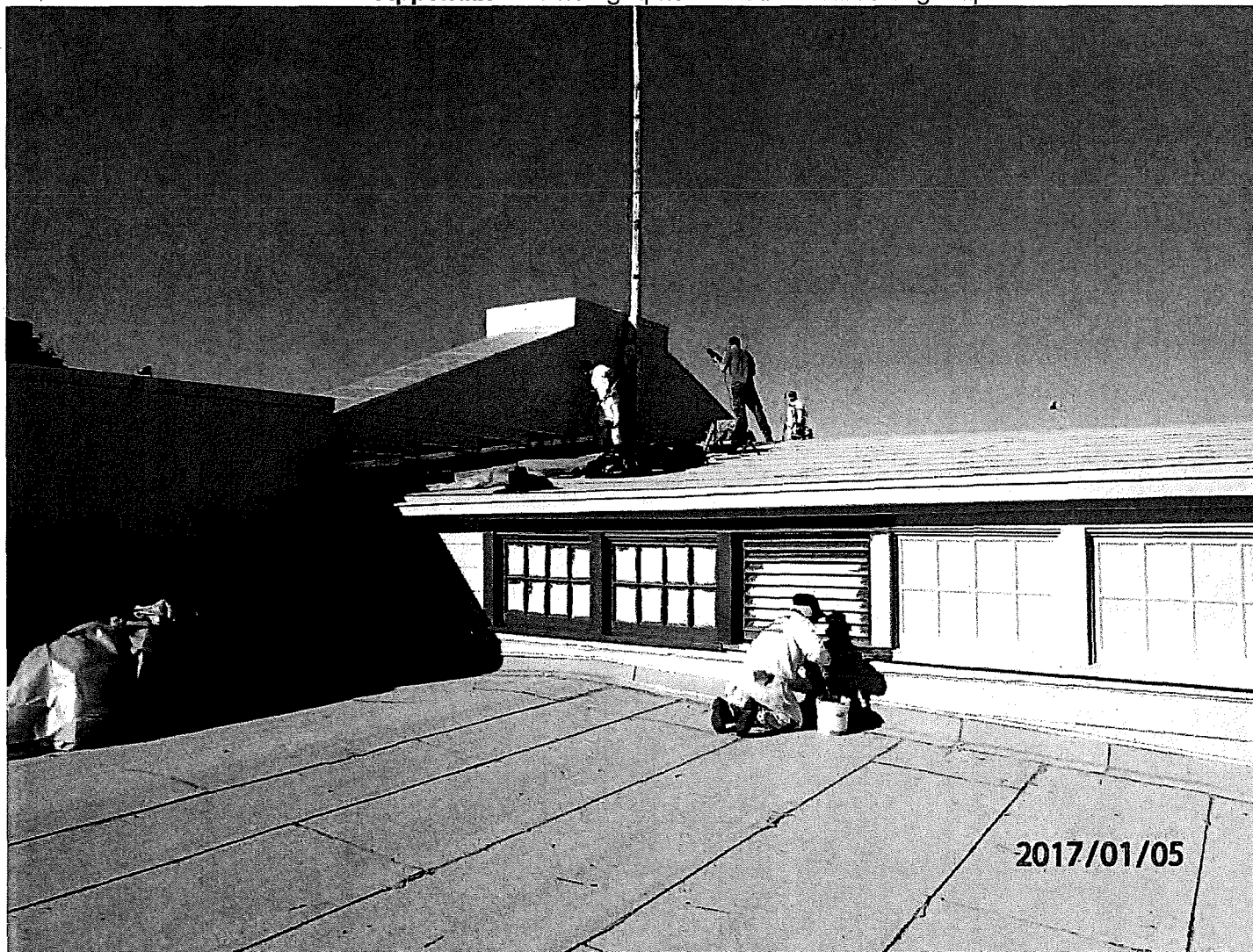


**Photo 17.** Construction photo of new roofing at Pier 31 shed building.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 18.** Construction photo of roofing work near bulkhead.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

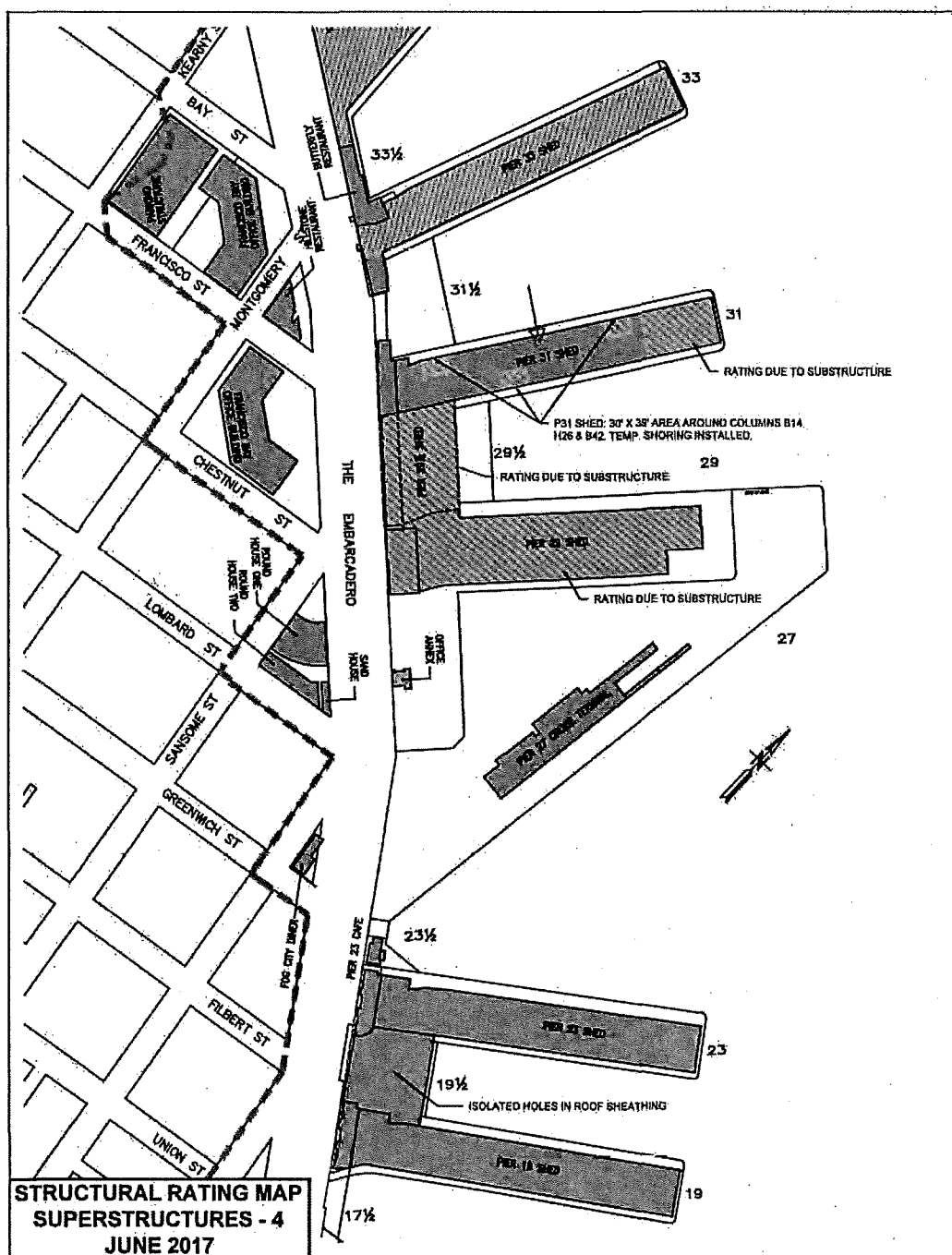


**Photo 19.** Construction photo of roof work near end of pier.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 20.** Superstructure rating map for Pier 31 shed. Three columns have temp. shoring and supported roof area is yellow tagged. Outer end of pier is yellow tagged due to substructure rating.





## RAPID STRUCTURAL ASSESSMENT REPORT

<b>Structure Type:</b>	<b>SUBSTRUCTURE</b>	<b>Work Order:</b>	5465
<b>Facility Name:</b>	Pier 31 North Apron	<b>FIN:</b>	1310SNA
<b>Asset Number:</b>	1310-SUB1	<b>Facility Code:</b>	1310
<b>Asset Activity:</b>	SUBSTRUCTURE 4 YR INSPECTION	<b>Type Use:</b>	C-M
<b>Inspection Number:</b>	1310-SUB1-1-2013	<b>Inspector Name:</b>	Duncan, Mr. Sherban A.
		<b>Affiliation:</b>	C+D - Gelberg Rodriguez
<b>Inspection Start Date:</b>	2013/05/30 11:08:51	<b>Inspection End Date:</b>	2013/05/30 11:08:51
<b>Purpose Of Inspection:</b>	Periodic Inspection	<b>Lease Number:</b>	
<b>Address:</b>			
<b>Year Built:</b>			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

**Overall Rating: Red**

**Immediate Actions:** Restrict access where deck is missing, remove falling hazards

**Required Repairs:** Replace or repair fender system

**Load Limits:**

**Barricades:** Restrict access to apron where deck is missing

### **Condition Assessment Summary**

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration		X	
5) Significant slab deterioration		X	
6) Other Hazard present	X		

### **Comments:**

#### **Sequence - 1**

**Description - Comments**

**Comment - 1.** Spalling deck and corroded/exposed rebar.

2. Deteriorated fender piles.

3. Hanging wood members - falling hazard.

4. Deteriorated/missing wood deck.



## RAPID STRUCTURAL ASSESSMENT REPORT

5. Some broken/damaged piles.
6. Many missing wood piles at pier corner.
7. Some broken batter piles.

### Attachments:

Appendix A - Facility Data

Appendix B - Photographs and Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 1.** Spalling and corroded/exposed rebar at slab



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

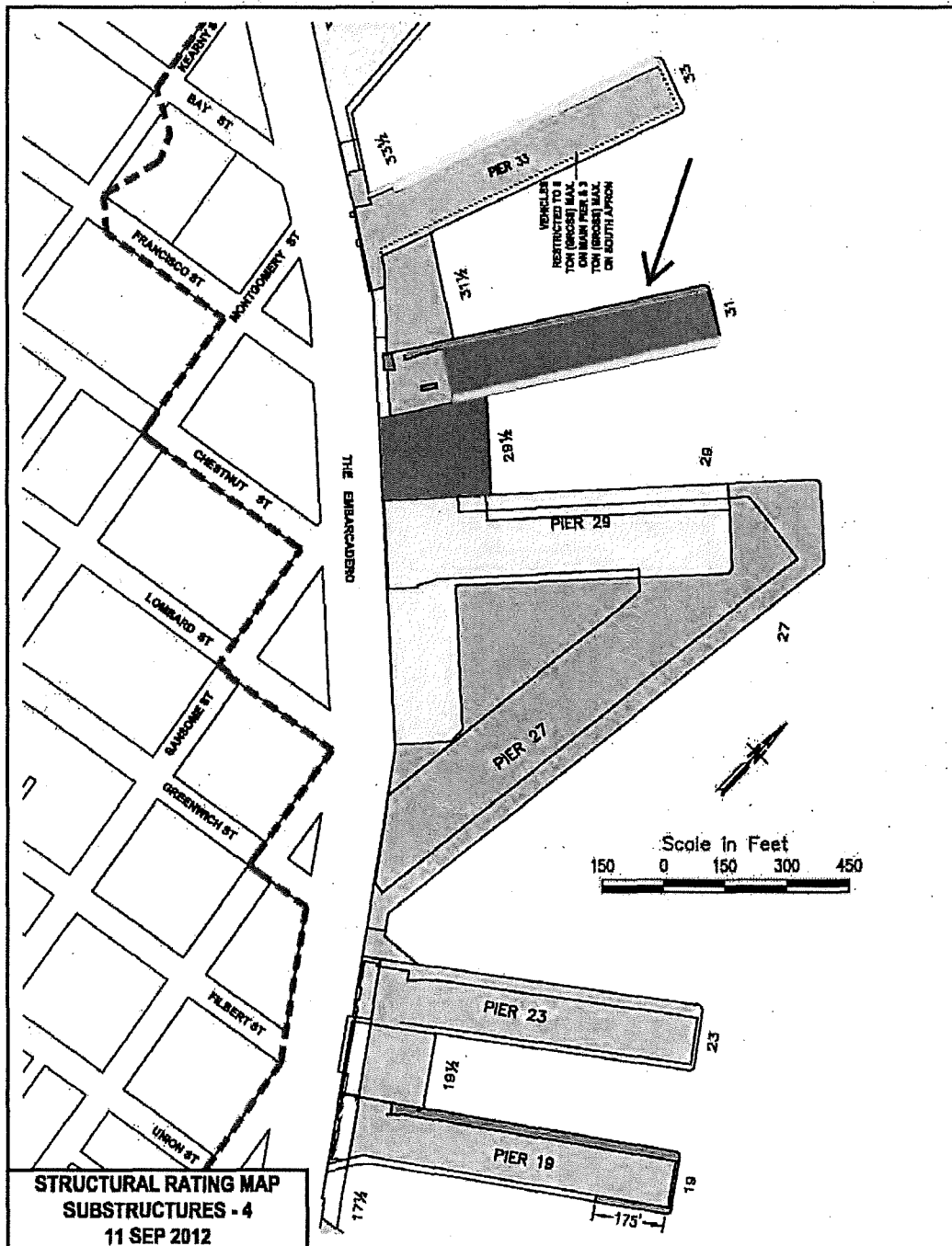


Photo 2. Structural Rating Map





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 3. Deteriorated wood piles at pier corner



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 4.** Hole in deck, hanging wood members



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 5.** Deteriorated fender piles



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



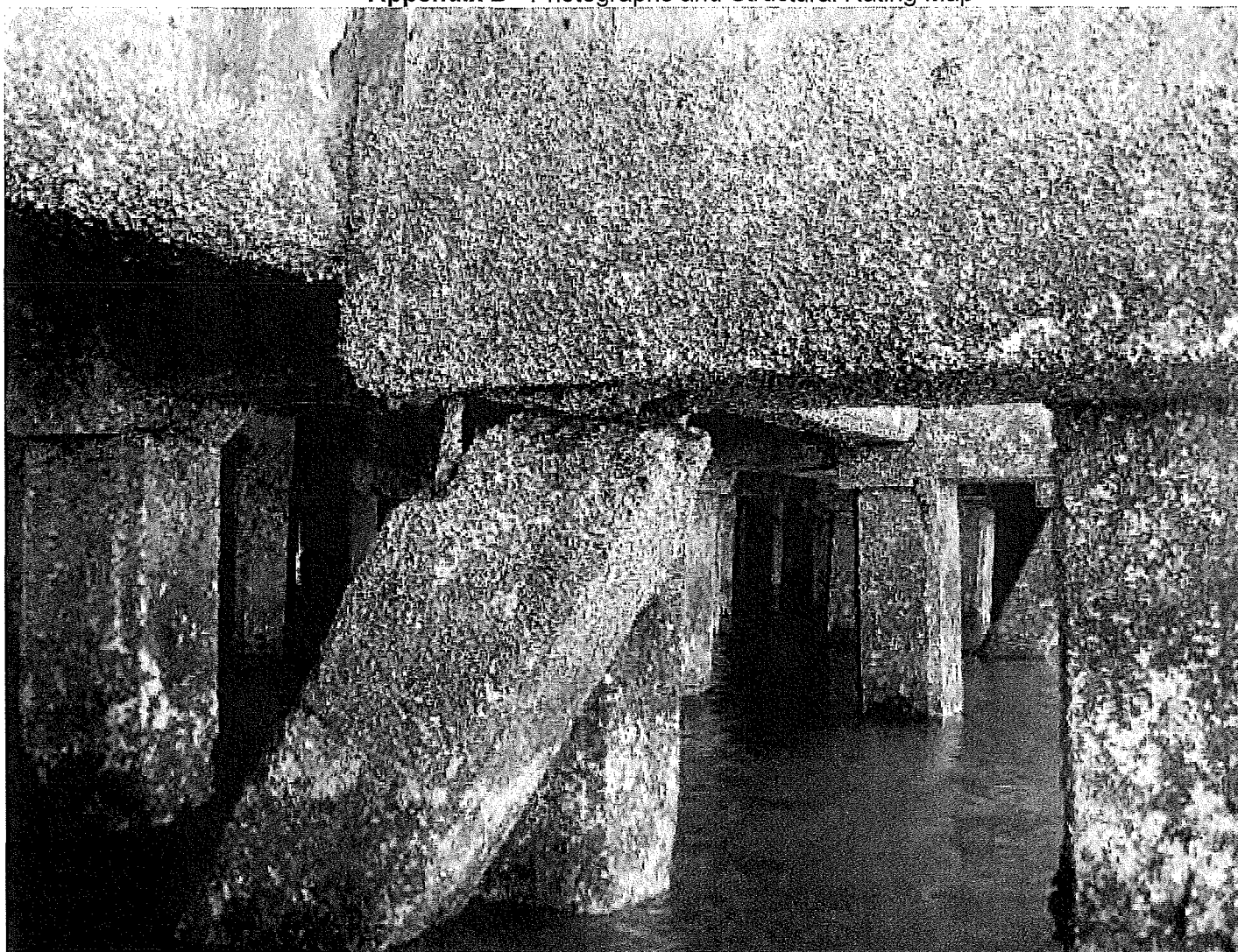
**Photo 6.** Hanging wood members





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

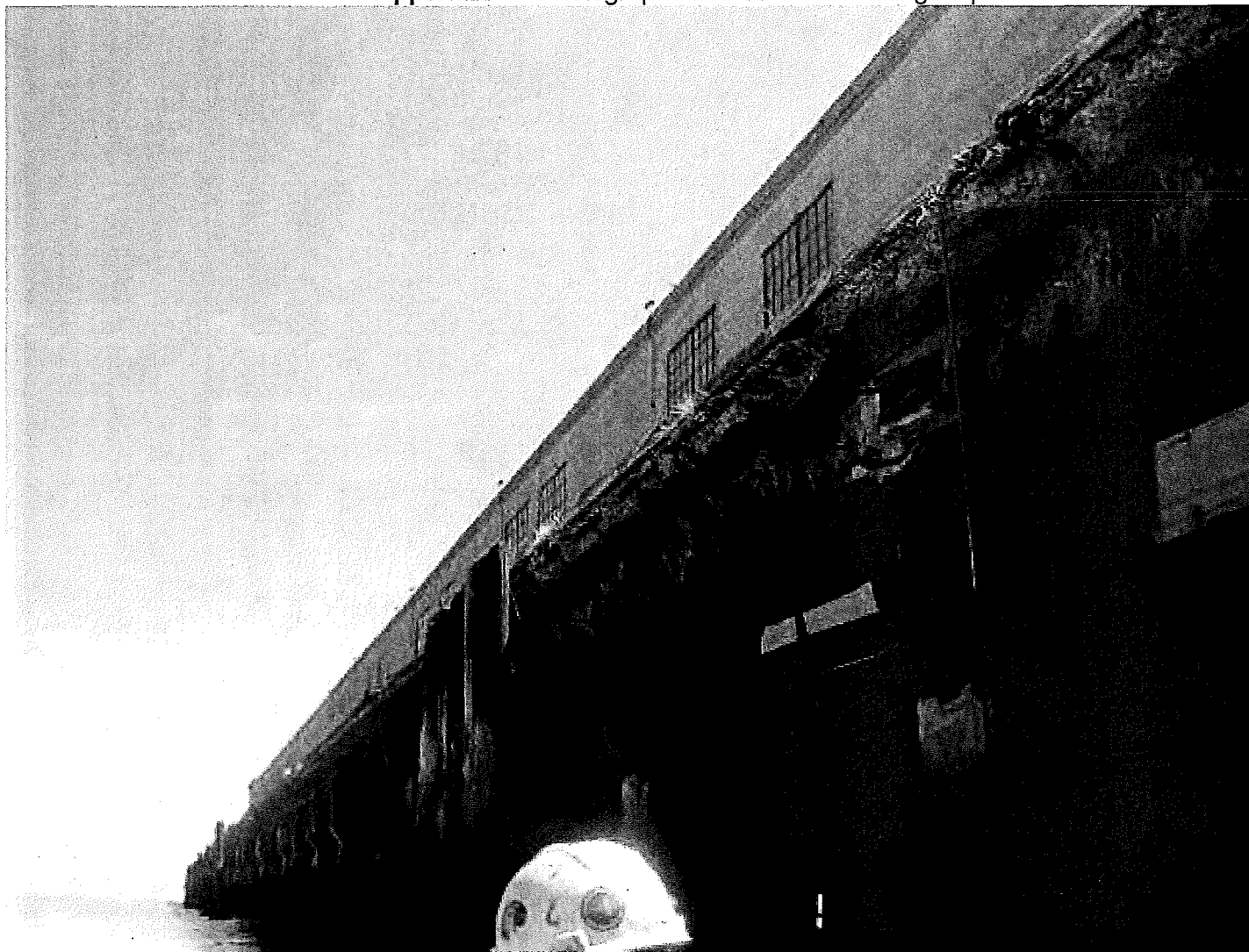


**Photo 7.** Broken batter pile



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 8.** Overall view looking south



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 9. Deteriorated deck



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 10.** Spalling deck and corroded/exposed rebar





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 11.** Close up of broken batter pile

### SCHEDULE 3

#### FEMA Disclosure Notice

The Federal Emergency Management Agency ("FEMA") is revising Flood Insurance Rate Maps ("FIRMs") for San Francisco Bay Area communities. As part of this effort, FEMA is preparing a FIRM for the City and County of San Francisco for the first time. That process may have significant impacts for developing new structures and reconstructing or repairing existing structures on San Francisco's waterfront.

FEMA prepares the FIRMs to support the National Flood Insurance Program ("NFIP"), a federal program that enables property owners, businesses, and residents in participating communities to purchase flood insurance backed by the federal government. The San Francisco Board of Supervisors has adopted a floodplain management ordinance governing new construction and substantial improvements in flood prone areas of San Francisco and authorizing the City's participation in NFIP (as amended, the "Floodplain Ordinance"). The Floodplain Ordinance imposes requirements on any new construction or substantial improvement of structures in city-designated flood zones that are intended to minimize or eliminate flood hazard risks. NFIP regulations allow a local jurisdiction to issue variances to its floodplain management ordinance under certain narrow circumstances, without jeopardizing the local jurisdiction's eligibility in the NFIP. However, the particular projects that are granted variances by the local jurisdiction may be deemed ineligible for federally-backed flood insurance by FEMA.

FIRMs identify areas that are subject to inundation during a flood having a 1% chance of occurrence in a given year (also known as a "base flood" or "100-year flood"). FEMA refers to an area that is at risk from a flood of this magnitude as a special flood hazard area ("SFHA"). To prepare the FIRM for San Francisco, FEMA has performed detailed coastal engineering analyses and mapping of the San Francisco Bay shoreline. The San Francisco Bay Area Coastal Study includes both regional hydrodynamic and wave modeling of the San Francisco Bay, as well as detailed onshore coastal analysis used to estimate wave runup and overtopping, as well as overland wave propagation. These onshore analyses form the basis for the Base Flood Elevations (BFEs) and SFHAs shown on the FIRM.

In November 2015, FEMA issued a preliminary FIRM of San Francisco tentatively identifying SFHAs along City's shoreline in and along the San Francisco Bay consisting of "A zones" (areas subject to inundation by tidal surge) and "V zones" (areas subject to the additional hazards that accompany wave action). These zones generally affect City property under the jurisdiction of the Port of San Francisco and other areas of the San Francisco waterfront, including parts of Mission Bay, Hunters Point Shipyard, Candlestick Point, Treasure and Yerba Buena Islands, and an area adjacent to Islais Creek. FEMA plans to finalize the FIRM in mid-2018. Six months after this date, the FIRM will become effective and will be used for flood insurance and floodplain management purposes. During this six-month period, the City plans to amend the Floodplain Ordinance to adopt the FIRM.

The federal legislation and regulations implementing the NFIP are located at 42 U.S.C. §§ 4001 et seq.; 44 C.F.R. Parts 59-78, §§ 59.1-78.14. FEMA also publishes "Answers to Questions About the NFIP" and FEMA Publication 186 entitled "Mandatory Purchase of Flood Insurance Guidelines." Additional information on this matter can be found on the City's and FEMA's websites at the following links:

<http://sfgsa.org/san-francisco-floodplain-management-program>

<https://www.fema.gov/national-flood-insurance-program-flood-hazard-mapping>

<https://www.fema.gov/national-flood-insurance-program>

[http://www.r9map.org/Docs/Oct13-SanFranCo-FEMA\\_Factsheet\\_rev%20\(2\).pdf](http://www.r9map.org/Docs/Oct13-SanFranCo-FEMA_Factsheet_rev%20(2).pdf)

**SCHEDULE 4**  
**HAZARDOUS MATERIAL DISCLOSURE**

## **Environmental Reports and Documents Regarding Hazardous Materials**

### **National Park Service**

**January 2018**

#### **Pier 31**

Pre-Renovation Asbestos and Lead-Based Paint Survey Report, Pier 27, 29, 31 and Annex Buildings (Piers 27 1/2 and 29 1/2), RGA Environmental, Inc., August 11, 1999.

#### **Pier 33**

Final Report SAR Project No IHX 30, Limited Asbestos and Lead Paint Survey; Pier 33-Roof, IHI Environmental, 3/10/2006.

Hazardous Materials Survey of Building Components Expected to be Impacted During upcoming renovation; Pier 33, ProTech Consulting and Engineering, May 6, 2010.

Hazardous Materials Survey Report, Wharf 33 Exterior, Sar Project No 3032K, North Tower environmental, 4/29/2004.

Hazardous materials survey report; Pier 33 exterior, North Tower environmental, April 21, 2004.

Limited Asbestos and Lead Paint Survey Pier 33 - Roof, IHI Environmental, March 10, 2006.

Limited Survey Report for Asbestos-Containing Materials and Lead-Based Paints at the Sambo's Restaurant, EnviroScience, Inc., April 1, 1997.

Port of San Francisco and Tenants, Annual Group Evaluation Report (Stormwater), 2013/2014, Port of San Francisco, June 16, 2014.

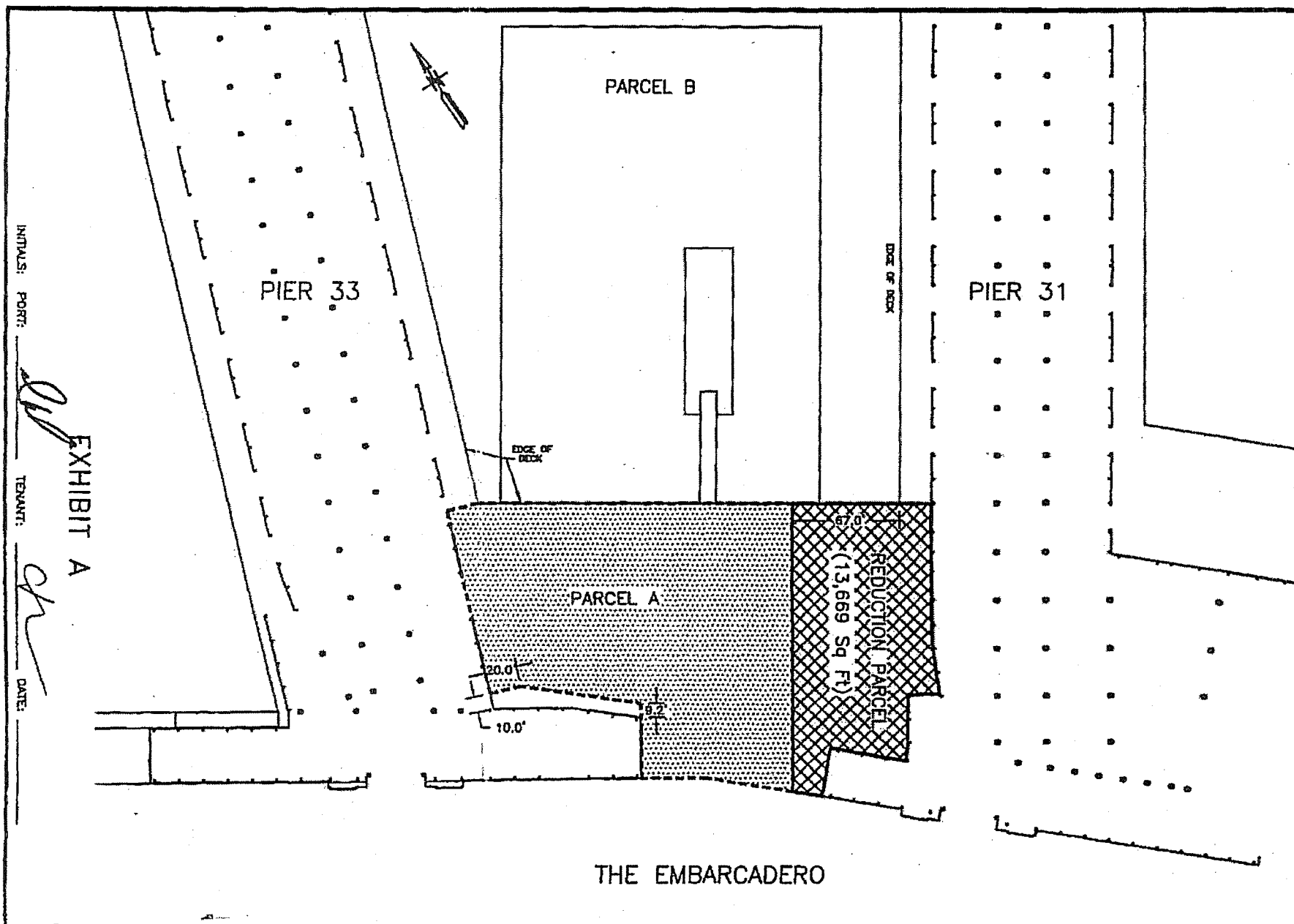
Port of San Francisco and Tenants, Annual Group Evaluation Report (Stormwater), 2012/2013, Port of San Francisco, 2012/2013.

**EXHIBIT C**

**HORNBLOWER LEASE PREMISES**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**



INITIALS: PORT: *JP*

TENANT: *ch*

DATE:

EXHIBIT A

LEASE NO.

L-12501



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

HORNBLOWER  
YACHTS, INC.

DRAWN BY: EDC, AMN

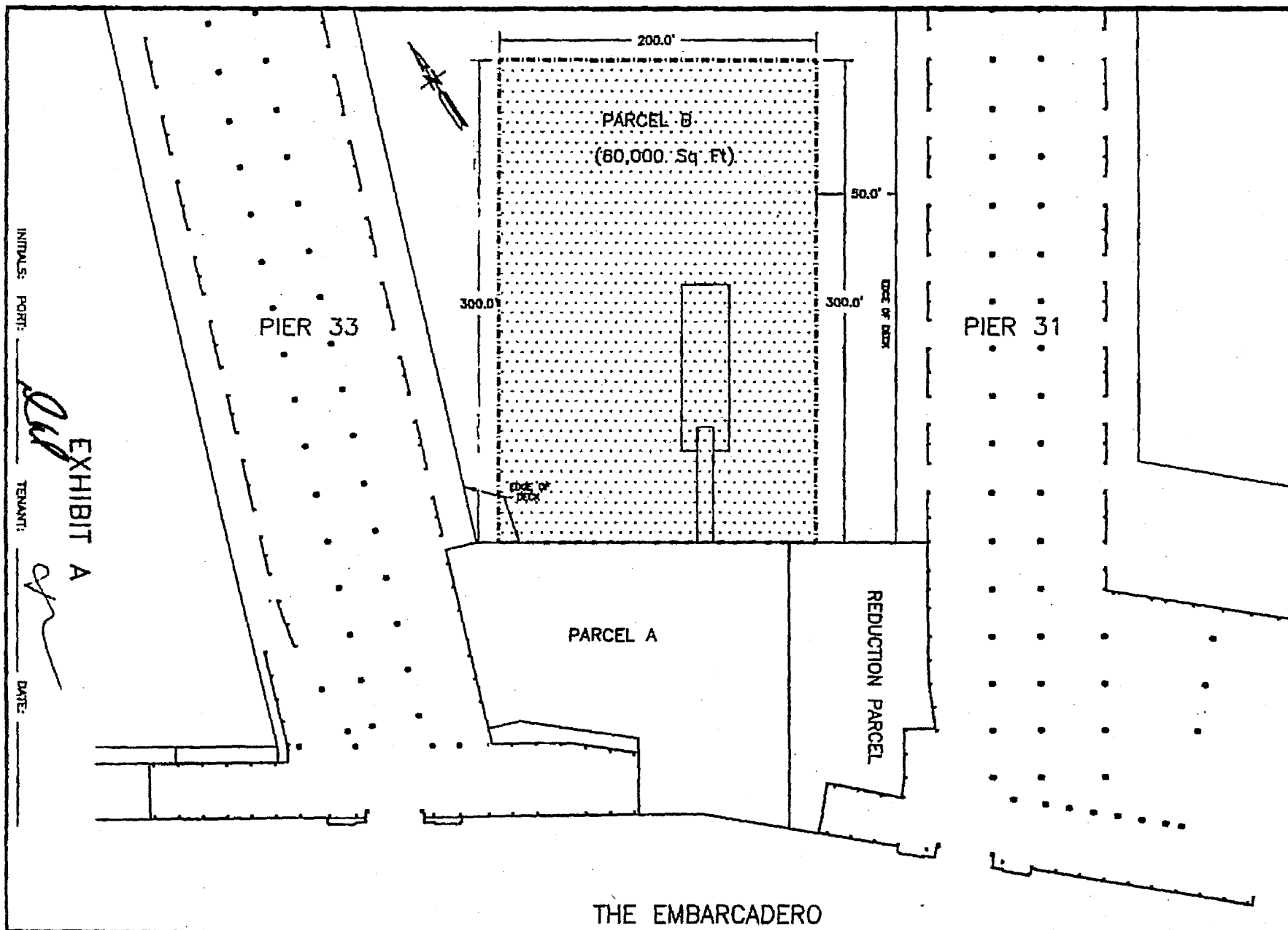
CHECKED BY: N. DEMPSEY

PLACED CODE NO.

DATE: FEB 20, 2004

SCALE: 1" = 80'

SHEET NO. 3



INITIALS: PORT: *ad* TENANT: *cr* DATE:

EXHIBIT A

THE EMBARCADERO

LEASE NO.  
L-12501



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO

TENANT

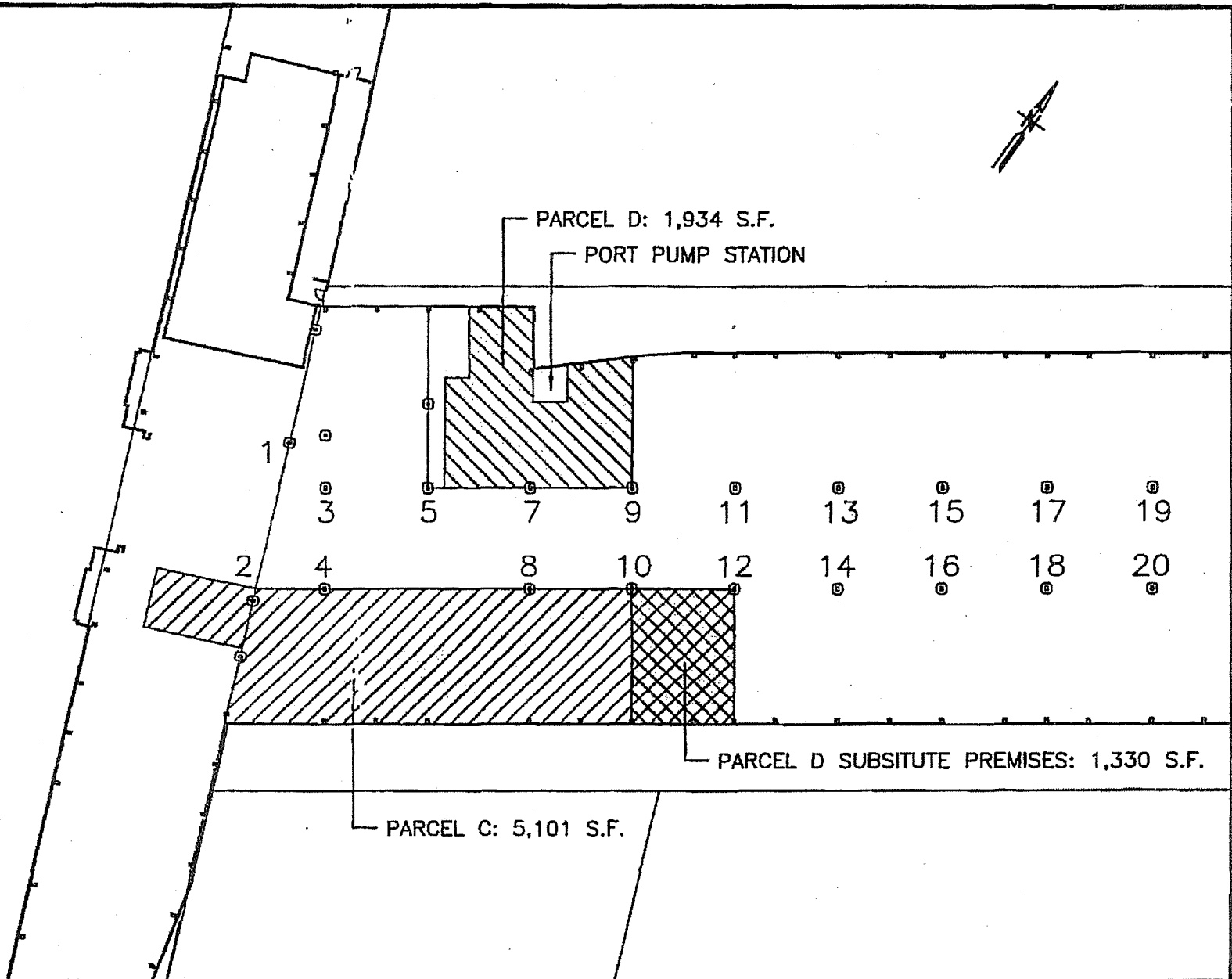
HORNBLOWER

DRAWN BY: EDC, AMN	DATE: FEB 20, 2004
CHECKED BY: K. DEMPSEY	SCALE: 1" = 80'
PLACED BY: N/A	



INITIALS: PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

EXHIBIT A



LEASE NO. <b>L-12501</b>	<b>SAN FRANCISCO PORT COMMISSION</b> PORT OF SAN FRANCISCO PORT DEPARTMENT OF ENGINEERING	TENANT <b>HORNBLOWER YACHTS INC.</b>	DRAWN BY: EDC, AMH	DATE: FEB 20, 2004
			CHECKED BY: N. DEMPSEY	SCALE: 1" = 40'
			PLACE CODE NO. <b>1335-00-0000</b>	SHEET NO. 2

**EXHIBIT D**

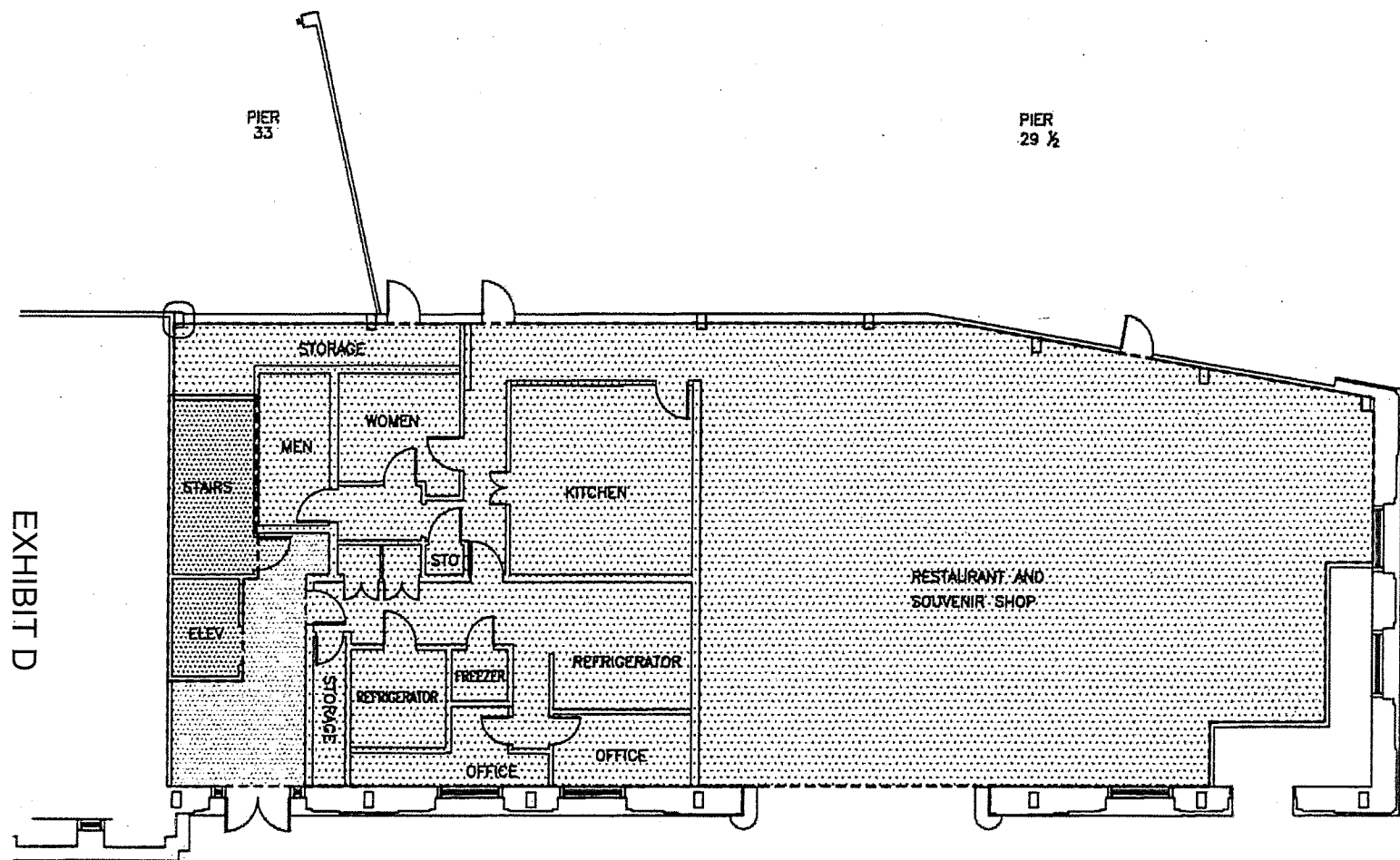
**SF PIER 33 LLC LEASE PREMISES**


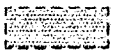
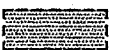
[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**


INITIALS: \_\_\_\_\_ PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

EXHIBIT D



 LEASE AREA 1 = 3,965 Sq Ft  
 COMMON AREA 1 = 200 Sq Ft  
 COMMON AREA 2 = 200 Sq Ft  
**TOTAL = 4,365 Sq Ft**

LEASE NO.  
L—

 **SAN FRANCISCO PORT COMMISSION**  
 PORT OF SAN FRANCISCO  
 DEPARTMENT OF ENGINEERING

TENANT

**PIER 33**  
**GROUND FLOOR**

DRAWN BY: ECC	DATE: SEP 10, 2014
CHECKED BY: JE, MC	SCALE: 1" = 15'
PLACE CODE NO. 1330-00	SHEET NO. OF SHEETS



PIER  
33

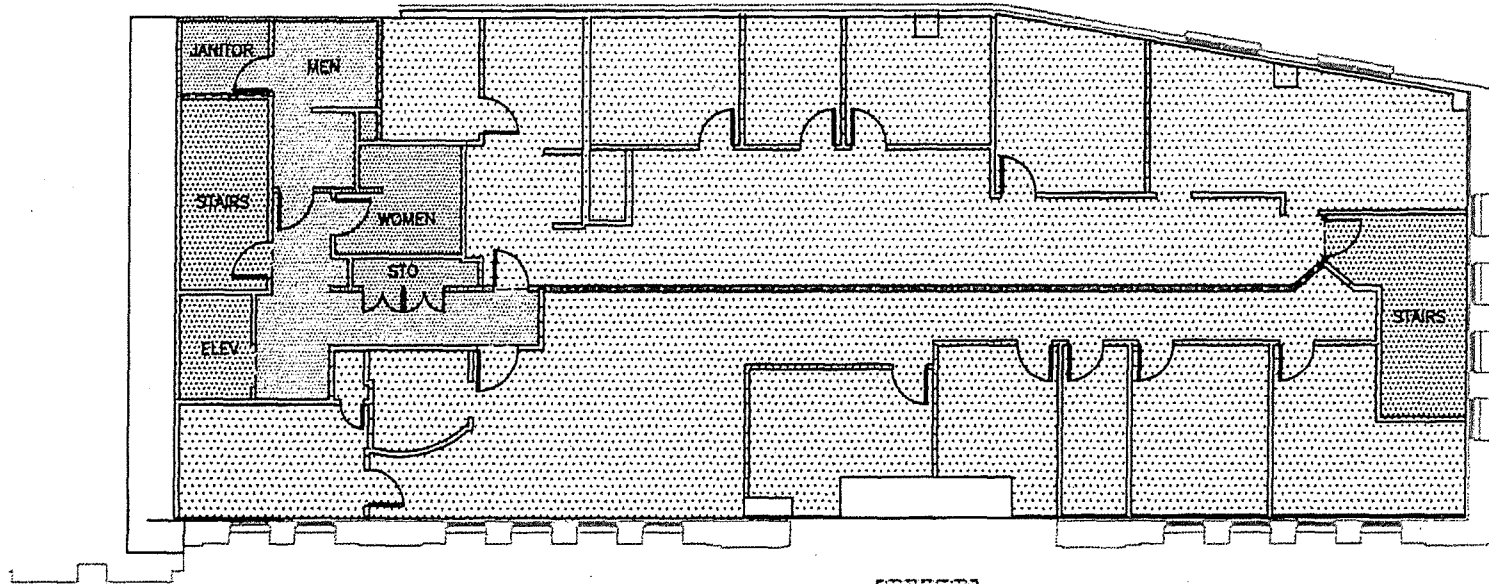
PIER  
29 1/2

EXHIBIT D

INITIALS: PORT:

TENANT:

DATE:



LEASE AREA 1 = 1,817 Sq Ft

LEASE AREA 2 = 1,802 Sq Ft

COMMON AREA 1 = 500 Sq Ft

COMMON AREA 2 = 350 Sq Ft

TOTAL = 4,469 Sq Ft

LEASE NO.

L—



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

PIER 33  
SECOND FLOOR

DRAWN BY: ECC

DATE: SEP 10, 2014

CHECKED BY: JE, MC

SCALE: 1" = 15'

PLACE CODE NO.

1330-00

SHEET NO.

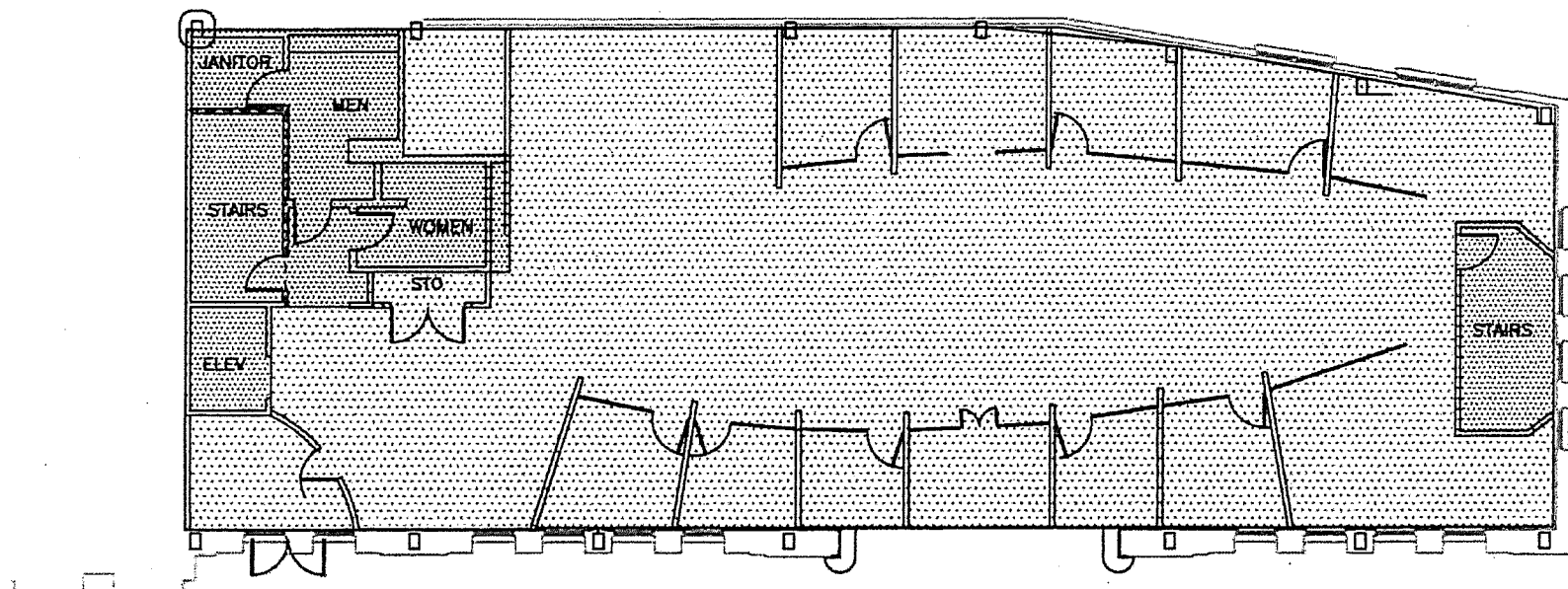
OF SHEETS

INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

## EXHIBIT D

PIER  
33PIER  
29 ½

LEASE AREA 1 = 3,860 Sq Ft

COMMON AREA 1 = 356 Sq Ft

COMMON AREA 2 = 338 Sq Ft

TOTAL = 4,554 Sq Ft

LEASE NO.

L—



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

PIER 33  
THIRD FLOOR

DRAWN BY: ECC

CHECKED BY: JE, MC

PLACE CODE NO.

DATE: SEP 10, 2014

SCALE: 1" = 15'

SHEET NO.

1330-00

OF SHEETS

## EXHIBIT E

### PORT OF SAN FRANCISCO HISTORIC PRESERVATION REVIEW GUIDELINES FOR PIER AND BULKHEAD WHARF SUBSTRUCTURES

*Approved by San Francisco Port Commission, October 26, 2004, with proposed amendments to respond to comments from California State Office of Historic Preservation.*

#### **Background**

As part of the preparation of the Port of San Francisco Embarcadero Historic District nomination, the Port has developed Historic Preservation Review Guidelines (Guidelines) to define how the Secretary of the Interior's Standards for Rehabilitation (Secretary's Standards) should be interpreted and applied to the historic resources within the District, to ensure its responsible management and stewardship. The set of Guidelines below focuses on Pier and Bulkhead Wharf Substructures, providing an important tool to be used by the Port's historic preservation experts to define parameters for the repair, maintenance or alterations to the pile foundations, substructures and decks of piers and bulkhead wharves upon which pier sheds, bulkhead buildings and other waterfront structures sit.

These Guidelines were developed by the Port's historic preservation expert staff in concert with San Francisco Architectural Heritage and preservation experts familiar with the specific historic resources in the District. The Guidelines were approved by the San Francisco Port Commission in October 2004, and further amended to respond to comments from the California State Office of Historic Preservation. The Guidelines will be used in the review of pier and bulkhead wharf substructure projects that are subject only to approval by the Port. Projects affecting District resources which are subject to review and approval by any of the following entities are not subject to these Guidelines, in recognition of the separate review criteria and practices employed by those agencies to administer the Secretary's Standards:

- 1) Federal Undertakings - Requiring Section 106 consultation
  - Projects receiving federal funding
  - Transfer of federal property
  - Approval of a federal permit, license or similar entitlement (i.e. Army Corps. of Engineers)
- 2) Federal Historic Preservation Tax Credit Projects – Requiring State Office of Historic Preservation and National Park Service approvals
- 3) San Francisco Historic Preservation Commission – Subject to Planning Code Article 10 Provisions for City Landmarks and City Historic Districts

#### **Port of San Francisco Review Process – Overview**

For projects affecting historic resources within the Embarcadero Historic District that are subject only to the Port's review and approval, the Port conducts its review in conjunction with use of Historic Preservation Guidelines, where applicable, to direct actions that comply with the Secretary's Standards.

All projects undergo case-specific review to determine the appropriate application of the Guidelines and other related Port design reviews. The Port maintains qualified historic preservation expertise on staff and may work with other qualified historic preservation

professionals to review projects for consistency with the Secretary's Standards and any applicable Guidelines.

In the case of repairing and managing pier and bulkhead wharf substructures, the Guidelines below are to be used in the Port review process. The process follows the principles of the Secretary's Standards for Rehabilitation and the Port's longstanding practice of repairing existing materials wherever feasible. Replacement of historic materials, if deterioration makes such repair infeasible, is limited to replacement in-kind (use of the same materials) whenever possible. Where replacement in-kind is infeasible, the Port directs use of new substitute materials that are compatible with the character defining features of the subject historic resource to preserve the historic integrity of contributing resources or, in the case of reviewing non-contributing resources, the integrity of the Historic District.

### **Pier and Bulkhead Wharf Substructures**

The historic piers and resources in the Embarcadero Historic District are made up of pile-supported platforms upon which pier shed and bulkhead building structures were built to conduct maritime commerce. The substructure of the piers and bulkhead wharf, described in detail in Section 7 of the Embarcadero Historic District nomination, consists of vertically driven piles, topped by stringer and pile cap beams, which create the horizontal structural framework upon which pier decks rest. Beneath these structures, the tides of the San Francisco Bay ebb and flow. Pier substructures are defined to include pier aprons, which are constructed at the perimeter of piers, generally used to provide a pile-supported platform for ship berthing, an outdoor work area, and in more recent times a public access and recreation area. In most instances, pier aprons are constructed of wood and have a shorter life span, historically requiring more maintenance and repair than steel and concrete substructures.

Within this complex, the bulkhead wharf is an important feature. It is comprised of 23 individual sections that extend end to end throughout the historic district, adjacent and connected to the Seawall, which establishes the constructed edge of the waterfront between piers. In addition, the bulkhead wharf plays an important role in defining the Embarcadero's urban form, which supports maritime, public access and commercial recreation/retail functions.



## **EXHIBIT F**

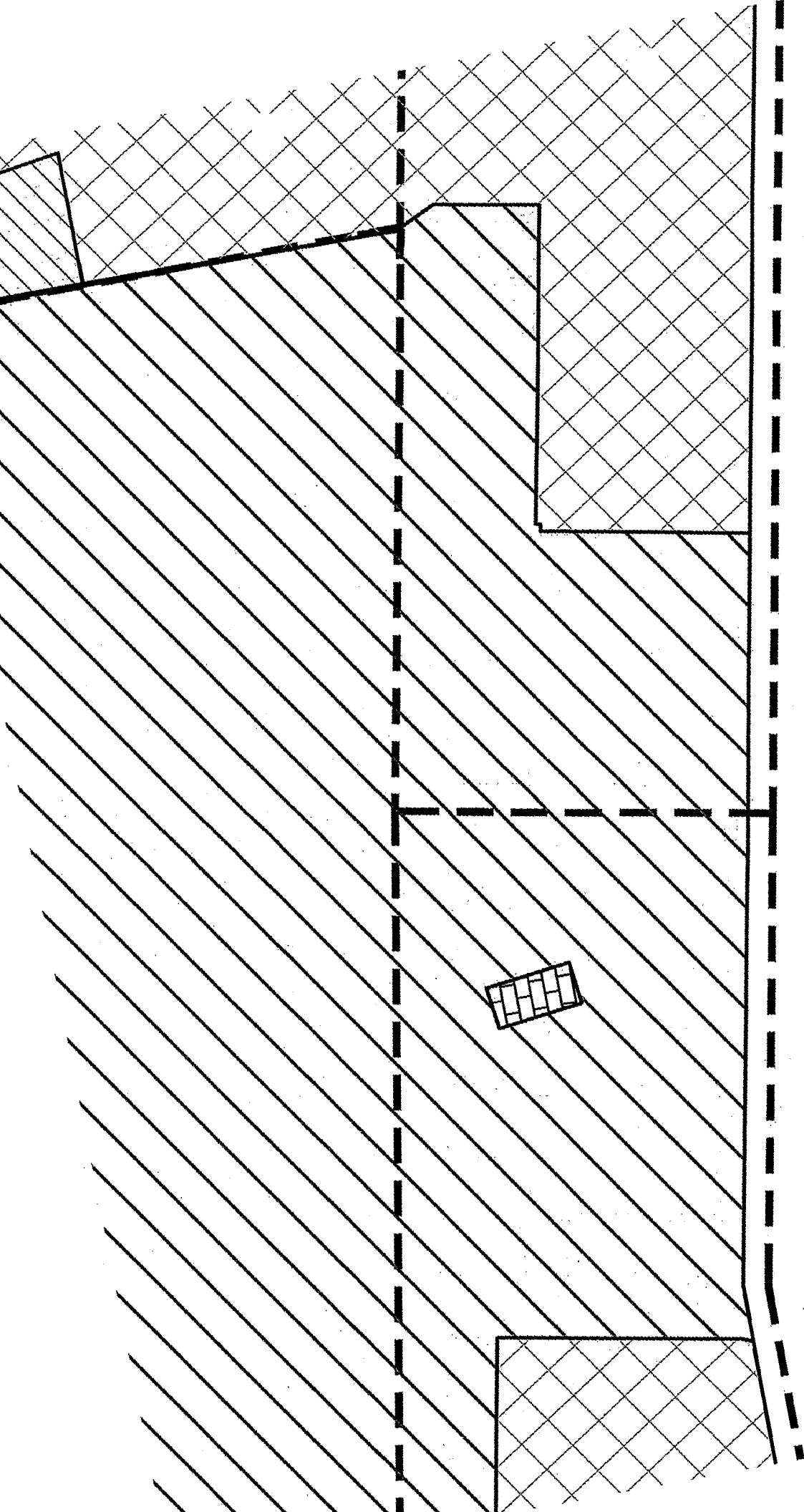
### **PORT PIER 31½ MARGINAL WHARF IMPROVEMENTS**

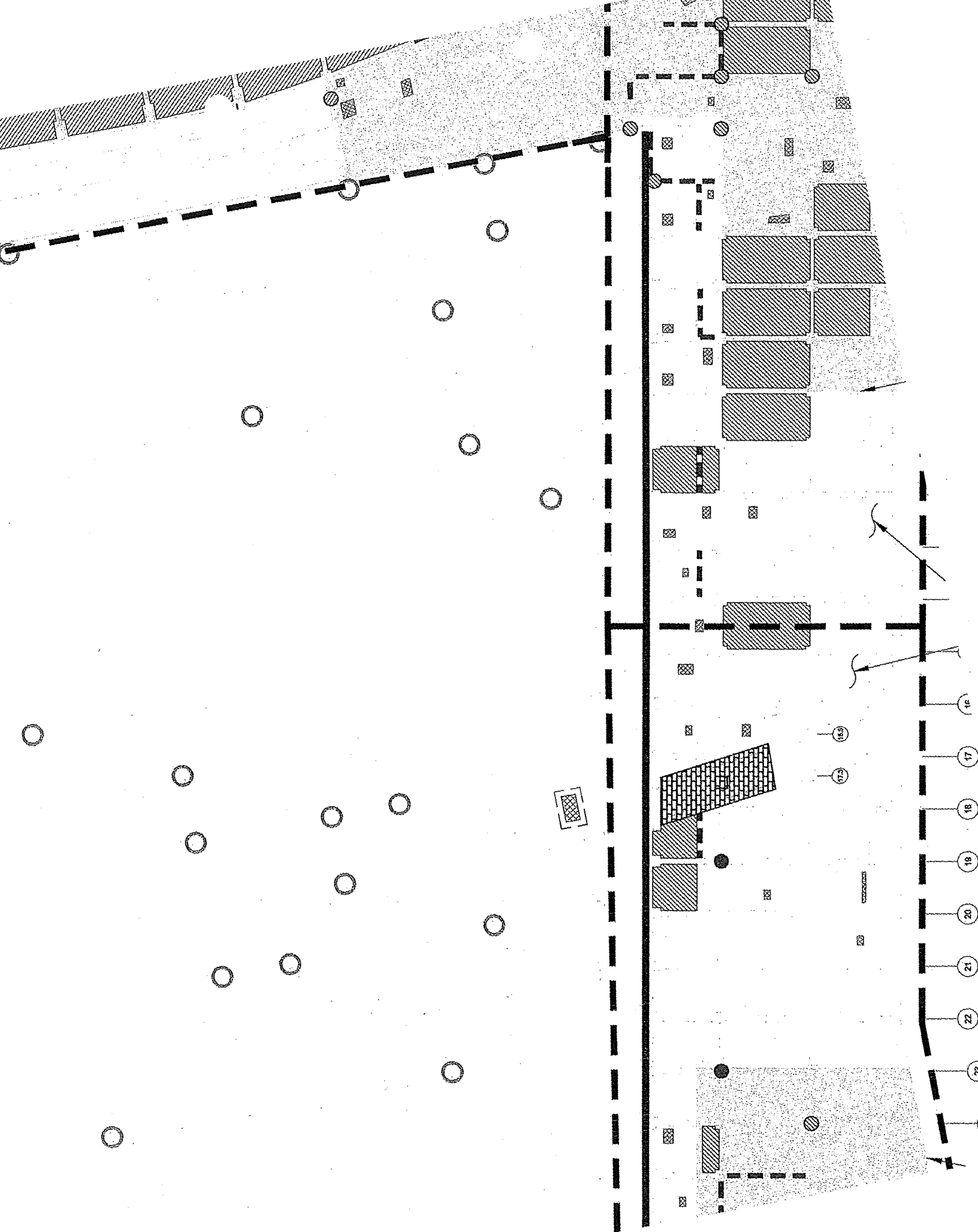
[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**

# DRAWING INDEX

SHEET NO.	TITLE	REV.	DATE
G1	TITLE SHEET—DRAWING INDEX	0	11-18-17
G2	GENERAL NOTES—1 OF 2	0	11-18-17
G3	GENERAL NOTES—2 OF 2	0	11-18-17
G4	TYPICAL DETAILS	0	11-18-17
G5	LIVE LOAD DIAGRAM	0	11-18-17
S1	SITE PLAN — OVERALL	0	11-18-17
S2	PARTIAL SOFFIT PLAN — PIER 33	0	11-18-17
S3	PARTIAL SOFFIT PLAN — ORIGINAL MARGINAL WHARF—1 OF 2	0	11-18-17
S4	PARTIAL SOFFIT PLAN — ORIGINAL MARGINAL WHARF—2 OF 2	0	11-18-17
S5	PARTIAL SOFFIT PLAN — PIER 31	0	11-18-17
S6	SOFFIT PLAN — PIER 31½ INFILL WHARF	0	11-18-17
S7	TOP OF DECK PLAN — PIER 31½ INFILL WHARF	0	11-18-17
S8	PARTIAL PILE PLAN — PIER 33	0	11-18-17
S9	PARTIAL PILE PLAN — ORIGINAL MARGINAL WHARF—1 OF 2	0	11-18-17





**EXHIBIT G**

**CONSERVANCY LEASE**

[Attachment on following page]



**CITY AND COUNTY OF SAN FRANCISCO  
LONDON N. BREED, MAYOR**

---

**LEASE NO. L-16274**

**BY AND BETWEEN**

**THE CITY AND COUNTY OF SAN FRANCISCO  
OPERATING BY AND THROUGH THE  
SAN FRANCISCO PORT COMMISSION**

**AND**

**GOLDEN GATE NATIONAL PARKS  
CONSERVANCY**

**ALCATRAZ ISLAND FERRY EMBARKATION  
PIERS 31 AND 33**

**ELAINE FORBES  
EXECUTIVE DIRECTOR**

**SAN FRANCISCO PORT COMMISSION**

**KIMBERLY BRANDON, PRESIDENT  
WILLIE ADAMS, VICE PRESIDENT  
GAIL GILMAN, COMMISSIONER  
VICTOR MAKRAS, COMMISSIONER  
DOREEN WOO HO, COMMISSIONER**

## TABLE OF CONTENTS

	<u>Page</u>
1. DEMISE.....	1
2. DEFINITIONS.....	1
3. PREMISES; AS-IS CONDITION .....	12
3.1. Premises .....	12
3.2. Accessibility Inspection Disclosure.....	13
3.3. San Francisco Disability Access Disclosures .....	13
3.4. Proximity of Development Project .....	13
3.5. No Light, Air or View Easement .....	14
3.6. Unique Nature of Premises .....	14
3.7. Seawall.....	14
3.8. As-Is Condition.....	14
3.9. Reserved Rights Regarding Seawall.....	15
3.10. Port's Rights Regarding Premises .....	15
3.11. Flags.....	16
3.12. Use of Intellectual Property; Music Broadcasting Rights/Port logo.....	16
3.13. No Right to Encroach.....	16
4. TERM OF LEASE; TERMINATION BY PORT.....	17
4.1. Term.....	17
4.2. Existing Leases .....	17
4.3. Delivery of Premises.....	17
4.4. Extension Options.....	17
4.5. Port's Termination Rights.....	17
4.6. Waiver of Relocation Benefits.....	18
5. RENT .....	18
5.1. Base Rent .....	18
5.2. Percentage Rent .....	18
5.3. Rent Credits .....	20
5.4. Books and Records .....	21
5.5. No Joint Venture .....	21
5.6. Audit .....	21



5.7.	Default Interest.....	22
5.8.	Late Charges/Habitual Late Payer .....	22
5.9.	Returned Checks .....	22
5.10.	Net Lease .....	22
5.11.	Additional Charges .....	23
6.	TAXES AND ASSESSMENTS .....	23
6.1.	Payment of Taxes.....	23
6.2.	Possessory Interest Tax.....	23
7.	REQUIRED FINANCIAL ASSURANCES.....	24
7.1.	Security Deposit.....	24
8.	USE OF THE PREMISES .....	24
8.1.	Permitted Use.....	24
8.2.	Prohibited Use.....	24
8.3.	Notice of Prohibited Use Charge .....	25
9.	COMPLIANCE WITH LAWS AND REGULATIONS .....	26
10.	PORT ACTING AS OWNER OF PROPERTY; REGULATORY APPROVALS; COMPLIANCE WITH CITY'S RISK MANAGER'S REQUIREMENTS.....	26
10.1.	Port Acting as Owner of Property.....	26
10.2.	Regulatory Approvals .....	26
10.3.	Compliance with City's Risk Manager's Requirements.....	27
11.	MAINTENANCE AND REPAIRS .....	27
11.1.	Port's Obligations .....	27
11.2.	Tenant Maintenance and Repair Obligations.....	28
11.3.	Port's Right to Inspect.....	28
11.4.	Port's Right to Repair .....	29
11.5.	Acts of Nature .....	29
12.	UTILITIES AND SERVICES .....	29
12.1.	Utilities.....	29
12.2.	Services .....	30
12.3.	On-Site Renewable Energy .....	30
13.	IMPROVEMENTS AND ALTERATIONS.....	30
13.1.	Port Consent Required .....	30
13.2.	Tenant's Obligation to Construct the Initial Tenant Improvements .....	31

13.3.	Construction Requirements Subsequent Alterations .....	31
13.4.	Improvements Part of Realty .....	33
13.5.	Removal of Improvements.....	33
13.6.	Removal of Non-Permitted Improvements .....	33
13.7.	All-Gender Toilet Facilities .....	33
13.8.	Signs.....	34
13.9.	Improvements on Roof .....	34
13.10.	Port's Work .....	34
14.	FLOOD RISK AND SEA LEVEL RISE .....	35
14.1.	Pier Flood Protection Measures .....	35
14.2.	Termination.....	35
14.3.	Required Flood Protection Improvements for Other Port Property .....	36
14.4.	Limitations; Waiver .....	36
14.5.	Additional Improvements To Address Sea Level Rise.....	36
15.	LIENS .....	37
16.	HAZARDOUS MATERIALS .....	37
16.1.	Requirements for Handling.....	37
16.2.	Tenant Responsibility .....	37
16.3.	Tenant's Environmental Condition Notification Requirements.....	37
16.4.	Requirement to Remediate.....	39
16.5.	Port's Right to Audit .....	39
16.6.	Notification of Asbestos .....	39
16.7.	Notification of Lead.....	40
16.8.	Storm Water Pollution Prevention .....	40
16.9.	Presence of Hazardous Materials.....	41
16.10.	Survival.....	41
17.	INSURANCE.....	41
17.1.	Required Insurance Coverage.....	41
17.2.	Claims-Made Policies .....	44
17.3.	Annual Aggregate Limits.....	44
17.4.	Payment of Premiums.....	44
17.5.	Waiver of Subrogation Rights .....	44
17.6.	General Insurance Matters .....	44

18.	DAMAGE AND DESTRUCTION.....	45
18.1.	Prior to Delivery .....	45
18.2.	After Delivery .....	46
18.3.	Waiver.....	47
19.	EMINENT DOMAIN .....	47
19.1.	General.....	47
19.2.	Partial Takings .....	47
19.3.	Taking of the Facility.....	47
19.4.	Temporary Takings.....	47
19.5.	Award; Waiver; Termination of Lease; Rent.....	48
20.	INDEMNITY AND EXCULPATION .....	48
20.1.	Indemnity Prior to Delivery .....	48
20.2.	Indemnity After Delivery.....	48
20.3.	Hazardous Materials Indemnity .....	49
20.4.	Scope of Indemnities.....	49
20.5.	Exculpation and Waiver.....	49
20.6.	Survival.....	50
21.	MORTGAGE, ASSIGNMENT AND SUBLEASING .....	50
21.1.	Mortgage.....	50
21.2.	Transfer.....	51
21.3.	Sale.....	52
21.4.	SUBLEASING by Tenant.....	53
21.5.	Assignment of Sublease Rents.....	55
21.6.	No Further Consent Implied .....	56
21.7.	Fees for Review .....	56
21.8.	No Release of Tenant.....	56
21.9.	Notice to Port .....	56
21.10.	Transfer/Sublease Audit.....	56
21.11.	Acknowledgement .....	56
21.12.	Transfer Definitions .....	56
22.	DEFAULT BY TENANT.....	56
23.	PORT'S REMEDIES .....	58
23.1.	Tenant's Right to Possession Not Terminated .....	58

23.2.	Termination of Tenant's Right to Possession.....	59
23.3.	Appointment of Receiver.....	60
23.4.	Port's Right to Cure Tenant's Default .....	60
23.5.	No Accord and Satisfaction .....	60
23.6.	Waiver of Redemption.....	60
23.7.	Habitual Late Payer.....	60
23.8.	Remedies Not Exclusive.....	60
24.	LITIGATION EXPENSES; ATTORNEYS' FEES .....	60
24.1.	Litigation Expenses.....	60
24.2.	Appeals .....	60
24.3.	City Attorney .....	60
25.	PORT'S ENTRY ON PREMISES .....	61
25.1.	Entry for Inspection .....	61
25.2.	General Entry .....	61
25.3.	Emergency Entry .....	61
25.4.	No Liability.....	61
25.5.	Nondisturbance .....	61
26.	SURRENDER AND QUITCLAIM.....	62
26.1.	Surrender.....	62
26.2.	Quitclaim.....	62
26.3.	Abandoned Property .....	62
26.4.	Survival.....	63
27.	HOLDING OVER .....	63
27.1.	Terms of Holdover Tenancy .....	63
27.2.	With Consent .....	63
27.3.	Without Consent .....	63
28.	NOTICES.....	63
29.	REPRESENTATIONS AND WARRANTIES OF TENANT .....	63
30.	TENANT'S MANAGEMENT COVENANTS .....	64
30.1.	Covenants.....	64
30.2.	Continuous Operations.....	64
31.	MINERAL RESERVATION.....	65
32.	CITY AND PORT REQUIREMENTS .....	65

32.1.	Nondiscrimination.....	65
32.2.	Requiring Health Benefits for Covered Employees.....	66
32.3.	First Source Hiring.....	67
32.4.	Local Business Enterprises .....	67
32.5.	Indoor Air Quality.....	67
32.6.	Prohibition of Tobacco Sales and Advertising .....	67
32.7.	Graffiti Removal .....	67
32.8.	Restrictions on the Use of Pesticides .....	68
32.9.	MacBride Principles Northern Ireland.....	68
32.10.	Tropical Hardwood and Virgin Redwood Ban .....	68
32.11.	Preservative-Treated Wood Containing Arsenic .....	68
32.12.	Notification of Limitations on Contributions .....	69
32.13.	Sunshine Ordinance .....	69
32.14.	Conflicts of Interest.....	69
32.15.	Drug-Free Workplace .....	69
32.16.	Prevailing Wages and Working Conditions.....	70
32.17.	Public Transit Information.....	70
32.18.	Food Service and Packaging Waste Reduction Ordinance.....	70
32.19.	Consideration Of Criminal History In Hiring And Employment Decisions.....	71
32.20.	Local Hire .....	71
32.21.	San Francisco Bottled Water Ordinance.....	72
32.22.	Port's Zero Waste Events and Activities Policy .....	72
32.23.	Vending Machines; Nutritional Standards and Calorie Labeling Requirements; Offerings .....	72
32.24.	Employee Signature Authorization Ordinance .....	72
33.	MISCELLANEOUS PROVISIONS.....	73
33.1.	California Law .....	73
33.2.	Entire Agreement.....	73
33.3.	Amendments .....	73
33.4.	Severability .....	73
33.5.	Interpretation of Lease .....	73
33.6.	Successors .....	74
33.7.	Real Estate Broker's Fees.....	74

33.8.	Counterparts .....	74
33.9.	Authority .....	74
33.10.	No Implied Waiver .....	74
33.11.	Time is of Essence .....	74
33.12.	Cumulative Remedies .....	74
33.13.	Survival of Indemnities .....	75
33.14.	Relationship of the Parties .....	75
33.15.	No Recording .....	75
33.16.	Additional Written Agreement Required .....	75
34.	LIMITATION ON DAMAGES .....	75
34.1.	No Recourse Beyond Value of Premises .....	75
34.2.	Non-Liability of City Officials, Employees and Agents .....	75
34.3.	Limitation on Port's Liability Upon Transfer .....	75
35.	TENANT ESTOPPEL CERTIFICATES .....	75
36.	APPROVAL OF BOARD OF SUPERVISORS .....	76

#### **EXHIBITS AND SCHEDULES**

<b>EXHIBIT A</b>	<b>FORM EFFECTIVE DATE AND COMMENCEMENT DATE MEMORANDUM</b>
<b>EXHIBIT B</b>	<b>DESCRIPTION OF PREMISES – INITIAL PHASE I</b>
<b>EXHIBIT B-1</b>	<b>DESCRIPTION OF PREMISES – PHASE II</b>
<b>EXHIBIT B-3</b>	<b>APPROXIMATE LOCATION OF THE SEAWALL IN RELATION TO THE PREMISES</b>
<b>EXHIBIT C</b>	<b>INITIAL FERRY CONCESSIONERS SCOPE OF WORK FOR WARM SHELL</b>
<b>EXHIBIT D</b>	<b>RULES AND REGULATIONS</b>
<b>EXHIBIT E</b>	<b>WORK LETTER</b>
<b>EXHIBIT F</b>	<b>SCOPE OF WORK FOR Pier 31 ½ MARGINAL WHARF IMPROVEMENTS</b>
<b>EXHIBIT G</b>	<b>UTILITY CORE</b>
<b>EXHIBIT H</b>	<b>LOCAL HIRE PLAN</b>
<b>EXHIBIT I</b>	<b>MITIGATION MEASURES AND IMPROVEMENT MEASURES MONITORING AND REPORTING PROGRAM</b>
<b>EXHIBIT J</b>	<b>SUMMARY OF SECRETARY’S STANDARDS</b>
<b>EXHIBIT K</b>	<b>PORT OF SAN FRANCISCO HISTORIC PRESERVATION REVIEW GUIDELINES FOR PIER AND BULKHEAD WHARF SUBSTRUCTURES</b>
<b>EXHIBIT L</b>	<b>ESTOPPEL CERTIFICATE</b>
<b>EXHIBIT M</b>	<b>PORT’S ZERO WASTE EVENTS AND ACTIVITIES POLICY</b>
<b>SCHEDULE 1</b>	<b>ASBESTOS NOTIFICATION AND INFORMATION</b>
<b>SCHEDULE 2</b>	<b>SUBSTRUCTURE REPORT(S)</b>
<b>SCHEDULE 3</b>	<b>FEMA DISCLOSURE NOTICE</b>
<b>SCHEDULE 4</b>	<b>HAZARDOUS MATERIALS DISCLOSURE</b>

**LEASE AGREEMENT  
BASIC LEASE INFORMATION**

<i>Lease Number:</i>	<b>L-16274</b>
<i>Landlord or Port:</i>	<b>CITY AND COUNTY OF SAN FRANCISCO</b> , a municipal corporation, operating by and through the <b>SAN FRANCISCO PORT COMMISSION</b>
<i>Landlord's Address:</i>	Port of San Francisco Pier 1 San Francisco, California 94111 Attention: Director of Real Estate Telephone: (415) 274-0400 Facsimile: (415) 274-0494
<i>Port/National Park Service ("NPS") Agreement and Background:</i>	<p>In order to provide a stable location in San Francisco for the ferry embarkation site to Alcatraz Island, and to allow for long-term investment in the site, Port and NPS have entered or are about to enter into a long term General Agreement dated xx, xx, xxxx as may be amended from time to time ("<b>Port/NPS Agreement</b>") that establishes portions of Piers 31, 31 ½ and 33 and the Pier 31/33 Water Basin as the ferry embarkation site for Alcatraz Island ("<b>Embarkation Site</b>") and sets forth various other agreements and timing between the Port and NPS. The Embarkation Site will provide a high quality welcome and orientation facility, significantly enhancing the visitor experience including introductions to Alcatraz Island, Golden Gate National Recreation Area, the National Park System, and the Port.</p> <p>The Embarkation Site will be constructed and operated by each successive Ferry Concessioner selected by NPS pursuant to a federal governmental process governed solely by applicable federal Laws including without limitation, the 1998 Concessions Act, and Tenant, NPS' nonprofit cooperating association, as to other visitor amenities including food service, under their respective leases with the Port.</p> <p>Tenant acknowledges and agrees that the Port/NPS Agreement includes provisions that affect and relate to certain provisions of this Lease, but Tenant is not a third party beneficiary of nor does it have any rights or obligations under the Port/NPS Agreement.</p>
<i>Tenant:</i>	Golden Gate National Parks Conservancy, a California not-for profit corporation

<i>Tenant's Main Contact Person and Mailing Address:</i>	Nicolas Elsishans 201 Fort Mason 3rd Floor San Francisco, CA 94123 General: (415) 561-3000 Direct: (415) 561-3086
<i>Tenant's Billing Contact and Address:</i>	J. Mark Jenkins 201 Fort Mason 3rd Floor San Francisco, CA 94123
<i>Tenant's Emergency Contact and Address:</i>	Nicolas Elsishans 201 Fort Mason 3rd Floor San Francisco, CA 94123 General: (415) 561-3000 Direct: (415) 561-3086
<i>Tenant's Insurance Contact and Address (not broker):</i>	J. Mark Jenkins 201 Fort Mason 3rd Floor San Francisco, CA 94123
<i>Contact Information for Tenant's Agent for Service of Process:</i>	Nicolas Elsishans 201 Fort Mason 3rd floor San Francisco, CA 94124
<i>Effective Date; Expiration Date; Term:</i>	This Lease shall become effective on the date of full execution and delivery of this Lease by the Parties. (the " <b>Effective Date</b> ") Promptly following the actual Effective Date, Port and Tenant shall execute a Memorandum substantially in the form attached hereto as <b><i>Exhibit A</i></b> , confirming the actual Effective Date, but either party's failure to do so shall not affect the Effective Date.  Unless earlier terminated or extended this Lease shall expire on June 30, 2049 (" <b>Expiration Date</b> ").
<i>Premises; Commencement Dates and Delivery:</i>	Port will deliver possession of the Premises in two phases as described below. Tenant's delay in or failure to accept possession upon delivery by Port of the Phase I Premises on the Phase I Commencement Date or the Phase II Premises on the Phase II Commencement Date is a material breach of this Lease.  <b><u>Phase I Premises - Estimated Commencement Date:</u></b> <b><u>October 1, 2018:</u></b>  <b>Parcel A:</b> approximately 2,760 square feet of space in the <b>Pier 31 Bulkhead</b> as further described in <b><i>Exhibit B</i></b> .  <b>Parcel B Pier 31 Shed:</b> approximately 1,000 square feet of shed space in the <b>Pier 31 Shed</b> as further described in <b><i>Exhibit B</i></b> .  Promptly following delivery of the Phase I Premises, Port and Tenant shall execute a Memorandum substantially in the form attached hereto as <b><i>Exhibit A</i></b> , confirming the actual delivery date



	<p>of the Phase I Premises (“<b>Phase I Commencement Date</b>”), but either party's failure to do so shall not affect the Phase I Commencement Date.</p> <p><b><u>Phase II Premises - Estimated Commencement Date: December 1, 2020:</u></b></p> <p>Port and Tenant acknowledge that the Initial Ferry Concessioner is required to perform certain “warm shell” improvements to the Phase II Premises as defined and described in the Initial Ferry Concessioner’s Lease (as modified from time to time by parties to that lease, and, for convenience, attached hereto as <b><i>Exhibit C</i></b> as it reads on the Commencement Date of this Lease) prior to Port’s delivery to Tenant. Upon the Initial Ferry Concessioner’s Completion of the required improvements and written notice by Port (“<b>Pier 33 South Bulkhead Building Completion Date</b>”), Port shall deliver the following additional parcels to Tenant as further described in <b><i>Exhibit B-1</i></b> with such date of delivery described herein as the “<b>Phase II Commencement Date</b>”:</p> <p><b>Parcel C:</b> approximately 3,230 sq. ft. on the first floor of the <b>Pier 33 South Bulkhead Building</b>;</p> <p><b>Parcel D:</b> approximately 992 sq. ft. of office space in the <b>Pier 33 South Bulkhead Building Mezzanine</b>; and</p> <p><b>Parcel E:</b> approximately 1,240 square feet of shed space in the <b>Pier 33 Shed</b>.</p> <p>As of the Phase II Commencement Date, <b><i>Exhibit B-1</i></b> showing the Phase II Premises will be added to this Lease as part of the Premises without further action by the parties. Tenant acknowledges and agrees that the Phase II Premises and delivery thereof will be made without representation or warranty by Port and subject to all provisions of this Lease including without limitation the “as-is” provisions in Section 3. Promptly following the delivery of the Phase II Premises, Port and Tenant shall execute a Memorandum substantially in the form attached hereto as <b><i>Exhibit A</i></b>, confirming the actual delivery date (“<b>Phase II Commencement Date</b>”), but either party's failure to do so shall not affect the Phase II Commencement Date.</p>
<p><i>Square Footage and Rent Adjustments:</i></p>	<p>Square footages for the parcels in the Phase I and Phase II Premises are approximate. If Port has not already done so, upon either party’s request, Port will re-measure the relevant parcel(s) and Base Rent will be recalculated for such parcel based on the rent per square foot as shown below. The parties will document such technical corrections, if any, by counter-signed addenda and replacement exhibits to this Lease which addenda and replacement exhibits shall be fully incorporated into this Lease.</p>

<i>Access to Embarkation Site Prior to Delivery of Parcels:</i>	After the Effective Date and prior to the applicable Phase I and Phase II Commencement Date, Port will allow Tenant to access the Premises and other relevant areas of the Embarkation Site, at no cost to Tenant, for due diligence purposes under a Port license or other agreement subject to Port's standard terms and conditions for such access agreements and the rights of any existing tenants and users.
<i>Permitted Use:</i>	<p>Tenant may use the Premises solely for the following uses and for no other purposes:</p> <p><b>Parcel A Pier 31 Bulkhead:</b> casual dining restaurant, including on site sale of alcoholic beverages</p> <p><b>Parcel B Pier 31 Shed:</b> restaurant storage</p> <p><b>Parcel C Pier 33 South Bulkhead Building 1st Floor:</b> visitor contact station and interpretive retail directly related to Alcatraz Island and the NPS mission.</p> <p><b>Parcel D Pier 33 South Bulkhead Building Mezzanine:</b> administrative office space or related interpretive exhibition space.</p> <p><b>Parcel E Pier 33 Shed:</b> restaurant storage</p> <p>All Permitted Uses must be consistent with the uses described in the Final Mitigated Negative Declaration for the project (2017-000188ENV) ("FMND"). Tenant may also use the Premises for ancillary occasional Special Events approved in writing by NPS. Tenant shall seek Port's prior written consent for any new or modified uses subject to further environmental review and approval by the Port Commission and Board of Supervisors, each in its sole discretion if required. If Port approves such new or modified uses, Port may impose reasonable conditions on such uses.</p>
<i>Additional Prohibited Uses:</i>	<p>In addition to, and without limiting, the Prohibited Uses specified in Section 8.2 below, Tenant shall be prohibited from using the Premises for any of the following activities:</p> <ul style="list-style-type: none"> <li>(a) Unless approved in advance in writing by Port in its sole discretion: (i) use of the Premises for raves, D. J. parties, or dances/events that use live or amplified music; (ii) activities that are managed by an outside promoter; (iii) charging a cover charge or requiring a donation to gain entry to the Premises or operation of a private club; (iv) operation of a formula restaurant as defined in Section 2;</li> <li>(b) Off site sale of alcoholic beverages;</li> <li>(c) Use of a garbage disposal or garbage grinder;</li> </ul>

	<p>(d) Disposal of fats, oils and grease or any food waste containing fats, oil or grease directly into drains leading to sewer laterals.</p> <p>(e) Discharge of any wash water to the Bay.</p> <p>(f) Use of vehicles on the Marginal Wharf, including for deliveries, loading and unloading.</p> <p>(g) Fueling or performing maintenance of vehicles or other machinery, fixtures or furniture, including fluid changes or transfers; painting; sanding; chipping; sandblasting; painting preparation work, and engine work.</p> <p>(h) Except to the extent Handled in full compliance with all Environmental Laws, the use or storage of Hazardous Materials, as defined in Section 2, including without limitation engine and hydraulic oils, diesel fuel, gasoline, compressed gases, such as propane, acetylene, oxygen, paints and paint-related products. No fuel tanks, temporary or otherwise, will be allowed on the Premises.</p> <p>(i) Conducting hot works and welding, except with all necessary Regulatory Approvals.</p> <p>Port shall have all remedies set forth in this Lease, and at law or equity in the event Tenant performs any of the Prohibited Uses.</p>		
<i>Rules and Regulations:</i>	Tenant shall comply with the Rules and Regulations attached hereto as <b><i>Exhibit D</i></b> .		
<b>BASE RENT</b>			
<b>PHASE I PREMISES</b>			
<b>Parcel A Pier 31 Bulkhead</b>	2,760	\$5.00	\$13,800
<b>Parcel B Pier 31 Shed</b>	1,000	\$1.50	\$1,500
<b>PHASE II PREMISES</b>			
<b>Parcel C Pier 33 South Bulkhead Building 1st Floor</b>	3,230	\$5.00	\$16,150

<b>Parcel D Pier 33 South Bulkhead Building Mezzanine</b>	992	\$3.00	\$4,836
<b>Parcel E Pier 33 Shed</b>	1,240	\$1.50	\$1,860
<i>Annual Base Rent Adjustment:</i>	On each Anniversary Date, Base Rent shall increase by two and one-half percent (2.5%).		
<i>Construction Rent Abatement:</i>	Base Rent shall be waived for Two Hundred and Seventy (270) days beginning on each of the (i) Phase I Commencement Date and (ii) Phase II Commencement Date. No Base Rent is due for the respective 270-day period provided that there is no other existing Tenant default beyond any applicable notice and cure period. Tenant shall resume Base Rent payments on the respective Two Hundred Seventy First (271 <sup>st</sup> ) day after the Phase I Commencement Date (the " <b>Phase I Rent Commencement Date</b> ") and the Phase II Commencement Date (the " <b>Phase II Rent Commencement Date</b> ") regardless of whether the Initial Tenant Improvements have been Completed. The Phase I Rent Commencement Date and the Phase II Rent Commencement Date shall be stated in the respective Memorandum substantially in the form attached hereto as <b>Exhibit A</b> .		
<i>Base Rent Phase-in:</i>	<p>Base Rent will be phased in as follows:</p> <p>(a) From each of the Phase I Rent Commencement Date and Phase II Rent Commencement Date until the date that is three hundred and sixty five (365) days after the Phase I Rent Commencement Date and Phase II Rent Commencement Date, respectively, Base Rent will be seventy percent (70%) of the Base Rent due as shown above.</p> <p>(b) From the day after each of the last dates described in (a) until each of the dates that is three hundred and sixty five (365) days later, Base Rent will be eighty-five (85%) of the Base Rent due as shown above.</p> <p>(c) After the day after each of the last dates described in (b), there shall be no reduction in the Base Rent as shown above.</p>		
<i>Percentage Rent:</i>	<p>In addition to the monthly Base Rent specified above, beginning on each of the Phase I Rent Commencement Date and Phase II Rent Commencement Date, Tenant shall pay monthly Percentage Rent in an amount equal to the difference between (i) the percentage rent for such calendar month and (ii) the Base Rent for such calendar month in any month in which the percentage rent exceeds the Base Rent.</p> <p>"Percentage Rent" shall be equal to 7.50% of the total monthly Gross Revenue.</p>		

	During the Phase-in periods as described above, the reduced Base Rent will be used for all purposes, including for purposes of calculating percentage rent as shown in (ii) above.
<i>Rent Abatement During Alcatraz Island Shut down:</i>	Base Rent shall be suspended for the entire Premises during periods when Alcatraz Island closes to visitors for more than one (1) day for reasons outside NPS's or its Agent's (including Tenant's) control (such as weather, earthquake damage or a government shutdown, but not deferred maintenance) to the extent that such interruption is not covered by Tenant's business interruption insurance. Percentage Rent will continue to be due for any such period.
<i>Security Deposit:</i>	Seventy-Six Thousand Two Hundred Ninety Two dollars (\$76,292).
<i>Initial Tenant Improvements:</i>	<p>Tenant must Complete the following improvements as more particularly described in the Scope of Development including the Schematic Design and Drawings, attached as Attachment 1 to the Work Letter which is attached hereto as <b>Exhibit E</b> and incorporated herein (collectively, the “<b>Initial Tenant Improvements</b>”): (i) on Parcel A: Pier 31 interior bulkhead improvements including the build-out of the Pier 31 bulkhead restaurant; and (ii) on Parcel C: the Pier 33 visitor contact station/interpretive retail center. The Initial Tenant Improvements must achieve a Leadership in Energy and Environmental Design (“<b>LEED®</b>”) Gold rating, regardless of the applicable minimum square footage threshold under the Port Green Building Standards Code unless the Chief Harbor Engineer grants a waiver of such certification based on the circumstances listed in Section 101.12 of the Port Green Building Standards Code (as may be amended from time to time) and subject to any conditions the Chief Harbor Engineer imposes as a condition to such waiver.</p> <p>Tenant must Complete the Initial Tenant Improvements on Parcel A no later than the first (1<sup>st</sup>) Phase I Anniversary Date, (the “<b>Phase I Initial Tenant Improvements Outside Completion Date</b>” and Tenant must Complete the Initial Tenant Improvements on Parcel C no later than the first (1<sup>st</sup>) Phase II Anniversary Date (the “<b>Phase II Initial Tenant Improvements Outside Completion Date</b>”).</p> <p>Port and NPS estimate the costs of Initial Tenant Improvements to be approximately \$3.692 million.</p> <p>Tenant shall own and maintain the Initial Tenant Improvements during the Term of this Lease. The Initial Tenant Improvements will become part of the realty upon expiration or earlier termination of this Lease and shall remain on the Premises at no cost to Port.</p>

	<p>All the Initial Tenant Improvements shall be constructed at Tenant's sole cost and expense and in accordance with Section 13 of this Lease and the Work Letter.</p>
<p><i>Rent Credits for Initial Tenant Improvements:</i></p>	<p>As described further below, Tenant shall be entitled to a rent credit in the maximum amount of Five Hundred and Fifty-Four Thousand dollars (\$554,000) for the Initial Tenant Improvements. For purposes of receiving rent credits under this Lease, the Initial Tenant Improvements shall be categorized as follows:</p> <p>Upon Completion of the Initial Tenant Improvements, and subject to the conditions of Section 5.3, Tenant shall be eligible for the rent credit amount shown above amortized on a straight line basis over a forty-eight (48) month period starting upon Completion of each phase yielding equal monthly amounts to be taken at a rate of seventy percent (70%) of the total monthly Rent due.</p> <p>Other than explicitly provided herein, Tenant understands and agrees that it will not receive or seek rent credits or other compensation or consideration for the Initial Tenant Improvements and agrees that it will not seek additional term for the purpose of amortizing such improvements.</p>
<p><i>Contractor's Bond:</i></p>	<p>In an amount equal to One Hundred percent (100%) the construction costs in a form acceptable to Port as described in the Work Letter.</p>
<p><i>Maintenance and Repair</i></p>	<p>As further described in Section 11 below, the parties have the following maintenance and repair responsibilities:</p> <p>Consistent with its routine maintenance and repair regime for similar structures and subject to budgetary restrictions and appropriations, Port will (i) inspect the applicable Substructure (including the Seawall) and exterior of the Pier 31 and Pier 33 bulkhead buildings and Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows) of the Premises on a periodic and as-needed basis, but no less frequently than every five (5) years, and (ii) will provide as-needed maintenance and repairs in compliance with applicable codes regarding protection of health and safety as determined in the sole discretion of the Chief Harbor Engineer in connection with the following:</p> <ul style="list-style-type: none"> <li>(a) Substructure of the Pier 31 Marginal Wharf;</li> <li>(b) Substructure of the Pier 31 and Pier 33 bulkhead buildings and Sheds 31 and 33;</li> <li>(c) Seawall;</li> <li>(d) exterior of the Pier 31 and Pier 33 bulkhead buildings and Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows).</li> </ul> <p>If Port fails to perform its maintenance and repair obligations as set forth in this Lease and such failure materially impacts</p>

	<p>Tenant's ability to operate, then Tenant must provide written notice to Port specifying the nature of Port's default and actions needed to cure. If, after receipt of such written notice, Port's failure to perform its obligations continues without cure for more than one hundred eighty (180) days (or, if such cure cannot reasonably be completed within such 180day period, Port fails to commence with due diligence and dispatch within such ninety-day period the curing of such failure, or having so commenced, fails to diligently and with good faith prosecute such cure to completion within twelve (12) months), Tenant shall be entitled to seek an order for specific performance to compel Port to perform such obligations. Tenant agrees that, notwithstanding anything to the contrary in this Lease or pursuant to any applicable Laws, Tenant's remedies hereunder shall constitute Tenant's sole right and remedy for Port's default under this Section. In no event shall Tenant be entitled to offset from all or any portion of Rent becoming due hereunder or to otherwise recover or obtain from Port or its Agents any damages arising out of Port's default under this Section.</p> <p>Tenant shall be responsible for all other maintenance and repair obligations including without limitation: all Utilities; all interior improvements within the Premises and all interiors and exteriors of the Pier 31 bulkhead within the Premises including exterior windows and doors.</p> <p>Tenant shall inspect all improvements for which it is responsible on a periodic and as needed basis, but no less than every five (5) years and shall provide Port with a report on the status of such improvements.</p> <p>In the event any alterations or improvements to any part of the Facility outside of the Premises are required in order to comply with any Laws, Tenant shall not be required to make such changes, or be liable for the cost thereof, unless and only to the extent such changes are required solely due to Tenant's specific use of the Premises.</p> <p>Notwithstanding any provision of this Lease, Port shall have no maintenance and repair obligations or responsibility to address the effects or impacts of flooding or sea level rise on the Premises or Facility.</p>
<p><i>Port Pier 31½ Marginal Wharf Improvements:</i></p>	<p>Tenant acknowledges that Port intends to perform improvements to the substructure of the Pier 31½ Marginal Wharf ("<b>Pier 31½ Marginal Wharf Improvements</b>") as further described in <i>Exhibit F</i> during the Term. Tenant agrees that Port and its authorized Agents shall have the right to enter the Premises at all reasonable times and upon reasonable notice to perform the Pier 31½ Marginal Wharf Improvements and Tenant shall cooperate by providing access and other reasonably requested assistance at no cost to Port. Port agrees to use its commercially reasonable efforts to minimize annoyance or</p>

	disturbance to Tenant, its Subtenants (if any), and their respective Invitees.
<i>Transfer, Assignment and Subleasing:</i>	As further described in Section 21, Tenant shall not without NPS's and Port's independent consent: (A) Transfer this Lease; (B) enter into a sublease or similar agreement allowing another person to use the Premises or any portion thereof including without limitation a manager, vendor or concessionaire; or (C) enter into a mortgage or similar agreement.
<i>Extension Options:</i>	<p>Subject to the terms and conditions set forth in this Section and Section 4.4, Tenant shall have two (2) options to extend the Term (each an "<b>Extension Option</b>") as to the entire Premises only for ten (10) years (each, an "<b>Extension Term</b>") provided that the Port/NPS Agreement is extended as to this Lease for the applicable period as provided under the Port/NPS Agreement. Port will provide Tenant with written notice that the Port/NPS Agreement has been extended for the relevant period ("<b>Extension Option Notice</b>"). Tenant must notify Port of its intent to exercise an Extension Option by providing Port with written notice that it intends to do so no later than ninety (90) days from the date of receipt of the Extension Option Notice. Except as provided below, Tenant's exercise of an extension option shall be non-revocable.</p> <p>With its Extension Option Notice, Tenant must submit to Port a capital investment and improvement plan ("<b>Capital Investment and Improvement Plan</b>") outlining its proposal for refurbishment of the restaurant and interpretive retail space (Parcels A and C) during the Extension Term. At a minimum, the Capital Investment and Improvement Plan shall include the scope of work for tenant improvements, a binding performance schedule, the estimated cost of such improvements, a financial projection pro-forma and evidence of adequate financing to implement the Plan. The Plan will be subject to Port's approval in its reasonable discretion. Tenant agrees that any of the following will be a reasonable basis for Port withhold its approval of a Capital Investment and Improvement Plan: (i) the Capital Investment and Improvement Plan does not reflect then-current market conditions for tenant investment as determined by policies adopted by the Port Commission (such as a retail leasing policy), other Port comparable retail tenant's renewal lease terms within the prior forty-eight (48) month period or any new Port comparable lease terms within the prior forty-eight (48) month period; (ii) Tenant's financial condition is or may become insufficient to support all of the financial and other obligations required by the Capital Investment and Improvement Plan; (iii) the Capital Investment and Improvement Plan would impair Tenant's ability to comply with its Management Covenants. If the parties are unable to agree on Tenant's Capital Investment and Improvement Plan within One Hundred Eighty (180) days following Port's receipt of Tenant's Extension Option Notice, Tenant may revoke its Extension</p>



	<p>Option Notice or Port may reject Tenant's Extension Option Notice and this Lease will expire on the relevant Expiration Date as if the Extension Option Notice had not been given.</p> <p>Rent during an Extension Term shall be determined by Port and NPS as provided in the Port/NPS Agreement and shall consist of the then fair market value rent to be composed of a monthly rental base rent and percentage rate component subject to escalations as may be determined as described below in Section 4.4 ("<b>Extension Term FMV Rent</b>"). Tenant agrees that the Extension Term FMV Rent as so determined shall be binding upon Tenant. The Extension Term FMV Rent shall be effective on the start date of the relevant Extension Term regardless of when finally determined. In the event that the Extension Term FMV Rent is not finally determined on the first date of a relevant Extension Term, the Extension Term FMV Rent as proposed by Port pursuant to the Port/NPS Agreement shall take effect on the first date of an Extension Term and shall be adjusted with an invoice or credit once the Extension Term FMV Rent is finally determined.</p> <p>If, for any reason, the Port/NPS Agreement is not extended, Tenant fails to provide timely notice of its intent to extend or fails to satisfy the terms and conditions for an Extension Option, then this Lease will terminate as of the relevant Expiration Date.</p>
--	---

<i>Embarkation Site Construction Coordination:</i>	Tenant and Port will cooperate with each other and with the Ferry Concessioner to coordinate construction, maintenance and repair and other activities at the Embarkation Site. If, despite the parties' diligent efforts, the Port's construction, maintenance and repair activities discussed above or under Sections 3.9, 13.10 or 14.3 result in a direct documented loss of Conservancy customers for a period of twenty (20) days or more in any month such that Tenant's Percentage Rent due is less than that Tenant's Base Rent due for such month, then, as the sole remedy under this Lease and upon satisfactory documentation where parties are making diligent efforts and there is still a documented loss, Port will provide rent abatement to Tenant in the form of a prorata reduction in Base Rent on a per square footage lost basis for up to a maximum of six (6) months. The Parties agree that, for purposes of this Section, diligent efforts shall include scheduling construction, maintenance and repair work in a manner that preserves Tenant's ability to provide food service and/or access to the visitor contact station and interpretive retail center.
<i>Utilities:</i>	<p>Tenant's sole responsibility, as further described in Section 12 below. New or upgraded Utilities must be installed above the top surface of the pier deck.</p> <p>As further described in <b>Exhibit G</b>, Port is currently installing a new utility core area which is located outside of the Premises. Tenant must use the new utility core area as the point of connection for all utilities.</p>
<i>Local Hiring Requirements:</i>	Tenant shall comply with the Local Hire Plan attached hereto as <b>Exhibit H</b> which is hereby incorporated.
<i>Development Project:</i>	Pier 31½ Marginal Wharf Improvements; Successive Ferry Concessioner Leases; Seawall Resiliency Project.
<i>Mitigation Measures and Improvement Measures Monitoring and Reporting Program (MMRP):</i>	In order to mitigate any potential significant environmental impacts of the project, Tenant agrees that its development and operation will be in accordance with the MMRP attached as <b>Exhibit I</b> and fully incorporated herein. Tenant is responsible for implementation and compliance with all required measures relating to Tenant's activities. As appropriate, in addition, Tenant will incorporate the MMRP into any contract for the development and/or operation of the Premises. Failure to comply with the requirements of this Section shall be a default of this Lease.
<i>Lease Prepared By:</i>	Jay Edwards, Senior Property Manager

## LEASE AGREEMENT

This Lease Agreement, dated for reference purposes only as of the Effective Date set forth in the Basic Lease Information, is by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation ("**City**"), operating by and through the **SAN FRANCISCO PORT COMMISSION** ("**Port**"), as landlord, and the Tenant identified in the Basic Lease Information ("**Tenant**"). The basic lease information (the "**Basic Lease Information**"), the exhibits, schedule and this Lease Agreement are and shall be construed as a single instrument and are referred to herein as this "**Lease**". In the event of any conflict or inconsistency between the Basic Lease Information and this Lease Agreement, the Basic Lease Information will control.

### 1. DEMISE.

In consideration for the rents and all other charges and payments payable by Tenant, and for the agreements, terms and conditions to be performed by Tenant in this Lease, Port does hereby lease to Tenant, and Tenant does hereby hire and take from Port, the Premises upon the agreements, terms and conditions of this Lease for the Term hereinafter stated.

### 2. DEFINITIONS.

Definitions used in this Lease are found in the specified locations in this Lease or are set forth below. Definitions that are not capitalized below are not capitalized when used in this Lease.

"**1998 Concessions Act**" means the National Park Service Concessions Management Improvement Act of 1998 (54 U.S.C. §101911 et seq.) and its implementing regulations, as may be superseded or amended.

"**ACMs**" is defined in Section 16.6 below.

"**ADA**" means the Americans with Disabilities Act, a federal law codified at 42 U.S.C. §§ 12101 et seq., including, but not limited to, Title III thereof, and all regulations and guidelines related thereto, together with any and all laws, rules, regulations, ordinances, codes and statutes now or hereafter enacted by local or state agencies having jurisdiction thereof, including all requirements of Title 24 of the State of California, as the same may be in effect on the date of this Lease and may be hereafter modified, amended or supplemented.

"**Additional Rent**" means all taxes, assessments, insurance premiums, operating and maintenance charges, fees, costs, expenses, liabilities and obligations of every description which Tenant assumes or is obligated to pay or discharge pursuant to this Lease, together with every fine, penalty, interest or other charge which may be added for non-payment or late payment, whether payable to Port or to other persons, parties or entities designated herein.

"**Affiliate**" means: (i) a Person that Controls or is Controlled by Tenant, or is Controlled by the same Person that Controls Tenant; or (ii) if Tenant is a natural Person, any designated successor by trust, will, or court order following Tenant's death or incapacity.

"**Agents**" when used with reference to either party to this Lease or any other person means the officers, directors, employees, agents, and contractors of the party or other person, and their respective heirs, legal representatives, successors, and assigns.

"**Alterations**" means any alterations, installations, improvements, or additions to any Improvements or to the Premises.

"**Anniversary Date**" means the first and each subsequent anniversary of the Phase I Commencement Date.

**"Approved Pier Flood Protection Plan"** is defined in Section 14.

**"Assignment"** means a proposed or actual Transfer of Tenant's rights, title, and interest in all or any part of the Premises under a contractual assignment or an assignment by operation of Law.

**"Audit Period"** is defined in Section 5.4.

**"Award"** means all compensation, sums or anything of value paid, awarded or received for a Taking, whether pursuant to judgment, agreement, settlement or otherwise.

**"Base Rent"** means the monthly Base Rent specified in the Basic Lease Information and described further in Section 5.1 hereof.

**"BCDC"** means the San Francisco Bay Conservation and Development Commission.

**"Books and Records"** means all of Tenant's books, records, and accounting reports or statements relating to its business, at the Premises, this Lease, the Initial Tenant Improvements and the operation and maintenance of the Premises, including without limitation, cash journals, rent rolls, general ledgers, income statements, bank statements, income tax schedules relating to the Premises and any other bookkeeping documents Tenant utilizes in its business operations for the Premises. Tenant shall maintain a separate set of accounts to allow a determination of Gross Revenue generated directly from the Premises and all exclusions therefrom.

**"business day"** means any week day during which businesses are generally open for business, excluding local, state, and federal holidays observed by Port.

**"CMD"** means the Contract Monitoring Division of the City's General Services Agency

**"Cal-OSHA"** means the Division of Occupational Safety and Health of the California Department of Industrial Relations.

**"Capital Investment and Improvement Plan"** is defined in the Basic Lease Information.

**"Cash Consideration"** means cash or its equivalent in immediately available funds.

**"CEQA"** means the California Environmental Quality Act.

**"Certified Construction Costs"** are Construction Costs that Port has approved through the procedures described in Section 21.3.

**"Changes"** is defined in Section 10.1 below.

**"Chief Harbor Engineer"** or **"CHE"** means the Port's Chief Harbor Engineer acting in his/her regulatory capacity as the Port's chief building official in accordance with applicable Laws.

**"CHE Determination"** as defined in Section 14.

**"CHE Determination Notice"** as defined in Section 14.

**"City"** means the City and County of San Francisco, a municipal corporation.

**"Claims"** means all liabilities, injuries, losses, costs, claims, demands, rights, causes of action, judgments, settlements, damages, liens, fines, penalties and expenses, including without limitation, direct and vicarious liability of any kind for money damages, compensation, penalties, liens, fines, interest, attorneys' fees, costs, equitable relief, mandamus relief, specific performance, or any other relief.

**"Class Life"** means the classification of and amortization period applicable to the Initial Tenant Improvements under Internal Revenue Code section 168(e).

**"Commission"** means the San Francisco Port Commission.

**"Common Areas"** means all areas outside of the Premises and within the boundaries of the Facility that are not now or hereafter exclusively leased or exclusively permitted to other tenants or permittees, and that are designated by Port from time to time for the general common use or convenience of Port, Tenant, or other tenants of Port, and the respective authorized Agents and Invitees of the same. The Common Areas include, without limitation, driveways, delivery areas, pedestrian walkways, service corridors accessing loading docks, utility rooms, and other areas or improvements provided or designated by Port for common use. The Common Areas shall not include any parking areas located outside the boundaries of the Facility.

**"Completion"** or **"Completed"** means, as the case may be, completion by Tenant of all aspects of (i) the Initial Tenant Improvements in accordance with the Work Letter (including the Scope of Development), (ii) Subsequent Alterations, or (iii) any other improvements undertaken by Tenant under the provisions of this Lease; each in compliance with all Regulatory Approvals and Port's issuance of applicable certificates of occupancy, completion or other written evidence of Port's sign-off on a building permit or other documentation as required. Where this Lease specifies phased construction, Completion means Completion as to each specified phase.

**"concession"** is defined in Section 33.15 below.

**"Conduct Code"** is defined in Section 32.11 below.

**"Construction Costs"** means actual costs paid by Tenant for all categories of costs for Initial Tenant Improvements, without interest, and subject to the limitations set forth in *Exhibit E* (Work Letter), and amortized on a straight line basis over the Class Life of the Initial Tenant Improvements.

**"Construction Costs Report"** means a report prepared by a CPA specifying the Class Life of and verifying Tenant's actual Construction Costs for the Initial Tenant Improvements, accompanied by copies of documentation substantiating all expenditures, such as: (a) executed contracts; (b) invoices for labor, services, goods, and materials, bills of lading, and other bills or receipts marked "Paid" or similarly indicating payment in full; (c) canceled checks or other written evidence of payment; and (d) other documents reasonably requested by Port.

**"Control"** means the direct or indirect ownership of: (a) fifty percent (50%) or more of each class of equity interests in the entity; or (b) fifty percent (50%) or more of each class of interests that have the right to nominate, vote for, or otherwise select the members of the governing body that directs or causes the direction of substantially all of the management and policies of the entity; or (c) the right to direct or cause the direction of substantially all of the management and policies of the entity.

**"Core Benefits"** is defined in Section 32.1(c) below.

**"Costs of Sale"** means the following costs, but only to the extent Tenant actually incurred them in connection with a Sale: (a) reasonable (as determined by the Port in its reasonable discretion) brokerage commissions; (b) customary closing fees and costs, including title insurance premiums, survey fees, escrow fees, recording charges, and transfer taxes; (c) reasonable attorneys' fees; and (d) new tenant improvements to be made solely in connection with the Sale and performed in compliance with Section 21.3. Costs of Sale exclude rents, taxes, or other income or expense items customarily prorated in connection with sales of real property.

**"CPA"** means an independent certified public accounting firm acceptable to Port in its reasonable discretion.

**"Date of Taking"** means the earlier of (i) the date upon which title to the portion of the Property taken passes to and vests in the condemnor or (ii) the date on which Tenant is dispossessed.

**"disturbed or removed"** is defined in Section 13.3(g).

**"Effective Date"** is defined in the Basic Lease Information.

**"Embarkation Site"** is defined in the Basic Lease Information.

**"Encroachment Area"** is defined in Section 3.3 below.

**"Encroachment Area Charge"** is defined in Section 3.3 below.

**"Environmental Laws"** means any Laws relating to Hazardous Material (including its Handling, Release, or Remediation) or to human health and safety, industrial hygiene, or environmental conditions in the environment, including structures, soil, air, bay water, and groundwater, and any environmental mitigation measure adopted under Environmental Laws affecting any portion of the Facility.

**"Environmental Regulatory Action"** when used with respect to Hazardous Materials means any inquiry, Investigation, enforcement, Remediation, agreement, order, consent decree, compromise, or other action that is threatened, instituted, filed, or completed by an Environmental Regulatory Agency in relation to a Release of Hazardous Materials, including both administrative and judicial proceedings.

**"Environmental Regulatory Agency"** means the United States Environmental Protection Agency, OSHA, any California Environmental Protection Agency board, department, or office, including the Department of Toxic Substances Control and the San Francisco Bay Regional Water Quality Control Board, Cal-OSHA, the Bay Area Air Quality Management District, the San Francisco Department of Public Health, the San Francisco Fire Department, the San Francisco Public Utilities Commission, Port, or any other Regulatory Agency now or later authorized to regulate Hazardous Materials.

**"Environmental Regulatory Approval"** means any approval, license, registration, permit, or other authorization required or issued by any Environmental Regulatory Agency, including any hazardous waste generator identification numbers relating to operations on the Premises and any closure permit.

**"Event of Default"** is defined in Section 22.

**"Exacerbate" or "Exacerbating"** when used with respect to Hazardous Materials means any act or omission that increases the quantity or concentration of Hazardous Materials in the affected area, causes the increased migration of a plume of Hazardous Materials in soil, groundwater, or bay water, causes a Release of Hazardous Materials that had been contained until the act or omission, or otherwise requires Investigation or Remediation that would not have been required but for the act or omission. Exacerbate also includes the disturbance, removal or generation of Hazardous Materials in the course of Tenant's operations, Investigations, maintenance, repair, Improvements and Alterations under this Lease. **"Exacerbation"** has a correlating meaning.

**"Excess Rent"** means Sublease rent and any other sums paid or payable to Tenant under a Sublease in excess of Tenant's concurrent Rent obligation for the Sublease premises.

**"Expiration Date"** means the date on which the Term expires as specified in the Basic Lease Information.

**"Extension Option"** is defined in the Basic Lease Information.

**"Extension Option Notice"** is defined in the Basic Lease Information.

**"Extension Term"** is defined in the Basic Lease Information.

**"Extension Term FMV Rent"** is defined in the Basic Lease Information.

**"Facility"** means the piers, buildings or other structure in or on which the Premises is located including the entire Embarkation Site and Pier 31½ Facility No. 1315; Pier 33 Bulkhead Facility No. 1330; Pier 33 Shed Facility No. 1300; Pier 31 Shed Facility No. 1310; and the Pier 31/33 Water Basin.

**"Facility Systems"** means the plumbing, electrical, fire protection, life safety, security and other mechanical, electrical, and communications systems of the Facility.

**"Ferry Concession Contract"** means a valid and effective contract entered into under authority of the 1998 Concessions Act between NPS and Tenant authorizing Tenant to provide passenger ferry and associated services between the Premises and a landing at Alcatraz Island.

**"Ferry Concessioner"** means the person(s) party to a Ferry Concession Contract. There will be successive Ferry Concessioners during the Term.

**"Ferry Concessioner's Lease"** means a lease of a portion of the Embarkation Site between Port and a Ferry Concessioner who has a Ferry Concession Contract.

**"financial statements"** mean a current balance sheet and profit and loss statements that have been reviewed or examined by a CPA.

**"Force Majeure"** means events which result in delays of performance of a party's obligations hereunder due to causes beyond the party's control and not caused by the acts or omissions of such party, including acts of nature or of the public enemy, war, invasion, insurrection, riots, any general moratorium in the issuance of governmental or regulatory permits applicable to the Premises or the Improvements, acts of the government, fires, floods, earthquakes, tidal waves, epidemics, quarantine, restrictions, strikes, freight embargoes, unusually severe weather (but only if such unusually severe weather causes actual delays); delays of contractors or subcontractors due to any of the foregoing causes; strikes and substantial interruption of work because of labor disputes (excluding strikes and labor disputes directly related to any contracts between a party and its contractors or work performed on behalf of such party). Force Majeure does not include (1) failure to obtain financing or failure to have adequate funds, (2) sea level rise; and (3) any event that does not cause an actual delay.

**"Formula Restaurant"** means a type of eating or drinking establishment that, along with eleven (11) or more other such establishments located in the United States, maintains two or more of the following features: a standardized menu, a standardized façade, a standardized décor and color scheme, a uniform apparel, standardized business signage, a trademark or a service mark. The following definitions shall be used for the definition of **"Formula Restaurant"**.

(a) **"Business Signage"** means a sign that directs attention to a business, commodity, service, industry or other activity that is sold, offered, or conducted, other than incidentally, on the premises upon which such sign is located, or to which it is affixed.

(b) **"Color Scheme"** means selection of colors used throughout, such as on the furnishings, permanent fixtures, and wall coverings, or as used on the façade.

(c) **"Décor"** means the style of interior finishing, which may include but is not limited to, style of furniture, wall coverings or permanent fixtures.

(d) **"Façade"** means the face or front of a building, including awnings, looking onto a street, passageway, or an open space.

(e) **"Menu"** means type, variety and price of food and beverages offered and sold on the premises.

(f) **"Service mark"** means a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs that identifies and distinguishes the source of a service from one party those of others.

(g) **"Trademark"** means a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs that identifies and distinguishes the source of the goods from one party from those of others.

(h) **"Uniform Apparel"** means standardized items of clothing including but not limited to standardized aprons, pants, shirts, smocks or dresses, hat, and pins (other than name tags) as well as standardized colors of clothing.

**"goodwill"** means the value assigned to Tenant's intangible business assets in connection with a Transfer, but only if the Transferee will continue to operate the same business that Tenant operated at the Premises and Port reasonably agrees with the valuation.

**"Gross Revenue"** means, subject only to the exceptions explicitly provided in this Lease, all sales, payments, revenues, income, fees, rentals, receipts, proceeds and amounts of any kind whatsoever, whether for cash, credit or barter, received or receivable by Tenant or any other party from any business, use or occupation, or any combination thereof, transacted, arranged or performed, in whole or in part, on the Premises, including without limitation, all returns and refunds, employee meals, discounted and complimentary meals, beverages and services or similar benefits and/or goodwill, the total value, based on price, for the tickets, cover charges, merchandise and any other items and the operation of any event, including any special or fundraising event, and catering or food delivery business conducted by, from or at the Premises (irrespective of where the orders therefor originated or are accepted and irrespective of where the food or beverages are consumed). Except as specified below, Gross Revenues shall be determined without reserve or deduction for failure or inability to collect (including, without limitation, spillage and waste) and without deduction or allowance for cost of goods sold or other costs, charges or expenses of purchasing or selling incurred by Tenant. No value added tax, no franchise or capital stock tax and no income, gross receipts or similar tax based upon income, profits or gross receipts as such shall be deducted from Gross Revenues.

The following amounts shall be excluded from Gross Revenues, provided that, Tenant provide to Port separate records to support such deductions or exclusions, as the case may be, and separate notations are made for same on Tenant's Monthly and Annual Statements:

(i) Sums collected for any sales or excise tax imposed directly upon Tenant by any duly constituted governmental authority, but only if stated separately from the selling price of the goods, merchandise or services, and collected from customers and in fact paid to the appropriate governmental entities for which they are collected;

(ii) The amount of any refund made or credit allowed due to a bona fide complaint from a customer concerning the quality of food, beverages, merchandise or service by Tenant;

(iii) Sales by redemption of gift certificates or like vouchers, but only to the extent previously reported as part of Gross Revenues;

(iv) Sums collected for any sales or excise tax imposed directly upon Tenant by any duly constituted governmental authority, but only if stated separately from the selling price of the goods or merchandise, or services, and collected from customers and such amounts are in fact paid to the appropriate governmental entities for which they are collected; and

(v) All food and beverage sales to employees of Tenant, not to exceed, however, one percent (1%) of Gross Revenues in any single month, and provided further that said sales are at a discount;

(vi) Tips paid to Tenant's employees by its customers, so long as such tips go directly to Tenant's employees (and not Tenant or Tenant's management); and

(vii) For purposes of clarity, Gross Revenues do not include revenues from audio and interpretive tours on Alcatraz Island.

**"Gross Sale Proceeds"** means all consideration in any form directly or indirectly received by or for the account of the Tenant in connection with a Sale, including: (a) Cash Consideration;



(b) the principal amount of any loan by Tenant to the Transferee to finance the Sale; and (c) the fair market value of any other non-cash consideration representing a portion of the purchase price.

**"Habitual Late Payer"** means Tenant has received (a) at least two (2) notices of monetary default, or (b) at least three (3) notices of default within a twelve (12) month period.

**"Handle"** or **"Handling"** means to use, generate, process, manufacture, produce, package, treat, transport, store, emit, discharge, or dispose of a Hazardous Material.

**"Hard costs"** is defined in Section 11.4 below.

**"Hazardous Material"** means any substance, waste, or material that is now or in the future designated by any Regulatory Agency to be capable of posing a present or potential risk of injury to human health or safety, the environment, or property. This definition includes anything designated or defined in any Environmental Law as hazardous, hazardous substance, hazardous waste, toxic, pollutant, or contaminant; any asbestos, ACMs, and PACMs, whether or not part of the structure of any existing Improvements on the Premises, any Improvements to be constructed on the Premises by or on behalf of Tenant, or occurring in nature; and other naturally-occurring substances such as petroleum, including crude oil or any fraction, and natural gas or natural gas liquids.

**"Hazardous Material Claim"** means any Environmental Regulatory Action or any Claim made or threatened by any third party against the Indemnified Parties, or the Premises or the Facility, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence or Release of any Hazardous Materials, including, without limitation, losses based in common law. Hazardous Material Claims include, without limitation, Investigation and Remediation costs, fines, natural resource damages, damages for decrease in value of the Premises, any other part of the Facility, or other Port property, the loss or restriction of the use or any amenity of the Premises, any other part of the Facility, or other Port property, and attorneys' fees and consultants' fees and experts' fees and costs.

**"Hazardous Material Condition"** means the presence, Release, or threatened Release of Hazardous Materials in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises.

**"HEPA"** is defined in Section 13.3(g).

**"Improvements"** means any and all buildings, structures, fixtures or other improvements constructed or installed on the Premises or any other part of the Facility, including those constructed by or on behalf of Tenant pursuant to this Lease (including, without limitation, any trailers, signs, roads, trails, driveways, parking areas, curbs, walks, fences, walls, stairs, poles, plantings and landscaping).

**"Improvement Costs"** is defined in Section 4.2 below.

**"Improvements Pertaining to the Realty"** means machinery or equipment installed for use on the property that cannot be removed without a substantial economic loss or without substantial damage to the property on which it is installed, regardless of the method of installation. In determining whether particular property can be removed "without a substantial economic loss," the value of the machinery or equipment in place and considered as part of the realty should be compared with its value if it were removed and sold.

**"Indemnified Parties"** means Port and City, including, but not limited to, all of their respective boards, commissions, departments, agencies, and other subdivisions, and their respective Agents. **"Indemnify"** means to indemnify, protect, defend, and hold harmless forever. **"Indemnification"** and **"Indemnity"** have correlating meanings.

**"Initial Ferry Concessioner"** or **"Initial Ferry Concessioner Lease"** means (i) with regard to "Initial Ferry Concessioner," the first person awarded a Ferry Concession Contract after the effective date of the Port/NPS Agreement; and (ii) with regard to "Initial Ferry Concessioner Lease," means the tenant under Port Lease No. L-16723

**"Initial Tenant Improvements"** means the improvements more particularly described in the Basic Lease Information and Scope of Development attached as Attachment 1 to the Work Letter.

**"Interest Rate"** means ten percent (10%) per year or, if a higher rate is legally permissible, the highest rate an individual is permitted to charge under Law.

**"Investigate"** or **"Investigation"** when used with reference to Hazardous Materials means any activity undertaken to determine and characterize the nature and extent of Hazardous Materials that have been, are being, or are threatened to be Released in, on, under or about the Premises, any other part of the Facility, other Port property, or the environment, and includes, without limitation, preparation and publication of site history, sampling, and monitoring reports, performing equipment and facility testing such as testing the integrity of secondary containment and above and underground tanks, and sampling and analysis of environmental conditions before, during, and after Remediation begins and continuing until the appropriate Environmental Regulatory Agency has issued a no further action letter, lifted a clean-up order, or taken similar action.

**"Invitees"** means Tenant's clients, customers, invitees, patrons, guests, members, licensees, permittees, concessionaires, assignees, subtenants, and any other person whose rights arise through them.

**"Late Charge"** means a fee equivalent to fifty dollars (\$50.00) with respect to Base Rent and a fee equivalent to One Hundred Dollars (\$100.00) with respect to Percentage Rent and Monthly and Annual Statements.

**"Law"** means any present or future law, statute, ordinance, code, resolution, rule, regulation, judicial decision, requirement, proclamation, order, decree, policy (including the Waterfront Land Use Plan), and Regulatory Approval of any Regulatory Agency with jurisdiction over any portion of the Premises, including Regulatory Approvals issued to Port which require Tenant's compliance, and any and all recorded and legally valid covenants, conditions, and restrictions affecting any portion of the Facility, whether in effect when this Lease is executed or at any later time and whether or not within the present contemplation of the parties, as amended from time to time.

**"Lease"** is defined in the preamble to this Lease.

**"Lease Year"** means the twelve (12) month period starting on each Commencement Date and ending on the last day of the twelfth (12<sup>th</sup>) month after such date and each subsequent twelve month period.

**"Marginal Wharf"** means the pier supported wharf shown on *Exhibit B*.

**"Net Sale Proceeds"** means Gross Sale Proceeds less Costs of Sale and goodwill. If Tenant made Initial Tenant Improvement at the Premises, Tenant's Adjusted Basis may be deducted if Tenant previously complied with Section 20.4(c).

**"Notice of Removal"** is defined in Section 13.5.

**"Notice to Cease Prohibited Use"** is defined in Section 8.3 below.

**"Notice to Vacate"** is defined in Section 3.3 below.

**"NPS"** means the National Park Service.

**"Official Records"** means the official records of the City and County of San Francisco.

"OSHA" means the United States Occupational Safety and Health Administration.

"PACMs" is defined in Section 16.6 below.

"Percentage Rent" means the Percentage Rent set forth in the Basic Lease Information and Section 5.2 below.

"Person" means any natural person, corporation, limited liability entity, partnership, joint venture, or governmental or other political subdivision or agency.

"Phase I Anniversary Date" means the first and each subsequent anniversary of the Phase I Commencement Date.

"Phase II Anniversary Date" means the first and each subsequent anniversary of the Phase II Commencement Date.

"Phase I Commencement Date" is defined in the Basic Lease Information.

"Phase II Commencement Date" is defined in the Basic Lease Information.

"Phase I Initial Tenant Improvements Outside Completion Date" is defined in the Basic Lease Information.

"Phase II Initial Tenant Improvements Outside Completion Date" is defined in the Basic Lease Information.

"Phase I Premises" means that portion of the Premises that is delivered on the Phase I Commencement Date.

"Phase II Premises" means that portion of the Premises that is delivered on the Phase II Commencement Date.

"Phase I Rent Commencement Date" the date on which the payment of Rent commences for the Phase I Premises as specified in the Basic Lease Information.

"Phase II Rent Commencement Date" the date on which the payment of Rent commences for the Phase II Premises as specified in the Basic Lease Information.

"Pier 31½ Marginal Wharf Improvements" is defined in the Basic Lease Information.

"Pier 33 South Bulkhead Building Completion Date" is defined in the Basic Lease Information.

"Pier Flood Protection Measures" is defined in Section 14.

"Pier Flood Protection Plan" is defined in Section 14.

"Port" means the San Francisco Port Commission.

"Port program or project" shall mean (a) any development, removal or renovation, by public and/or private parties, of the building, pier or seawall lot in, on or in the vicinity of the Premises and any Development Project described in the Basic Lease Information, (b) the Seawall Resiliency Project; and (c) the Pier 31½ Marginal Wharf Improvements.

"Port representative" means Port, a City auditor, or any auditor or representative designated by Port.

"Port's Sale Participation" means the portion of Net Sale Proceeds that Tenant must pay to Port.

"Port Work" is defined in Section 13.9.

"Premises" means the real property described in Section 3 below and depicted on *Exhibit A*.

"preservative-treated wood containing arsenic" is defined in Section 32.10 below.

"prevailing party" is defined in Section 24.1 below.

"Prohibited Use(s)" is defined in Section 8.1 below.

"Project Requirements" is defined in the Work Letter.

"Proof of Expenditures" documentation, certified by a financial officer or other accountant employed by Tenant who is authorized and competent to make such statements, as accurate, complete and current, satisfactory to Port evidencing expenditures for improvements. Proof of Expenditures shall include, without limitation, (i) copies of canceled checks, (ii) copies of executed contracts, (iii) invoices for labor services and/or materials marked "Paid"; or otherwise evidenced as having been paid; bills of lading marked "Paid"; other bills, and contracts and receipts for services marked "Paid", (iv) and such other proofs of expenditure as may be reasonable approved by Port, and (v) as applicable, unconditional lien waivers from all contractors and subcontractors.

"Regulatory Agency" means the municipal, county, regional, state, or federal government and their bureaus, agencies, departments, divisions, courts, commissions, boards, officers, or other officials, including BCDC, any Environmental Regulatory Agency, Port (in its regulatory capacity), other departments, offices, and commissions of the City and County of San Francisco (each in its regulatory capacity), Port's Chief Harbor Engineer, the Dredged Material Management Office, the State Lands Commission, the Army Corps of Engineers, the United States Department of Labor, the United States Department of Transportation, or any other governmental agency now or later having jurisdiction over Port property.

"Regulatory Approval" means any authorization, approval, license, registration, or permit required or issued by any Regulatory Agency.

"Release" when used with respect to Hazardous Materials means any actual or imminent spilling, introduction, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises, any other part of the Facility, other Port property, or the environment.

"Remediate" or "Remediation" when used with respect to Hazardous Materials means to clean up, abate, contain, treat, stabilize, monitor, remediate, remedy, remove, or otherwise control Hazardous Materials, or to restore the affected area to the standard required by the applicable Environmental Regulatory Agency in accordance with applicable Environmental Laws and any additional Port requirements. "Remediation" also includes the creation of a remedial work plan to be approved by the appropriate Environmental Regulatory Agency when required.

"Renewable Energy System" is defined in Section 12.3 below.

"Rent" means the Base Rent, Percentage Rent, Additional Rent and all other sums payable by Tenant to Port hereunder, including, without limitation, any Late Charge and any interest assessed pursuant to Section 5.

"Repair Period" means two hundred ten (210) days after the date of damage to the Premises or the Facility by fire or other casualty.

"Retention for Reinvestment" is defined Section 21.4(h)

"Rules and Regulations" means the Rules and Regulations applicable to the Facility as may be amended from time to time.

"Sale" means: (a) Tenant's Transfer of its entire interest in this Lease or the entire leasehold estate, including the sale of Tenant's Property at the Premises and Tenant's goodwill to any other Person or entity; or (b) a Transfer affecting ownership of the beneficial interests in or the business assets of Tenant.

"Sale Closing" means the date that any Sale closes.

"saltwater immersion" is defined in Section 32.10 below.

"**Scope of Development**" means schematic design and drawings, the Schedule of Performance, the preliminary plans and any narrative description which is attached to the Work Letter (*Exhibit E*) as Attachment 1. The Scope of Development includes the Schematic Design and Drawings prepared by NPS and approved by Port prior to the Effective Date.

"**Seawall**" is defined in Section 3.7 and shown on *Exhibit B-3* in relation to the Premises.

"**Security Deposit**" means the amount specified in the Basic Lease Information and as further described in Section 7 below.

"**Special Event**" means use of the Premises for the following types of activities, which, in each case, have been approved in writing by NPS: concerts, musical and theatrical performances and other forms of live entertainment, public ceremonies, art or historical exhibitions or other public or private exhibitions and activities related thereto related to programming on Alcatraz Island or other NPS sites or programs.

"**Sublease**" means the following events or proposed events: (a) a proposed or actual sublease, sublicense or agreement of similar effect with a subtenant, sublicensee, manager, vendor, concessionaire, food truck or food cart operator for all or any part of the premises as defined in a lease or similar agreement; (b) any person other than Tenant occupies or claims a right of possession to any part of the Premises; or (c) any further sublease, sublicense or agreement of similar effect with a subtenant of any of its interest in its sublease or premises.

"**Subleasing Expenses**" means verifiable and reasonable: (i) subleasing commissions paid to licensed real estate brokers; (ii) attorneys fees incurred in connection with a Sublease; (iii) subtenant improvements or allowances provided by Tenant that are in addition to the Initial Tenant Improvements, improvements in the Capital Investment and Improvement Plan or any other improvements required under this Lease (there shall be no exclusion or deduction for any required costs or obligations); and (iv) a subtenant management fee not to exceed five percent (5%) of the base rent paid by a Subtenant. Costs for furniture, fixtures and equipment and other items of Tenant's Property or Subtenant's Property shall be not allowable as a Subleasing Expense.

"**Subsequent Alteration**" means all alterations, installations, Improvements, repairs to and reconstruction, replacement, addition, expansion, restoration, alteration or modification of any Improvements, or any construction of additional Improvements, following completion of the Initial Tenant Improvements pursuant to the Work Letter.

"**Substructure**" means that portion of the pier that includes all the load bearing structural elements that are at or below the top surface of the pier deck. The load bearing structural elements of the substructure include but are not limited to slab/deck, beams and piles. For purposes of this Lease, "Substructure" does not include the asphalt covering the apron or the wooden decking or any utilities located within or under the Substructure.

"**SWPPP**" is defined in Section 16.8(a) below.

"**Taking**" means a taking or damaging, including severance damage, by eminent domain, inverse condemnation or for any public or quasi-public use under Law. A Taking may occur pursuant to the recording of a final order of condemnation, or by voluntary sale or conveyance in lieu of condemnation or in settlement of a condemnation action.

"**Tenant**" means the party identified as Tenant in the Basic Lease Information.

"**Tenant's Property**" means all furniture, trade fixtures, office equipment, and articles of movable personal property installed in the Premises by or for the account of Tenant, and any Improvements or Alterations constructed on or affixed to the Premises if designated under this Lease as Tenant's Property, in either case without cost to Port. "**Subtenant's Property**" has an equivalent meaning.

"Term" is defined in Section 4.1 below.

"trade fixtures" means those items of personalty, furniture, equipment, machinery used in trade by Tenant which are customarily removed without damage to the Premises at the end of a lease term in the ordinary course of businesses of the type operated by Tenant at the Premises.

"Transfer" means any of the following events or proposed events, whether voluntary, involuntary, or by operation of Law: (a) any sale, assignment, encumbrance, or other transfer any of Tenant's interest in this Lease or in the Premises (other than a Sublease); (b) any Person other than Tenant occupies or claims a right of possession to any part of the Premises (other than a Sublease); (c) if Tenant is a corporation, limited liability company, partnership or similar entity and is not traded on a nationally recognized security exchange, any change in Control of Tenant (including without limitation a dissolution, merger, consolidation, transfer or sale); or (d) any interest of any subtenant, assignee, or other Transferee of Tenant's interest in the Lease or premises is sold, assigned, encumbered, or otherwise Transferred.

"Transfer Agreement" means all document(s) effecting or evidencing Tenant's proposed sale, assignment, encumbrance, sublease, or other Transfer.

"Transfer Date" means the effective date of a Transfer.

"Transfer Notice" means Tenant's prior written notice to Port of an intent to Transfer specifying: (a) the Transferee's name, address, other contact information, and, if the Transferee is not a natural Person, its form of organization and the identity of each Person with Control of the Transferee; (b) the proposed Transfer Date and a full description of the Transfer Terms; (c) a description of the Transferee's proposed use of the Premises, including any required or desired Alterations or Improvements to the Premises that the Transferee may undertake in order to facilitate its proposed use; and (d) a list of the Transferee's personal, business, and credit references.

"Transfer Terms" means the terms and conditions in the proposed or final Transfer Agreement, as appropriate in context.

"Transferee" means the Person to which Tenant makes or proposes to make a Transfer.

"Utilities" means electricity, water, gas, heat, sewers, oil, telecommunication services and all other utilities.

"Waiving Party" is defined in Section 17.5 below.

"Work" when used in reference to construction is defined in Section 13.3(c).

"worth at the time of award" is defined in Section 23.2 below.

### **3. PREMISES; AS-IS CONDITION.**

#### **3.1. Premises.**

(a) Subject to the provisions of this Lease, Port hereby leases to Tenant, and Tenant hereby leases from Port, the Premises identified in the Basic Lease Information. The Premises has the address and contains the square footage specified in the Basic Lease Information. The location and dimensions of the Premises are depicted on **Exhibit B** attached hereto and incorporated herein by reference. Except as otherwise set forth in the Basic Lease Information regarding re-measurement, Port and Tenant agree and acknowledge that (i) any statement of rentable or usable (if applicable) square footage set forth in this Lease is an approximation which Port and Tenant agree is reasonable and that the usable square footage of the Premises may be less than the rentable square footage of the Premises; (ii) the rentable square footage of the Premises shall be used at all times to calculate the Base Rent due and payable by Tenant under this Lease; and (iii) neither the Base Rent nor any other economic term based on rentable square footage shall be subject to revision whether or not the actual rentable or usable square footage is more or less.

(b) Tenant shall have the non-exclusive right to use, together with other tenants, the Common Areas. All of the Common Areas shall at all times be subject to the exclusive control, regulation, and management of Port. Port shall have the right to construct, maintain, and operate lighting facilities on all Common Areas; to patrol all Common Areas; to temporarily close any Common Areas for maintenance, repairs or alterations; from time to time to change the area, level, location and arrangement of Common Area facilities; to use the Common Areas and restrict access and use of the same during the maintenance, repair, construction or reconstruction of buildings, additions or improvements; to erect buildings, additions and improvements on the Common Areas from time to time; and to restrict parking by tenants, their Agents and Invitees. Port may operate and maintain the Common Areas and perform such other acts and make such other changes at any time and from time to time in the size, shape, location, number and extent of the Common Areas or any of them as Port in its sole discretion shall determine; provided, however, that no exercise by Port of its rights hereunder shall unreasonably restrict access to the Premises. Except in an emergency situation, Port will use commercially reasonable efforts to minimize inconvenience or disturbance to the activities of Tenant, its Subtenants (if any), and their respective Invitees in exercising its rights under this Section.

### **3.2. Accessibility Inspection Disclosure.**

California law requires commercial landlords to disclose to tenants whether the property being leased has undergone inspection by a Certified Access Specialist ("CASp") to determine whether the property meets all applicable construction-related accessibility requirements. The law does not require landlords to have the inspections performed. Tenant is hereby advised that the Premises has not been inspected by a CASp and, except to the extent expressly set forth in this Lease, Port shall have no liability or responsibility to make any repairs or modifications to the Premises in order to comply with accessibility standards. The following disclosure is required by law:

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

**3.3. San Francisco Disability Access Disclosures.** Tenant is hereby advised that the Premises may not currently meet all applicable construction-related accessibility standards, including standards for public restrooms and ground floor entrances and exits. Tenant understands and agrees that Tenant may be subject to legal and financial liabilities if the Premises does not comply with applicable federal and state disability access Laws. As further set forth in Section 9 (Compliance with Laws), Tenant further understands and agrees that it is Tenant's obligation, at no cost to Port, to cause the Premises and Tenant's use thereof to be conducted in compliance with the ADA and any other federal or state disability access Laws. Tenant shall notify Port if it is making any Alterations or Improvements to the Premises that might impact accessibility standards required under federal and state disability access Laws.

**3.4. Proximity of Development Project.** Tenant acknowledges that during the Term, a Port program or project and/or the Development Project(s) described in the Basic Lease Information, if any, is scheduled to be, or may be, constructed on the Premises or on property in the vicinity of the Premises. Tenant is aware that the construction of such project(s) and the activities associated with such construction will generate certain adverse impacts which may result in some inconvenience to or disturbance of Tenant. Impacts may include, but are not

limited to, increased vehicle and truck traffic, traffic delays and re-routing, loss of street and public parking, dust, dirt, construction noise and visual obstructions. Tenant hereby waives any and all Claims against Port, City and their Agents arising out of such inconvenience or disturbance.

**3.5. No Light, Air or View Easement.** This Lease does not include an air, light, or view easement. Any diminution or shutting off of light, air or view by any structure which may be erected on lands near or adjacent to the Facility or by any vessels berthed near the Facility shall in no way affect this Lease or impose any liability on Port, entitle Tenant to any reduction of Base Rent or Additional Rent, or affect this Lease in any way or Tenant's obligations hereunder.

**3.6. Unique Nature of Premises.** Tenant acknowledges that: (a) the Facility is located along the waterfront in a building on a pier and/or wharf, supported by a partially-submerged substructure in a marine environment, which was originally built approximately 100 years ago; and/or (b) the Facility is located along adjacent to, or on top of, and/or bayward of the Seawall that is in need of repair and presents increased risk of damage to property and injury or death to persons from seismic events, as further described in Section 3.7; and (c) Port's regular maintenance may involve activities, such as pile driving, that create noise and other effects not normally encountered in locations elsewhere in San Francisco due to the unique nature of the Premises; (d) there is a risk that all or a portion of the Premises will be inundated with water due to floods or sea level rise; (e) there is a risk that sea level rise will increase the cost of substructure repairs and/or prevent or limit the ability to make repairs to the substructure; and (f) Port cannot guarantee that piers, decks, wharves, and aprons will be suitable for leased occupancy during the entire Term of this Lease.

**3.7. Seawall.** The City is engaged in an effort to prepare for a major earthquake and to create more resilient City infrastructure. As part of this effort, the Port is developing a plan to strengthen the Northern Waterfront Seawall which stretches from Fisherman's Wharf to Mission Creek ("Seawall") to maintain viability of Port's operations, increase protection of Port and City assets, and enhance life safety in the face of degradation, flooding, earthquakes, climate change, and security hazards. The Seawall was constructed over 100 years ago within the Bay and supports reclaimed land, or fill, and as a result is more vulnerable to seismic risk. Earthquake performance of reclaimed land is an issue for coastal communities worldwide. The *Seawall Earthquake Vulnerability Study of the Northern Waterfront Seawall, San Francisco, California July 2016* and information about Port and City's resiliency goals and plans and improvements can be found on the Port's website at: <http://sfport.com/seawall>. Tenant agrees that its waiver of Claims set forth in Section 20 below (Indemnity and Exculpation) is given with full knowledge of the direct or indirect, known or unknown, and foreseeable or unforeseeable losses and claims (including the potential additional risks of injury or death to persons or damage to property) due to the Seawall's condition or the proximity of the Premises to the Bay and the Seawall.

**3.8. As-Is Condition.** Tenant acknowledges and agrees that Tenant is familiar with the Premises, the Premises is being leased and accepted in phases in their "as-is" condition, without any preparation, improvements or alterations by Port except for the Pier 31½ Marginal Wharf Improvements, without representation or warranty of any kind, and subject to all applicable Laws governing their use, occupancy and possession. Tenant acknowledges that it has been afforded a full opportunity to inspect Port's records relating to conditions of the Facility. Port makes no representation or warranty as to the accuracy or completeness of any matters contained in such records and Tenant is not relying on any such information. All information contained in such records is subject to the limitations set forth in this Section. Tenant represents and warrants to Port that Tenant has received and reviewed the disclosures regarding the Seawall in Section 3.7 including *The Seawall Earthquake Vulnerability Study of the Northern Waterfront Seawall, San Francisco, California July 2016* and information on the Port's website; the FEMA disclosure notice attached as **Schedule 3** and a copy of the report(s) relating to the Substructure and/or superstructure of the Facility, as further described in



*Schedule 2* attached hereto. Tenant further represents and warrants to Port that Tenant has investigated and inspected, either independently or through agents of Tenant's own choosing, the condition of the Facility and its suitability for Tenant's business and intended use including (i) its quality, nature, adequacy and physical condition including the structural elements, foundation, and the condition and load-bearing capacity of the piles, and all other physical and functional aspects; (ii) its quality, nature, adequacy, and physical, geotechnical and environmental conditions (including Hazardous Materials conditions, including the presence of asbestos or lead, with regard to the buildings, soils, sediments and any groundwater); (iii) its suitability for the Improvements; (iv) its zoning, land use regulations, historic preservation laws, and other Laws governing use of or construction on the Site; and (v) all other matters of material significance affecting the Facility and its use and development under this Lease. Tenant specifically acknowledges and agrees that neither City, Port nor any of their agents have made, and Port hereby disclaims, any representations or warranties, express or implied of any kind, concerning the rentable area of the Premises, the physical or environmental condition of the Premises or the Facility (including, but not limited to the substructure and/or the Seawall), the present or future suitability of the Premises for Tenant's business, any compliance with laws or applicable land use or zoning regulations, any matter affecting the use, value, occupancy or enjoyment of the site, or any other matter whatsoever relating to the Premises, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

**3.9. *Reserved Rights Regarding Seawall.*** Port has the right to use the Premises on an extended basis, without charge, and Tenant shall cooperate by providing access and other reasonably requested assistance at no cost to Port and permit Port and its Agents to enter the Premises upon reasonable prior notice but not less than ten (10) business days (except in the event of an emergency which poses an imminent danger to public health or safety as determined by Port in its sole discretion) for the purpose of inspecting, repairing and rebuilding the Seawall as Port reasonably deems necessary. Nothing herein shall imply any duty upon the part of Port to perform any work which under any provision of this Lease Tenant may be required to perform or place upon Port any obligation, or liability, for the care, supervision or repair of the Premises or Seawall. If Port elects to perform work on the Seawall within the Premises pursuant to this Section, Port shall not be liable for and Tenant hereby waives any and all Claims against Port, City and their Agents arising out of any disturbance, inconvenience, nuisance, loss of business or other damage to Tenant by reason of the performance of such work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, provided Port uses commercially reasonable efforts to minimize inconvenience or disturbance to the activities of Tenant, its Subtenants (if any), and their respective Invitees. Except as provided in the Basic Lease Information in the section entitled "*Embarkation Site Construction Coordination*," in no event will inconvenience or disturbance caused by Port's activities under this Section constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease. If such use of the Premises is required by Port or its Agents, then the Parties will coordinate their use of the Premises and use their good faith efforts to minimize adverse impacts to each of their respective needs. Port will have the absolute right to use the Premises without charge in the event of an emergency involving the Seawall.

**3.10. *Port's Rights Regarding Premises.*** Port shall have the full right and authority to make, revoke, impose, and amend any Rules and Regulations pertaining to and reasonably necessary for the proper use, operation and maintenance of the Facility and Tenant agrees to be bound by any Rules and Regulations Port imposes on the Facility. Port agrees to provide reasonable notice to Tenant of any new or amended Rules and Regulations and to enforce all Rules and Regulations in a reasonable and non-discriminatory manner. Such new or amended Rules and Regulations shall not materially reduce Tenant's rights or materially increase Tenant's obligations under this Lease, or materially interfere with Tenant's ability to use the Premises for the Permitted Uses. In case of any conflict between the Rules and Regulations (whether existing, amended or new) and this Lease, the Lease shall control. Tenant also acknowledges that Port's

exercise of any of its rights regarding the Premises and other Port property in the vicinity of the Premises will not entitle Tenant to any abatement or diminution of Rent.

**3.11. *Flags.*** Throughout the Term, a Port flag will fly on each flagpole within the Premises ("**Flagpoles**"). Port will provide the Port flags to Tenant. The dimensions of Port flags will be similar to the dimensions of Port flags flown on the roofs of Port buildings in the Central Waterfront. Tenant will promptly, at no charge, install, raise, lower and remove Port flags at Port's request. Tenant also may use the Flagpoles to fly other flags on each Flagpole, provided that such other flags, other than the flags of the United States and the State of California, must be placed beneath the Port flag.

**3.12. *Use of Intellectual Property; Music Broadcasting Rights/Port logo.*** Tenant is solely responsible for obtaining any necessary clearances or permissions for the use of intellectual property owned by third parties, including musical or other performance rights.

**3.13. *No Right to Encroach.***

(a) If Tenant (including, its Agents, Invitees, successors and assigns) uses or occupies space outside the Premises without the prior written consent of Port (the "**Encroachment Area**"), then upon written notice from Port ("**Notice to Vacate**"), Tenant shall immediately vacate such Encroachment Area and pay as Additional Rent for each day Tenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area, multiplied by the higher of the (i) highest rental rate then approved by the San Francisco Port Commission for the Premises or the Facility, or (ii) then current fair market rent for such Encroachment Area, as reasonably determined by Port (the "**Encroachment Area Charge**"). If Tenant demonstrates that its use of the Encroachment Area was unintentional, the Encroachment Area Charge will be calculated from the date of Tenant's receipt of the Notice to Vacate. If Tenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period shall be prorated based on a thirty (30) day month. In no event shall acceptance by Port of the Encroachment Area Charge be deemed a consent by Port to the use or occupancy of the Encroachment Area by Tenant, its Agents, Invitees, successors or assigns, or a waiver (or be deemed as a waiver) by Port of any and all other rights and remedies of Port under this Lease (including Tenant's obligation to Indemnify Port as set forth in the last paragraph of this Section 3.13, at law or in equity).

(b) In addition, Tenant shall pay to Port, as Additional Rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Port determines during subsequent inspection(s) that Tenant has failed to vacate the Encroachment Area, then Tenant shall pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars (\$300.00) for each additional Notice to Vacate, if applicable, delivered by Port to Tenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Tenant's failure to comply with the applicable Notice to Vacate and Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Port under this Lease, at law or in equity.

(c) In addition to Port's rights and remedies under this Section, the terms and conditions of the indemnity and exculpation provision set forth in Section 20 (Indemnity and Exculpation) shall also apply to Tenant's (including, its Agents, Invitees, successors and assigns) use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Tenant shall additionally Indemnify Port from and against any and all loss or liability resulting from delay by Tenant in surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any Claims against Port made

by any tenant or prospective tenant founded on or resulting from such delay and losses to Port due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

(d) All amounts set forth in this Section shall be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area. By signing this Lease, each party specifically confirms the accuracy of the statements made in this Section and the reasonableness of the amount of the charges described in this Section.

#### **4. TERM OF LEASE; TERMINATION BY PORT.**

**4.1. Term.** The term of this Lease (the "**Term**") shall be for the period commencing on the Effective Date and expiring on the Expiration Date.

**4.2. Existing Leases.** Tenant acknowledges the following existing leases as of the Effective Date:

(i) Port Amendment to and Restatement of Lease No. L- 12501, as amended, with Hornblower Yachts, Inc. for portions of the Facility.

(ii) Port Lease No. L-15837 with San Francisco Pier 33 LLC for the Pier 33 South Bulkhead Building.

**4.3. Delivery of Premises.** If Port is unable to deliver possession of the Premises or any portion thereof to Tenant, then the validity of this Lease shall not be affected thereby and Port shall not be liable to Tenant for any Claims resulting therefrom, and Tenant waives all provisions of any Laws to the contrary. In such case, the Term and regular payments of Rent shall not commence until Port delivers possession of the Premises or any portion thereof. Notwithstanding anything to the contrary above, if Port's inability to deliver possession of the Premises or any portion thereof on an estimated Commencement Date results from Tenant's or its Agents' acts or omissions, then Rent payable by Tenant hereunder shall commence on the date when Port would have delivered possession of the Premises but for such acts or omissions.

#### **4.4. Extension Options.**

(a) Option to Extend Term. Provided all the terms and conditions in the Basic Lease Information and this Section 4.4 are satisfied by Tenant, Port grants to Tenant two (2) options for an additional ten (10) year term ("an **Extension Option** ") as to the entire Premises only ("**Extension Term**") commencing upon the first day after the Expiration Date. If any Event of Default by Tenant has occurred or is outstanding hereunder either at the time of Tenant's exercise of the Extension Option or at any time prior to the first day of the Extension Term (or if any event shall have occurred which with the giving of notice or the passage of time or both would constitute such a default), then Port may elect by written notice to Tenant to reject Tenant's exercise of the Extension Option, whereupon the Extension Option shall be null and void and the Term shall expire on the day the Term would have expired had Tenant never exercised the Extension Option.

(b) Base Rent and Other Terms. If Tenant elects to exercise the Extension Option, then the lease for the Extension Term shall cover the entire Premises and shall be upon all of the terms, covenants and conditions of this Lease, including the payment of Percentage Rent, except that the Expiration Date shall mean the last day of the Extension Term and the Base Rent hereunder shall be determined as set forth in the Basic Lease Information.

#### **4.5. Port's Termination Rights.** Notwithstanding any other provision of this Lease,

(a) Port has the right to terminate this Lease if the CHE determines, in his or her sole and absolute discretion that, the condition of the Facility's structures, Substructure or utilities has deteriorated to a condition that would create a foreseeable risk of hazard to health or safety. Port may exercise this right without liability or expense, except as specifically set forth

in this Section. Port will attempt to provide Tenant with no less than ninety (90) days' prior written notice of termination under this Subsection, but reserves the right to terminate this Lease upon any shorter notice that the Port in its sole and absolute discretion determines is justified given the risk of hazard. Tenant agrees and shall be required to surrender possession of the Premises by the end of the notice period, except as provided in this Section.

For a period ending fifteen (15) calendar days after receipt of Port's notice of termination, Tenant may request Port's consent, in Port's sole and absolute discretion, to allow Tenant to make the repairs required by Port in accordance with this Lease and any additional conditions reasonably imposed by Port, in consideration of concessions by Port. If Port consents in writing, Port's notice of termination will be deemed rescinded and of no further effect.

(b) Within sixty (60) days after Tenant's surrender under this Section, Port agrees to pay Tenant a portion of those expenses which are documented by Tenant as having been incurred by Tenant prior to the delivery of Port's termination notice in making alterations, additions and improvements to the Premises which were approved in advance and in writing by Port and which were not previously reimbursed to Tenant through rent credits, rent abatement or other form of compensation ("**Improvement Costs**"). Such Improvement Costs shall be determined by the value attributable to any alterations, additions and improvements in any Port building permits for such work obtained by Tenant and which are approved in advance in writing by a Port Property Manager to the extent supported by reasonable evidence of such expenditures provided by Tenant. If no building permits are required for such work, value shall only be attributed to such alterations, additions or improvements if the value is approved in writing by a Port Property Manager prior to the commencement of the work and if the cost is supported by reasonable evidence of such expenditures provided by Tenant. The portion of the Improvement Costs paid by Port shall be a fraction, of which the numerator shall be the number of months remaining in the initial Term of this Lease after Tenant surrenders the Premises, and the denominator shall be the number of months in the initial Term of this Lease, or for work undertaken following the Effective Date, the number of months beginning at the second month following the Port's approval of the improvements and ending at the Expiration Date of the initial Term of this Lease. In no event shall Port be responsible for paying any moving or relocation expense or other expense incurred by Tenant due to any termination under this Section.

**4.6. Waiver of Relocation Benefits.** To the extent allowed by applicable Law, Tenant hereby waives any and all rights, benefits or privileges of the California Relocation Assistance Law, California Government Code §§ 7260 et seq., or under any similar law, statute or ordinance now or hereafter in effect, except as specifically provided in this Lease.

## **5. RENT.**

Tenant shall pay to Port, in the manner herein described, the following Rent:

**5.1. Base Rent.** Tenant shall pay the monthly Base Rent, in advance, on or before the first day of each calendar month throughout the Term. If necessary, Base Rent shall be apportioned based on a thirty (30) day month. Except as otherwise specifically set forth in this Lease, under no circumstances shall Tenant's obligation to pay Rent be delayed due to failure to complete the Initial Tenant Improvements, Force Majeure, Port delays or other reasons.

### **5.2. Percentage Rent.**

(a) As further described in the Basic Lease Information, Tenant agrees to pay to Port, in addition to the monthly Base Rent payable by Tenant pursuant to Section 5.1 above, a monthly Percentage Rent in an amount equal to the difference between (i) the percentage rent for such calendar month; and (ii) the Base Rent for such calendar month in any month in which the percentage rent exceeds the Base Rent taking into consideration any rent credits that may be applicable.

(b) Percentage Rent shall be determined and paid by Tenant for each calendar month within twenty (20) days after the end of the prior calendar month, except that in the event this Lease expires or terminates on a day other than the last day of a calendar month, Percentage Rent for such calendar month shall be determined and paid within twenty (20) days after such expiration or termination date. At the time of paying the Percentage Rent, Tenant shall furnish a complete statement (the "**Monthly Percentage Rent Statement**") in a form approved by Port. In addition, Tenant shall furnish to Port, within thirty (30) days after the expiration of each Lease Year, a complete statement, showing the computation of the Percentage Rent for the immediately preceding Lease Year ("**Annual Statement**") in a form approved by Port. The Annual Statement is for verification and certification of Monthly Percentage Rent Statements only and shall not result in any averaging of monthly Percentage Rent. Each Monthly Percentage Rent Statement and Annual Statement shall set forth in reasonable detail Gross Revenues for such immediately preceding calendar month or Lease Year, as applicable, including an itemized list of any and all deductions or exclusions from Gross Revenues that Tenant may claim and which are expressly permitted under this Lease, and a computation of the Percentage Rent for the immediately preceding calendar month or Lease Year, as applicable.

(c) Each Monthly Percentage Rent Statement shall be certified as accurate, complete and current by a financial officer or other accountant employed by Tenant who is authorized and competent to make such Monthly Percentage Rent Statement. Each Annual Statement shall be certified as accurate, complete and current by an independent CPA. Tenant must submit payment of the balance owing together with any Annual Statement showing that Tenant has underpaid Percentage Rent. At Port's option, overpayments may be refunded to Tenant, applied to any other amount then due under the Lease and unpaid, or applied to Rent due at the first opportunity following Tenant's delivery of any Annual Statement showing an overpayment.

If Tenant fails to (i) pay the Percentage Rent on the date due as provided above; (ii) submit the Monthly Percentage Rent Statement therewith (even if the statement indicates that Percentage Rent is not due); or (iii) fails to submit the Annual Statement, such failure in each instance shall be subject to a Late Charge. Tenant shall also pay any costs including attorneys' fees incurred by Port by reason of such failure. Additionally, if Tenant fails to deliver any Monthly Percentage Rent Statement or Annual Statement within the time period set forth in this Section 5.2 (irrespective of whether any Percentage Rent is actually paid or due to Port) and such failure continues for three (3) days after the date Tenant receives (or refuses receipt of) written notice of such failure from Port, Port shall have the right, among its other remedies under this Lease, to employ a certified public accountant to make such examination of Tenant's Books and Records (and the Books and Records of any other occupant of the Premises) as may be necessary to certify the amount of Tenant's Gross Revenues for the period in question and the certification so made shall be binding upon Tenant and Tenant shall promptly pay to Port the total reasonable cost of the examination, together with the full amount of Percentage Rent due and payable for the period in question, including any Late Charge. Tenant acknowledges that late submittal of the Monthly Percentage Rent and Annual Statements and late payment of Percentage Rent will cause Port increased costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. The parties agree that the charges set forth in this Section represent a fair and reasonable estimate of the cost that Port will incur by reason of Tenant's lateness.

(d) Acceptance by Port of any monies paid to Port by Tenant as Percentage Rent as shown by any Monthly Percentage Rent Statement or Annual Statement, shall not be an admission of the accuracy of said Monthly Percentage Rent Statement or Annual Statement or the amount of such Percentage Rent payment.

### 5.3. *Rent Credits.*

(a) Rent Credits for Initial Tenant Improvements. As described in this Section, and subject to subsection (b), Tenant shall be entitled to a rent credit for Initial Tenant Improvements that are so designated in the Work Letter Attachment 1 in an amount not to exceed Five Hundred Fifty-Four Thousand dollars (\$554,000) to be taken monthly against all Rent due in the manner described in the Basic Lease Information. The following example demonstrates how the rent credit shall be applied.

Total Rent Credit Available \$554,000 divided by 48 months = \$11,542  
Monthly Revenues Subject to Percentage Rent: \$800,000  
Percentage rent: \$60,000  
Less Monthly Base Rent: \$50,000  
Percent Rent Due: \$10,000  
Total Rent due: \$60,000

(b) Additional Conditions for Rent Credits. In addition to the requirements set forth in the Basic Lease Information and the requirements set forth above in Subsection (a), the following requirements apply regarding rent credits:

(1) Within thirty (30) days after final Completion of the Initial Tenant Improvements, Tenant shall deliver to Port an itemized statement of the actual costs expended by Tenant accompanied by Proof of Expenditures for such work reasonably satisfactory to Port. Costs expended for improvements that are eligible for rent credits shall not include any items other than those identified in the Work Letter Attachment 1 for the Initial Tenant Improvements or items pre-approved by Port for any other scope of work and shall not include items related to Tenant's trade fixtures, office equipment and supplies, furniture, communications facilities or any other items of personalty not intended to be affixed to or become a part of the Facility or Facility Systems, nor any fees, exactions, impositions, or similar charges imposed as a condition to permit approval. To the extent Tenant (through its employees, contractors, or any party in which Tenant has a direct financial interest) performs any of the improvements, the costs for such labor shall be no more than the commercially reasonable, market-rate labor charges typically charged for such work by parties in an arms-length transaction. In no event shall the cost of any construction management fees, general administrative costs or other forms of mark-up be eligible for rent credits unless clearly identified in the scope of work approved. Furthermore, in no event shall maintenance, repair and/or replacement costs for the Initial Tenant Improvements be eligible for rent credits. Upon receipt of Proof of Expenditures, Port in its reasonable discretion shall determine in writing the costs eligible for rent credits and Tenant may apply such rent credits in accordance with the provisions of the Basic Lease Information and this Section.

(2) Rent credits cannot be applied retroactively.

(3) Notwithstanding anything to the contrary contained herein, in no event shall Tenant receive any rent credit in the event Tenant is in default, or an event has occurred which, with the passage of time or the giving of notice, or both, would constitute a default. Upon the occurrence of a Tenant Event of Default during period Tenant is eligible for rent credits, Tenant's right to apply any rent credit shall cease and shall not be reinstated until the Tenant Event of Default is cured. If a Tenant Event of Default occurs on a day other than the first day of the calendar month or a Tenant Event of Default is cured on a day other than the last day of the calendar month, Base Rent due to Port shall be apportioned based on a thirty (30) day month. In no event shall the cessation in the application of the rent credit against any Base Rent extend the rent credit period.

(4) In the event all or any portion of the rent credit available to Tenant exceeds seventy percent (70%) of the monthly installment of Rent due, the remaining

portion of the rent credit shall be carried forward to the next installment of monthly Rent until the earlier to occur of (i) the rent credit being fully applied, (ii) the expiration or earlier termination of this Lease excluding any holdover period (with or without Port consent), or (iii) an uncured default by Tenant of any term or condition of this Lease.

(5) Tenant agrees and acknowledges that any right or claim Tenant may have to any form of rent credit that has not yet been actually applied ("**unused rent credit**") shall, upon the earlier to occur of (a) an uncured default by Tenant of any term or condition of this Lease, (b) Tenant's failure to submit to Port within thirty (30) days following completion of the work, Proof of Expenditures related to such improvements or (c) the expiration or earlier termination of this Lease excluding any holdover period (with or without Port consent), be immediately tolled in the case of (a) or (b) until the default is cured or the Proof of Expenditures is submitted, or in the case of (c), terminated, without notice, and Port shall have no liability or obligation to pay or credit Tenant all or any portion of the unused rent credit.

**5.4. Books and Records.** Tenant agrees that the business of Tenant upon the Premises shall be operated with a non-resettable register and so that a duplicate dated sales slip or such other recording method reasonably acceptable to Port shall be issued with each sale, whether for cash, credit or exchange. Furthermore, Tenant shall keep (and shall cause its Subtenants and assignees to keep) at the Premises at all times during the Term complete and accurate Books and Records that contain all information required to permit Port to verify Gross Revenues and deductions and exclusions therefrom that are in accordance with this Lease and with generally accepted accounting practices consistently applied with respect to all operations of the business to be conducted in or from the Premises and shall retain such Books and Records until the later of (i) four (4) years after the end of each Lease Year to which such Books and Records apply or, (ii) if an audit is commenced or if a controversy should arise between the parties hereto regarding the Percentage Rent payable hereunder, until such audit or controversy is concluded even if such audit period extends beyond the expiration or earlier termination of the Lease (the "**Audit Period**").

**5.5. No Joint Venture.** Port's receipt of a portion of Tenant's Gross Revenues as Percentage Rent shall be deemed strictly as rental and nothing herein shall be construed to create the legal relation of a partnership or joint venture between Port and Tenant.

**5.6. Audit.**

(a) Tenant agrees to make its Books and Records available to Port, or to any City auditor, or to any auditor or representative designated by Port or City (hereinafter collectively referred to as "Port Representative"), upon no less than fifteen (15) business days prior written notice to Tenant, for the purpose of examining said Books and Records to determine the accuracy of Tenant's reporting of Percentage Rent for a period not to exceed the Audit Period after a Percentage Statement is delivered to the Port. Tenant shall cooperate with the Port Representative during the course of any audit, provided however, such audit shall occur at Tenant's business office, or at such other location in San Francisco where the Books and Records are kept, and no books or records shall be removed by Port Representative without the prior express written consent of Tenant (provided, however, copies may be made by the Port Representative on site), and once commenced, with Tenant's cooperation, such audit shall be diligently pursued to completion by Port within a reasonable time of its commencement, provided that Tenant makes available to the Port Representative all the relevant Books and Records in a timely manner. If an audit is made of Tenant's Books and Records and Port claims that errors or omissions have occurred, the Books and Records shall be retained by Tenant and made available to the Port Representative until those matters are expeditiously resolved with Tenant's cooperation. If Tenant operates the Premises through one or more Subtenants or Agents (other than Port), Tenant shall require each such Subtenant or Agent to provide the Port with the foregoing audit right with respect to its Books and Records. Upon completion of the audit, Port shall promptly deliver a copy of the audit report to Tenant.



(b) If an audit reveals that Tenant has understated its Gross Revenues for said Audit Period, Tenant shall pay Port, promptly upon demand, the difference between the amount Tenant has paid and the amount it should have paid to Port, plus interest at the Interest Rate from the date of the error in the payment. If an audit reveals that Tenant has overstated its Gross Revenues for said Audit Period, Tenant shall be entitled to a credit against rent for either Base Rent or Percentage Rent next owed equal to the difference between the amount Tenant has paid and the amount it should have paid to Port. If Tenant understates its Gross Revenues for any Audit Period by three percent (3%) or more, Tenant shall pay the cost of the audit. A second understatement within any three (3) Lease Year period of the first such understatement shall be considered an Event of Default.

**5.7. Default Interest.** Any Rent, if not paid within five (5) days following the due date and any other payment due under this Lease not paid by the applicable due date, shall bear interest from the due date until paid at the Interest Rate. However, interest shall not be payable on Late Charges incurred by Tenant nor on other amounts to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Tenant. Tenant shall also pay any costs, including attorneys' fees incurred by Port by reason of Tenant's failure to pay Rent or other amounts when due under this Lease.

**5.8. Late Charges/Habitual Late Payer.** Tenant acknowledges that late payment by Tenant to Port of Rent or other sums due under this Lease will cause Port increased costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if Tenant fails to pay Rent on the date due, such failure shall be subject to a Late Charge at Port's discretion. Tenant shall also pay any costs including attorneys' fees incurred by Port by reason of Tenant's failure to timely pay Rent. Additionally, in the event Tenant is notified by Port that Tenant is considered to be a Habitual Late Payer, Tenant shall pay, as Additional Rent, an amount equal to Fifty Dollars (\$50.00) (as such amount may be adjusted from time to time by the Port Commission) upon written notification from Port of Tenant's Habitual Late Payer status. The parties agree that the charges set forth in this Section represent a fair and reasonable estimate of the cost that Port will incur by reason of any late payment. Such charges may be assessed without notice and cure periods and regardless of whether such late payment results in an Event of Default. Payment of the amounts under this Section shall not excuse or cure any default by Tenant.

**5.9. Returned Checks.** If any check for a payment for any Lease obligation is returned without payment for any reason, Tenant shall pay, as Additional Rent, an amount equal to Fifty Dollars (\$50.00) (as such amount may be adjusted from time to time by the Port Commission) and the outstanding payment shall be subject to a Late Charge as well as interest at the Interest Rate.

**5.10. Net Lease.** It is the purpose of this Lease and intent of Port and Tenant that all Rent shall be absolutely net to Port, so that this Lease shall yield to Port the full amount of the Rent at all times during the Term, without deduction, abatement or offset. Except as otherwise expressly set forth in this Lease, under no circumstances, whether now existing or hereafter arising, and whether or not beyond the present contemplation of the Parties shall Port be expected or required to incur any expense or make any payment of any kind with respect to this Lease or Tenant's use or occupancy of the Premises, including any Improvements. Without limiting the foregoing, but except as expressly provided to the contrary in this Lease, Tenant shall be solely responsible for paying each item of cost or expense of every kind and nature whatsoever, the payment of which Port would otherwise be or become liable by reason of Port's estate or interests in the Premises and any Improvements, any rights or interests of Port in or under this Lease, or the ownership, leasing, operation, management, maintenance, repair, rebuilding, remodeling, renovation, use or occupancy of the Premises, any Improvements, or any portion thereof. No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant from its



liability to pay all of the sums required by any of the provisions of this Lease, or shall otherwise relieve Tenant from any of its obligations under this Lease, or shall give Tenant any right to terminate this Lease in whole or in part, except as otherwise expressly provided in this Lease. Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease or to receive any abatement, diminution, reduction or suspension of payment of such sums, on account of any such occurrence or situation, provided that such waiver shall not affect or impair any right or remedy expressly provided Tenant under this Lease.

**5.11. Additional Charges.** Without limiting Port's other rights and remedies set forth in this Lease, at law or in equity, in the event Tenant fails to submit to the appropriate party, on a timely basis, the items identified in Sections: 12.1 (Utilities), 16.3 (Tenant's Environmental Condition Notification Requirements), 16.8 (Storm Water Pollution Prevention), 32.1(d) (CMD Form), and below or to provide evidence of the required insurance coverage described in Section 17 below, then upon written notice from Port of such failure, Tenant shall pay, as Additional Rent, an amount equaling One Hundred Dollars (\$100.00). In the event Tenant fails to provide the necessary document within the time period set forth in the initial notice and Port delivers to Tenant additional written notice requesting such document, then Tenant shall pay to Port, as Additional Rent, an amount equaling One Hundred Fifty Dollars (\$150.00) for each additional written notice Port delivers to Tenant requesting such document. The parties agree that the charges set forth in this Section 5.6 represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Tenant's failure to provide the documents identified in this Section 5.11 and that Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights under this Lease, at law or in equity. By signing this Lease, each party specifically confirms the accuracy of the statements made in this Section 5.11 and the reasonableness of the amount of the charges described in this Section 5.11.

## **6. TAXES AND ASSESSMENTS.**

**6.1. Payment of Taxes.** During the Term, Tenant agrees to pay, when due, to the proper authority any and all real property and personal taxes, general and special assessments, license fees, permit fees and all other governmental charges of any kind or nature whatsoever, including without limitation all penalties and interest thereon, levied or assessed on the Premises, on Tenant's Property, the leasehold or subleasehold estate or Tenant's use of the Premises, whether in effect at the time this Lease is entered into or which become effective thereafter, and all taxes levied or assessed on the possession, use or occupancy, as distinguished from the ownership, of the Premises. Tenant further recognizes and agrees that its leasehold interest may be subject to the payment of special taxes, including without limitation a levy of special taxes to finance energy efficiency, water conservation, water pollution control and similar improvements under the Special Tax Financing Law in Chapter 43 Article X of the Administrative Code. Tenant shall not permit any such taxes, assessments or other charges to become a defaulted lien on the Premises or the Improvements thereon; provided, however, that in the event any such tax, assessment or similar charge is payable in installments, Tenant may make, or cause to be made, payment in installments; and provided, further, that Tenant may, through such proceeding as Tenant considers necessary or appropriate, contest the legal validity or the amount of any tax, assessment or similar charge so long as such assessment or charge does not become a defaulted lien. In the event of any such dispute, Tenant shall Indemnify Port, City, and their Agents from and against all Claims resulting therefrom.

**6.2. Possessory Interest Tax.** Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxation and that Tenant may be subject to the payment of property taxes levied on such interest. Tenant further recognizes and understands that any sublease or assignment permitted under this Lease and any exercise of any option to renew or other extension of this Lease may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder. Tenant agrees to pay taxes of any kind, including, but not limited to, possessory

interest taxes, that may be lawfully assessed on the leasehold interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Tenant's usage of the Premises that may be imposed upon Tenant by Law, all of which shall be paid when the same become due and payable and before delinquency. Tenant agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that Tenant, if so desiring, may have reasonable opportunity to contest the validity of the same. San Francisco Administrative Code Sections 23.38 and 23.39 (or any successor statute) require that the City and County of San Francisco report certain information relating to this Lease, and any renewals thereof, to the County Assessor within sixty (60) days after any such transaction and that Tenant report certain information relating to any assignment of or sublease under this Lease to the County Assessor within sixty (60) days after such assignment or sublease transaction.

## **7. REQUIRED FINANCIAL ASSURANCES.**

**7.1. Security Deposit.** Tenant shall pay to Port upon execution of this Lease, in addition to the advance payment of the first month's Base Rent, the Security Deposit, in cash, in the sum specified in the Basic Lease Information, as security for the faithful performance by Tenant of all terms, covenants and conditions of this Lease. The parties agree that the Security Deposit shall, at all times during the Term, be an amount equal to two (2) months of the then-current Base Rent. Any increase in the Security Deposit to maintain the same ratio of Security Deposit to Base Rent shall be delivered to Port on the same date that such increase in Base Rent is first due.

Tenant agrees that Port may (but shall not be required to) apply the Security Deposit in whole or in part to (a) pay any sum due to Port under this Lease; (b) compensate Port for any expense incurred or damage caused by Tenant, its Agents or Invitees; (c) cure any default by Tenant; or (d) cure, or attempt to cure, any failure of Tenant to perform any other covenant, term or condition contained herein. Tenant shall immediately upon demand pay Port a sum equal to the portion of the Security Deposit expended or applied by Port. Port shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to any interest on the Security Deposit. Nothing contained in this Section shall in any way diminish or be construed as waiving any of Port's other remedies set forth in this Lease or provided by law or equity.

Tenant hereby waives the provisions of California Civil Code Section 1950.7 and/or any successor statute, it being expressly agreed that Port may apply all or any portion of the Security Deposit in payment of any and all sums reasonably necessary to compensate Port for any other loss or damage, foreseeable or unforeseeable, caused by the act or omission of Tenant or any Agent or Invitee of Tenant, and that following a default by Tenant, all or any portion of the Security Deposit may be retained by Port following a termination of this Lease and applied to future damages, including damages for future Rent, pending determination of the same. Subject to the foregoing, Port will return any balance to Tenant within ninety (90) days of the expiration or earlier termination of this Lease.

## **8. USE OF THE PREMISES.**

**8.1. Permitted Use.** The Premises shall be used and occupied only for the Permitted Use specified in the Basic Lease Information and for no other purpose.

**8.2. Prohibited Use.** Tenant agrees that the following activities, by way of example only and without limitation, and any other use that is not a Permitted Use (in each instance, a "Prohibited Use" and collectively, "Prohibited Uses"), are inconsistent with this Lease, are strictly prohibited and are considered Prohibited Uses:

(a) any activity, or the maintaining of any object, which is not within the Permitted Use;

(b) any activity, or the maintaining of any object, which will in any way increase the existing rate of, affect or cause a cancellation of, any fire or other insurance policy covering the Premises, any part thereof or any of its contents;

(c) any activity or object which will overload or cause damage to the Premises;

(d) any activity which constitutes waste or nuisance, including, but not limited to, the preparation, manufacture or mixing of anything that might emit any objectionable odors, noises or lights onto adjacent properties, or the use of loudspeakers or sound or light apparatus which can be heard or seen outside the Premises;

(e) any activity which will in any way injure, obstruct or interfere with the rights of other tenants in the Facility or of owners or occupants of adjacent properties, including, but not limited to, rights of ingress and egress;

(f) use of the Premises for residential, sleeping or personal living quarters and/or "Live/Work" space;

(g) any auction, distress, fire, bankruptcy or going out of business sale on the Premises without the prior written consent of Port, which consent may be granted, conditioned, or withheld in the sole and absolute discretion of Port;

(h) the operation, use, or berthing of any vessels, watercraft or floating barges owned or operated by Tenant;

(i) Tenant's employment of any maritime workers within the Premises for loading, unloading, building, repairing, dismantling, or longshoring of any vessel;

(j) any vehicle and equipment maintenance, including but not limited to, fueling, changing oil, transmission or other automotive fluids;

(k) the storage of any and all excavated materials, including but not limited to, dirt, concrete, sand, asphalt, and pipes;

(l) except during construction of the Initial Tenant Improvements or Subsequent Alterations, the storage of any and all aggregate material, or bulk storage, such as wood or of other loose materials;

(m) the washing of any vehicles or equipment; or

(n) other Prohibited Uses identified in the Basic Lease Information, if any.

**8.3. Notice of Prohibited Use Charge.** In the event Port determines after inspection of the Premises that Prohibited Uses are occurring on the Premises, then Tenant shall immediately cease the Prohibited Use and shall pay to Port, as Additional Rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of written notice to Tenant to cease the Prohibited Use ("Notice to Cease Prohibited Use"). In the event Port determines in subsequent inspection(s) of the Premises that Tenant has not ceased the Prohibited Use, then Tenant shall pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars (\$300.00) for each additional Notice to Cease Prohibited Use delivered to Tenant. The parties agree that the charges associated with each inspection of the Premises and delivery of the Notice to Cease Prohibited Use, if applicable, represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises and Tenant's failure to comply with the applicable Notice to Cease Prohibited Use and that Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights under this Lease, at law or in equity. By signing this Lease, each party specifically confirms the accuracy of the statements made in this Section and the reasonableness of the amount of the charges described in this Section.

## **9. COMPLIANCE WITH LAWS AND REGULATIONS.**

Tenant, at Tenant's sole cost and expense, promptly shall comply with all Laws relating to or affecting the condition, use or occupancy of the Premises and shall comply with all Laws relating to Tenant's specific use of the Facility and all Rules and Regulations, if any, in effect either at the time of execution of this Lease or which may hereafter be in effect at any time during the Term, whether or not the same are now contemplated by the parties. Tenant further understands and agrees that it is Tenant's obligation, at Tenant's sole cost and expense, to cause the Premises and Tenant's activities and operations conducted thereon, to be in compliance with the ADA. Tenant shall be solely responsible for conducting its own independent investigation of this matter and for ensuring that the design of all Alterations and Improvements strictly complies with all requirements of the ADA. If Tenant's use or occupancy of the Premises triggers a requirement to remove barriers or perform other work to any part of the Facility outside of the Premises to comply with the ADA, then, Tenant shall perform such work at Tenant's sole cost and expense. Notwithstanding the foregoing or any other provision of this Lease, in the event any alterations or improvements to any part of the Facility outside of the Premises are required in order to comply with any Laws, Tenant shall not be required to make such changes, or be liable for the cost thereof, unless and only to the extent such changes are required solely due to Tenant's specific use of the Premises.

The parties acknowledge and agree that Tenant's obligation to comply with all Laws as provided herein is a material part of the bargained for consideration under this Lease. Tenant's obligation under this Section 9 shall include, without limitation, the responsibility of Tenant to make substantial or structural repairs and Alterations to the Premises, regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term hereof, the relative benefit of the repairs to Tenant or Port, the degree to which the curative action may interfere with Tenant's use or enjoyment of the Premises, the likelihood that the parties contemplated the particular Laws involved, and whether the Laws involved are related to Tenant's particular use of the Premises. Any Alteration or Improvements made by or on behalf of Tenant pursuant to the provisions of this Section 9 shall comply with the provisions of Section 13 below. Except as otherwise expressly set forth in this Lease, no occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant of its obligations hereunder, nor give Tenant any right to terminate this Lease in whole or in part or to seek redress against Port, except to the extent Tenant may have remedies against Port pursuant to this Lease or applicable Law. Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease, to receive any abatement, diminution, reduction or suspension of payment of Rent, or to compel Port to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

## **10. PORT ACTING AS OWNER OF PROPERTY; REGULATORY APPROVALS; COMPLIANCE WITH CITY'S RISK MANAGER'S REQUIREMENTS.**

**10.1. *Port Acting as Owner of Property.*** Tenant understands and agrees that Port is entering into this Lease in its capacity as a landowner with a proprietary interest in the Premises and not as a Regulatory Agency of the City with certain police powers. By entering into this Lease, Port is in no way modifying or limiting the obligation of Tenant to obtain any required Regulatory Approvals from Regulatory Agencies, and to cause the Premises to be used and occupied in accordance with all Laws and required Regulatory Approvals. Examples of Port actions as a Regulatory Agency include Port issuance of building, encroachment and other construction-related permits, and the Chief Harbor Engineer's actions to protect public health and safety.

**10.2. *Regulatory Approvals.*** Tenant understands that Tenant's operations on the Premises, changes in use, or Improvements or Alterations to the Premises (individually and

collectively, "Changes") may require Regulatory Approvals, including Regulatory Approvals issued by Port in its capacity as a Regulatory Agency.

Tenant shall be solely responsible for obtaining any Regulatory Approvals, and Tenant shall not seek any Regulatory Approval without first obtaining the prior written approval of Port. All costs associated with applying for and obtaining any necessary Regulatory Approval shall be borne solely and exclusively by Tenant. Tenant shall be solely responsible for complying with any and all conditions imposed by Regulatory Agencies as part of a Regulatory Approval; provided, however, Tenant shall not agree to the imposition of conditions or restrictions in connection with its efforts to obtain a permit or other entitlement from any Regulatory Agency (other than Port), if: (1) conditions and/or restrictions under such permit or other entitlement could affect use or occupancy of the Facility or other Port property or Port's interest therein or would create obligations on the part of Port or could otherwise encumber, restrict or change the use of Port property (other than the Premises), unless in each instance Port has previously approved, in Port's sole discretion, such conditions or restrictions; or (2) conditions and/or restrictions under such permit or other entitlement could affect use or occupancy of the Premises or Port's interest therein or would create obligations on the part of Port on the Premises or could otherwise encumber, restrict or change the use of the Premises, unless in each instance Port has previously approved, in Port's reasonable discretion, such conditions and/or restrictions. Any fines or penalties imposed as a result of the failure of Tenant to comply with the terms and conditions of any Regulatory Approval shall be promptly paid and discharged by Tenant, and Port shall have no liability, monetary or otherwise, for any fines and penalties. To the fullest extent permitted by Law, Tenant agrees to Indemnify City, Port and their Agents from and against any Claim which City or Port may incur as a result of Tenant's failure to obtain or comply with the terms and conditions of any Regulatory Approval.

Without limiting the terms and conditions of Sections 10.1 and 10.2, by signing this Lease, Tenant agrees and acknowledges that (i) Port has made no representation or warranty that Regulatory Approvals to allow for the Changes, if any, can be obtained, (ii) although Port is an agency of the City, Port has no authority or influence over any Regulatory Agency responsible for the issuance of such required Regulatory Approvals, (iii) Port is entering into this Lease in its capacity as a landowner with a proprietary interest in the Facility and not as a Regulatory Agency of the City with certain police powers, and (iv) Tenant is solely responsible for obtaining any and all required Regulatory Approvals in connection with any Changes. Accordingly, Tenant understands that there is no guarantee, nor a presumption, that any required Regulatory Approvals will be issued by the appropriate Regulatory Agency and Port's status as an agency of the City shall in no way limit the obligation of Tenant to obtain approvals from any Regulatory Agencies (including Port) that have jurisdiction over the Facility. Tenant hereby releases and discharges Port from any liability relating to the failure of any Regulatory Agency (including Port) from issuing any required Regulatory Approval.

**10.3. *Compliance with City's Risk Manager's Requirements.*** Tenant shall faithfully observe, at no cost to Port, any and all requirements of City's Risk Manager with respect to Tenant's use and occupancy of the Premises, so long as such requirements do not unreasonably interfere with Tenant's use of or access to the Premises or are otherwise connected with standard prudent commercial practices of other landlords.

## **11. MAINTENANCE AND REPAIRS.**

**11.1. *Port's Obligations.*** Port's obligations to maintain and repair the Premises are strictly limited to those explicitly stated in the Basic Lease Information and nothing in this Lease shall imply any greater duty upon the part of Port to perform any other repair or maintenance work and under any provision of this Lease. Port shall use commercially reasonable efforts to conduct any of the foregoing activities in a manner that, to the extent reasonably practicable, will minimize inconvenience or disturbance to Tenant; Port will have no obligation to minimize inconvenience or disturbance to Tenant when such work is necessary, in Port's sole and absolute

discretion, to maintain Port property in safe, hazard-free condition. In no event will inconvenience or disturbance caused by Port's maintenance and repair work constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease. Port shall not be liable in any manner, and Tenant hereby waives any Claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, including without limitation any abatement or reduction in Rent, arising out of Port's or its authorized Agents entry onto the Premises to perform its maintenance and repair obligations or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, except damage resulting solely from the willful misconduct or gross negligence of Port or its authorized representatives.

If Port fails to perform its maintenance and repair obligations as set forth in this Lease and such failure materially impacts Tenant's ability to operate, then Tenant must provide written notice to Port specifying the nature of Port's default and actions needed to cure. If, after receipt of such written notice, Port's failure to perform its obligations continues without cure for more than one hundred eighty (180) days (or, if such cure cannot reasonably be completed within such 180day period, Port fails to commence with due diligence and dispatch within such ninety-day period the curing of such failure, or having so commenced, fails to diligently and with good faith prosecute such cure to completion within twelve (12) months), Tenant shall be entitled to seek an order for specific performance to compel Port to perform such obligations. Tenant agrees that, notwithstanding anything to the contrary in this Lease or pursuant to any applicable Laws, Tenant's remedies hereunder shall constitute Tenant's sole right and remedy for Port's default under this Section. In no event shall Tenant be entitled to offset from all or any portion of Rent becoming due hereunder or to otherwise recover or obtain from Port or its Agents any damages arising out of Port's default under this Section.

**11.2. Tenant Maintenance and Repair Obligations.** Unless otherwise set forth in the Basic Lease Information: (i) beginning on the relevant Commencement Date for each parcel, Tenant shall at all times during the Term, and at its sole cost and expense, maintain, repair and replace in good and working order, condition and repair the Premises and all Improvements and Alterations thereon, including, but not limited to, glazing; and (ii) except as provided in Section 11.1, Port shall not be obligated to make any repairs, replacement or renewals of any kind, nature or description whatsoever to the Premises nor to any Improvements or Alterations now or hereafter located thereon. Tenant hereby waives all rights to make repairs at Port's expense under Sections 1932(1), 1941 and 1942 of the California Civil Code or under any similar Law now or hereafter in effect. Notwithstanding any maintenance and repair obligations of Port that may be set forth in the Basic Lease Information, in the event that Tenant, its Agents or Invitees cause any damage to the Premises or any other property within Port's jurisdiction, Tenant shall be responsible for repair and Port may repair the same at Tenant's sole cost and expense and Tenant shall promptly reimburse Port therefor.

Tenant shall not make, nor cause or suffer to be made, any repairs or other work for which a permit is required by any applicable building code, standard or regulation, including, without limitation, the Port Building Code or of any rule or regulation of Port without first obtaining Port's prior written consent in its proprietary capacity (which consent shall not be unreasonably withheld, conditioned or delayed) and a permit therefor.

In the event that damage or deterioration to the Premises or any portion thereof which is Tenant's obligation to maintain results in the same not meeting the standard of maintenance required by Port for such uses as Tenant is making of the Premises, then Tenant shall have the independent responsibility for, and shall promptly undertake, maintenance or repair of the Premises and complete the same with due diligence.

**11.3. Port's Right to Inspect.** Without limiting Section 25 below, Port may make periodic inspections of the Premises and may advise Tenant when maintenance or repair of the

Premises is required, but such right of inspection shall not relieve Tenant of its independent responsibility to maintain such Premises and Improvements in a condition as good as, or better than, their condition at the Phase I Commencement Date, excepting ordinary wear and tear.

**11.4. Port's Right to Repair.** In the event Tenant fails to maintain the Premises in accordance with this Lease or Tenant fails to promptly repair any damage to the Facility or the Facility Systems caused by Tenant or its Agents after written notice and an opportunity to cure, Port may repair the same at Tenant's sole cost and expense and Tenant shall promptly reimburse Port therefore. If the cost (including, but not limited to, salaries of Port staff and attorneys' fees) of any such repairs or replacements made at Tenant's expense is in excess of Two Thousand Dollars (\$2,000), then Tenant shall pay to Port an administrative fee equal to ten percent (10%) of the total "**Hard costs**" of the work. "**Hard costs**" shall include the cost of materials and installation, but shall exclude any costs associated with design, such as architectural fees. With respect to any work where the total hard costs of such work are less than Two Thousand Dollars (\$2,000), Tenant shall pay to Port, as Additional Rent, an amount equaling Two Hundred Dollars (\$200).

In addition, upon delivery of the initial notice relating to Tenant's failure to maintain the Premises in accordance with Section 11 ("**Maintenance Notice**"), Tenant shall pay, as Additional Rent, an amount equaling Two Hundred Dollars (\$200.00). In the event Port determines during subsequent inspection(s) that Tenant has failed to maintain the Premises in accordance with Section 11, then Tenant shall pay to Port, as Additional Rent, an amount equaling Three Hundred Dollars (\$300) for each additional Maintenance Notice, if applicable, delivered by Port to Tenant following each inspection. By signing this Lease, each party specifically agrees that the charges associated with each inspection of the Premises and delivery of each Maintenance Notice represent a fair and reasonable estimate of the administrative cost and expense which Port will incur by reason of Port's inspection of the Premises and issuance of each Maintenance Notice. Tenant's failure to comply with the applicable Maintenance Notice and Port's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Port under this Lease, at law or in equity. The amounts set forth in this Section shall be due promptly following delivery of the applicable Maintenance Notice.

For purposes of this Lease, the term "**ordinary wear and tear**" shall not include any deterioration in the condition or diminution of the value of any portion of the Premises and/or the Facility in any manner whatsoever related directly or indirectly to Tenant's failure to comply with the terms and conditions of this Lease.

**11.5. Acts of Nature.** Nothing contained herein shall require Port to repair or replace the Premises or the Improvements thereon as a result of damage caused by acts of war, earthquake, tidal wave or other acts of nature, except that this provision shall not affect any obligation to make repairs to the Premises pursuant to Section 18 in the event of any damage or destruction of the Premises.

## **12. UTILITIES AND SERVICES.**

**12.1. Utilities.** Tenant shall make arrangements and shall pay all charges for all Utilities to be furnished on, in or to the Premises or to be used by Tenant. Tenant shall procure all electricity for the Premises from the San Francisco Public Utilities Commission at rates to be determined by the SF Public Utilities Commission. If the SF Public Utilities Commission determines that it cannot feasibly provide service to Tenant, Tenant may seek another provider.

Tenant shall be obligated, at its sole cost and expense, to repair and maintain in good operating condition all utilities serving the Premises (whether within or outside the Premises and regardless of who installed same). The obligation to repair and maintain includes the obligation to routinely inspect and assess such Utilities using qualified licensed professionals and to report the results of such inspections to Port. Tenant shall coordinate with Port and impacted Port tenants, if necessary, with respect to maintenance and repair of any off-Premises utility



infrastructure, including providing advance notice of maintenance and repair requirements. If Tenant requests Port to perform such maintenance or repair, whether emergency or routine, Port shall charge Tenant for the cost of the work performed at the then prevailing standard rates, and Tenant agrees to pay Port promptly upon billing.

The parties agree that any and all utility improvements (not including telephone wiring and equipment) shall become part of the realty and are not trade fixtures or Tenant's Property. Port makes no representation or warranty that utility services, including telecommunications services, will not be interrupted. Port shall not be liable in damages or otherwise for any failure or interruption of any utility services, including telecommunications services, furnished to the Premises. No such failure or interruption shall constitute a basis for constructive eviction, nor entitle Tenant to terminate this Lease or abate Rent. Tenant hereby waives the provisions of California Civil Code Section 1932(1), 1941, and 1942, or any other applicable existing or future Laws permitting the termination of this Lease due to such interruption, failure or inability.

In the event any Law imposes mandatory or voluntary controls on Port, the Facility, or the property or any part thereof, relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions, or the provision of any other utility or service provided with respect to this Lease, or in the event Port is required or elects to make alterations to any part of the Facility in order to comply with such mandatory or voluntary controls or guidelines, such compliance and the making of such alterations shall in no event entitle Tenant to any damages, relieve Tenant of the obligation to pay the full Base Rent and Additional Rent reserved hereunder or to perform each of its other covenants hereunder or constitute or be construed as a constructive or other eviction of Tenant. Port shall have the right at any time to install a water meter in the Premises or otherwise to measure the amount of water consumed on the Premises, and the cost of such meter or other corrective measures and the installation and maintenance thereof shall be paid for by Tenant.

Without Port's prior written consent, which Port may give or refuse in its sole and absolute discretion, Tenant shall not place or install in the Premises any equipment that weighs in excess of the normal load-bearing capacity of the floors of the Facility, and as may be further described in this Lease. If Port consents to the placement or installation of any such machine or equipment in the Premises, Tenant, at no cost to Port, shall reinforce the floor of the Premises, pursuant to plans and specifications approved by Port and otherwise in compliance with Section 13 below, to the extent necessary to assure that no damage to the Premises or the Facility or weakening of any structural or substructural supports, as the case may be, will be occasioned thereby.

**12.2. Services.** Except as may be otherwise provided in the Basic Lease Information, Tenant shall make arrangements and shall pay all charges for all services to be furnished on, in or to the Premises or to be used by Tenant, including, without limitation, garbage and trash collection, janitorial service and extermination service.

**12.3. On-Site Renewable Energy.** At any time during the Term, Port shall have the right, at its sole and absolute discretion, to install, or cause another party to install, a renewable energy system, using sources such as solar (photovoltaic or solar thermal power), wind, tidal or biofuel power ("Renewable Energy System") on the roof of any of the buildings within the Premises or otherwise on or near the Facility for the purpose of supplying power to the Facility or other locations. Notwithstanding Section 12.1, unless the cost per kilowatt of power to Tenant from such Renewable Energy System is greater than the cost per kilowatt Tenant would otherwise pay for power, Tenant shall purchase all or a portion of its power needs from the operator of the Renewable Energy System.

### **13. IMPROVEMENTS AND ALTERATIONS.**

#### **13.1. Port Consent Required.**



(a) Tenant shall not make nor cause or suffer to be made, any Alterations or Improvements to the Premises (i) without the prior written consent of Port, which consent shall not be unreasonably withheld; provided, however, that Port shall have the right in its sole and absolute discretion to consent or to withhold its consent to any Alterations or Improvements which affect the structural portions of the Premises, the Facility or the Facility Systems, and (ii) until Tenant shall have procured and paid for all Port and other Regulatory Approvals of the various Regulatory Agencies having jurisdiction over the Premises, including, but not limited to, any building or similar permits required by Port or its CHE in the exercise of its jurisdiction with respect to the Premises.

(b) As a condition to giving consent, Port may require Tenant to provide Port, at Tenant's sole cost and expense, one or more financial guarantees, each in a form and issued by a bank or surety acceptable to Port, such as: (i) a standby letter of credit or bond; and/or (ii) a payment and performance bond from Tenant's Contractors naming Port as co-obligee, each in a principal amount up to one hundred fifty percent (150%) but not less than one hundred percent (100%) of the estimated costs of the Alteration or Improvement, to ensure Port against any liability for mechanics' and materialmen's liens, stop notices and to ensure completion of work.

(c) At least thirty (30) days before commencing any Alterations or Improvements to the Premises, Tenant shall notify Port. Tenant's notice shall be accompanied by Final Construction Documents for the Alterations or Improvements, if applicable. Port shall have the right to object to any of the Alterations or Improvements within sixty (60) days after receipt of notice from Tenant. Port's failure to notify Tenant of Port's objection within the 60-day period shall be deemed Port's disapproval of the Alterations.

(d) None of the following will constitute Alterations or Improvements requiring Port's consent, unless the installation will affect Facility Systems or the structure of any building: (i) installation of furnishings, trade fixtures, equipment, or decorative improvements; (ii) painting the interior of any of the buildings within the Premises; and (iii) carpeting any of the buildings within the Premises.

**13.2. Tenant's Obligation to Construct the Initial Tenant Improvements.** Tenant shall construct the Initial Tenant Improvements in accordance with, and subject to all the terms, covenants, conditions and restrictions of this Section 13 and the Work Letter. Any Subsequent Alteration shall be performed in accordance with this Section 13.

**13.3. Construction Requirements; Subsequent Alterations.** All Alterations and Improvements to the Premises including without limitation all Subsequent Alterations made by or on behalf of Tenant shall be subject to the following conditions, which Tenant covenants faithfully to perform:

(a) All Alterations and Improvements shall be performed in a good and workmanlike manner in accordance with plans and specifications previously approved by Port in writing and in compliance with the applicable building, zoning and other applicable Laws, including, but not limited to, compliance with the ADA, and in compliance with the terms of and conditions imposed in any Regulatory Approval or any permit or authorization for the Premises.

(b) All Alterations and Improvements shall be performed at the sole cost and expenses of Tenant, with reasonable dispatch and prosecuted to completion, and only by duly licensed and bonded contractors or mechanics approved by Port, and subject to any conditions that Port may reasonably impose.

(c) Tenant, while performing any subsequent construction or maintenance or repair of the Improvements (for purposes of this Section only, "**Work**"), shall undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or damage to adjoining portions of the Premises and Improvements and the surrounding property, or the risk of injury to members of the public, caused by or resulting from

the performance of its Work. Tenant shall undertake commercially reasonable measures to minimize damage, disruption or inconvenience caused by the Work and make adequate provision for the safety and convenience of all persons affected by the Work. Dust, noise and other effects of the Work shall be controlled using commercially-accepted methods customarily used to control deleterious effects associated with construction projects in populated or developed urban areas. Tenant shall erect appropriate construction barricades substantially enclosing the area of such construction and maintain them until the Work has been substantially completed, to the extent reasonably necessary to minimize the risk of hazardous construction conditions.

(d) At the completion of any Work described in this Section, Tenant shall furnish to Port one reproducible "**as built**" drawing of all Alterations and Improvements made in the Premises. If Tenant fails to provide such as-built drawings to Port within sixty (60) days after completion of the Improvements, Port, after giving notice to Tenant shall have the right, but not the obligation, to cause the preparation by an architect of Port's choice of "**as-built**" drawings, at Tenant's sole cost, to be paid by Tenant to Port within thirty (30) days after Port's request therefor.

(e) Tenant expressly acknowledges that the Embarkation Site is a contributing resource to the Port of San Francisco Embarcadero Historic District on the National Register. Accordingly, all interior and exterior Alterations (including but not limited to, any repair, alteration, improvement, or construction to the interior or exterior of the Embarkation Site) are subject to review by Port for consistency with the design policies and criteria set forth in the Waterfront Land Use Plan, Design and Access Element, the Secretary of the Interior's Standards for the Treatment of Historic Properties, which are published by the National Park Service and posted on its website at <http://www.nps.gov/history/hps/tps/Standards/index.htm> (the "**Secretary's Standards**") and summarized in the attached **Exhibit J**, and the Port of San Francisco Historic Preservation Review Guidelines for Pier and Bulkhead Wharf Substructures attached hereto as **Exhibit K** ("**Port's Guidelines**"). Tenant expressly agrees to comply with the Secretary's Standards for all current and future interior and exterior repair, alteration, improvement or construction. Additionally, Tenant expressly agrees to comply with Port's Guidelines as applicable.

(f) Without limiting Section 16 (Hazardous Materials), in the event that asbestos-containing materials ("**ACM**") are determined to exist in or about the Premises, Tenant shall ensure that all Alterations and Improvements and any asbestos related work, as further defined in California Health & Safety Code Section 25914.1(b), is performed in compliance with all Laws relating to asbestos, including but not limited to, Cal-OSHA regulations found in Title 8 of the California Code of Regulations, Sections 1502 and 1529. Additionally, Tenant shall distribute notifications to all employees and contractors as required pursuant to California Health & Safety Code Sections 25915 et seq. informing them of the existence of ACM and that moving, drilling, boring, or otherwise disturbing ACM may present a health risk and should not be attempted by an unqualified employee. No Alterations or Improvements affecting ACM-containing areas or any asbestos related work shall be performed without Port's prior written consent in each instance.

(g) Tenant, on behalf of itself and its Agents or Invitees, shall comply with all requirements of the Port Building Code, Section 3424, and all other Laws, including, without limitation, the California and United States Occupational Health and Safety Acts and their implementing regulations, when the work of Alterations or Improvements disturbs or removes lead-based or presumed lead-based paint (as described below). Tenant and its Agents or Invitees shall give to Port three (3) business days prior written notice of any disturbance or removal of lead-based or presumed lead-based paint. Further, Tenant and its Agents or Invitees, when disturbing or removing lead-based or presumed lead-based paint, shall not use or cause to be used any of the following methods: (a) acetylene or propane burning and torching; (b) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate

Air filter ("**HEPA**") local vacuum exhaust tool; (c) hydroblasting or high-pressure wash without containment barriers, without Port's prior written consent; (d) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool, without Port's prior written consent; and (e) heat guns operating above 1,100 degrees Fahrenheit. Paint on the interior and exterior of buildings built before December 31, 1978, is presumed to be lead-based paint unless lead-based paint testing, as defined in Section 3424 of the Port Building Code, demonstrates an absence of lead-based paint on the surfaces of such buildings. Under this Section 13.3(g), lead-based paint is "**disturbed or removed**" if the work of Alterations or Improvements involves any action that creates friction, pressure, heat or a chemical reaction upon any lead-based or presumed lead-based paint on an interior or exterior surface so as to abrade, loosen, penetrate, cut through or eliminate paint from that surface.

**13.4. Improvements Part of Realty.** Except as set forth in Section 13.5, all Alterations and Improvements constructed on or affixed to the Premises by or on behalf of Tenant shall become part of the realty owned by Port upon expiration or earlier termination of this Lease, and, shall, at the end of the Term, remain on the Premises without compensation to Tenant. Tenant may not remove any such property at any time during or after the Term unless Port so requires as further provided in Section 26 (Surrender).

**13.5. Removal of Improvements.** Prior to the Expiration Date or earlier termination of this Lease, Port may give written notice to Tenant (herein "**Notice of Removal**") specifying the Alterations or Improvements that are designated as Tenant's Property as defined in this Lease or as may be specifically provided in the relevant permits or plans approved by Port, which Tenant shall be required to remove and relocate or demolish and remove from the Premises in accordance with Section 26. In no event shall Tenant be required to remove from the Premises improvements constructed by the Initial Ferry Concessioner or the Initial Tenant Improvements performed by Tenant. Any such removal is subject to the requirements of this Section, including the requirement to obtain a Port building or similar permit. If termination of this Lease is the result of loss or destruction of the Premises or any Improvements thereon, Port shall deliver the Notice of Removal to Tenant within a reasonable time after the loss or destruction. Tenant shall be obligated at its own expense to remove all Alterations or Improvements specified in the Notice of Removal, including without limitation all telephone wiring and equipment installed by Tenant. Tenant shall promptly repair, at its own expense, in good and workmanlike fashion any damage occasioned thereby. If Tenant fails to complete any required demolition or removal on or before the termination of this Lease, Port may perform such removal or demolition at Tenant's expense, and Tenant shall promptly reimburse Port after demand therefor.

**13.6. Removal of Non-Permitted Improvements.** If Tenant constructs any Alterations or Improvements without Port's prior written consent or without complying with Section 13.1, then, in addition to any other remedy available to Port, Port may require Tenant to remove, at Tenant's expense, any or all such Alterations or Improvements and to promptly repair, at Tenant's expense and in good workmanlike fashion, any damage occasioned thereby. Tenant shall pay to Port all special inspection fees as set forth in any applicable building code, standard or regulation, including, without limitation, the Port Building Code, for inspection of work performed without required permits. The foregoing obligation of Tenant to reimburse Port for all cost and expenses incurred by Port in connection with Tenant's failure to comply with the provisions of Section 13 shall survive the expiration or earlier termination of this Lease.

**13.7. All-Gender Toilet Facilities.** If applicable, Tenant shall comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of any new building on City-owned land and within existing buildings leased by the City, including the Premises, where extensive renovations are made. An "**all-gender toilet facility**" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "**extensive renovations**" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities

required by this section. If Tenant has any question about applicability or compliance, Tenant should contact the Port's Property Manager for guidance.

**13.8. Signs.** Tenant shall not install business signage, awnings or other exterior decoration or notices on the Premises without Port's prior written consent. Any sign that Tenant is permitted to place, construct or maintain on the Premises shall comply with all Laws relating thereto, including but not limited to, Port's Sign Guidelines, as revised by Port from time to time, and building permit requirements, and Tenant shall obtain all Regulatory Approvals required by such Laws. Port makes no representation with respect to Tenant's ability to obtain such Regulatory Approval. Tenant, at its sole cost and expense, shall remove all signs placed by it on the Premises at the expiration or earlier termination of this Lease.

**13.9. Improvements on Roof.** Tenant shall not install any equipment on the roof of any building within the Premises or on any other part of the Facility the Premises without Port's prior written consent. If Port consents, then Tenant shall have a non-exclusive revocable license on and over the roof and/or to other areas necessary to install, maintain and repair the equipment in a location mutually agreeable to Port and Tenant, subject to and consistent with all necessary Regulatory Approvals, including a building or encroachment permit issued by Port. Port makes no representation with respect to Tenant's ability to obtain such Regulatory Approvals. Tenant's use of any licensed areas shall be subject to all the terms and conditions of this Lease and Tenant shall have the obligations and liabilities as if the licensed areas are included in the Premises under this Section, and Sections 3.6, 9-11, 13, 16, 17, 20 and 26 of this Lease. The license granted to Tenant hereunder is for the sole purpose of constructing, maintaining, restoring, replacing and operating Tenant's approved equipment, including any necessary conduits, only in connection with Tenant's Permitted Uses under this Lease and Tenant shall not have the right to install any other equipment outside of the Premises, including without limitation a telecommunications (cell) site or any other equipment that can be used for any other commercial purpose. The license granted hereby includes the right of ingress and egress through the Facility during non-business hours for access to or from the Premises and Tenant's equipment, provided that Tenant must notify the Port's Property Manager at least 24 hours in advance of any access and shall comply with all reasonable requirements of such designated person with respect to Tenant's requested access. In the event of an emergency, Tenant shall have the right to enter the licensed areas provided it makes good faith efforts if possible to notify Port in advance of such entry.

**13.10. Port's Work.** Port reserves the right at any time to make Alterations, additions, repairs, deletions or improvements to the Facility, the Facility Systems, or adjacent Port property ("**Port Work**") upon reasonable prior notice but not less than ten (10) business days (except in the event of an emergency which poses an imminent danger to public health or safety as determined by Port in its sole discretion). If the Port causes any damage while using the Premises for the activities performed by Port in accordance with this Section 13.9, upon satisfactory documentation of such damage, Port shall promptly restore the Premises to a mutually acceptable condition at its cost. Port shall use commercially reasonable efforts to conduct any of the foregoing activities in a manner that, to the extent reasonably practicable, will minimize inconvenience or disturbance to Tenant; Port will have no obligation to minimize inconvenience or disturbance to Tenant for Port Work when the Port Work is necessary, in Port's sole and absolute discretion, to maintain Port property in safe, hazard-free condition. Except as provided in the Basic Lease Information in the section entitled "*Embarkation Site Construction Coordination*," in no event will inconvenience or disturbance caused by Port Work constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease. Tenant hereby waives any and all Claims against Port, City and their Agents arising out of any inconvenience or disturbance occasioned by Port Work; provided that Port's uses commercially reasonable efforts to conduct its activities in a manner that, to the extent reasonably practicable, will minimize

inconvenience or disturbance to Tenant except when the Port Work is necessary, in Port's sole and absolute discretion, to maintain Port property in safe, hazard-free condition.

#### **14. FLOOD RISK AND SEA LEVEL RISE.**

**14.1. Pier Flood Protection Measures.** In addition to Tenant's obligations to comply with Laws and to repair and maintain the Premises if, at any time during the Term of this Lease, and subject to compliance with CEQA, CHE determines that there is a need for **Pier Flood Protection Measures** (as defined below) at the Premises or proximate to the Premises to protect the Premises from a significant risk of flooding or other damage resulting from climate change or sea level rise, in order to protect public health and safety ("**CHE Determination**"), Tenant shall be responsible at no cost to Port for permitting, constructing and implementing any such Pier Flood Protection Measures in the manner described in this Section. Tenant understands and agrees that it will not receive or seek rent credits or other compensation or consideration for any Pier Flood Protection Measures. Port and Tenant agree that neither a CHE Determination nor a Threat Determination (as defined below) under this Section 14 shall be a Taking for purposes of this Lease.

"**Pier Flood Protection Measures**" may include without limitation (1) temporary public access closures, sandbagging or similar temporary measures to minimize the risks associated with wave overtopping of the pier apron; (2) waterproofing or relocation of utility infrastructure from underneath the pier to minimize the risk of water or wastewater discharges to San Francisco Bay; and/or (3) short perimeter flood walls or similar measures to address more frequent and serious flooding associated with stillwater levels at or above the elevation of the pier deck. For purposes of this section, and without affecting Tenant's other obligations under this Lease, Pier Flood Protection Measures do not include substantial repairs, maintenance or improvements to the Substructure, raising first floor elevations or regional improvements such as breakwater or levee improvements which the parties acknowledge may be necessary to protect the City from sea level rise, but are beyond the scope of this Lease.

(a) **CHE Determination Notice.** Promptly following a CHE Determination, Port will deliver to Tenant notice of the CHE Determination ("**CHE Determination Notice**"). The CHE Determination Notice will include a description of the need for required Pier Flood Protection Measures and a timeline for Tenant to submit for the CHE's approval, in his or her sole discretion, a conceptual level scheme of the required measures along with a schedule for completing design, securing all Regulatory Approvals and completing construction ("**Pier Flood Protection Plan**"). The CHE has the sole discretion to approve or disapprove the final designs and implementation of any Pier Flood Protection Measures to be constructed within Port's jurisdiction (including the Premises). Within sixty (60) days of receiving such plan, the CHE will review and either approve the plan or request revisions to the plan. If revisions are required, Tenant will promptly revise the Pier Flood Protection Plan and re-submit to the CHE for his or her review and approval. Tenant will continue to revise and re-submit until the CHE approves the Pier Flood Protection Plan, as revised; provided, however, Tenant must have obtained the CHE's approval of a Pier Flood Protection Plan (the "**Approved Pier Flood Protection Plan**") within the time period set forth in the CHE Determination Notice.

(b) If Tenant fails to implement any required Pier Flood Protection Measures or the Approved Pier Flood Protection Plan within the time required in the CHE Determination, Port shall provide Tenant with thirty (30) days written notice and the right to cure such failure. If Tenant fails to cure within the 30-day period, Port shall have the right but not the obligation to implement the measure(s) on Tenant's behalf following an additional thirty (30) days' written notice of Port's intent to do so (unless such failure to cure gives rise to an emergency which creates an imminent danger to public health or safety as determined by the CHE) and Tenant shall reimburse Port for its actual costs.

**14.2. Termination.** If, at any time during the Term, the CHE determines conditions at the Premises or Facility pose an ongoing threat to public health and safety due to flood risk and

sea level rise conditions (even despite construction of the Pier Flood Protection Measures) (“**Threat Determination**”), this Lease will terminate within ninety (90) days of the CHE’s written notice to Tenant of the Threat Determination, or the termination date set forth in the Threat Determination notice, whichever is earlier, without cost or liability to Port.

**14.3. Required Flood Protection Improvements for Other Port Property.** If the CHE determines that there is a need to install flood protection measures within the Premises to protect other Port property, Tenant shall cooperate by providing access and other reasonably requested assistance at no cost to Port. Nothing herein shall imply any duty upon the part of Port to perform any work which under any provision of this Lease Tenant may be required to perform, nor to place upon Port any obligation, or liability, for the care, supervision or repair of Port property outside the Premises; provided that, if the Port causes any damage while using the Premises for the activities performed by Port in accordance with this Section 14.3, upon satisfactory documentation of such damage, Port shall promptly restore the Premises to a mutually acceptable condition at its cost. If Port elects to perform flood protection measures for other Port property, Port shall not be liable for inconvenience, loss of business or other damage to Tenant by reason of the performance of such work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course of such work, provided Port uses commercially reasonable efforts to minimize the interference any such work may cause with the activities of Tenant, its Subtenants, and their respective Invitees. Except as provided in the Basic Lease Information in the section entitled “*Embarkation Site Construction Coordination*,” in no event will inconvenience or disturbance caused by Port’s activities under this Section constitute an actual or constructive eviction of Tenant, entitle Tenant to any abatement or diminution of Rent, or otherwise relieve Tenant from any of its obligations under this Lease.

**14.4. Limitations; Waiver.**

(a) Tenant's obligation hereunder in connection with the Pier Flood Protection Measures shall include, without limitation, the obligation to make substantial or structural repairs and alterations to the Premises regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term hereof, the relative benefit of the repairs to Tenant or Port, the degree to which curative action may interfere with Tenant's use or enjoyment of the Premises, or the likelihood that the Parties contemplated the particular Pier Flood Protection Measures involved. Further, no occurrence or situation arising during the Term, nor any present or future Law or circumstance, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant of its obligations hereunder, nor give Tenant any right to terminate this Lease in whole or in part or to otherwise seek redress against Port except with respect to Tenant’s right to terminate under the terms and conditions specified in Section 18 (Damage and Destruction) and Section 19 (Eminent Domain). Without waiving the right to terminate as provided in Section 18 (Damage and Destruction) and Section 19 (Eminent Domain), Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease, to receive any abatement, diminution, reduction or suspension of payment of Rent, or to compel Port to make any repairs to comply with any such Laws or on account of any such occurrence or situation.

(b) If the CHE determines that there is a need for Pier Flood Protection Measures or makes a Threat Determination as described in this Section, the rights and obligations of the Parties shall be as set forth in this Section. Accordingly, Port and Tenant each hereby waive the provisions of Sections 1932(2) and 1933(4) of the California Civil Code and Sections 1265.110, 1265.120, 1265.130, and 1265.140 of the California Code of Civil Procedure as such sections may from time to time be amended, replaced, or restated. Notwithstanding the prior sentence, Port and Tenant do not intend to waive their rights under Section 18 (Damage and Destruction) and Section 19 (Eminent Domain) in the event of damage, destruction or a Taking.

**14.5. Additional Improvements To Address Sea Level Rise .**

At any time during the Term, Port or Tenant may propose optional additional improvements to be performed by Tenant, at its option and at its cost that (i) are beyond the scope of the potential Pier Flood Protection Measures contemplated in this Section; and (ii) are not otherwise Tenant's obligation under this Lease (including under Section 9 (Compliance with Laws) and Section 11 (Maintenance and Repair)). Tenant acknowledges that additional Regulatory Approvals will be required for such improvements.

## **15. LIENS.**

Tenant shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant or its Agents. In the event that Tenant shall not, within twenty (20) days following the imposition of any such lien, cause the same to be released of record, Port shall have, in addition to all other remedies provided by this Lease or by Law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including without limitation, payment of the claim giving rise to such lien. All sums paid by Port for such purpose, plus interest at the Interest Rate, and all reasonable expenses incurred by Port in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to Port by Tenant upon demand. Port shall have the right to post on the Premises any notices that Port may deem proper for the protection of Port, the Premises, and the Facility, from mechanics' and materialmen's liens. Tenant shall give to Port at least fifteen (15) days' prior written notice of commencement of any Alteration, repair or construction on the Premises. Tenant agrees to Indemnify Port, City and their respective Agents from and against any Claims for mechanic's, materialmen's or other liens in connection with any Alterations, repairs or construction on the Premises, or materials furnished or obligations incurred by or for Tenant.

Without limiting the foregoing, Tenant shall not create, permit or suffer any liens or encumbrances affecting any portion of the Premises, the Facility or Port's interest therein or under this Lease.

## **16. HAZARDOUS MATERIALS.**

**16.1. *Requirements for Handling.*** Except in full compliance with all Environmental Laws neither Tenant nor its Agents or Invitees may Handle or permit any other person to Handle any Hazardous Material in, on, under or about the Premises, any other part of the Facility, or other Port property, subject only to the following exceptions, provided that Handling is at all times in full compliance with all Environmental Laws: janitorial and office supplies in limited amounts customarily used for general office and restaurant purposes.

**16.2. *Tenant Responsibility.*** Tenant agrees to protect its Agents and Invitees in its operations on the Premises from hazards associated with Hazardous Materials in accordance with all Environmental Laws and also agrees, for itself and on behalf of its Agents and Invitees, that during its use and occupancy of the Premises, each of them:

(a) will not permit any Hazardous Materials to be present in, on, under or about the Premises, any other part of the Facility, or other Port property except as permitted under Section 16.1;

(b) will not cause or permit any Hazardous Material Condition; and

(c) will comply with all Environmental Laws relating to the Premises and any Hazardous Material Condition, and will not engage in or permit any activity at the Premises, any other part of the Facility, other Port property, or in the operation of any vehicles or vessels used in connection with the Premises in violation of any Environmental Laws.

### **16.3. *Tenant's Environmental Condition Notification Requirements.***

(a) Tenant must notify Port immediately, orally or by other means that will transmit the earliest possible notice to Port staff, followed within twenty-four (24) hours by



written notice, of and when Tenant learns or has reason to believe Hazardous Materials were Released or, except as allowed under Section 16.1, Handled, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels that Tenant or its Agents or Invitees use during Tenant's occupancy of the Premises, whether or not the Release or Handling is in quantities that would be required under Environmental Laws to be reported to an Environmental Regulatory Agency.

(b) Tenant must notify Port immediately, orally or by other means that will transmit the earliest possible notice to Port staff, followed within twenty-four (24) hours by written notice, and contemporaneously provide Port with an electronic copy, of:

(i) Any notice of the Release or Handling of Hazardous Materials, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises that Tenant or its Agents or Invitees provides to an Environmental Regulatory Agency;

(ii) Any notice of a violation, or a potential or alleged violation, of any Environmental Law that Tenant or its Agents or Invitees receives from any Environmental Regulatory Agency;

(iii) Any other Environmental Regulatory Action that is instituted or threatened by any Environmental Regulatory Agency against Tenant or its Agents or Invitees and that relates to the Release or Handling of Hazardous Materials, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises;

(iv) Any Hazardous Material Claim that is instituted or threatened by any third party against Tenant or its Agents or Invitees and that relates to the Release or Handling of Hazardous Materials, in, on, or about the Premises, the Facility, other Port property, or the environment, or from any vehicles or vessels Tenant, or its Agents and Invitees uses during Tenant's occupancy of the Premises; and

(v) Any notice of the termination, expiration, or substantial amendment of any Environmental Regulatory Approval needed by Tenant or its Agents or Invitees for their operations at the Premises.

(c) Tenant must notify Port of any meeting, whether conducted face-to-face or telephonically, between Tenant and any Environmental Regulatory Agency regarding an Environmental Regulatory Action. Port will be entitled to participate in any such meetings at its sole election.

(d) Tenant must notify Port of any Environmental Regulatory Agency's issuance of an Environmental Regulatory Approval. Tenant's notice to Port must state the issuing entity, the Environmental Regulatory Approval identification number, and the date of issuance and expiration of the Environmental Regulatory Approval. In addition, Tenant must provide Port with a list of any plan or procedure required to be prepared and/or filed with any Environmental Regulatory Agency for operations on the Premises, including a "Spill Prevention Control and Countermeasure Plan." Tenant must provide Port with copies of any of the documents within the scope of this section upon Port's request.

(e) Tenant must provide Port with copies of all communications with Environmental Regulatory Agencies and all non-privileged communications with other persons regarding potential or actual Hazardous Material Claims arising from Tenant's or its Agents' or Invitees' operations at the Premises. Upon Port's request, Tenant must provide Port with a log of all communications withheld under a claim of privilege that specifies the parties to and subject of each withheld communication.



(f) Port may from time to time request, and Tenant will be obligated to provide, information reasonably adequate for Port to determine that any and all Hazardous Materials are being Handled in a manner that complies with all Environmental Laws.

#### **16.4. Requirement to Remediate.**

(a) Tenant's Remediation obligations under this subsection are subject to subsection (b).

(i) After notifying Port in accordance with Section 16.3(a), Tenant must Remediate at its sole cost in compliance with all Environmental Laws and this Lease, any Hazardous Material Condition occurring during the Term or while Tenant or its Agents or Invitees otherwise occupy any part of the Premises. Tenant must obtain Port's approval of a Remediation work plan, whether or not required under Environmental Laws, then begin Remediation actions immediately following Port's approval of the work plan and continue diligently until Remediation is complete, as determined by Port, in its sole discretion.

(ii) In addition to its obligations under clause (i), before this Lease terminates for any reason, Tenant must Remediate at its sole cost in compliance with all Environmental Laws and this Lease: (A) any Hazardous Material Condition caused by Tenant's or its Agents' or Invitees' Handling Hazardous Materials during the Term; and (B) any Hazardous Material Condition discovered during Tenant's occupancy that any Regulatory Agency requires to be Remediated if Remediation would not have been required but for Tenant's use of or Changes to the Premises.

(iii) If Environmental Laws governing Remediation require a remedial action plan, Tenant must provide a draft of its plan to Port for comment and approval before submittal to the appropriate Environmental Regulatory Agency, and a copy of the final plan as submitted.

(iv) In all situations relating to Handling or Remediating Hazardous Materials, Tenant must take all actions that are reasonably necessary in Port's sole judgment to protect the value of the Premises or the Facility, such as obtaining Environmental Regulatory Approvals related to Hazardous Materials and taking measures to remedy any deterioration in the condition or diminution of the value of any portion of the Premises or the Facility in any manner related directly or indirectly to Hazardous Materials.

(b) Unless Tenant or its Agents or Invitees Exacerbate the Hazardous Material Condition, Tenant will not be obligated to Remediate any Hazardous Material Condition: (i) caused solely by City, Port, or their Agents during Tenant's occupancy of the Premises; or (ii) arising before the Phase I Commencement Date as to the Phase I Premises or before the Phase II Commencement Date as to the Phase II Premises.

**16.5. Port's Right to Audit.** Port will have the right, but not the obligation, to inspect and audit the Premises for any Hazardous Materials, including the right to Investigate, at reasonable times under Section 25 (Port's Entry on Premises). Port's failure to inspect or obtain samples or to detect conditions attributable to Tenant's operations if an inspection is conducted may not be deemed to be a release of any liability for any Hazardous Materials subsequently determined to be Tenant's responsibility under this Lease.

**16.6. Notification of Asbestos.** Port hereby notifies Tenant, in accordance with the OSHA Asbestos Rule (1995), 59 Fed. Reg. 40964, 29 CFR §§ 1910.1001, 1926.1101 (as amended, clarified and corrected) (OSHA Asbestos Rule); California Health and Safety Code §§ 25915-259.7 and Cal-OSHA General Industry Safety Order for Asbestos, 8 CCR § 5208, of the presence of asbestos-containing materials ("ACMs") and/or presumed asbestos-containing materials ("PACMs") (as such terms are defined in Cal-OSHA General Industry Safety Order for Asbestos), in the locations identified in the summary/table, if any, set forth in *Schedule 1* attached hereto.

This notification by Port is made pursuant to a building inspection survey(s), if any, performed by Port or its contractors qualified to perform an asbestos building survey identified in the summary/table, if any, set forth in **Schedule 1** attached hereto. Such survey(s), monitoring data and other information are kept at Port of San Francisco, Pier 1, San Francisco, California, 94111 and are available for inspection upon request.

Tenant hereby acknowledges receipt of the notification specified in the first paragraph of Section 16.6 hereof and the notice or report attached as **Schedule 1** hereto and understands, after having consulted its legal counsel, that it must make its employees and contractors aware of the presence of ACMs and/or PACMs in or about the Premises in order to avoid or minimize any damage to or disturbance of such ACMs and/or PACMs. Tenant further acknowledges its obligations under Cal-OSHA General Industry Safety Order for Asbestos to provide information to its employees and contractors regarding the presence of ACMs and PACMs at the Premises and to provide a training program for its employees that conforms with 8 CCR § 5208(j)(7)(C).

Tenant agrees that its waiver of Claims set forth in Section 20 below (Indemnity and Exculpation) is given with full knowledge of the presence, or possibility, of asbestos in or about the Premises and/or the Facility and the potential consequences of such fact. Tenant is aware that the presence, or possibility, of asbestos in or about the Premises may limit Tenant's ability to construct Alterations to the Premises without Tenant first performing abatement of such asbestos. The presence of asbestos in the Premises and/or the Facility and the removal or non-removal by Port of all or a portion of the asbestos in the Facility, whether in the Premises or elsewhere in the Facility, shall not, however, (i) entitle Tenant to any Claim, (ii) relieve Tenant of any of its obligations hereunder, including without limitation the obligation to pay Rent, (iii) constitute or be construed as a constructive or other eviction of Tenant, or (iv) constitute or be construed as a breach of Port's covenant assuring Tenant's quiet enjoyment of the Premises.

Notwithstanding any other provisions of this Lease, Tenant agrees to Indemnify Port for Tenant's acts or omissions that result in (1) asbestos-related enforcement actions, including both administrative or judicial proceedings, and (2) any Claims arising from an alleged violation of Cal-OSHA General Industry Safety Order for Asbestos and/or exposures to asbestos.

**16.7. Notification of Lead.** Port hereby notifies Tenant of the potential presence of lead-containing and presumed lead-containing materials in the Premises or Facility. Disturbance or removal of lead is regulated by, among other Laws, 29 CFR §§ 1910.1025, 1926.62; California Health & Safety Code §§ 105185-105197 and 105250-105257; Cal-OSHA Construction Safety Order for Lead, Title 8 CCR § 1532.1; Title 17 CCR Chapter 8; and Port Building Code § 3424.

Tenant agrees that its waiver of Claims set forth in Section 20 below (Indemnity and Exculpation) is given with full knowledge of the presence, or possibility, of lead in or about the Premises and/or the Facility and the potential consequences of such fact. Tenant is aware that the presence, or possibility, of lead in or about the Premises may limit Tenant's ability to perform any Improvements or Alterations to the Premises without Tenant first performing abatement of such lead. The presence of lead in the Premises and/or the Facility and the removal or non-removal by Port of all or a portion of the lead, whether in the Premises or elsewhere in the Facility, shall not, however, (i) entitle Tenant to any Claim, (ii) relieve Tenant of any of its obligations hereunder, including without limitation the obligation to pay Rent, (iii) constitute or be construed as a constructive or other eviction of Tenant, or (iv) constitute or be construed as a breach of Port's covenant assuring Tenant's quiet enjoyment of the Premises. Notwithstanding any other provisions of this Lease, Tenant agrees to Indemnify Port for its acts or omissions that result in (1) lead-related enforcement actions, including both administrative or judicial proceedings, and (2) any Claims arising from an alleged violation of Cal-OSHA Construction Safety Order for Lead and/or exposures to lead.

**16.8. Storm Water Pollution Prevention.**

(a) Tenant must comply with the applicable provisions of the Statewide General Permit for Discharge of Industrial Storm Water issued by the State Water Resources Control Board, including filing a Notice of Intent to be covered, developing and implementing a site-specific Storm Water Pollution Prevention Plan ("SWPPP"), and conducting storm water monitoring and reporting. Tenant's SWPPP and a copy of a Notice of Intent for Tenant's Premises must be submitted to Port's Real Estate Division before beginning operations on the Premises.

(b) In addition to requiring compliance with the permit requirements under Subsection (a), Tenant shall comply with the post-construction stormwater control provisions of the Statewide General Permit for Discharge of Stormwater from Small Municipalities and the San Francisco Stormwater Design Guidelines, subject to review and permitting by the Port's Engineering Division.

**16.9. Presence of Hazardous Materials.** California Law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous Materials. Accordingly, Tenant is hereby advised that Hazardous Materials (as herein defined) may be present on or near the Premises, including, but not limited to, vehicle fluids, janitorial products, tobacco smoke, and building materials containing chemicals, such as asbestos, naturally-occurring radionuclides, lead and formaldehyde. Further, the following known Hazardous Materials are present on the property: asbestos in building, if any, as described in *Schedule 1* attached hereto, naturally occurring asbestos, contamination commonly found in fill, petroleum contamination, lead-based paint, etc. and the Hazardous Materials described in the reports listed in *Schedule 4* attached hereto, copies of which have been delivered to or made available to Tenant. By execution of this Lease, Tenant acknowledges that the notice set forth in this section satisfies the requirements of California Health and Safety Code Section 25359.7 and related Laws. Tenant must disclose the information contained in this Section 16.9 to any subtenant, licensee, transferee, or assignee of Tenant's interest in this Lease. Tenant also acknowledges its own obligations pursuant to California Health and Safety Code Section 25359.7 as well as the penalties that apply for failure to meet such obligations.

**16.10. Survival.** Tenant's obligations under Section 16 shall survive the expiration or earlier termination of this Lease.

## **17. INSURANCE**

**17.1. Required Insurance Coverage.** Tenant, at its sole cost and expense, shall maintain, or cause to be maintained, throughout the Term, the following insurance:

(a) Commercial General Liability Insurance. Tenant will maintain "Commercial General Liability" insurance with coverage at least as broad as Insurance Services Office form CG 00 01 10 93 (or its replacement) insuring against claims for bodily injury (including death), property damage, personal injury and advertising injury, including coverage for premises operations, blanket contractual liability (to the extent possible under the above-referenced policy form or under a separate policy form) which includes coverage extending to the Indemnity in broad form property damage, explosion, collapse and underground hazards, independent contractors, products and completed operations, with such insurance to afford protection in an amount not less than One Million Dollars (\$1,000,000) per occurrence and annual aggregate, and Five Million Dollars (\$5,000,000) products and completed operations aggregate, and deleting any exclusions for care, custody and control of real property. All such insurance may be provided under a combination of primary and umbrella excess policies and may be provided under policies with a "claims made" trigger as provided in Section 17.2.

(b) Workers' Compensation; Employer's Liability; Jones Act; U.S. Longshore and Harborworker's Act Insurance. Worker's Compensation Insurance, U.S. Longshore and Harborworker's Act Insurance and Jones Act Insurance with Employer's Liability limit not less than One Million Dollars (\$1,000,000.00) for each accident, injury or illness, on employees

eligible for each. In the event Tenant is self-insured for the insurance required pursuant to this Section 17.1(b), it shall furnish to Port a current Certificate of Permission to Self-Insure signed by the Department of Industrial Relations, Administration of Self-Insurance, Sacramento, California. Notwithstanding the foregoing, so long as Tenant complies with Sections 8.2(h) and 8.2(i) above, Tenant shall not be required to maintain insurance for claims under the Jones Act or U.S. Longshore and Harborworker's Act, respectively.

(c) Comprehensive or Business Automobile Liability Insurance. Comprehensive or Business Automobile Liability Insurance with limits not less than One Million Dollars (\$1,000,000.00) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including coverage for owned, non-owned and hired automobiles, as applicable, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Tenant's activity on, in or around the License Area. If parking is a Permitted Activity under this License, Tenant must obtain, maintain, and provide to Port upon request evidence of personal automobile liability insurance for persons parking vehicles at the License Area on a regular basis, including without limitation Tenant's Agents and Invitees.

(d) Contractor's Pollution Legal Liability Insurance. Tenant, at its sole cost and expense, shall procure and maintain Contractor's Pollution Legal Liability Insurance with a combined single limit of Two Million Dollars (\$2,000,000.00) each claim, Five Million Dollars (\$5,000,000.00) aggregate, and with coverage to include legal liability arising from the sudden and accidental release of pollutants, and no less than a one-year extended reporting period.

(e) Construction Activities. At all times during any period of Tenant's construction of Improvements or Alterations subject to Section 13,

(i) Tenant shall require Tenant's contractor to maintain (a) commercial general liability insurance with limits of not less than Three Million Dollars (\$3,000,000) combined single limit for bodily injury and property damage (including personal injury and death), and products and completed operations coverage in an amount not less than Five Hundred Thousand Dollars (\$500,000) per incident, One Million Dollars (\$1,000,000) in the aggregate; (b) comprehensive automobile liability insurance with a policy limit of not less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage, providing coverage at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, "any auto", and insuring against all loss in connection with the ownership, maintenance and operation of automotive equipment that is owned, hired or non-owned; (c) worker's compensation with statutory limits and employer's liability insurance with limits of not less than One Hundred Thousand Dollars (\$100,000) per accident, Five Hundred Thousand Dollars (\$500,000) aggregate disease coverage and One Hundred Thousand Dollars (\$100,000) disease coverage per employee; and (d) owners and contractors protective liability with limits of not less than Three Million Dollars (\$3,000,000) combined single limit for bodily injury and property damage (including personal injury and death). Tenant shall cause Tenant's Agents (other than Tenant's contractor) to carry such insurance as shall be reasonably approved by Port taking into account the nature and scope of the work and industry custom and practice.

(ii) In addition, Tenant shall carry "**Builder's All Risk**" insurance on a form reasonably approved by Port, in the amount of one hundred percent (100%) of the completed value of all new construction, insuring all new construction, including all materials and equipment incorporated in, on or about the Premises, and in transit or storage off-site, that are or will be part of the permanent Improvements, against "**all risk**" and "**special form**" hazards.

(iii) Tenant shall require all providers of professional services, including architectural, design, engineering, geotechnical, and environmental professionals under contract with Tenant for any Improvements or any Alterations to maintain professional liability

(errors or omissions) insurance, with limits not less than One Million Dollars (\$1,000,000.00) each claim and aggregate, with respect to all professional services provided to Tenant therefor.

(f) Property Insurance; Earthquake and Flood Insurance. Tenant shall maintain property insurance policies with coverage at least as broad as Insurance Services Office ("ISO") form CP 10 30 06 95 ("Causes of Loss – Special Form", or its replacement), including earthquake, subject to provisions of Section 17.6(b), and flood, subject to the provisions of Section 17.6(c), in an amount not less than one hundred percent (100%) of the then-current full replacement cost of the Improvements and other property being insured pursuant thereto (including building code upgrade coverage).

(g) Builders Risk Insurance. At all times prior to Completion of the Initial Tenant Improvements and during any period of Subsequent Alteration, Tenant shall maintain, on a form reasonably approved by Port, builders' risk insurance in the amount of one hundred percent (100%) of the completed value of all new construction, insuring all new construction, including all materials and equipment incorporated in, on or about the Premises, and in transit or storage off-site, that are or will be part of the permanent Improvements, against "all risk" and "special form" hazards, water damage (including groundwater damage and water damage resulting from backed up sewers and drains) and flood insurance (subject to the provisions of Section 17.6(c)).

(h) Boiler and Machinery Insurance. Unless same is not included within Tenant's property insurance, Tenant shall maintain boiler and machinery insurance covering damage to or loss or destruction of machinery and equipment located on the Premises or in the Improvements that is used by Tenant for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment.

(i) Business Interruption and Extra Expense Insurance. Tenant shall maintain business interruption and extra expense insurance for loss caused by any of the perils or hazards set forth in and required to be insured pursuant to Section 17.1(f) with a limit of not less than the annual Rent applicable immediately prior to the hazard causing the loss.

(j) Professional Liability. Tenant shall require all providers of professional services, including architectural, design, engineering, geotechnical, and environmental professionals under contract with Tenant for the Initial Tenant Improvements or any Subsequent Alteration to maintain professional liability (errors or omissions) insurance, with limits not less than One Million Dollars (\$1,000,000.00) each claim and aggregate, with respect to all professional services provided to Tenant therefor.

(k) Special Events/Participants. Tenant, at its sole cost and expense, shall procure and maintain Special Events/Participants Liability (GL) coverage insurance acceptable to Port, with limits not less than One Million Dollars (\$1,000,000.00).

(l) Liquor Liability. Coverage must be provided for bodily injury or property damage including damages for care, loss of service, or loss of support arising out of the selling or serving of any alcoholic beverages. Coverage for any "package" store as well as lounge facility must be specifically included. The following minimum limits of liability are required: Each Common Cause Limit One Million Dollars (\$1,000,000.00); Aggregate Limit Five Million Dollars (\$5,000,000.00).

(m) Personal Property Insurance. Tenant, at its sole cost and expense, shall procure and maintain on all of its personal property and Alterations, in, on, or about the Premises, property insurance on an all risk form, excluding earthquake and flood, to the extent of full replacement value. The proceeds from any such policy shall be used by Tenant for the replacement of Tenant's personal property.

(n) Other Coverage. Not more often than every year and upon not less than sixty (60) days prior written notice, Port may require Tenant to increase the insurance limits set forth above or to provide other coverage and/or different coverage amounts as may be required by Law, the City's Risk Manager or as is generally required by commercial owners of buildings similar in size, character, age and location as the Facility with respect to risks comparable to those associated with the use of the Premises.

**17.2. Claims-Made Policies.** If any of the insurance required in Section 17.1 above is provided under a claims-made form of policy, Tenant shall maintain such coverage continuously throughout the Term and without lapse for a period of three (3) years beyond the termination of this Lease, to the effect that should occurrences during the Term give rise to claims made after termination of this Lease, such claims shall be covered by such claims-made policies.

**17.3. Annual Aggregate Limits.** If any of the insurance required in Section 17.1 above is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.

**17.4. Payment of Premiums.** Tenant shall pay the *premiums* for maintaining all required insurance.

**17.5. Waiver of Subrogation Rights.** Notwithstanding anything to the contrary contained herein, Port and Tenant (each a "**Waiving Party**") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Facility or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Lease or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Facility or the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

**17.6. General Insurance Matters.**

(a) All liability insurance policies required to be maintained by Tenant hereunder shall contain a cross-liability clause, shall name as additional insureds by written endorsement the "**CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO PORT COMMISSION AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS,**" shall be primary and non-contributory to any other insurance available to the additional insureds with respect to claims arising under this Lease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

(b) As to earthquake insurance:

(i) During construction of the Initial Tenant Improvements, such insurance shall be in an amount at least equal to the maximum amount as is available at rates that are commercially reasonable for owners or operators of comparable restaurants located in the City and County of San Francisco, from recognized carriers (with a deductible of up to but not to exceed five percent (5%) of the then-current, full replacement cost of the Improvements or other property being insured pursuant thereto (including building code upgrade coverage and without any deduction being made for depreciation).

(ii) From and after Completion of the Initial Tenant Improvements, such insurance shall be in an amount at least equal to One Hundred percent (100%) of the maximum probable loss that would be sustained by the Premises as a result of an earthquake measuring 8.0 on the Richter Scale, as determined not less frequently than every 5 years by the

City's Risk Manager, but only at rates that are commercially reasonable for owners or operators of comparable restaurants located in the City and County of San Francisco.

**(c) As to flood insurance only:**

**(i)** During construction of the Initial Tenant Improvements, such insurance shall be in an amount at least equal to the maximum amount as is available at rates that are commercially reasonable for owners or operators of comparable restaurants located in the City and County of San Francisco, from recognized insurance carriers (with a deductible up to, but not to exceed fifteen percent (15%) of the then-current, full replacement cost of the Improvements or other property being insured pursuant thereto (including building code upgrade coverage and without any deduction being made for depreciation);

**(ii)** From and after Completion of the Initial Tenant Improvements, such insurance shall be in an amount at least equal to the amount available at rates that are commercially reasonable for owners or operators of comparable restaurants located in the City and County of San Francisco, from recognized insurance carriers, but only at rates that are commercially reasonable for owners or operators of comparable restaurants located in the City and County of San Francisco.

**(d)** All insurance policies required to be maintained by Tenant hereunder shall be issued by an insurance company or companies reasonably acceptable to Port with an AM Best rating of not less than A-VIII and authorized to do business in the State of California. Tenant's compliance with this Section shall in no way relieve or decrease Tenant's liability under this Lease.

**(e)** All insurance policies required to be maintained by Tenant hereunder shall be endorsed to provide for thirty (30) days prior written notice of cancellation for any reason, intended non-renewal, or reduction in coverage to Tenant and Port.

**(f)** Tenant shall deliver to Port certificates of insurance, additional insured policy endorsements and waiver of subrogation endorsements in a form satisfactory to and at the direction of Port, such as hard copy documentation or use of an internet-based insurance compliance tracking systems such as EXIGIS, evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Effective Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. If Port is using an internet-based insurance compliance tracking system, Tenant's broker shall complete the insurance questionnaire and submit all required documentation. Tenant shall, upon Port's request, promptly furnish Port with a complete copy of any insurance policy required hereunder.

## **18. DAMAGE AND DESTRUCTION.**

### **18.1. Prior to Delivery.**

**(a)** If, prior to Phase I Commencement Date as to the Phase I Premises or any part thereof or prior to the Phase II Commencement Date as to the Phase II Premises or any part thereof, the Facility or the Phase I Premises or the Phase II Premises, as the case may be suffers any damage from fire or other casualty in an amount of less than One Million Dollars (\$1,000,000), Tenant agrees that it shall take delivery in accordance with this Lease and all of Port's right, title and interest in and to the proceeds of any insurance covering such damage shall be assigned to Tenant upon delivery of such parcel(s).

**(b)** If prior to Phase I Commencement Date as to the Phase I Premises or any part thereof or prior to the Phase II Commencement Date as to the Phase II Premises or any part thereof, the Facility or the Phase I Premises or the Phase II Premises, as the case may be suffers any damage from fire or other casualty in excess of One Million Dollars (\$1,000,000), then either Party may elect to terminate this Lease, by written notice to the other Party delivered not less than one hundred twenty (120) days following the event that caused such damage. If

neither Party so terminates this Lease, all of Port's right, title and interest in and to the proceeds of any insurance covering such damage shall be assigned to Tenant and this Lease shall remain in effect. Tenant shall not be entitled to any additional rent credit, abatement or allowance under the Lease as a result of such casualty. Tenant shall, to the extent reasonably practicable, restore or secure the damaged property to the condition it was in immediately preceding the casualty.

(c) Following a termination pursuant to this Section 18.1, neither Party shall have any further right or obligation hereunder other than those that survive the termination of this Lease.

(d) Port will maintain its existing property insurance until the Phase I Commencement Date as to the Phase I Premises and the Phase II Commencement Date as to the Phase II Premises.

**18.2. After Delivery.** If, after the Phase I Commencement Date as to the Phase I Premises or any part thereof or after the Phase II Commencement Date as to the Phase II Premises or any part thereof the Facility or the Phase I Premises or the Phase II Premises, as the case may be is damaged by fire or other casualty, then Port shall repair the same provided that funds for such repairs are appropriated by Port, in its sole discretion, for such purpose and that such repairs can be made within the Repair Period. In the event such conditions are satisfied, this Lease shall remain in full force and effect except that so long as such damage or casualty is not attributable to Tenant, its Agents or Invitees, Tenant shall be entitled to a proportionate reduction of Base Rent during the Repair Period based upon the extent to which such damage and the making of such repairs materially interferes with Tenant's use or occupancy of the Premises less any insurance proceeds Tenant receives, or would have received if Tenant complied with the requirements set forth in Section 17 which proceeds are to be applied against the payment of Rent during any Repair Period.

Port shall use its commercially reasonable efforts to notify Tenant within ninety (90) days after the date of such damage whether or not such repairs can be made within the Repair Period, and Port's determination thereof shall be binding on Tenant. If such repairs cannot be made within the Repair Period, Port shall have the option to notify Tenant of: (a) Port's intention to repair such damage and diligently prosecute such repairs to completion within a reasonable period after the Repair Period, subject to appropriation of funds, in which event this Lease shall continue in full force and effect and the monthly Base Rent shall be reduced as provided herein; or (b) Port's election to terminate this Lease as of the date specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after notice is given by Port. In case of termination, the monthly Base Rent shall be reduced as provided above, and Tenant shall pay such reduced monthly Base Rent up to the date of termination.

If Port elects not to appropriate funds for such repair, Port shall give written notice to Tenant within sixty (60) days after the date Port elects not to appropriate funds of its election to terminate this Lease as of the date specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after notice is given by Port. In case of termination, the monthly Base Rent shall be reduced as provided above, and Tenant shall pay such reduced monthly Base Rent up to the date of termination.

Within thirty (30) days after receipt of Port's notice to terminate, Tenant shall have the right (but not the obligation) to notify Port that Tenant will provide the funds and perform such repair, and shall provide Port with such reasonable assurances as Port may require that such funds are available to Tenant. If Tenant exercises the foregoing option, Port's election to terminate shall be deemed rescinded and of no further force or effect and Tenant shall promptly (allowing for securing necessary Regulatory Approvals), commence and diligently repair and restore the damaged Premises and/or the Facility to the condition they were in immediately before such casualty in accordance with then applicable Laws (including any required code upgrades, the Secretary's Standards and Port's Guidelines), without regard to the amount of



availability of insurance proceeds. All repair and restoration shall be performed in accordance with Section 13 and shall be at Tenant's sole cost and expense. In no event will Tenant be entitled to any reimbursement from Port or any rent credit, offset, or abatement in connection with any cost and expense incurred by Tenant for the repair and restoration of the damaged Premises and/or the Facility.

If at any time during the last six (6) months of the Term, the Premises or the Facility is damaged or destroyed, then either Port or Tenant may terminate this Lease by giving written notice to the other party of its election to do so within thirty (30) days after the date of the occurrence of such damage; provided, however, Tenant may terminate only if such damage or destruction substantially impairs its use or occupancy of the Premises for the Permitted Use. The effective date of termination shall be specified in the notice of termination, which date shall not be more than thirty (30) days from the date of the notice.

Except for the rights to terminate as set forth in this Section, no damage to or destruction of the Premises or any part thereof from any casualty event shall permit Tenant to surrender this Lease or relieve Tenant from any obligations, including the obligation to pay Rent. Notwithstanding anything to the contrary in this Lease, (i) Port shall have no obligation to repair the Premises or the Facility, and (ii) Tenant shall not be entitled to terminate this Lease, in the event the damage or destruction is attributable to any act or omission of Tenant, its Agents, or Invitees. In no event shall Port be required to repair any damage to Tenant's Property or any paneling, decorations, railings, floor coverings, or any Improvements or other Alterations installed or made on the Premises by or at the expense of Tenant. Proceeds of rental interruption or business interruption insurance, if any, will be applied first to unpaid Rent due or coming due.

**18.3. Waiver.** Port and Tenant intend that the provisions of this Section 18 govern fully in the event of any damage or destruction and accordingly, Port and Tenant each hereby waives the provisions of Section 1932, subdivision 2, Section 1933, subdivision 4, Sections 1941 and 1942 of the Civil Code of California or under any similar Law now or hereafter in effect.

## **19. EMINENT DOMAIN.**

**19.1. General.** If all or part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, this Lease shall terminate as to any portion of the Premises so taken or conveyed on the Date of Taking.

**19.2. Partial Takings.** If (a) a part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, and (b) Tenant is reasonably able to continue the operation of Tenant's business in that portion of the Premises remaining, and (c) Port elects to restore the Premises to an architectural whole, then this Lease shall remain in effect as to the portion of the Premises remaining, and the Base Rent payable from the Date of Taking shall be reduced by an amount that is in the same ratio to the Base Rent as the value of the area so taken bears to the total value of the Premises immediately before the Date of Taking. If, after a partial taking, Tenant is not reasonably able to continue the operation of its business in the Premises or Port elects not to restore the Premises to an architectural whole, this Lease may be terminated by either Port or Tenant by giving written notice to the other party no earlier than thirty (30) days prior to the Date of Taking and no later than thirty (30) days after the Date of Taking. Such notice shall specify the date of termination, which shall be not less than thirty (30) nor more than sixty (60) days after the date of notice.

**19.3. Taking of the Facility.** If any substantial portion of the Facility is taken under the power of eminent domain or conveyance in lieu thereof, whether any portion of the Premises is taken or not, Port shall have the right to terminate this Lease by written notice to Tenant within thirty (30) days of the Date of Taking.

**19.4. Temporary Takings.** Notwithstanding anything to the contrary contained in this Section 19, if a taking occurs with respect to all or any part of the Premises for a limited period of time, this Lease shall remain unaffected thereby and Tenant shall continue to pay Rent and to

perform all of the terms, conditions and covenants of this Lease. Tenant shall be entitled to receive that portion of any award representing compensation for its occupancy of the Premises up to the total Rent owing by Tenant for the period of the taking, and Port shall be entitled to receive the balance of any award.

**19.5. Award; Waiver; Termination of Lease; Rent.** Upon termination of this Lease in its entirety pursuant to Section 19.3, or pursuant to an election under Section 19.2, then: (i) Tenant's obligation to pay Rent shall continue up until the date of termination and thereafter shall cease, and (ii) Port shall be entitled to the entire Award in connection therewith (including, but not limited to, any portion of the Award made for the value of the leasehold estate created by this Lease and any Improvements Pertaining to the Realty), and Tenant shall have no claim against Port for the value of any unexpired term of this Lease, provided that Tenant may make a separate claim for compensation, and Tenant shall receive any Award made specifically to Tenant, for Tenant's relocation expenses or the interruption of or damage to Tenant's business or damage to Tenant's Property. Port and Tenant intend that the provisions of Section 19 shall govern fully in the event of condemnation and accordingly, Port and Tenant each hereby waive any right to terminate this Lease in whole or in part under Sections 1265.110, 1265.120, 1265.130, and 1265.140 of the California Code of Civil Procedure or under any similar law now or hereafter in effect.

## **20. INDEMNITY AND EXCULPATION.**

**20.1. Indemnity Prior to Delivery.** After the Effective Date and before the Phase I Commencement Date as to the Phase I Premises and before the Phase II Commencement Date as to the Phase II Premises, and without limiting any indemnity provisions contained in any other agreement between Port and Tenant or under Law, Tenant shall Indemnify the Indemnified Parties from and shall defend them, without cost to the Indemnified Parties against any and all Claims arising directly or indirectly, out of: (a) any accident, injury to or death of any person, including any Agents and/or Invitees of Tenant, or loss or damage to or destruction of any property occurring in, on or about the Premises, the Facility or any other Port property, caused or permitted by any acts or omissions of Tenant, its Agents or Invitees, or (b) any default by Tenant in the observance or performance of any of the terms, covenants or conditions of this Lease, or (c) the use, occupancy, manner of use or occupancy or the activities therein by Tenant, its Agents or Invitees, or (d) any acts, omissions or negligence of Tenant, its Agents or Invitees, in, on or about the Premises, the Facility or any other Port property, or (e) Claims by NPS or a Ferry Concessioner against Port if arising directly or indirectly out of Tenant's acts or omissions under this Lease, including without limitation any default or breach of Tenant's obligations under this Lease.

**20.2. Indemnity After Delivery.** Tenant shall Indemnify the Indemnified Parties from, and shall defend them, without cost to the Indemnified Parties, against any and all Claims arising directly or indirectly out of: (a) any accident, injury to or death of any person, including any Agents and/or Invitees of Tenant, or loss or damage to or destruction of any property occurring in, on or about the Premises, the Facility or any other Port property, from any cause whatsoever, or (b) any default by Tenant in the observance or performance of any of the terms, covenants or conditions of this Lease, including the provisions of Section 21, or (c) the use, occupancy, manner of use or occupancy, or condition of the Premises or the activities therein by Tenant, its Agents, or Invitees, or (d) any construction or other work undertaken by Tenant on the Premises whether before or during the Term (including without limitation, failure to construct the Initial Tenant Improvements in compliance with this Lease), (e) any acts, omissions or negligence of Tenant, its Agents or Invitees, in, on or about the Premises, the Facility or any other Port property, or (f) Claims by NPS or a Ferry Concessioner against Port if arising directly or indirectly out of Tenant's acts or omissions under this Lease, including without limitation any default or breach of Tenant's obligations under this Lease.

### **20.3. *Hazardous Materials Indemnity.***

(a) In addition to its obligations under Sections 20.1 and 20.2, Tenant, for itself and on behalf of its Agents and Invitees, agrees to Indemnify the Indemnified Parties from any and all Claims and Hazardous Material Claims that arise as a result of: (i) any Hazardous Material Condition, and (ii) Tenant's Exacerbation of any Hazardous Material Condition. Unless Tenant or its Agents or Invitees Exacerbate the Hazardous Material Condition, Tenant's indemnity obligations do not include Claims arising as a result of any Hazardous Material Condition: (i) caused solely by City, Port, or their Agents during Tenant's occupancy of the Premises; or (ii) arising before the Phase I Commencement Date as to the Phase I Premises and before the Phase II Commencement Date as to the Phase II Premises.

(b) Tenant's obligation to Indemnify the Indemnified Parties includes: (i) costs incurred in connection with any Investigation or Remediation requested by Port or required by any Environmental Regulatory Agency and to restore the affected area to its condition before the Release; (ii) damages for diminution in the value of the Premises or the Facility; (iii) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Facility; (iv) damages arising from any adverse impact on marketing the space; (v) sums paid in settlement of Claims, Hazardous Material Claims, Environmental Regulatory Actions, including fines and penalties; (vi) natural resource damages; and (vii) attorneys' fees, consultant fees, expert fees, court costs, and all other litigation, administrative or other judicial or quasi-judicial proceeding expenses. If Port pays any costs within the scope of this section, Tenant must reimburse Port for Port's costs, plus interest at the Interest Rate from the date Port incurs each cost until paid, within three (3) business days after Port's payment demand. Tenant's obligations hereunder shall survive the expiration or earlier termination of this Lease.

**20.4. *Scope of Indemnities.*** The Indemnification obligations of Tenant set forth in this Lease shall be enforceable regardless of the joint or concurrent, active or passive negligence of the Indemnified Parties, and regardless of whether liability without fault is imposed or sought to be imposed on the Indemnified Parties. The Indemnification obligations of Tenant set forth in this Lease shall be enforceable except to the extent that such Indemnity is void or otherwise unenforceable under applicable Law in effect on, or validly retroactive to, the date of this Lease. Except as specifically provided otherwise, the Indemnification obligations of Tenant set forth in this Lease shall exclude Claims resulting solely from the willful misconduct or gross negligence of the Indemnified Parties.

In addition to Tenant's obligation to Indemnify the Indemnified Parties, Tenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend the Indemnified Parties from any Claim which actually or potentially falls within the Indemnification obligations of Tenant set forth in this Lease, even if the allegations are or may be groundless, false or fraudulent. This Indemnification by Tenant shall begin from the first notice that any claim or demand is or may be made and shall continue at all times thereafter.

Without limiting Tenant's Indemnity obligations with respect to the Premises or the Facility, Port agrees that Tenant's Indemnity for Claims relating to "other Port property" as set forth above in Subsection 20.1 and 20.2 applies only if such Claims arise directly or indirectly out of Tenant's, its Agent's or Invitee's acts, omissions or negligence.

**20.5. *Exculpation and Waiver.*** Tenant, as a material part of the consideration to be rendered to Port, hereby waives and the Indemnified Parties shall not be responsible for or liable to Tenant, and Tenant hereby assumes the risk of, and waives and releases the Indemnified Parties from any and all Claims, including without limitation all Claims arising from the joint or concurrent, active or passive, negligence of the Indemnified Parties, for, any injury, loss or damage to any person or property in or about the Premises by or from any cause whatsoever including, without limitation, (i) any act or omission of persons occupying adjoining premises or any part of the Facility or Embarkation Site adjacent to or connected with the Premises; (ii) theft;

(iii) explosion, fire, steam, oil, electricity, water, gas or rain, pollution or contamination; (iv) stopped, leaking or defective Facility Systems; (v) Facility defects; (vi) damages to goods, wares, goodwill, merchandise, equipment or business opportunities; (vii) Claims by persons in, upon or about the Premises, the Facility or any other Port property for any cause arising at any time; (viii) alleged facts or circumstances of the process or negotiations leading to this Lease prior to the Effective Date including without limitation, claims under the Port/NPS Agreement; (ix) Claims by NPS or a Ferry Concessioner against Port if arising directly or indirectly out of Tenant's acts or omissions under this Lease, including without limitation any default or breach of Tenant's obligations under this Lease; (x) Claims arising directly or indirectly out of a Ferry Concessioner's acts or omissions including without limitation, the Initial Ferry Concessioner's failure to complete required improvements to the bulkhead; (xi) inability to use all or any portion of the Premises due to flood risk, sea level rise, a CHE Determination Notice, Threat Determination or other conditions more fully described in Section 14; and (xii) any other acts, omissions or causes, but excluding from the above (A) any Claims caused solely by the Indemnified Parties' willful misconduct or gross negligence and (B) any Claims caused by Port's failure to perform its maintenance and repair obligations as set forth in this Lease subject to the limitations of Section 11.1.

Tenant understands and expressly accepts and assumes the risk that any facts concerning the Claims released in this Lease might be found later to be other than or different from the facts now believed to be true, and agrees that the releases in this Lease shall remain effective. Therefore, with respect to the Claims released in this Lease, Tenant waives any rights or benefits provided by Section 1542 of the Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Tenant specifically acknowledges and confirms the validity of the release made above and the fact that Tenant was represented by counsel who explained the consequences of the release at the time this Lease was made, or that Tenant had the opportunity to consult with counsel, but declined to do so.

**20.6. *Survival.*** The provisions of Section 20 shall survive the expiration or earlier termination of this Lease.

## **21. MORTGAGE, ASSIGNMENT AND SUBLEASING.**

**21.1. *Mortgage.*** Except with NPS's and Port's express prior written consent, each independently and in its sole and absolute discretion, Tenant shall not (i) engage in any financing or other transaction creating any mortgage, deed of trust or similar security instrument upon Tenant's leasehold estate in the Premises or Tenant's interest in the Improvements under this Lease; or (ii) place or suffer to be placed upon Tenant's leasehold estate in the Premises or interest in the Improvements hereunder any lien or other encumbrance. Under no circumstance whatsoever shall Tenant place or suffer to be placed any lien or encumbrance on Port's fee interest in the land in connection with any financing permitted hereunder, or otherwise. Port shall not subordinate its interest in the Premises, nor its right to receive Rent, to any Mortgagee of Tenant. Any mortgage, deed of trust, encumbrance or lien not permitted by Port shall be deemed to be a violation of this covenant on the date of its execution or filing of record regardless of whether or when it is foreclosed or otherwise enforced. Tenant may seek Port's consent to any transaction subject to this Section only upon receipt of NPS's written consent to such transaction.

**21.2. Transfer.** This Lease is non-Transferable except as provided herein.

(a) Tenant must obtain Port's prior written consent to any Transfer, which Port will not withhold unreasonably.

(i) Tenant agrees that any of the following will be a reasonable basis for Port to withhold its consent: (1) at the time Tenant requests Port's consent, an Event of Default, or an event that with notice or the passage of time or both would constitute an Event of Default if not cured, has occurred and remains uncured; (2) the Transfer is an Assignment or a Sublease by a Transferee of Tenant; (3) the Transferee's financial condition is or may become insufficient to support all of the financial and other obligations of this Lease; (4) the Transferee's intended use of the Premises is inconsistent with this Lease or otherwise will affect any Port interest materially and adversely; (5) the nature of the Transferee's use of the Premises would involve an increased risk of the Handling or Release of Hazardous Materials or of fire or other casualty; (6) the business reputation or character of the Transferee or any of its affiliates is not reasonably acceptable to Port; (7) the Transferee is not likely to conduct a business in the Premises of a quality substantially equal to Tenant's or otherwise reasonably acceptable to Port; or (8) NPS has not agreed to a Transfer.

(ii) Tenant also agrees that Port will have the right to impose reasonable conditions to a requested consent to a Transfer, which may include: (1) requiring the Transferee to assume all of Tenant's obligations under this Lease; and (2) giving Port the right to terminate without notice all of Tenant's then-existing Subleases if this Lease is terminated before the existing Subleases expire.

(b) At least sixty (60) days before any Transfer, Tenant must give Port a Transfer Notice and the following: (i) financial statements for the three (3) years before the Transfer Date (or each year of the proposed Transferee's existence, if shorter) for the Transferee and for any other Person who will be liable for Tenant's obligations under this Lease; (ii) Tenant's current financial statements; (iii) a copy of the proposed Transfer Agreement; (iii) the Transferee's completed pre-screening and leasing application; and (iv) evidence of NPS's prior written consent to such Transfer. In addition, Tenant must provide: (1) any other information, documentation, or evidence that Port requests to enable Port to evaluate the Transfer and the Transferee; and (2) if any of the Transfer Terms are modified before the Transfer Date, a new Transfer Notice and all relevant documentation for any modified Transfer Terms. Tenant's Transfer Notice will not be complete until Tenant has provided Port with all information required under this Subsection.

(i) For up to thirty (30) days after receipt of the complete Transfer Notice, Port will have the right to: (1) terminate this Lease as of the proposed Transfer Date; (2) sublease or take an assignment from Tenant of the interest that Tenant proposes to Transfer, on the same terms and conditions as stated in the Transfer Agreement; and (3) negotiate and contract directly with the Transferee on terms acceptable to Port in its sole and absolute discretion; provided however, that if Port wishes to exercise its rights under this Section, Tenant has the right to rescind its Transfer Notice.

(c) If Port consents to the Transfer, Tenant must close the Transfer on the Transfer Terms stated in the Transfer Notice within ninety (90) days after Port notifies Tenant of Port's consent. If the Transfer Agreement does not close within the 90-day period, then Port's consent will expire, unless Tenant gives Port a new Transfer Notice, in which case Port again will be entitled to exercise any of the options under this Section.

(d) Any Transfer that does not comply with this Section fully will constitute an incurable Event of Default and will be void as to Port and this Lease. Port's consent to one Transfer will have no effect with respect to any other Transfer.

(e) Tenant agrees to reimburse Port for all costs, including attorneys' fees, that Port incurs to review, investigate, process, document, disapprove, or approve any Transfer request.

(f) Transfer Agreement Requirements. Any Transfer Agreement must include the provisions set forth below.

(i) The Transferee's express assumption of, and acknowledgement and agreement that the Transferee will be jointly and severally liable for, all of Tenant's obligations under this Lease;

(ii) The Indemnification clause and waiver of claims provisions in Section 20 (Indemnity and Exculpation);

(iii) Insurance provisions requiring that all of the Transferee's liability and other insurance policies name "*The City and County of San Francisco, the San Francisco Port Commission, and their officers, agents, employees, and representatives*" as additional insureds and acknowledging Port's right to demand increased coverage to amounts customarily required by other San Francisco landlords for premises where business activities similar to the Transferee's are conducted;

(iv) A provision stating that if this Lease is terminated for any reason, the Transferee's right to possession under the Transfer Agreement will terminate; and

(v) A provision under which the Transferee expressly waives any and all relocation assistance and benefits in connection with this Lease to the extent permitted by applicable Laws.

**21.3. Sale .** In addition to all requirements in Section 21.2, the following provisions apply to any Transfer in the form of a Sale.

(a) Tenant must pay to Port fifteen percent (15%) of Tenant's Net Sale Proceeds as Port's Sale Participation, concurrently with and as a condition to the Sale Closing. If Tenant operates at multiple locations, then Port's Sale Participation will be calculated using only the Gross Sale Proceeds, Net Sale Proceeds, and Costs of Sale reasonably attributable to the Premises.

(b) As soon as available after Port consents to the Sale, Tenant must deliver to Port an estimated closing statement that includes Tenant's best estimate of: (i) Gross Sale Proceeds; (ii) Costs of Sale; (iii) Net Sale Proceeds; and (iv) Port's Sale Participation. The closing statement must be updated and delivered to Port the business day before the Sale Closing. If an escrow account is not established for the Sale, Tenant's chief financial officer or independent accountant must certify to Port under penalty of perjury the accuracy of the final closing statement or provide a detailed accounting of and documentation supporting any variances from the estimated closing statement in form and content reasonably acceptable to Port. Tenant must submit the amount of any underpayment with the certificate or accounting. Tenant's obligation to pay Port's Sale Participation will survive the Sale Closing and the expiration or termination of this Lease.

(c) If Tenant Completed the Initial Tenant Improvements as of the Sale Closing, Net Sale Proceeds will be reduced by Tenant's Adjusted Basis, but only if Port previously approved Tenant's Certified Construction Costs as follows.

(i) Within ninety (90) days after Completion of the Initial Tenant Improvements, Tenant must deliver to Port a Construction Costs Report in form and content acceptable to Port in its reasonable discretion, accompanied by a CPA's agreed-upon procedures report prepared in accordance with AICPA standards for compliance attestation and specifying Port as an intended user. Port will notify Tenant in writing whether Port agrees or disagrees with Tenant's Construction Costs Report within ninety (90) days after receiving it. Port will have the

right to inspect Tenant's Books and Records for the Construction Costs Report. Tenant must keep accurate Books and Records of all Construction until the later of two (2) years after Tenant's submission of its Construction Costs Report or six (6) months after any dispute regarding the Construction Costs has been resolved. Tenant's failure to submit a Construction Costs Report as and when required under this Section will be deemed a waiver of its right to make a reduction to Net Sale Proceeds.

For example, if: (i) Initial Tenant Improvements have a Class Life of 15 years; (ii) Certified Construction Costs are \$3 million; (iii) Gross Sale Proceeds are \$10 million; (iv) Costs of Sale are \$200,000, leaving Net Sale Proceeds of \$9.8 million; and (v) the Closing Date is the 6th anniversary of the "placed in service" date of the Initial Tenant Improvements, then Port's Sale Participation is \$1,170,000, as shown in the calculation below.

Gross Sale Proceeds:	\$10,000,000
Costs of Sale:	\$200,000
Net Sales Proceeds before Adjusted Basis reduction:	\$9,800,000
Certified Construction Costs of the Initial Tenant Improvements:	\$3,000,000
Adjusted Basis (10/15 years unamortized):	\$2,000,000
Net Sales Proceeds less Adjusted Basis:	\$7,800,000
Port's Sale Participation @ 15% of adjusted Net Sales Proceeds:	\$1,170,000

#### **21.4. *Subleasing by Tenant.***

**(a) Subleases.** Tenant will not Sublease any portion of the Premises without the prior written consent of Port which will not be unreasonably withheld. All Subleases must be in full compliance with all of the terms and provisions of this Section 21.4. A Sublease without Port's consent will be voidable by Port, in its sole discretion. Tenant may seek Port's consent to a Sublease subject to this Section only upon receipt of NPS's written consent to such transaction.

**(b) Request for Sublease.** Tenant must give Port at least thirty (30) days written notice before entering into a proposed Sublease (herein "**Notice of Request to Sublease**") and provide Port with the following information in writing: (a) the name, address, legal composition and ownership of the proposed Subtenant, (b) reasonably adequate evidence that the proposed Subtenant's financial condition and prospects are sufficient to support all of the financial and other obligations of the proposed Sublease, (c) a full description of the terms and conditions of the proposed Sublease, including copies of any and all proposed agreements concerning the proposed Sublease, (d) a description of the proposed use by the proposed Subtenant, (e) the material terms of any proposed Sublease, including all payments to be made or other consideration to be given in connection with the Sublease, and (f) evidence of NPS's prior written consent to such Sublease. Until such time as Tenant has provided to Port all information set forth hereinabove, Tenant's Notice of Request to Sublease will not be deemed to have been served or given. Tenant will immediately notify Port of any modifications to the proposed terms of the Sublease.

**(c) Port's Options.** Upon receiving a Notice of Request to Sublease, Port will have the right to either (1) consent to the proposed Sublease, which consent shall not be unreasonably withheld, subject to any reasonable conditions upon such Sublease or (2) deny its consent to the proposed Sublease on the following reasonable grounds: (1) at the time Tenant requests Port's consent, an Event of Default, or an event that with notice or the passage of time or both would constitute an Event of Default if not cured, has occurred and remains uncured; (2) that the proposed Subtenant's financial condition and prospects are or could become insufficient to support all of the financial and other obligations of the proposed Sublease; (3) that the use to which the Premises will be put by the proposed Subtenant is inconsistent with

the terms of this Lease or otherwise will affect any Port interest materially and adversely; (4) the business reputation or character of the proposed Subtenant is not reasonably acceptable to Port or the proposed Subtenant is not likely to conduct a business in the Premises of a quality substantially equal to Tenant's or otherwise reasonably acceptable to Port; (5) that the nature of the proposed Subtenant's intended or likely use of the Premises would involve an unmitigated risk of the Handling, Release or mishandling of Hazardous Materials and Port reasonably believes that the measures proposed by Subtenant are insufficient to mitigate the risk of Handling or Release of Hazardous Materials by Subtenant, or otherwise materially increase the risk of fire or other casualty; (5) that the Sublease rental rate does not reflect an arm's length transaction; (6) that the Sublease rental rate is below the fair market rent for similar use and type of premises; (7) failure of the Sublease to contain provisions specified in this Lease; or (8) NPS has not consented to the Sublease.

(d) Required Provisions in Subleases. Each and every Sublease must contain all the following provisions:

(i) the Indemnification clause and waiver of claims provisions in Section 19 (Indemnity and Exculpation);

(ii) insurance provisions requiring that all of the Subtenant's liability and other insurance policies name "*The City and County of San Francisco, the San Francisco Port Commission, and their officers, agents, employees, and representatives*" as additional insureds and acknowledging Port's right to demand increased coverage to amounts customarily required by other San Francisco landlords for premises where business activities similar to the Subtenant's are conducted;

(iii) a provision stating that if this Lease is terminated for any reason, the Subtenant's right to possession under the Sublease will terminate;

(iv) an express waiver of any and all relocation assistance and benefits in connection with this Lease to the extent permitted by applicable Laws;

(v) a requirement that the Subtenant must pay the rent and other sums due under the Sublease directly to Port upon receiving Port's written notice that Tenant is in default under this Lease, a copy of which Port will deliver to Tenant.

(vi) a provision stating that in the event of termination, reentry or dispossession by Port under this Lease Port may, at its option, take over all of the right, title and interest of Tenant under such Sublease, and such Subtenant shall, at Port's option, attorn to Port pursuant to the then executory provisions of such Sublease;

(vii) a statement that the Sublease is subject to and subordinate to this Lease;

(viii) a prohibition on assignment or further subleasing, in whole or in part, without Port's consent, which may be given or withheld in Port's sole discretion;

(ix) a provision similar to Section 25 (Port's Entry) requiring Subtenant to permit Port to enter its subleased space for the purposes specified in that Section; and

(x) a provision similar to Section 35 (Tenant Estoppel) requiring Subtenant, from time to time, to provide Port an estoppel certificate substantially similar to the form attached hereto as **Exhibit L**; and

(e) Any Sublease that does not comply with this Section fully including without limitation Tenant's failure to seek or obtain Port's consent when such consent is required, will constitute an incurable Event of Default and will be void as to Port and this Lease. Port's consent to one Sublease will have no effect with respect to any other Sublease.



(f) Copy of Executed Sublease. Tenant shall provide Port a true and complete copy of each executed Sublease within thirty (30) days after the execution thereof. Each executed Sublease must contain substantially the same (or more favorable to the landlord) business terms as set forth in the applicable Notice of Request to Sublease.

(g) Excess Rent. Tenant agrees to pay to Port immediately upon receipt all Excess Rent, less Subleasing Expenses, as Additional Rent. In calculating Excess Rent, Subleasing Expenses will be amortized on a straight-line basis over the term of the Sublease, without interest. For example, if: (i) the term of the Sublease is 5 years; (ii) Sublease rent is \$5,000 per month; (iii) Tenant's concurrent Rent payable for the Sublease premises is \$3,000 per month; (iv) Tenant's Subleasing Expenses are \$30,000, then the amount of Excess Rent Tenant must pay to Port in connection with the Sublease is \$1,500 per month, as shown in the calculation below.

Term of Sublease:	5 years x 12 months = 60 months
Subleasing Expenses:	\$30,000
Amortized Subleasing Expenses:	$\$30,000 / 60 \text{ months} = \$500/\text{month}$
Excess Rent:	$\$5,000/\text{month} - \$3,000/\text{month} = \$2,000/\text{month}$
Additional Rent:	$\$2,000/\text{month} - \$500/\text{month} = \$1,500/\text{month}$

(h) Retention for Reinvestment. Subject to the requirements of this Section, Tenant shall be entitled to retain from the payment of Excess Rent an amount of up to one percent (1%) of its Gross Revenues from a Sublease for the sole purpose of re-investing in future tenant improvements (including hard and soft costs) other than the Initial Tenant Improvements, improvements in the Capital Investment and Improvement Plan or any other maintenance and repair obligations or improvements required under this Lease (the retention cannot be used for any required costs or obligations) ("**Retention for Reinvestment**"). The Retention for Reinvestment amount shall not exceed Fifty thousand dollars (\$50,000) in any twelve (12) month period or a total of Two Hundred Fifty thousand dollars (\$250,000) at any one time. All Retention for Reinvestment amounts must be reinvested in tenant improvements within five (5) years of the date of retention accrual. Port is entitled to any Retention for Reinvestment amounts that exceed the maximum amounts specified in this Section, any amounts that are not properly used for the purposes specified in this Section and all unexpended amounts upon expiration or earlier termination of this Lease.

Nothing in this Section is intended to affect Tenant's obligation to pay Percentage Rent in the amount shown in the Basic Lease Information. For purposes of clarity, the 1% retention from Gross Revenues must be over and above the 7.5% of Gross Revenues payable to Port as Percentage Rent.

(i) In each Monthly Percentage Rent Statement and Annual Statement, Tenant shall report in reasonable detail and with supporting documentation requested by Port: Subleasing Expenses, Excess Rent, and the amounts, balance and expenditures of any Retention for Reinvestment for such immediately preceding calendar month or Lease Year, as applicable.

**21.5. Assignment of Sublease Rents.** Tenant immediately and irrevocably assigns to Port, as security for Tenant's obligations under this Lease, all of Tenant's interest in any rent from any Sublease, except that, until the occurrence of a Tenant Event of Default, Tenant has the right to receive, collect and enjoy such rents. Subtenant will pay the rent and other sums due under any Sublease directly to Port upon receiving written notice from Port that Tenant is in default under this Lease with respect to the payment of Rent. In the event that, notwithstanding the giving of such notice, Tenant collects any rent or other sums from any Subtenant, then

Tenant will hold such sums in trust for the benefit of Port and will immediately forward the same to Port. Port's collection of such rent and other sums will not constitute an acceptance by Port or attornment by such Subtenant.

**21.6. *No Further Consent Implied.*** No material terms of an Assignment or Sublease after approval by Port, may be amended without Port's prior written consent. Consent to one Assignment or Sublease will not be construed as consent to a subsequent Assignment or Sublease.

**21.7. *Fees for Review.*** Tenant will reimburse Port for its reasonable costs in connection with the review, investigation, processing, documentation, disapproval and/or approval of any proposed Mortgage, Assignment or Sublease including without limitation reasonable attorneys' fees and costs.

**21.8. *No Release of Tenant.*** The acceptance by Port of Rent or other payment from any other person will not be deemed to be a waiver by Port of any provision of this Lease or to be a release of Tenant from any obligation under this Lease.

**21.9. *Notice to Port.*** In addition to the obligations under Section 6.2, within thirty (30) days of entering into any agreement under which Tenant grants any person the right to occupy or use any portion of the Premises for any period of time, including without limitation, any assignment, sublease, license, permit, concession or vendor agreement or other agreement or renewal thereof, Tenant shall provide written notice to Port and a copy of such agreement, regardless of whether Port consent is required under this Lease for such agreement. Tenant agrees to provide such further information as may be requested by City or Port to enable compliance with reporting obligations under state Law and San Francisco Administration Code Sections 23.38 and 23.39 (or any successor ordinance).

**21.10. *Transfer/Sublease Audit.*** Tenant agrees to make its Books and Records available to, and cooperate with, any Port representative for the purpose of conducting an audit under the terms and conditions described in Section 5.3 of the accuracy of Tenant's financial reporting on a Transfer or Sublease during the Audit Period. If an audit reveals that Tenant has understated any amounts owed to Port during said Audit Period, Tenant shall pay Port, promptly upon demand, the difference between the amount Tenant has paid and the amount it should have paid to Port, plus interest at the Interest Rate from the date of the error in the payment. If an audit reveals that Tenant has overstated amounts owed to Port for said Audit Period, Tenant shall be entitled to a credit against Base Rent next owed equal to the difference between the amount Tenant has paid and the amount it should have paid to Port. If Tenant understates amounts owed to Port for any Audit Period by three percent (3%) or more, Tenant shall pay the cost of the audit. A second understatement within any three (3) Lease Year period of the first such understatement shall be considered an Event of Default.

**21.11. *Acknowledgement.*** Tenant acknowledges and agrees that Port's rights with respect to Transfers are reasonable limitations for purposes of California Civil Code Section 1951.4 and waives any Claims arising from Port's actions under this Section 21.

**21.12. *Transfer Definitions.*** For the purpose of this Section, references to this Lease and the Premises mean this Lease and the Premises to the extent Tenant's leasehold interest is affected by a Transfer. Other applicable definitions are in Section 2.

## **22. DEFAULT BY TENANT.**

Any of the following shall constitute an event of default (the "**Event of Default**") by Tenant hereunder:

(a) failure to pay to Port any Rent or other sum payable hereunder when due, and such default continues for a period of three (3) days following written notice from Port. Notwithstanding the foregoing, Port shall not be required to provide such notice more than twice during any 12-month period, and any such failure by Tenant after Tenant has received

two (2) such notices in such 12-month period shall constitute an Event of Default by Tenant hereunder without any further action by Port or opportunity of Tenant to cure except as may be required by Section 1161 of the California Code of Civil Procedure; or

(b) failure by Tenant to deliver the Monthly Percentage Rent Statement or Annual Statement when due and such default continues for a period of three (3) days following written notice from Port. Notwithstanding the foregoing, Port shall not be required to provide such notice more than twice during any twelve (12) month period, and any such failure by Tenant after Tenant has received two (2) such notices in such twelve (12) month period shall, at the option of Port, constitute an Event of Default by Tenant hereunder without any further action by Port (including, but not limited to, notice to Tenant of such failure) or opportunity of Tenant to cure except as may be required by Section 1161 of the California Code of Civil Procedure; or

(c) a second understatement by Tenant of its Gross Revenues or any Assignment/Sublease proceeds owed to Port for any Audit Period within any three (3) Lease Year period of the first such understatement; or

(d) failure to comply with Tenant's management covenants set forth in Section 30, as determined by Port in its sole and absolute discretion and such failure continues for a period of two (2) days following written notice from Port; or

(e) abandonment or vacation of the Premises by Tenant; or

(f) failure to pay Port at close of escrow of any Sale, Port's Participation in Net Sale Proceeds and such default continues for a period of three (3) days following written notice from Port; or

(g) failure to use the Premises solely for the Permitted Use, as determined by Port in its sole and absolute discretion and such failure continues for a period of twenty-four (24) hours following written notice from Port; or

(h) failure by Tenant to execute and deliver to Port the estoppel certificate within the time period and in the manner required by Section 35 below, and Tenant's failure to cure the foregoing default within five (5) days following written notice from Port; or

(i) failure by Tenant to submit a Pier Flood Protection Plan within the time period set forth in the CHE Determination Notice; failure to implement any required Pier Flood Protection Measures or the Approved Pier Flood Protection Plan within the time required in the CHE Determination or failure to otherwise comply with the provisions of Section 14 within the time specified for such task in Section 14; or

(j) a Mortgage, Transfer or Sublease, or attempted Mortgage, Transfer, or Sublease of the leasehold, this Lease or the Premises by Tenant contrary to the provision of Section 21; or

(k) failure by Tenant or Tenant's broker as applicable to provide evidence of insurance coverage complying with the provisions of Section 17 above, failure to maintain any insurance required to be maintained by Tenant pursuant to this Lease, or if any such insurance shall be canceled or terminated or shall expire or be reduced or materially changed, except as permitted in this Lease, and Tenant's or Tenant's broker's failure to deliver evidence of such coverage or failure to reinstate such coverage, all within three (3) business days following written notice from Port; or

(l) failure by Tenant to comply with the provisions of Section 16 above and Tenant's failure to cure the foregoing default within twenty-four (24) hours following written notice from Port. If such default cannot reasonably be cured within such twenty-four (24) hour period, Tenant shall not be in default of this Lease if Tenant commences to cure the default within such twenty-four (24) hour period and diligently and in good faith continues to cure the

default, provided, however, in no event shall Tenant have more than thirty (30) days to cure such default; or

(m) failure by Tenant to discharge any lien or encumbrance placed on the Facility or any part thereof in violation of this Lease within ten (10) days after the date such lien or encumbrance is filed or recorded against the Facility or any part thereof, or if Tenant has no knowledge of such lien, then Tenant shall discharge such lien or encumbrance within fifteen (15) days following Tenant's knowledge of such lien or encumbrance (the timeframes in this subsection will be extended by Port provided Tenant promptly undertakes action to cure such default within such 10 or 15-day period and thereafter diligently prosecutes the same to completion); or

(n) failure by Tenant to observe, keep or perform any of the other terms, covenants, agreements or conditions contained in this Lease and required to be observed or performed by Tenant and not specifically enumerated in this Section 22, and such failure continues for a period of fifteen (15) days after written notice by Port, provided that if such default is not capable of cure within such fifteen (15) day period, Tenant shall have a reasonable period to complete such cure if Tenant promptly undertakes action to cure such default within such fifteen (15) day period and thereafter diligently prosecutes the same to completion within sixty (60) days after the receipt of notice of default from Port. Port shall not be required to provide such notice more than twice in any twelve (12) month period with respect to any material non-monetary defaults and after the second notice in any calendar year, any subsequent failure by Tenant during such twelve (12) month period shall automatically constitute an Event of Default hereunder; or

(o) Tenant shall become bankrupt or insolvent or make a transfer in fraud of creditors, or make an assignment for the benefit of creditors, or bring or have brought against Tenant any action or proceedings of any kind under any provision of the U.S. Bankruptcy Code or under any other insolvency, bankruptcy or reorganization act and, in the event such proceedings are involuntary, Tenant is not discharged from the same within sixty (60) days thereafter; or

(p) a receiver is appointed for a substantial part of the assets of Tenant and such receiver is not discharged within sixty (60) days; or

(q) this Lease or any estate of Tenant under this Lease shall be levied upon by any attachment or execution and such attachment is not stayed or lifted within sixty (60) days; or

(r) without limiting the provisions of Sections 22(g) or 22(l) above or lengthening the cure periods under those subsections, failure by Tenant to comply with Laws and Tenant's failure to cure the foregoing default within forty-eight (48) hours following written notice from Port.

## **23. PORT'S REMEDIES.**

Upon default by Tenant, Port shall, without further notice or demand of any kind to Tenant or to any other person, have the following remedies:

**23.1. Tenant's Right to Possession Not Terminated.** Port has the remedy described in Section 1951.4 of the California Civil Code (a landlord may continue the lease in effect after a tenant's breach and abandonment and recover rent as it becomes due, if the tenant has the right to sublet and assign subject only to reasonable limitations) under which it may continue this Lease in full force and effect and Port may enforce all of its rights and remedies under this Lease, including the right to collect Rent when due. During the period Tenant is in default, Port may enter the Premises without terminating this Lease and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Port for all reasonable costs Port incurs in reletting the Premises, including, but not limited to, broker's commissions,

expenses of remodeling the Premises required by the reletting and like costs. Reletting can be for a period shorter or longer than the remaining Term, at such rents and on such other terms and conditions as Port deems advisable. Tenant shall pay to Port the Rent due under this Lease on the dates the Rent is due, less the Rent Port receives from any reletting. In the event that Port shall elect to so relet, then rentals received by Port from such reletting shall be applied in the following order: (i) to reasonable attorneys' fees incurred by Port as a result of a default and costs in the event suit is filed by Port to enforce such remedies; (ii) to the payment of any indebtedness other than Rent due hereunder from Tenant to Port; (iii) to the payment of any costs of maintaining, preserving, altering, repairing and preparing the Premises for reletting, the other costs of reletting, including but not limited to brokers' commissions, attorneys' fees and expenses of removal of Tenant's Personal Property, trade fixtures and Alterations; (iv) to the payment of Rent due and unpaid hereunder; (v) to the payment of future Rent and other sums payable by Tenant hereunder as the same may become due and payable hereunder; and (vi) the balance, if any, shall be paid to Tenant upon (but not before) expiration of the Term. Should that portion of such rentals received from such reletting during any month, which is applied to the payment of Rent hereunder, be less than the Rent payable during the month by Tenant hereunder, then Tenant shall pay such deficiency to Port. Such deficiency shall be calculated and paid monthly. No act by Port allowed by this Section 23.1 shall terminate this Lease unless Port notifies Tenant that Port elects to terminate this Lease. After Tenant's default and for as long as Port does not terminate Tenant's right to possession of the Premises, if Tenant obtains Port's consent Tenant shall have the right to assign or sublet its interest in this Lease, but Tenant shall not be released from liability.

**23.2. Termination of Tenant's Right to Possession.** Upon an Event of Default, Port may terminate Tenant's right to possession of the Premises at any time. No act by Port other than giving notice of termination to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Port's initiative to protect Port's interest under this Lease shall not constitute a termination of Tenant's right to possession. If Port elects to terminate this Lease, Port has the rights and remedies provided by California Civil Code Section 1951.2, including the right to recover from Tenant the following.

(a) The worth at the time of award of the unpaid Rent which had been earned at the time of termination; plus

(b) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the loss of Rent that Tenant proves could be reasonably avoided; plus

(d) Any other amounts necessary to compensate Port for the detriment proximately caused by Tenant's default, or which, in the ordinary course of events, would likely result, including, but not limited to, attorneys' fees and court costs, the costs of carrying the Premises such as repairs, maintenance, taxes and insurance premiums, utilities, security precautions and the reasonable costs and expenses incurred by Port in (i) retaking possession of the Premises; (ii) cleaning and making repairs and alterations necessary to return the Premises to good condition and preparing the Premises for reletting; (iii) removing, transporting and storing any of Tenant's Property left at the Premises (although Port shall have no obligation so to do); and (iv) reletting the Premises, including, without limitation, brokerage commissions, advertising costs and attorneys' fees. Efforts by Port to mitigate the damages caused by Tenant's breach of this Lease do not waive Port's rights to recover damages upon termination.

The "**worth at the time of award**" of the amounts referred to in Sections 23.2(a) and 23.2(b) above shall be computed by allowing interest at an annual rate equal to the lesser of the Interest Rate or the maximum non-usurious rate Port is permitted by Law to charge. The "**worth at the**

*time of award*" of the amount referred to in Section 23.2(c) above shall be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

**23.3. Appointment of Receiver.** If Tenant is in default of this Lease, Port shall have the right to have a receiver appointed to collect Rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Port to terminate this Lease.

**23.4. Port's Right to Cure Tenant's Default.** Port, at any time after Tenant commits an Event of Default, may, at Port's sole option, cure the default at Tenant's cost. If Port at any time, by reason of Tenant's default, undertakes any act to cure or attempt to cure such default that requires the payment of any sums, or otherwise incurs any costs, damages, or liabilities (including without limitation, attorneys' fees), all such sums, costs, damages or liabilities paid by Port shall be due immediately from Tenant to Port at the time the sum is paid, and if paid by Tenant at a later date shall bear interest at the lesser of the Interest Rate or the maximum non-usurious rate Port is permitted by Law to charge from the date such sum is paid by Port until Port is reimbursed by Tenant.

**23.5. No Accord and Satisfaction.** No payment by Tenant or receipt by Port of an amount less than the Rent due under this Lease shall be deemed to be other than "on account" of the earliest Rent due; nor shall any endorsement or statement on any check or payment, or letter accompanying such check or payment, be deemed an accord and satisfaction. Port may accept any such partial payment or tender without prejudice to its right to recover the balance of any amount due and to pursue any other remedy herein provided at Law or in equity.

**23.6. Waiver of Redemption.** Tenant hereby waives, for itself and all persons claiming by and under Tenant, redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 and 1179, or under any other pertinent present or future Law, in the event Tenant is evicted or Port takes possession of the Premises by reason of any default of Tenant hereunder.

**23.7. Habitual Late Payer.** In the event Tenant is deemed to be a Habitual Late Payer, in addition to any other remedies available to Port, Port may require that Tenant enter into direct electronic payment arrangements and/or Port may require payments of Rent be made in advance on a quarterly basis.

**23.8. Remedies Not Exclusive.** The remedies set forth in Section 23 are not exclusive; they are cumulative and in addition to any and all other rights or remedies of Port now or later allowed by Law or in equity. Tenant's obligations hereunder shall survive any termination of this Lease.

## **24. LITIGATION EXPENSES; ATTORNEYS' FEES.**

**24.1. Litigation Expenses.** The prevailing party in any action or proceeding (including any cross-complaint, counterclaim, or bankruptcy proceeding) against the other party by reason of a claimed default, or otherwise arising out of a party's performance or alleged non-performance under this Lease, shall be entitled to recover from the other party its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. "**Prevailing party**" within the meaning of this Section shall include, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense.

**24.2. Appeals.** Attorneys' fees under this Section shall include attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal.

**24.3. City Attorney.** For purposes of this Lease, reasonable fees of attorneys of the City's Office of the City Attorney shall be based on the fees regularly charged by private

attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

## **25. PORT'S ENTRY ON PREMISES.**

**25.1. Entry for Inspection.** NPS, Port and their authorized Agents shall have the right to enter the Premises without notice at any time during normal business hours of generally recognized business days, provided that Tenant or Tenant's Agents are present on the Premises (except in the event of an emergency), for the purpose of inspecting the Premises to determine whether the Premises is in good condition and whether Tenant is complying with its obligations under this Lease.

**25.2. General Entry.** In addition to its rights pursuant to Section 25.1 above, Port and its authorized Agents shall have the right to enter the Premises at all reasonable times and upon reasonable notice for any of the following purposes:

(a) To perform any necessary maintenance, repairs or restoration to the Premises or Seawall, to perform Port Work or to perform any services which Port has the right or obligation to perform;

(b) To serve, post, or keep posted any notices required or allowed under the provisions of this Lease;

(c) To post "For Sale" signs at any time during the Term; or "For Lease" signs during the last six (6) months of the Term or during any period in which Tenant is in default;

(d) On an occasional basis, at all reasonable times after giving Tenant reasonable advance written or oral notice, to show the Premises to prospective tenants or other interested parties;

(e) If any excavation or other construction is undertaken or is about to be undertaken on any property or street adjacent to the Premises, to shore the foundations, footings or walls of the Premises and to erect scaffolding and protective barricades around and about the Premises as reasonably necessary in connection with such activities (but not so as to prevent or unreasonably restrict entry to the Premises), and to do any other act or thing necessary for the safety or preservation of the Premises during such excavation or other construction; or

(f) To obtain environmental samples and perform equipment and facility testing.

**25.3. Emergency Entry.** Port may enter the Premises at any time, without notice, in the event of an emergency. Port shall have the right to use any and all means which Port may deem proper in such an emergency in order to obtain entry to the Premises. Entry to the Premises by any of these means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion of the Premises.

**25.4. No Liability.** Port shall not be liable in any manner, and Tenant hereby waives any Claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, including without limitation any abatement or reduction in Rent, arising out of NPS's, Port's or their authorized Agents entry onto the Premises as provided in this Section 25 or performance of any necessary or required work on the Premises, or on account of bringing necessary materials, supplies and equipment into or through the Premises during the course thereof, except damage resulting solely from the willful misconduct or gross negligence of Port or its authorized representatives.

**25.5. Nondisturbance.** Port shall use its commercially reasonable efforts to conduct its activities on the Premises as allowed in this Section 25 in a manner which, to the extent reasonably practicable, will minimize annoyance or disturbance to Tenant.

## 26. SURRENDER AND QUITCLAIM.

**26.1. Surrender.** Upon expiration or earlier termination of this Lease, Tenant shall surrender to Port the Premises in good order, condition, and repair (except for ordinary wear and tear occurring after the last necessary maintenance made by Tenant and except for destruction or condemnation as described in Sections 18 and 19 hereof). Ordinary wear and tear shall not include any damage or deterioration that would have been prevented by proper maintenance by Tenant, or Tenant otherwise performing all of its obligations under this Lease. The Premises shall be surrendered clean, free of debris, waste, and Hazardous Materials for which Tenant is responsible, and free and clear of all liens and encumbrances other than liens and encumbrances existing as of the date of this Lease and any other encumbrances created by Port. On or before the expiration or earlier termination of this Lease, Tenant at its sole cost shall remove from the Premises, and repair any damage caused by removal of, Tenant's Property, including any signage and Alterations and Improvements specified in Port's Notice of Removal. Except for those designated in Port's Notice of Removal, Alterations and Improvements shall remain in the Premises as Port property.

If the Premises is not surrendered at the end of the Term or sooner termination of this Lease, and in accordance with the provisions of this Section 26 and Section 13.5, Tenant shall continue to be responsible for the payment of Rent (as the same may be increased pursuant to Section 27.1 or 27.2 below as applicable) until the Premises is surrendered in accordance with these Sections, and Tenant shall Indemnify Port from and against any and all loss or liability resulting from delay by Tenant in so surrendering the Premises including, without limitation, any costs of Port to obtain possession of the Premises; any loss or liability resulting from any Claim against Port made by any succeeding tenant or prospective tenant founded on or resulting from such delay and losses to Port due to lost opportunities to lease any portion of the Premises to any such succeeding tenant or prospective tenant, together with, in each instance, reasonable attorneys' fees and costs.

No act or conduct of Port, including, but not limited to, the acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the Term. Only a written notice from Port to Tenant confirming termination of this Lease and surrender of the Premises by Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of this Lease.

**26.2. Quitclaim.** Upon the expiration or earlier termination of this Lease, the Premises shall automatically, and without further act or conveyance on the part of Tenant or Port, become the property of Port, free and clear of all liens and without payment therefore by Port and shall be surrendered to Port upon such date. Upon or at any time after the expiration or earlier termination of this Lease, if requested by Port, Tenant shall promptly deliver to Port, without charge, a quitclaim deed to the Premises and any other instrument reasonably requested by Port to evidence or otherwise effect the termination of Tenant's leasehold estate hereunder and to effect such transfer or vesting of title to the Premises or any portion that Port agrees are to remain part of the Premises.

**26.3. Abandoned Property.** Any items, including Tenant's Property, not removed by Tenant as required herein shall be deemed abandoned. Port may retain, store, remove, and sell or otherwise dispose of abandoned Tenant's Property, and Tenant waives all Claims against Port for any damages resulting from Port's retention, removal and disposition of such property; provided, however, that Tenant shall be liable to Port for all costs incurred in storing, removing and disposing of abandoned Tenant's Property and repairing any damage to the Premises or the Facility resulting from such removal. Tenant agrees that Port may elect to sell abandoned Tenant's Property and offset against the sales proceeds Port's storage, removal, and disposition costs without notice to Tenant or otherwise according to the procedures set forth in California Civil Code Section 1993 et seq., the benefits of which Tenant waives.



**26.4. *Survival.*** Tenant's obligation under this Section 26 shall survive the expiration or earlier termination of this Lease.

## **27. HOLDING OVER.**

**27.1. *Terms of Holdover Tenancy.*** Any holding over after the expiration of the Term shall not constitute a renewal of this Lease, but shall be deemed a month-to-month tenancy upon the terms, conditions, and covenants of this Lease, except as provided in this Section. Either party may cancel the month-to-month tenancy upon thirty (30) days written notice to the other party. Tenant shall Indemnify Port from and against any and all loss or liability resulting from Tenant's delay in surrendering the Premises including, without limitation, any loss or liability resulting from any claim against Port made by any succeeding tenant or prospective tenant founded on or resulting from such delay and losses to Port due to lost opportunities to lease any portion of the Premises to any such succeeding tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

**27.2. *With Consent.*** If Tenant holds over with the prior written consent of Port, monthly Base Rent shall be equal to one hundred fifty percent (150%) of the monthly Base Rent payable in the month immediately preceding the expiration of this Lease; provided that if both Tenant and Port desire to enter into a new lease or extend the existing term of this Lease but have not yet executed such new lease or extension solely due to Port's delay to produce such document, then the monthly Base Rent during such holdover period shall be equal to the higher of: (a) the Base Rent payable in the month immediately preceding the expiration of this Lease, or (b) the then current rate for the Facility approved by the Port Commission, together with any monthly charge of Additional Rent payable under this Lease plus any Percentage Rent which would be otherwise due.

**27.3. *Without Consent.*** If Tenant holds over without the prior written consent of Port, monthly Base Rent shall equal two hundred percent (200%) of the monthly Base Rent payable in the month immediately preceding the expiration of this Lease plus any Percentage Rent which would be otherwise due.

## **28. NOTICES.**

Except as otherwise expressly provided in this Lease or by Law, all notices (including notice of consent or non-consent) required or permitted by this Lease or by Law must be in writing and be delivered by: (a) hand delivery; (b) first class United States mail, postage prepaid; or (c) overnight delivery by a nationally recognized courier or the United State Postal Service, delivery charges prepaid. Notices to a party must be delivered to that party's mailing address in the Basic Lease Information, unless superseded by a notice of a change in that party's mailing address for notices, given to the other party in the manner provided above, or by information provided by Tenant in Tenant's written response to Port's written request for such information.

All notices under this Lease shall be deemed to be duly delivered: (a) on the date personal delivery actually occurs; (b) if mailed, on the business day following the business day deposited in the United States mail or, if mailed return receipt requested, on the date of delivery or on which delivery is refused as shown on the return receipt; or (c) the business day after the business day deposited for overnight delivery.

Notices may not be given by facsimile or electronic mail, but either party may deliver a courtesy copy of a notice by facsimile or electronic mail.

## **29. REPRESENTATIONS AND WARRANTIES OF TENANT**

Tenant represents, warrants and covenants to Port as follows, as of the date hereof and as of the Effective Date:

(a) ***Valid Existence, Good Standing.*** Tenant is a corporation duly formed and validly existing under the laws of the State of California. Tenant has the requisite power and

authority to own its property and conduct its business as presently conducted. Tenant is in good standing in the State of California.

(b) Authority. Tenant has the requisite power and authority to execute and deliver this Lease and the agreements contemplated hereby and to carry out and perform all of the terms and covenants of this Lease and the agreements contemplated hereby to be performed by Tenant.

(c) No Limitation on Ability to Perform. No applicable Law prohibits Tenant's entry into this Lease or its performance hereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other person is required for the due execution and delivery of this Lease by Tenant and Tenant's performance hereunder, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made. There are no undischarged judgments pending against Tenant, and Tenant has not received notice of the filing of any pending suit or proceedings against Tenant before any court, governmental agency, or arbitrator, which might materially adversely affect the enforceability of this Lease or the business, operations, assets or condition of Tenant.

(d) Valid Execution. The execution and delivery of this Lease and the performance by Tenant hereunder have been duly and validly authorized. When executed and delivered by Port and Tenant, this Lease will be a legal, valid and binding obligation of Tenant.

(e) Defaults. The execution, delivery and performance of this Lease (i) do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default by Tenant under (A) any agreement, document or instrument to which Tenant is a party or by which Tenant is bound, (B) any Law applicable to Tenant or its business, or (C) the articles of organization or the operating agreement of Tenant, and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of Tenant, except as contemplated hereby.

(f) Financial Matters. Except to the extent disclosed to Port in writing, (i) Tenant is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) Tenant has not filed a petition for relief under any chapter of the U.S. Bankruptcy Code, (iii) to Tenant's knowledge, no involuntary petition naming Tenant as debtor has been filed under any chapter of the U.S. Bankruptcy Code, and (iv) Tenant has not suffered any material adverse change to its financial condition that could reasonably effect its ability to perform its obligations under this Lease.

The representations and warranties herein shall survive any termination of this Lease.

### **30. TENANT'S MANAGEMENT COVENANTS.**

**30.1. Covenants.** Tenant shall maintain and operate the Premises, or cause the Premises to be maintained and operated, in a manner consistent with standards for the maintenance and operation of restaurants providing casual dining, take-out, and catering services located on Port property. Tenant shall be exclusively responsible, at no cost to Port, for the management and operation of the Improvements in addition to all other aspects of the Premises. In connection with managing and operating the Premises, Tenant shall provide (or require others to provide) services as necessary and appropriate to the uses to which the Premises are put, including, but not limited to, (a) repair and maintenance of the Improvements, as more fully described in Section 11, (b) utility and telecommunications services, (c) cleaning, janitorial, extermination, and trash removal, (d) landscaping and grounds keeping and (e) security services for the Premises.

**30.2. Continuous Operations.** Tenant shall use commercially reasonable efforts to ensure that all of the Premises are used continuously beginning on the relevant Commencement Date for each parcel for the Permitted Use and shall not allow any portion of the Premises to

remain unoccupied or unused without the prior written consent of Port, which consent may be withheld in Port's sole and absolute discretion. Notwithstanding the foregoing, the Port shall not unreasonably withhold its consent to any cessation of operations for any reasonably necessary time period due to the following causes or in the following circumstances: (a) if the Premises become untenable due to fire or other casualty, (b) as may be necessary in connection with performing repairs to the Premises, or (c) while conducting periodic inventory of Tenant's goods and merchandise.

### **31. MINERAL RESERVATION.**

The State of California ("State"), pursuant to Section 2 of Chapter 1333 of the Statutes of 1968, as amended, has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying the Premises and Tenant acknowledges such reserved rights including necessary ingress and egress rights. In no event shall Port be liable to Tenant for any Claims arising from the State's exercise of its rights nor shall such action entitle Tenant to any abatement or diminution of Rent or otherwise relieve Tenant from any of its obligations under this Lease.

### **32. CITY AND PORT REQUIREMENTS.**

The San Francisco Municipal Codes (available at [www.sfgov.org](http://www.sfgov.org)) and City and Port policies described or referenced in this Lease are incorporated by reference as though fully set forth in this Lease. The descriptions below are not comprehensive but are provided for notice purposes only; Tenant is charged with full knowledge of each such ordinance and policy and any related implementing regulations as they may be amended from time to time. Tenant understands and agrees that its failure to comply with any provision of this Lease relating to any such code provision shall be deemed a material breach of this Lease and may give rise to penalties under the applicable ordinance. Capitalized or highlighted terms used in this Section and not defined in this Lease shall have the meanings ascribed to them in the cited ordinance.

#### **32.1. Nondiscrimination.**

(a) **Covenant Not to Discriminate.** In the performance of this Lease, Tenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), weight, height, association with members of classes protected under Chapter 12B or 12C of the San Francisco Administrative Code or in retaliation for opposition to any practices forbidden under Chapter 12B or 12C of the Administrative Code against any employee of Tenant, any City and County employee working with Tenant, any applicant for employment with Tenant, or any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant in the City and County of San Francisco.

(b) **Subleases and Other Contracts.** Tenant shall include in all subleases and other contracts relating to the Premises a non-discrimination clause applicable to such subtenant or other contractor in substantially the form of Section 32.1(a) above. In addition, Tenant shall incorporate by reference in all subleases and other contracts the provisions of Sections 12B.2 (a), 12B.2 (c)-(k) and 12C.3 of the Administrative Code and shall require all subtenants and other contractors to comply with such provisions. Notwithstanding any provision of this Lease, this subsection shall not apply to any agreement between Tenant and NPS.

(c) **Nondiscrimination in Benefits.** Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco or where the work is being performed for the City, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits (collectively "**Core Benefits**") as well as any benefits other than the Core Benefits between employees with domestic partners and employees

with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local Law authorizing such registration, subject to the conditions set forth in Section 12B.2 of the Administrative Code.

(d) CMD Form. On or prior to the Effective Date, Tenant shall execute and deliver to Port the "Nondiscrimination in Contracts and Benefits" form approved by the CMD.

(e) Penalties. Tenant understands that pursuant to Section 12B.2(h) of the Administrative Code, a penalty of \$50.00 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

**32.2. Requiring Health Benefits for Covered Employees.** Unless exempt, Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in Administrative Code Chapter 12Q (Chapter 12Q).

(a) For each Covered Employee Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO.

(b) Notwithstanding the above, if Tenant meets the requirements of a "small business" by the City pursuant to Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with Section 32.2(a).

(c) If, within 30 days after receiving written notice of a breach of this Lease for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such 30-day period, Tenant fails to commence efforts to cure within such period, or thereafter fails to diligently pursue such cure to completion, the City shall have the remedies set forth in Section 12Q.5(f). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Sublease or Contract regarding services to be performed on the Premises entered into by Tenant shall require the Subtenant or Contractor and Subcontractors, as applicable, to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in Chapter 12Q of the Administrative Code. Tenant shall notify the Office of Labor Standards Enforcement ("OLSE") when it enters into such a Sublease or Contract and shall certify to OLSE that it has notified the Subtenant or Contractor of the obligations under the HCAO and has imposed the requirements of the HCAO on the Subtenant or Contractor through written agreement with such Subtenant or Contractor. Tenant shall be responsible for ensuring compliance with the HCAO for each Subtenant, Contractor and Subcontractor performing services on the Premises. If any Subtenant, Contractor or Subcontractor fails to comply, the City may pursue the remedies set forth in Section 12Q.5 of the Administrative Code against Tenant based on the Subtenant's, Contractor's, or Subcontractor's failure to comply, provided that the OLSE has first provided Tenant with notice and an opportunity to cure the violation.

(e) Tenant shall not discharge, reprimand, penalize, reduce the compensation of, or otherwise discriminate against, any employee for notifying the City of any issue relating to the HCAO, for opposing any practice proscribed by the HCAO, for participating in any proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the requirements of the HCAO.

(g) Tenant shall keep itself informed of the requirements of the HCAO, as they may change from time to time.

(h) Upon request, Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subtenants, Contractors, and Subcontractors.

(i) Within ten (10) business days of any request, Tenant shall provide the City with access to pertinent records relating to any Tenant's compliance with the HCAO. In addition, the City and its agents may conduct random audits of Tenant at any time during the Term. Tenant agrees to cooperate with City in connection with any such audit.

(j) If a Contractor or Subcontractor is exempt from the HCAO because the amount payable to such Contractor or Subcontractor under all of its contracts with the City or relating to City-owned property is less than \$25,000.00 (or \$50,000.00 for nonprofits) in that fiscal year, but such Contractor or Subcontractor later enters into one or more agreements with the City or relating to City-owned property that cause the payments to such Contractor or Subcontractor to equal or exceed \$75,000.00 in that fiscal year, then all of the Contractor's or Subcontractor's contracts with the City and relating to City-owned property shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements to equal or exceed \$75,000.00 in the fiscal year.

**32.3. First Source Hiring.** The City has adopted a First Source Hiring Program (San Francisco Administrative Code Sections 83.1 et seq.) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry-level positions as those terms are defined by the ordinance. Tenant acknowledges receiving and reviewing the First Source Hiring Program materials and requirements and agrees to comply with all requirements of the ordinance as implemented by Port and/or City, including without limitation, notification of vacancies throughout the Term and entering into a First Source Hiring Agreement, if applicable. Tenant acknowledges and agrees that it may be subject to monetary penalties for failure to comply with the ordinance or a First Source Hiring Agreement and that such non-compliance shall be a default of this Lease.

**32.4. Local Business Enterprises.** The Port Commission encourages the participation of local business enterprises ("LBEs") in Tenant's operations. Tenant agrees to consult with the CMD to determine appropriate methods for promoting participation by LBEs. Architecture, Engineering, Laboratory Services (Materials Testing), Trucking and Hauling, and Security Guard Services are categories of services that may provide opportunities for certified LBE participation. City maintains a list of certified LBEs at: <http://sfgov.org/cmd/lbe-certification-0>.

**32.5. Indoor Air Quality.** Tenant agrees to comply with Section 711(g) of the Environment Code and any additional regulations adopted by the Director of the Department of the Environment pursuant to Environment Code Section 703(b) relating to construction and maintenance protocols to address indoor air quality.

**32.6. Prohibition of Tobacco Sales and Advertising.** Tenant acknowledges and agrees that no sales or advertising of cigarettes or tobacco products is allowed on the Premises. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products, or (ii) encourage people not to smoke or to stop smoking.

**32.7. Graffiti Removal.** Tenant agrees to remove all graffiti from the Premises, including from the exterior of the Facility if included within the Premises, within forty-eight (48) hours of the earlier of Tenant's: (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a tenant to breach any lease or other agreement that it may have concerning its use of the real property. "Graffiti" means any inscription, word, figure, marking or design that is affixed,

marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and that is visible from the public right-of-way, but does not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of this Lease or the Port Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (Calif. Civil Code §§ 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

**32.8. Restrictions on the Use of Pesticides.** Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “**IPM Ordinance**”) describes an integrated pest management (“**IPM**”) policy to be implemented by all City departments. Tenant shall not use or apply or allow the use or application of any pesticides on the Premises, and shall not contract with any party to provide pest abatement or control services to the Premises, without first receiving City’s written approval of an integrated pest management plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the term of this Lease, (ii) describes the steps Tenant will take to meet the City’s IPM Policy described in Section 300 of the IPM Ordinance and (iii) identifies, by name, title, address and telephone number, an individual to act as the Tenant’s primary IPM contact person with the City. Tenant shall comply, and shall require all of Tenant’s contractors to comply, with the IPM plan approved by the City and shall comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, such provisions of the IPM Ordinance: (a) provide for the use of pesticides only as a last resort, (b) prohibit the use or application of pesticides on property owned by the City, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (c) impose certain notice requirements, and (d) require Tenant to keep certain records and to report to City all pesticide use by Tenant’s staff or contractors. If Tenant or Tenant’s contractor will apply pesticides to outdoor areas, Tenant must first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation and any such pesticide application shall be made only by or under the supervision of a person holding a valid Qualified Applicator certificate or Qualified Applicator license under state law. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

**32.9. MacBride Principles Northern Ireland.** Port and the City urge companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. Port and the City urge San Francisco companies to do business with corporations that abide by the MacBride Principles.

**32.10. Tropical Hardwood and Virgin Redwood Ban.** Port and the City urge Tenant not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the Environment Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the Environment Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to the contractor's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

**32.11. Preservative-Treated Wood Containing Arsenic.** Tenant may not purchase preservative-treated wood products containing arsenic in the performance of this Lease unless an

exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Tenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Tenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

**32.12. Notification of Limitations on Contributions.** If this Lease is subject to the approval by City's Board of Supervisors, Mayor, or other elected official, the provisions of this Section 32.12 shall apply. Through its execution of this Lease, Tenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to (a) the City elective officer, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Tenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Tenant further acknowledges that, if applicable, the prohibition on contributions applies to each Tenant; each member of Tenant's board of directors, and Tenant's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Tenant; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Tenant. Additionally, Tenant acknowledges that if this Section 32.12 applies, Tenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126 and must provide to City the name of each person, entity or committee described above.

**32.13. Sunshine Ordinance.** In accordance with Section 67.24(e) of the Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between Port and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.

**32.14. Conflicts of Interest.** Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of Article III, Chapter 2 of Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the California Government Code, and certifies that it does not know of any facts which would constitute a violation of these provisions, and agrees that if Tenant becomes aware of any such fact during the Term, Tenant shall immediately notify the Port.

**32.15. Drug-Free Workplace.** Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101 et seq.), the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City or Port premises.



**32.16. Prevailing Wages and Working Conditions.** Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. Tenant shall require its contractors and subcontractors performing (i) labor in connection with a "public work" as defined under California Labor Code Section 1720 et seq. (which includes certain construction, alteration, maintenance, demolition, installation, repair, carpet laying, or refuse hauling work if paid for in whole or part out of public funds) or (ii) Covered Construction to: (A) pay workers performing such work not less than the highest prevailing rate of wages, (B) provide the same hours, working conditions and benefits as in each case are provided for similar work performed in San Francisco County, and (C) employ apprentices in accordance with San Francisco Administrative Code Section 23.61 (collectively, "**Prevailing Wage Requirements**"). Tenant agrees to cooperate with the City in any action or proceeding against a contractor or subcontractor that fails to comply with the Prevailing Wage Requirements.

Tenant shall include and shall require its subtenants, and contractors and subcontractors (regardless of tier), to include the Prevailing Wage Requirements and the agreement to cooperate in City enforcement actions in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.61. Each such Construction Contract shall name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable the City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party.

Tenant shall also pay, and shall require its subtenants, and contractors and subcontractors (regardless of tier) to pay, the Prevailing Rate of Wage for the following activities on the Premises as set forth in and to the extent required by San Francisco Administrative Code Chapter 21C: a Public Off-Street Parking Lot, Garage or Automobile Storage Facility (as defined in Section 21C.3), a Show (as defined in Section 21C.4), a "special event" (as defined in Section 21C.8), Broadcast Services (as defined in Section 21C.9), Commercial Vehicles, Loading and Unloading for Shows and special events (as defined in Section 21C.10), and Security Guard Services for Events (as defined in Section 21C.11).

**32.17. Public Transit Information.** Tenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Tenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Facility and encouraging use of such facilities, all at Tenant's sole expense.

**32.18. Food Service and Packaging Waste Reduction Ordinance.** Tenant agrees to comply fully with and be bound by all of the provisions of the Food Service and Packaging Waste Reduction Ordinance, as set forth in Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. By entering into this Lease, Tenant agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Tenant agrees that the sum of one hundred dollars (\$100.00) liquidated damages for the first breach, two hundred dollars (\$200.00) liquidated damages for the second breach in the same year, and five hundred dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Lease was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Tenant's failure to comply with this provision.



### **32.19. Consideration Of Criminal History In Hiring And Employment Decisions**

(a) Tenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; "**Chapter 12T**"), which are hereby incorporated, including the remedies and implementing regulations as may be amended from time to time, with respect to applicants and employees of Tenant who would be or are performing work at the Premises.

(b) Tenant shall incorporate by reference the provisions of Chapter 12T in all subleases of some or all of the Premises, and shall require all subtenants to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant and subtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

(d) Tenant and subtenants shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Tenant and subtenants shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

(e) Tenant and subtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Tenant or subtenant at the Premises, that the Tenant or subtenant will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(f) Tenant and subtenants shall post the notice prepared by the OLSE, available on the OLSE's website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.

(g) Tenant and subtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.

(h) If Tenant has any questions about the applicability of Chapter 12T, it may contact Port for additional information. Port may consult with the Director of the City's Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8.

**32.20. Local Hire.** Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "**Local Hiring Requirements**"). Tenant Improvements and Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (i) estimated to be less than \$750,000 per building permit; (ii) is in connection with the set-up, execution and strike of special events of three (3) or fewer days costing in excess of the Threshold Amount; or (iii) meets any of

the other exemptions in the Local Hiring Requirements. Tenant agrees that it will comply with the Local Hiring Requirements to the extent applicable. Before starting any Tenant Improvements or Alterations, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to determine whether the work is a Covered Project subject to the Local Hiring Requirements.

Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with the City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable the City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

**32.21. San Francisco Bottled Water Ordinance.** Tenant is subject to all applicable provisions of Environment Code Chapter 24 (which are hereby incorporated) prohibiting the sale or distribution of drinking water in plastic bottles with a capacity of twenty-one (21) fluid ounces or less at City-permitted events held on the Premises with attendance of more than 100 people.

**32.22. Port's Zero Waste Events and Activities Policy.** Tenant shall comply with the Port's Zero Waste Events and Activities Policy, a copy of which is attached hereto as **Exhibit M**, as it may be amended from time to time, for all special events (as defined by the policy), regardless of attendance numbers.

**32.23. Vending Machines; Nutritional Standards and Calorie Labeling Requirements; Offerings.** Tenant shall not install or permit any vending machine on the Premises without the prior written consent of Port. Any permitted vending machine must comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code section 4.9- 1(c), as may be amended from time to time (the "**Nutritional Standards Requirements**"). Tenant agrees to incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section shall be deemed a material breach of this Lease. Without limiting Port's other rights and remedies under this Lease, Port shall have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements. In addition, any Restaurant including any employee eating establishment located on the Premises is encouraged to ensure that at least twenty-five percent (25%) of Meals (as capitalized terms are defined in San Francisco Administrative Code section 4.9-1) offered on the menu meet the nutritional standards set forth in San Francisco Administrative Code section 4.9-1(e), as may be amended.

**32.24. Employee Signature Authorization Ordinance.** The City has adopted an Employee Signature Authorization Ordinance (S.F. Admin Code Sections 23.50-23.56). That ordinance requires employers of employees in hotel or restaurant projects on public property with fifty (50) or more employees (whether full-time or part-time) to enter into a "**card check**" agreement with a labor union regarding the preference of employees to be represented by a labor union to act as their exclusive bargaining representative. Tenant shall comply with the requirements of such ordinance, if applicable, including, without limitation, any requirements in the ordinance with respect to its Subtenants or operators.

### 33. MISCELLANEOUS PROVISIONS.

**33.1. California Law.** This Lease is governed by, and shall be construed and interpreted in accordance with, the Laws of the State of California and City's Charter. Port and Tenant hereby irrevocably consent to the jurisdiction of and proper venue in the Superior Court for the City and County of San Francisco.

**33.2. Entire Agreement.** This Lease contains all of the representations and the entire agreement between the parties with respect to the subject matter of this Lease. Any prior correspondence, memoranda, agreements, warranties, or representations, whether written or oral, relating to such subject matter are superseded in total by this Lease. No prior drafts of this Lease or changes from those drafts to the executed version of this Lease shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider those drafts in interpreting this Lease.

**33.3. Amendments.** No amendment of this Lease or any part thereof shall be valid unless it is in writing and signed by all of the parties hereto.

**33.4. Severability.** If any provision of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons, entities or circumstances other than those as to which is invalid or unenforceable, shall not be affected thereby, and each other provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

#### **33.5. Interpretation of Lease.**

(a) References in this Lease to Tenant's acts or omissions will mean acts or omissions by Tenant and its Agents and Invitees unless the context requires or specifically stated otherwise.

(b) Whenever an exhibit or schedule is referenced, it means an attachment to this Lease unless otherwise specifically identified. All exhibits and schedules are incorporated in this Lease by reference.

(c) Whenever a section, article or paragraph is referenced, it refers to this Lease unless otherwise specifically provided. The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference only and must be disregarded in the construction and interpretation of this Lease. Wherever reference is made to any provision, term, or matter "in this Lease," "herein" or "hereof" or words of similar import, the reference will be deemed to refer to any reasonably related provisions of this Lease in the context of the reference, unless the reference refers solely to a specific numbered or lettered article, section, subdivision, or paragraph of this Lease.

(d) References to all Laws, including specific statutes, relating to the rights and obligations of either party mean the Laws in effect on the effective date of this Lease and as they are amended, replaced, supplemented, clarified, corrected, or superseded at any time during the Term or while any obligations under this Lease are outstanding, whether or not foreseen or contemplated by the parties. References to specific code sections mean San Francisco ordinances unless otherwise specified.

(e) The terms "include," "included," "including" and "such as" or words of similar import when following any general term, statement, or matter may not be construed to limit the term, statement, or matter to the specific items or matters, whether or not language of non-limitation is used, but will be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of the term, statement, or matter, and will be deemed to be followed by the phrase "without limitation" or "but not limited to."

(f) This Lease has been negotiated at arm's length between persons sophisticated and knowledgeable in the matters addressed. In addition, each party has been represented by

experienced and knowledgeable legal counsel, or has had the opportunity to consult with counsel. Accordingly, the provisions of this Lease must be construed as a whole according to their common meaning in order to achieve the intents and purposes of the parties, without any presumption (including a presumption under California Civil Code § 1654) against the party responsible for drafting any part of this Lease.

(g) The party on which any obligation is imposed in this Lease will be solely responsible for paying all costs and expenses incurred in performing the obligation, unless the provision imposing the obligation specifically provides otherwise.

(h) Whenever required by the context, the singular includes the plural and vice versa, the masculine gender includes the feminine or neuter genders and vice versa, and defined terms encompass all correlating forms of the terms (e.g., the definition of "waive" applies to "waiver," "waivers," "waived," "waiving," etc.).

(i) References to days mean calendar days unless otherwise specified, provided that if the last day on which a party must give notice, respond to a notice, or take any other action under this Lease occurs on a day that is not a business day, the date by which the act must be performed will be extended to the next business day.

**33.6. Successors.** The terms, covenants, agreements and conditions set forth in this Lease shall bind and inure to the benefit of Port and Tenant and, except as otherwise provided herein, their personal representatives and successors and assigns.

**33.7. Real Estate Broker's Fees.** Port will not pay, nor will Port be liable or responsible for, any finder's or broker's fee in connection with this Lease. Tenant agrees to Indemnify Port from any Claims, including attorneys' fees, incurred by Port in connection with any such Claim or Claims of any person(s), finder(s), or broker(s) to a commission in connection with this Lease.

**33.8. Counterparts.** For convenience, the signatures of the parties to this Lease may be executed and acknowledged on separate pages which, when attached to this Lease, shall constitute one complete Lease. This Lease may be executed in any number of counterparts each of which shall be deemed to be an original and all of which shall constitute one and the same Lease.

**33.9. Authority.** If Tenant signs as a corporation or a partnership, each of the persons executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing entity, that Tenant has and is qualified to do business in California, that Tenant has full right and authority to enter into this Lease, and that each and all of the persons signing on behalf of Tenant are authorized to do so. Upon Port's request, Tenant shall provide Port with evidence reasonably satisfactory to Port confirming the foregoing representations and warranties.

**33.10. No Implied Waiver.** No failure by Port to insist upon the strict performance of any obligation of Tenant under this Lease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, and no acceptance of full or partial Rent during the continuance of any such breach shall constitute a waiver of such breach or of Port's rights to demand strict compliance with such term, covenant or condition. Port's consent to or approval of any act by Tenant requiring Port's consent or approval shall not be deemed to waive or render unnecessary Port's consent to or approval of any subsequent act by Tenant. Any waiver by Port of any default must be in writing and shall not be a waiver of any other default (including any future default) concerning the same or any other provision of this Lease.

**33.11. Time is of Essence.** Time is of the essence with respect to all provisions of this Lease in which a definite time for performance is specified.

**33.12. Cumulative Remedies.** All rights and remedies of either party hereto set forth in this Lease shall be cumulative, except as may otherwise be provided herein.

**33.13. *Survival of Indemnities.*** Termination or expiration of this Lease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Lease, the ability to collect any sums due, nor shall it affect any provision of this Lease that expressly states it shall survive termination or expiration hereof.

**33.14. *Relationship of the Parties.*** Port is not, and none of the provisions in this Lease shall be deemed to render Port, a partner in Tenant's business, or joint venturer or member in any joint enterprise with Tenant. Neither party shall act as the agent of the other party in any respect hereunder. This Lease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, including without limitation, NPS.

**33.15. *No Recording.*** Tenant shall not record this Lease or any memorandum hereof in the Official Records.

**33.16. *Additional Written Agreement Required.*** Tenant expressly agrees and acknowledges that no officer, director, or employee of Port or City is authorized to offer or promise, nor is Port or the City required to honor, any offered or promised rent credit, concession, abatement, or any other form of monetary consideration (individually and collectively, "consideration") without a written agreement executed by the Executive Director of Port or his or her designee authorizing such consideration and, if applicable, certification of the consideration from the City's Controller.

#### **34. LIMITATION ON DAMAGES.**

**34.1. *No Recourse Beyond Value of Premises.*** Notwithstanding anything to the contrary contained in this Lease, Tenant agrees that Tenant will have no recourse with respect to, and Port shall not be liable for, any obligation of Port under this Lease, or for any claim based upon this Lease, except to the extent of the fair market value of Port's fee interest in the Premises (as encumbered by this Lease). Tenant shall look solely to the fair market value of Port's fee interest in the Premises for the recovery of any judgment or award. By Tenant's execution and delivery hereof and as part of the consideration for Port's obligations hereunder, Tenant expressly waives all other liability. Before filing suit for an alleged default by Port, Tenant shall give Port notice and reasonable time to cure the alleged default.

**34.2. *Non-Liability of City Officials, Employees and Agents.*** No elective or appointive board, commission, member, officer, employee or other Agent of City and/or Port shall be personally liable to Tenant, its successors and assigns, in the event of any default or breach by City and/or Port or for any amount which may become due to Tenant, its successors and assigns, or for any obligation of City and/or Port under this Lease. Under no circumstances shall Port, City, or their respective Agents be liable under any circumstances for any consequential, incidental or punitive damages.

**34.3. *Limitation on Port's Liability Upon Transfer.*** In the event of any transfer of Port's interest in and to the Facility, Port (and in case of any subsequent transfers, the then transferor), subject to the provisions hereof, will be automatically relieved from and after the date of such transfer of all liability with regard to the performance of any covenants or obligations contained in this Lease thereafter to be performed on the part of Port, but not from liability incurred by Port (or such transferor, as the case may be) on account of covenants or obligations to be performed by Port (or such transferor, as the case may be) hereunder before the date of such transfer.

#### **35. TENANT ESTOPPEL CERTIFICATES.**

Tenant, at any time and from time to time upon not less than ten (10) days' prior notice from Port, shall execute and deliver to Port or to any party designated by Port a certificate in substantially the same form as that attached to this Lease as ***Exhibit L***. If Tenant shall fail to provide such certificate within ten (10) days of receipt by Tenant of a written request by Port as

herein provided, such failure shall, at Port's election, constitute a default under this Lease, and Tenant shall be deemed to have admitted the accuracy of any information supplied by Port to a prospective purchaser or mortgagee.

**36. APPROVAL OF BOARD OF SUPERVISORS.**

Notwithstanding anything to the contrary contained in this lease, Tenant acknowledges and agrees that no officer or employee of City has authority to commit City to this Lease unless and until City's Board of Supervisors shall have duly adopted a resolution approving this Lease and authorizing the transactions contemplated hereby. Therefore, any obligations or liabilities of City hereunder are contingent upon adoption of such a resolution, and this Lease shall be null and void if City's Mayor and the Board of Supervisors do not approve this Lease, in their respective sole discretion. Approval of this Lease by any department, commission or agency of City shall not be deemed to imply that such resolution will be enacted, nor will any such approval create any binding obligations on City.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, PORT and TENANT execute this Lease as of the last date set forth below.

**PORT:**            **CITY AND COUNTY OF SAN FRANCISCO,**  
a municipal corporation, operating by and through the  
**SAN FRANCISCO PORT COMMISSION**

By: \_\_\_\_\_  
Michael J. Martin  
Deputy Director, Real Estate and Development

Date Signed: \_\_\_\_\_

**TENANT:**        **GOLDEN GATE NATIONAL PARKS CONSERVANCY, A**  
**CALIFORNIA CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Name: Rona H. Sandler  
Deputy City Attorney

Port Commission Reso. 18-39  
BoS Reso.

Lease Prepared By: Jay Edwards, Senior Property Manager \_\_\_\_\_ (initial)

**[PAGE INTENTIONALLY LEFT BLANK]**



**EXHIBIT A**

**EFFECTIVE DATE AND COMMENCEMENT DATE MEMORANDUM**

Landlord: **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation,  
operating by and through the **SAN FRANCISCO PORT**  
**COMMISSION**

Tenant:

Lease Number:

Effective Date:

Premises: \_\_\_\_\_, San Francisco, California

The Effective Date of the Lease is hereby established as \_\_\_\_\_, 20\_\_\_\_.

The Phase I Commencement Date of the Lease is hereby established as \_\_\_\_\_, 20\_\_\_\_.

The Phase I Rent Commencement Date of the Lease is hereby established as  
\_\_\_\_\_, 20\_\_\_\_.

The Phase II Commencement Date of the Lease is hereby established as \_\_\_\_\_, 20\_\_\_\_.

The Phase II Rent Commencement Date of the Lease is hereby established as  
\_\_\_\_\_, 20\_\_\_\_.

**PORT:** **CITY AND COUNTY OF SAN FRANCISCO**,  
a municipal corporation, operating by and through the  
**SAN FRANCISCO PORT COMMISSION**

By: \_\_\_\_\_  
Michael J. Martin  
Deputy Director, Real Estate and Development

Date Signed: \_\_\_\_\_

Tenant:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**EXHIBIT B**

**DESCRIPTION OF PREMISES  
PHASE I**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**

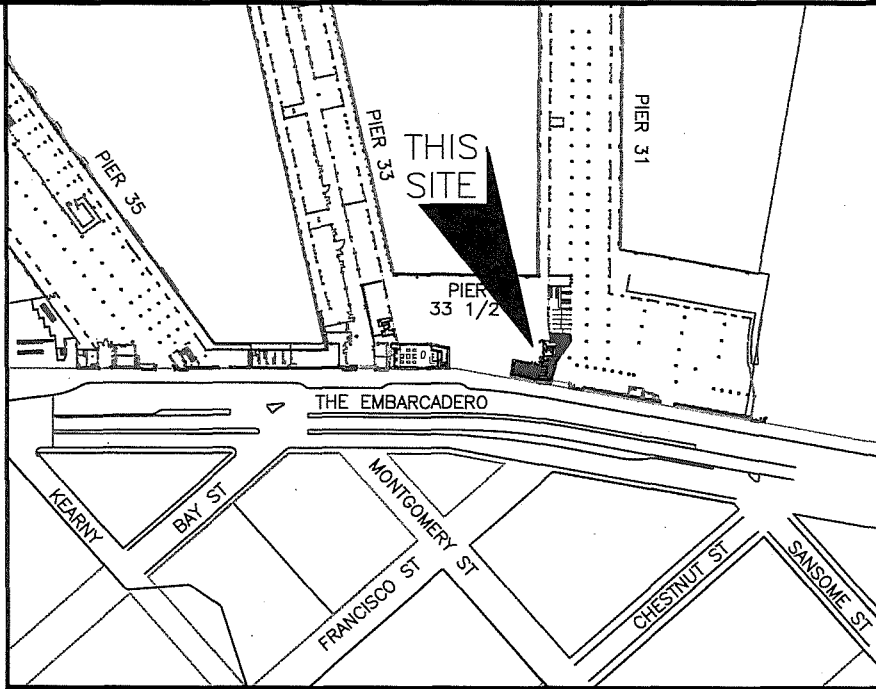


INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

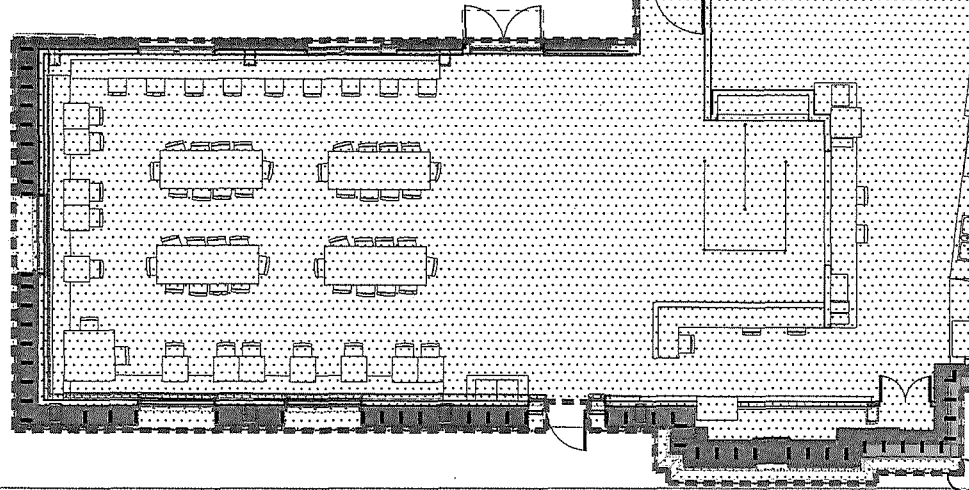
DATE: \_\_\_\_\_

**EXHIBIT B**  
PHASE I



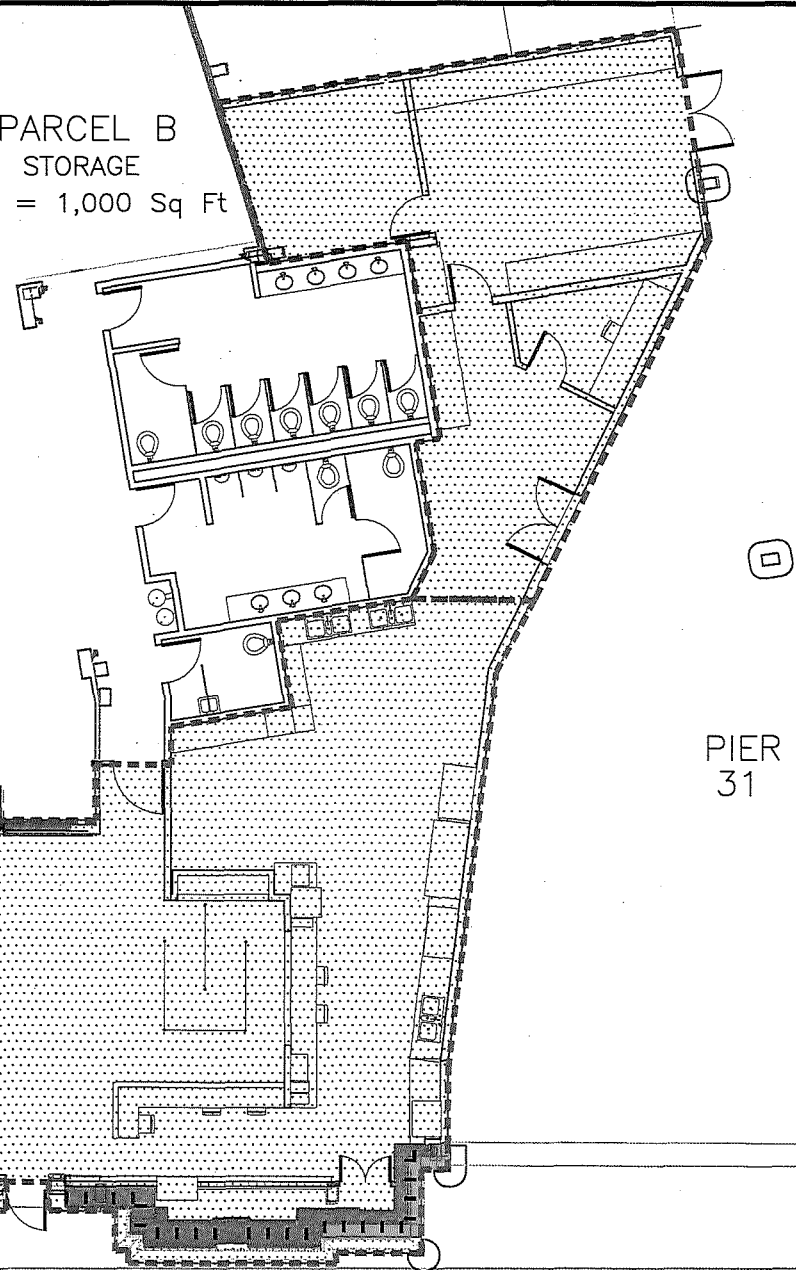
LOCATION PLAN  
NO SCALE

PARCEL A  
CAFE/ KITCHEN  
AREA = 2,760 Sq Ft



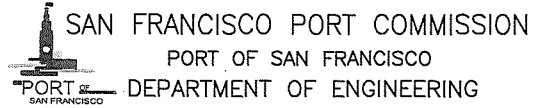
THE EMBARCADERO

PARCEL B  
STORAGE  
AREA = 1,000 Sq Ft



PIER 31

LEASE NO.  
**L-16274**



TENANT  
**GOLDEN GATE NATIONAL  
PARKS CONSERVANCY** PHASE I

DRAWN BY: J. DOMINGUEZ	DATE: NOV. 28th, 2017
CHECKED BY: J. EDWARDS	SCALE: 1" = 15'
PLACE CODE NO.	SHEET NO.
1335-00	OF SHEETS

**EXHIBIT B-1**

**DESCRIPTION OF PREMISES  
PHASE II**

[Attachment on following page]

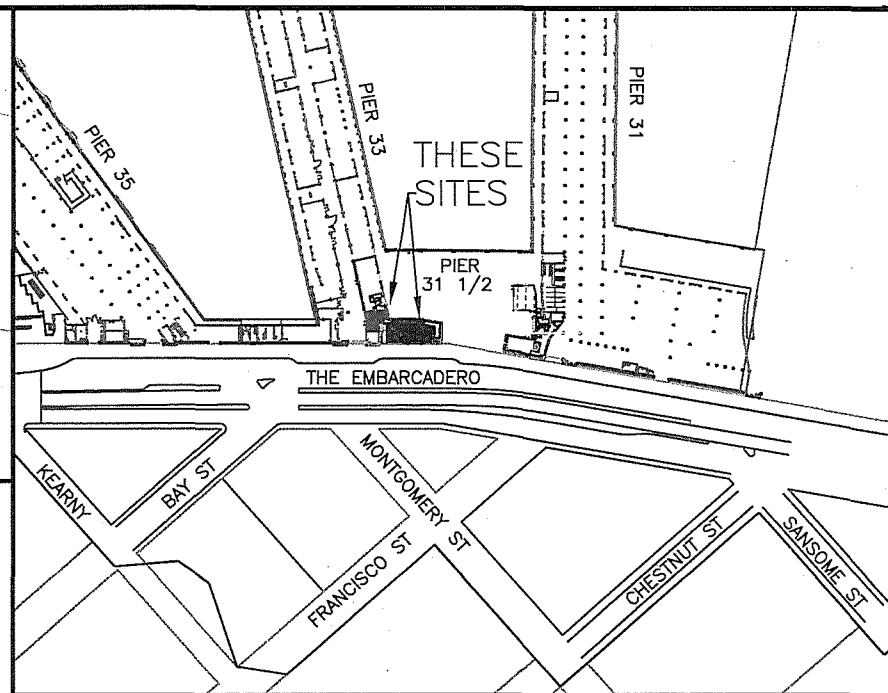
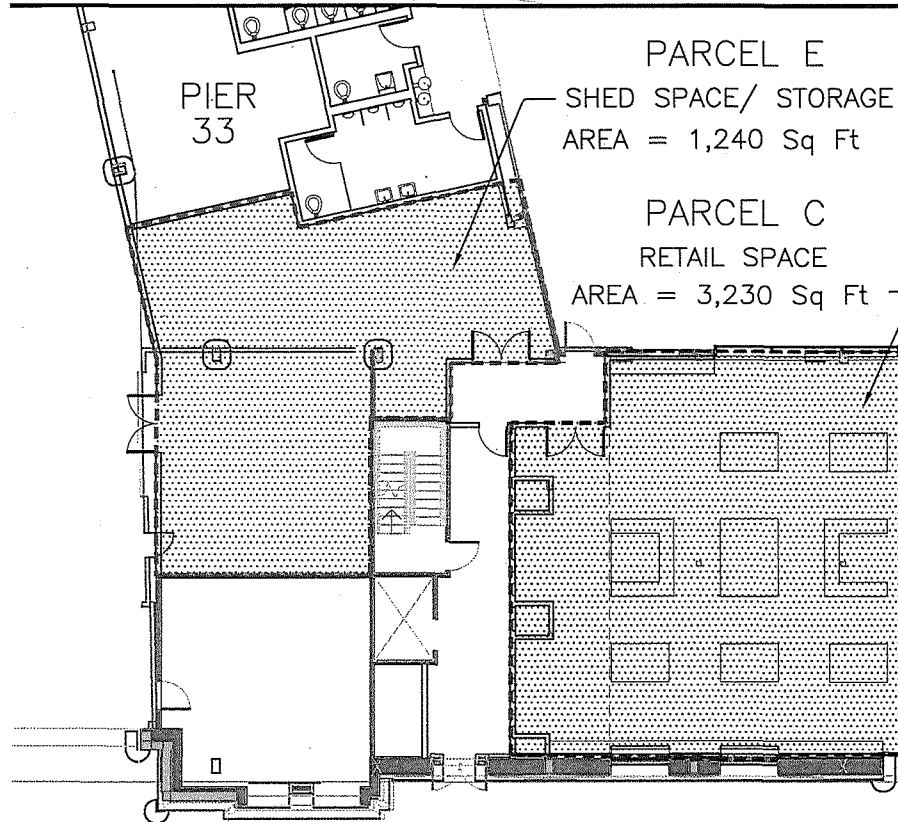
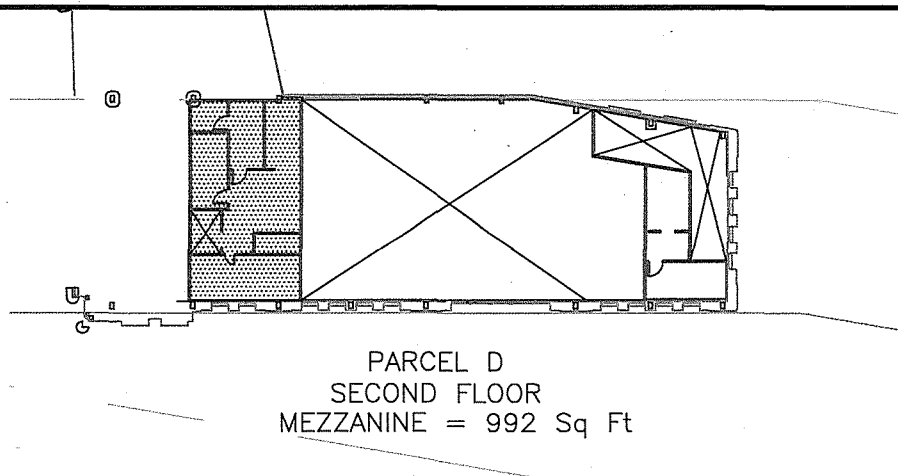
**[PAGE INTENTIONALLY LEFT BLANK]**

INITIALS: PORT:

TENANT:

D/

EXHIBIT B-1  
PHASE II



LOCATION PLAN  
NO SCALE



THE EMBARCADERO

LEASE NO.

L-16274



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

GOLDEN GATE NATIONAL PARKS CONSERVANCY  
PHASE II

DRAWN BY: J. DOMINGUEZ

DATE: DEC. 26th, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 20'

PLACE CODE NO.

1335-00

SHEET NO.

OF SHEETS

**EXHIBIT B-3**

**APPROXIMATE LOCATION OF SEAWALL  
IN RELATION TO THE PREMISES**

[Attachment on following page]



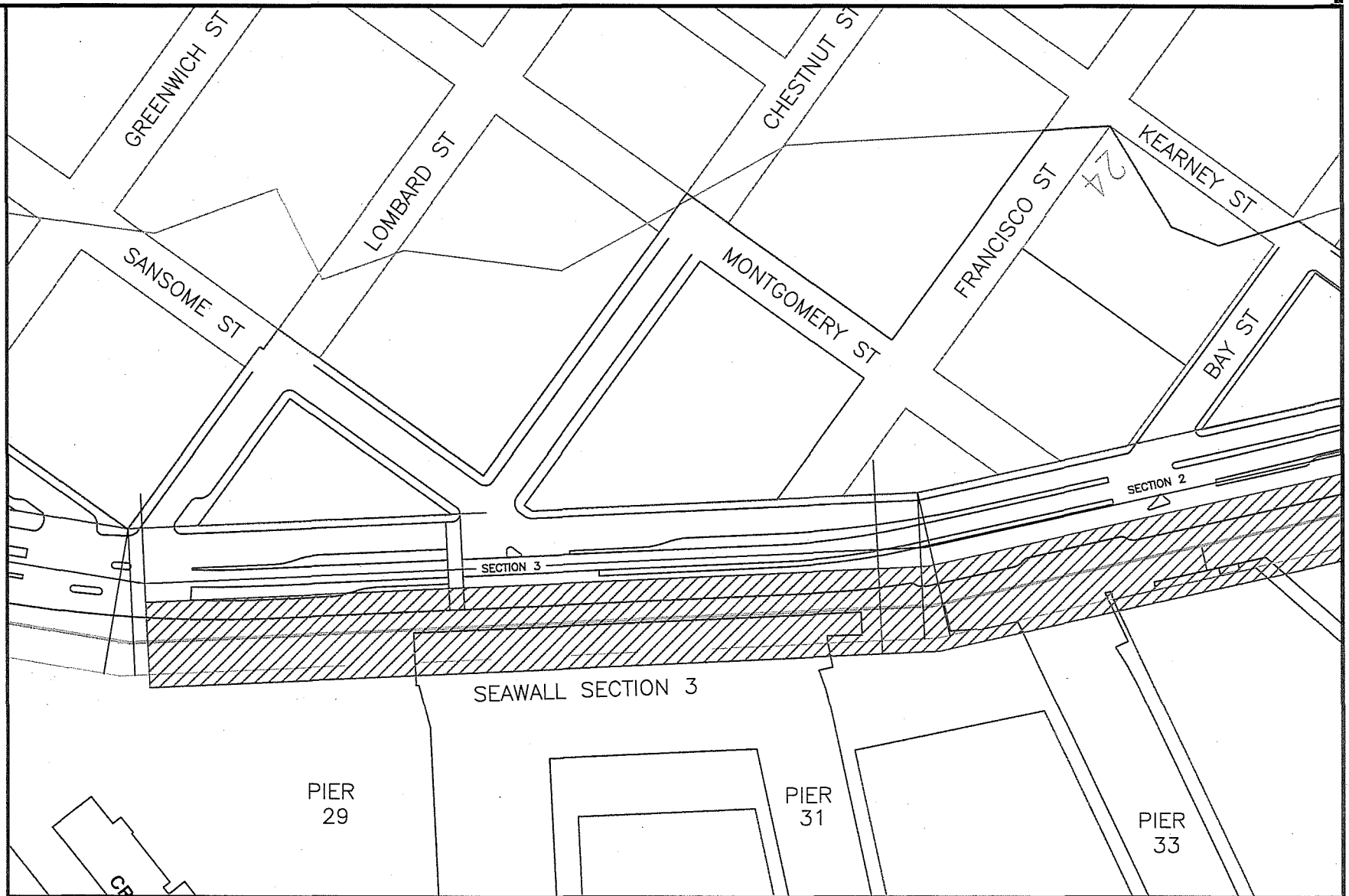
**[PAGE INTENTIONALLY LEFT BLANK]**

INITIALS: PORT: -

TENANT: -

DATE: -

EXHIBIT B-3



ROCK DYKE SECTION 3  
SCALE: 1"=150'

LEASE NO.

L-16724



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

GOLDEN GATE NATIONAL PHASE I  
PARKS CONSERVANCY

DRAWN BY: J. DOMINGUEZ

DATE: DEC. 26TH 2017

CHECKED BY: J. EDWARDS

SCALE: 1"=200'

PLACE CODE NO.

1234-56

SHEET NO.

OF SHEETS

## EXHIBIT C

### INITIAL FERRY CONCESSIONER'S SCOPE OF WORK FOR WARM SHELL (PORTION OF WORK LETTER – DEFINED TERMS AND REFERENCES DEFINED BY THE INITIAL FERRY CONCESSIONER'S LEASE)

#### *3.5 Conditions for Surrender of Portion of Parcel E; Parcel F and Parcel D- 1.*

The Embarkation Site Improvements will include build out of a “warm shell” for the following areas of the Pier 33 South Bulkhead Building and Pier 33 Shed which will then be surrendered to Port to be leased to the Conservancy for build out of the surrendered premises (“**Surrendered Premises**”) and subsequent operation of an interpretive welcome center and ancillary uses under Port Lease No. L-16274: (i) approximately 3,280 sq. ft. on the first floor (Parcel E); (ii) approximately 992 square foot on the mezzanine (after demolition of the second floor) (Parcel F); and (iii) Parcel D-1. Completion of the Embarkation Site Improvements for these three areas shall be consistent with the Schematic Design and Drawings prepared by NPS on May 22, 2017, titled Alcatraz Embarkation Site Schematic Design Package and shall include:

(a) Installation of dedicated Utilities (including but not limited to valve boxes, sewer and storm structures, electrical, water, sewer, gas, telephone boxes and vaults) to a single drop point within the Surrendered Premises within each of the (i) the Pier 33 South Bulkhead Building and (ii) Parcel D-1 sufficient to support the intended subsequent occupancy and use. Tenant shall not be responsible for distribution of Utilities within the Surrendered Premises;

(b) Installation of a meter for each Utility service that meters use only within each of the (i) the Pier 33 South Bulkhead Building and (ii) Parcel D-1;

(c) Installation of functioning heating, cooling and ventilation systems to a single point within the Surrendered Premises within the Pier 33 South Bulkhead Building. Tenant shall not be responsible for distribution of such systems within the Surrendered Premises;

(d) Installation of infrastructure to support all required fire and life safety systems including but not limited to single point of entry for water for fire suppression within each of the (i) Pier 33 South Bulkhead Building and (ii) Parcel D-1. Tenant shall not be responsible for distribution of such systems within the Surrendered Premises or for sprinklers, fire alarms, smoke detectors, or intrusion alarms;

(e) Establishment of a hub for telephone and internet service within each of the (i) Pier 33 South Bulkhead Building and (ii) Parcel D-1;

(f) Removal of all Hazardous Materials, including but not limited to ACM, PACM and lead-based paint;

(g) Installation of a minimally finished interior with open walls and an open ceiling with no grid in place and concrete floor that is poured, leveled and sanded at a minimum within the Pier 33 South Bulkhead Building;

(h) All Utilities shall be installed so as to facilitate/enable a LEED® Gold rating;

(i) All Common Area space shall be ADA compliant; and

(j) All debris and construction materials shall be removed and the areas shall comply with standards for surrender in Section 26.1.

**EXHIBIT D**

**RULES AND REGULATIONS**

[Attachment on following page]

**[PAGE INTENTIONALLY LEFT BLANK]**

## RESTAURANT RULES AND REGULATIONS

The following are the rules and regulations within which Tenant and all Subtenants of the Restaurant Space or any other Subtenant or operator operating a Full-Service Restaurant within the Premises (collectively, "**Restaurant Operator**") shall comply with during the Term.

1. Noise. Sound levels emanating from indoor and/or outdoor activities on the Premises between 10:00 P.M. and 6:00 A.M. daily may not exceed the acceptable noise levels established by the San Francisco Noise Ordinance Police Code, Article 29, except as may be specifically authorized under any special event permit issued by the San Francisco Police Department. Restaurant Operator shall post signs inside the Restaurant Space at appropriate places requesting that patrons leaving the Premises after 10:00 P.M. depart in a quiet, peaceful and orderly fashion and not litter in the neighborhood. Restaurant Operator shall alert the San Francisco Police Department if exiting patrons cause any disturbance.
2. Garbage/Recycling/Composting. All garbage dumpsters and main recycling containers shall be enclosed within an appropriate closet so that such dumpsters and containers are not visible from outside of the buildings, unless directed otherwise by the Port. Garbage dumpsters and recycling containers shall not be moved outside the building in advance of actual collection by a refuse or recycling company. Garbage and recycling pickup shall be arranged such that garbage dumpsters and recycling containers are removed directly from the enclosure, emptied, and replaced at the same time. [No garbage and recycling pickup may occur after 8:00 A.M. or before 10:00 P.M.]
3. Garbage/Recycling/Composting. In accordance with local law, all waste shall be separated into the following:
  - Compost
  - Recycling
  - Trash/Landfill

Restaurant Operator shall ensure that all employees are properly trained to maximize the proper separation of compostables, recyclables, and trash. Restaurant Operator shall provide adequate collection and hauling service of these materials.

Restaurant Operator must provide source separated collection of recyclables, compostables and trash to their employees, contractors and customers. Restaurant Operator must supply appropriate containers, placed in appropriate locations, to make source separation of recyclables, compostables, and trash convenient for the employees, contractors, and customers.

The containers must:

- (1) Be of appropriate number and size in light of the recyclable, compostable, and trash quantities reasonably anticipated to be generated at the location;

(2) Bear appropriate signage and be color coded to identify the type of refuse to be deposited—blue for recyclables, green for compostables, and black for trash and meet any additional design criteria established by regulation; and,

(3) Be placed as close together as possible to provide equally convenient access to users.

(4) Restaurant Operator shall not use the Port's trash cans, or Big Bellys, for the disposal of their trash from the restaurant.

Restaurant Operator shall not put any fats, oils or grease in trash collection containers. Restaurant Operator must provide information and/or training for new employees, and contractors, including custodians, on how to source separate recyclables, compostables, and trash, and must re-educate existing employees, and contractors at least once a year.

4. Litter. Restaurant Operator shall be responsible for undertaking the following measures within the exterior portions of the Premises: (i) keep all hardscape areas and sidewalks between the Premises and The Embarcadero and between the Premises and all adjacent properties reasonably clean of debris and litter; (ii) once each day between thirty minutes after closing and 8:00 A.M. the following morning, collect and dispose of any discarded trash and litter; (iii) remove trash and litter from any landscaped areas within the Premises; and (iv) with the permission of adjacent Port tenants enter upon adjacent properties to remove litter thereon originating on the Premises.
5. Landscaped and Hardscape Areas. Take reasonable precautions to minimize any damage to landscaping and hardscape, if any, from restaurant vendors, service people and patrons.
6. Traffic. Coordinate all vehicular deliveries and pickups to occur at times and in a manner that will not unreasonably impede the flow of traffic on The Embarcadero or interfere with the safe operation of SFMTA vehicles.
7. Advertising/Signage. Restaurant Operator shall place no temporary or promotional advertising, banners or signs on the interior of the windows on the Premises intended to be seen from the adjacent streets or properties except as may be previously approved in writing by the Executive Director or his/her representative.
8. Compliance with Rules. Restaurant Operator shall take commercially reasonable efforts to cause all vendors, service persons and patrons to comply with the applicable Restaurant Rules and Regulations.
9. Changes. The Restaurant Rules and Regulations may be changed from time to time to reflect changing circumstances or Port policies upon mutual consent of the Restaurant Operator and the Executive Director of the Port or as adopted by Port for restaurant operators within Port's jurisdiction.

10. Plumbing System and FOG. It is the Restaurant Operator's sole responsibility to maintain plumbing system.

Restaurant Operator shall be prohibited from:

- installing or using a garbage disposal or garbage grinder.
- disposal of fats, oils and grease or any food waste containing fats, oil or grease directly into drain in the kitchen areas.

Restaurant Operator shall be required to:

- comply with all directives from the SF PUC regarding the FOG program including:
- Use an Automatic Grease Removal Device (AGRD) on all sinks, as required.
- Ensure that all grease removal devices are cleaned at least every 90 days by a grease hauler certified by the California Department of Food and Agriculture.
- Maintain documentation of service and maintenance records.
- Develop and implement a written maintenance program for the sewer lines.

11. These Rules and Regulations are in addition to, and shall not be construed to modify or amend the terms and conditions of the Lease. Port reserves the right at any time and from time to time to change or rescind any one or more or all of these Rules and Regulations or to make such other and further Rules and Regulations as the Port shall determine is in the best interest of the Port, the environment and/or Restaurant Operator, its Agents and Invitees. Upon notice by Port, such revised or new rules shall be binding upon Restaurant Operator.

12. In the event of any conflict between these or any modified rules and regulations and the Lease, the terms and provisions of the Lease shall prevail. Additionally, Tenant shall reimburse the Port for any and all costs related to the maintenance of plumbing and sewer lines.



**EXHIBIT E**  
**WORK LETTER**

This Work Letter sets forth Tenant's obligation to construct the Initial Tenant Improvements and shall be deemed part of the Lease. The "Initial Tenant Improvements" are described in the Basic Lease Information, this Work Letter and its attachments and associated Port Building Permits and any amendments thereto.

**1. General Terms**

**1.1. Definitions.** Initially capitalized terms used in this Work Letter have the meanings given them when first defined. Any initially capitalized words or acronyms used but not defined in this Work Letter shall have the same meanings as in the Lease.

**1.2. Relationship between Work Letter and the Lease.** This Work Letter governs Tenant's obligations to construct the Initial Tenant Improvements or, in the event Tenant fails to complete such improvements by the respective Phase I and Phase II Initial Tenant Improvements Outside Completion Date, as defined in the Basic Lease Information, to such later date of Completion as determined by Port for the Initial Tenant Improvements. This Work Letter addresses, among other matters, the scope of Tenant's obligations to design and construct the Initial Tenant Improvements in accordance with the Schematic Design and Drawings, Tenant's obligations to obtain final approvals for the Initial Tenant Improvements, and the Schedule of Performance. Before the termination of this Work Letter, as to each of the Phase I and Phase II Improvements, this Work Letter shall control in the event of any inconsistency between this Work Letter and the Lease. Upon expiration of this Work Letter, the Lease alone will govern the rights and obligations of the parties with respect to use and occupancy of the Premises.

**1.3. Term.** This Work Letter shall commence and become effective as of the Effective Date and shall expire on the date of Completion of the Initial Tenant Improvements.

**1.4. Lease Provisions.** The provisions of the Lease, except where clearly inconsistent or inapplicable to this Work Letter, are incorporated into this Work Letter.

**1.5. Extensions by Port.** Upon the request of Tenant, Port's Executive Director may, by written instrument, extend the time for Tenant's performance of any term, covenant or condition of this Work Letter or permit the curing of any default of this Work Letter upon such terms and conditions as she or he determines appropriate, including but not limited to the time within which Tenant must perform such terms and/or conditions, provided, however, that any such extension or permissive curing of any particular default will not operate to relieve Tenant of its obligations to pay Rent or release any of Tenant's obligations nor constitute a waiver of Port's rights with respect to any other term, covenant or condition of this Work Letter or the Lease or any other default in, or breach of, the Work Letter or the Lease or otherwise effect the time with respect to the extended date or other dates for performance hereunder.

**2. Construction Of The Initial Tenant Improvements**

**2.1. Tenant's Construction Obligations.**

(a) **Project Requirements.** Tenant hereby agrees for itself, successors, and assignees, to complete for the benefit of the Port the construction of the Initial Tenant Improvements by the respective Phase I and Phase II Initial Tenant Improvements Outside Completion Date. Tenant shall Complete said construction free of claims, demands, actions and liens for labor, materials or equipment furnished for the construction, and shall be performed in accordance with applicable requirements of (i) all Laws; (ii) this Work Letter, including the Scope of Development and Schematic Drawings; (iii) the Port Building Code as applicable;

(iv) required Regulatory Approvals; (v) the Waterfront Land Use Plan; (vi) the design approved by the Port and, if required, the Planning Commission, pursuant to Section 240 of the Planning Code; and (vii) the Lease including without limitation Section 13 thereof. All such requirements are sometimes referred to collectively as the "Project Requirements."

**(b) Scope of Development; Schedule of Performance.** Tenant shall use commercially reasonable efforts to construct or cause to be constructed the Initial Tenant Improvements on the Premises within the times and in the manner set forth in this Work Letter and the Scope of Development attached hereto as **Attachment 1**. All construction with respect to the Initial Tenant Improvements shall be accomplished expeditiously, diligently and in accordance with good construction and engineering practices and applicable Laws. Tenant shall undertake commercially reasonable measures to minimize damage, disruption or inconvenience caused by such work and make adequate provision for the safety and convenience of all persons affected by such work. Tenant, while performing any construction with respect to the Initial Tenant Improvements, shall undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or damage to adjoining tenants, properties and improvements, or the risk of injury to members of the public, caused by or resulting from the performance of such construction.

**(c) Costs; Private Development.** Tenant shall bear all of the cost of construction of all the Initial Tenant Improvements. Without limiting the foregoing, Tenant shall be responsible for performing all Premises preparation work necessary for construction of the Initial Tenant Improvements. Such preparation of the Premises shall include, among other things, asbestos and lead abatement investigation required for development or operation of the Initial Tenant Improvements, all structure and substructure work, disabled access improvements and public access improvements and tenant improvements.

**2.2. Utilities.** Tenant, at its sole expense, shall arrange for the provision and construction of all on-Premises utilities necessary to use the Premises for the Permitted Use. Tenant and Port shall coordinate, if necessary, with respect to installation of any off-Premises utility infrastructure and design of the Initial Tenant Improvements, including providing advance notice of trenching requirements, and coordinate any modification of utilities to any adjacent Port tenants or uses.

**2.3. Submittals after Completion.** Tenant shall furnish Port both design/permit drawings in their finalized form and "As-Built" Drawings, specifications and surveys with respect to the Premises (core and shell, and tenant improvements) within sixty (60) days after Completion of the Initial Tenant Improvements. If Tenant fails to provide such surveys and as-built plans and specifications to Port within such period of time, Port after giving notice to Tenant shall have the right, but not the obligation, to cause the preparation by an architect of Port's choice of final surveys and as-built plans and specifications, at Tenant's sole cost, to be paid by Tenant to Port within thirty (30) days after Port's request therefor.

**2.4. Insurance.** At all times during the construction of the Initial Tenant Improvements, in addition to the insurance required to be maintained by Tenant under the Lease, Tenant shall require Tenant's contractor to maintain (a) commercial general liability insurance with limits of not less than Three Million Dollars (\$3,000,000) combined single limit for bodily injury and property damage (including personal injury and death), and contractor's protective liability; and products and completed operations coverage in an amount not less than Five Hundred Thousand Dollars (\$500,000) per incident, One Million Dollars (\$1,000,000) in the aggregate; (b) comprehensive automobile liability insurance with a policy limit of not less than One Million Dollars (\$1,000,000) each accident for bodily injury and property damage, providing coverage at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, "any auto", and insuring against all loss in connection with the ownership, maintenance and operation of automotive equipment that is owned, hired or non-owned; (c) workers' compensation with statutory limits and employer's

liability insurance with limits of not less than One Hundred Thousand Dollars (\$100,000) per accident, Five Hundred Thousand Dollars (\$500,000) aggregate disease coverage and One Hundred Thousand Dollars (\$100,000) disease coverage per employee. Tenant shall cause Tenant's Agents (other than Tenant's contractor) to carry such insurance as shall be reasonably approved by Port taking into account the nature and scope of the work and industry custom and practice. In addition, Tenant shall carry "**Builder's All Risk**" insurance covering the construction of the Initial Tenant Improvements as set forth in the Lease. The liability insurance shall be written on an "**occurrence**" basis and shall name Port as additional insureds (by endorsement reasonably acceptable to Port). All of the insurance required to be carried by Tenant or Tenant's Agents hereunder shall provide that it is primary insurance, and not excess over or contributory with any other valid, existing, and applicable insurance in force for or on behalf of Port, shall provide that Port shall receive thirty (30) days' written notice from the insurer prior to any cancellation or change of coverage, and shall be placed with companies which are rated A-VIII or better by Best's Insurance Guide and licensed to business in the State of California. All deductibles and self-insured retentions under Tenant's policies are subject to Port's reasonable approval, and all insurance, except workers' compensation, maintained by Tenant's Agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Tenant's compliance with the provisions of this Section 2.4 shall in no way limit Tenant's liability under any of the other provisions of this Work Letter or the Lease.

**2.5. Performance Bond.** At least five (5) business days prior the start of construction, Tenant shall provide Port, at Tenant's sole cost and expense, (i) a corporate surety payment bond and a performance bond substantially in the form attached hereto as **Attachment 2** obtained by each of Tenant's contractors performing work on the Initial Tenant Improvements or, (ii) a financial guarantee, in a form approved by Port in its sole discretion, from a third party with liquid assets in an amount of no less than One Hundred Twenty-five percent (125%) of the cost of the Initial Tenant Improvements. Each bond shall be in an amount equal to one hundred percent (100%) of the estimated costs of such work on the Initial Tenant Improvements. Each performance bond shall guarantee the contractor's faithful performance of its contract(s) with Tenant. Each payment bond shall guarantee the Contractor's payment of labor, materials, supplies and equipment used in the performance of its contract(s) with Tenant. The bonds are intended to help protect the Port against any liability for mechanics' and materialmen's liens, stop notices and to ensure completion of the work. Corporate sureties issuing these bonds shall be legally authorized to engage in the business of furnishing surety bonds in the State of California. All sureties shall have a current A.M. Best Rating not less than A-, VIII. Each corporate surety bond shall obligate the surety to Tenant and the City and County of San Francisco as co-obligees.

**2.6. Compliance with Laws.** At its sole cost and expense, Tenant shall comply (taking into account any variances or other deviations properly approved) with: (i) all Laws; (ii) all Regulatory Approvals which place requirements on the Initial Tenant Improvements; (iii) all requirements of all policies of insurance which may be applicable to the Premises as to the Initial Tenant Improvements or Tenant's Personal Property; and (iv) all other applicable Project Requirements. It is expressly understood and agreed that the performance required of Tenant by the preceding sentence shall include the obligation to make, at Tenant's sole cost and expense, all additions to, modifications of, and installations on the Premises which may be required by any Laws regulating the Premises or any insurance policies covering the Premises as to the Initial Tenant Improvements or Tenant's Personal Property. Tenant shall, promptly upon request, provide Port with reasonable evidence of compliance with Tenant's obligations under this Section.

**2.7. Port and Other Governmental Permits.** Tenant has the sole responsibility, at its sole cost and expense, for obtaining all necessary permits for the Initial Tenant Improvements and shall make application for such permits directly to the applicable Regulatory Agency;

provided, however, that where Port is required to act as a co-permittee for any permit, Tenant shall apply for such permit in accordance with Section 10.2 of the Lease.

**2.8. Port Rights of Access.** Without limiting the rights of Port in its regulatory capacity, Port and its Agents will have the right of access to the Premises to the extent reasonably necessary to carry out the purposes of this Work Letter, including, but not limited to, the inspection of the work being performed in constructing the Initial Tenant Improvements upon reasonable prior written notice to Tenant during regular business hours; provided, however, Port shall take such reasonable action necessary to minimize any interference with Tenant's construction activities. Port will provide Tenant promptly upon request with a copy of any written reports prepared by Port or its Agents with respect to the Initial Tenant Improvements under any such inspection, subject to withholding documents otherwise privileged or confidential. Port disclaims any warranties, representations and statements made in any such reports, will have no liability or responsibility with respect to any such warranties, representations and statements, and will not be estopped from taking any action (including, but not limited to, later claiming that the construction of the Initial Tenant Improvements is defective, unauthorized or incomplete) nor be required to take any action as a result of any such inspection. For purposes of clarity, this Section 2.8 does not apply to inspections, approvals, or other actions taken by the CHE in his/her regulatory capacity as the Port's chief building official.

**2.9. Construction Signs and Barriers.** Tenant shall provide appropriate construction barriers, construction signs and a project sign or banner describing the Initial Tenant Improvements, and shall post the signs on the Premises during the period of construction. The size, design, test and location of such signs and the composition and appearance of any non-moveable construction barriers shall be submitted to Port for approval before installation pursuant to Port's sign policy, which approval may not be withheld unreasonably. Failure by Port to disapprove any such submission within forty-five (45) days after submittal of all documents required or requested by Port, will be deemed to be an approval.

### **3. Preparation And Approval Of Plans**

#### **3.1. The Construction Documents.**

**(a) Definition of Construction Documents.** The Construction Documents shall be as follows:

**(i) "Schematic Drawings"** for the Initial Tenant Improvements prepared by NPS on May 22, 2017, titled Alcatraz Embarkation Site Schematic Design Package, and attached hereto as part of the Scope of Development which includes, without limitation, the following:

**(1)** Perspective drawings sufficient to illustrate the Initial Tenant Improvements.

**(2)** Site plans at appropriate scale showing relationships of the Initial Tenant Improvements with their respective uses, designating public areas, open spaces, seating areas, walkways, canopies, buildings, service areas, location of the monument sign and subordinate wayfinding signs. Adjacent existing and proposed streets, piers, arcades and structures should also be shown.

**(3)** Building plans, floor plans and elevations sufficient to describe the development proposal, the general architectural character, and the location and size of uses.

**(4)** Building and site cross sections showing height relationships of those areas noted above.

(5) Booklets submitted to the San Francisco Bay Conservation and Development Commission (BCDC) Design Review Board dated July 27, 2017 and January 22, 2018 that are hereby incorporated by reference.

(ii) **"Preliminary Construction Documents"** in sufficient detail and completeness to show that the Initial Tenant Improvements and the construction thereof shall comply with the Project Requirements, and which shall generally include, without limitation:

(1) Premises plan(s) at appropriate scale showing the buildings, canopies, streets, boat docks, walkways, and other open spaces. All land uses shall be designated. All Premises development details and bounding streets, points of vehicular and pedestrian access shall be shown.

(2) All building plans and elevations at appropriate scale.

(3) Cross section of buildings, canopies, and site showing all typical dimensions, materials, and connections at appropriate scale.

(4) Floor plans.

(5) Preliminary interior improvement plans.

(6) Plans and other detailed illustrations to sufficiently describe the proposed public areas including but not limited to, walls, fences, railings, benches, bicycle racks, interpretive markers, plaques, models, pavements, exterior lighting, signs, trash/recycling receptacles, and other site furnishings.

(7) Outline specifications for materials, finishes and methods of construction.

(8) Interior and Exterior Signage Plans.

(9) Exterior lighting plans.

(10) Material and color samples.

(11) Roof plans showing all mechanical and other equipment.

(iii) **"Final Construction Documents"** which shall include all plans and specifications required under applicable codes to be submitted with an application for a Premises Permit.

(b) Exclusion. As used in this Work Letter "Construction Documents" do not mean any contracts between Tenant and any contractor, subcontractor, architect, engineer or consultant.

**3.2. Scope of Tenant Submissions of Construction Documents.** The following provisions apply to all stages of Tenant's submission of Construction Documents. Each of the Construction Document stages is intended to constitute a further development and refinement from the previous stage. The elements of the Preliminary Construction Documents requiring Port's approval shall be in substantial conformance with the Schematic Drawings and the Scope of Development, and shall incorporate conditions, modifications and changes specified by Port or required as a condition of Regulatory Approvals as approved by Port. Preliminary Construction Documents shall be in sufficient detail and completeness to show that the Initial Tenant Improvements and the construction of the Initial Tenant Improvements will be in compliance with the Project Requirements and matters previously approved. The Final Construction Documents shall be a final development of, and be based upon and conform to, the approved Preliminary Construction Documents. The elements of the Final Construction Documents requiring Port approval shall incorporate conditions, modifications and changes required by Port for the approval of the Preliminary Construction Documents. The Final Construction Documents shall include all drawings, specifications and documents necessary for

the Initial Tenant Improvements to be constructed and completed in accordance with this Work Letter.

### **3.3. Construction Document Review Procedures.**

(a) Method of Port Action/Prior Approvals. Port shall approve, disapprove or approve conditionally the Construction Documents, in writing, in accordance with the Schedule of Performance, but, in any event, within ninety (90) days after submittal, so long as the applicable Construction Documents are properly submitted in accordance with the Schedule of Performance. If Port fails to respond to Tenant's request for approval within such ninety (90) day period, then Tenant may provide a second notice to Port requesting Port's approval (the "Second Notice"). The Second Notice shall display prominently on the envelope enclosing such request and the first page of such request, substantially the following: **"APPROVAL REQUEST FOR ALCATRAZ EMBARKATION/CONSERVANCY LEASE. IMMEDIATE ATTENTION REQUIRED; FAILURE TO RESPOND WITHIN FIVE (5) BUSINESS DAYS WILL RESULT IN THE REQUEST BEING DEEMED APPROVED."** If Port fails to approve or disapprove within five (5) business days following receipt of the Second Notice, Port's failure to respond shall be deemed approval.

(b) Timing of Port Disapproval/ Conditional Approval and Tenant Resubmission. If Port disapproves of the Construction Documents in whole or in part, Port in the written disapproval shall state the reason or reasons and may recommend changes and make other recommendations. If Port conditionally approves the Construction Documents in whole or in part, the conditions shall be stated in writing and a time shall be stated for satisfying the conditions. Tenant shall make a resubmittal as expeditiously as possible. Tenant may continue making resubmissions until the approval of the submissions or the time specified in any conditional approval.

### **3.4. Changes in Construction Documents.**

(a) Approval of Changes in Construction Documents. Tenant shall not make or cause to be made any material changes in any Port-approved Construction Documents without Port's express written approval in its reasonable discretion as provided in Section 3.4(b) below. Prior to making any changes that Tenant considers to be non-material to any Port-approved Construction Documents, including, without limitation, substituting materials which are the architectural equivalent as to aesthetic appearance, quality, color, design and texture, Tenant shall notify Port in writing. If Port in its reasonable discretion determines that such noticed changes are material, then such changes shall be subject to Port's approval under Section 3.4(b). Port's determination of whether such changes are material will be conclusive. Without otherwise limiting the requirements of this Section 3.4(a), any changes that cost Five Thousand Dollars (\$5,000.00) or less in the aggregate and that would not otherwise affect the structural elements of the Initial Tenant Improvements shall be presumed to be non-material changes.

(b) Response. Tenant shall request in writing Port's approval in connection with all material changes to the Construction Documents. Port shall respond to Tenant in writing within thirty (30) days after receipt of Tenant's request. If Port fails to respond to Tenant's request for approval within such thirty (30) day period, then Tenant may provide a second notice to Port requesting Port's approval (the "Second Notice"). The Second Notice shall display prominently on the envelope enclosing such request and the first page of such request, substantially the following: **"APPROVAL REQUEST FOR ALCATRAZ EMBARKATION/CONSERVANCY LEASE. IMMEDIATE ATTENTION REQUIRED; FAILURE TO RESPOND WITHIN FIVE (5) BUSINESS DAYS WILL RESULT IN THE REQUEST BEING DEEMED APPROVED."** If Port fails to approve or disapprove within five (5) business days following receipt of the Second Notice, Port's failure to respond shall be deemed approval.

**3.5. Progress Meetings/Consultation.** During the preparation of Construction Documents, Port staff and Tenant agree to hold regular progress meetings, as appropriate considering Tenant's Construction Document progress, to coordinate the preparation of, submission to, and review of Construction Documents by Port. Port staff and Tenant (and its applicable consultants) agree to communicate and consult informally as frequently as is reasonably necessary to assure that the formal submittal of any Construction Documents to Port can receive prompt and speedy consideration.

#### **4. Completion of Construction.**

**4.1. Completion.** Subject to Force Majeure, Tenant shall use its best efforts to commence, prosecute and Complete the Initial Tenant Improvements by the respective Phase I and Phase II Initial Tenant Improvements Outside Completion Date. During the Construction Period, Tenant shall submit written progress reports to City, in form and detail as may be required reasonably by Port, but at least on a monthly basis. Tenant's obligation to Complete construction of the Initial Tenant Improvements shall not be subject to Port delays, Regulatory Approval delays or any other delays (other than Force Majeure).

**4.2. Port's Remedy for Tenant's Failure to Timely Complete Construction.** In the event Tenant fails to Complete the Initial Tenant Improvements by the respective Phase I and Phase II Initial Tenant Improvements Outside Completion Date, at Port's discretion, Tenant shall pay to Port an amount equaling Three Hundred Dollars (\$300.00) per day commencing on the Initial Tenant Improvements Completion Date and continuing at such rate until Port has determined that the Initial Tenant Improvements are Complete in addition to the Rent that would otherwise be payable for such period. Under no circumstances shall these deadlines be extended due to Port delays or other reasons (other than Force Majeure as provided in this Work Letter).

THE PARTIES HAVE AGREED THAT PORT'S ACTUAL DAMAGES IN THE EVENT OF TENANT'S FAILURE TO COMPLETE CONSTRUCTION OF THE INITIAL TENANT IMPROVEMENTS BY THE RESPECTIVE PHASE I AND PHASE II INITIAL TENANT IMPROVEMENTS OUTSIDE COMPLETION DATE WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY PLACING THEIR INITIALS BELOW, THE PARTIES ACKNOWLEDGE THAT THEY HAVE AGREED UPON THE SUM SPECIFIED ABOVE, AFTER NEGOTIATION, AS THEIR REASONABLE ESTIMATE OF PORT'S DAMAGES IN SUCH EVENT.

TENANT \_\_\_\_\_

PORT \_\_\_\_\_

#### **5. Certificate Of Completion**

##### **5.1. Completion.**

(a) After Tenant has Completed construction of the Initial Tenant Improvements in accordance with all the provisions of this Work Letter, including, but not limited to, the Project Requirements, Tenant may request a Completion determination.

(b) Port's issuance of any Completion determination does not relieve Tenant or any other Person from any obligations to secure or comply with any Regulatory Approval of any agency (including Port) that may be required for the occupancy or operation of the Initial Tenant Improvements.

(c) **Condition to Approval.** If there remain uncompleted (i) finishing details, minor omissions, decorations and mechanical adjustments of the type normally found on an architectural "punch list", (ii) landscaping, (iii) exterior finishes (to the extent Tenant can demonstrate to Port's reasonable satisfaction that such exterior finishes would be damaged during the course of later construction of Interior Improvements), or (iv) any other item that Port approves in writing in its sole and absolute discretion (collectively "**Deferred Items**"), Port may reasonably condition approval upon provision of security or other assurances in form,

substance and amount satisfactory to Port that all the Deferred Items will be completed in a timely fashion. Such security may include a letter of credit (in a form and issued by an institution acceptable to Port) in the amount of one hundred ten percent (110%) of the cost of completion of the Deferred Items as reasonably determined by Port. The obligations set forth in this subsection shall survive a termination of the Lease.

## **6. Termination Of Lease.**

**6.1. Plans and Data.** If the Lease terminates as a result of an Event of Default by Tenant before Completion of the Initial Tenant Improvements, Tenant shall assign and deliver to Port (without cost to Port) any and all copies of reports in its possession regarding the Premises and all Construction Documents in the possession of or prepared for Tenant, for the contracting of the Initial Tenant Improvements within thirty (30) days after written demand from Port. Port may use said reports and Construction Documents for any purpose whatsoever relating to the Premises; provided, however, Port shall release Tenant and Tenant's contractor, architect, engineer, agents, employees and other consultants from any losses arising out of Port's use of such reports and Construction Documents except to the extent such contractor, architect, engineer, agent, employee or other consultant is retained by Port to complete the Initial Tenant Improvements. Tenant shall include in all contracts and authorizations for services pertaining to the planning and design of the Initial Tenant Improvements an express agreement by the Person performing such services that Port may use such reports or Construction Documents as provided in this Section 6.1 without compensation or payment from Port in the event such reports or Construction.

Documents are delivered to Port under the provisions of this Section 6.1, provided that Port agrees (i) not to remove the name of the preparer of such reports of Construction Documents without the preparer's written permission or (ii) to remove it at their written request.

**6.2. Return of Premises.** If the Lease terminates pursuant to this Section 6, Tenant shall, at its sole expense and as promptly as practicable, return the Premises to Port in a safe condition, and unless otherwise requested by Port, shall promptly remove all Improvements, loose building materials and debris present at the Premises resulting from Tenant's construction activities. In the event that Tenant is required to return the Premises as aforesaid, Tenant shall obtain those authorizations, permits and approvals customary and necessary to enter upon the Premises in order to complete such work and shall otherwise comply with applicable Law. In such event, Port shall cooperate with Tenant in Tenant's efforts to obtain such permits, provided that Port will not be required to expend any money or undertake any obligations in connection therewith. The provisions of this Section shall survive any termination of the Lease.

## **ATTACHMENTS**

<b>ATTACHMENT 1</b>	<b>SCOPE OF DEVELOPMENT (INCLUDING THE SCHEMATIC DESIGN AND DRAWINGS AND SCHEDULE OF PERFORMANCE)</b>
<b>ATTACHMENT 2</b>	<b>FORM OF PERFORMANCE BOND &amp; PAYMENT (LABOR AND MATERIAL) BOND</b>



**ATTACHMENT 1**  
**SCOPE OF DEVELOPMENT**

Tenant shall be responsible for building out the following: Parcel A Pier 31 Bulkhead into a casual dining restaurant; Parcel B Pier 31 Shed into restaurant storage; and Parcel C Pier 33 South Bulkhead Building into a visitor contact station and interpretive retail on the first floor and associated administrative space in the mezzanine. Improvements shall be consistent with the Alcatraz Embarkation Site Schematic Design dated May 22, 2017, including the subsequent Booklets submitted to the San Francisco Bay Conservation and Development Commission (BCDC) Design Review Board dated July 27, 2017 and January 2018 that are hereby incorporated by reference as part of the Schematic Design and Drawings.

**Pier 31 Bulkhead – casual dining restaurant**

Tenant is responsible for build out of a casual dining restaurant space from an “as is” condition to Completion, including but not limited to:

- Dedicated utility services (electrical, gas, water) from the core utility area shown in *Exhibit G* and distributed throughout the Premises. Dedicated meters are required for electricity, gas, water and any other utility. Tenant will pay the utility provider directly for all utility charges. All Utilities must be above the deck to the point of connection in the utility core area. Sewer will require a pit with a holding tank and sump pump.
- Functioning heating and ventilation system to and throughout the Premises.
- Infrastructure sufficient to support fire sprinkler and life safety systems.
- All seismic upgrade work, to the extent required in connection with the Initial Tenant Improvements.
- All Hazardous Material abatement, to the extent required in connection with the Initial Tenant Improvements..
- All exterior envelope work.
- Hub for telecom/internet.
- All soft costs related to the design of interior food preparation and service areas to meet all permitting and regulatory requirements.
- Point of Sale stations and associated telecom/internet connections and distribution.
- All interior finishes including flooring, wall and ceiling treatments, lighting.
- All food service preparation equipment and associated ventilation.
- All interior furnishings, fixtures, casework, décor and window treatments.
- Window modifications if required to meet new interior layout.
- All interior code required signage, wayfinding and identification signage.

**Pier 33 Bulkhead** – visitor contact station and interpretive retail

Tenant is responsible for build out of a visitor contact station and interpretive retail (first floor and small mezzanine) from a warm shell as described in ***Exhibit C*** to Completion, including but not limited to:

- All soft costs related to the design of first floor Welcome Center and mezzanine office to meet Port and regulatory permitting requirements. Distribution of all utilities to final locations based upon interior layout.
- Point of sale stations and associated telecom/internet connections and distribution.
- All interior finishes including flooring, wall and ceiling treatments and lighting.
- All interior fixtures for interpretative and retail displays and sales.
- All interpretative exhibits, signage and media.
- All interior furnishings, including mezzanine office furnishings, décor and window treatments.
- All interior work related to the interpretation of the Bayside History Walk.
- All interior code required signage, wayfinding and identification signage.

**[PAGE INTENTIONALLY LEFT BLANK]**

**ATTACHMENT 2**

**PERFORMANCE BOND AND PAYMENT (LABOR & MATERIALS) BOND**

KNOW ALL MEN BY THESE PRESENTS, that WHEREAS, the Port of San Francisco on behalf of City and County of San Francisco, State of California, has awarded to:

hereinafter designated as the "Principal", a Lease by Port Commission Resolution No. 18-39, adopted June 25, 2018 for:

***Initial Tenant Improvements***  
**Lease No. 16724 (the "Contract")**

WHEREAS, said Principal is required under the terms of said Contract to furnish a Bond for the faithful performance of certain improvements under said Contract; and to furnish a separate Bond for the payment of any materials, provisions, or other supplies, used in, upon, for or about the performance of the Work contracted to be done;

WHEREAS, said Principal is required under the terms of said Contract to furnish a Bond for the faithful performance of certain improvements under said Contract; and to furnish a separate Bond for the payment of any materials, provisions, or other supplies, used in, upon, for or about the performance of the Work contracted to be done;

NOW, THEREFORE, we the Principal and

as Surety, are firmly bound unto the City and County of San Francisco in the penal sum of

(PERFORMANCE BOND)

(PAYMENT BOND)

and

lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents for the penal sum for a performance bond and an equal and separate penal sum for a separate payment bond. The conditions of this obligation is such that if the said principal does well and faithfully performs all the conditions and covenants of said Contract, according to the true intent and meaning thereof, upon its part to be kept and performed, then the above obligation is to be null and void, otherwise to remain in full force and effect.

(PERFORMANCE BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the said Contract, including the provisions for liquidated damages in the said Contract, any changes, additions or alterations thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City and County of San Francisco, its officers and agents, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

END OF DOCUMENT



(PAYMENT BOND)

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said principal, its heirs, executors, administrators, successors or assigns, or its subcontractors, shall fail to pay (i) any of the persons named in California Civil Code Section 9100 for any materials, provisions, or other supplies used in, upon, for or about the performance of work under the Contract, or for any work or labor performed under the Contract; or (ii) amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the Contract; or (iii) for any amounts required to be deducted, withheld, and paid over to the State of California Employment Development Department from the wages of employees of Principal and subcontractors pursuant to Section 13020 of the California Unemployment Insurance Code with respect to such work or labor, that Surety will pay for the same in an amount not exceeding the sum specified in this Bond. In the event that suit is brought upon this Payment Bond, the parties not prevailing in such suit shall pay reasonable attorney's fees and costs incurred by the prevailing parties in such suit.

This Payment Bond shall inure to the benefit of any of the persons named in California Civil Code Section 9100 as to give a right of action to such persons or their assigns in any suit brought against this Bond.

Should the condition of this Payment Bond be fully performed, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

Surety, for value received, hereby expressly agrees that no change, extension of time, modification, alteration or addition to the undertakings, covenants, terms, conditions and agreements of the Contract, or to the work to be performed thereunder, or to the Specifications accompanying the same, and no inadvertent overpayment of progress payments, shall in any way affect its obligations on these Bonds; and it does hereby waive notice of any such change, extension of time, modification, alteration or addition to the undertakings, covenants, terms, conditions and agreements of the Contract, or to the Work to be performed thereunder, or to the Specifications, or of any inadvertent overpayment of progress payments.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Approved as to form:  
Dennis J. Herrera  
City Attorney

By: \_\_\_\_\_  
Deputy City Attorney

\_\_\_\_\_  
Principal

By: \_\_\_\_\_

\_\_\_\_\_  
Surety

By: \_\_\_\_\_

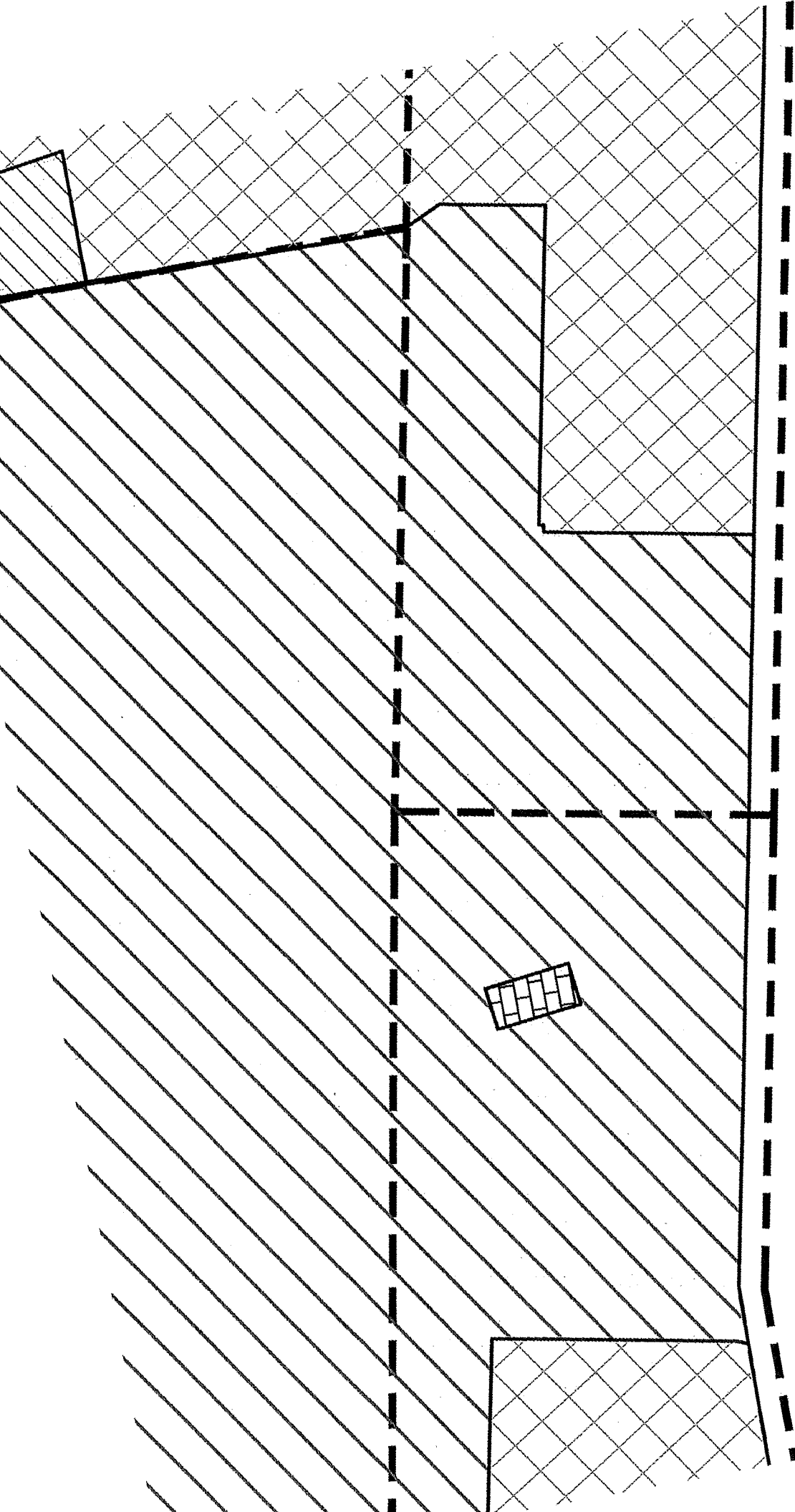
**EXHIBIT F**  
**SCOPE OF WORK FOR PIER 31 1/2 MARGINAL WHARF IMPROVEMENTS**

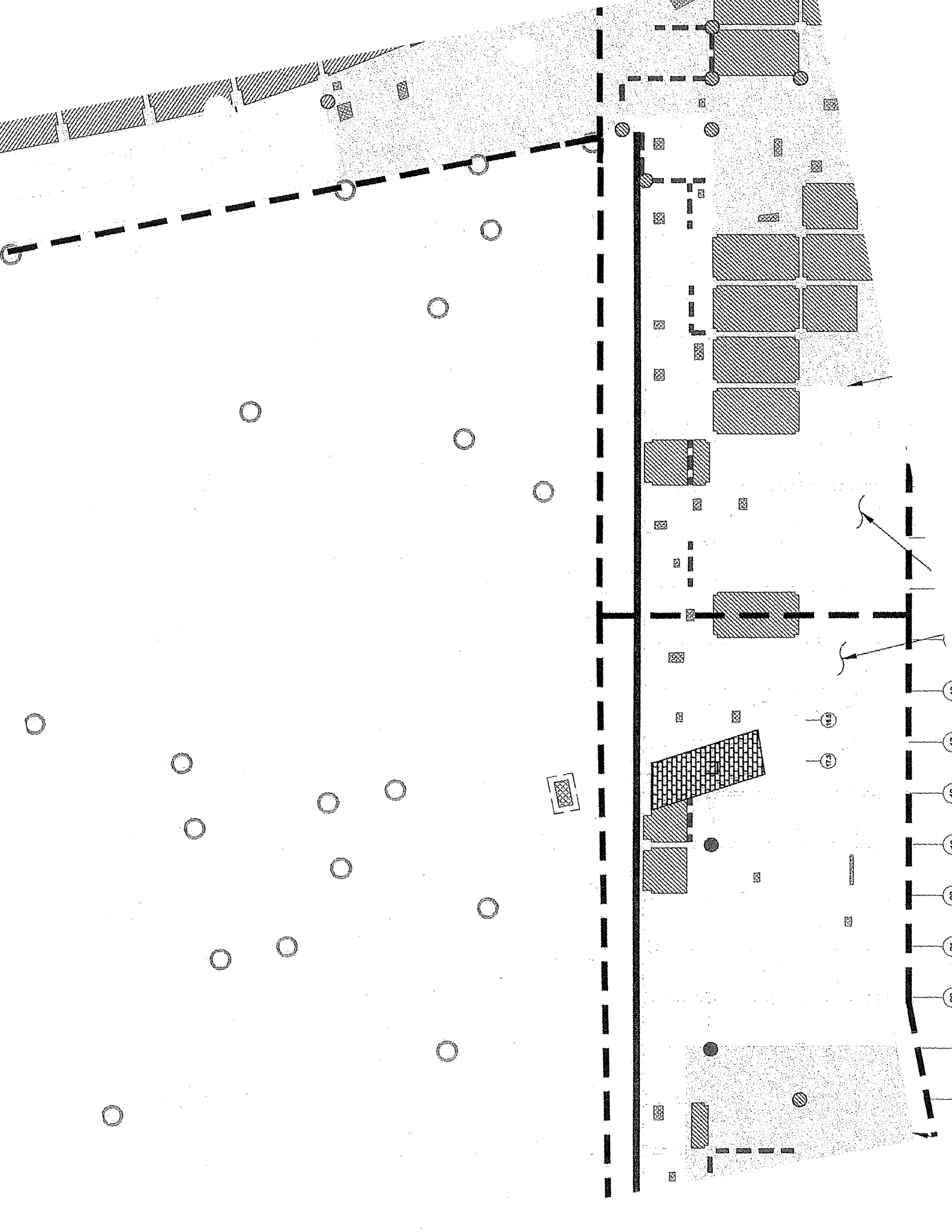
**[PAGE INTENTIONALLY LEFT BLANK]**



# DRAWING INDEX

SHEET NO.	TITLE	REV.	DATE
G1	TITLE SHEET—DRAWING INDEX	0	11-18-17
G2	GENERAL NOTES—1 OF 2	0	11-18-17
G3	GENERAL NOTES—2 OF 2	0	11-18-17
G4	TYPICAL DETAILS	0	11-18-17
G5	LIVE LOAD DIAGRAM	0	11-18-17
S1	SITE PLAN — OVERALL	0	11-18-17
S2	PARTIAL SOFFIT PLAN — PIER 33	0	11-18-17
S3	PARTIAL SOFFIT PLAN — ORIGINAL MARGINAL WHARF—1 OF 2	0	11-18-17
S4	PARTIAL SOFFIT PLAN — ORIGINAL MARGINAL WHARF—2 OF 2	0	11-18-17
S5	PARTIAL SOFFIT PLAN — PIER 31	0	11-18-17
S6	SOFFIT PLAN — PIER 31½ INFILL WHARF	0	11-18-17
S7	TOP OF DECK PLAN — PIER 31½ INFILL WHARF	0	11-18-17
S8	PARTIAL PILE PLAN — PIER 33	0	11-18-17
S9	PARTIAL PILE PLAN — ORIGINAL MARGINAL WHARF—1 OF 2	0	11-18-17





**EXHIBIT G**  
**UTILITY CORE**

**[PAGE LEFT INTENTIONALLY BLANK]**









**EXHIBIT H**  
**LOCAL HIRE PLAN**

**[PAGE LEFT INTENTIONALLY BLANK]**

### San Francisco Local Hiring Policy for Construction Fact Sheet

- The effective date of the San Francisco Local Hiring Policy for Construction is March 25, 2011. Contracts first advertised for bid on or after March 25, 2011 are covered by the new ordinance.
- The mandatory participation level is 30% of all project hours within each trade to be performed by local residents, with no less than 15% of all project work hours within each trade to be performed by disadvantaged workers. All contractors, regardless of tier, are subject to these requirements.
- A local resident is defined as an individual who is domiciled within the City and County of San Francisco at least 7 days prior to commencing work on the project. An individual may have only one domicile, which is their principal residence and where they intend to return when they are absent.
- The mandatory participation level will increase annually over seven years up to a mandatory participation level of 50% of project work hours within each trade performed by local residents, with no less than 25% of all project hours within each trade performed by disadvantaged workers.
- At least 50% of the project work hours performed by apprentices within each trade shall be performed by local residents, with no less than 25% of project work hours performed by apprentices within each trade to be performed by disadvantaged workers.
- The local hiring ordinance applies to contracts for public work or improvement projects in excess of \$400,000.
- The ordinance establishes various consequences of non-compliance with the policy, including the authority of assessment of penalties against contractors that do not meet the local hiring requirements.
- The penalty for failing to meet the local hiring requirement shall be the amount equal to the journeyman or apprentice prevailing wage rate for the primary trade used by the contractor for each hour the contractor fell short.
- Contractors may request a conditional waiver from local hiring requirements on a project-specific basis for "specialized trades," by receiving credit for local hiring on non-covered projects, or sponsoring new apprentices.
- A contractor may utilize the Office of Economic and Workforce Development's CityBuild Referral Program if their preferred method of hiring does not enable them to meet the local hiring requirements of the policy.
- The Office of Economic and Workforce Development is charged with the enforcement of this policy.
- For more information and updates about the San Francisco Local Hiring Policy for Construction, please visit [www.workforcedevelopmentsf.org](http://www.workforcedevelopmentsf.org)
- Questions about the new policy can also be addressed by emailing [Local.Hire.Ordinance@sfgov.org](mailto:Local.Hire.Ordinance@sfgov.org) or by calling the Local Hire hotline at 415-701-4894.





CITY AND COUNTY OF SAN FRANCISCO  
OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT  
CITYBUILD PROGRAM



LOCAL HIRING PROGRAM  
OEWD FORM 1  
CONSTRUCTION CONTRACTS

## FORM 1: LOCAL HIRING WORKFORCE PROJECTION

Contractor: \_\_\_\_\_ Project Name: \_\_\_\_\_ Contract #: \_\_\_\_\_

The Contractor must complete and submit this Local Hiring Workforce Projection (Form 1) within 15 days of award of contract. The Contractor must include information regarding all of its Subcontractors who will perform construction work on the project regardless of Tier and Value Amount. Notice to Proceed (NTP) will not be issued until the City receives a completed Form 1 from Contractor. The Contractor shall be responsible for any delays to NTP and resulting damages incurred by the City caused by Contractor's failure to submit an accurate and complete Form 1 for its workforce and the workforce of its Subcontractors in a timely manner.

### Will you and your Subcontractors be able to meet the mandatory Local Hiring Requirements?

- ☐ YES (Please provide information for all contractors performing construction work in Table 1 below.)
- ☐ NO (Please complete Table 1 below and Form 4: Conditional Waivers.)

#### INSTRUCTIONS FOR COMPLETING TABLE 1:

1. Please organize the contractors' information based on their Trade Craft work.
2. For contractors performing work in various Trade Craft, please list contractor name in each Trade Craft (i.e. if Contractor X will perform two trades, list Contractor X under two Trade categories.)
3. Contractor may achieve the mandatory requirement for each trade using any combination of Subcontractors.
4. If you anticipate utilizing apprentices on this project, please note the requirement that 50% of apprentice hours must be performed by San Francisco residents.
5. Additional blank form is available at our Website: [www.oewd.org](http://www.oewd.org). For assistance or questions in completing this form, contact the CityBuild (415) 581-2363 or Email @ [Local.hire.ordinance@sfgov.org](mailto:Local.hire.ordinance@sfgov.org).

TABLE 1: WORKFORCE PROJECTION

Trade Craft	Contractor <i>List contractors by Trade Craft</i>		Est. Total Work Hours	Est. Total Local Work Hours	Est. Total Local Work Hours %
<i>Example:</i> Laborer	Contractor X	Journey	800	100	12.5%
		Apprentice	200	100	50%
<i>Example:</i> Laborer	Contractor Y	Journey	500	100	20%
		Apprentice	0	0	0
<i>Example:</i>	TOTAL LABORER	Journey	1300	200	15%
		Apprentice	200	100	50%
<i>Example:</i>	TOTAL		1500	300	20%
		Journey			
		Apprentice			
		Journey			
		Apprentice			
		Journey			
		Apprentice			

Name of Authorized Representative \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_ Phone \_\_\_\_\_ Email \_\_\_\_\_



CITY AND COUNTY OF SAN FRANCISCO  
OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT  
CITYBUILD PROGRAM



LOCAL HIRING PROGRAM  
OEWD FORM 2  
CONSTRUCTION CONTRACTS

## FORM 2: LOCAL HIRING PLAN

Contractor: \_\_\_\_\_ Project Name: \_\_\_\_\_ Contract #: \_\_\_\_\_

If the Engineer's Estimate for this Project exceeds **\$1 million**, then Contractor must submit a Local Hiring Plan using this Form 2 through the City's Project Reporting System. NTP will not be issued until Contractor submits a completed Form 2. Contractor shall be responsible for any delays to NTP and resulting damages incurred by the City caused by the Contractor's failure to submit a completed Form 2 in a timely manner. The Local Hiring Plan must be approved in writing by OEWD before any Application for Payment can be approved and progress payment paid to Contractor. The OEWD-approved Local Hiring Plan will be a Contract Document and will be the basis for determining Contractor's and its Subcontractors' compliance with the local hiring requirements. Any OEWD-approved Conditional Waivers (Form 4) will be incorporated into the OEWD-approved Local Hiring Plan.

**COMPLETE AND SUBMIT A SEPARATE FORM 2 FOR EACH TRADE THAT WILL BE UTILIZED ON THIS PROJECT.**

### INSTRUCTIONS:

1. Please complete tables below for Contractor and all Subcontractors that will be contributing Project Work Hours to meet the Local Hiring Requirement.
2. Please note that a Form 2 will need to be developed and approved separately for each trade craft that will be utilized on this project.
3. If you anticipate utilizing apprentices on this project, please note the requirement that 50% of apprentice hours must be performed by San Francisco residents.
4. The Contractor and each Subcontractor identified in the Local Hiring Plan must sign this form before it will be considered for approval by OEWD.
5. If applicable, please attach all OEWD-approved Form 4 Conditional Waivers.
6. Additional blank form is available at our Website: [www.oewd.org](http://www.oewd.org). For assistance or questions in completing this form, contact the CityBuild (415) 581-2363 or Email @ [Local.hire.ordinance@sfgov.org](mailto:Local.hire.ordinance@sfgov.org).

*List Trade Craft. Add numerical values from Form 1: Local Hiring Workforce Projection and input in the table below.*

Trade Craft	Total Work Hours	Total Local Work Hours	Local Work Hours%	Total Apprentice Work Hours	Total Local Apprentice Work Hours	Local Apprentice Work Hours %
<i>Example: Laborer</i>	1500	300	20%	200	100	50%

*List all contractors contributing to the project work hours to meet the Local Hiring Requirements for the above Trade Craft*

Contractor and Authorized Representative	Local Journey Hours	Local Apprentice Hours	Total Local Work Hours	Start Date	Number of Working Days	*Contractor Signature
Contractor X Joe Smith	100	100	200	3/25/11	60	Joe Smith
Contractor Y Michael Lee	100	0	100	5/25/11	30	Michael Lee

**\*We the undersigned, have reviewed Form 2 and agree to deliver the hours set forth in this document.**

City Use Only	
OEWD Approval	<input type="checkbox"/> Yes <input type="checkbox"/> No
Signature and Date:	



CITY AND COUNTY OF SAN FRANCISCO  
OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT  
CITYBUILD PROGRAM



LOCAL HIRING PROGRAM  
OEWD FORM 4  
CONSTRUCTION CONTRACTS

**FORM 4: CONDITIONAL WAIVERS**

Contractor: \_\_\_\_\_ Project Name: \_\_\_\_\_ Contract #: \_\_\_\_\_

Upon approval from OEWD, Contractors and Subcontractors may use one or more of the following pipeline and retention compliance mechanisms to receive a Conditional Waiver from the Local Hiring Requirements on a project-specific basis. Conditional Waivers must be approved by OEWD prior to approval of Contractor's first Application for Payment. If applicable, each contractor must submit their individual Waiver request to OEWD and copy their Prime Contractor.

**TRADE WAIVER INFORMATION:** Please provide information on the Trades you are requesting Waivers for:

Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours	Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours
1.			3.		
2.			4.		

Please check any of the following Conditional Waivers and complete the appropriate boxes for approval:

☐ 1. SPECIALIZED TRADES ☐ 2. SPONSORING APPRENTICES ☐ 3. CREDIT FOR NON-COVERED PROJECTS

1. <b>SPECIALIZED TRADES:</b> Will your firm be requesting Conditional Waivers for "Specialized Trades" designated by OEWD and listed on OEWD's website or project-specific Specialized Trades approved by OEWD during the bid period?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
--	------------------------------	-----------------------------

Please CHECK off the following Specialized Trades you are claiming for Condition Waiver:

☐ MARINE PILE DRIVER ☐ HELICOPTER OPERATOR ☐ CRANE OPERATOR ☐ DERRICK BARGE OPERATOR  
☐ STAINLESS STEEL WELDER ☐ TUNNEL OPERATING ENGINEER ☐ ELECTRICAL UTILITY LINEMAN

a. List OEWD-approved project-specific Specialized Trades approved during the bid period:

OEWD APPROVAL: ☐ Yes ☐ No OEWD Signature: \_\_\_\_\_

2. <b>SPONSORING APPRENTICES:</b> Will you be able to work with OEWD to sponsor an OEWD-specified number of new apprentices in the agreeable trades into California Department of Industrial Relations' Division of Apprenticeship Standards approved apprenticeship programs?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
--	------------------------------	-----------------------------

PLEASE PROVIDE DETAILS:

Construction Trade

Est. # of Sponsor Positions	Union (Yes / No)	If Yes, Local #	Est. Start Date	Est Duration of Working Days	Est Total Work Hours Performed
	Y <input type="checkbox"/> N <input type="checkbox"/>				
	Y <input type="checkbox"/> N <input type="checkbox"/>				

OEWD APPROVAL: ☐ Yes ☐ No OEWD Signature: \_\_\_\_\_

3. <b>CREDIT for HIRING on NON-COVERED PROJECTS:</b> If your firm cannot meet the mandatory local hiring requirement, will you be requesting credit for hiring Targeted Workers on Non-covered Projects?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
--	------------------------------	-----------------------------

PLEASE PROVIDE DETAILS:

Labor Trade, Position, or Title

Est. # of Off-site Hires

Est Total Work Hours Performed

Offsite Project Name

Project Address

Journey  
Apprentice

OEWD APPROVAL: ☐ Yes ☐ No OEWD Signature: \_\_\_\_\_

**EXHIBIT I**  
**MITIGATION MEASURES AND IMPROVEMENT MEASURES MONITORING AND REPORTING**  
**PROGRAM**

**[PAGE LEFT INTENTIONALLY BLANK]**



[illegible]

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>Environmental Review Officer has determined what additional measures should be undertaken.</p> <p>If the Environmental Review Officer determines that an archaeological resource may be present within the project site, the project proponent shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archaeological consultant shall advise the Environmental Review Officer and the Port of San Francisco as to whether the discovery is an archaeological resource, retains sufficient integrity; and is of potential scientific/historical/cultural significance. If an archaeological resource is present, the archaeological consultant shall identify and evaluate the archaeological resource. The archaeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the Environmental Review Officer may require, if warranted, specific additional measures to be implemented by the project proponent.</p> <p>Measures might include: preservation in situ of the archaeological resource; an archaeological monitoring program; or an archaeological testing program. If an archaeological monitoring program or archaeological testing program is required, it shall be consistent with the Environmental Planning division guidelines for such programs. The Environmental Review Officer may also require that the project proponent immediately implement a site security program if the archaeological resource is at risk from vandalism, looting, or other damaging actions.</p> <p>The project archaeological consultant shall submit a Final Archaeological</p>	<p>Project proponent and archeological consultant</p> <p>Project proponent</p>	<p>In case of accidental discovery</p> <p>After determination by Environmental Review Officer of appropriate action to be implemented following</p>	<p>If Environmental Review Officer determines an archeological resource may be present, the archaeological consultant's work shall be conducted in accordance with this measure at the direction of the Port of San Francisco and Environmental Review Officer.</p> <p>Implementation of archeological measures required by Environmental Review Officer.</p>	<p>If it is determined there is a need for an archaeological consultant, this task is considered complete upon submittal of the Final Archaeological Resources Report.</p>	

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>Resources Report to the Environmental Review Officer and the Port of San Francisco that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the final report.</p> <p>Copies of the Draft Final Archaeological Resources Report shall be sent to the Environmental Review Officer for review and approval. Once approved by the Environmental Review Officer, copies of the Final Archaeological Resources Report shall be distributed as follows: the California Archaeological Site Survey Northwest Information Center shall receive one copy, and the Environmental Review Officer shall receive a copy of the transmittal of the Final Archaeological Resources Report to the Northwest Information Center. The Environmental Planning division of the Planning Department shall receive one bound copy; one unbound copy; and one unlocked, searchable PDF copy on CD of the Final Archaeological Resources Report, along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the Environmental Review Officer may require a different final report content, format, and distribution than that presented above.</p>	<p>Project proponent</p> <p>Project proponent</p>	<p>evaluation of accidental discovery</p> <p>Following completion of required archeological field program</p>	<p>Submittal of Draft/Final Archaeological Resources Report to Environmental Review Officer</p> <p>Distribution of Final Archaeological Resources Report</p>		
<p><b>M-CR-4: Tribal Cultural Resources Interpretive Program</b></p> <p>If the Environmental Review Officer determines that a significant</p>	<p>Project proponent and qualified</p>	<p>Prior to the issuance of site</p>	<p>If an archaeological consultant is</p>	<p>Considered complete when</p>	<p>Port of San Francisco</p>

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
archaeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the Environmental Review Officer determines that the resource constitutes a tribal cultural resource and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible. If the Environmental Review Officer, in consultation with the affiliated Native American tribal representatives and the project proponent, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, the project proponent shall implement an interpretive program of the tribal cultural resources in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the Environmental Review Officer and affiliated tribal representatives, at a minimum, and approved by the Environmental Review Officer, would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and interpretation, and educational panels or other informational displays. In the event that construction activities disturb unknown archaeological sites that are considered tribal cultural resources, any inadvertent damage would be considered a significant impact.	professional archaeologist from the pool of archaeological consultants maintained by the Planning Department.	permits, submittal of all plans and reports for approval by the Port of San Francisco and Environmental Review Officer  Installation of displays (if needed) would occur prior to or during construction.	retained per Port of San Francisco and Environmental Review Officer direction, the archaeological consultant's work shall be conducted in accordance with this measure at the direction of the Port of San Francisco and Environmental Review Officer.	project proponent retains a qualified professional archaeological consultant, if required, and archeological consultant has approved scope by the Port of San Francisco and Environmental Review Officer for the interpretive program; and/or following program implementation.	(Pier 31½ site)  National Park Service (Fort Baker site)
<b>Noise Mitigation Measures</b>					
M-NO-2: Conduct Vibration Monitoring at Pier 31½	Project proponent	Prior to the start	Project proponent	Considered	Port of San

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>The project proponent would require that a qualified professional evaluate the subject structure(s) prior to the pile driving to assess their susceptibility to vibration impacts and provide pre-construction bracing if warranted. Based on the results of the evaluation, the professional shall develop a vibration control plan. The plan would include a set of site-specific vibration attenuation measures that would be implemented under the supervision of a qualified acoustical consultant during the project construction. These attenuation measures would include as feasible, in consideration of technical and structural requirements and conditions, implementing “quiet” pile driving technology, such as predrilling piles, using sonic pile drivers, or using more than one pile driver to shorten the total duration of pile driving. During construction, the construction contractor will conduct vibration monitoring when construction activities occur within 50 feet of the historic Pier 33 bulkhead building. If monitoring indicates that peak particle velocity caused by construction activities is approaching 0.12 inches per second, construction activities would be halted and a plan would be developed to reduce construction activities. Other effective strategies may also be required to the extent necessary to achieve a peak particle velocity vibration level at bulkhead buildings of less than the level of 0.12 inches per second.</p>	and construction contractor(s).	<p>of construction activities</p> <p>Implementation during construction</p>	<p>shall include requirements of vibration monitoring plan in all construction contracts for the Pier 3 1/2 site. Vibration monitoring plan to be submitted to Port of San Francisco for review and approval prior to construction</p> <p>Project proponent to submit to the Port of San Francisco documentation of compliance of implemented control practices that show construction contractor</p>	complete upon submittal of documentation incorporating identified practices.	Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
			agreement with specified practices.		
<b><i>Air Quality Mitigation Measures</i></b>					
<b>M-AQ-4: Best Available Control Technology for Diesel Generators at Pier 31½</b>  The project proponent shall ensure that the backup diesel generator meets or exceeds one of the following emission standards for particulate matter: 1) Tier 4-certified engine; or 2) Tier 2- or Tier 3-certified engine that is equipped with a California Air Resources Board Level 3 Verified Diesel Emissions Control Strategy. A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical California Air Resources Board-verified model and if the Bay Area Air Quality Management District approves of its use. The project proponent shall submit documentation of compliance with the Bay Area Air Quality Management District New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.	Project proponent and construction contractor(s)	Prior to approval of a generator permit by the Port of San Francisco and New Source Review permit by the Bay Area Air Quality Management District	Anticipated location and engine specifications of a proposed diesel backup generator shall be submitted to the Port of San Francisco for review and approval prior to issuance of a generator permit; and to the Bay Area Air Quality Management District prior to New Source Review permit.	Considered complete upon review and approval by the Port of San Francisco and Bay Area Air Quality Management District.	Port of San Francisco
<b><i>Biological Resources Mitigation Measures</i></b>					
<b>M-BI-1a: Avoidance and Minimization Measures for Special Status Bats at Pier 31½</b>  The project proponent will implement the following measures:	Project proponent and qualified biological	Prior to demolition and potentially	Project proponent shall include avoidance	Considered complete upon completion of	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>Demolition within Pier 31 and 33 bulkhead buildings shall occur when bats are active, approximately between the periods of March 1 to April 15 and August 15 to October 15; outside of bat maternity roosting season (approximately April 15 – August 15) and outside of months of winter torpor (approximately October 15 – February 28), to the extent feasible.</li> <li>If demolition within Pier 31 and 33 bulkhead buildings during the periods when bats are active is not feasible, a qualified biologist will survey the project site to identify if active bat roosts being used for maternity or hibernation purposes are present. If so, a no disturbance buffer of 100 feet shall be established around these roost sites until they are determined to be no longer active by the qualified biologist.</li> <li>The qualified biologist shall be present during demolition within the Pier 31 and 33 bulkhead buildings if active bat roosts are present. Structures with active roosts shall be disturbed only when no rain is occurring or is forecast to occur for 3 days and when daytime temperatures are at least 50 °F.</li> <li>Removal of structures containing or suspected to contain active bat roosts shall be dismantled under the supervision of the qualified biologist in the evening and after bats have emerged from the roost to forage. Structures shall be partially dismantled to significantly change the roost conditions, causing bats to abandon and not return to the roost.</li> </ul>	consultant	<p>during demolition within bulkhead buildings</p> <p>Implementation during construction, if applicable</p>	<p>measures in all construction contracts. Qualified biological consultant to conduct bat surveys and present results to Port of San Francisco.</p>	any demolition or construction.	
Mitigation Measure M-BI-1b: Nesting Bird Protection Measures	Project proponent	Prior to	Project proponent	Considered	Port of San

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
Nesting birds and their nests shall be protected during construction by use of the following measures:	and qualified biological consultant	construction	shall include avoidance measures in all construction contracts. Qualified biological consultant to conduct bird surveys and present results.	complete upon completion of construction and submittal of monitoring reports, if applicable.	Francisco (Pier 31½ site)
<ul style="list-style-type: none"> <li>• Removal of trees, scrub vegetation, and structures shall occur outside the bird nesting season (February 1 to August 30), to the extent feasible.</li> <li>• If removal of trees, scrub vegetation, or structures during bird nesting season cannot be fully avoided, a qualified wildlife biologist shall conduct preconstruction nesting bird surveys within 7 days prior to the start of such activities or after any construction breaks of 14 days or more. Surveys shall be performed for the project site and suitable habitat within 250 feet of the project site in order to locate any active passerine (perching bird) nests and within 500 feet of the project site to locate any active raptor (birds of prey) nests or double-crested cormorant or heron rookeries.               <ul style="list-style-type: none"> <li>- At Pier 31½, if it is determined that bird nesting habitat is only present for gulls, surveys may be conducted actively during construction from April through August during gull nesting season. Any old nests, potential nests, or nests under construction (but not active) shall be removed.</li> </ul> </li> <li>• If active nests are located during the preconstruction bird nesting survey, the wildlife biologist shall evaluate if the schedule of construction activities could affect the active nests and the following measures shall be implemented based on their determination:               <ul style="list-style-type: none"> <li>- If construction is not likely to affect the active nest, it may proceed without restriction; however, a biologist shall regularly monitor the nest to confirm there is no adverse</li> </ul> </li> </ul>		During construction	Qualified biologist to notify Port of San Francisco and, if necessary, USFWS and/or CDFW. Qualified biologist to perform monitoring, as		National Park Service (Fort Baker site)



MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>effect and may revise their determination at any time during the nesting season. In this case, the following measure would apply.</p> <ul style="list-style-type: none"> <li>- If construction may affect the active nest, the biologist shall establish a no disturbance buffer. Typically, these buffer distances are between 25 feet and 250 feet for passerines and between 300 feet and 500 feet for raptors. These distances may be adjusted depending on the level of surrounding ambient activity (e.g., if the project area is adjacent to a road or active trail) and if an obstruction, such as a building, is within line-of-sight between the nest and construction. For bird species that are federally and/or state-listed sensitive species (i.e., fully protected, endangered, threatened, species of special concern), a proposed project representative, supported by the wildlife biologist, shall consult with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife regarding modifications to nest buffers, prohibiting construction within the buffer, modifying construction, and removing or relocating active nests that are found on the site.</li> <li>• Removing inactive passerine nests may occur at any time. Inactive raptor nests shall not be removed unless approved by the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife.</li> </ul>			needed.		

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>Removing or relocating active nests shall be coordinated by the project representative with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife, as appropriate, given the nests that are found on site.</li> <li>Any birds that begin nesting within the project area and survey buffers amid construction activities are assumed to be habituated to construction-related or similar noise and disturbance levels and no work exclusion zones shall be established around active nests in these cases.</li> </ul>					
IMPROVEMENT MEASURES FOR THE ALCATRAZ FERRY EMBARKATION PROJECT					
<b>I-TR-2a: Provide Information on Active Transportation and Transit Routes to/from the Pier 31½ Site</b>  The project proponent will require the concessioner to provide information regarding pedestrian, bicycle, and transit travel to/from the embarkation site to both employees and in advance to visitors. This may include maps designating preferred pedestrian, bicycle, or transit routes to/from the site, maps indicating where City-provided bicycle facilities or transit stops are present, and time estimates for walking or biking to common destinations, such as BART stations, Union Square, Pier 39, or other tourist destinations. This information would be presented on tickets and information websites, as well as distributed via mail or email to all ticketed visitors.	Project proponent and concessioner	Prior to and during operations	Port of San Francisco staff	Ongoing during operations	Port of San Francisco
<b>I-TR-2b: Install Multimodal Wayfinding Kiosk and Signage at the Pier 31½ Site</b>	Project proponent and concessioner	Prior to and during	Project proponent shall submit	Considered complete when	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
The project proponent will add a multimodal wayfinding kiosk that may include maps, signs, or digital displays to provide visitor information on various travel options and times. The kiosk will be located near the site entrance/exit to the Pier 31½ site. In addition to a centralized kiosk, signage could be placed at the site entrance with directional arrows indicating walk times to nearby destinations or transit stops.		operations	documentation of permanent kiosk and signage	kiosk and signage are approved by Port of San Francisco staff. These amenities would then be installed in the publicly accessible area of the site.	
<b>I-NO-1: Construction Noise Minimization Plan for Pier 31½</b>  The project proponent shall develop a construction noise minimization plan that requires the following: <ul style="list-style-type: none"> <li>Construction contractors shall specify noise-reducing construction practices and measures that will be employed to reduce construction noise from pile driving and construction activities. The practices and measures specified by the project proponent will be reviewed and approved by the City prior to the issuance of building permits. Practices and measures that can be used to limit noise include but are not limited to those listed below:               <ul style="list-style-type: none"> <li>Avoid simultaneous use of equipment that exceeds 90 dBA, particularly impact and vibratory pile drivers</li> <li>Install noise mufflers to stationary equipment and impact tools that are no less effective than those provided by the manufacturer</li> <li>Use construction equipment with low noise emission ratings</li> </ul> </li> </ul>	Project proponent and construction contractor(s)	Prior to the start of construction activities; implementation ongoing during construction	Project proponent shall submit the Construction Noise Minimization Plan to the Port of San Francisco. Project proponent shall include requirements of noise minimization plan in all construction contracts.	Considered complete with the Port of San Francisco's approval of the Construction Noise Minimization Plan and inclusion of the plan as a requirement in the building permit.	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>o Locate equipment, materials, and staging areas as far as practicable from sensitive receptors</li> <li>o Install barriers around particularly loud activities at the construction site to eliminate the line of sight between the source of noise and nearby sensitive receptors, which could reduce noise up to 10 dBA based on the configuration of the site and equipment used.<sup>1</sup></li> <li>o Prohibit unnecessary idling of vehicles or equipment</li> <li>o Require applicable construction-related vehicles or equipment to use designated truck routes to access the proposed project site</li> </ul> <p>Restrict construction activities between 7:00 AM to 8:00 PM Monday through Saturday</p>					

<sup>1</sup> The Federal Highway Administration's *Roadway Construction Noise Model Users' Guide* gives the following "rules of thumb" for estimating noise attenuation of barriers at construction sites:

- 3 dBA - if a noise barrier or other obstruction (like a dirt mound) just barely breaks the line-of-sight between the noise source and the receptor;
- 5 dBA - if the noise source is partly enclosed OR shielded with a barrier with some gaps located close to the source;
- 8 dBA - if the noise source is completely enclosed OR completely shielded with a solid barrier located close to the source;
- 10 dBA - if the noise source is completely enclosed AND completely shielded with a solid barrier located close to the source;
- 15 dBA - if a building stands between the noise source and receptor and completely shields the noise source.

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-AQ-1a: Use Cleaner Construction Equipment</b></p> <p>The project proponent shall develop a plan demonstrating that the off-road equipment (more than 50 horsepower) to be used in the construction project (i.e., owned, leased, and subcontractor vehicles) would achieve a project wide fleet-average 20 percent nitrogen oxide (NO<sub>x</sub>) reduction and 45 percent particulate matter (PM) reduction compared to the most recent California Air Resources Board fleet average. Acceptable options for reducing emissions include the use of late model engines, low-emission diesel products, alternative fuels, engine retrofit technology, after-treatment products, add-on devices such as particulate filters, and/or other options as such become available.</p>	Project proponent and construction contractor	<p>Prior to construction</p> <p>During construction</p>	<p>Project proponent shall submit the Clean Construction Equipment Plan to the Port of San Francisco. Project proponent shall include requirements of clean construction equipment plan in all construction contracts.</p> <p>Monitoring agency shall ensure compliance with contract specifications.</p>	<p>Considered complete when compliance plan is approved by the Monitoring Agency.</p> <p>Considered complete when project proponent or construction contractor submits certification statement.</p>	<p>Port of San Francisco (Pier 31½ site)</p> <p>National Park Service (Fort Baker site)</p>
<p><b>I-AQ-1b: Use Cleaner Engines on Tugboats</b></p> <p>The project proponent shall use tugboats with Tier 4 propulsion engines and</p>	Project proponent and construction	Prior to and during	Project proponent shall include	Considered complete after	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
Tier 3 auxiliary engines.	contractor(s)	construction involving tugboats	requirements in all construction contracts and submit documentation of tugboat engines to the Monitoring Agency.	submittal of certification statement.	(Pier 31½ site)  National Park Service (Fort Baker site)
<b>I-BI-1a: Pile Driving Work Windows</b>  Pile driving will occur between July 1 and November 30 at the Pier 31½ site and between July 1 and September 30 at the Fort Baker site.	Project proponent and construction contractor(s)	During construction	Project proponent shall include requirements in all construction contracts.	Considered complete after construction.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-BI-1b: Noise Monitoring Plan</b></p> <p>The project proponent will develop and implement a marine noise monitoring plan which would be subject to review and approval by the National Marine Fisheries Service. As part of this plan, the following measures will be implemented:</p> <ul style="list-style-type: none"> <li><i>Equipment Controls:</i> The proposed project will be required to bring loud mechanical equipment online slowly (employ a “soft-start”).</li> <li><i>Noise Monitoring:</i> A trained acoustical specialist will conduct underwater noise monitoring during marine construction to ensure that pile driving noise levels do not exceed the levels identified through noise modeling for the proposed project. If noise levels are exceeded, the proposed project will implement cushion blocks in the hammer to reduce sound levels and prevent exceedance of the levels projected through noise modeling, and noise level exceedances will be reported to the National Marine Fisheries Service.</li> </ul>	Project proponent, construction contractor(s), and qualified biologist	Prior to and during in-water construction	<p>Qualified biologist shall develop noise monitoring plan. Project proponent shall include requirements of noise monitoring plan in all construction contracts.</p> <p>Project proponent shall submit documentation of noise monitoring to National Marine Fisheries Service.</p>	Considered complete after submitting documentation of noise monitoring to National Marine Fisheries Service.	<p>Port of San Francisco (Pier 31½ site)</p> <p>National Park Service (Fort Baker site)</p>

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-BI-1c: Marine Mammal Safety Zone</b></p> <p>The project proponent will maintain a 500-meter safety zone around sound sources in the event that the sound level is unknown or cannot be adequately predicted. This will be required at the onset of construction, prior to confirming noise levels through noise monitoring (as required through <b>Improvement Measure I-BI-1b, Noise Monitoring Plan</b>).</p> <p>A qualified marine biologist on shore or by boat will survey the safety zone to ensure that no marine mammals are within the zone before pile driving begins. If a marine mammal is observed within the safety zone before pile driving begins, pile driving will be delayed until the marine mammals move out of the area.</p> <p>If marine mammals enter the safety zone after pile driving of a segment has begun, pile driving will continue. The biologist will monitor and record the species and number of individuals observed, and make note of their behavior patterns. If the animal appears distressed, and if it is operationally safe to do so, pile driving will cease until the animal leaves the area. Prior to the initiation of each new pile driving episode, the area will again be thoroughly surveyed by the biologist.</p>	Project proponent, construction contractor(s), and qualified biologist	Prior to and during pile driving	Project proponent shall include requirements of safety zone in all construction contracts. Project proponent shall submit documentation of marine mammal safety zones to National Marine Fisheries Service.	Considered complete after submitting documentation of marine mammal safety zones to National Marine Fisheries Service.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)



**EXHIBIT J**  
**SUMMARY OF SECRETARY OF THE INTERIOR'S STANDARDS**  
**FOR THE TREATMENT OF HISTORIC PROPERTIES**

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in a such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

## EXHIBIT K

### PORT OF SAN FRANCISCO HISTORIC PRESERVATION REVIEW GUIDELINES FOR PIER AND BULKHEAD WHARF SUBSTRUCTURES

*Approved by San Francisco Port Commission, October 26, 2004, with proposed amendments to respond to comments from California State Office of Historic Preservation.*

#### **Background**

As part of the preparation of the Port of San Francisco Embarcadero Historic District nomination, the Port has developed Historic Preservation Review Guidelines (Guidelines) to define how the Secretary of the Interior's Standards for Rehabilitation (Secretary's Standards) should be interpreted and applied to the historic resources within the District, to ensure its responsible management and stewardship. The set of Guidelines below focuses on Pier and Bulkhead Wharf Substructures, providing an important tool to be used by the Port's historic preservation experts to define parameters for the repair, maintenance or alterations to the pile foundations, substructures and decks of piers and bulkhead wharves upon which pier sheds, bulkhead buildings and other waterfront structures sit.

These Guidelines were developed by the Port's historic preservation expert staff in concert with San Francisco Architectural Heritage and preservation experts familiar with the specific historic resources in the District. The Guidelines were approved by the San Francisco Port Commission in October 2004, and further amended to respond to comments from the California State Office of Historic Preservation. The Guidelines will be used in the review of pier and bulkhead wharf substructure projects that are subject only to approval by the Port. Projects affecting District resources which are subject to review and approval by any of the following entities are not subject to these Guidelines, in recognition of the separate review criteria and practices employed by those agencies to administer the Secretary's Standards:

- 1) Federal Undertakings - Requiring Section 106 consultation
  - Projects receiving federal funding
  - Transfer of federal property
  - Approval of a federal permit, license or similar entitlement (i.e. Army Corps. of Engineers)
- 2) Federal Historic Preservation Tax Credit Projects – Requiring State Office of Historic Preservation and National Park Service approvals
- 3) San Francisco Historic Preservation Commission – Subject to Planning Code Article 10 Provisions for City Landmarks and City Historic Districts

#### **Port of San Francisco Review Process – Overview**

For projects affecting historic resources within the Embarcadero Historic District that are subject only to the Port's review and approval, the Port conducts its review in conjunction with use of Historic Preservation Guidelines, where applicable, to direct actions that comply with the Secretary's Standards.

All projects undergo case-specific review to determine the appropriate application of the Guidelines and other related Port design reviews. The Port maintains qualified historic preservation expertise on staff and may work with other qualified historic preservation professionals to review projects for consistency with the Secretary's Standards and any applicable Guidelines.

In the case of repairing and managing pier and bulkhead wharf substructures, the Guidelines below are to be used in the Port review process. The process follows the principles of the Secretary's Standards for Rehabilitation and the Port's longstanding practice of repairing existing materials wherever feasible. Replacement of historic materials, if deterioration makes such repair infeasible, is limited to replacement in-kind (use of the same materials) whenever possible. Where replacement in-kind is infeasible, the Port directs use of new substitute materials that are compatible with the character defining features of the subject historic resource to preserve the historic integrity of contributing resources or, in the case of reviewing non-contributing resources, the integrity of the Historic District.

### **Pier and Bulkhead Wharf Substructures**

The historic piers and resources in the Embarcadero Historic District are made up of pile-supported platforms upon which pier shed and bulkhead building structures were built to conduct maritime commerce. The substructure of the piers and bulkhead wharf, described in detail in Section 7 of the Embarcadero Historic District nomination, consists of vertically driven piles, topped by stringer and pile cap beams, which create the horizontal structural framework upon which pier decks rest. Beneath these structures, the tides of the San Francisco Bay ebb and flow. Pier substructures are defined to include pier aprons, which are constructed at the perimeter of piers, generally used to provide a pile-supported platform for ship berthing, an outdoor work area, and in more recent times a public access and recreation area. In most instances, pier aprons are constructed of wood and have a shorter life span, historically requiring more maintenance and repair than steel and concrete substructures.

Within this complex, the bulkhead wharf is an important feature. It is comprised of 23 individual sections that extend end to end throughout the historic district, adjacent and connected to the Seawall, which establishes the constructed edge of the waterfront between piers. In addition, the bulkhead wharf plays an important role in defining the Embarcadero's urban form, which supports maritime, public access and commercial recreation/retail functions.

**EXHIBIT L**  
**TENANT ESTOPPEL CERTIFICATE**

The undersigned, \_\_\_\_\_, is the tenant of a portion of the real property commonly known as [Insert Premises Address] located in San Francisco, California (the "**Property**"), and hereby certifies to **THE CITY AND COUNTY OF SAN FRANCISCO THROUGH THE SAN FRANCISCO PORT COMMISSION ("Port")** [and to \_\_\_\_\_ ("**Developer/Lender**")], the following:

1. That there is presently in full force and effect a lease (as modified, assigned, supplemented and/or amended as set forth in paragraph 2 below, the "Lease") dated as of \_\_\_\_\_, 20\_\_, between the undersigned and Port, covering approximately \_\_\_\_\_ square feet of the Property (the "**Premises**").
2. That the Lease has not been modified, assigned, supplemented or amended except by:
3. That the Lease represents the entire agreement between Port and the undersigned with respect to the Premises.
4. That the commencement date under the Lease was \_\_\_\_\_, 20\_\_, the expiration date of the Lease is \_\_\_\_\_, 20\_\_.
5. That the present minimum monthly Base Rent which the undersigned is paying under the Lease is \$ \_\_\_\_\_.
6. The security deposit held by Port under the terms of the Lease is \$ \_\_\_\_\_ and Port holds no other deposit from Tenant for security or otherwise.
7. That the undersigned has accepted possession of the Premises and that, to the best of the undersigned's knowledge, any improvements required to be made by Port to the Premises by the terms of the Lease and all other conditions of the Lease to be satisfied by Port have been completed or satisfied to the satisfaction of the undersigned.
8. That, to the best of the undersigned's knowledge, the undersigned, as of the date set forth below, has no right or claim of deduction, charge, lien or offset against Port under the Lease or otherwise against the rents or other charges due or to become due pursuant to the terms of the Lease.
9. That, to the best of the undersigned's knowledge, Port is not in default or breach of the Lease, nor has Port committed an act or failed to act in such a manner, which, with the passage of time or notice or both, would result in a default or breach of the Lease by Port.
10. That, to the best of the undersigned's knowledge, the undersigned is not in default or in breach of the Lease, nor has the undersigned committed an act or failed to act in such a manner which, with the passage of time or notice or both, would result in a default or breach of the Lease by the undersigned.
11. The undersigned is not the subject of any pending bankruptcy, insolvency, debtor's relief, reorganization, receivership, or similar proceedings, nor the subject of a ruling with respect to any of the foregoing.

This Certificate shall be binding upon and inure to the benefit of the undersigned, Port, [Developer/Lender] and [its/their respective] successors and assigns.

Dated: \_\_\_\_\_, 20\_\_.

[Name of Tenant]

By:

Name:

Title:

**[PAGE INTENTIONALLY LEFT BLANK]**

## **EXHIBIT M**

### **PORT'S ZERO WASTE EVENTS AND ACTIVITIES POLICY**

[Attachment on following page(s)]

**[PAGE INTENTIONALLY LEFT BLANK]**

**EXHIBIT A  
TO RESOLUTION NO. 12-11**

**PORT OF SAN FRANCISCO  
ZERO WASTE EVENTS AND ACTIVITIES POLICY**

**February 2012**

The Port of San Francisco is proud to host numerous events on Port property each year. These include fundraising walks and runs, "tailgate parties" at athletic events, Christmas tree sales, 4th of July Celebration, Oktoberfest, Fleet Week, and the proposed 34<sup>th</sup> America's Cup events (subject to pending environmental review). Some events can generate public participation of 5,000 or more people during the period of the event. Large outdoor events of this size typically generate a variety of plastic wastes from the sale of water in single-use bottles, the use of non-compostable plastic food ware, and the distribution of plastic bags to customers for food, merchandise and souvenirs. Along the Port's facilities, the inherent challenges of waste management at a large event are compounded by a windy environment and proximity to the San Francisco Bay.

*Plastics*

Several plastic waste items have significant environmental impacts. Single use plastic bags are difficult to recycle and can contaminate existing recycling and composting streams. These products are easily scattered by the wind and can create significant litter problems on shore and in water. Single-use plastic water bottles are resource intensive to produce, fill and transport, and contribute to waste management challenges at events. Non-food product plastic packaging is also difficult to recycle, may create a significant litter problem and harm the marine environment. The National Oceanic and Atmospheric Administration (NOAA) has recognized burst latex and Mylar balloons as a commonly reported source of marine debris. Balloons drift onto the surface of water and mimic the appearance of jellyfish and other floating organisms that are a natural food source for turtles, fish, dolphins, and shorebirds.

Plastic wastes are of increasing concern in marine environments and are a focus of volunteer and non-profit clean-up activities along the waterfront and bay shoreline. Plastics from litter, stormwater and maritime sources enter the marine environment where they degrade into microscopic bits and damage the ecology of our oceans. They can entangle wildlife and disrupt their internal organs and, when digested by marine life plastics can function as a pathway of exposure to several pollutants such as polychlorinated biphenyls (PCBs), dichlorodiphenyltrichloroethane (DDTs) and polycyclic aromatic hydrocarbons (PAHs). These pollutants can bio-accumulate and bio-magnify in the food chain, eventually making their way into human food sources. There are five ocean gyres, or large bodies of water that contain massive accumulations of degraded plastics around the globe.



### *Food-Related Wastes and Packaging*

Large events produce large volumes of food-related wastes and packaging. San Francisco Special Events Ordinance No. 73-89 requires any applicant seeking permission for the temporary use or occupancy of a public street, a street fair or an athletic event within the City and County that includes the dispensing of beverages or which generates large amounts of other materials to submit a recycling plan to the department issuing the permit for the event or activity. Recycling plans shall include arrangements for collection and disposition of source separated recyclables and/or compostables by a service provider of the event organizer. San Francisco offers one of the most successful and comprehensive large municipal food scrap collection programs in the nation.

Events at the Port of San Francisco attract tourists who may be less familiar with the City's recycling and composting programs than residents and local business owners. In the experience of the Department of the Environment, the best way to manage food waste streams at large events is to require the use of either compostable or durable, reusable food service ware.

Exclusive use of compostable food service ware facilitates source separation and the diversion of organic materials from landfill, mitigates contamination in the City's recycling programs, and streamlines composting and related waste diversion activities during large events. A wide variety of compostable food service ware and bags are available in the marketplace. These are made from renewable resources such as paper, corn starch and sugarcane.

### *Reusable Water Bottles and Refilling Stations*

The City's water delivery system consistently provides among the purest, safest drinking water in the nation from spring snowmelt stored in the Hetch Hetchy Reservoir and flowing down the Tuolumne River. Re-usable water bottles are easy to refill and use of Hetch Hetchy water guarantees a high quality of water for the public. Durable or compostable service ware can be combined with water filling stations to further reduce the need for single-use plastic packaging.

The Port Commission adopts the following measures to address the concerns outlined above and to 1) ensure that food waste streams from large outdoor events can be easily composted, and 2) marine life in the Bay is protected from plastics and litter through elimination or reduction of plastics at these events.

1. The provisions of this Policy are mandatory for all events or activities ("Events") on Port property that the Port expects will attract 5,000 or more people aggregated over the number of days the event is held. Examples of these Events include but are not limited to: exhibitions or presentations of sporting events, tournaments, concerts, musical and theatrical performances and other forms of live entertainment, public ceremonies, fairs, carnivals, markets, shows, fundraising events, races or other public or private exhibitions and activities related thereto. This Policy shall apply to all persons or entities organizing, sponsoring or hosting an Event, including all vendors, subcontractors and agents ("Event Organizers") for

an Event. Event Organizers of Events with an expected attendance of less than 5,000 people are strongly encouraged to comply with this Policy.

2. The sale, use and distribution of single-use plastic water bottles are prohibited. The Event Organizer must provide "water filling stations" supplied either by the San Francisco Public Utilities Commission or a vendor approved by the Port's Executive Director or her or his designee for use by individuals with reusable water bottles. This prohibition applies only to single-use plastic bottles that are used for non-carbonated or non-flavored water.
3. The sale, use and distribution of single-use disposable plastic bags are prohibited. The Event Organizer must use alternatives to single-use plastic bags such as recyclable paper, compostable plastic (preferably marine degradable) and/or reusable bags as those terms are defined by the City's Plastic Bag Reduction Ordinance.
4. The sale, use and distribution of single-use non-compostable plastic food ware are prohibited. The Event Organizer may only sell, use and distribute food service ware that is either labeled "compostable" and meets American Society for Testing and Materials (ASTM) standards for compostability or that is durable, washable, and reusable.
5. All compostable plastic food service ware must meet ASTM D-6400 standards for compostable plastics, have BPI certification ([www.BPIworld.org](http://www.BPIworld.org)), and be clearly labeled with a color-coded (green) identifying marker, such as a green sticker, stripe or band on all pieces of the product (for example the cup and lid must both be labeled), or other certification standards (such as marine degradability) as may be recommended from time to time by the San Francisco Department of the Environment and approved by the Port Executive Director.
6. The intentional release of balloons on Port property in connection with an Event subject to this Policy is prohibited.
7. Event Organizers are encouraged to minimize packaging and avoid the use of disposable plastic packaging.
8. The Port reserves the right at any time and from time to time to revise this Policy or to make such other and further Rules and Regulations as the Port shall determine are in the best interest of the Port, the San Francisco Bay, and the community, or that comply with City law.
9. For Events that the Port expects will attract 5,000 or more people in the aggregate, all licenses, leases, or other real property agreements with Event Organizers entered into after the date of adoption of this Policy by the Port Commission ("the adoption date"), and all amendments to licenses, leases, or other real property agreements with Event Organizers made beginning in 2012 shall require the Event Organizer to comply with this Policy. Such Event Organizer's failure to comply with this Policy shall be deemed a material breach of the agreement and the Port may

pursue remedies, including liquidated damages and termination of the agreement.

10. The Port Commission may grant a waiver of any of the provisions of this Policy, in its sole discretion, if the provision that is waived is replaced by an action that (i) protects the Port's and Bay's natural habitat, (ii) is compliant with law, and (iii) is in keeping with the environmental spirit of the Port's goals herein.

This Policy for Zero Waste Events and Activities shall apply to all events on Port property with a total expected attendance of 5,000 or more people aggregated over the number of days the event is held. This Policy for Zero Waste Events and Activities also serves as non-mandatory goals for events with an expected attendance of less than 5,000 people.

**SCHEDULE 1**

**ASBESTOS NOTIFICATION AND INFORMATION  
NOTICE TO EMPLOYEES,  
OWNERS, LESSEES, SUBLESSEES, AGENTS AND CONTRACTORS**

[Attachment on following page(s)]

**[PAGE INTENTIONALLY LEFT BLANK]**

**NOTICE TO EMPLOYEES,  
OWNERS, LESSEES, SUBLESSEES, AGENTS AND CONTRACTORS**

**ASBESTOS IN BUILDINGS**

**FOR: Pier 33 / Facility #1330  
FOR PERIOD THROUGH: March 2014**

It is the responsibility of the master tenant to provide this notice to any subtenant within their leasehold.

In January of 1989, Assembly Bill 3713 was signed into law and added to the California Health and Safety Code. This bill provides for written notice to employees concerning specific matters related to working in a building with asbestos containing construction materials. It applies to buildings built before 1979 where the owner knows that the building contains asbestos-containing materials; it does not require that a building be surveyed to determine the presence of asbestos.

**WHAT IS ASBESTOS?**

Asbestos is a naturally occurring group of fibrous minerals which have been used extensively in public buildings, apartment buildings and homes. Asbestos was incorporated into pipe insulation, acoustic plaster, acoustic tile, duct and furnace insulation, floor tiles, textiles and hundreds of other building materials. In most City buildings, asbestos is located in insulation on piping systems, acoustic plaster on ceilings, acoustic ceiling tiles, vinyl asbestos floor tiles, and structural fireproofing.

This notification includes the results of any air monitoring or bulk sampling for asbestos that has been conducted in your building during the previous calendar quarter. (This notice may also include older information of asbestos samples, for your information.)

**WHY IS ASBESTOS HAZARDOUS?**

Asbestos is a concern because of the potential health risks associated with breathing asbestos fibers. It is important for you to know that most people with asbestos-related diseases were asbestos workers before 1972. These workers were repeatedly exposed to high levels of asbestos each working day with little or no protection. Asbestos workers today are required to follow specific work practices and wear appropriate protection to minimize exposure.

Significant exposure to asbestos fibers can lead to asbestosis and certain forms of cancer. Asbestosis is one of the many dust-related lung diseases. It is associated with chronic exposure to relatively high levels of asbestos and is characterized by the permanent deposition of asbestos fibers in the respiratory tract. The earliest and most prominent clinical finding, breathlessness upon exertion, rarely becomes apparent until at least a decade of exposure.

In addition to asbestosis, the association of asbestos and lung cancer has been well established over the past two decades. Scientists have studied insulation and shipyard workers who were exposed to HIGH AIRBORNE LEVELS of asbestos. These studies indicated that asbestos workers were about five times as likely to get lung cancer as non-asbestos workers who did not smoke. Asbestos workers who also smoke were found to be at much greater risk (about 50 times) of dying of lung cancer than non-smoking non-asbestos workers. Mesothelioma, a rare form of cancer of the chest or abdominal cavity, occurs among occupational groups exposed to certain types of asbestos.

**ASBESTOS SAMPLING RESULTS**

A summary of the results of recent asbestos bulk sampling or air monitoring is attached to this notice.

A variety of exposure standards and health action levels have been established for various purposes:

The Occupational Safety and Health Administration (OSHA) asbestos standards (Title 29 of the Code of Federal Regulations), which apply to employees who actually work with asbestos, mandate a permissible exposure limit (PEL) of 0.1 fibers per cubic centimeter of air (f/cc) determined as an 8 hour time weighted average (TWA) and an excursion limit of 1 f/cc as a 30 minute TWA. When employees are exposed at these levels, OSHA and Cal/OSHA (Title 8 of the California Code of Regulations) require medical monitoring and other control methods.

The Environmental Protection Agency (EPA) has recommended a "clearance level" for asbestos of 0.01 f/cc, as measured by phase contrast microscopy (PCM). If measured by the transmission electron microscopy (TEM) method described in 40 CFR Part 763, the Asbestos Hazard Emergency Response Act (AHERA), the clearance level is either 0.02 structure/cc or 70 structures per square millimeter of filter (s/mm<sup>2</sup>). This means that once an operation involving asbestos (such as removal) is complete, the area is "safe" for re-occupancy as long as the asbestos air concentrations are less than or equal to the "clearance level". These same levels have also been adopted in the California Education Code (Section 494200.7) as the school abatement clearance level.

The state of California has an additional requirement relating to disclosure of the presence of asbestos. Proposition 65, which was voted into law by the state citizens, basically requires posting of area where anyone is exposed to a carcinogen at a level where there is a significant risk of cancer. The California Health and Welfare Agency has established this level at 100 fibers of asbestos per day.

### **GENERAL PROCEDURES AND HANDLING RESTRICTIONS**

As you can see, the concern is with asbestos fibers in the air. When asbestos materials are in good condition, it is unlikely that fibers will be released into the air, unless the asbestos materials are damaged or disturbed. Asbestos-containing materials must not be disturbed so that fibers do not get into the air. Do not cut into, drill into, nail or pin anything onto, sand, move, bump, rub against or otherwise disturb any asbestos containing materials. If you should discover any damaged asbestos-containing material, do not touch it; do not attempt to clean it up. Contact your supervisor or property manager immediately and report the situation.

City employees required to enter areas and perform work activities that might involve the disturbance of asbestos materials have been trained in the proper procedures to minimize exposure. Work that requires major disturbances of asbestos materials (such as removal) is performed under specifications which include work practice procedures, removal techniques, clean up and clearance air sampling.

If any construction, maintenance, or remodeling is conducted in an area of the building where there is the potential for employees to come in contact with, or release or disturb asbestos containing building materials, it is required that the area be posted with a clear and conspicuous warning sign. The warning sign must read:

**"CAUTION. ASBESTOS  
CANCER AND LUNG DISEASE HAZARD  
DO NOT DISTURB WITHOUT PROPER TRAINING AND EQUIPMENT"**

Much of this information may be new to you. If you have questions about asbestos, you may call the Department of Public Health Toxic Substances Control Program at 252-3800 to answer your questions.

This written announcement fulfills the asbestos notification requirement of Division 20, Chapter 10.4, Section 25915 of the California Health and Safety Code (Assembly Bill 3713).

### **SITE SPECIFIC INFORMATION**

The following pages are a summary of asbestos bulk sampling or air monitoring results that have been conducted at Pier 33 Facility #1330. Copies of the full sampling report(s) are available for review and photocopying at the Port of San Francisco Environmental Health and Safety Office (Pier 1, S.F.) between the hours of 8 a.m. and 5 p.m. The asbestos coordinator for this building is Tim Felton who can be reached at (415) 274-0582.

**NOTICE TO EMPLOYEES,  
OWNERS, LESSEES, SUBLESSEES, AGENTS AND CONTRACTORS**

**ASBESTOS IN BUILDINGS**

**FOR: Pier 31 / Facility #1310  
FOR PERIOD THROUGH: March 2014**

It is the responsibility of the master tenant to provide this notice to any subtenant within their leasehold.

In January of 1989, Assembly Bill 3713 was signed into law and added to the California Health and Safety Code. This bill provides for written notice to employees concerning specific matters related to working in a building with asbestos containing construction materials. It applies to buildings built before 1979 where the owner knows that the building contains asbestos-containing materials: it does not require that a building be surveyed to determine the presence of asbestos.

**WHAT IS ASBESTOS?**

Asbestos is a naturally occurring group of fibrous minerals which have been used extensively in public buildings, apartment buildings and homes. Asbestos was incorporated into pipe insulation, acoustic plaster, acoustic tile, duct and furnace insulation, floor tiles, textiles and hundreds of other building materials. In most City buildings, asbestos is located in insulation on piping systems, acoustic plaster on ceilings, acoustic ceiling tiles, vinyl asbestos floor tiles, and structural fireproofing.

This notification includes the results of any air monitoring or bulk sampling for asbestos that has been conducted in your building during the previous calendar quarter. (This notice may also include older information of asbestos samples, for your information.)

**WHY IS ASBESTOS HAZARDOUS?**

Asbestos is a concern because of the potential health risks associated with breathing asbestos fibers. It is important for you to know that most people with asbestos-related diseases were asbestos workers before 1972. These workers were repeatedly exposed to high levels of asbestos each working day with little or no protection. Asbestos workers today are required to follow specific work practices and wear appropriate protection to minimize exposure.

Significant exposure to asbestos fibers can lead to asbestosis and certain forms of cancer. Asbestosis is one of the many dust-related lung diseases. It is associated with chronic exposure to relatively high levels of asbestos and is characterized by the permanent deposition of asbestos fibers in the respiratory tract. The earliest and most prominent clinical finding, breathlessness upon exertion, rarely becomes apparent until at least a decade of exposure.

In addition to asbestosis, the association of asbestos and lung cancer has been well established over the past two decades. Scientists have studied insulation and shipyard workers who were exposed to HIGH AIRBORNE LEVELS of asbestos. These studies indicated that asbestos workers were about five times as likely to get lung cancer as non-asbestos workers who did not smoke. Asbestos workers who also smoke were found to be at much greater risk (about 50 times) of dying of lung cancer than non-smoking non-asbestos workers. Mesothelioma, a rare form of cancer of the chest or abdominal cavity, occurs among occupational groups exposed to certain types of asbestos.

**ASBESTOS SAMPLING RESULTS**

A summary of the results of recent asbestos bulk sampling or air monitoring is attached to this notice

A variety of exposure standards and health action levels have been established for various purposes



The Occupational Safety and Health Administration (OSHA) asbestos standards (Title 29 of the Code of Federal Regulations), which apply to employees who actually work with asbestos, mandate a permissible exposure limit (PEL) of 0.1 fibers per cubic centimeter of air (f/cc) determined as an 8 hour time weighted average (TWA) and an excursion limit of 1 f/cc as a 30 minute TWA. When employees are exposed at these levels, OSHA and Cal/OSHA (Title 8 of the California Code of Regulations) require medical monitoring and other control methods.

The Environmental Protection Agency (EPA) has recommended a "clearance level" for asbestos of 0.01 f/cc, as measured by phase contrast microscopy (PCM). If measured by the transmission electron microscopy (TEM) method described in 40 CFR Part 763, the Asbestos Hazard Emergency Response Act (AHERA), the clearance level is either 0.02 structure/cc or 70 structures per square millimeter of filter (s/mm<sup>2</sup>). This means that once an operation involving asbestos (such as removal) is complete, the area is "safe" for re-occupancy as long as the asbestos air concentrations are less than or equal to the "clearance level". These same levels have also been adopted in the California Education Code (Section 494200.7) as the school abatement clearance level.

The state of California has an additional requirement relating to disclosure of the presence of asbestos. Proposition 65, which was voted into law by the state citizens, basically requires posting of area where anyone is exposed to a carcinogen at a level where there is a significant risk of cancer. The California Health and Welfare Agency has established this level at 100 fibers of asbestos per day.

### **GENERAL PROCEDURES AND HANDLING RESTRICTIONS**

As you can see, the concern is with asbestos fibers in the air. When asbestos materials are in good condition, it is unlikely that fibers will be released into the air, unless the asbestos materials are damaged or disturbed. Asbestos-containing materials must not be disturbed so that fibers do not get into the air. Do not cut into, drill into, nail or pin anything onto, sand, move, bump, rub against or otherwise disturb any asbestos containing materials. If you should discover any damaged asbestos-containing material, do not touch it; do not attempt to clean it up. Contact your supervisor or property manager immediately and report the situation.

City employees required to enter areas and perform work activities that might involve the disturbance of asbestos materials have been trained in the proper procedures to minimize exposure. Work that requires major disturbances of asbestos materials (such as removal) is performed under specifications which include work practice procedures, removal techniques, clean up and clearance air sampling.

If any construction, maintenance, or remodeling is conducted in an area of the building where there is the potential for employees to come in contact with, or release or disturb asbestos containing building materials, it is required that the area be posted with a clear and conspicuous warning sign. The warning sign must read:

**"CAUTION. ASBESTOS  
CANCER AND LUNG DISEASE HAZARD  
DO NOT DISTURB WITHOUT PROPER TRAINING AND EQUIPMENT"**

Much of this information may be new to you. If you have questions about asbestos, you may call the Department of Public Health Toxic Substances Control Program at 252-3800 to answer your questions.

This written announcement fulfills the asbestos notification requirement of Division 20, Chapter 10.4, Section 25915 of the California Health and Safety Code (Assembly Bill 3713).

### **SITE SPECIFIC INFORMATION**

The following pages are a summary of asbestos bulk sampling or air monitoring results that have been conducted at Pier 31 Facility #1310. Copies of the full sampling report(s) are available for review and photocopying at the Port of San Francisco Environmental Health and Safety Office (Pier 1, S.F.) between the hours of 8 a.m. and 5 p.m. The asbestos coordinator for this building is Tim Felton who can be reached at (415) 274-0582.

# PORT of San Francisco Asbestos Summary

Facility# 1310

Pier 31

All of the Facility

Survey Date	Room or Area	Contents of Survey / Description of ACM	Handling Procedures and Restrictions	Abated
6/30/1999	Roof	The roof patching mastic was found to contain 3% chrysotile asbestos. The roofing mastic found on the parapet wall was found to contain 8% chrysotile asbestos. (RGA 8/11/99)	The asbestos-containing materials found on the roof should be abated prior to building renovation if the roof is going to be impacted. A contractor licensed to perform asbestos-related work should conduct all abatement work.	No
6/30/1999	Roof	A complete building asbestos survey was conducted by RGA in June of 1999. The window putty on the skylights was found to contain trace (<1%) amounts of chrysotile asbestos. (RGA 8/11/99)	Asbestos must be removed by a certified abatement contractor if windows are removed.	No



**SCHEDULE 2**  
**SUBSTRUCTURE REPORT(S)**

[Attachment on following page(s)]

**[PAGE INTENTIONALLY LEFT BLANK]**



## RAPID STRUCTURAL ASSESSMENT REPORT

<b>Structure Type:</b>	SUBSTRUCTURE	<b>Work Order:</b>	12720
<b>Facility Name:</b>	Pier 33-Substructure	<b>FIN:</b>	1330SUB
<b>Asset Number:</b>	1330-SUB3	<b>Facility Code:</b>	1330
<b>Asset Activity:</b>	SUBSTRUCTURE 4 YR INSPECTION	<b>Port Engineer:</b>	Duncan, Mr. Sherban A.
<b>Inspection Number:</b>	1330-SUB3-1-2015	<b>Inspected By:</b>	Port of San Francisco
<b>Inspection Start Date:</b>	2015/08/23 09:11:05	<b>Inspection End Date:</b>	2015/08/23 09:11:01
<b>Purpose Of Inspection:</b>	Periodic Inspection	<b>Lease Number:</b>	Multiple
<b>Address:</b>			
<b>Year Built:</b>			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Yellow With Green Hatching

Immediate Actions: See description below

Required Repairs: Repair broken pipes discharging water into the bay, repair areas of exposed rebar and spalling; remove hanging timbers

Load Limits:

Barricades:

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile	X		
4) Significant beam deterioration		X	
5) Significant slab deterioration	X		
6) Other Hazard present		X	

### Comments:

#### Sequence - 1

#### Description - Comments

**Comment** - Immediate Actions : Provide fences with a gate at North and South wales. Install signs as following : on each fence to read "DO NOT ENTER"; at all doors/gates to North apron to read "UNSAFE AREA/DO NOT EXIT"; at entrance to shed to read "MAXIMUM VEHICLE GROSS IS 8 TON"; at all doors/gates to South apron to read "MAXIMUM VEHICLE GROSS is 3 TON".

**Required Repairs** : Detailed engineering analysis is recommended to evaluate the load carrying capacity of the deteriorated substructure areas.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Attachments:

Appendix A - Facility Data

Appendix B - Photographs and Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix A - Facility Data

### Substructure/Foundation Data:

**Substructure FIN:** 1330SUB

**Piling Type:** Concrete

**Substructure Deck Type:** Concrete

**Apron Type:** Concrete

**Detailed Substructure Description (If available):** Concrete Slab supported by Concrete Piles





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 1.** Spalled concrete beams and slabs above the outfalls under the Main Pier



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

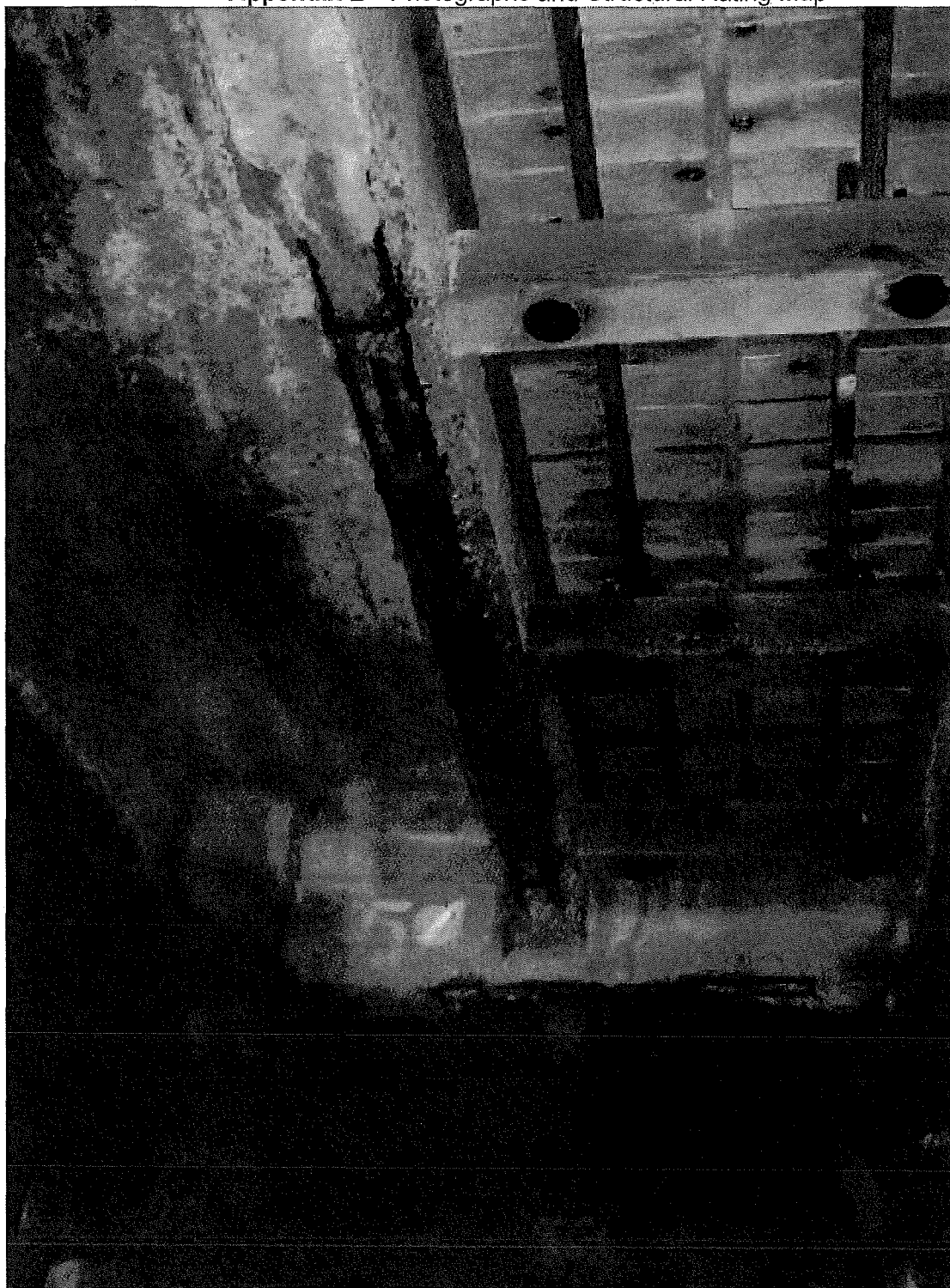


Photo 2. North apron view



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 3.** Concrete spalling, typical



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

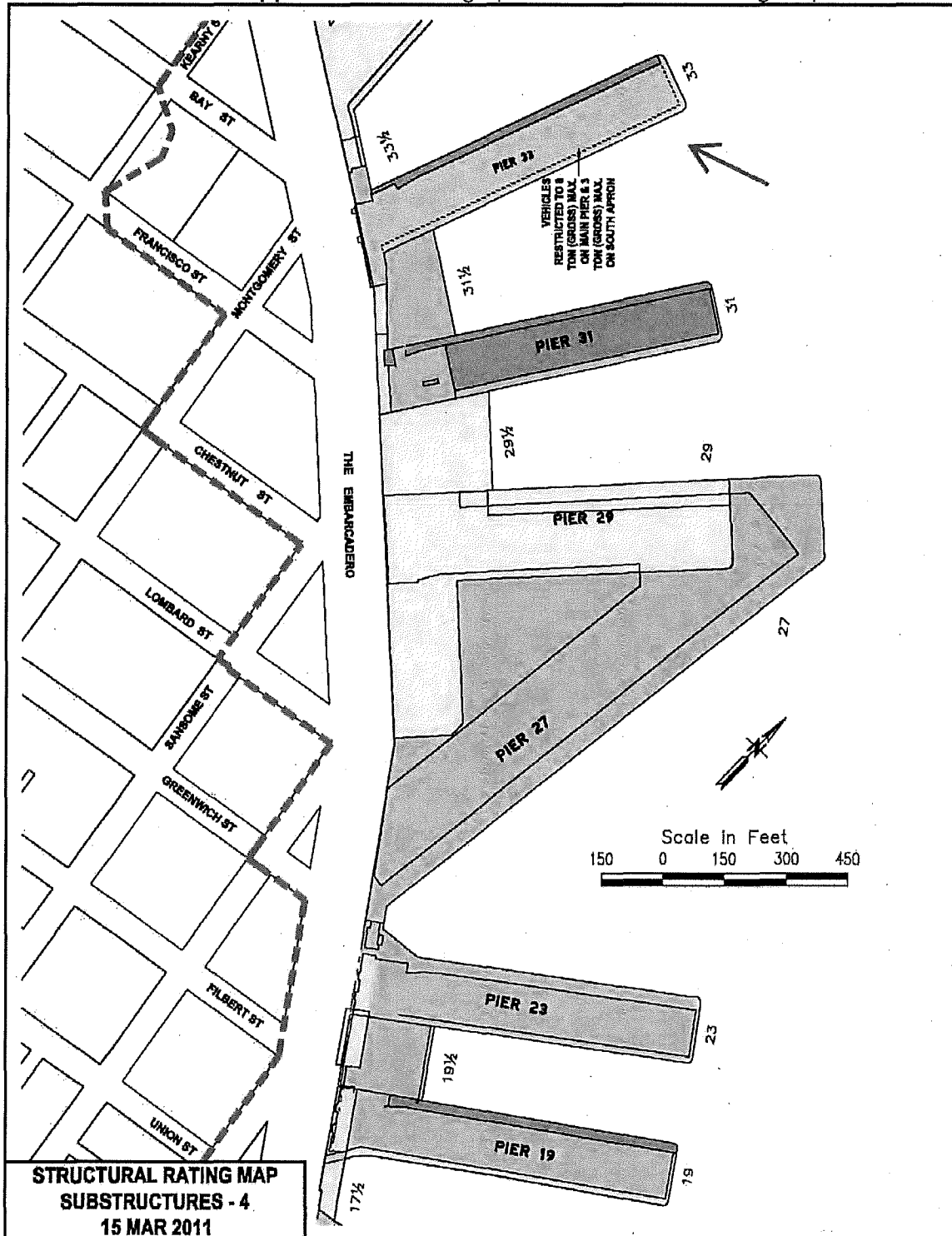


Photo 4. Structural Map

# BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM (rev. 7-2009)

**Facility Name:** Shed at Pier 33

**FIN:** 1330-SHEDA-ALL

**Inspection Number:** 1330-SHEDA-ALL-2010

**Inspector's Name:** Sherban A. Duncan, P.E.

**Inspection Date:** 06/01/10

**Start Time:** 2:00 P.M.

**Report Posting Date:** 6/22/10

**Affiliation:** Port of San Francisco

**End Time:** 3:30 P.M.

**Purpose of Inspection-(periodic insp., maritime request, real estate request, tenant move-in, tenant move-out, etc.):** periodic inspection

## Rating Criteria:

Green – Unrestricted use. May require some minor repair, or minimal barricading.

Yellow – Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red – Unsafe notice. Shall be barricaded to prevent public access and use.

**Overall Rating:** Green **XX**      Yellow      Red

**Immediate Actions:** Detailed Structural Evaluation when funds will be available.

**Required Repairs:** To be determined after the Detailed Structural Evaluation, when funds will be available.

## Condition Assessment Summary:

Condition	Yes	No	More Review Needed
1) Collapse, partial collapse, off foundation		X	
2) Major building element significantly damaged		X	
3) Severe cracking of walls, obvious distress		X	
4) Parapet or other falling hazard	X		Wall spalling
5) Severe ground or slope movement present		X	
6) Other hazard present		X	

## **Comments:**

Substructure deterioration; load restrictions – see existing load limit signs.

## Attachments:

**Appendix A-** General Facility Description

**Appendix B-** Photographs

**Appendix C-** Structural Rating Map

# **BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM** (rev. 7-2009)

## **Appendix A-Facility Data**

**Name of Facility:** Shed at P 33

**Facility Code:** 1330

**Address:**

**Lease Number(s):**

### **Building Data**

Building Structure: 1330-SHEDA-ALL-1-2010

No. of stories: 1

Support over water: yes

Support over land: no

Construction type (Wood, concrete, steel, masonry or combination): wood, steel, concrete

Occupancy Type (Commercial, office, industrial, assembly, residential, emergency service, etc.): commercial

### **Detailed Building Description (If available):**

- Wood plank roof sheathing on wood beams supported by wood trusses on interior wood posts
- Storage, workshops, parking, food delivery, and miscellaneous facilities in Main Structure

### **Substructure/Foundation Data:**

Substructure FIN: 1330-SUBST-ALL-1

Piling type: concrete

Substructure Deck Type: framed concrete

Apron Type: framed concrete

### **Detailed Substructure Description (if available)**



# BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM (rev. 7-2009)

## Appendix B- Photographs

FIN: 1330-SHEDA-ALL

Inspection Date: 06/01/10

Facility Name: Shed at P 33

Inspection Number: 1415-SHEDA-ALL-2010



Photo 1. Facade cracks



Photo 2. Rusting eye bolts

**BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM** (rev. 7-2009)

**Appendix B- Photographs**

FIN: 1330-SHEDA-ALL

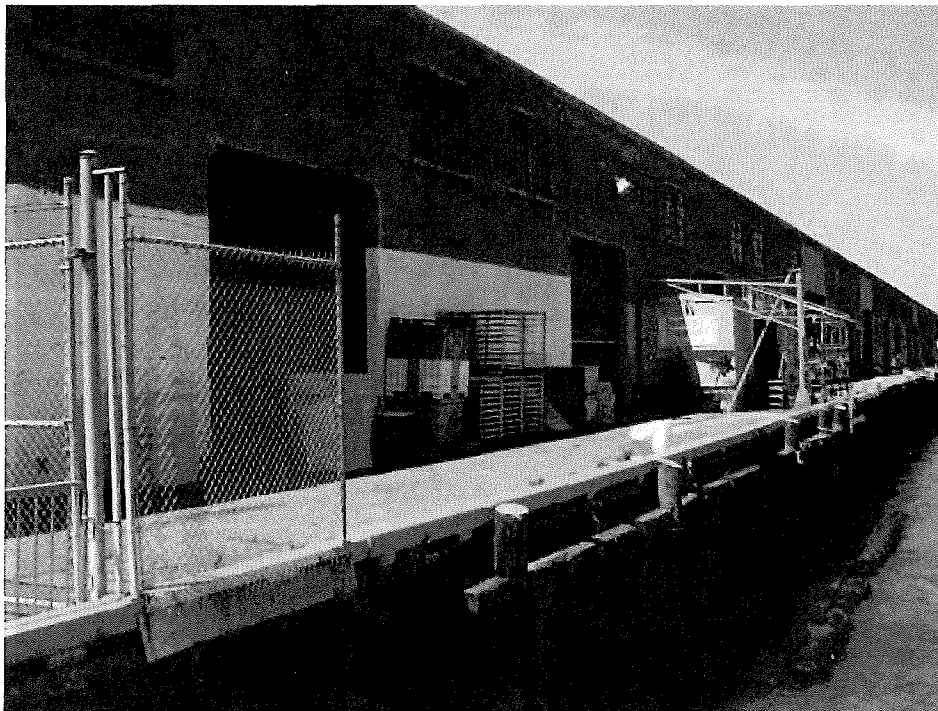
Inspection Date: 06/01/10

Facility Name: Shed at P 33

Inspection Number: 1415-SHEDA-ALL-2010



**Photo 3. Roof repair work and water staining**



**Photo 4. Concrete spalling around windows at east wall**



**BUILDING RAPID EVALUATION SAFETY ASSESSMENT FORM** (rev. 7-2009)

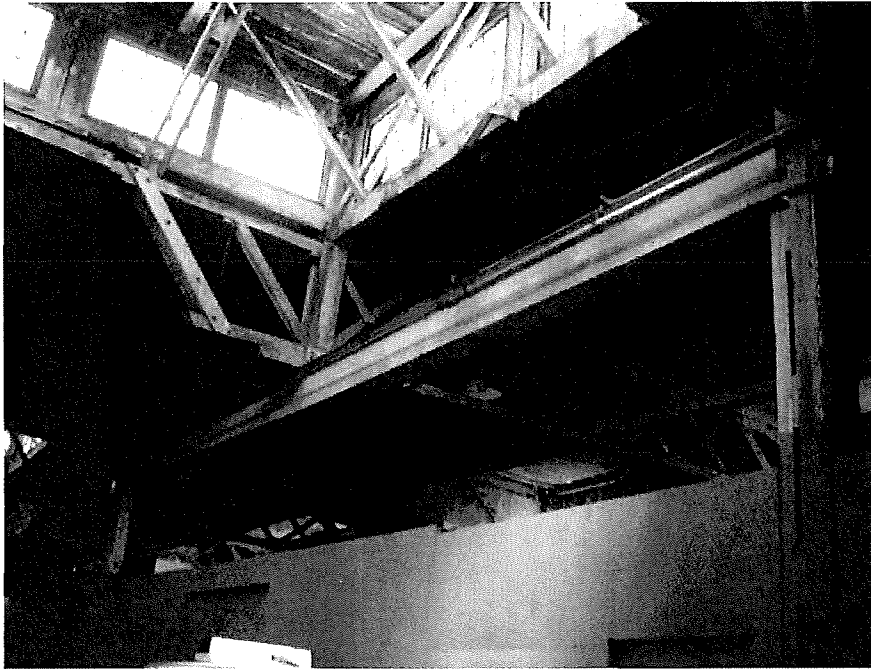
**Appendix B- Photographs**

FIN: 1330-SHEDA-ALL

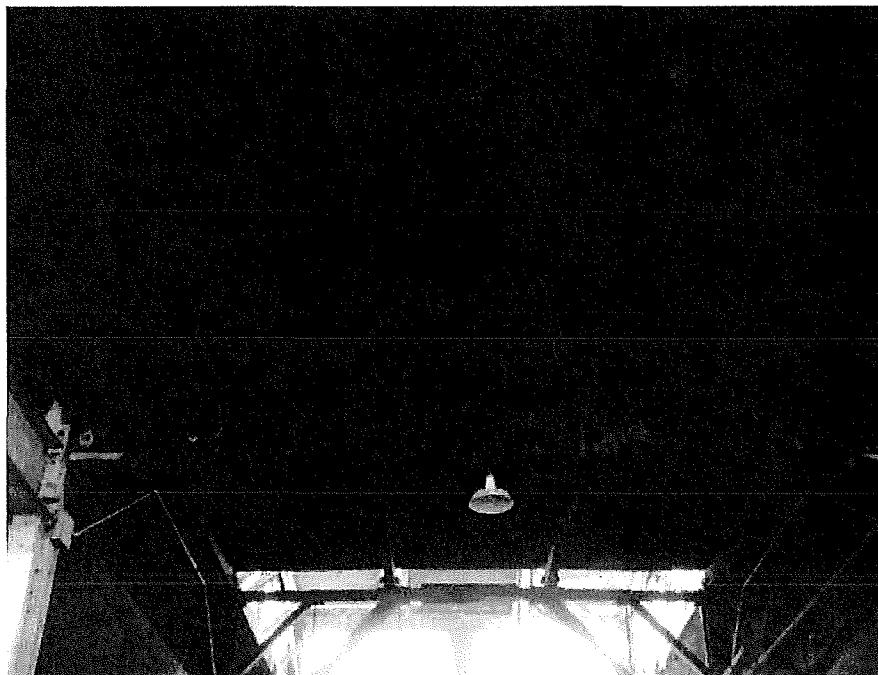
Inspection Date: 06/01/10

Facility Name: Shed at P 33

Inspection Number: 1415-SHEDA-ALL-2010

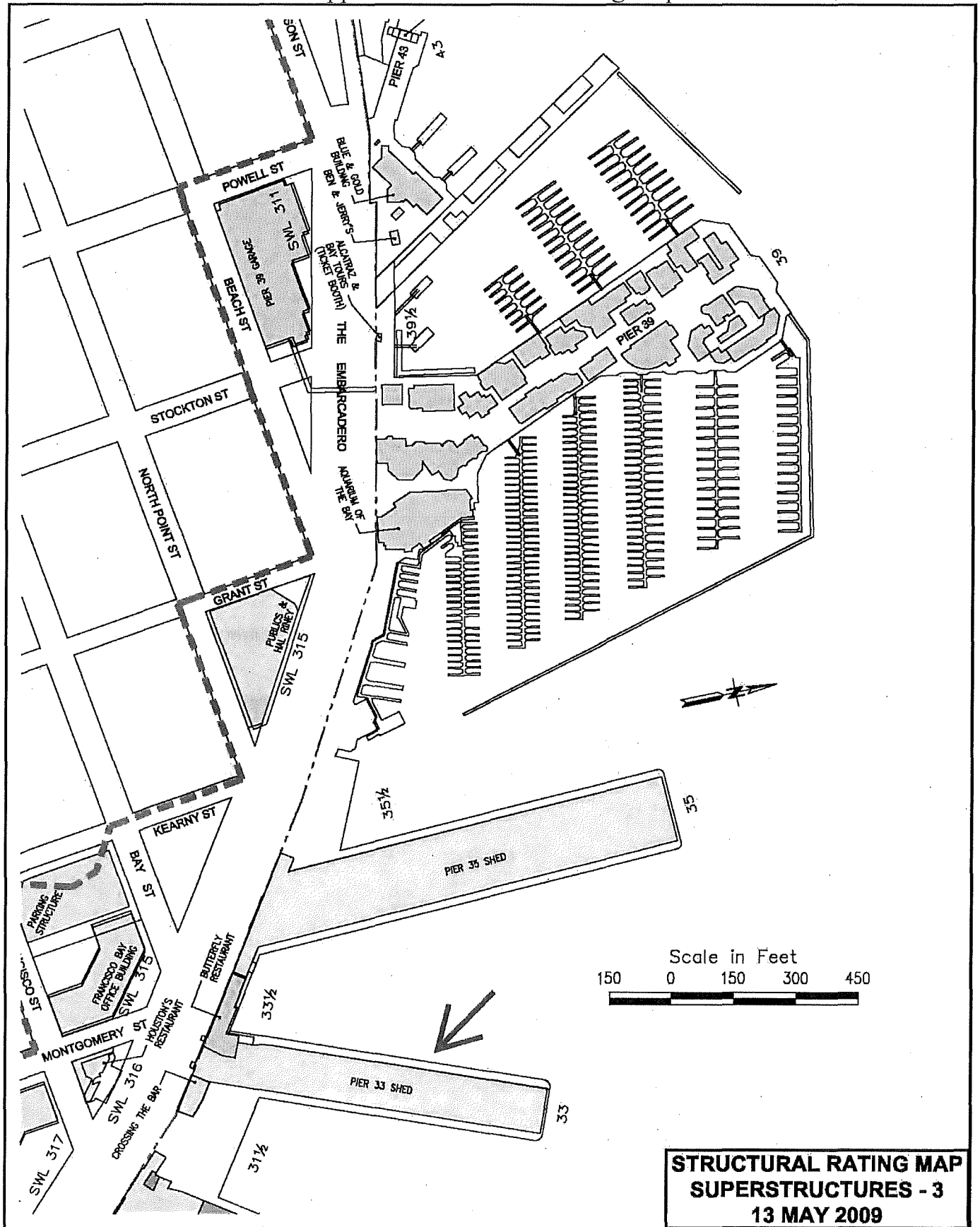


**Photo 5. Repair work with steel beams after the post removal**



**Photo 6. Fire damage at north end**

Appendix C-Structural Rating Map





## RAPID STRUCTURAL ASSESSMENT REPORT

<b>Structure Type:</b>	<b>SUPERSTRUCTURE</b>	<b>Work Order:</b>	5484
<b>Facility Name:</b>	Pier 33 Shed Building (includes bulkhead)	<b>FIN:</b>	1330SHG
<b>Asset Number:</b>	1330-SHEDA	<b>Facility Code:</b>	1330
<b>Asset Activity:</b>	STRUCTURE & DRYROT 2YR INSPECT	<b>Port Engineer:</b>	Duncan, Mr. Sherban A.
<b>Inspection Number:</b>	1330-SHEDA-1-2013	<b>Inspected By:</b>	AGS - Jasper Chau
<b>Inspection Start Date:</b>	2013/05/14 11:31:09	<b>Inspection End Date:</b>	2013/05/14 11:31:01
<b>Purpose Of Inspection:</b>	Periodic Inspection	<b>Lease Number:</b>	
<b>Address:</b>			
<b>Year Built:</b>			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Yellow With Green Hatching

Immediate Actions: Not Required

Required Repairs: TBD by Port after Detailed Structural Evaluation

Load Limits: See substructure report

Barricades: Keep barriers in place in high pedestrian areas due to spalling

Long Term Actions: See comments below

Detailed Structural/Geotechnical Evaluation Required: TBD by Port when funds become available

### Condition Assessment Summary

<b>Condition</b>	<b>Yes</b>	<b>No</b>	<b>More Review Needed</b>
1) Full or Partial Collapse		X	
2) Major building element damaged		X	
3) Severe Cracking of walls		X	
4) Parapet or falling hazard	X		
5) Severe ground movement present		X	
6) Other Hazard present			X

### Comments:

#### Sequence - 1

#### Description - Comments

**Comment** - There is no access to the exterior deck of the west, east, and north concrete walls. East and west concrete walls are spalling, potential failing hazard in locations where pedestrian traffic is high. Thus, the east wall is barricaded and fenced out not allowing for any public access in the area.



## RAPID STRUCTURAL ASSESSMENT REPORT

Fire damaged area on north end of building and repair work is evident. Repair work evident on the wood roof framing near center of building.. The steel beams have been placed due to removed posts and the trusses appear to have been modified (i.e., at center of truss, bottom chords have been cut and removed). There is evidence of water staining and penetration on various locations of the roof.

### **Sequence - 2**

**Description** - Detailed Building Description (If available)

**Comment** - Main Structure: Wood plank roof sheathing on wood beams supported by wood trusses on interior wood posts. Perimeter concrete walls on east, west, and south sides. North wall is wood-framed. Some steel support beams near north end (appears to be repair work). Southeast Structure: Wood plywood sheathing supported by glulam beams on steel posts. Main structure contains miscellaneous space including: storage, workshops, parking, food delivery and facilities. Southeast end of building has a restaurant and offices.

### **Attachments:**

**Appendix A - Facility Data**

**Appendix B - Photographs and Structural Rating Map**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix A - Facility Data

**Name of Facility:** Pier 33 Shed Building (includes bulkhead)

**Facility Code:** 1330

**Address:**

**Lease Number(s):**

### Building Data

**Building Structure FIN:** 1330SHG

**No. of stories:** 1

**Support over water:** Yes

**Support over land:** No

**Construction Type (Wood, Concrete, Steel, Masonry or Combination):** Steel, Wood and Concrete

**Occupancy Type (Commercial, Office, Industrial, Assembly, Residential, Emergency Service, etc.):**  
Commercial and Office

**Detailed Building Description (If available):**

### Substructure/Foundation Data:

**Substructure FIN:** 1330SUB

**Piling Type:** Concrete

**Substructure Deck Type:** Concrete

**Apron Type:** Concrete

**Detailed Substructure Description (If available):** Concrete Slab supported by Concrete Piles



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

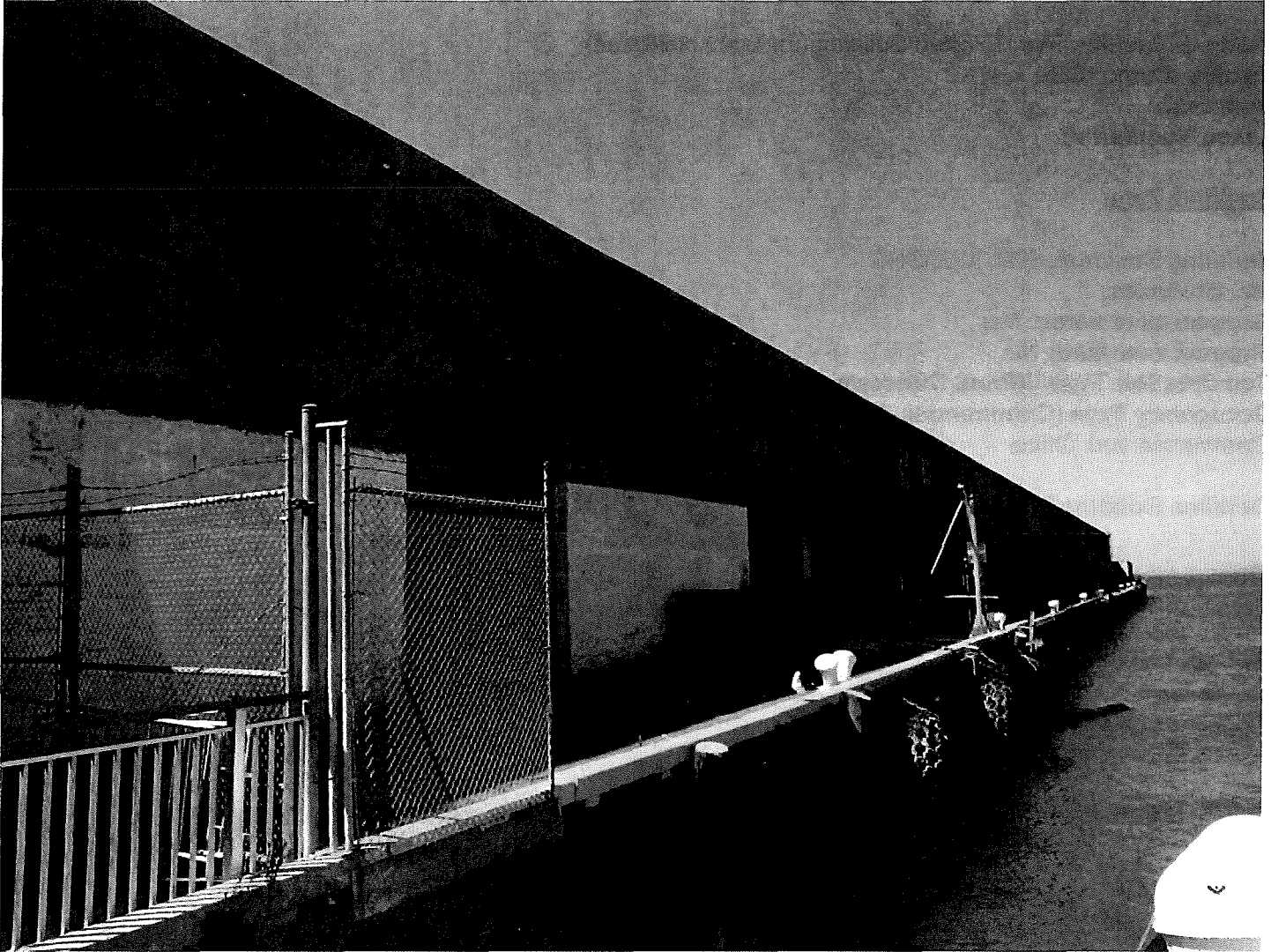
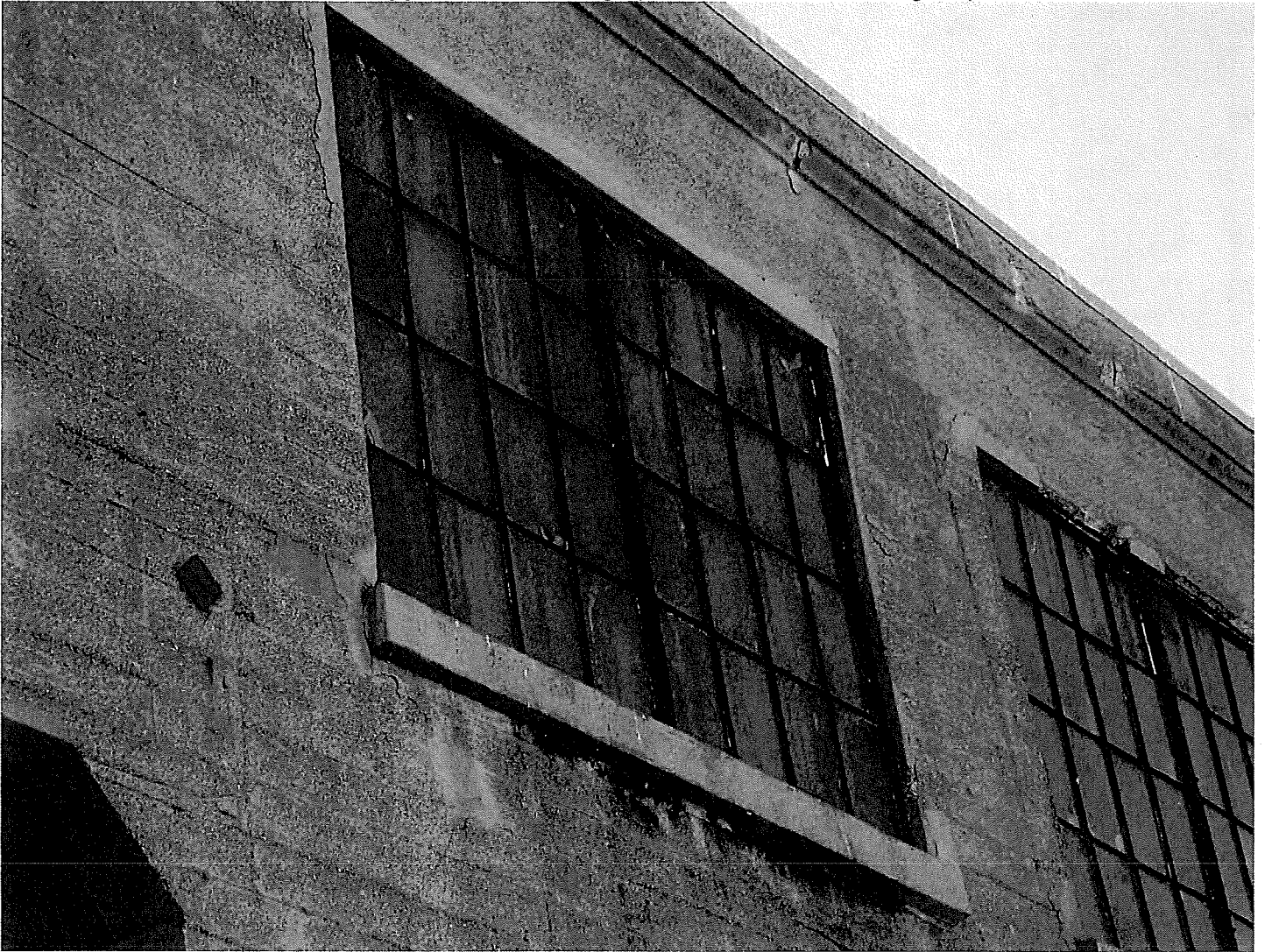


Photo 1. Overall view of east elevation



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



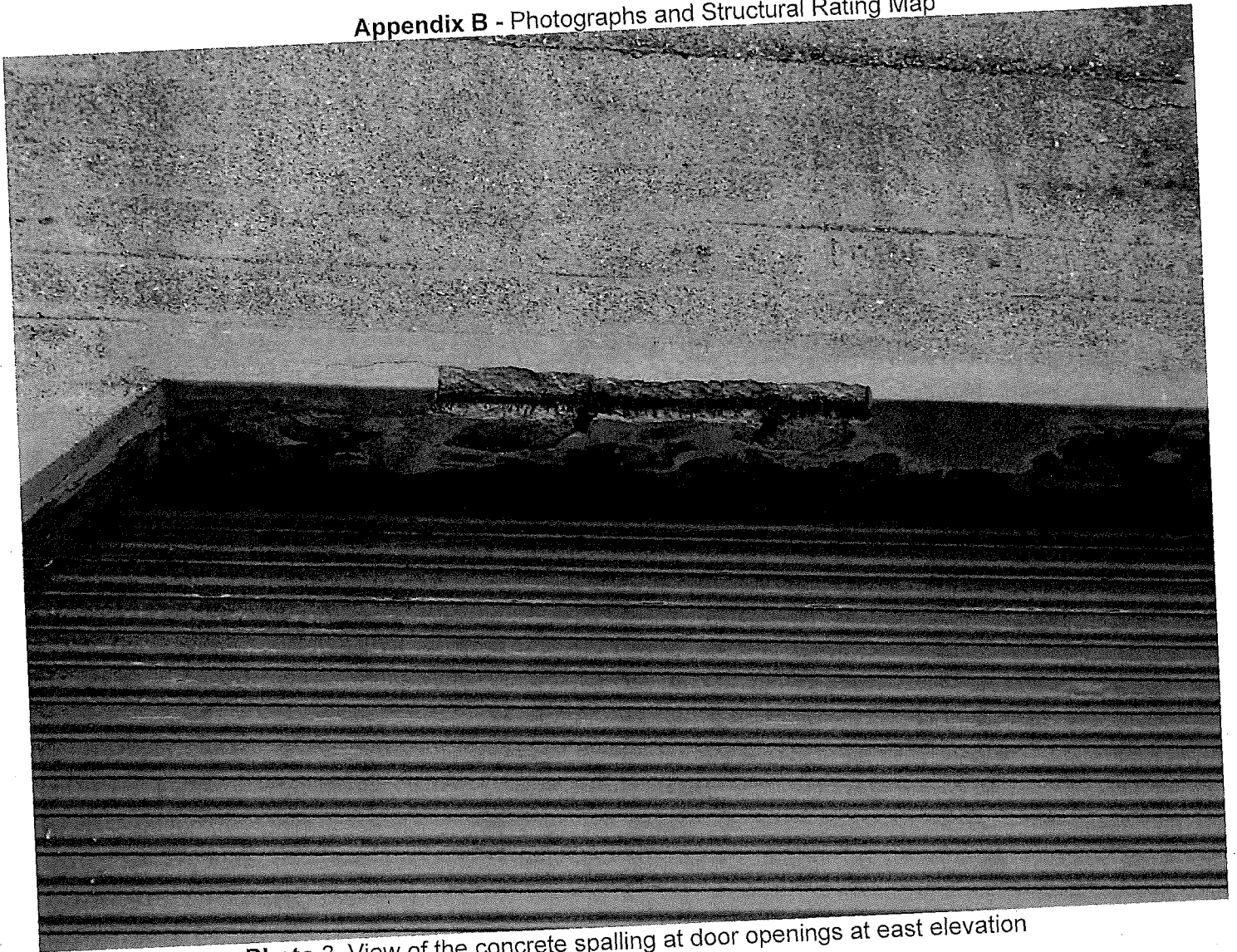
**Photo 2.** View of the concrete spalling at window openings at east elevation





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



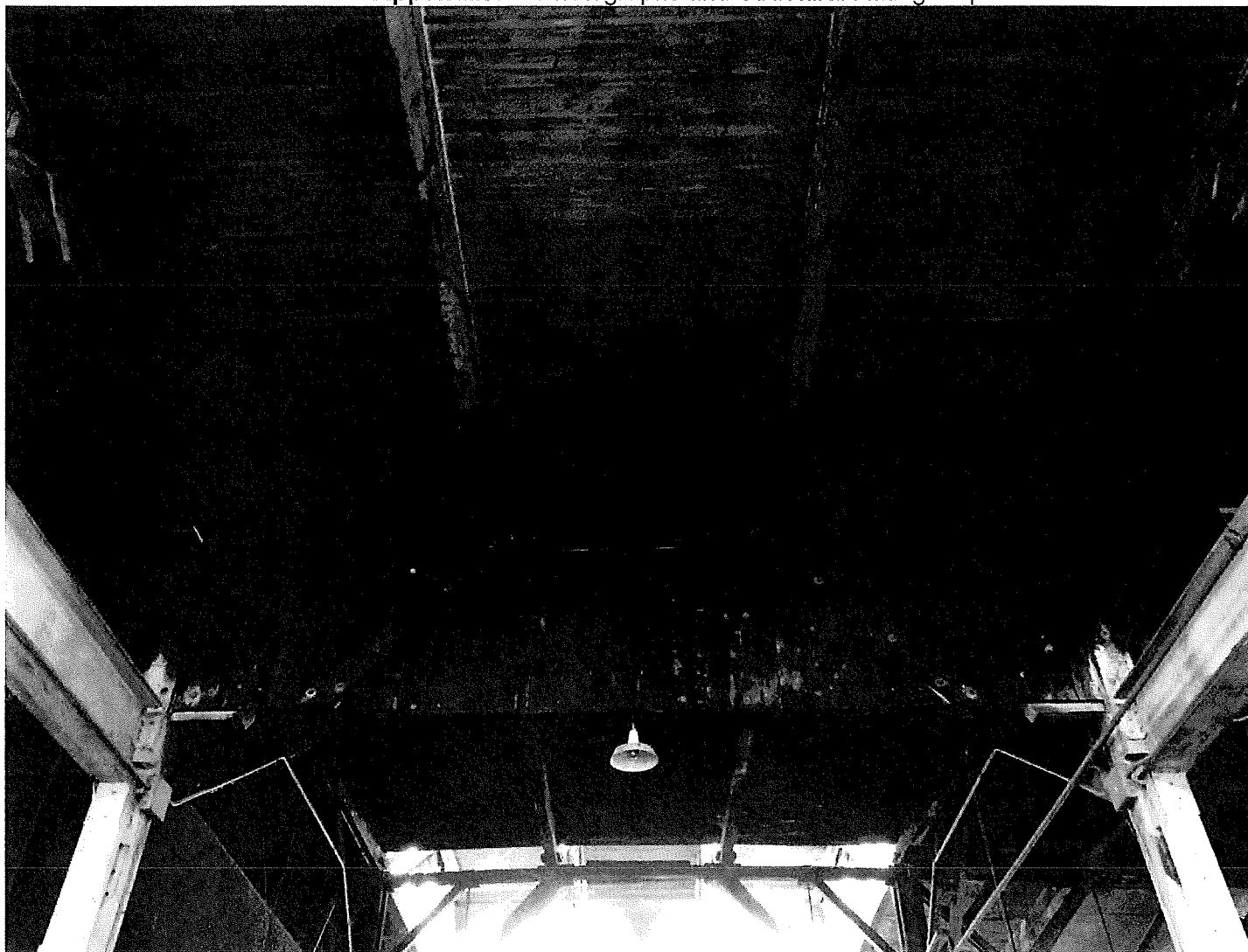
**Photo 3.** View of the concrete spalling at door openings at east elevation





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 4.** View of a portion of the roof displaying fire damage at the north end of the building

# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 5.** View of roof repair work at the fire damaged area. Note: A steel beam replaces a removed wood post due to fire



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 6.** View of a roof pop-up area with shoring work on wood beams. Note water intrusion stains on roof sheathing

# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 7.** View of the concrete wall with interior wood framing



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



Photo 8. View of a timber roof pop-up area with shoring work on wood beams and replaced roof sheathing





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

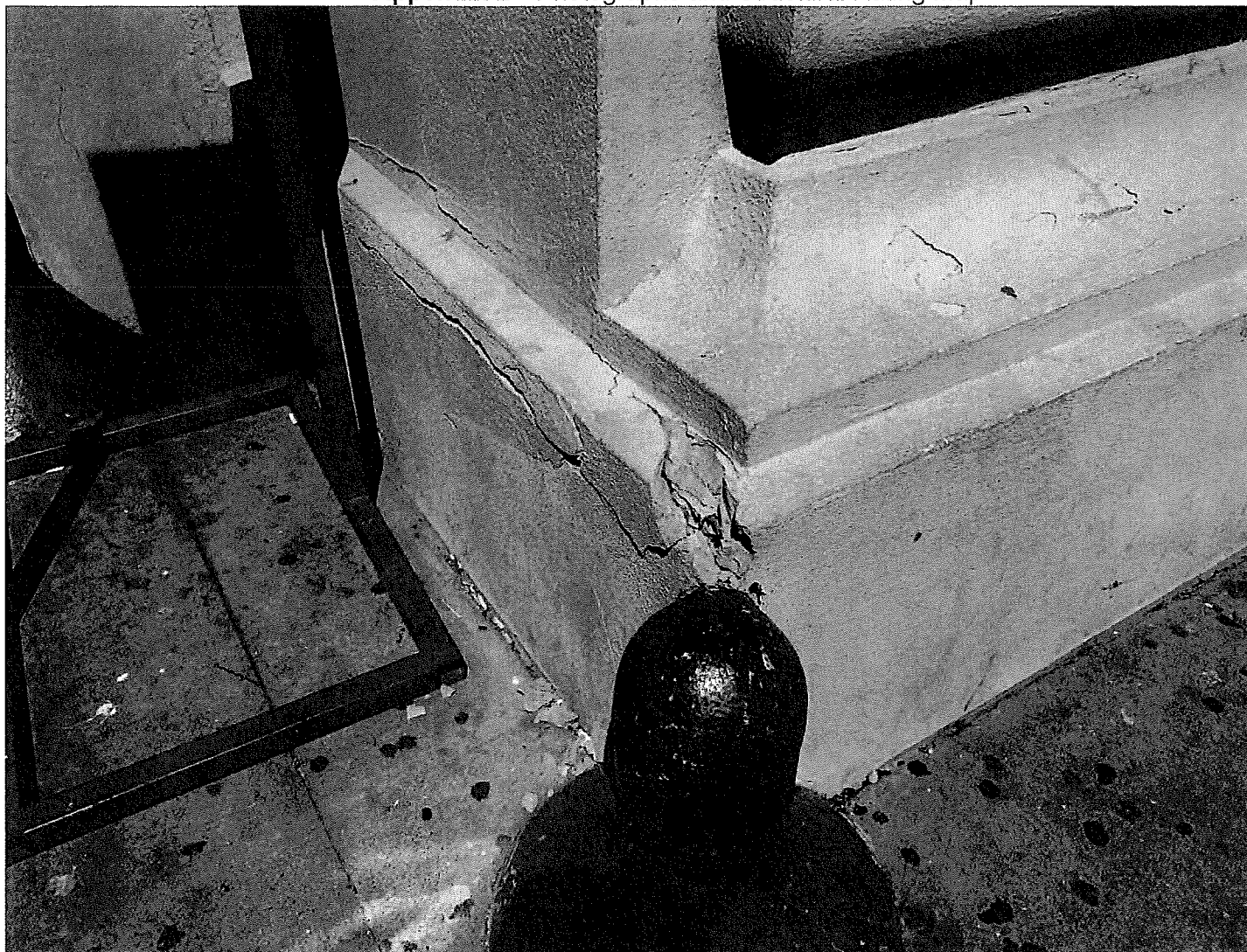


**Photo 9.** View of the structural framing near the interior entrance of the shed



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 10.** View of the stucco spalling in the wall base near the entrance



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 11. View of south elevation





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 12.** View of the interior timber column

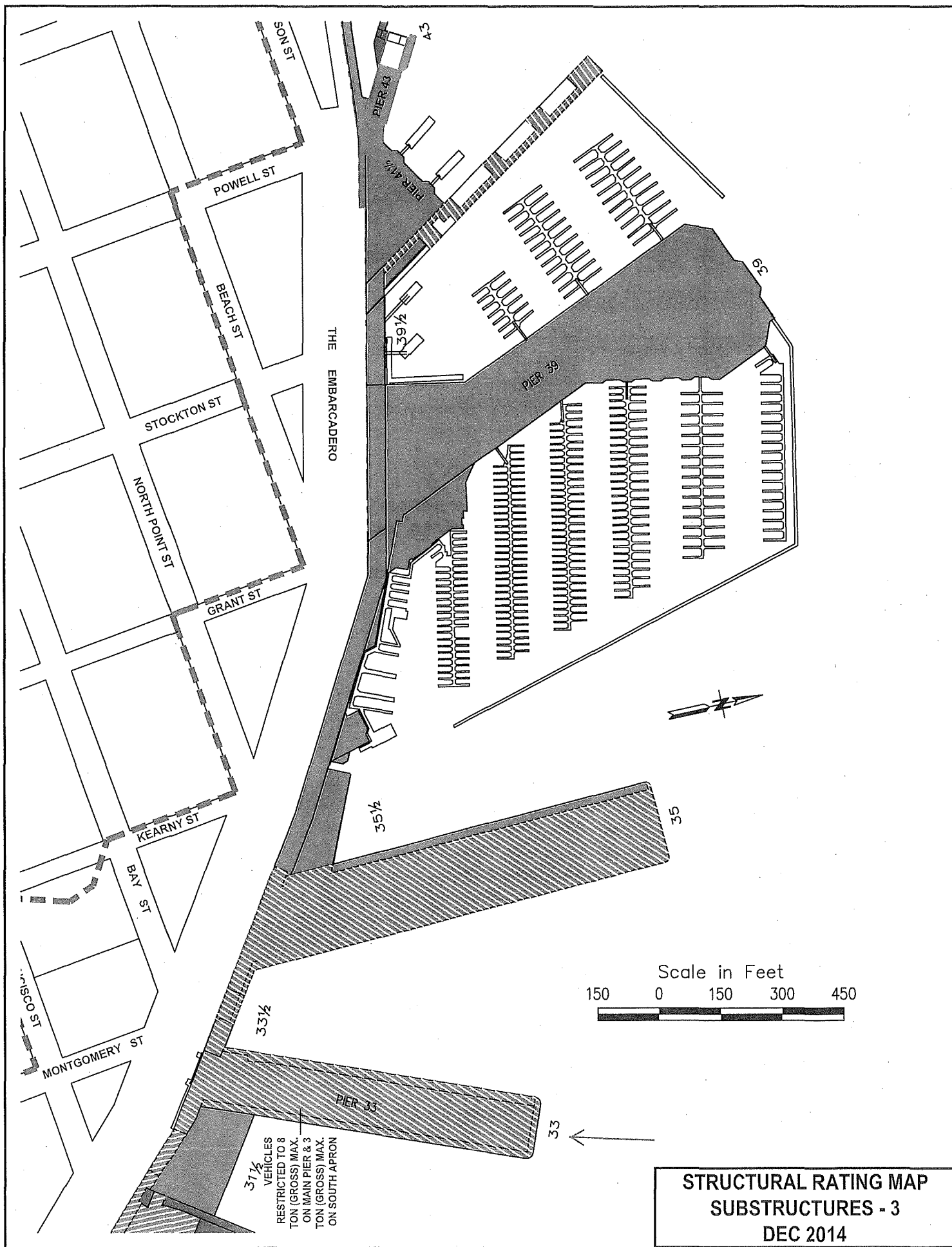


# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 13.** View of a modified timber roof truss. Note the water staining in the roof sheathing beyond





## RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUBSTRUCTURE	Work Order:	5419
Facility Name:	Pier 31.5 Substructure	FIN:	1315SUB
Asset Number:	1315-SUB	Facility Code:	1315
Asset Activity:	SUBSTRUCTURE 4 YR INSPECTION	Type Use:	C-L
Inspection Number:	1315-SUB-1-2013	Inspector Name:	Duncan, Mr. Sherban A.
		Affiliation:	C+D - Gelberg Rodriguez
Inspection Start Date:	2013/05/31 13:29:47	Inspection End Date:	2013/05/31 13:29:47
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

**Overall Rating: Green**

### Immediate Actions:

**Required Repairs:** Replace wood piles near metal deck

**Load Limits:**

**Barricades:**

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration		X	
5) Significant slab deterioration		X	
6) Other Hazard present		X	

### Comments:

#### Sequence - 1

**Description** - Comments

**Comment** -

1. Wood piles near metal deck (gangway) are deteriorated.
2. Concrete spalling at pile caps.
3. Minor corrosion of steel plates.



# RAPID STRUCTURAL ASSESSMENT REPORT

**Attachments:**

**Appendix A - Facility Data**

**Appendix B - Photographs and Structural Rating Map**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

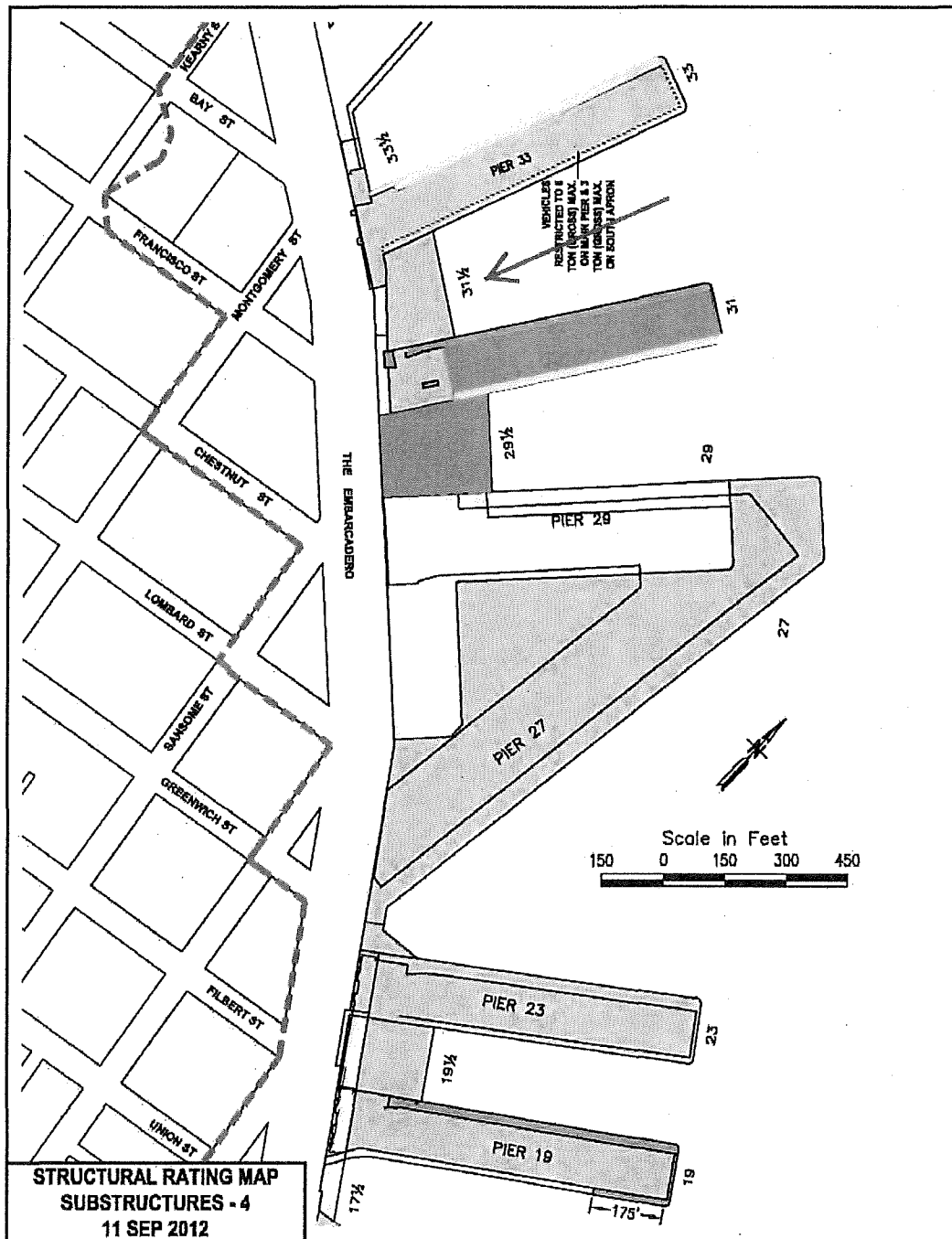


Photo 1. Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

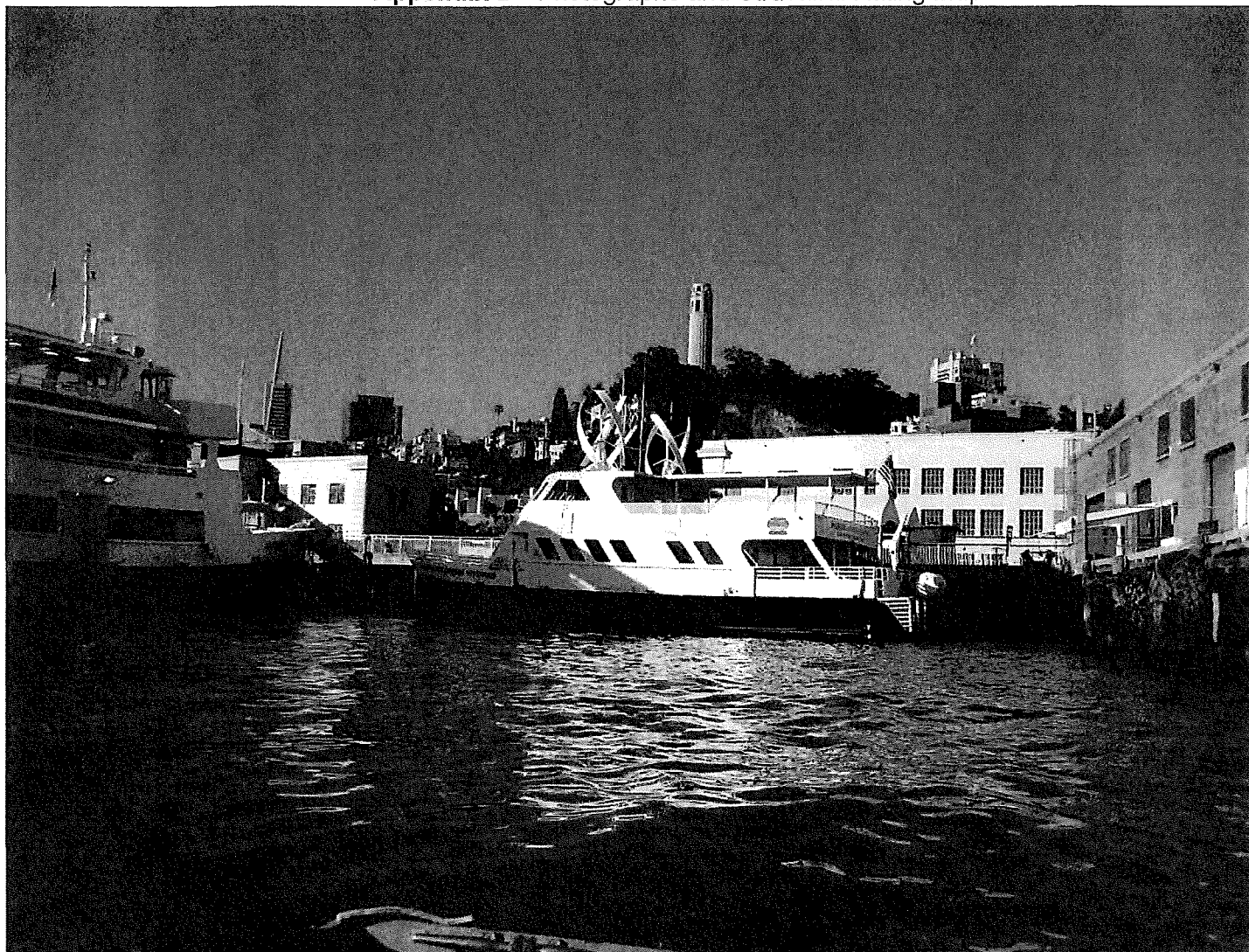


Photo 2. Overall view looking east





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

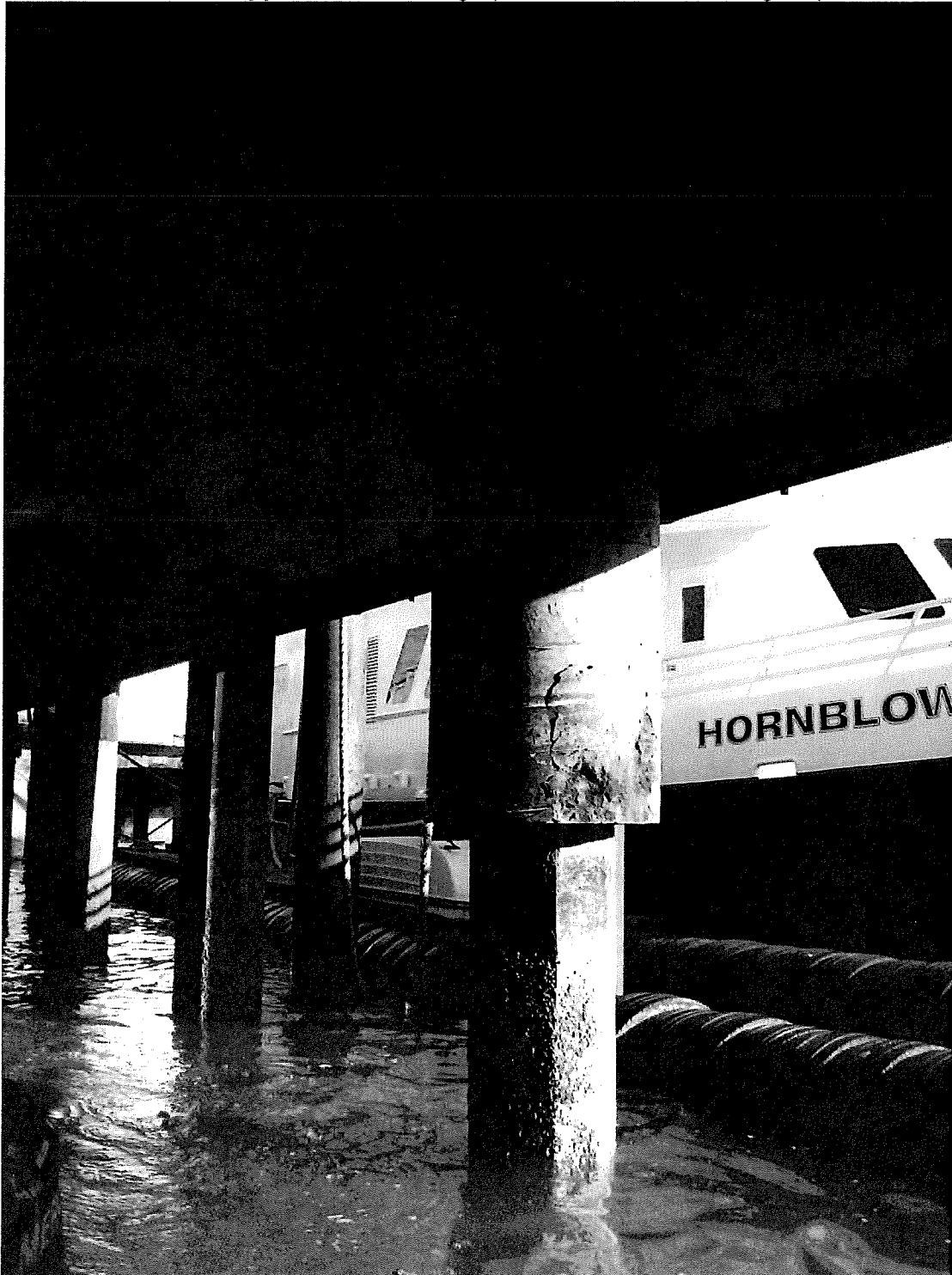


Photo 3. Crack on pile cap



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

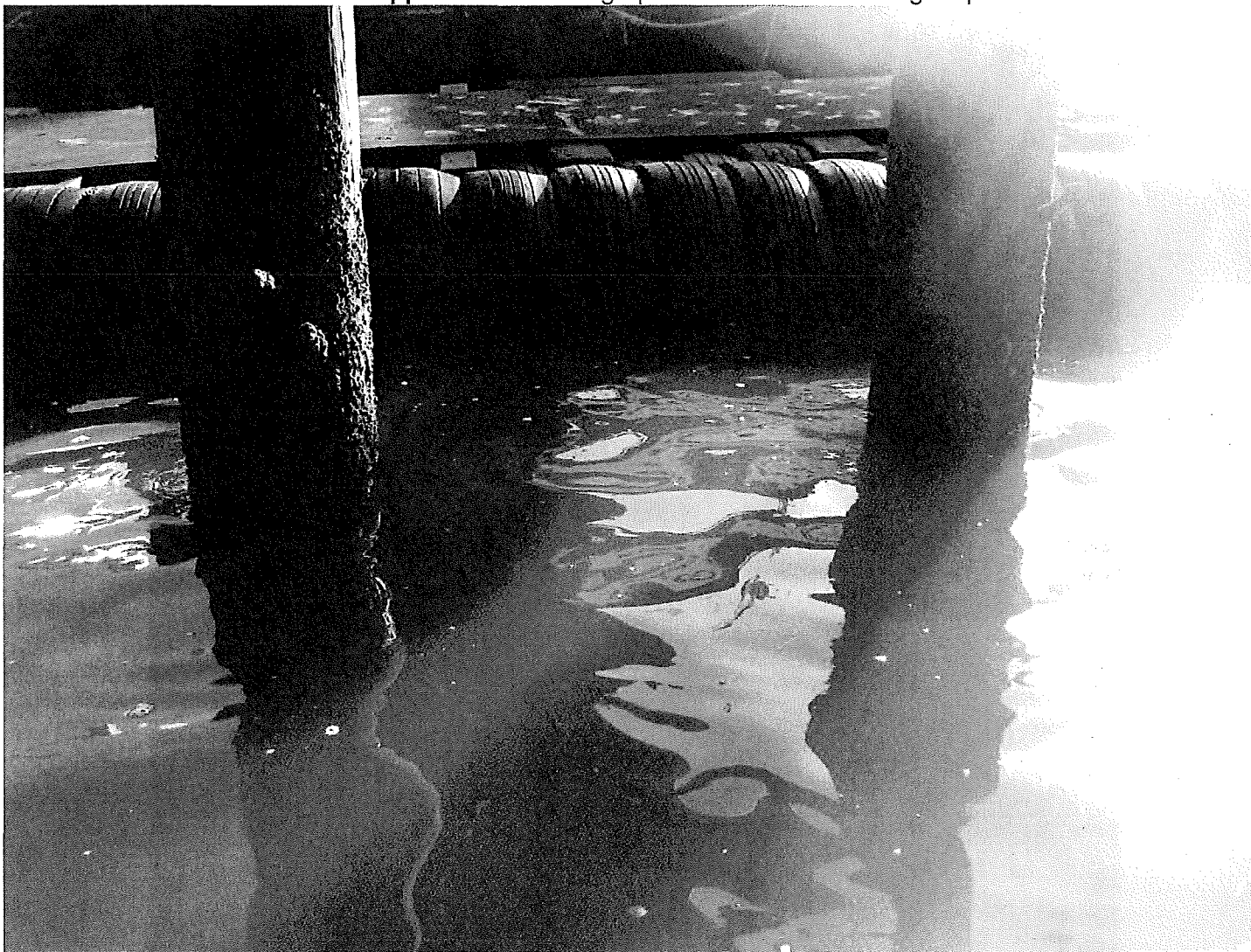


Photo 4. Deteriorated wood piles near metal deck



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



Photo 5. Typical framing



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 6. Metal deck



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 7.** Corrosion on steel plates



## RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUBSTRUCTURE	Work Order:	5456
Facility Name:	Pier 31 Substructure	FIN:	1310SUB
Asset Number:	1310-SUB3	Facility Code:	1310
Asset Activity:	SUBSTRUCTURE 4 YR INSPECTION	Type Use:	C-L
Inspection Number:	1310-SUB3-1-2013	Inspector Name:	Duncan, Mr. Sherban A.
		Affiliation:	C+D - Gelberg Rodriguez
Inspection Start Date:	2013/05/30 10:06:48	Inspection End Date:	2013/05/30 10:06:48
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

Overall Rating: Green

Immediate Actions: Further investigation to evaluate load limits recommended

Required Repairs: Repair areas of exposed rebar and spalling

Load Limits:

Barricades:

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration		X	
5) Significant slab deterioration		X	
6) Other Hazard present		X	

### Comments:

Sequence - 1

Description - Comments

Comment -

1. Spalling and exposed/corroded rebar on slab and beams.
2. Some piles are out-of-plumb



# RAPID STRUCTURAL ASSESSMENT REPORT

**Attachments:**

Appendix A - Facility Data

Appendix B - Photographs and Structural Rating Map





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

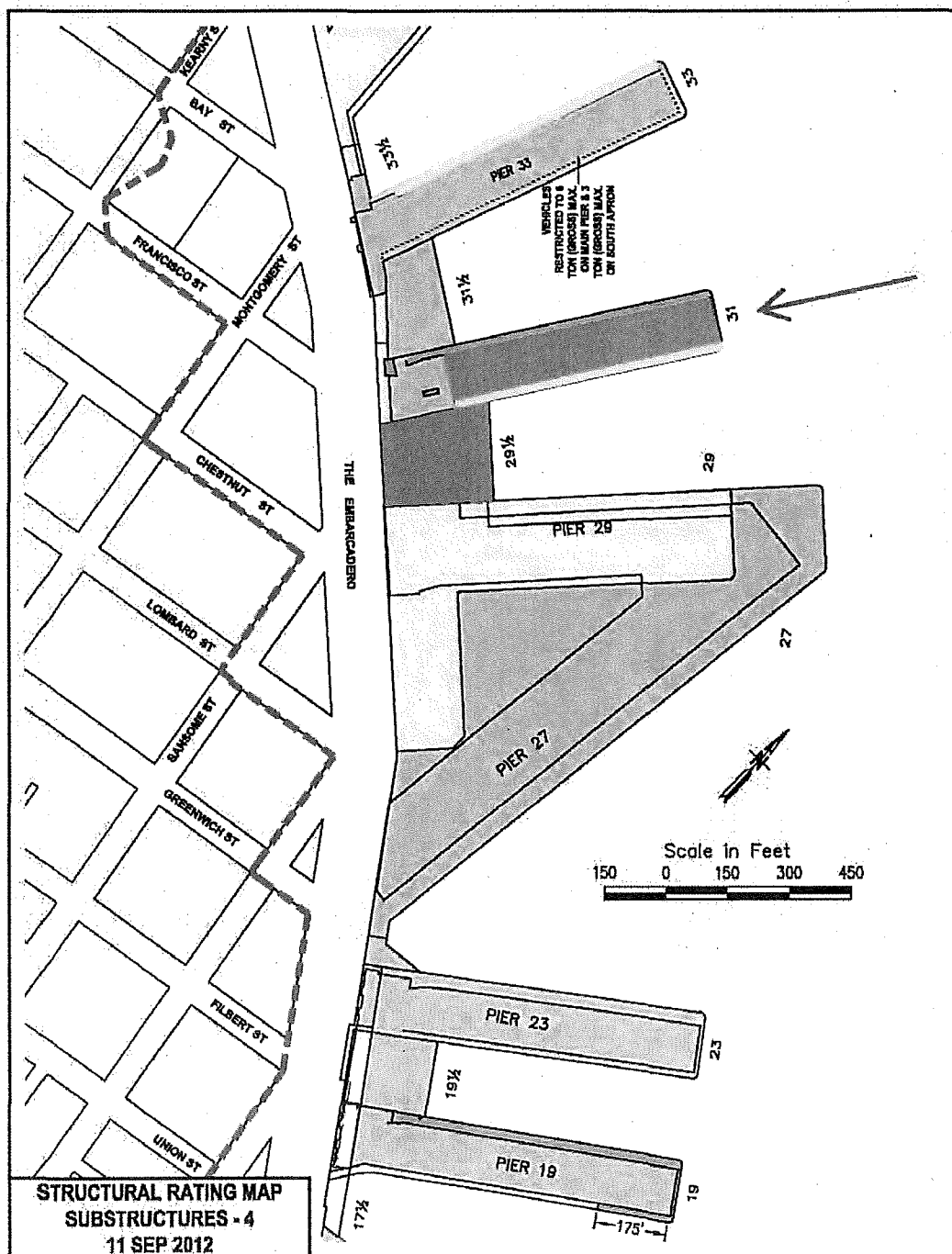
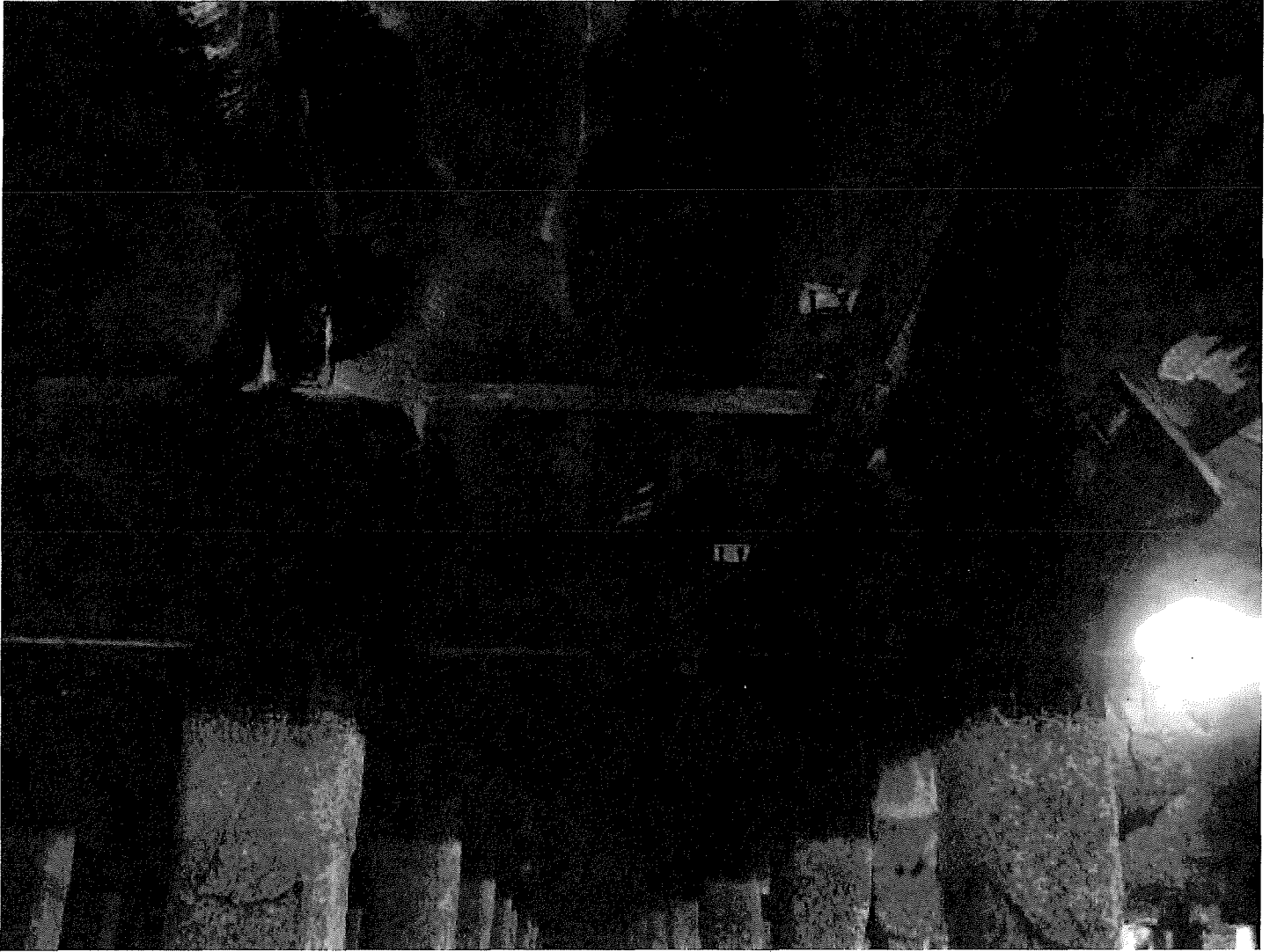


Photo 1. Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 2.** Guniting on concrete framing





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 3.** Overall view looking at east end



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 4. Hole at deck



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 5.** Spalling of concrete beam with exposed/corroded rebar



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

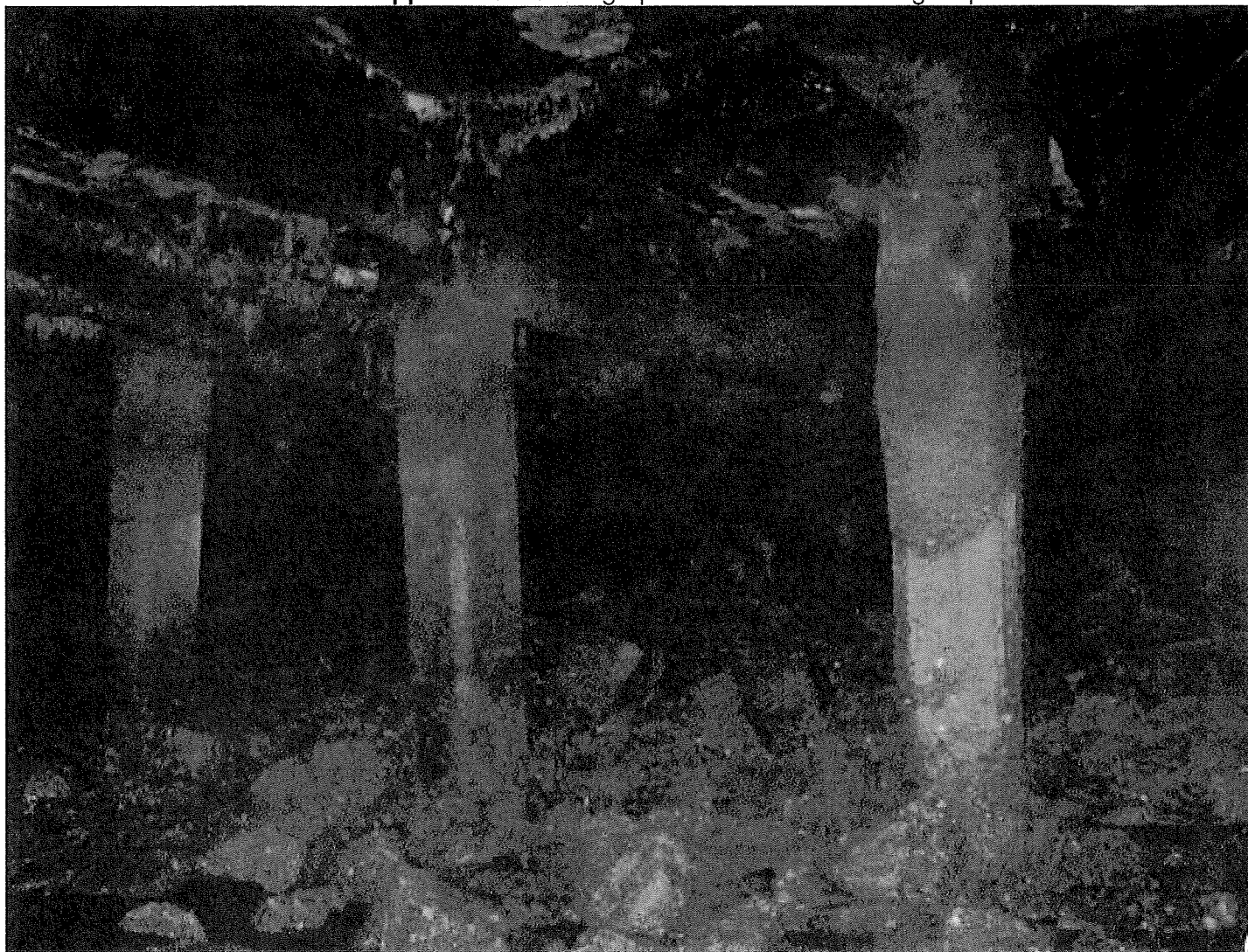


**Photo 6.** Concrete spalling at slab



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 7.** Seawall protected by rip-rap



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 8.** Overall view looking at south side





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 9.** Spalling of concrete beams and slab



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 10.** Typical framing





## RAPID STRUCTURAL ASSESSMENT REPORT

<b>Structure Type:</b>	<b>SUPERSTRUCTURE</b>	<b>Work Order:</b>	20007
<b>Facility Name:</b>	Pier 31 Bulkhead/Shed Building	<b>FIN:</b>	1310SHG
<b>Asset Number:</b>	1310-SHEDA	<b>Facility Code:</b>	1310
<b>Asset Activity:</b>	STRUCTURE FOUR YR INSPECTION	<b>Port Engineer:</b>	Bell, Mr. Jonathan Matthew N
<b>Inspection Number:</b>	1310-SHEDA-1-2017	<b>Inspected By:</b>	Port of San Francisco
<b>Inspection Start Date:</b>	2017/06/19 14:00:00	<b>Inspection End Date:</b>	2017/06/19 15:30:00
<b>Purpose Of Inspection:</b>	Real Estate Request	<b>Lease Number:</b>	L-14169
<b>Address:</b>			
<b>Year Built:</b>	1918		

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

**Overall Rating:** Green and Yellow with Green Hatching

**Immediate Actions:** No

**Required Repairs:** Repairs are planned to the three shored columns and concrete walls

**Load Limits:** No new roof or truss loads at three shored columns until permanent repairs are complete

**Barricades:** No

**Long Term Actions:** No

**Detailed Structural/Geotechnical Evaluation Required:** No

### **Condition Assessment Summary**

<b>Condition</b>	<b>Yes</b>	<b>No</b>	<b>More Review Needed</b>
1) Full or Partial Collapse		X	
2) Major building element damaged		X	
3) Severe Cracking of walls		X	
4) Parapet or falling hazard		X	
5) Severe ground movement present		X	
6) Other Hazard present		X	

### **Comments:**

**Sequence - 1**

**Description -** Inspector Comment

**Comment -** Port of San Francisco Engineer performed superstructure inspection of the Pier 31 shed building and Pier 29.5 Bulkhead building on 6/19/2017. Inspection was performed on all interior and exterior portions of the building that were accessible by foot. The inspection was initiated by the completion of the Pier 31 Roof and Structural Repair Project (Contract 2762). The scope of this project was roof repair and wood structural



## RAPID STRUCTURAL ASSESSMENT REPORT

framing repair and strengthening at Pier 31 shed building and Pier 29.5 bulkhead building.

Overall Pier 31 superstructure rating is Green - Unrestricted Use, due to repairs completed during this project. There are three remaining damaged truss columns which are currently shored and are scheduled for replacement in the next fiscal year (2017-18). The area of the roof supported by these three shored columns is rated Yellow - Restricted Use until permanent repairs are completed. The rating map also shows the outer end of the shed yellow-tagged due to the substructure rating in that area.

The building was constructed around 1918. The Pier 31 shed, Pier 29.5 infill wharf building, and the Pier 29 bulkhead were all constructed from the same set of drawings. All original structural framing consists of wood columns supporting wood trusses with steel rod tension ties. Bulkhead building walls along the Embarcadero are wood stud walls with lath and plaster. All other Pier 31 walls are cast in place reinforced concrete.

The structural scope of the 2017 project was mainly replacement and strengthening of wood structural members that had deteriorated due to exposure to moisture and dry rot. Typical susceptible locations include the bases of columns near the building exterior, tops of roof supporting members, and wood truss connection joint details that trapped water leaking through the roof.

Roofing was replaced as part of 2017 project and we do not expect any further dry rot deterioration over the lifespan of the new roof. Major structural members with dry rot damage were replaced or strengthened. Currently all wood columns, trusses, and roof framing appears to be in serviceable condition, with the exception of the three shored columns previously noted.

There are five steel beams installed some time prior to the 2017 project that are not shown in the Port's record drawings. These beams were added in order to remove wood columns while maintaining support for the wood trusses above. The 2017 project added a large steel girder directly underneath an existing wood truss that required strengthening. In all cases, posts were added adjacent to existing wood columns to support the ends of the beams.

The wood stud walls of the bulkhead building had no notable defects.

The reinforced concrete walls along the apron have various spalls and cracks, with more damage on the north face than the south face. Spalls appear to be due to corroding rebar. Cracks are typically at corners of door openings. Where rebar was exposed it did not appear to have significant section loss. Cracks and spalls are planned to be repaired in an upcoming project. The rear concrete wall was only inspected from the interior. There were no defects noted on the interior face of the wall.

There are four old shoring posts supporting beams at the rear wall. These posts appear to have been keyed into the concrete slab and then rotated up in to place and wedged under the beams. As a result they are not vertically plumb. The original connections to the concrete wall were not investigated in detail.

The roof was not inspected, but photos from the 2017 project showing the new roofing work are included for reference.

### Attachments:



# **RAPID STRUCTURAL ASSESSMENT REPORT**

**Appendix A - Facility Data**

**Appendix B - Photographs and Structural Rating Map**



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix A - Facility Data

**Name of Facility:** Pier 31 Bulkhead/Shed Building

**Facility Code:** 1310

**Address:**

**Lease Number(s):** L-14169

### Building Data

**Building Structure FIN:** 1310SHG

**No. of stories:** 1

**Support over water:** Yes

**Support over land:** No

**Construction Type (Wood, Concrete, Steel, Masonry or Combination):** Wood

**Occupancy Type (Commercial, Office, Industrial, Assembly, Residential, Emergency Service, etc.):**  
Industrial

**Detailed Building Description (If available):** Primary structure is wood columns and wood trusses. Some supplemental steel beams have been added to replace trusses and columns.

### Substructure/Foundation Data:

**Substructure FIN:** 1310SUB

**Piling Type:**

**Substructure Deck Type:**

**Apron Type:**

**Detailed Substructure Description (If available):** Concrete slab on concrete beams, supported by concrete piles; concrete seawall.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

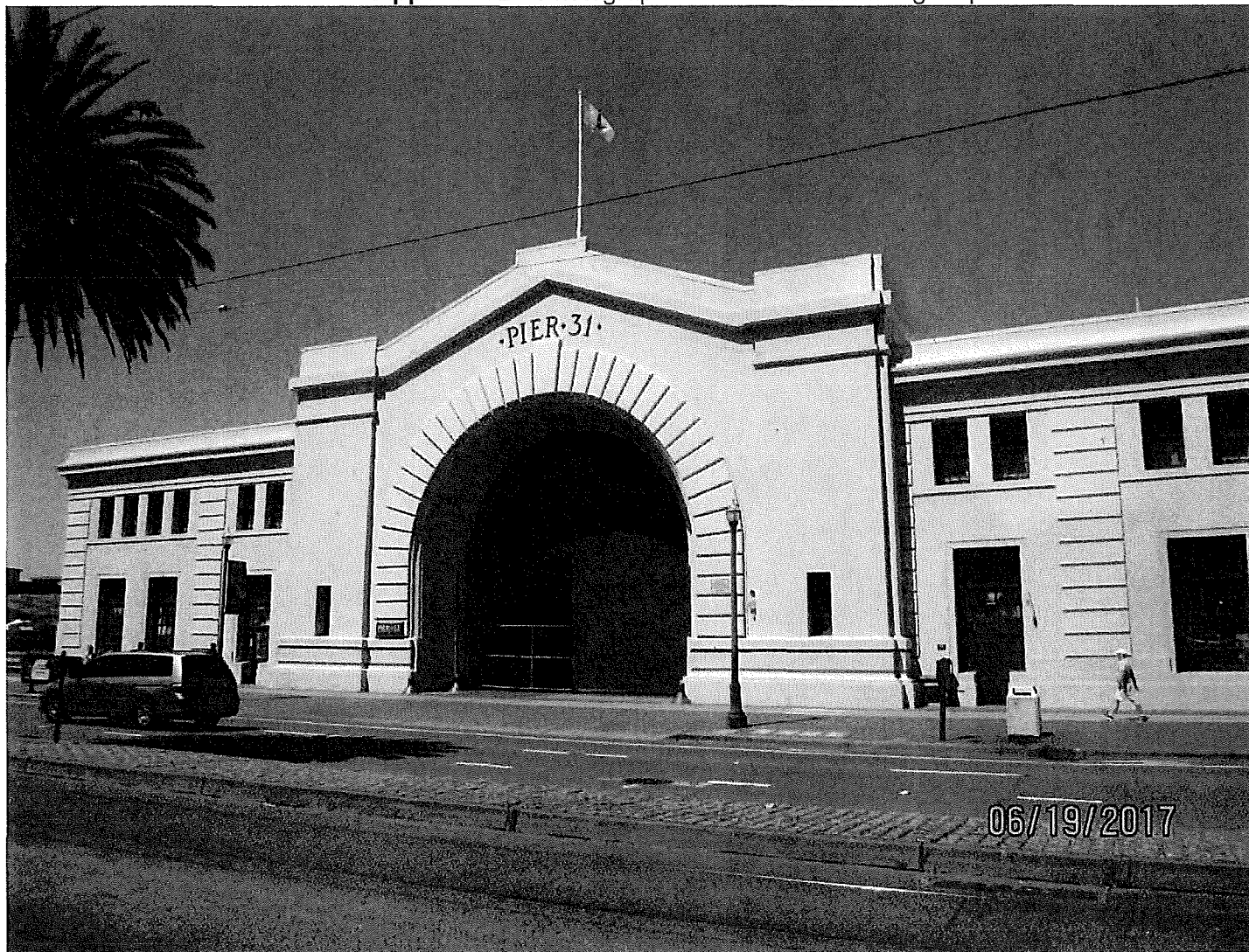
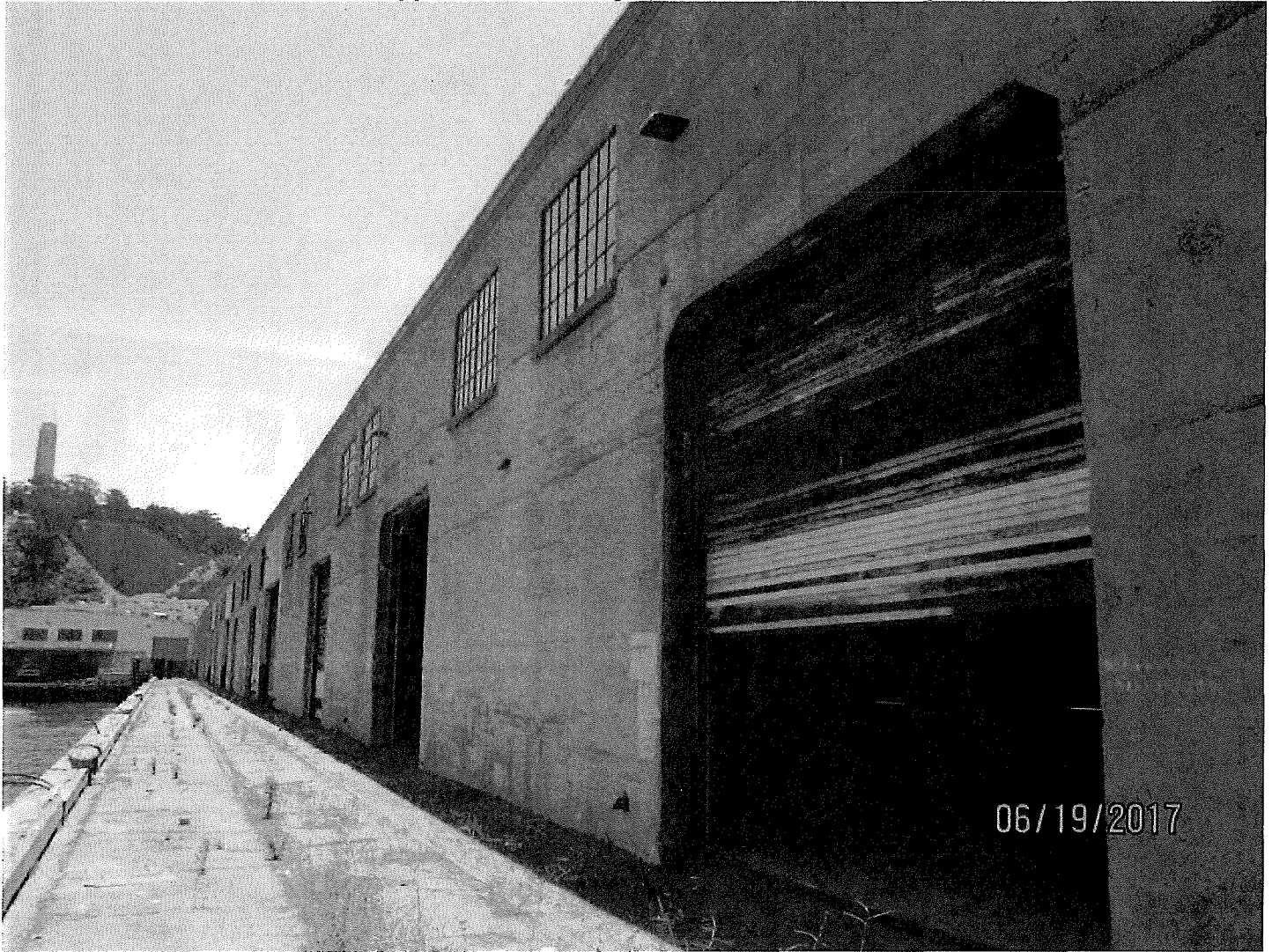


Photo 1. Bulkhead portion of Pier 31 shed building.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 2.** Exterior concrete wall along south face of building.





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 3.** Exterior concrete wall along north face of building.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 4.** Spalls around roll-up door opening on north face wall. Repairs are planned as part of a future project.





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 5.** Typical bulkhead framing.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 6.** Overall view of shed framing looking towards the Embarcadero



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



Photo 7. New steel beam and tube steel posts added in 2017 to strengthen existing wood truss.





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

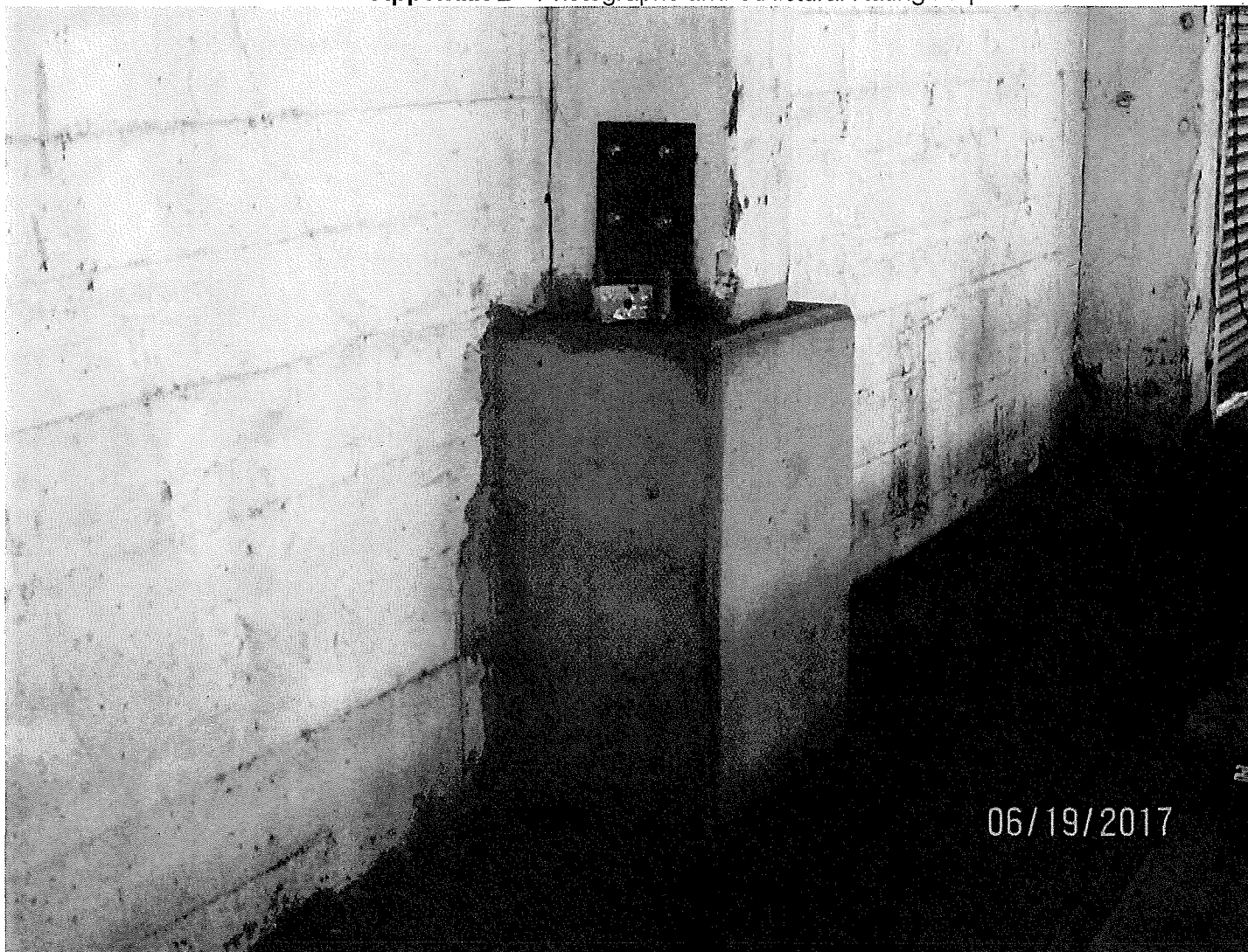


**Photo 8.** Replacement truss column and strengthened truss connections installed in 2017



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 9.** New concrete footings installed to replace dry rotted column bases in 2017.

# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 10.** Roof monitor with new beam and 2x4 sheathing.





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



Photo 11. Rear concrete wall viewed from inside shed.



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 12.** Steel beams and supplemental wood posts added in the past in order to remove original columns.





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 13.** Shoring posts under roof beams near rear wall. Posts are keyed into substructure concrete slab.



# RAPID STRUCTURAL ASSESSMENT REPORT

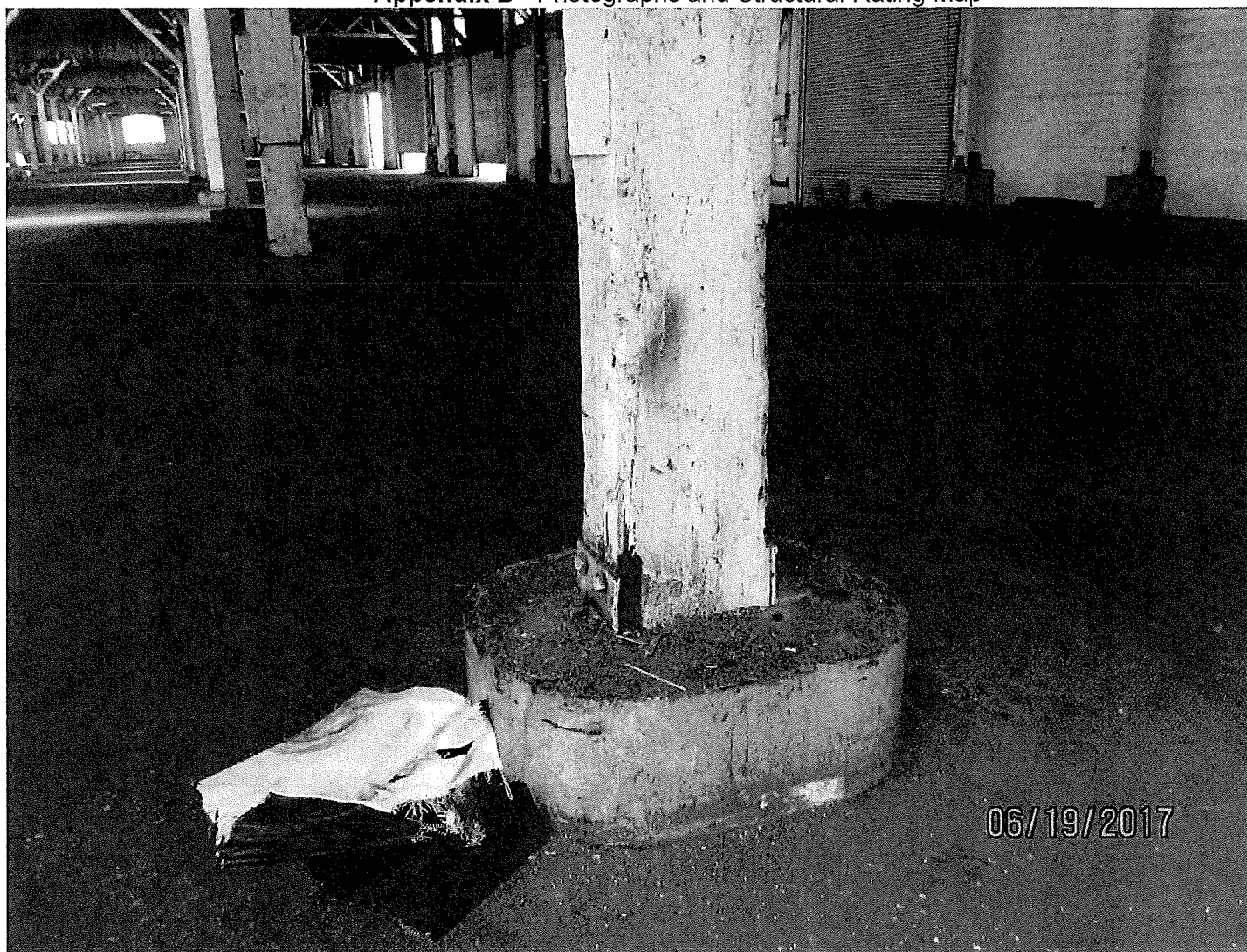
## Appendix B - Photographs and Structural Rating Map



**Photo 14.** Wood roof beams strengthened in the past.

## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 15.** Interior wood columns on raised footings. Less susceptible to dry rot, but some have minor damage from vehicle impact.





## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map

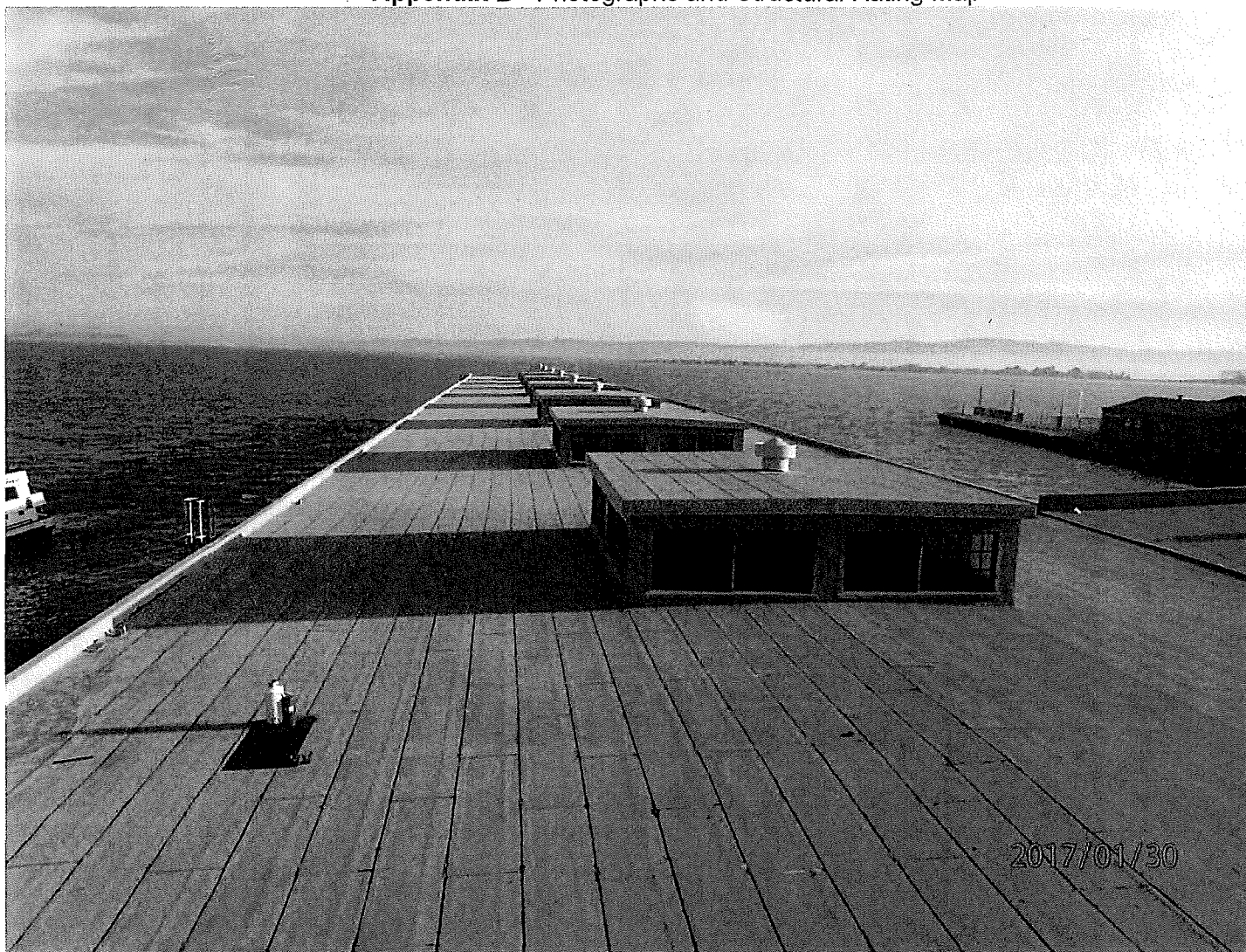


**Photo 16.** Shoring post installed at column grid H26 due to additional dry rot discovery. Permanent repairs are already planned. Similar shoring at B14 and B42. Roof area supported by these posts are shown yellow tagged until permanent repairs are complete.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

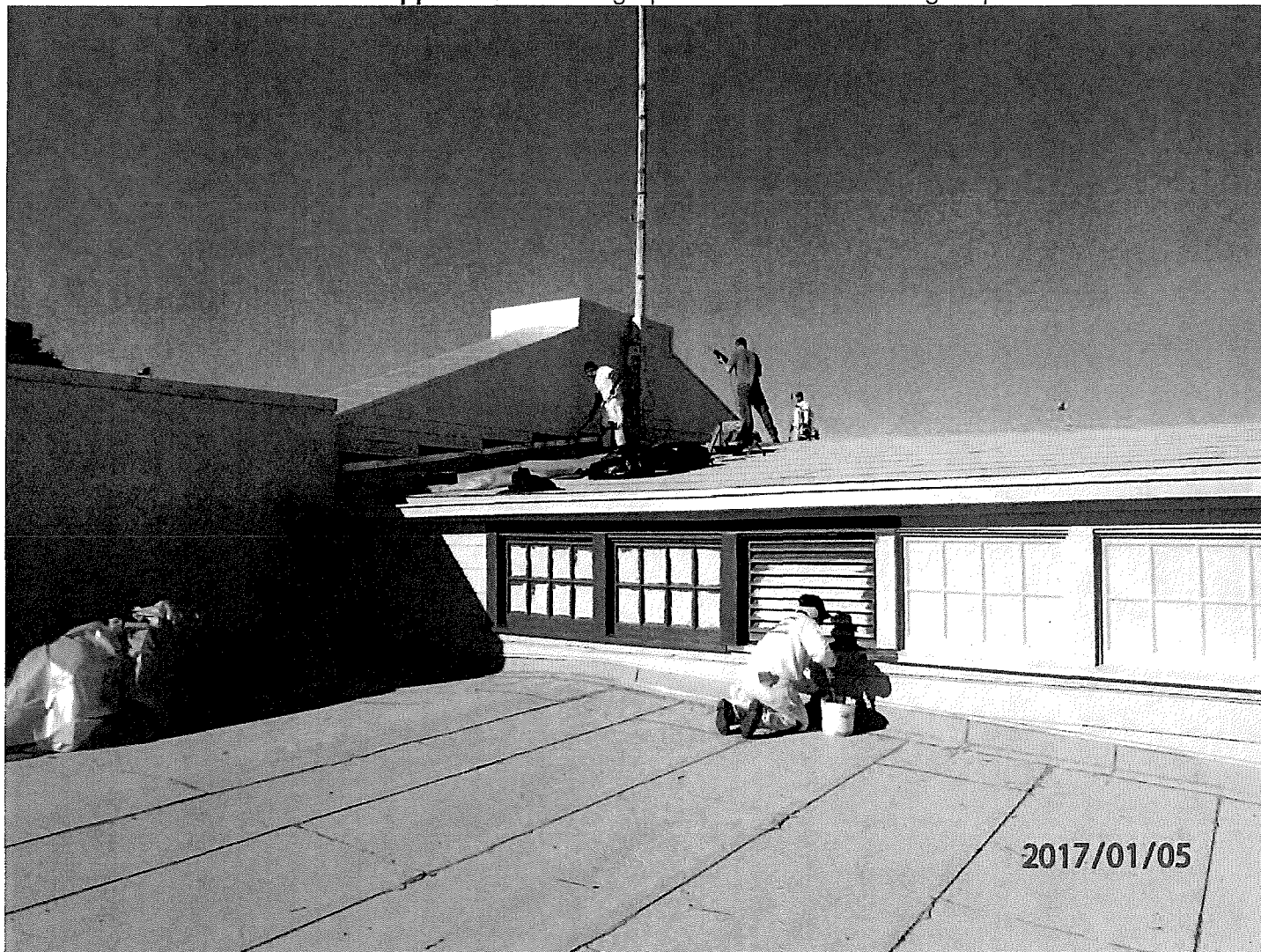


**Photo 17.** Construction photo of new roofing at Pier 31 shed building.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 18.** Construction photo of roofing work near bulkhead.





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

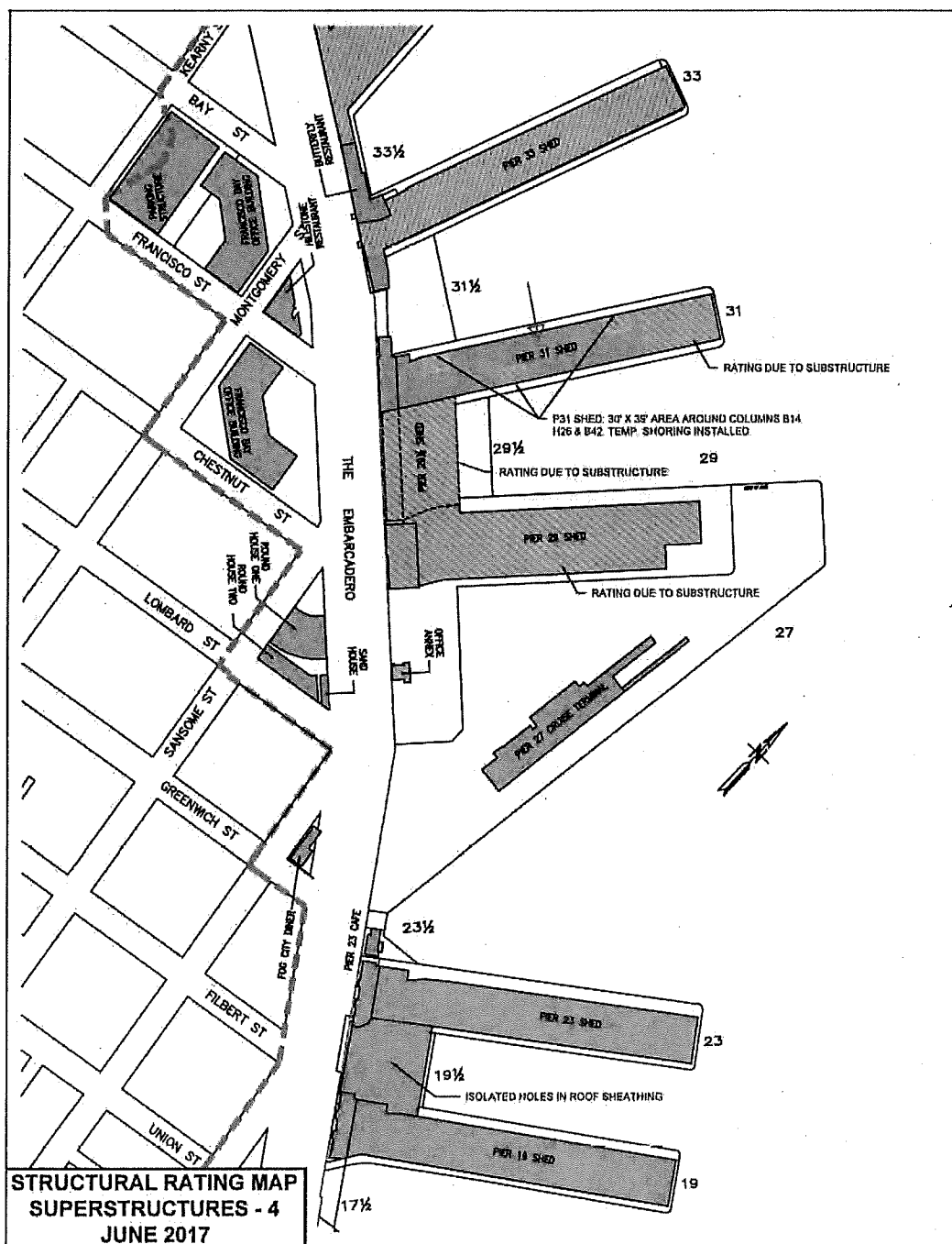


**Photo 19.** Construction photo of roof work near end of pier.



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 20.** Superstructure rating map for Pier 31 shed. Three columns have temp. shoring and supported roof area is yellow tagged. Outer end of pier is yellow tagged due to substructure rating.





## RAPID STRUCTURAL ASSESSMENT REPORT

Structure Type:	SUBSTRUCTURE	Work Order:	5465
Facility Name:	Pier 31 North Apron	FIN:	1310SNA
Asset Number:	1310-SUB1	Facility Code:	1310
Asset Activity:	SUBSTRUCTURE 4 YR INSPECTION	Type Use:	C-M
Inspection Number:	1310-SUB1-1-2013	Inspector Name:	Duncan, Mr. Sherban A.
		Affiliation:	C+D - Gelberg Rodriguez
Inspection Start Date:	2013/05/30 11:08:51	Inspection End Date:	2013/05/30 11:08:51
Purpose Of Inspection:	Periodic Inspection	Lease Number:	
Address:			
Year Built:			

### Rating Criteria:

Green - Unrestricted use. May require some minor repair, or minimal barricading.

Yellow With Green Hatching - Restricted use. May require further review, may require load limits, limiting access and barricading until repairs completed.

Red - Unsafe notice. Shall be barricaded to prevent public access and use.

### Overall Rating: Red

Immediate Actions: Restrict access where deck is missing, remove falling hazards

Required Repairs: Replace or repair fender system

Load Limits:

Barricades: Restrict access to apron where deck is missing

### Condition Assessment Summary

Condition	Yes	No	More Review Needed
1) Severe Seawall Failure		X	
2) Many Missing Piles		X	
3) Many significant damaged pile		X	
4) Significant beam deterioration		X	
5) Significant slab deterioration		X	
6) Other Hazard present	X		

### Comments:

#### Sequence - 1

Description - Comments

Comment - 1. Spalling deck and corroded/exposed rebar.

2. Deteriorated fender piles.

3. Hanging wood members - falling hazard.

4. Deteriorated/missing wood deck.



## RAPID STRUCTURAL ASSESSMENT REPORT

5. Some broken/damaged piles.
6. Many missing wood piles at pier corner.
7. Some broken batter piles.

### Attachments:

Appendix A - Facility Data

Appendix B - Photographs and Structural Rating Map



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

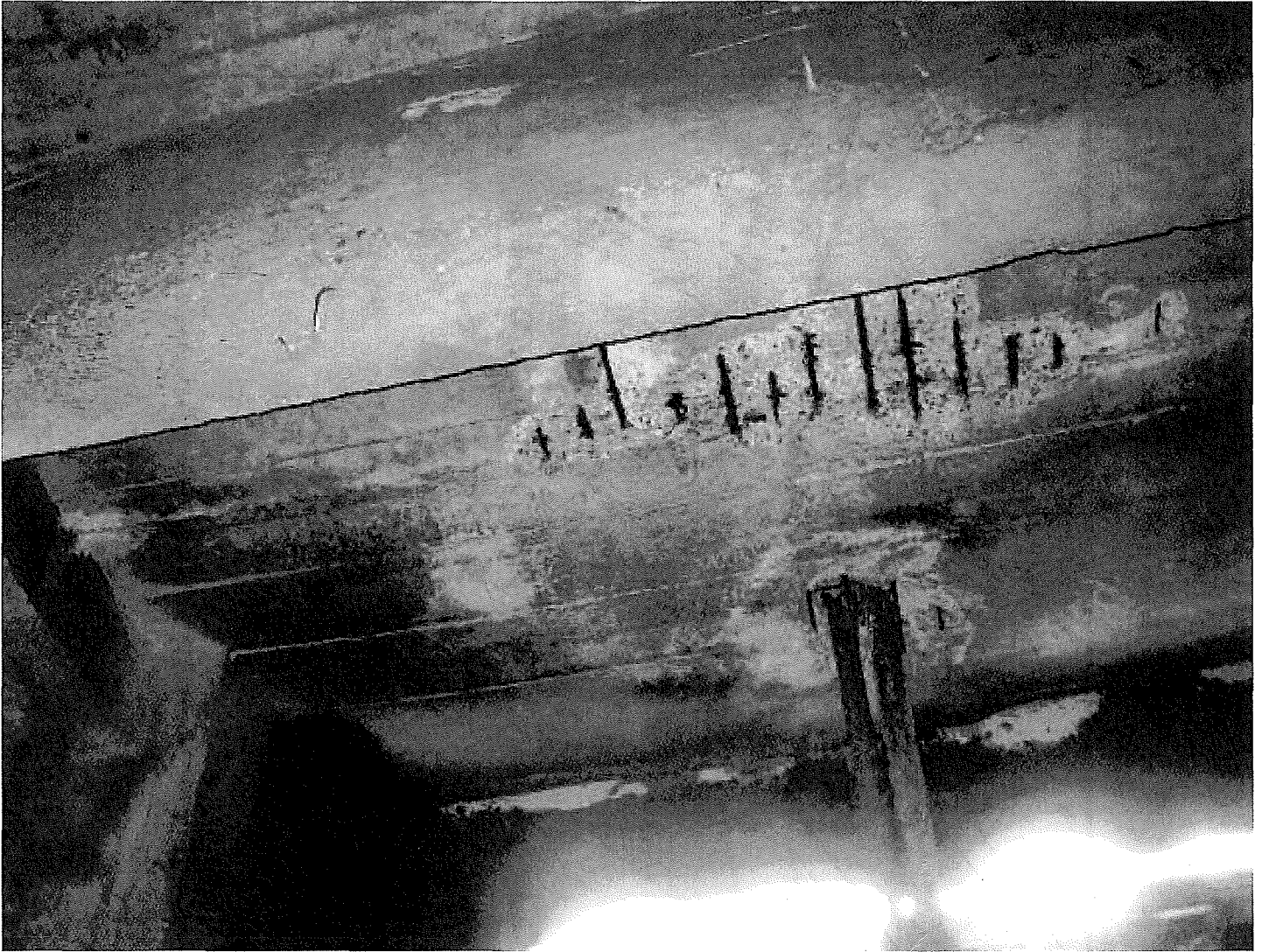


Photo 1. Spalling and corroded/exposed rebar at slab



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

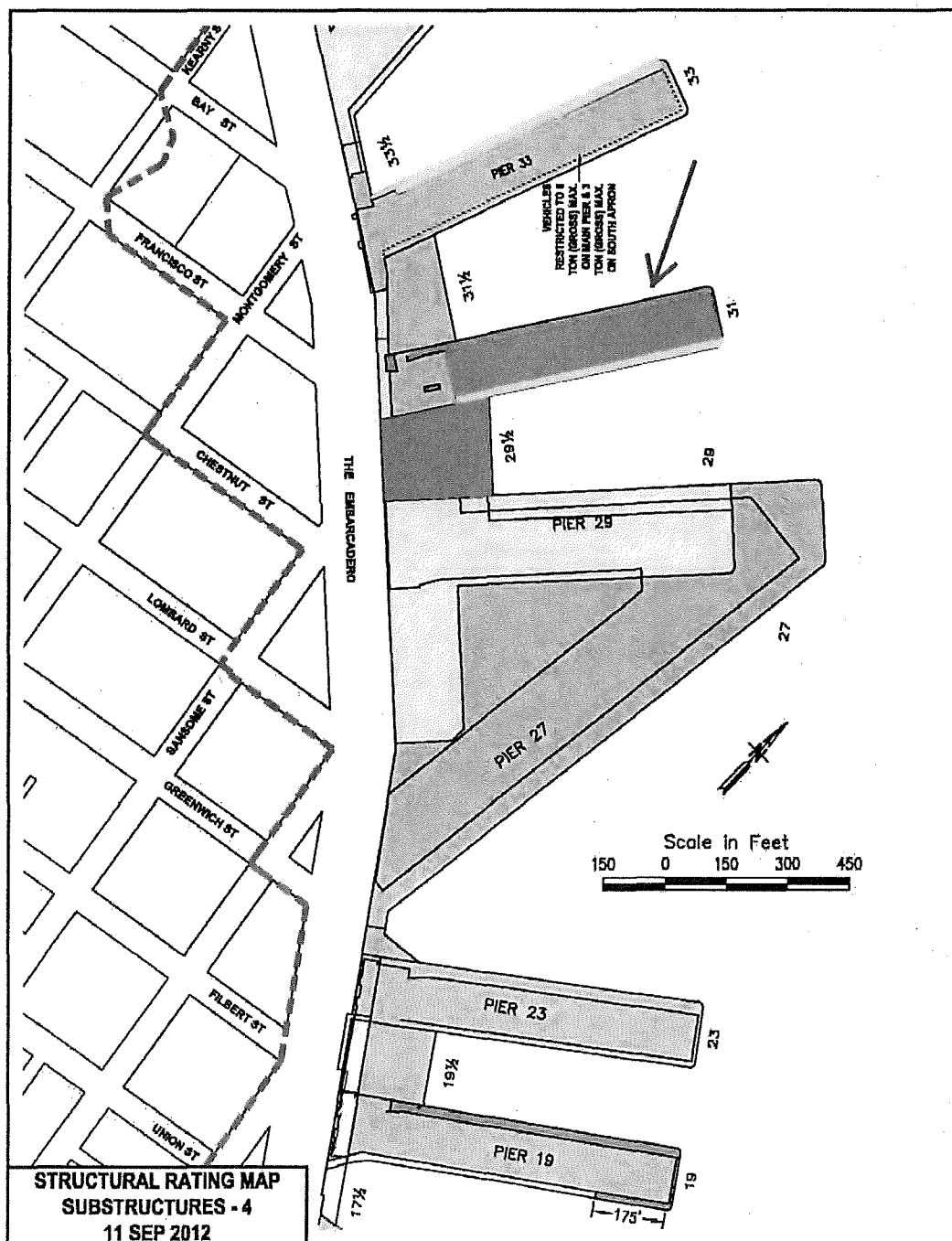


Photo 2. Structural Rating Map

# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 3.** Deteriorated wood piles at pier corner



## RAPID STRUCTURAL ASSESSMENT REPORT

### Appendix B - Photographs and Structural Rating Map



**Photo 4.** Hole in deck, hanging wood members





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 5.** Deteriorated fender piles



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



Photo 6. Hanging wood members





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map

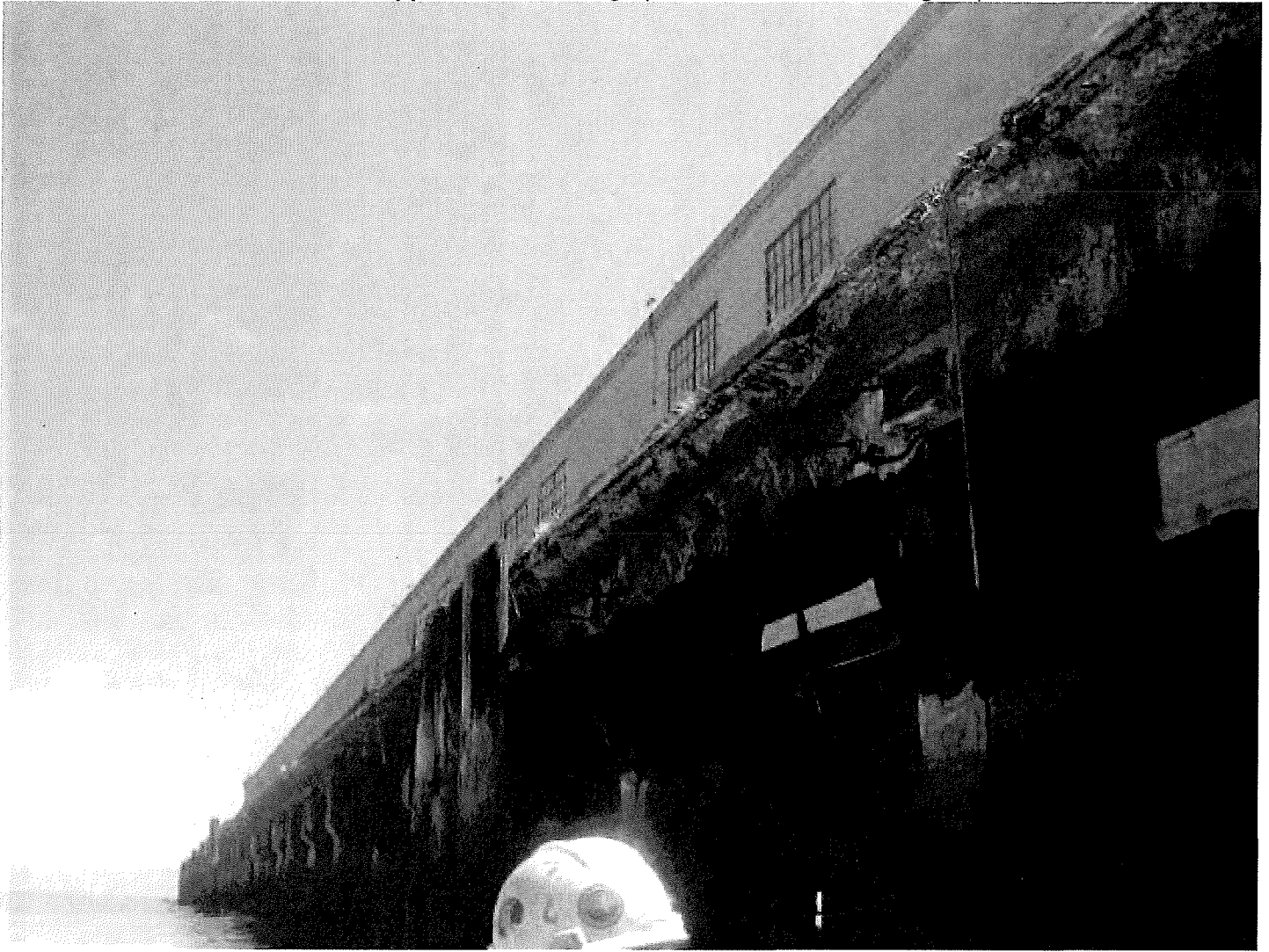


**Photo 7.** Broken batter pile



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 8.** Overall view looking south



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 9.** Deteriorated deck





# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 10.** Spalling deck and corroded/exposed rebar



# RAPID STRUCTURAL ASSESSMENT REPORT

## Appendix B - Photographs and Structural Rating Map



**Photo 11.** Close up of broken batter pile

### SCHEDULE 3

#### FEMA Disclosure Notice

The Federal Emergency Management Agency ("FEMA") is revising Flood Insurance Rate Maps ("FIRMs") for San Francisco Bay Area communities. As part of this effort, FEMA is preparing a FIRM for the City and County of San Francisco for the first time. That process may have significant impacts for developing new structures and reconstructing or repairing existing structures on San Francisco's waterfront.

FEMA prepares the FIRMs to support the National Flood Insurance Program ("NFIP"), a federal program that enables property owners, businesses, and residents in participating communities to purchase flood insurance backed by the federal government. The San Francisco Board of Supervisors has adopted a floodplain management ordinance governing new construction and substantial improvements in flood prone areas of San Francisco and authorizing the City's participation in NFIP (as amended, the "Floodplain Ordinance"). The Floodplain Ordinance imposes requirements on any new construction or substantial improvement of structures in city-designated flood zones that are intended to minimize or eliminate flood hazard risks. NFIP regulations allow a local jurisdiction to issue variances to its floodplain management ordinance under certain narrow circumstances, without jeopardizing the local jurisdiction's eligibility in the NFIP. However, the particular projects that are granted variances by the local jurisdiction may be deemed ineligible for federally-backed flood insurance by FEMA.

FIRMs identify areas that are subject to inundation during a flood having a 1% chance of occurrence in a given year (also known as a "base flood" or "100-year flood"). FEMA refers to an area that is at risk from a flood of this magnitude as a special flood hazard area ("SFHA"). To prepare the FIRM for San Francisco, FEMA has performed detailed coastal engineering analyses and mapping of the San Francisco Bay shoreline. The San Francisco Bay Area Coastal Study includes both regional hydrodynamic and wave modeling of the San Francisco Bay, as well as detailed onshore coastal analysis used to estimate wave runup and overtopping, as well as overland wave propagation. These onshore analyses form the basis for the Base Flood Elevations (BFEs) and SFHAs shown on the FIRM.

In November 2015, FEMA issued a preliminary FIRM of San Francisco tentatively identifying SFHAs along City's shoreline in and along the San Francisco Bay consisting of "A zones" (areas subject to inundation by tidal surge) and "V zones" (areas subject to the additional hazards that accompany wave action). These zones generally affect City property under the jurisdiction of the Port of San Francisco and other areas of the San Francisco waterfront, including parts of Mission Bay, Hunters Point Shipyard, Candlestick Point, Treasure and Yerba Buena Islands, and an area adjacent to Islais Creek. FEMA plans to finalize the FIRM in mid-2018. Six months after this date, the FIRM will become effective and will be used for flood insurance and floodplain management purposes. During this six-month period, the City plans to amend the Floodplain Ordinance to adopt the FIRM.

The federal legislation and regulations implementing the NFIP are located at 42 U.S.C. §§ 4001 et seq.; 44 C.F.R. Parts 59-78, §§ 59.1-78.14. FEMA also publishes "Answers to Questions About the NFIP" and FEMA Publication 186 entitled "Mandatory Purchase of Flood Insurance Guidelines." Additional information on this matter can be found on the City's and FEMA's websites at the following links:

<http://sfgsa.org/san-francisco-floodplain-management-program>

<https://www.fema.gov/national-flood-insurance-program-flood-hazard-mapping>

<https://www.fema.gov/national-flood-insurance-program>

[http://www.r9map.org/Docs/Oct13-SanFranCo-FEMA\\_Factsheet\\_rev%20\(2\).pdf](http://www.r9map.org/Docs/Oct13-SanFranCo-FEMA_Factsheet_rev%20(2).pdf).

**SCHEDULE 4**  
**HAZARDOUS MATERIAL DISCLOSURE**

## **Environmental Reports and Documents Regarding Hazardous Materials**

### **National Park Service**

**January 2018**

#### **Pier 31**

Pre-Renovation Asbestos and Lead-Based Paint Survey Report, Pier 27, 29, 31 and Annex Buildings (Piers 27 1/2 and 29 1/2), RGA Environmental, Inc., August 11, 1999.

#### **Pier 33**

Final Report SAR Project No IHX 30, Limited Asbestos and Lead Paint Survey; Pier 33-Roof, IHI Environmental, 3/10/2006.

Hazardous Materials Survey of Building Components Expected to be Impacted During upcoming renovation; Pier 33, ProTech Consulting and Engineering, May 6, 2010.

Hazardous Materials Survey Report, Wharf 33 Exterior, Sar Project No 3032K, North Tower environmental, 4/29/2004.

Hazardous materials survey report; Pier 33 exterior, North Tower environmental, April 21, 2004.

Limited Asbestos and Lead Paint Survey Pier 33 - Roof, IHI Environmental, March 10, 2006.

Limited Survey Report for Asbestos-Containing Materials and Lead-Based Paints at the Sambo's Restaurant, EnviroScience, Inc., April 1, 1997.

Port of San Francisco and Tenants, Annual Group Evaluation Report (Stormwater), 2013/2014, Port of San Francisco, June 16, 2014.

Port of San Francisco and Tenants, Annual Group Evaluation Report (Stormwater), 2012/2013, Port of San Francisco, 2012/2013.



## **MEMORANDUM**

June 8, 2018

**TO:** MEMBERS, PORT COMMISSION  
Hon. Kimberly Brandon, President  
Hon. Willie Adams, Vice President  
Hon. Gail Gilman  
Hon. Victor Makras  
Hon. Doreen Woo Ho

**FROM:** Elaine Forbes  
Executive Director

**SUBJECT** Adoption of the Final Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Alcatraz Ferry Embarkation Project (2017-000188ENV) located at Piers 31-33 on The Embarcadero at Bay Street (Site) pursuant to the California Environmental Quality Act; and

Approval of three transaction documents: (1) a General Agreement between the Port and the National Park Service (NPS) for a thirty-year term with two ten-year options for use of the Site primarily as the embarkation to Alcatraz Island including: (2) a form lease with an initial ferry concessioner to be selected by NPS for site improvements and ferry services including from the Site to Alcatraz Island coterminous with the ferry concession contract; and (3) a lease with the Golden Gate National Parks Conservancy for site improvements and to operate visitor amenities including a visitor-contact station and café for a thirty-year term with two ten-year options coterminous with the General Agreement.

(This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).)  
(Resolution No. 18-37)

**DIRECTOR'S RECOMMENDATION:** Approve the attached Resolution

---

### **EXECUTIVE SUMMARY**

Staff from the Port and the National Park Service (NPS or Park Service) have negotiated the terms and conditions for three transaction documents that will govern the improvement

and long-term operations of the Alcatraz Island Embarkation Site Project (the "Project") located at Piers 31, 31½, and 33 on The Embarcadero at Bay Street (the "Site" shown on Exhibit A, Site Aerial Map).

The Project is anticipated to result in approximately \$34 million of investment in the Piers 31-33 Site by the ferry concessioner (\$30 million), and the Golden Gate National Parks Conservancy (\$4 million). Also, Alcatraz ferry operations at Pier 31 ½, which generated about \$2.3 million in 2017 in annual rent to the Port, will be retained on Port property for the long-term. Annual rent from the upgraded operations is projected to increase to \$3.2 million in the fifth, full-year of operations, due to the increase in retail and café space dedicated to the Alcatraz embarkation, the inclusion of a new, Interpretive Park Cruises excursion option, and growth in gross revenues through the passage of time.

The Project will activate the Pier 31 bulkhead with a café and public restrooms, transform the Pier 33 bulkhead into a visitor-contact station, improve the visitor experience on the open, marginal wharf where visitors begin their ferry service to Alcatraz, and improve the efficiency of the ferry operations. Improvements to the Site will be made through a lease with a new tenant, the Golden Gate National Parks Conservancy (Conservancy), and through a lease with a new ferry concessioner, to be selected by NPS through its competitive-bid process. Since the February 27, 2018 Port Commission meeting on this item, NPS's competitive bid document, called a "prospectus," has been updated to include hourly wages for notable, passenger ferry occupations with locally relevant and competitive wage rates.

The Project goals are as follows:

- A. Provide an identifiable gateway to Alcatraz Island and the GGNRA;
- B. Create a clear orientation and quality welcoming experience to Alcatraz Island;
- C. Establish a destination point along The Embarcadero;
- D. Ensure efficiency for the site's various visitor services and ferry operations;
- E. Provide connections to other NPS sites in San Francisco Bay;
- F. Rehabilitate the historic Port structures and tell their stories;
- G. Preserve resources through sustainable strategies; and
- H. Offer a safe and accessible experience for all.

The agreements ("Agreements" or "Transaction Documents") consist of the following:

1. A General Agreement ("GA") between the Port and NPS with a term of up to 50 years (30 years plus two, 10-year options) for the Alcatraz Island ferry embarkation site on Piers 31, 31½, and 33. The GA designates the Site as the long-term, sole ferry embarkation for public access to Alcatraz Island. The agreement outlines independent and joint obligations, such as NPS selecting and contracting for ferry concession services and the Port entering leases with NPS's selected operator for ferry concessions and with the Conservancy for visitor services and a café. The agreement describes capital obligations of the ferry concessioner, the Conservancy, and the Port. The agreement provides for clarity, cooperation, and coordination throughout the term between the Port and NPS;

2. A form of lease between the Port and a ferry concessioner ("Concessioner") that NPS selects to provide initial site improvements and ferry services with a term to match the concession contract term, the first of which is 15 years; and
3. A lease between the Port and the Conservancy for improvements and operation of visitor amenities including a visitor-contact station and café, consistent with the term of the GA (30-year term with two 10-year options).

The Project approvals before the Port Commission represent several years of effort, led by the Port Commission, Port and City staff, and staff from both the National Park Service and the Conservancy. Based upon the multiple benefits to the Port and the City from implementation of this Project, staff recommends Port Commission approval of the attached resolution.

### **REFINEMENTS AND ADDITIONS SINCE INFORMATIONAL ITEM**

On January 9, 2018, Port staff presented the Project in an informational item to the Port Commission. Subsequently, on February 27, 2018, Port staff again presented the Project, seeking approval of the Transaction Documents. Commissioners requested that the item be brought back, after concerns raised by Commissioners and members of the public are addressed. This report includes all of the information presented in the two, prior staff reports for those agenda items, as well as refinements which are shown in underline or ~~strike-through~~ formatting and consist primarily of: (1) additional information related to wage rates for the ferry concession contract as determined by the U.S. Department of Labor and (2) information regarding the limited "interpretive park cruise" service that is required by the National Park Service to be provided by the selected ferry concessioner. For readability, numbers in new tables are not underlined but the table number and name is formatted as underline.

### **PORT AND PARK SERVICE ACTIONS TO ADDRESS CONCERNS RELATED TO THE ALCATRAZ CONCESSION CONTRACT**

Members and representatives of both the International Organization of Masters, Mates, and Pilots (MM&P) and the Inlandboatmen's Union (IBU) have raised two areas of concern through written correspondence as well as public testimony at the February 27, 2018 Port Commission hearing: (1) the minimum wages applicable to the Ferry Concession contract, as determined by the Department of Labor and set forth in the Prospectus issued by the National Park Service; and (2) the introduction by the Park Service of 'Interpretive Park Cruises' as an ancillary line of business within the Ferry Concession contract. The section below summarizes staff efforts to address the concerns.

#### **Department of Labor Wage Determination**

At the February 27, 2018 Commission meeting, the Port Commission directed staff to work with partners at NPS to ask Department of Labor ("DOL") to amend the wage determination issued for the Alcatraz ferry prospectus. The wage determination issued by DOL sets minimum hourly wages for selected occupations that Alcatraz ferry operator bidders must commit to meet or exceed in order to bid on the business opportunity. At the time of the

February meeting, the wage determination did not include occupations directly relevant to typical, passenger ferry-related job categories, such as captain and deckhand.

Consistent with the direction to staff, the project team has worked to ensure that locally relevant occupational information is available for DOL's use in issuing an addendum to the wage determination for the Alcatraz Prospectus. Staff sent correspondence to DOL and met with Wage and Hour Division staff at DOL to share the Port's knowledge of occupations and local labor conditions.

On May 21, 2018 NPS issued an amendment to Exhibit B Operating Plan in the Alcatraz Prospectus (see Exhibit C for amendment file). It includes new occupational categories summarized in Table 1, below, including Master, Journeyman, and Deckhand, among other occupations relevant to ferry service.

**Table 1. Summary of Selected Wage Determination Information\***

Job Title	Hourly Wage	Pension/ month	Benefits Package
Master	\$42.62	\$507	(1)
Assistant Engineer	\$29.25	\$476	(1)
Journeyman (Engineer)	\$30.40	\$476	(1)
Engineer I	\$35.86	\$496	(1)
Engineer II	\$39.23	\$496	(1)
Senior Engineer	\$42.62	\$507	(1)
Port Engineer	\$47.78	\$507	(1)
Deckhand	\$30.34	n/a	(2)
Senior Deckhand	\$30.95	n/a	(2)

\*This table is a summary only. Please refer to business opportunity document library on Alcatraz Prospectus website for complete and official Prospectus responses requirements.

(1) Benefits package at a minimum to include:

- Health and Welfare: \$1,550 per month
- Sick Leave: 8 days after 1 year; thereafter accrues 8 hours per month
- Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years
- Holidays: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

(2) Benefits package at a minimum to include:

- Health and Welfare: \$1,394 per month (Trust Plan or equivalent); \$1,689 per month (Kaiser Plan or equivalent)
- Sick Leave: 8 hours per month

- Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years
- Holiday: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

Table 2 provides a summary of wages in the Alcatraz Prospectus and those in Blue & Gold Fleet's contract with WETA (Water Emergency Transportation Authority) for ferry service. These labor rates have been negotiated by Blue & Gold with the respective trade unions, then were agreed to by WETA through their service operations agreement with Blue & Gold. Based upon Port staff's review of publicly-available wage information for similar, local jobs, the hourly wages in the DOL-issued Wage Determination reflect local labor market conditions and will support the selected Alcatraz concessioner's ability to compete for and retain qualified staff.

**Table 2. Comparison of Alcatraz Prospectus Wages and WETA-Blue & Gold Contract Hourly Wages**

Job Title	Alcatraz Prospectus Wage Determination Selected Hourly Wages <sup>(1)</sup>	WETA Contract 2017/18 Fiscal Year Hourly Wages <sup>(2)</sup>
Master	\$42.62	\$42.37
Deckhand	\$30.34	\$30.12
Senior Deckhand	\$30.95	\$31.63

<sup>(1)</sup> Hourly wages reported for Alcatraz Prospectus reflect wages the selected ferry concessioner will be required to pay workers at the start of the new Alcatraz contract. Per federal regulations, wages will be adjusted by Department of Labor's periodic issuance of a wage adjustment every two years after contract execution.

<sup>(2)</sup> Hourly wages shown reflect contract wages for fiscal year 2017-2018 in the 2017-2021 IBU contract. Wages typically increase by almost 3% each year during the contract term.

## **Interpretive Park Cruises**

### **Description of Service**

The vast majority of the business opportunity issued by the National Park Service in association with this item will result from the Alcatraz passenger ferry service. However, there are a number of ancillary components of the business opportunity, one of which is a service described as a 'Park Cruise', in which a ferry passenger vessel will depart from and return to the embarkation site at Pier 31 ½ without stopping/disembarking at another location. The purpose of the Park Cruises is to provide an opportunity to see a variety of sites within the Golden Gate National Recreation Area from the water, including Alcatraz, while learning about such sites via a substantive on-board interpretive program for a minimum of 45 minutes. The service will be available to visitors to the Embarkation Site who

are unable to obtain a ticket to Alcatraz due to demand exceeding supply, as often occurs during peak season, as well as others who may not be interested in the Alcatraz trip (e.g. those who have already been to the island) but nonetheless are interested in learning more about GGNRA sites while enjoying views on the Bay.

The Park Cruise service is capped by the National Park Service's Concession Contract at a maximum of 90,000 passengers per year, which represents 5% of the total number of projected passengers embarking vessels from the Embarkation Site. This new service will provide additional revenue streams for the selected ferry concessioner, the Park Service, and the Port. **Table 3** below illustrates the magnitude of the Park Cruise service relative to the size of the Alcatraz service.<sup>1</sup>

**Table 3. Summary of Projected Ridership and Revenue\***

Category	Projected Range (2019)
Alcatraz Ferry Ridership	1,700,000 - 1,800,000
Park Cruise Ridership	80,000 - 90,000
Projected Park Cruise Revenue	\$2.5M - \$3M
Total Projected Revenue	\$44M - \$52M

\*This table is a summary only. Please refer to business opportunity document library on Alcatraz Prospectus website for complete and official Prospectus information.

As shown, total estimated revenue derived from the Park Cruises is approximately \$3 million annually at the high end of the projection; of this amount, the Port is expected to receive approximately \$220,000 annually via percentage rent under the terms of the lease.

### **Concerns About Park Cruises Raised by Some Stakeholders**

Several stakeholders have raised concerns about the Park Cruises service just prior to and at the February 27, 2018 Port Commission meeting. Port staff have also had follow-up conversations after that meeting. The concerns are focused on the potential for the Park Cruise service to impact the bay cruise business lines of existing Port tenants. "Bay Cruises" are excursions on vessels run by Blue & Gold (Pier 39), Hornblower (Pier 3), and Red & White (Pier 41) which take passengers around points of interest on the Bay, with narration and on-board amenities. Specifically, some existing Port tenants report that some prospective customers who were unable to go to Alcatraz island due to sellouts currently opt to purchase Bay Cruise tickets as an alternative excursion.

### **Staff Analysis**

Port staff have reviewed the Park Cruise concept from the perspectives of a variety of stakeholders and have the following observations and conclusions for the Commission's consideration.

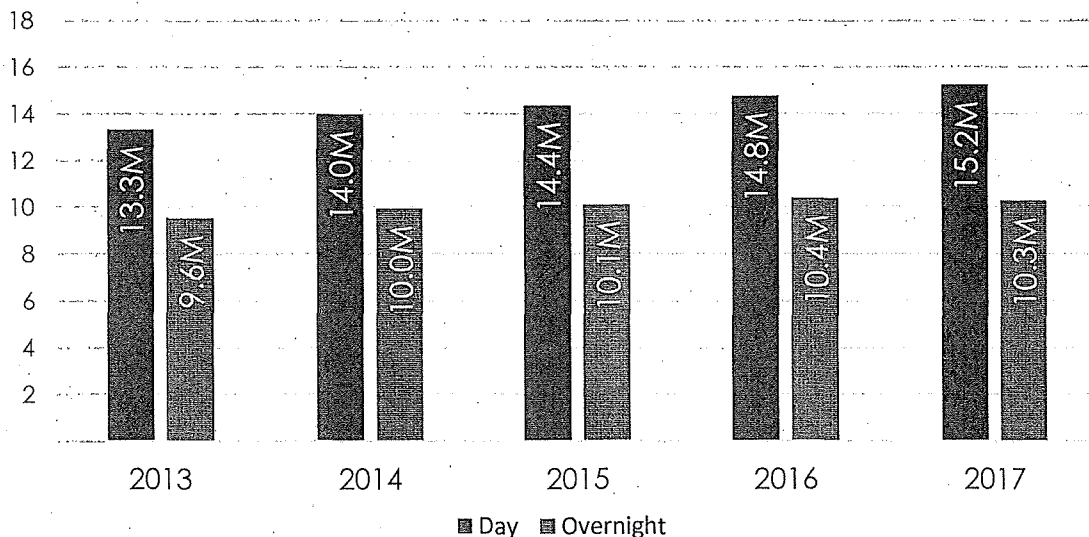
- *Park Cruise service relative size.* The Park Service, through its concession contract, will enforce a cap on the number of Park Cruise passengers at 90,000 per year. Based on data voluntarily shared by other operators Port staff estimates that that

<sup>1</sup> Source: National Park Service/GGNRA Prospectus No. CC-GOGA001-19, pages 15-16

number represents approximately 5% of the current bay cruise excursions business embarking from Port property.

- Timing of new service. Once the new Alcatraz concessioner is under contract in mid-2019, the new Park Cruise service is expected to ramp up over time, as site improvements are made to accommodate the new ferry berth and the service is advertised to customers. Port staff does not expect the Park cruise service to reach the cap for a few years after the start of the contract.
- Visitor ship data. Visitation to San Francisco is growing and most excursion operators are well-located to take advantage of this growth. SF Travel, the San Francisco Travel Association, reported 25.5 million visitors in 2017, the highest recorded by the agency to date, and 2.6 million more visitors than recorded in 2013 (see **Figure 1**).<sup>2</sup> SF Travel also tracks data on visitor attractions, and reports that Alcatraz is the fifth-most visited attraction in San Francisco, drawing over 25% of all visitors based on survey results (see **Figure 2**). Pier 39, the embarkation site for both the Blue & Gold and Red & White fleets' bay excursion operations, is the number one most-visited tourist attraction, drawing nearly 60% of all visitors to San Francisco.

**Figure 1. 2017 Visitor Volume (millions per year)**



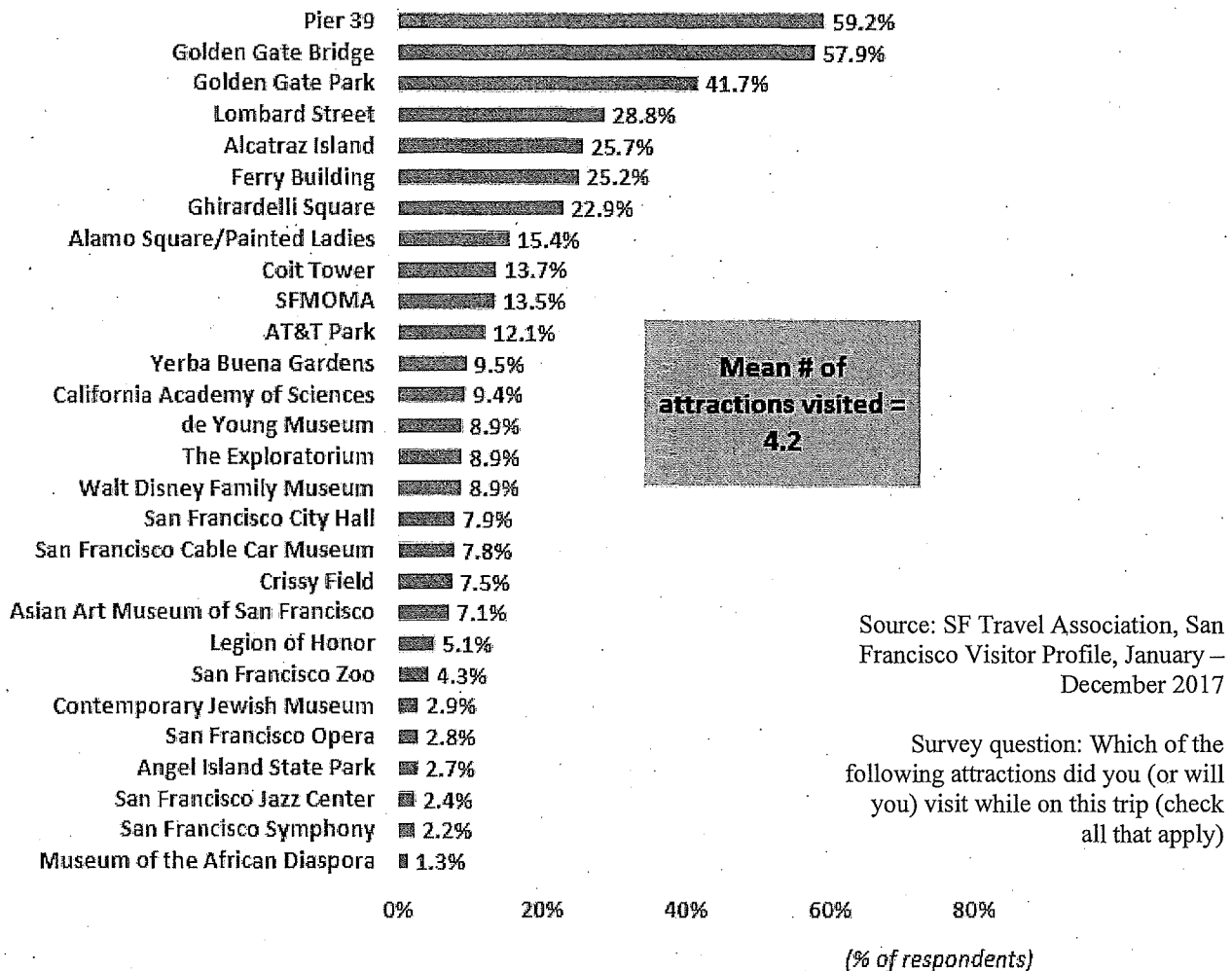
Source: Travel Forecast 2018, San Francisco Travel Association in conjunction with Tourism Economics

**Figure 1 Definitions:**

**Overnight Visitor**– The number of people staying at least one night in San Francisco in a hotel/motel, hostel, vacation rental, time share, Airbnb, private rental or staying with friends and family. **Day Visitor**– Visitors who traveled at least 50 miles to San Francisco for leisure or business purposes (excludes daily commuters).

<sup>2</sup> Data from SF Travel, the San Francisco Travel Association. SF Travel reports average annual growth in San Francisco visitation of 3% since 2013. Similar to the growth reported by SF Travel, San Francisco International Airport reported that the number of arriving passengers increased from 16.4 million in 2005 to 26.7 million in 2016, an average growth rate of 4.5%.

**Figure 2. Top Visitor Attractions in San Francisco**



## Staff Conclusion

In discussing this topic with stakeholders prior to and after the February Port Commission meeting, Port staff carefully listened to and considered concerns about this new service potentially undermining existing maritime tenants. Staff are invested in maintaining strong and long-lasting partnerships with Port tenants and creating a thriving environment that grows maritime business opportunities on the waterfront.

After such consideration, Port staff has concluded the following: (1) Existing Port tenants do currently benefit from customers unable to purchase Alcatraz ferry tickets due to sellouts choosing bay cruises as another option; (2) the Park Cruise service would comprise a relatively small portion of the overall bay excursion market; (3) the number of visitors to San Francisco is growing; (4) Both Alcatraz and Pier 39 are major tourist destinations, providing both existing Port tenants and the new Alcatraz concessioner the opportunity to capture business opportunities.

Port staff recommends that the Alcatraz ferry operator form lease include the provision allowing the Park Cruise service. Staff bases this recommendation on its assessment that



that the operation Park Cruises business line at the Embarkation Site under the ridership limit and updated wage determination noted above advances the Port's mission of expanding maritime opportunities without unfairly or disproportionately competing with our existing tenants.

## **KEY MILESTONES**

On July 12, 2016, the Port Commission approved Resolution No. 16-30 endorsing the Term Sheet and authorizing the Executive Director of the Port, or her designee, to execute the Term Sheet and present the Term Sheet to the Board of Supervisors for its endorsement and a determination that the proposed Project is exempt from competitive bidding requirements pursuant to Administrative Code Section 2.6-1. The July 12, 2016 staff report can be found at:

<http://sfport.com/meeting/san-francisco-port-commission-july-12-2016-supporting-documents>.

On November 29, 2016 the Board of Supervisors adopted Resolution No. 497-16 exempting the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1, including (1) a lease for ferry service to Alcatraz Island with a future concessioner selected by NPS and (2) a lease with the Golden Gate National Parks Conservancy. The Board endorsed the Term Sheet, substantially in the form presented to the Board. On December 9, 2016 Mayor Edwin Lee approved the Resolution.

On December 6, 2017, the San Francisco Planning Department published a Preliminary Mitigated Negative Declaration ("PMND") for the Project, marking the opening of a 30-day public review period. On December 27, 2017, the City of Sausalito ("Appellant") filed an appeal of the PMND. The concerns cited in the appeal all had to do with potential impacts related to the proposed future ferry service from the Embarkation Site at Pier 31½ to Fort Baker, located adjacent to Sausalito.

At the Port Commission meeting on January 9, 2018, Port and NPS staff presented descriptions of the Project to the Port Commission along with the three transaction documents that will guide development of and long-term operations at the site: the General Agreement; the initial Ferry Concession Form Lease; and the Conservancy Lease.

On January 18, 2018, the National Park Service (NPS) released a Prospectus soliciting for proposals to operate Alcatraz passenger ferry service and associated services within Golden Gate National Recreation Area. The term of the new Concession Contract will be for fifteen (15) years. Proposals are currently due on June 28, 2018. This business opportunity can be found on NPS' website at <https://concessions.nps.gov/goga001-19.html>. This Prospectus website contains links to all relevant contract documentation including the GA and the ferry concession lease form.

On February 22, 2018, the San Francisco Planning Commission, after hearing the appeal and the Planning Department staff's response to the Appellant's issues, sustained the MND with minor modifications. On February 23, 2018, the Environmental Review Officer signed the Final Mitigated Negative Declaration (FMND).

On February 27, 2018, Port staff made a presentation to the Port Commission requesting approval of the three transaction documents; the February 27, 2018 staff report can be found at: <http://sfport.com/meeting/san-francisco-port-commission-february-27-2018-supporting-documents>. At that time, the Port Commission continued the item, in order to provide time for Port and Park Service staff to address concerns voiced at the February 27 hearing.

## **BACKGROUND**

Alcatraz Island is part of and managed by the Golden Gate National Recreation Area (GGNRA), a National Park Service unit that includes numerous diverse resources within the San Francisco area, including Fort Mason, Fort Baker, Ocean Beach, and the Presidio. One of GGNRA's most prominent sites is Alcatraz Island which is historically significant as part of early coastal fortification systems and later as a federal prison. Since 1972, the Port of San Francisco has served as the embarkation point for tourists and local residents visiting Alcatraz Island.

Each year more than 1.7 million people visit Alcatraz Island by ferry from Pier 31½ on the northern waterfront, which is the only embarkation point for service to the Island. Between 4,000 and 5,000 people visit Alcatraz Island each day. While there is some seasonal variation, the Alcatraz Island ferry service operates a full daily schedule all year long. The number of visitors is not dependent on ferry capacity, but limited by NPS's ability to provide for an enjoyable experience on the Island and for the protection of park resources.

Between 1972 and 2005, service to Alcatraz Island was provided from Pier 41. In 2005, the base of operations was moved to Pier 31½ when Hornblower was awarded the Alcatraz concession contract. The existing concession contract expires in May 2019.

### **Land Use and Planning Context**

Alcatraz as a destination is extremely popular and ferry service to the Island is one of the Port's highest revenue-generating uses. The Port and NPS saw the benefits of a more permanent site. In 2014 NPS began a NEPA site selection process that culminated in the selection of Pier 31/33. Through this strategy the Port and the Park Service see several key areas which are targeted for improvement through implementation of the three Agreements summarized in this memorandum. The desired outcomes of the long-term Alcatraz Embarkation Project include:

- **Long-term Embarkation site** provides greater certainty for visitors and surrounding businesses
- **Increased competition for the ferry concession contract**, as bidders will not be required to be existing Port tenants as they were in previous solicitations.
- **Significant new investment in the Site**, by both the Port and the future ferry concessioner, which the Park Service is able to recommend due to the long-term nature of the GA.
- **A unified, high quality experience for visitors**, through the inclusion of the Conservancy as a tenant; the Conservancy is already responsible for interpretation on Alcatraz Island through agreements with the Park Service.

- **Collaborative governance structure** between the Port and Park Service in managing the NPS-selected concessioner/tenant and the Conservancy's visitor services and interpretive retail operations.

## **PROJECT INFORMATION**

### **Project Location and Existing Site Characteristics**

The existing Project site is located at Pier 31½ along the northern end of the Embarcadero and within the Port. Visitors enter the site from the Embarcadero just west of the bulkhead building and adjacent to a tour bus and drop-off area compliant with Federal Accessibility Standards (FAS). The existing ferry embarkation site program is located primarily outdoors utilizing the entire Pier 31½ marginal wharf, and has limited operations space located in the Pier 33 shed. A portion of the Pier 31½ marginal wharf is dedicated to vehicle-parking and contains a sump pump that provides Alcatraz Island waste removal via barge service. The current Ferry Concessioner utilizes the Pier 33 shed area for operations, storage and portable public restrooms.

Currently no portion of the existing ferry embarkation site program is located within the Pier 33 South Bulkhead building, which is under separate lease to another entity until July 2019. The three story bulkhead building is currently occupied by the Alcatraz Café on the ground floor, Alcatraz Cruises administrative office space on the entire mezzanine level and an independent subtenant on the entire 3<sup>rd</sup> floor. The Pier 31 North Bulkhead had contained the current Ferry Concessioner employee break area and was relocated when Pier 31 was closed to provide for the structural and roof repair project along with the north apron repair. In terms of existing maritime improvements, there is currently one float to accommodate two berths at the existing site.

Visitors currently enter the site, use the stand-alone ticket booth located near the plaza entry, circulate through several small interpretive exhibits, and enter the covered queuing area, which has space for visitors to stand. A pre-boarding area adjacent to the gangway offers seating for those with disabilities. Visitors are guided down the gangway and on to the ferry.

### **Description of Improvements**

The Project will result in the following key enhancements and improvements to the Site:

- **Pier 33 South Bulkhead.** The existing café will be demolished and the majority of the mezzanine level removed and replaced with a two-story welcome center for visitors, including interpretive retail uses. The 3<sup>rd</sup> floor will be retained and utilized as office space by the ferry concessioner.
- **Pier 33 portion of Shed.** Existing restrooms will be replaced with new restrooms and storage space.
- **Pier 31½ Marginal Wharf.** The mix of auto parking, pedestrian circulation and passenger queuing on the Pier 31½ marginal wharf will be replaced with a large, pedestrian-only plaza to guide ferry passengers through embarkation and debarkation and to also accommodate other visitors seeking to learn more about the Island or just out to enjoy the waterfront plaza. The existing auto parking area and

operational area which currently comprises approximately 20% of the marginal wharf will be relocated to inside the Pier 31 shed. The reconfigured marginal wharf will provide for an expanded public Civic Center and a newly created Après Tour area for disembarking passengers.

- **Gangways and berths.** The existing single gangway and float which accommodates up to two vessels will be replaced with two gangways and floats to accommodate three berths.
- **Pier 31 North Bulkhead.** The currently vacant north side of the Pier 31 Bulkhead will be restored and improved for café operations.
- **Pier 31 portion of Shed.** Currently vacant portions of the shed will be improved with restrooms and storage space to support café operations in the Pier 31 bulkhead. The limited number of auto spaces will be moved from the marginal wharf inside the shed and bike parking will be provided.

The following specific improvements are planned:

In the Bay:

1. **Expanded Berthing Facilities.** An existing floating dock and gangway will be replaced with two individual docking facilities, each with an ADA-accessible gangway, float, and guide piles, to berth a total of three ferry vessels. This will allow for more efficient berthing for the existing ferry service and potential expanded ferry service to other NPS sites or interpretive ferry excursions.

The landside of the proposed project is characterized by the Project components in three zones: Embarkation, Civic Plaza, and Disembarkation.

At the Pier 31½ pier deck:

2. **Ticketing and Interpretive Exhibit Area.** The queuing area for ticket purchases will be reorganized with the stand alone ticket booth removed and new ticket windows would be constructed at the east façade of the Pier 33 bulkhead building. An interpretive exhibit area, including benches, will be created at the plaza area bound by the ticket window area, the primary queuing area for boarding, and the public restrooms in the Pier 33 shed building.
3. **Primary Queuing Area.** A visitor information desk will be installed near the entryway to the queuing area for ticketed passengers adjacent to the Pier 33 shed building. The queuing area will be reorganized from its current configuration, and the existing canopy structure will be replaced by a concrete canopy structure. Benches and glass panels will be used in places to delineate the queuing area. The glass panels will serve as a wind break and will include opaque or semi-transparent overlays with interpretive information.
4. **Entryway and Civic Plaza.** A public plaza will be created at the center of Pier 31½, extending from the sidewalk at Herb Caen Way to the eastern edge of the pier deck, allowing for Bay views that are now partially obstructed. Stepped seating will be installed at opposite sides of the plaza to provide seating and help organize site circulation. A monument sign similar in design to those found at the Exploratorium

(Piers 15/17) and the cruise terminal (Pier 27) will be installed at the Embarcadero entrance. Pedestrian-scale light poles will line the perimeter of the plaza. The new plaza paving will be distinct from the remainder of the deck to define the space, along with the seating and lighting elements.

5. **Secondary Queuing Area and Café.** A secondary queuing area will be provided adjacent to the Pier 31 shed building at the Bay edge. This area will incorporate seating and glass panel elements as described for the primary queuing area. The secondary queuing area will primarily serve the ferry berth used for park interpretive cruises and a proposed future service to Fort Baker. An enclosed seating area will be built adjacent to the secondary queue. Both the secondary queuing area and the seating area will be covered by a single concrete canopy structure.

At the Pier 33 bulkhead and shed buildings:

6. **East Façade Improvements.** New ticket windows will be installed along the east façade, and the façade will be restored, including the historic windows and removal of post-1949 additions.
7. **Interior Renovations.** The bulkhead building interior will be renovated to accommodate exhibits, retail, and a ticket office. The second floor will be mostly demolished except for a small area to create a double height visitor contact station along with a mezzanine level for offices and a mechanical platform. Portions of the shed will be renovated for public restrooms, storage, and site operations. The 3<sup>rd</sup> floor existing office space is currently highly improved and not likely to require significant renovations.

At the Pier 31 bulkhead and shed buildings:

8. **Interior Renovations.** A café will be constructed within a portion of the ground floor of the bulkhead building. Portions of the shed will be renovated to include public restrooms, public bicycle parking, disabled visitor parking (3 spaces), staff and service parking (10 spaces), and site operations.

**Leadership in Energy and Environmental Design (LEED) Compliance**

The Initial Tenant Improvements by both the Conservancy and the Concessioner must achieve a Leadership in Energy and Environmental Design ("LEED®") Gold rating, regardless of the applicable minimum square footage threshold under the Port Green Building Standards Code unless the Chief Harbor Engineer grants a waiver of such certification based on the circumstances listed in Section 101.12 of the Port Green Building Standards Code (as may be amended from time to time) and subject to any conditions the Chief Harbor Engineer imposes as a condition to such waiver.

**Waterfront Design Advisory Committee (WDAC) Review of the Project**

The WDAC reviews Port Projects to ensure that they are consistent with policies and design criteria set forth in the Design & Access Element of the Port's Waterfront Land Use Plan. The WDAC with the Bay Conservation and Development Commission's (BCDC) Design Review Board (DRB) reviewed the proposed project on August 7, 2017 and supported the overall layout of program of uses, site elements, and circulation. The WDAC requested changes to site furnishings, greater information on proposed wayfinding and interpretive signage, lighting, and bicycles parking. The Project was subsequently reviewed a second

time by the WDAC and DRB on January 22, 2018, resulting in requests for minor design modifications and a conclusion of the review by the WDAC and DRB.

### **Port Improvements at Pier 31½ Marginal Wharf**

As a separate project, beginning in June 2018 the Port will undertake the Pier 31½ marginal wharf work through a contract authorized by the Port Commission on March 13, 2018.<sup>3</sup> The Pier 31½ work scope includes specific substructure repairs to the wharf and apron structures consistent with the Chief Harbor Engineer's Directive for Maintenance and Repair of Port Facilities (Port Maintenance and Repair Directive). These repairs also will enhance the current and future marine operations and safety. The Port Maintenance and Repair Directive is covered by a prior categorical exemption issued in March 2016 by the San Francisco Planning Department to comply with requirements of the California Environmental Quality Act (CEQA).

### **Compliance with Historic Resource Standards**

The project is subject to review for consistency with the *Secretary of the Interior's Standards for the Treatment of Historic Properties* because it is within the *Port of San Francisco Embarcadero Historic District*, and includes alterations to Pier 31 and 33 and the adjacent Pier 31½ marginal wharf. Piers 31, 33 and portions of the adjacent marginal wharf are contributing resources to the historic district and listed on the National Register of Historic Places. Port Commission adoption of the historic district in 2006 included policy requiring that the Secretary Standards apply to all Port and Non-Port projects within the district. Because the project is also subject to environmental review pursuant to CEQA, the project sponsor retained the firm of Anchor QEA who prepared an evaluation of the project's consistency with the Secretary Standards as part of the required CEQA Mitigated Negative Declaration analysis of the Alcatraz project impacts on historic resources.

### **Operational Improvements Facilitated by the Project**

Visitor demand is expected to grow in line with a general growth in tourism in San Francisco. Park Service modeling forecasts that 7,790 visitors could visit the primary ferry embarkation site per day, or 1.9 million visitors per year, in 2018. These numbers include both ticketed passengers and visitors to the site without tickets, as well as passengers taking part in interpretative park cruises and the potential for limited ferry service to Fort Baker in the future.

The proposed Project will substantially increase the basic visitor services program's functional area and provide additional and improved orientation and exhibition opportunities by the creation of an interpretive welcome center for visitors and expansion of Civic Plaza as compared to existing conditions. The Project is designed to provide a more logical flow for arriving visitors, and enhance the overall visitor experience. Most of the program elements will be in the outdoor areas on the Pier 31½ marginal wharf between Piers 31 and 33, including interpretive and rest areas, ferry queuing, and boat staging. The proposed Project also includes a newly constructed café and welcome center for visitors with sale of interpretive products in the bulkhead buildings.

These improvements will also better accommodate people who are not visiting Alcatraz Island by providing additional information on other recreational options in the park system.

---

<sup>3</sup><https://sfport.com/sites/default/files/Documents/Item%20B%20Contract%202790%20Award%20Contract%20Marine%20Structural%20Projects.pdf>

The additional berth will provide an interpretive park cruise, charter transportation for Alcatraz special events, and, at some point in the future, limited service to Fort Baker.

Site transportation access and arrival options will be consistent with those of existing conditions. The small existing staff parking area will be relocated inside the Pier 31 shed with FAS-compliant access to the marginal wharf for persons with disabilities. A FAS-compliant drop-off for tour buses and persons with disabilities will continue to be located along The Embarcadero, adjacent to the bulkhead buildings. Visitors on foot will still enter this site from The Embarcadero, between the two bulkhead buildings directly onto the marginal wharf; however, because parking will be removed from the wharf, the entry will expand to encompass the full space between the buildings. Additional pedestrian access will be provided through the bulkhead buildings.

### **STRATEGIC OBJECTIVES**

The proposed Project is expected to contribute in a substantial way to meeting the *economic vitality and stability objectives* of the Port's Strategic Plan.

- *Economic Vitality*: The proposed Project anticipates the development of a third berth at Pier 31½ to accommodate increased bay cruise capacity, supporting the Economic Viability objective designed to expand active water berths.
- *Stability*: The proposed Project retains an important Port visitor-destination and increases Port revenues from the Site, supporting key Stability objectives aimed at retaining a diversified tenant base and increasing Port operating revenue.

### **PROJECT CONSISTENCY WITH THE PUBLIC TRUST**

The entire Site is subject to the common law public trust for commerce, navigation and fisheries and the Burton Act statutory trust (collectively, the "Public Trust"). Use of Public Trust lands is generally limited to maritime commerce, navigation, fisheries, water-oriented recreation, including commercial facilities that must be located on or adjacent to water, and environmental stewardship and recreation, such as natural resource protection, wildlife habitat and study, and facilities for fishing, swimming, and boating. Ancillary or incidental uses that promote Public Trust uses or accommodate public enjoyment of Public Trust lands are also permitted, such as hotels, restaurants, and visitor-serving retail.

The Project has been planned and designed to provide multiple Public Trust benefits delivered via use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public.

### **FEDERAL CONTRACTING AND WAGES**

NPS has provided the following summary of the wage determination issue that was discussed at the January 9, 2018 Port Commission hearing. Port staff has consulted with NPS and other interested parties and reviewed relevant DOL publications and confirms agreement with the summary set forth below:

At the informational hearing, Port Commissioners requested more information from NPS about the process to determine minimum wages applicable to the Alcatraz ferry service concession contract. The Commission also received written correspondence from International Organization of Masters, Mates, and Pilots and the Inlandboatmen's Union inquiring about previous wage determinations for Alcatraz Ferry Service.

The McNamara-O'Hara Service Contract Act of 1965 ("SCA") requires that service contracts over \$2,500 issued by Federal contracting agencies, such as NPS, contain mandatory provisions regarding minimum wages and fringe benefits, safe and sanitary working conditions, notification to employees of the minimum allowable compensation, and equivalent employee classifications and wage rates. The minimum wage and fringe benefits required are based on either (1) wage determinations specifying the minimum wages and fringe benefits for service employees or (2) if there was an immediately preceding contract whose contractor had a collective bargaining agreement, then within the first two years of the successor contract the wages and fringe benefits in the predecessor contractor's collective bargaining agreement.

Under the SCA, only the DOL has the authority to issue the required wage determinations. Federal contracting agencies, such as NPS, must apply to DOL using established procedures for the wage determination to be included in any solicitation for a qualifying service contract, must update that wage determination during the solicitation process to reflect any DOL-issued revisions and then every two years during the contract term for certain multi-year contracts (including the Alcatraz concession contract). By requiring that a stand-alone Federal agency, the DOL, acting independently of the Federal contracting agency issue applicable wage determinations, the SCA provides for objectivity and national consistency in the issuance of minimum wages and fringe benefits for service employees.

DOL periodically reviews wage determinations and, if prevailing wage rates or fringe benefits have changed, will issue revised wage determinations. In addition, any interested party affected by a wage determination may request review and reconsideration. A request for review and reconsideration may be made by a fairly wide range of interested parties, including not only the contracting agency but also for example prospective contractors and representatives of employees.

Although wage determinations issued by DOL contain wages and fringe benefits for various classes of service employees in a locality, it is possible that the contractor to whom an SCA contract ultimately is awarded may employ a class of service employee which is not listed in the wage determination issued by DOL. If that occurs, the standard labor clauses the SCA requires be included in service contracts provide for a "conforming procedure" for comparing the appropriate level of skill comparison between unlisted classifications and the classifications listed in the wage determination. The DOL standard labor clauses require this conformance procedure to be initiated by the contractor prior to the unlisted employees performing contract work. The contractor also is required to promptly provide a written report on conformance to the Federal contracting agency that in turn reports the conforming action to DOL, which will approve, modify or disapprove the conformance. The future Alcatraz concession contract contains these SCA standard labor clauses, as does the current contract.



Using DOL's process for requesting SCA wage determinations, NPS obtained from DOL a wage determination in 2016 that is included in the current Alcatraz ferry contract. The 2016 wage determination is for standard occupational classifications that pertain to SCA contracts in general (e.g. Administrative Assistant, \$35.05/hour and Customer Service Representative, \$18.22/hour) as well as a supplemental wage determination for key maritime occupations (Captain, Deckhand, Engineer and General Vessel Assistant) that are not standard occupations and thus are not included in the standard-issue wage determination. The standard-issue wage determination provides minimum hourly wages for the San Francisco-San Mateo region for hundreds of occupational classifications and covers all of the standard occupations DOL customarily issues for federal contracts. Union partners believe that the vast majority of the occupational classifications are not relevant to the Alcatraz contract. The 2016 wage determination for non-standard occupations references special project vessels, tugboats and other coastal vessel harbor tug operations and is Nationwide Applicable on the East, Gulf, West Coasts and Hawaii.

Between the January 9 and February 27, 2018 Port Commission hearings Port staff had discussions with representatives of labor organizations, including the Masters, Mates and Pilots and the Inlandboatmen's Union of the Pacific, and as part of those discussions shared a draft of the summary text provided by NPS above. In those discussions and in subsequent written correspondence the representatives asserted that NPS had a requirement to request a wage determination at least every two years but did not do so between 2008 and 2016. The representatives also noted that the vast majority of the occupations in the existing wage determination are not relevant to the ferry concession. These factors combined with the fact that wages in the Bay Area are significantly higher than in other parts of the country prompted these representatives to advocate strongly for the completion of the supplemental wage determination for the San Francisco passenger ferry service before the conclusion of the solicitation period.

Following the February 27, 2018 Port Commission meeting, NPS ~~is in the process of~~ obtained a supplemental wage determination for the most commonly used labor classifications for a San Francisco passenger ferry operation (e.g. Master/Captain, Senior Deckhand/Mate, Deckhand, and Able Bodied Seaman) and ~~will amended the prospectus on May 21, 2018 with this document once it is received from DOL prior to the closure of the solicitation period~~ (see Prospectus Amendment Files, Exhibit B Operating Plan Attachment). The contractor to whom the next Alcatraz concession contract ultimately is awarded may employ a class of service employee which is not listed in the wage determination issued by DOL. If so, that will be addressed post-award of the Alcatraz concession contract using the DOL's conformance process.

## **KEY TERMS OF TRANSACTION DOCUMENTS**

Three transaction documents ("Transaction Documents") will govern the development and operations of Project. In addition to the terms described in the approved Term Sheet, the Transaction Documents include the key terms described below.

### **General Agreement:**

The General Agreement (GA) which is a partnership agreement between the Port and NPS that designates the Site as the long term sole visitor contact station and ferry embarkation

for public access to Alcatraz Island. The GA outlines the independent and joint obligations of the Port and NPS.

**NPS Obligations:**

- NPS will conduct a solicitation for and award a Ferry Concession Contract with an Initial Ferry Concessioner.
- The initial and each subsequent solicitation for a Ferry Concession Contract must include as part of the information furnished in the Prospectus, a form Ferry Concessioner Lease prepared and approved by Port that the Ferry Concessioner will be required to sign.
- The Initial Ferry Concession Prospectus must include a description of the required Embarkation Site Improvements and a requirement that the improvements shall be completed no later than the date that is five (5) years after the effective date of the Initial Ferry Concession Contract.
- Each Ferry Concession Contract will have a requirement that the Ferry Concessioner operate Interpretive Park Cruises, which may include ferry transportation from the Site to Fort Baker when associated infrastructure improvements at Fort Baker are completed.
- Subsequent to the Initial Ferry Concession Contract, NPS will solicit and contract with successive Ferry Concessioners during the Term in a timely manner.
- Port and NPS agree that, in order to enhance the Visitor Experience, NPS selected the Conservancy to provide the interpretive retail and food and beverage services and other public amenities at the Site and that the Board of Supervisors exempted the Conservancy Lease from the City's competitive bidding process.
- NPS will complete the legally required competitive bid process for selection of a ferry concessioner periodically during the term of the GA and execute a contract, concurrent with the Port's execution of a lease, with the winning bidder.
- NPS is solely responsible for selection of and contracting with operators for the Ferry Concession Contract and Port has no role in the selection, solicitation, and/or award of a contract to a Ferry Concessioner.
- As a federal agency, NPS is unable to indemnify or release the Port absent a specific act of Congress. Port will obtain an indemnity from and be named as an additional insured on the insurance policies of the Ferry Concessioner and the Conservancy and other users of the Site consistent with the Port's standard lease terms. The Port does not indemnify or release NPS and so the parties retain the ability to file claims against the other subject to the terms of the agreement. Each party will provide written notice to the other as soon as it has information that could result in a claim against either party.

**Port Obligations:**

- Subject to availability of adequate funding (which Port shall use its diligent efforts to secure) as approved and appropriated by the Port Commission and Board of Supervisors, Port will use its diligent efforts to perform improvements to the substructure of the Pier 31½ marginal wharf on a schedule mutually agreeable to the Parties.

- Port is responsible for the maintenance and repair of the Pier 31 marginal wharf substructure, Piers 31 and 33 bulkhead substructure and seawall, and the exteriors of Piers 31 and 33 sheds.
- The aprons and areas of the Pier 31/33 Water Basin outside the leased premises must remain open for safe, unimpeded access to and from The Embarcadero and the leased areas, including for vessel navigation
- Port agrees to enter into a Lease for portions of the Site with the Ferry Concessioner substantially in the form of the lease with no changes other than (A) changes agreed to by the Parties in the sole discretion of each; and (B) to add new Laws and City Requirements effective subsequent to the Effective Date of the GA but prior to the commencement date of the Lease.
- Port agrees to enter into a Lease for portions of the Site with Conservancy substantially in the form lease with no changes other than (A) changes agreed to by Port and Conservancy in the sole discretion of each; and (B) to add new Laws and City Requirements effective subsequent to the Effective Date of this Agreement but prior to the commencement date of the Lease.
- If space within the Site is not available, Port will use diligent efforts to identify adjacent and/or nearby space for the Ferry Concessioner's use for laydown/staging, subject to the Ferry Concessioner entering into a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule; provided that, Port agrees to waive the requirement to pay rent for up to 3,000 square feet of space for up to two (2) years during construction of the Embarkation Site Improvements.
- Port will deliver premises to the Ferry Concessioner generally as follows: all parcels except the Pier 33 South Bulkhead building upon full Lease execution and, subject to the conditions such as Force Majeure, the Pier 33 South Bulkhead building in 2019. Once the Ferry Concessioner completes the required Embarkation Site Improvements on the Pier 33 South Bulkhead building, the Ferry Concessioner Lease will terminate as to certain portions of the Pier 33 South Bulkhead building and that space will be added to the Conservancy Lease.
- Port will deliver premises to the Conservancy generally as follows: Pier 31 bulkhead upon full Lease execution and portions of the Pier 33 South Bulkhead building after the Ferry Concessioner completes the required Embarkation Site Improvements on the Pier 33 South Bulkhead building.

#### **Joint Obligations:**

- The GA is for a thirty year term with two extension options for ten (10) years each exercisable by NPS.
- Prior to the extension option being exercised the extension period rent will be adjusted per the GA based upon a fair market value appraisal process.
- For each successive solicitation, the Port's form lease will be included in NPS's solicitation package and the Ferry Concessioner will be required to sign the lease without material modification.

- The Parties agree to cooperate each at its own cost, to do or cause to be done, all things reasonably necessary or advisable to carry out the purposes of this Agreement, including the execution and delivery of any additional documents.
- The GA provides both parties with various rights to terminate the Agreement during the Initial or any Extension Term with advance written notice. Such termination rights for one or both parties are provided under the following limited circumstances that may impact the Site and/or Alcatraz Island: climate change/sea level rise or other catastrophic events (either party); conditions that render the Site unusable as an Embarkation Site (either party); closure of or suspension of visits to Alcatraz island for one (1) year or more for reasons within the control of NPS or its Agents (Port in its sole discretion); if the Park Service terminates the Ferry Concession Contract (NPS only); an event of Force Majeure extends beyond four (4) years (either party).
- The GA provides the parties with a clear path to Dispute Resolution, including but not limited to non-binding mediation, in order to avoid more severe remedies such as termination.

#### **Ferry Concession Form Lease:**

A form of lease with an initial ferry concessioner to be selected by NPS for the construction of required initial site improvements and ferry services consistent with the GA including from the Embarkation Site to Alcatraz Island for a term coterminous with the initial ferry concession contract between Park Service and Concessioner. The initial lease will be for a term of 15 years, consistent with the recently issued Prospectus.

- The lease will be between the Port and the future NPS selected Ferry Concessioner.
- The lease will become effective and expire on the same dates as the NPS Ferry Concession Contract, including extensions (a maximum term of twenty (20) years under current federal law).
- The Ferry Concessioner will provide excursions to Alcatraz Island; Park Cruises which start and finish at Pier 31 ½, do not make any landings, and contain substantive interpretive materials regarding the NPS and its parks; limited ferry service (dependent on required improvements to landing facilities) to Fort Baker and/or other GGNRA parks; and ancillary, occasional Special Events.
- The lease shall become effective on the date of award of the Ferry Concession Contract which will occur only after completion of any Congressional notifications, the expiration of any waiting periods required and execution of the Ferry Concession Contract by NPS.
- Port will deliver possession of the overall Site in two phases. Phase I Delivery - Estimated as the "effective date" of the Ferry Concession Contract as defined by the Ferry Concession Contract. The initial phase of the Premises consists of shed and office space; submerged land; and space on the Marginal Wharf comprised of the following and as depicted in Exhibit B: Parcel A Submerged land: approximately 60,000 sq. ft.; Parcel B Pier 31½ Marginal Wharf and plaza: approximately 43,890 sq. ft. of pier-supported outdoor space; and Parcel C Pier 31 Shed: approximately 5,300 sq. ft. of non-contiguous shed space; and Parcel D Pier 33 Shed: approximately 4,062 sq. ft. of shed space; and Parcel D-1 Pier 33 Shed:

approximately 1,240 sq. ft. of shed space. Parcels A-D will remain in the Premises for the Term of the Lease.

- Phase II Delivery - Estimated Commencement Date: August 1, 2019: Phase II will consist of a total of approximately 13,775 square feet of retail and office space in the Pier 33 South Bulkhead Building as described below. Parcel E Pier 33 South Bulkhead Building: 1st Floor: approximately 4,612 sq. ft. of on the first floor; and Parcel F Pier 33 South Bulkhead Building 2nd Floor: approximately 4,555 sq. ft. on the second floor; and Parcel G Pier 33 South Bulkhead Building 3rd Floor: approximately 4,612 sq. ft. on the third floor. As of the Phase II Commencement Date, **Exhibit B-1** showing the Phase II Premises will be added to this Lease as part of the Premises without further action by the parties.
- Embarkation Site Improvements will include demolition/construction of significant portions of the Phase II Premises and construction of an approximately 992 square foot mezzanine to replace the second floor. Upon Completion of the Embarkation Site Improvements to the Pier 33 South Bulkhead Building as described below and written notice by Port ("Pier 33 South Bulkhead Building Completion Date"), Tenant shall surrender Parcel D-1, and approximately 3,280 sq. ft. on the first floor and the entire second floor mezzanine of the Pier 33 South Bulkhead Building. Tenant shall surrender and deliver the relevant property to Port strictly in compliance with the conditions and specifications in the Work Letter, including without limitation, the Scope of Development, (including the Schematic Design and Drawings,). Acceptance of such surrender and conditions shall be in Port's sole discretion. As of the Pier 33 South Bulkhead Building Completion Date, this Lease will terminate as to such portions of the Premises and **Exhibit B-2** will replace and supersede **Exhibit B-1** in its entirety without further action by the parties.
- The remainder of the Pier 33 South Bulkhead Building will remain under this Lease, consisting of: Parcel E-1 Pier 33 South Bulkhead Building: 1st Floor: approximately 1,382 sq. ft. of space on the first floor; and Parcel G Pier 33 South Bulkhead Building 3rd Floor: approximately 4,612 sq. ft. of office space.
- The final premises shall consist of approximately 119,250 sq. ft. as depicted in **Exhibit B-2**.
- The initial Phase I monthly Base Rent will be approximately \$43,600. Base Rent for the final premises shall be approximately \$64,345. All square footages and related Base Rent will be subject to re-measurement upon completion of each phase. Base Rent for office space will increase by 3% annually and Base Rent for all other space will increase by 2.5% annually.
- In addition to the monthly Base Rent specified above, Tenant shall pay monthly Percentage Rent of:
  - (i) 7.50% of Gross Ticket Revenue minus the NPS Concession Franchise Fee; PLUS
  - (ii) 8.00% of Gross Ancillary Revenue minus the NPS Concession Franchise Fee; PLUS
  - (iii) 7.25% of Gross Food and Beverage Revenue minus the NPS Concession Franchise Fee.
- The NPS franchise fee deducted from the above revenue types will be no more than 25.5% of Gross Ticket, Ancillary, and Food and Beverage Revenue, regardless of the

actual amount of the franchise fee paid to NPS. Note that the Prospectus requires respondents to provide not less than a 35% franchise fee in bids. Therefore, the constraint on the franchise fee deduction negotiated in the Form of Lease and GA of no more than 25.5% limits deductions in calculating the Port's rent.

- As previously described in detail, Tenant must complete the following: waterside improvements, including new ferry barges, docks and associated infrastructure; Pier 31½ Marginal Wharf deck surface and visitor amenities; Pier 33 Shed visitor restrooms; Pier 31 bulkhead restrooms; interior improvements in the Pier 31 and Pier 33 Sheds; Pier 33 South Bulkhead Building ticketing area improvements; and demolition of a portion of the 2nd floor of the Pier 33 South Bulkhead Building and construction of a mezzanine area no later than the 5th anniversary date.
- NPS estimate the costs of Embarkation Site Project Improvements to be approximately \$30 million for the ferry concessioner. Tenant shall be entitled to a rent credit in a maximum amount of \$2,520,000 for the Embarkation Site Improvements. Once the improvements are completed, certain portions of the property will be turned over to the Conservancy.
- Upon Completion of the Initial Tenant Improvements, Tenant shall be eligible for the rent credit amounts shown above amortized on a straight line basis over a 48-month period starting upon Completion of each phase yielding equal monthly amounts to be taken at a rate of seventy percent (70%) of the total monthly Rent due.
- Tenant shall have a one-time right of first refusal to use additional aprons in the Water Basin for lay berthing at standard rates set by the Port Commission for a period of up to the term of the lease. Otherwise, the aprons and water basin must remain open for safe, unimpeded vessel navigation and routine Port maritime uses as depicted in **Exhibit B-3**.
- Port will maintain and repair: the substructure of the Pier 31 Marginal Wharf; the substructure of the Pier 31 and Pier 33 bulkhead buildings; the Seawall; and the exterior of Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows). Tenant shall be responsible for all other maintenance and repair obligations. Under certain circumstances, Tenant may perform Port's obligations in exchange for rent credits.
- The Port reserves the rights to enter and use the Premises as needed for the purpose of inspecting, repairing, and rebuilding the Seawall and/or to terminate the Lease as needed due to the Seawall repair project.
- Tenant required to implement flood protection measures as determined to be necessary by the Chief Harbor Engineer (CHE) to protect the Site and public health and safety from a significant risk of flooding or other damage resulting from climate change or sea level rise.
- In the event that the Port/NPS Agreement is terminated under the Port/NPS Agreement due to issues with Alcatraz Island, and (a) no Event of Default, and (b) Tenant has Completed the Embarkation Site Improvements; then, Port may elect in its sole discretion to either: (i) terminate this Lease and pay Tenant a portion of the Improvements Costs for the Embarkation Site Improvements under the terms and conditions specified in Lease based on the expected term of the Ferry Concession Contract and this Lease; or (ii) offer Tenant an extension option to continue this Lease until the earliest of the following events: (A) the original expiration date of the

Ferry Concession Contract; (B) NPS chooses another party as a Ferry Concessioner; or (C) the date the Embarkation Site Improvements are amortized.

- All city requirements are contained in the Lease and none of the requirements "conflict with federal law" including non-discrimination, local hire, prevailing wages, HCAO.
- Except as otherwise provided, the lease is on the Port's standard form lease for visitor-serving retail operations, including as-is provisions, compliance with laws (including historic preservation requirements), subleasing; Port's right to terminate, damage and destruction and eminent domain, defaults and remedies (subject to coordination with NPS under the General Agreement), indemnity and exculpation, Hazardous Materials, insurance, management covenants, and financial guarantees, including contractor's bonds.

#### **Golden Gate National Parks Conservancy Lease:**

A lease with the Golden Gate National Parks Conservancy for initial and ongoing site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a 30-year term with two 10-year options.

- Port will deliver possession of the Premises in two phases. The initial phase of the Premises consists of approximately 3,760 sq. ft. of retail and storage space as depicted in **Exhibit B**. Phase I Premises has an estimated commencement date of October 1, 2018. The Initial Ferry Concessioner will perform improvements to the Phase II Premises prior to Port's delivery to Tenant. Upon the Initial Ferry Concessioner's Completion of the required improvements as defined and described in the Initial Ferry Concessioner's Lease, Port shall deliver the following additional Phase II parcels to Tenant, as depicted in **Exhibit B-1**
- The lease term is 30 years with two 10-year extension options (options available only if GA is extended and concurrent with the GA). With its extension option notice, the Conservancy must submit to Port a capital investment and improvement plan outlining its proposal for refurbishment of the restaurant and interpretive retail space during the Extension Term. At a minimum, the Plan shall include the scope of work for tenant improvements, a binding performance schedule, the estimated cost of such improvements, a financial projection pro-forma and evidence of adequate financing to implement the Plan based on the Port's Retail Leasing Policy. The Plan will be subject to Port's approval in its reasonable discretion.
- **Base Rent:** The initial Phase I monthly Base Rent will be approximately \$15,300. Base Rent for the final premises shall be approximately \$38,146. All square footages and related Base Rent will be subject to re-measurement upon completion of each phase. Base Rent will increase by 2.5% annually.
- **Percentage Rent:** In addition to the monthly Base Rent specified above, beginning on each of the Phase I Rent Commencement Date and Phase II Rent Commencement Date, Tenant shall pay monthly Percentage Rent in an amount equal to the difference between (i) the percentage rent for such calendar month and (ii) the Base Rent for such calendar month in any month in which the percentage rent exceeds the Base Rent. "Percentage Rent" shall be equal to 7.50% of the total monthly Gross Revenue.

- The Conservancy anticipates entering into a series of subleases over the term of the lease for the restaurant operations, potentially generating Excess Rent as defined in the lease. Tenant shall pay all such Excess Rent, less subleasing expenses, as Additional Rent. Allowable subleasing expenses include leasing commissions; certain tenant improvements, and a Conservancy management fee, all subject to a cap. Conservancy shall be entitled to retain from the payment of Excess Rent an amount of up to one percent (1%) of its Gross Revenues from a Sublease for the sole purpose of re-investing in future tenant improvements (including hard and soft costs) other than the Initial Tenant Improvements, improvements in the Capital Investment and Improvement Plan or any other maintenance and repair obligations or improvements required under the Lease.
- Improvements including the build-out of the Pier 31 bulkhead cafe; and in a later phase the Pier 33 visitor contact station/interpretive retail center. Port and NPS estimates the costs of initial Tenant Improvements to be approximately \$3.7 million. Tenant shall be entitled to a rent credit of \$554,000 for the Initial Tenant Improvements. Tenant must complete the Initial Tenant Improvements no later than the first anniversary of each of the two phases.
- Upon completion of the Initial Tenant Improvements, and subject to the conditions of the Lease, Tenant shall be eligible for the rent credit amounts shown above amortized on a straight line basis over a 48-month period starting upon Completion of each phase yielding equal monthly amounts to be taken at a rate of seventy percent (70%) of the total monthly Rent due.
- Port will maintain and repair: the substructure of the Pier 31 Marginal Wharf; the substructure of the Pier 31 and Pier 33 bulkhead buildings; the Seawall; and the exterior of Sheds 31 and 33 (including roof, but excluding exterior roll up doors, doors and windows). Tenant shall be responsible for all other maintenance and repair obligations.
- The Port reserves the rights to enter and use the Premises as needed for the purpose of inspecting, repairing, and rebuilding the Seawall and/or to terminate the Lease as needed due to the Seawall repair project.
- Tenant required to implement flood protection measures as determined to be necessary by the Chief Harbor Engineer (CHE) to protect the Site and public health and safety from a significant risk of flooding or other damage resulting from climate change or sea level rise.
- All city requirements are contained in the Lease and none of the requirements "conflict with federal law" including non-discrimination, local hire, prevailing wages, HCAO.
- Except as otherwise provided, the lease is on the Port's standard form lease for visitor-serving retail operations, including as-is provisions, compliance with laws (including historic preservation requirements), subleasing; Port's right to terminate, damage and destruction and eminent domain, defaults and remedies (subject to coordination with NPS under the General Agreement), indemnity and exculpation, Hazardous Materials, insurance, management covenants, and financial guarantees, including contractor's bonds and all current City requirements.



## **CLIMATE ACTION**

Due to the long term nature of the agreements, the Port and NPS have agreed that the GA may be terminated due to climate change/sea level rise or other catastrophic events at the Site or Alcatraz that pose a risk to public health and safety.

In addition both the Ferry Concessioner and the Conservancy may be required to implement flood protection measures determined to be necessary by the Chief Harbor Engineer (CHE) to protect the Site and public health and safety from a significant risk of flooding or other damage resulting from climate change or sea level rise. Such measures may include: (1) temporary public access closures, sandbagging or similar temporary measures to minimize the risks associated with wave overtopping of the pier apron; (2) waterproofing or relocation of utility infrastructure from underneath the pier to minimize the risk of water or wastewater discharges to San Francisco Bay; and/or (3) short perimeter flood walls, but would not include raising first floor elevations or regional improvements such as breakwater or levee improvements. If the CHE determines conditions continue to pose a threat to public health and safety, Port may terminate a lease.

## **ENVIRONMENTAL AND REGULATORY REVIEW**

A final Environmental Impact Statement (EIS) was released in January 2017 as required by the National Environmental Protection Act (NEPA). Golden Gate National Recreation Area completed the Record of Decision (ROD) for the Alcatraz Ferry Embarkation Plan/Environmental Impact Statement on January 11, 2018. As the project is also subject to the California Environmental Quality Act (CEQA), the San Francisco Planning Department published a Preliminary Mitigated Negative Declaration (PMND) for the Project on December 6, 2017. The required 30-day public review period ended on January 5, 2018, with an appeal filed by the City of Sausalito on December 27, 2017 as noted above. After considering the appeal, the PMND was upheld by the Planning Commission on February 22, 2018 and the Final Mitigated Negative Declaration was signed by the Environmental Review Officer on February 23, 2018.

A number of regulatory approvals are also required including permits from the Bay Conservation and Development Commission (BCDC), the U.S. Army Corps of Engineers (USACE), and the Regional Water Quality Control Board (RWQCB). Port staff will coordinate with NPS and the Conservancy on preparing the permit applications and seeking approvals over the course of the next 12-18 months. As described above, the project was reviewed by the WDAC and BCDC's DRB on August 7, 2017, and again on January 22, 2018, as part of the BCDC permit application process. These regulatory approval processes are ongoing and will involve a collaborative effort by Port, NPS, and Conservancy staff.

## **ANALYSIS OF THE TRANSACTION**

Since endorsement of the Term Sheet, Port and NPS staff have negotiated proposed transaction documents implementing the Term Sheet and collaborated with City Planning and BCDC on Project design and environmental review. Port staff has also coordinated with Port Engineering to deliver the Pier 31½ substructure repair and with Port Maritime to maximize continued availability of berths within the Piers 31-33 water basin.

The key benefits of the proposed transaction are described below.

- 1) Long-term retention of:
  - a) One of the highest revenue operations on Port property.
  - b) A high-profile and important maritime operation on Port property.
  - c) One of the highest volume operations on Port property, which attracts more than one million visitors to the waterfront, providing positive economic benefits to complementary businesses.
- 2) Significant private investment in Port property of approximately \$30 million.
- 3) Activation of a currently vacant Bulkhead and creation of a unified site.
- 4) Opportunity for revenue upside through the expansion of services to include a new Park Cruise excursion.

The Port contracted with Seifel Consulting, a respected economics firm, and with R. Blum and Associates, a MAI-certified appraiser. With assistance from these consultants, staff prepared the following revenue projections and analysis in bringing the Term Sheet to the Port Commission. The below analysis has not changed since Term Sheet endorsement in 2016.

1. **The rent structure is on par or higher than comparable recent leases.** Retail, food and beverage, base rents, and office rents reflect rates of recent leases in and around the waterfront. Percentage rent on ferry services – the largest by far of the rental revenue from the Project – will continue at the recently-increased level of 7.5% of adjusted gross receipts. This level is 0.5% below the rate achieved by New York City Parks for Statue of Liberty ferry service (8.0% on unadjusted gross revenues) but is consistent with San Francisco Bay Area ferry service percentage rent and above ferry excursion percentage rents found in Southern California.
2. **The Project and deal structure facilitates revenue growth for the Port.** A Port negotiating principle was to ensure that each component of the Project – ferry, retail, food and beverage – met fair market value. Another principle was to ensure that the overall Project exceeded plausible alternatives. **Figure 3** illustrates these alternatives alongside the Project, with a 15-year projection of cash flow to the Port.

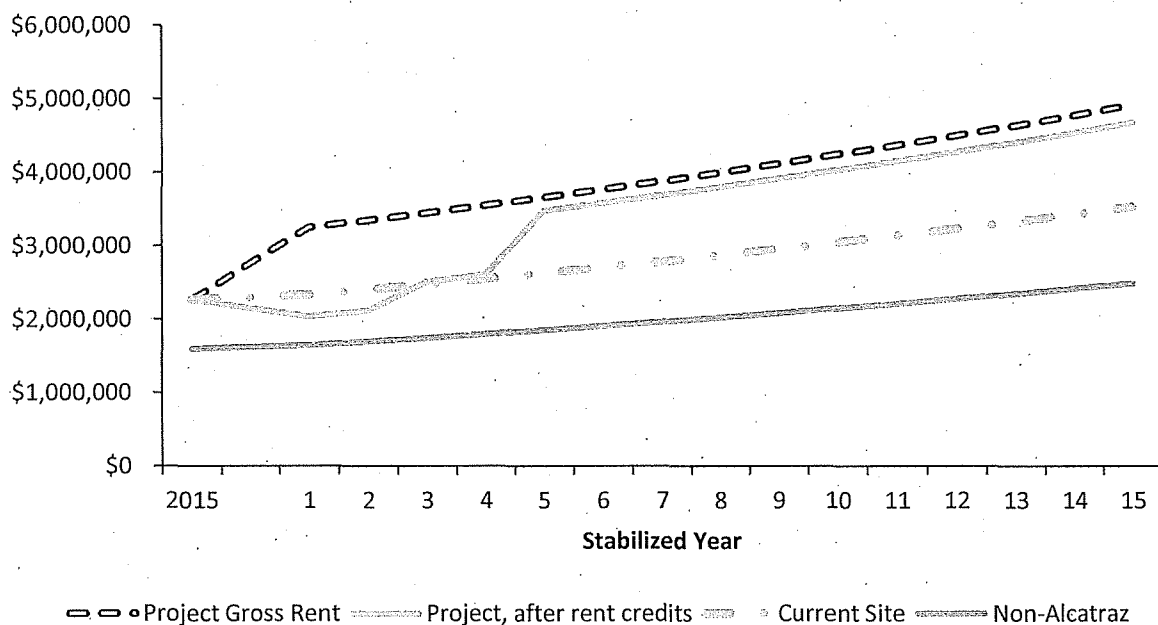
**Figure 3** includes:

- a. **Non-Alcatraz anchored site.** This alternative assumes the Alcatraz ferry moves off of Port property and the Site is occupied by a bay cruise ferry and ancillary retail and restaurant uses. It produces the lowest estimated Site revenue.
- b. **Current site.** This projection is based on current site operations.
- c. **Project.** The two lines at the top of the chart reflect estimated Project revenues. Year 0 reflects current site revenues and Year 1 reflects the first

year of stabilized operations.<sup>4</sup> The top line reflects gross Port rent. The second line from the top reflects gross rent, less anticipated rent credits in years 1 to 4.

The revenue projection for the Project, after deducting rent credits, dips slightly below the Current site alternative for years 1 and 2 (because of the rent credits) and then increases to appreciably above the Current site lease revenues in years 5 and beyond. The Project provides higher Port revenues and significant investment in the Site (\$30 million from tenants and \$5.7 million from the Port).

**Figure 3. Project vs. Illustrative Alternatives – Projected Revenue to Port**

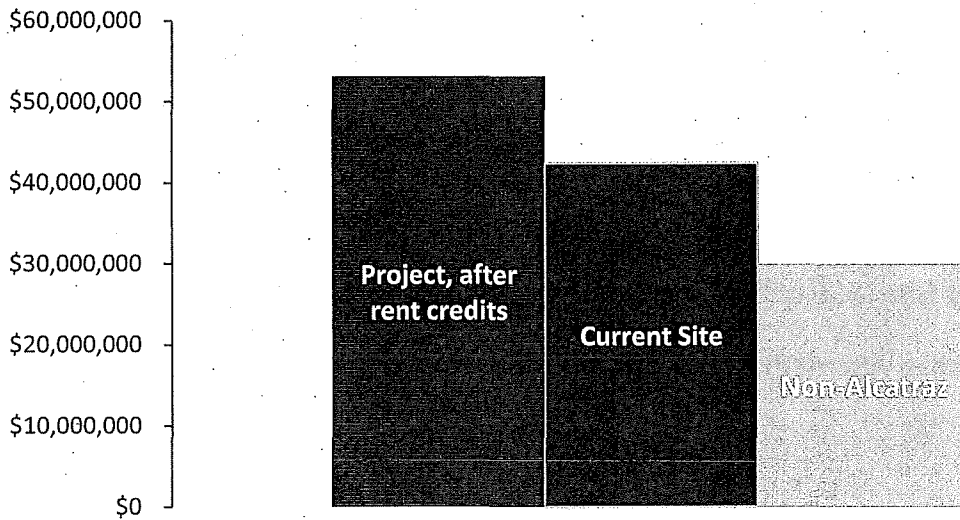


**Figure 4** provides this similar comparison in net present terms (calculated for 30 years with a 6 percent discount rate). The net present value (NPV) of: Project revenues to the Port total \$53 million (after rent credit deductions); Current site revenues are estimated at \$43 million in NPV; and Non-Alcatraz NPV of revenues total \$26 million.

**Figure 4. Project vs. Illustrative Alternatives – Net Present Value of Revenue to Port**

*30 years, 6% discount rate*

<sup>4</sup> This reflects a simplification of the likely reality, which is anticipated to include more than a year of construction on different parts of the site. However, ferry service to Alcatraz is anticipated to continue uninterrupted during construction so years 1 and 2 revenues from the Project are projected to include a stable source of rental revenue.



It is also important to note two compromises the Port has made in pursuing the proposed transaction:

- 1) The Port will not select a ferry tenant for the Pier 31½. Rather, under the GA, NPS would conduct its mandated competitive process to select the Alcatraz ferry concessioner and the selected operator from that process would be the recipient of both the Alcatraz Concession Contract and the Port's lease. NPS is the controller entity for Alcatraz Island and the only way for the Port to retain the Alcatraz Embarkation Site on Port property over the long-term is to rely upon NPS's competitive process to select the Tenant.
- 2) The proposed lease for the retail and café portions of the Site operated by the Conservancy is for a term concurrent with the GA, for 30 years plus 2 10-year options if the GA is extended for that period. The Port generally prefers more frequent turnover of these types of leases. The Conservancy's unique role as NPS's nonprofit partner and as the primary entity which interprets the Alcatraz Island experience for the public set it apart from the Port's typical approach to visitor-serving food and beverage and retail.

Staff recognize these compromises and judge them to be fair ones, in light of the benefits described above (among them, investment in Site and retention of high-revenue and high-visibility use for 30-plus years) that will accrue to the Port and to the visitors to the Waterfront who will enjoy a significantly improved plaza, retail and café amenities, and ferry embarkation site.

### **TIMELINE / NEXT STEPS**

Upon approval by the Port Commission, staff will submit the GA and Conservancy Lease for Board of Supervisors (BOS) approval. Under Charter Section 9.118(c), as maritime leases, neither the initial Ferry Concession form lease nor subsequent ferry concessioner leases will require BOS approval. Subsequent Ferry Concession leases will conform to the requirements of the GA and will include the then-current standard terms and conditions in the Port's form lease for similar operations. These leases will also include all then-

applicable City Requirements (unless they conflict with federal law or are waived). Subsequent Ferry Concession leases will not require Port Commission approval, provided there are no material changes to the above-described terms.

The form of lease for the Concessioner is attached to NPS's concession contract prospectus for Alcatraz ferry service which was released on January 18, 2018. The solicitation, award and transition process is expected to take over a year with an effective date of mid- to late-2019 for the new concession contract. The Ferry Concession lease will become effective at the same. The Conservancy lease will be fully executed and effective after BOS approval and the Conservancy is expected to take possession on October 2018.

The key project milestones are summarized below; dates shown are estimates only and subject to change.

- NPS released Prospectus for new ferry concession contract: **1/18/2018**
- Final Mitigated Negative Declaration (FMND) issued by San Francisco Planning Department: **2/23/2018**
- National Parks Conservancy signs Port lease: **2/26/2018 6/18/2018**
- Port Commission Approval of Transaction Documents: **5/22/2018 6/12/2018**
- Introduction to Full Board: **May/June-July 2018**
- Board Committee: **June-July 2018**
- Board Approval: **July 2018**
- Mayor Signs Resolution: **July 2018**
- Prospectus solicitation period ends: **6/28/2018**
- Conservancy takes possession for Phase I: **10/1/2018**
- Conservancy completes Phase I construction: **10/1/2019**
- Bid evaluation process, award, Congressional notification, and contract transition: **7/1/2018 – 4/30/2019**
- Concession Contract and Lease Effective Dates: **5/1/2019**
- Concession Construction Period: **10/1/2019 – 12/1/2023**
- Conservancy Phase II construction: **4/1/2020 – 12/1/2023**
- Site becomes completely built out: **2024**

## **CONCLUSION AND STAFF RECOMMENDATION**

Following Port Commission and Board of Supervisors' endorsement of a Term Sheet in July, 2016, Port staff concluded negotiations with the National Park Service on a set of Transaction Documents that will facilitate a major maritime project, namely the creation of a permanent Alcatraz Embarkation Site located at Piers 31, 31½ and 33. This Project entails significant capital upgrades to Port maritime and commercial facilities at the Site, and will enable the Port and the National Park Service to deliver an enhanced visitor experience to Alcatraz Island visitors, along with enhanced public access for all visitors to the Embarkation Site, for many years to come.

Port staff recommends approval of the Alcatraz Embarkation Site project as described in this staff report and further recommends the Port Commission take the following actions through adoption of the attached Resolution:

- Adopt FMND and the Mitigation Monitoring and Reporting Program for the Alcatraz Ferry Embarkation Project attached to the Resolution;
- Approve the General Agreement (GA) between the Port and NPS;
- Approve the form of lease with the initial ferry concessioner (Concessioner) that NPS selects to provide initial site improvements and ferry services; and
- Approve the lease with the Conservancy for improvements and to operate visitor amenities including a visitor contact station and café.

If approved the NPS and Conservancy transaction documents will be forwarded to the Board of Supervisors for final approval. The form of lease with initial ferry concessioner will be finally approved.

Prepared by: Jay Edwards, Senior Property Manager  
Real Estate & Development

James Hurley, Project Manager  
Real Estate & Development

Rebecca Benassini  
Asst. Deputy Director  
Real Estate & Development

For: Michael Martin  
Deputy Director  
Real Estate & Development

Byron Rhett  
Port Chief Operating Officer

## **ATTACHMENTS**

Exhibit A: Site Aerial Map

Exhibit B: Parcel Maps

Exhibit C: Amendment to Prospectus: amended Wage Determination

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

**RESOLUTION NO. 18-37**

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and
- WHEREAS, The Golden Gate National Recreation Area ("GGNRA") established as a unit of the National Park Service ("NPS") in 1972, encompasses more than 80,000 acres of coastal lands in Marin, San Mateo and San Francisco counties. One of GGNRA's most prominent sites is Alcatraz Island which is historically significant as part of early coastal fortification systems and later as a federal prison; and
- WHEREAS, Since 1972, the Port of San Francisco has served as the embarkation point for tourists and local residents visiting Alcatraz Island; and
- WHEREAS, NPS is empowered by the federal government to issue a bid prospectus and to select a ferry concessioner through a competitive process; and
- WHEREAS, The Port has periodically negotiated leases with ferry concessioners for embarkation locations to Alcatraz Island, with the embarkation point moving from Pier 41 to Pier 31 ½ as different ferry companies with leaseholds along Port property have been selected through the NPS ferry-bid process; and
- WHEREAS, The Port and NPS share a common goal of enhancing the Alcatraz visitor experience through significant investments in landside and waterside capital improvements – to improve the ease of movement of the more than 1.5 million visitors each year – and in interpretative installations and site amenities including food, retail, and restrooms; and
- WHEREAS, Alcatraz Island, access to which is controlled by NPS, is a one-of-a-kind visitor destination, attracting thousands of people each day to the waterfront and providing revenues roughly double the amount the Port would expect for a similar use not associated with Alcatraz Island; and
- WHEREAS, In 2008, the Port's Executive Director and the GGNRA Superintendent began discussions about NPS selecting a permanent embarkation point at the Port and entering a direct agreement with the Port that governs the terms by which the embarkation point would be leased to NPS's concessionaires; and

- WHEREAS, By entering such a direct agreement for the use of a set embarkation point, NPS, the Port and the public could be spared the disruption of moving the service each time a new concessioner is selected; and
- WHEREAS, Port staff, based on site criteria developed in conjunction with NPS staff, identified the following five potential Port properties for a permanent Alcatraz Embarkation location: Piers 19 ½, 29 ½, 31½, 41, and 45 Shed A as detailed in a December 3, 2009 informational presentation to the Port Commission; and
- WHEREAS, NPS completed a draft Environmental Impact Study under the National Environmental Policy Act to support its site selection process; and
- WHEREAS, Port staff in coordination with NPS staff selected Pier 31 ½ as the preferred Alcatraz Embarkation site and updated the Port Commission in a May 26, 2015 informational presentation; and
- WHEREAS, Pier 31 1/2 is part of the Northeast Waterfront area and retail, food and beverage, and ferry service are allowed uses in such area under the Port's Waterfront Land Use Plan,; and
- WHEREAS, NPS developed an implementable vision for the project (the "Project") for Alcatraz ferry service and amenities within the bulkheads and portions of the sheds of Piers 31 and 33 and the Pier 31 ½ marginal wharf (the "Site"); and
- WHEREAS, The Site is currently operated for ferry service to Alcatraz Island and supporting food and beverage; the Project would expand existing uses to include a visitor contact station and ancillary retail uses, and
- WHEREAS, NPS has determined that a long-term embarkation site is desirable to improve the quality of the Alcatraz visitor experience; and
- WHEREAS, NPS has partnered with the Golden Gate National Parks Conservancy (the "Conservancy"), a local nonprofit dedicated to conservation of GGNRA lands through public education, historic interpretation, public access, and capital improvements, as part of its long-term plan for the Site; and
- WHEREAS, The Conservancy is a local nonprofit with a proven track record of developing and operating memorable and stimulating visitor experiences in nationally- and internationally-renowned destinations including Alcatraz Island cell house tours and Museum Store, Golden Gate Bridge Welcome Center, Crissy Field Center, and Lands End Visitor Center, among others; and
- WHEREAS, The shared vision of a unified visitor experience - from site entrance and orientation, to ferry embarkation, to Alcatraz Island and jailhouse –



requires specialized knowledge of and experience in historic interpretation and education, and

WHEREAS, As set forth in Administrative Code Section 2.6-1, the Board of Supervisors' policy is to approve only such proposed leases involving City property or facilities that departments have awarded to the highest responsible bidder under the competitive bidding procedures, except where competitive bidding is impractical or impossible; and

WHEREAS, Development of an embarkation site with access to Alcatraz Island, a visitor contact station and retail and food and beverage amenities presents an important opportunity to provide public serving, cultural, historic and other significant public benefits to the people of the City, the entire Bay Area region and beyond, including an opportunity for a significantly improved one-of-a-kind waterfront destination that will achieve public access objectives for the Site while adding an attractive mix of uses and destinations along the waterfront; and

WHEREAS, The achievement of the Port's goal of retaining the Alcatraz embarkation site and the benefits noted above on Port property requires negotiating directly with NPS and NPS's selected partner, the Conservancy; and,

WHEREAS, NPS and Port staff negotiated, on a sole source basis, a Term Sheet dated July 7, 2016 (the "Term Sheet"), which sets forth the essential terms upon which the Port and NPS would negotiate in good faith to reach agreement on a final agreement (the General Agreement or GA) regarding the Project leases that will be attached to the GA: a form lease with the NPS-selected concessioner for ferry service and a lease with the Conservancy for a visitor contact station, retail, and food and beverage uses; and

WHEREAS, On July 12, 2016, the Port Commission approved Resolution No. 16-30 endorsing the Term Sheet and authorizing the Executive Director of the Port to execute the Term Sheet and present the Term Sheet to the Board of Supervisors for its endorsement and a determination that the proposed Project is exempt from competitive bidding requirements pursuant to Administrative Code Section 2.6-1; and

WHEREAS, On November 29, 2106 the Board of Supervisors adopted Resolution No.497-16 endorsing the Term Sheet and exempting the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1; and

WHEREAS, The Port and NPS have negotiated a final GA regarding the Project and its associated lease attachments; and

- WHEREAS, The GA between the Port and NPS has a term of up to 50 years (30 years plus two 10-year options to extend) for the Alcatraz Island ferry embarkation site on Piers 31, 31½, and 33; and
- WHEREAS, The GA designates the Site as the long-term sole visitor contact station and ferry embarkation for public access to Alcatraz Island and outlines independent and joint obligations, such as NPS selecting and contracting for ferry concession services and the Port entering leases with NPS's selected operator(s) for ferry concessions and the Conservancy for visitor services and a café, and
- WHEREAS, The GA describes capital obligations of the ferry concessioner, the Conservancy, and the Port, and provides for clarity, cooperation and coordination throughout the term between the Port and NPS as further described in the June 7, 2018 Memorandum to the Port Commission that accompanied this Resolution (the "Memorandum"); and
- WHEREAS, NPS is solely responsible for selection of and contracting with operators for the ferry concession (the "Ferry Concession Contract") and Port has no role in the selection, solicitation, and/or award of a contract to a selected operator (a "Ferry Concessioner"); and
- WHEREAS, On January 18, 2018, the National Park Service (NPS) released a prospectus (the "Prospectus") soliciting proposals to operate Alcatraz passenger ferry service and associated services within Golden Gate National Recreation Area; and
- WHEREAS, As set forth in the Prospectus, the term of the new Ferry Concession Contract will be for fifteen (15) years and proposals are due in summer 2018; and
- WHEREAS, That in the support of the issuance of a timely and appropriate supplemental wage determination (the "Supplemental Wage Determination"), Port staff forwarded correspondence to the attention of the Department of Labor including publicly-available data on the current wages for relevant occupations at Port ferry operations; and
- WHEREAS, NPS published the Supplemental Wage Determination from the Department of Labor for commonly used labor classifications for a San Francisco passenger ferry operation (e.g. Master Captain, Senior Deckhand/Mate, Deckhand and Able-Bodied Seaman) and has amended the Prospectus with the Supplemental Wage Determination on May 21, 2018; and
- WHEREAS, The initial and each subsequent NPS prospectus for a Ferry Concession Contract must include as part of the information furnished in the

Prospectus a form lease (a "Ferry Concessioner Lease") prepared and approved by the Port that the Ferry Concessioner will be required to sign; and

WHEREAS, Under the GA, the Port agrees to enter into a Ferry Concessioner Lease for portions of the Site with the Initial Ferry Concessioner substantially in the form of the lease attached to the GA with no changes other than (A) changes agreed to by the Port and NPS in the sole discretion of each; and (B) to add new Laws and City Requirements effective as of the commencement date of the Ferry Concessioner Lease; and

WHEREAS, Subsequent Ferry Concession Leases will be prepared by Port based on the then-current Ferry Concessioner's Lease and the then-current standard terms and conditions in the Port's form lease for similar operations, including retail/maritime uses, and shall include all then-applicable City Requirements; and

WHEREAS, Each Ferry Concessioner will be required to pay monthly Base Rent for its premises, escalated annually, and

WHEREAS, In addition to Base Rent, the Ferry Concessioner shall pay monthly Percentage Rent on the difference between the Gross Revenue minus the NPS Concession Franchise Fee, but only to the extent that such amount exceeds Base Rent, and

WHEREAS, The NPS-selected Initial Ferry Concessioner must complete the following no later than the 5th anniversary date of the Ferry Concessioner Lease: waterside improvements, including new ferry barges, docks and associated infrastructure; Pier 31½ Marginal Wharf deck surface and visitor amenities; Pier 33 Shed visitor restrooms; Pier 31 bulkhead restrooms; interior improvements in the Pier 31 and Pier 33 Sheds; Pier 33 South Bulkhead Building ticketing area improvements; and demolition of a portion of the 2nd floor of the Pier 33 South Bulkhead Building and construction of a mezzanine area(together, the "Embarkation Site Improvements"); other material business terms are set forth in the attached Memorandum; and

WHEREAS, Upon completion of the Embarkation Site Improvements the Initial Ferry Concessioner shall be entitled to a rent credit in a maximum amount of \$2,520,000 for the Embarkation Site Improvements as generally described above and further set forth in the attached Memorandum; and

WHEREAS, Once the Embarkation Site Improvements are completed, certain portions of the property will be turned over to the Conservancy; and

- WHEREAS, Port and NPS agree that, in order to enhance the visitor experience, NPS selected the Conservancy to provide the interpretive retail and food and beverage services and other public amenities at the Site and as described above, the Board of Supervisors exempted the lease with the Conservancy from the City's competitive bidding policy; and
- WHEREAS, Port has negotiated a lease with the Conservancy for initial and potentially future site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a 30-year term with two 10-year options; and
- WHEREAS, The current sole source exemption under Board of Supervisors Resolution No.497-16 covers the initial thirty (30) year term of the Conservancy Lease, Port proposes to extend the sole source exemption for the two 10-year option periods because it will provide for continuing capital improvements to its premises and will continue to provide a cohesive visitor experience to the Site; and
- WHEREAS, The Conservancy will be required to pay monthly Base Rent, escalated annually, for its premises. In addition to Base Rent, the Conservancy shall pay monthly Percentage Rent on the amount by which Gross Revenues exceed Base Rent; other material business terms are set forth in the attached Memorandum; and
- WHEREAS, The Conservancy shall construct improvements including the build-out of the Pier 31 bulkhead café; and in a later phase the Pier 33 visitor contact station/interpretive retail center (together, the "Initial Tenant Improvements"); and
- WHEREAS, The Conservancy must complete the Initial Tenant Improvements no later than the first anniversary of each of the two phases, and upon completion the Conservancy shall be entitled to a rent credit of \$554,000 for the Initial Tenant Improvements as further described in the Memorandum; and
- WHEREAS, The entire Site is subject to the common law public trust for commerce, navigation and fisheries and the Burton Act statutory trust (collectively, the "Public Trust"); and
- WHEREAS, Use of Public Trust lands is generally limited to maritime commerce, navigation, fisheries, water-oriented recreation, including commercial facilities that must be located on or adjacent to water, and environmental stewardship and recreation, such as natural resource protection, wildlife habitat and study, and facilities for fishing, swimming, and boating; and
- WHEREAS, Ancillary or incidental uses that promote Public Trust uses or accommodate public enjoyment of Public Trust lands such as hotels,

restaurants, and visitor-serving retail are also permitted on Public Trust lands; and

- WHEREAS, The Project has been planned and designed to provide multiple Public Trust benefits delivered via development and use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public; and
- WHEREAS, A Preliminary Mitigated Negative Declaration (PMND) for the Project was prepared and published for public review on December 6, 2017; and
- WHEREAS, On December 27, 2017, an appeal of the decision to issue the Final Mitigated Negative Declaration (FMND) was filed within the 30-day public review period; and
- WHEREAS, The Planning Department prepared responses to Sausalito's comments, made minor revisions to the PMND and on February 22, 2018, the Planning Commission held a public hearing on the PMND and after consideration of the points raised by the appellant, both in writing and at the February 22, 2018 hearing, found that the contents of the PMND and the procedures through which the PMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") and finalized the PMND (the Final MND); and
- WHEREAS, The Planning Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission, and reaffirmed its conclusion that the Project could not have a significant effect upon the environment; and
- WHEREAS, On February 23, 2018, the Environmental Review Officer signed the FMND for the Project and the Final MND was issued in compliance with CEQA, the CEQA Guidelines and Chapter 31; and
- WHEREAS, the Planning Department, Jonas Ionin, is the custodian of records at 1650 Mission Street, Fourth Floor, San Francisco, California; and
- WHEREAS, Port staff prepared a Mitigation Measures and Improvement Measures Monitoring and Reporting Program (MMRP), which material was made available to the public and this Commission for this Commission's review, consideration and action; and now, therefore be it

- RESOLVED, That retaining the high-revenue generating, maritime Alcatraz embarkation use on Port property is a priority for economic and visibility reasons, with no similar use able to attract the number of visitors and economic activity generated by the internationally-known Alcatraz Island; and be it further
- RESOLVED, That the Board of Supervisors exempted the Project from the competitive bidding policy set forth in Administrative Code, Section 2.6-1, including (1) a lease for ferry service to Alcatraz Island with a future concessioner selected by NPS and (2) a lease with the Golden Gate National Parks Conservancy; and be it further
- RESOLVED, That Port Commission directs staff to seek a determination that the entire term of the Conservancy Lease, including the two extension options are exempt from competitive bidding requirements pursuant to Administrative Code, Section 2.6-1; and be it further
- RESOLVED, That subject to Board of Supervisors' approval, the Port Commission approves the GA between the Port and NPS that designates the Site as the long term sole visitor contact station and ferry embarkation for public access to Alcatraz Island on the terms further described in the Memorandum; and be it further
- RESOLVED, That the Port Commission approves the form of lease for the Initial Ferry Concessioner substantially in the form of the lease attached to the GA as further described in the Memorandum with no changes other than (A) changes agreed to by the Port and NPS in the sole discretion of each; and (B) to add new Laws and City Requirements effective as of the commencement date of the Lease; and be it further
- RESOLVED, If space within the Site is not available, Port may allow the Initial Ferry Concessioner to use additional space under a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule; provided that, Port agrees to waive the requirement to pay rent for up to 3,000 square feet of space for up to two (2) years during construction of the Embarkation Site Improvements; and be it further
- RESOLVED, The Port Commission authorizes Port staff to prepare and execute leases for portions of the Site with subsequent Ferry Concessioners selected by NPS based on the then-current Ferry Concessioner's Lease and the then-current standard terms and conditions in the Port's form lease for similar operations, including retail/maritime uses, which shall include all then-applicable City Requirements; and be it further

RESOLVED, Each Ferry Concessioner shall have a one-time right of first refusal to use specified, additional aprons in the Water Basin, as available and appropriate for such use, for lay berthing subject to the Ferry Concessioner entering into a Port license or other agreement subject to Port's standard terms and conditions for such agreements and payment of rent as specified in the then-current published Port Commission-approved rental rate schedule for a term that may exceed five years but may not exceed the term of the associated Ferry Concessioner Lease; and be it further

RESOLVED, That, subject to Board of Supervisors' approval, the Port Commission approves the Conservancy Lease for initial and ongoing site improvements and to operate visitor amenities including a visitor contact station and café consistent with the GA for a thirty (30) year term with two (2) ten (10) year options as further described in the Memorandum; and be it further

RESOLVED, That the Port Commission has reviewed and considered the FMND and the record as a whole, finds that the FMND is adequate for its use as the decision-making body for the Project, that there is no substantial evidence that the Project will have a significant effect on the environment with the adoption of the measures contained in the MMRP to avoid potentially significant environmental effects associated with the Project, and hereby adopts the FMND; and be it further

RESOLVED, That the Port Commission hereby adopts the FMND and the MMRP attached hereto as Attachment A and incorporated herein as part of this Resolution by this reference thereto and all required mitigation measures identified in the FMND and contained in the MMRP will be included in the lease between the Port and each successive Ferry Concessioner and the Port and the Conservancy; and be it further

RESOLVED, That the Port Commission finds that the Project, including the GA and leases is consistent with the Public Trust in that the Project will provide multiple Public Trust benefits delivered via use of the Site as a long-term home for Alcatraz ferry and other maritime excursions, with various visitor-serving amenities including public access space and uses, an interpretive retail center and a restaurant/café serving Alcatraz ferry passengers as well as the general public; and be it further

RESOLVED, That, upon approval by the Board of Supervisors as described above, the Port Commission authorizes the Executive Director of the Port, or her designee, to execute the GA, initial Ferry Concession Lease, successive Ferry Concession Leases and the Conservancy Lease; and be it further

RESOLVED, That the Port Commission authorizes the Executive Director of the Port, or her designee, to enter into any amendments or modifications to the General Agreement, initial Ferry Concession Lease, successive Ferry Concession leases and the Conservancy lease and to exercise associated extension options that the Executive Director determines, in consultation with the City Attorney, are in the best interests of the Port, do not materially decrease the benefits to or materially increase the obligations or liabilities of the Port, and are in compliance with all applicable laws and are necessary and advisable to complete the transaction and effectuate the purpose and intent of this Resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of any such documents.

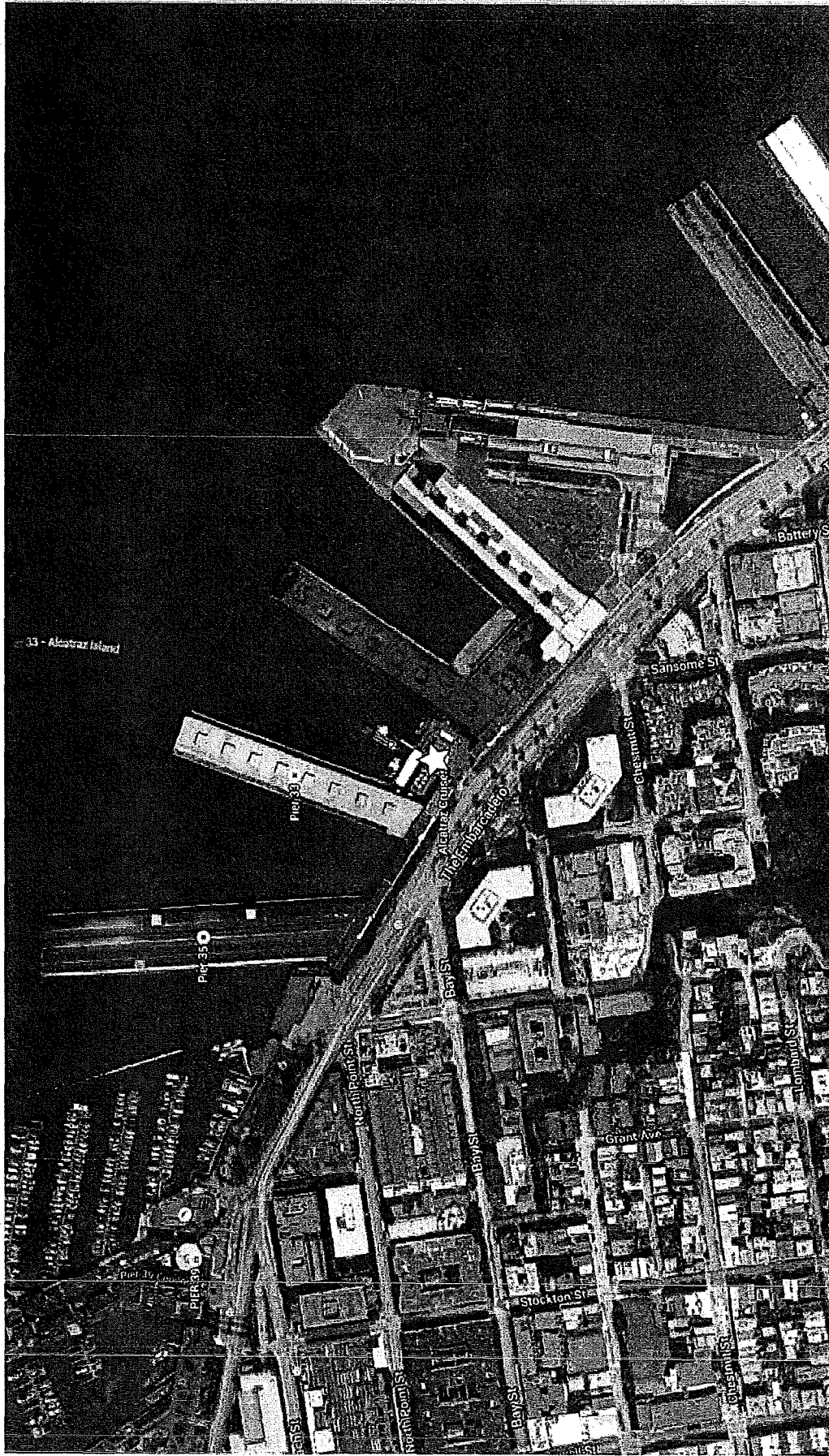
***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 12, 2018.***

---

**Secretary**



Exhibit A: Site Aerial Map



Alcatraz Embarkation Site indicated by star

## Exhibit B: Parcel Maps

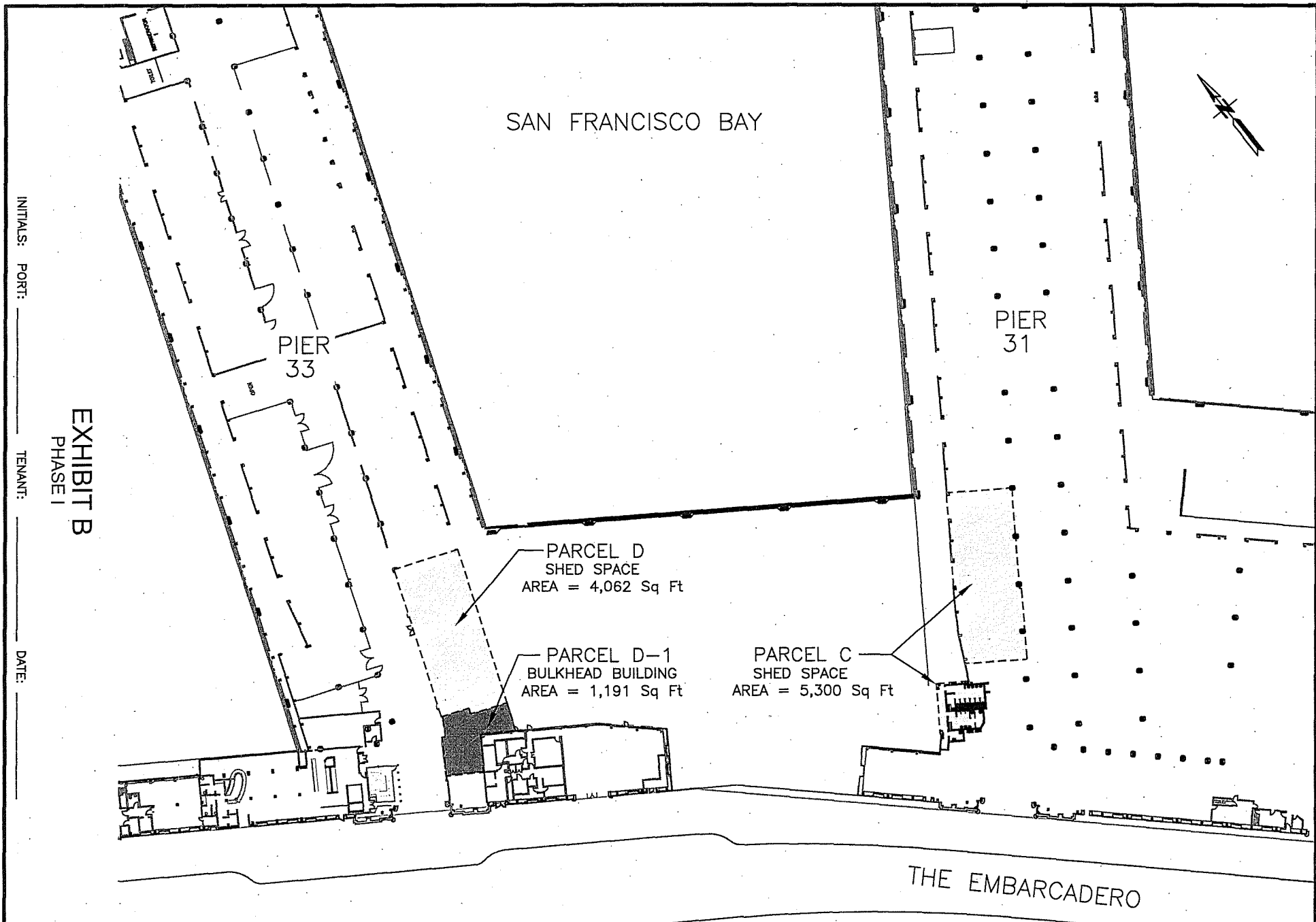



EXHIBIT B  
PHASE I

INITIALS: PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

LEASE NO.  L-16273	 <div>SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING</div>	TENANT  NPS FERRY CONCESSIONER  PHASE I	<table><tr><td>DRAWN BY: J. DOMINGUEZ</td><td>DATE: NOV. 28th, 2017</td></tr><tr><td>CHECKED BY: J. EDWARDS</td><td>SCALE: 1" = 80'</td></tr><tr><td>PLACE CODE NO.  1335-00</td><td>SHEET NO.  OF SHEETS</td></tr></table>	DRAWN BY: J. DOMINGUEZ	DATE: NOV. 28th, 2017	CHECKED BY: J. EDWARDS	SCALE: 1" = 80'	PLACE CODE NO.  1335-00	SHEET NO.  OF SHEETS
DRAWN BY: J. DOMINGUEZ	DATE: NOV. 28th, 2017								
CHECKED BY: J. EDWARDS	SCALE: 1" = 80'								
PLACE CODE NO.  1335-00	SHEET NO.  OF SHEETS								

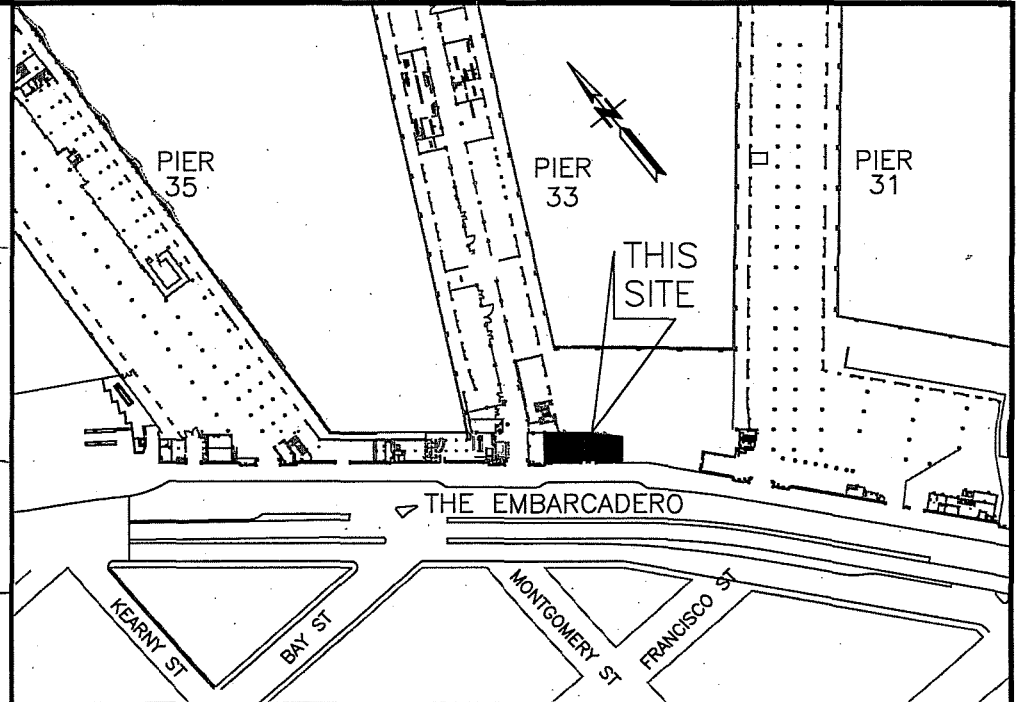
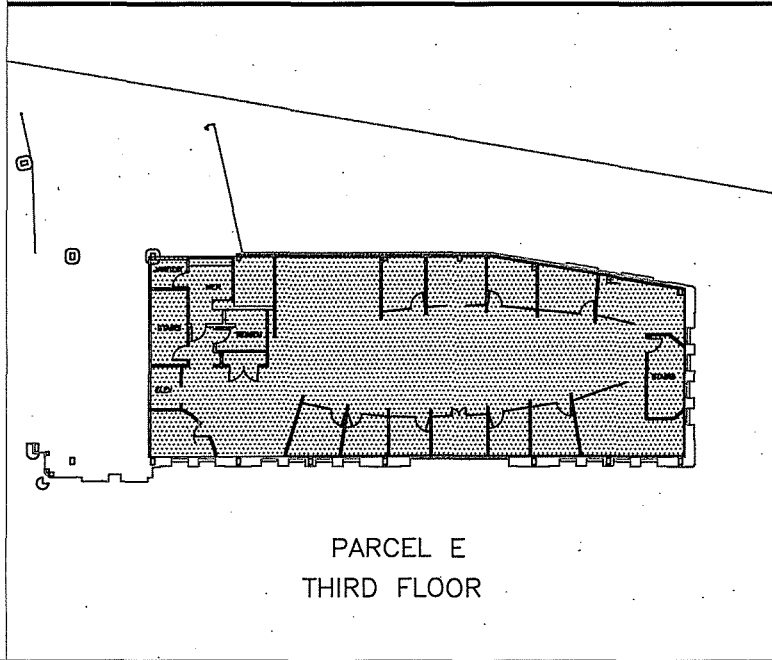
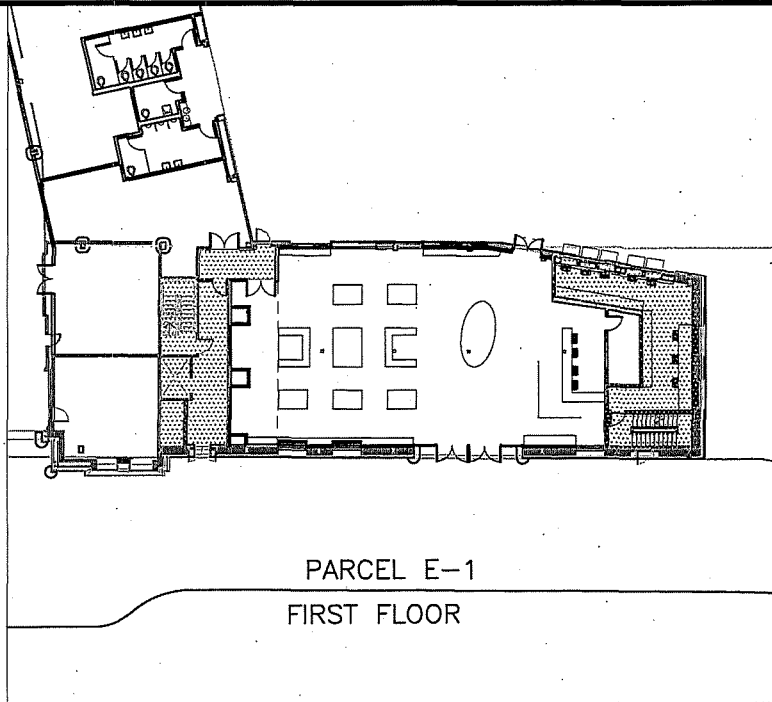
INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

## PHASE III - FINAL PIER 33 SOUTH BULKHEAD PREMISES

## EXHIBIT B-2

LOCATION PLAN  
NO SCALE

## PIER 33 SOUTH BULKHEAD

PARCEL E-1  
FIRST FLOOR = 1,382 Sq Ft

PARCEL E  
THIRD FLOOR = 4,612 Sq Ft

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY PHASE  
CONCESSIONER III

DRAWN BY: J. DOMINGUEZ

DATE: NOV. 28, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 40'

PLACE CODE NO.

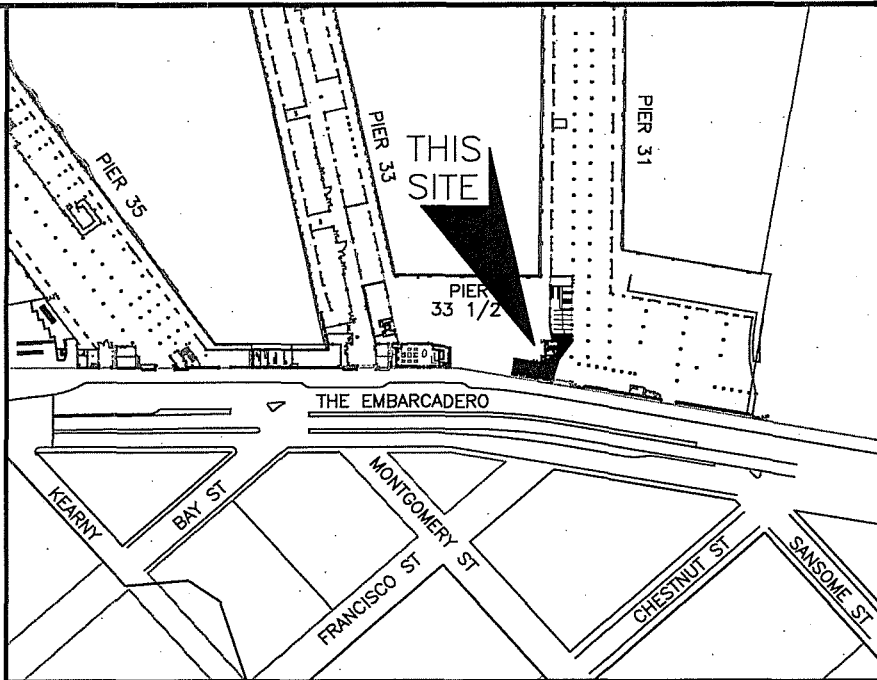
1335-00

SHEET NO.

OF SHEETS

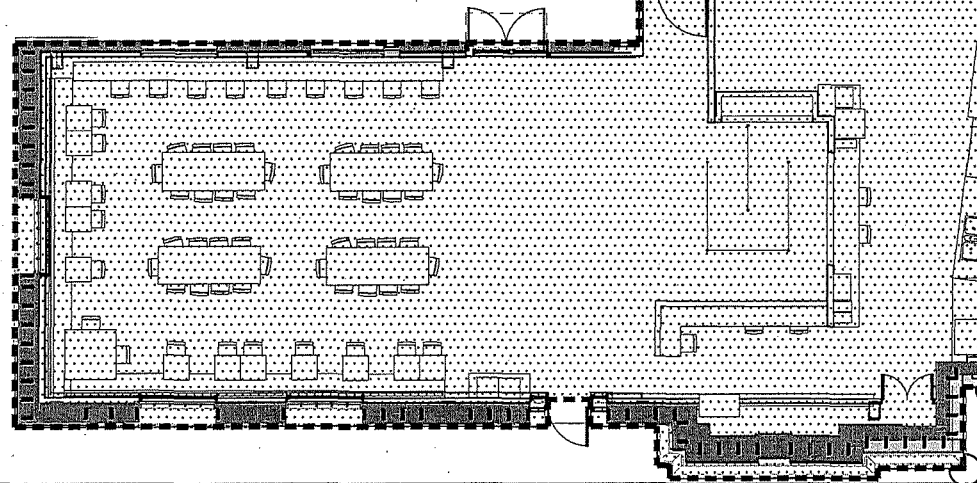
INITIALS: PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

**EXHIBIT B**  
**PHASE I**

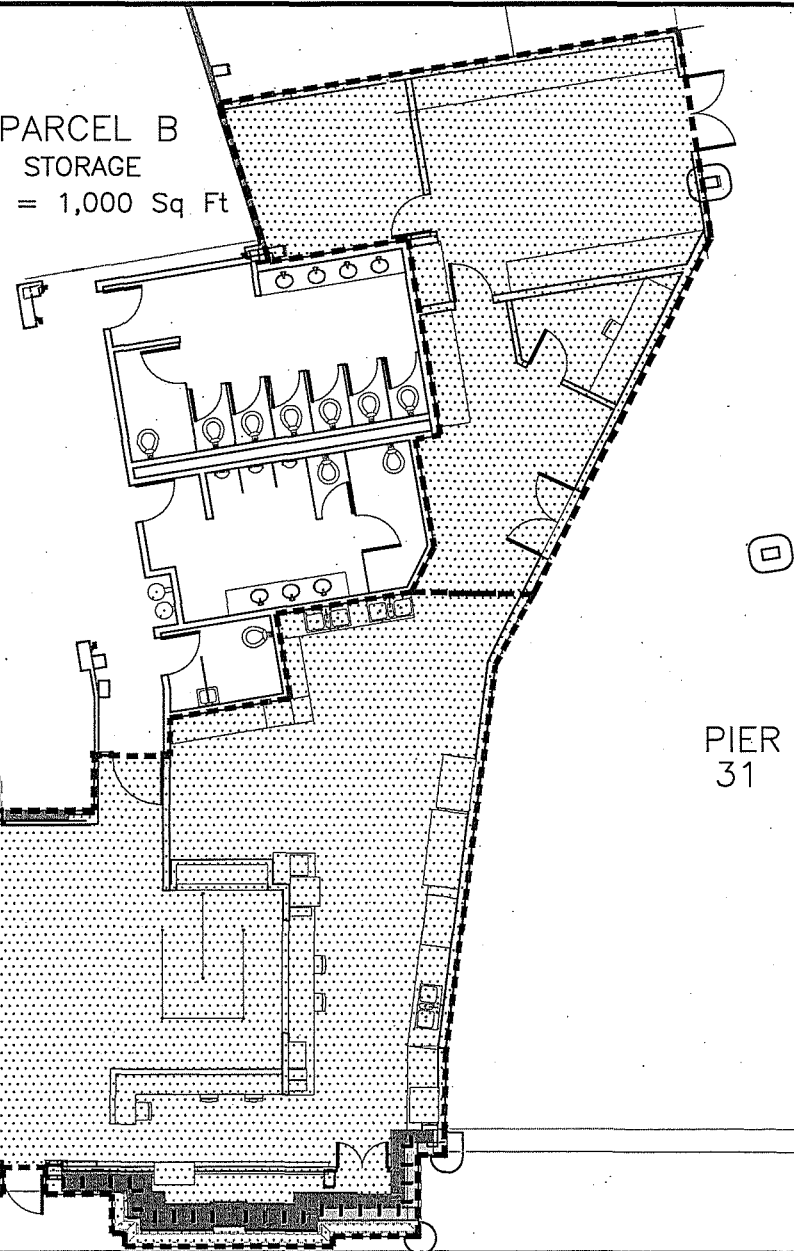


LOCATION PLAN  
NO SCALE

PARCEL A  
CAFE/ KITCHEN  
AREA = 2,760 Sq Ft



PARCEL B  
STORAGE  
AREA = 1,000 Sq Ft



THE EMBARCADERO

LEASE NO.

L-16274



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

GOLDEN GATE NATIONAL  
PARKS CONSERVANCY

PHASE  
I

DRAWN BY: J. DOMINGUEZ

DATE: NOV. 28th, 2017

CHECKED BY: J. EDWARDS

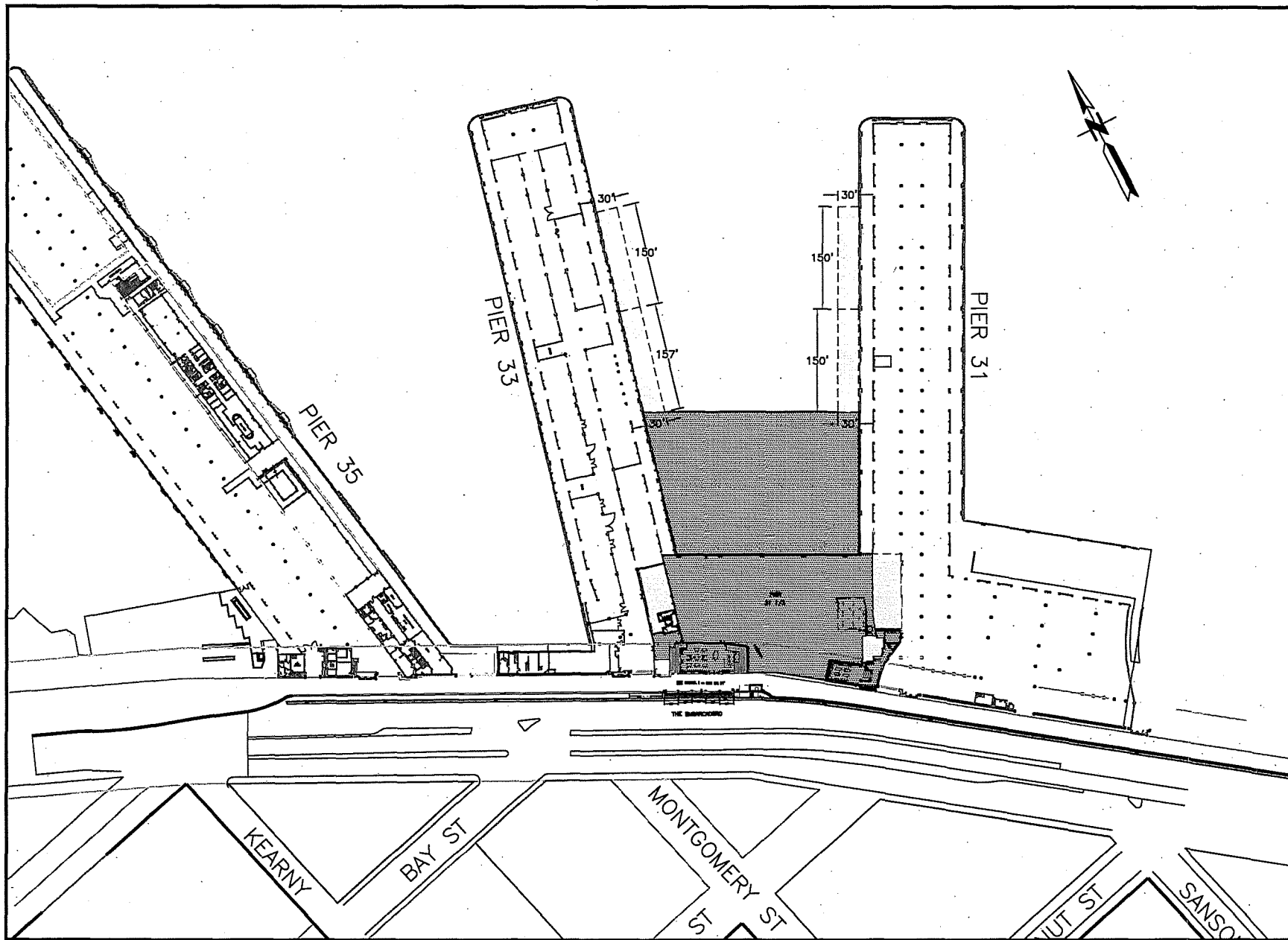
SCALE: 1" = 15'

PLACE CODE NO.

1335-00

SHEET NO.


OF SHEETS



# EXHIBIT A

INITIALS: PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

APPROVED BY  
SAN FRANCISCO PORT COMMISSION  
DATE \_\_\_\_\_  
CHIEF HARBOR ENGINEER

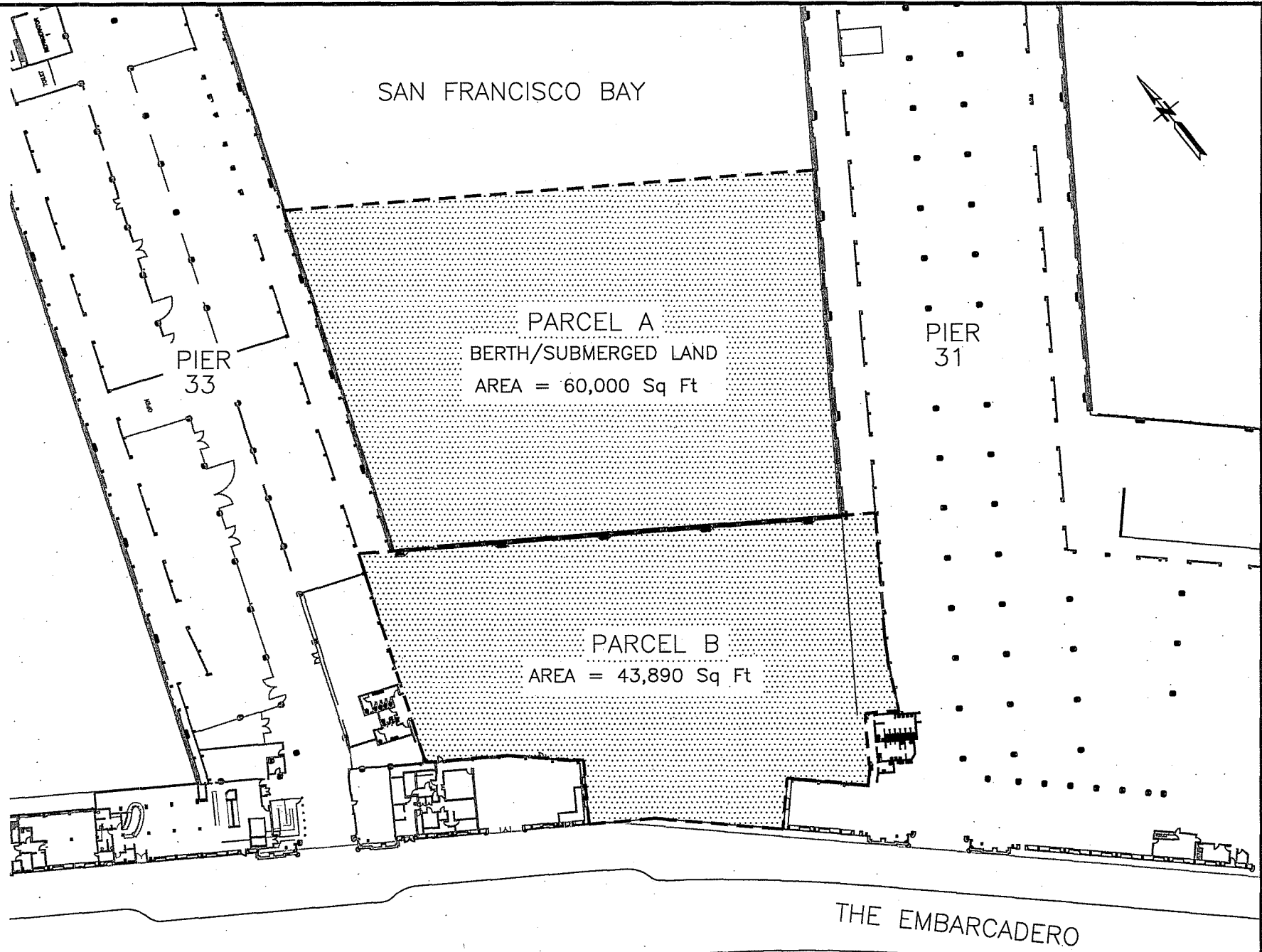
 SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

## ALCATRAZ LANDING VICINITY MAP


DRAWN BY : J. DOMINGUEZ	DATE: JULY 26TH 2017
CHECKED BY : J. EDWARDS	SCALE : 1"=200'
DRAWING NO.	SHEET NO.
	OF SHEETS

INITIALS: PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

EXHIBIT B  
PHASE I



LEASE NO.  
L-16273

 **SAN FRANCISCO PORT COMMISSION**  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

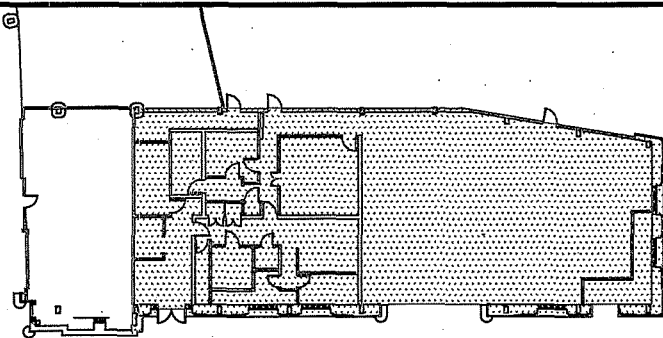
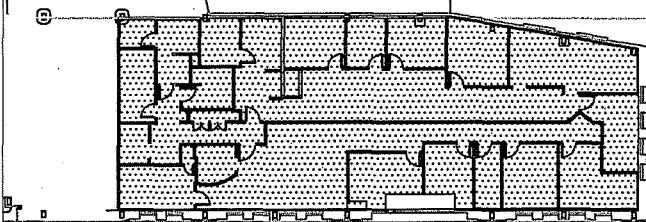
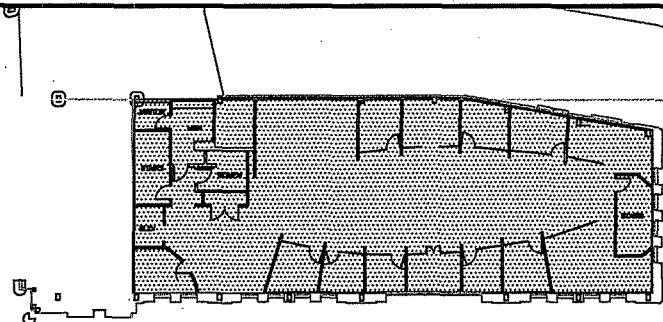
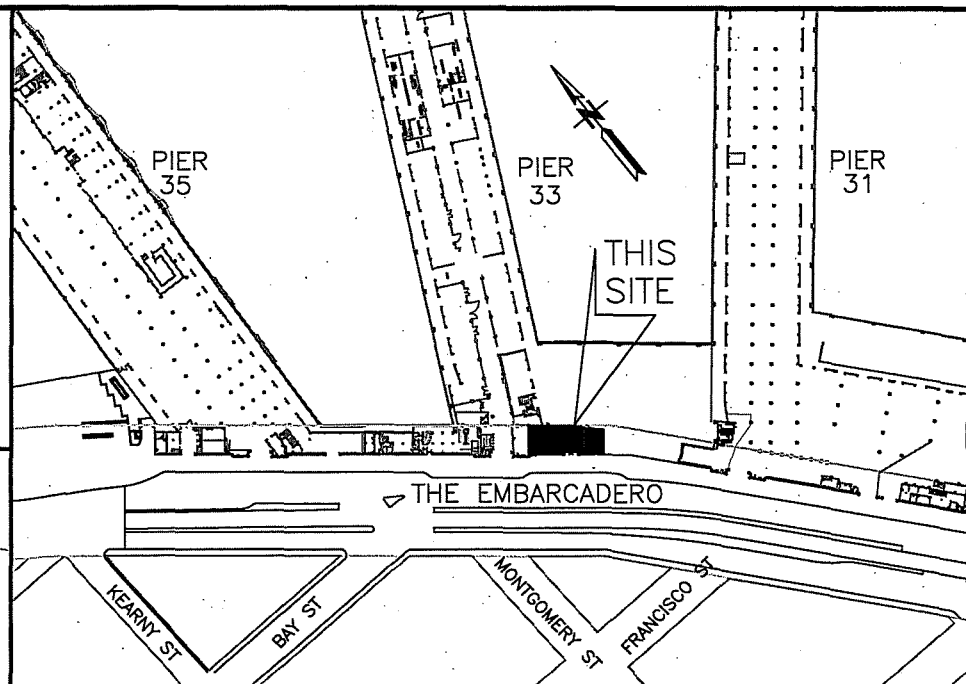
TENANT  
**NPS FERRY  
CONCESSIONER** PHASE  
I

DRAWN BY: J. DOMINGUEZ	DATE: JULY 26th, 2017
CHECKED BY: J. EDWARDS	SCALE: 1" = 80'
PLACE CODE NO. 1335-00	SHEET NO. OF SHEETS

INITIALS: PORT:

TENANT:

DATE:

EXHIBIT B-1  
PHASE IIPARCEL E  
FIRST FLOORPARCEL F  
SECOND FLOORPARCEL G  
THIRD FLOORLOCATION PLAN  
NO SCALE

## PIER 33 SOUTH BULKHEAD

PARCEL E  
FIRST FLOOR = 4,612 Sq Ft

PARCEL F  
SECOND FLOOR = 4,555 Sq Ft

PARCEL G  
THIRD FLOOR = 4,612 Sq Ft

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY PHASE  
CONCESSIONER II

DRAWN BY: J. DOMINGUEZ

DATE: NOV. 28, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 40'

PLACE CODE NO.

1335-00

SHEET NO.

OF SHEETS

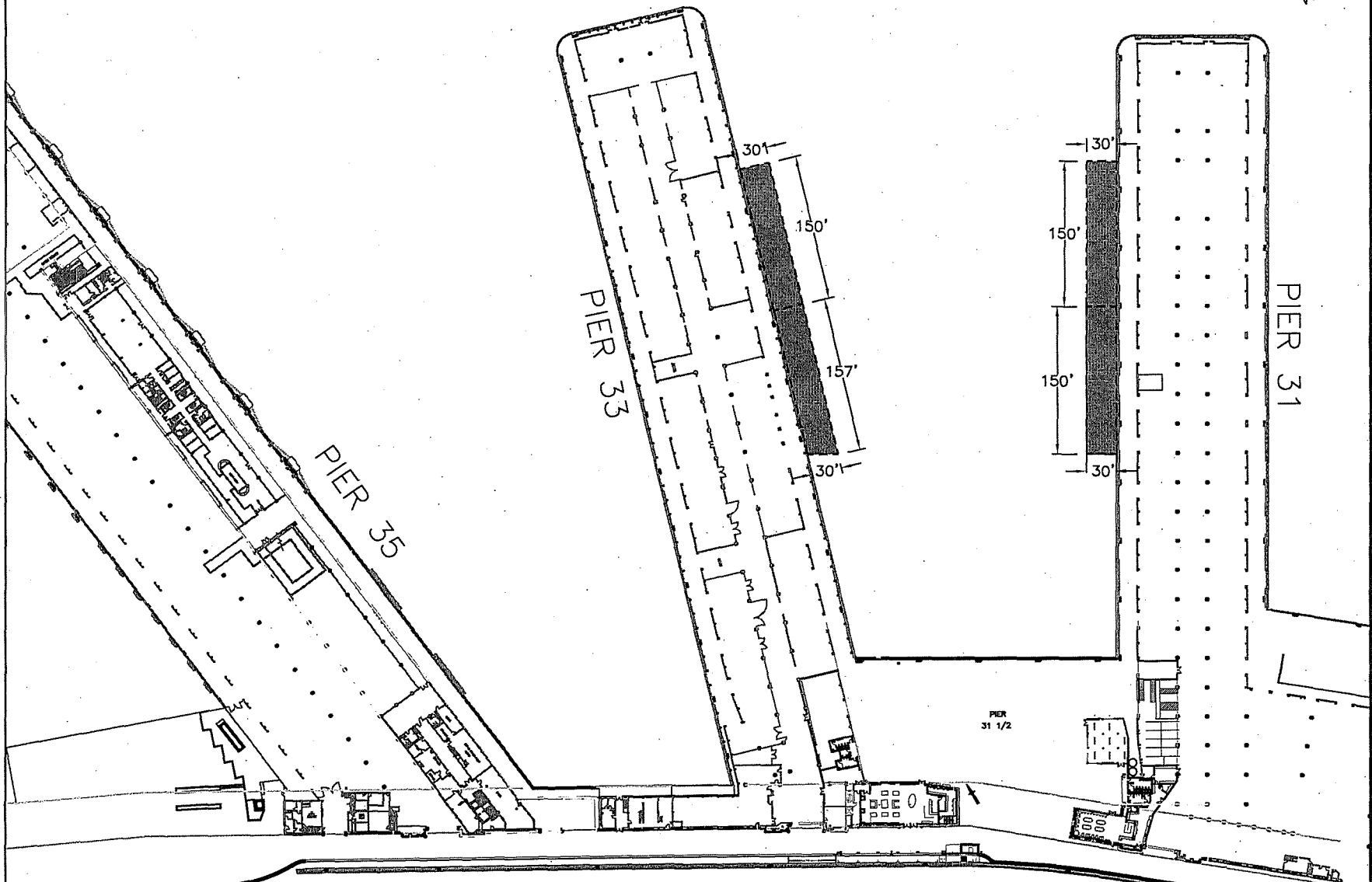


# PIER 31 North & 33 South BERTHING

■ PARCEL J BERTHING = 18,105 Sq Ft



EXHIBIT B-3



INITIALS: \_\_\_\_\_ PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

LEASE NO.

L-16723



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER

DRAWN BY: J. DOMINGUEZ

DATE: DEC. 07, 2017

CHECKED BY: J. EDWARDS

SCALE: 1"=150'

PLACE CODE NO.

1234-56

SHEET NO.

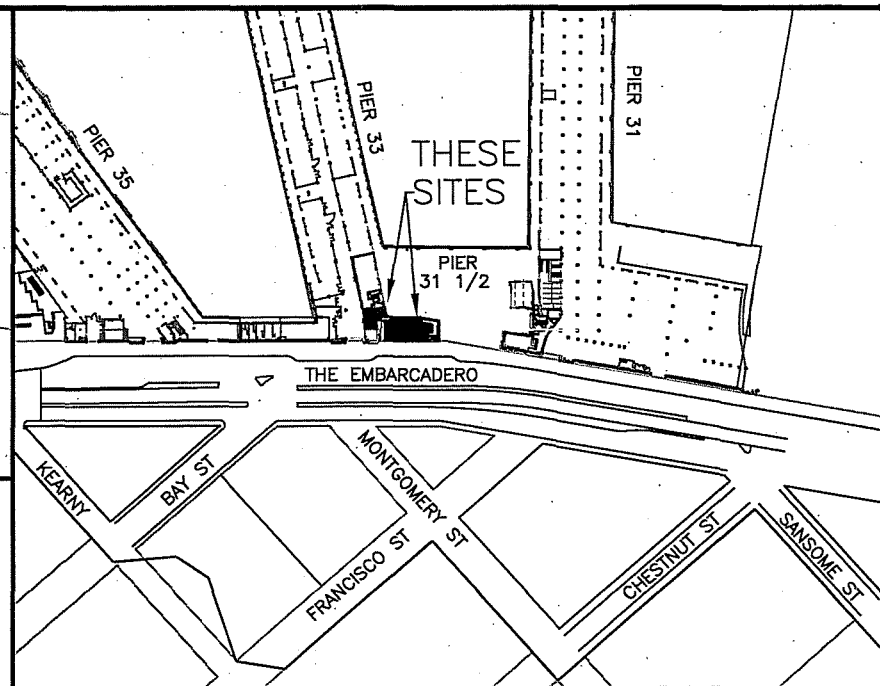
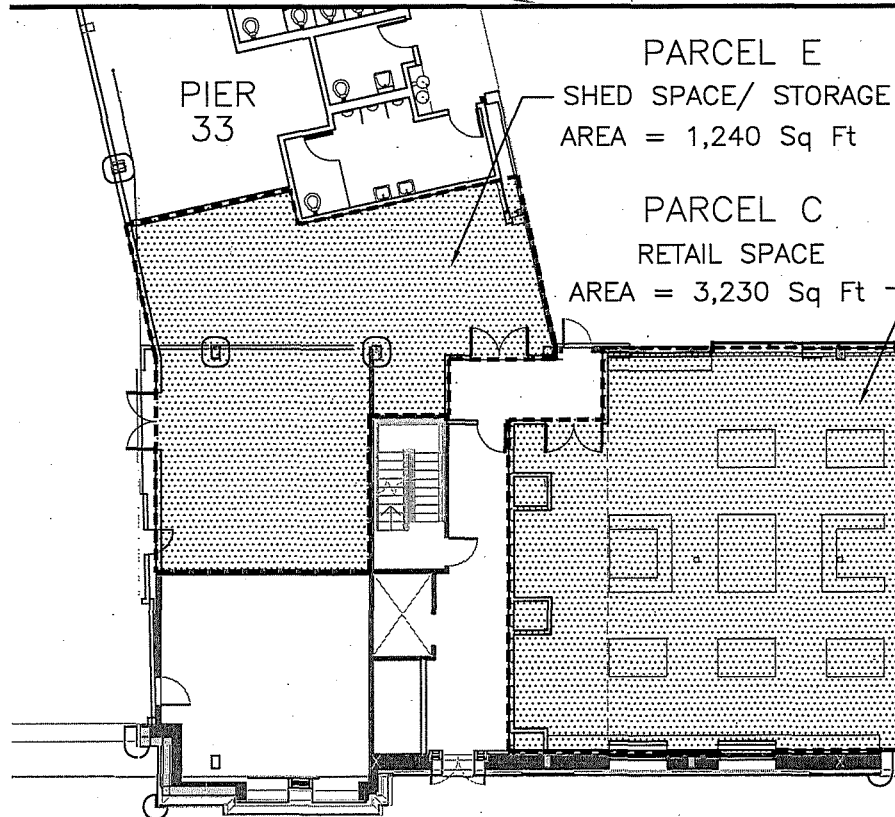
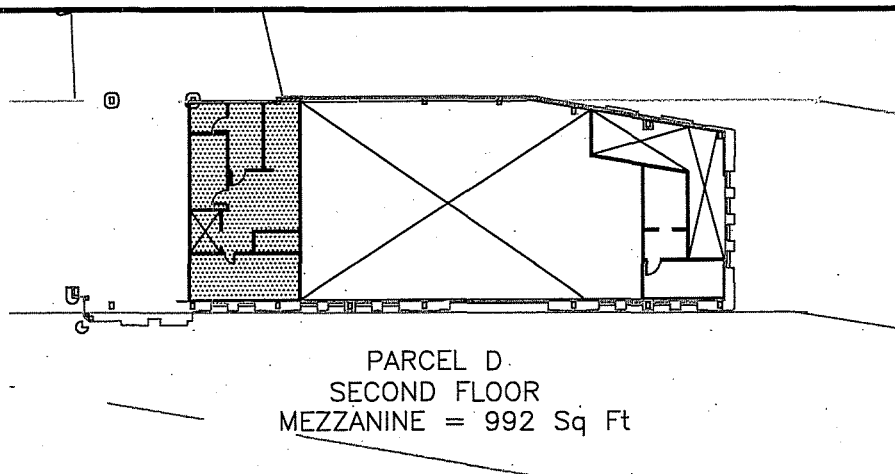
OF SHEETS

INITIALS: PORT:

TENANT:

DATE:

EXHIBIT B-1  
PHASE II



LOCATION PLAN  
NO SCALE



THE EMBARCADERO

LEASE NO.

L-16274



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

GOLDEN GATE NATIONAL PARKS CONSERVANCY PHASE II

DRAWN BY: J. DOMINGUEZ  
CHECKED BY: J. EDWARDS  
PLACE CODE NO.

DATE: DEC. 26th, 2017  
SCALE: 1" = 20'

1335-00

SHEET NO.

OF SHEETS

## Exhibit C: Updated Wage Determination

201556379.txt

REGISTER OF WAGE DETERMINATIONS UNDER  
THE SERVICE CONTRACT ACT  
By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR  
EMPLOYMENT STANDARDS ADMINISTRATION  
WAGE AND HOUR DIVISION  
WASHINGTON D.C. 20210

Daniel W. Simms  
Director

Division of  
Wage Determinations

Wage Determination No.: 2015-5637  
Revision No.: 9  
Date Of Last Revision: 05/17/2018

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts)

State: California

Area: California Counties of San Francisco, San Mateo

OCCUPATION NOTE:

Janitor: The rate listed on this WD for the "Janitor" occupation applies only to San Mateo county. Please refer to WD 1974-1257 to obtain the wage rate and fringe benefits applicable to the "Janitor" occupation in San Francisco County.

**\*\*Fringe Benefits Required Follow the Occupational Listing\*\***

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		21.07
01012 - Accounting Clerk II		23.66
01013 - Accounting Clerk III		26.47
01020 - Administrative Assistant		36.84
01035 - Court Reporter		37.17
01041 - Customer Service Representative I		19.06
01042 - Customer Service Representative II		21.43
01043 - Customer Service Representative III		23.38
01051 - Data Entry Operator I		16.07
01052 - Data Entry Operator II		17.54
01060 - Dispatcher, Motor Vehicle		29.13
01070 - Document Preparation Clerk		17.31
01090 - Duplicating Machine Operator		17.31
01111 - General Clerk I		16.87
01112 - General Clerk II		18.40
01113 - General Clerk III		20.66
01120 - Housing Referral Assistant		28.83
01141 - Messenger Courier		17.18
01191 - Order Clerk I		19.22
01192 - Order Clerk II		20.98
01261 - Personnel Assistant (Employment) I		20.61
01262 - Personnel Assistant (Employment) II		23.06
01263 - Personnel Assistant (Employment) III		25.70

01270 - Production Control Clerk	28.11
01290 - Rental Clerk	19.43
01300 - Scheduler, Maintenance	23.30
01311 - Secretary I	23.30
01312 - Secretary II	25.86
01313 - Secretary III	28.83
01320 - Service Order Dispatcher	28.67
01410 - Supply Technician	36.84
01420 - Survey Worker	26.04
01460 - Switchboard Operator/Receptionist	17.88
01531 - Travel Clerk I	15.41
01532 - Travel Clerk II	17.34
01533 - Travel Clerk III	19.53
01611 - Word Processor I	22.83
01612 - Word Processor II	25.64
01613 - Word Processor III	28.68
05000 - Automotive Service Occupations	
05005 - Automobile Body Repairer, Fiberglass	28.95
05010 - Automotive Electrician	24.75
05040 - Automotive Glass Installer	22.15
05070 - Automotive Worker	24.75
05110 - Mobile Equipment Servicer	21.54
05130 - Motor Equipment Metal Mechanic	25.85
05160 - Motor Equipment Metal Worker	23.66
05190 - Motor Vehicle Mechanic	25.64
05220 - Motor Vehicle Mechanic Helper	20.21
05250 - Motor Vehicle Upholstery Worker	22.61
05280 - Motor Vehicle Wrecker	23.66
05310 - Painter, Automotive	24.75
05340 - Radiator Repair Specialist	23.66
05370 - Tire Repairer	18.14
05400 - Transmission Repair Specialist	25.85
07000 - Food Preparation And Service Occupations	
07010 - Baker	18.24
07041 - Cook I	17.11
07042 - Cook II	20.06
07070 - Dishwasher	13.31
07130 - Food Service Worker	14.20
07210 - Meat Cutter	19.15
07260 - Waiter/Waitress	14.32
09000 - Furniture Maintenance And Repair Occupations	
09010 - Electrostatic Spray Painter	22.47
09040 - Furniture Handler	16.69
09080 - Furniture Refinisher	24.00
09090 - Furniture Refinisher Helper	19.60
09110 - Furniture Repairer, Minor	21.31
09130 - Upholsterer	23.25
11000 - General Services And Support Occupations	
11030 - Cleaner, Vehicles	14.27
11060 - Elevator Operator	14.89
11090 - Gardener	24.32
11122 - Housekeeping Aide	14.89
11150 - Janitor	14.89
11210 - Laborer, Grounds Maintenance	18.72
11240 - Maid or Houseman	18.74
11260 - Pruner	17.19
11270 - Tractor Operator	22.48
11330 - Trail Maintenance Worker	18.72
11360 - Window Cleaner	16.07
12000 - Health Occupations	
12010 - Ambulance Driver	23.48
12011 - Breath Alcohol Technician	27.11
12012 - Certified Occupational Therapist Assistant	37.17

(see 1).

12015 - Certified Physical Therapist Assistant	35.41
12020 - Dental Assistant	24.75
12025 - Dental Hygienist	55.44
12030 - EKG Technician	40.40
12035 - Electroneurodiagnostic Technologist	40.40
12040 - Emergency Medical Technician	23.48
12071 - Licensed Practical Nurse I	24.22
12072 - Licensed Practical Nurse II	27.11
12073 - Licensed Practical Nurse III	30.22
12100 - Medical Assistant	23.27
12130 - Medical Laboratory Technician	29.72
12160 - Medical Record Clerk	23.26
12190 - Medical Record Technician	26.02
12195 - Medical Transcriptionist	27.36
12210 - Nuclear Medicine Technologist	60.74
12221 - Nursing Assistant I	16.15
12222 - Nursing Assistant II	18.16
12223 - Nursing Assistant III	19.81
12224 - Nursing Assistant IV	22.24
12235 - Optical Dispenser	25.61
12236 - Optical Technician	24.22
12250 - Pharmacy Technician	24.67
12280 - Phlebotomist	23.68
12305 - Radiologic Technologist	50.59
12311 - Registered Nurse I	43.85
12312 - Registered Nurse II	53.66
12313 - Registered Nurse II, Specialist	53.66
12314 - Registered Nurse III	64.90
12315 - Registered Nurse III, Anesthetist	64.90
12316 - Registered Nurse IV	77.80
12317 - Scheduler (Drug and Alcohol Testing)	34.02
12320 - Substance Abuse Treatment Counselor	23.67
13000 - Information And Arts Occupations	
13011 - Exhibits Specialist I	25.70
13012 - Exhibits Specialist II	31.84
13013 - Exhibits Specialist III	38.94
13041 - Illustrator I	29.12
13042 - Illustrator II	36.07
13043 - Illustrator III	44.12
13047 - Librarian	39.95
13050 - Library Aide/Clerk	22.28
13054 - Library Information Technology Systems Administrator	36.10
13058 - Library Technician	28.71
13061 - Media Specialist I	26.03
13062 - Media Specialist II	29.12
13063 - Media Specialist III	32.46
13071 - Photographer I	22.43
13072 - Photographer II	25.09
13073 - Photographer III	31.05
13074 - Photographer IV	38.02
13075 - Photographer V	45.99
13090 - Technical Order Library Clerk	23.47
13110 - Video Teleconference Technician	25.63
14000 - Information Technology Occupations	
14041 - Computer Operator I	19.80
14042 - Computer Operator II	22.18
14043 - Computer Operator III	24.69
14044 - Computer Operator IV	27.43
14045 - Computer Operator V	30.39
14071 - Computer Programmer I	(see 2)
14072 - Computer Programmer II	(see 2)
14073 - Computer Programmer III	(see 2)

14074 - Computer Programmer IV	(see 2)	
14101 - Computer Systems Analyst I	(see 2)	
14102 - Computer Systems Analyst II	(see 2)	
14103 - Computer Systems Analyst III	(see 2)	
14150 - Peripheral Equipment Operator		19.80
14160 - Personal Computer Support Technician		27.43
14170 - System Support Specialist		40.89
15000 - Instructional Occupations		
15010 - Aircrew Training Devices Instructor (Non-Rated)		39.10
15020 - Aircrew Training Devices Instructor (Rated)		47.30
15030 - Air Crew Training Devices Instructor (Pilot)		56.69
15050 - Computer Based Training Specialist / Instructor		39.10
15060 - Educational Technologist		35.06
15070 - Flight Instructor (Pilot)		56.69
15080 - Graphic Artist		35.46
15085 - Maintenance Test Pilot, Fixed, Jet/Prop		56.69
15086 - Maintenance Test Pilot, Rotary Wing		56.69
15088 - Non-Maintenance Test/Co-Pilot		56.69
15090 - Technical Instructor		33.03
15095 - Technical Instructor/Course Developer		40.40
15110 - Test Proctor		26.67
15120 - Tutor		26.67
16000 - Laundry, Dry-Cleaning, Pressing And Related Occupations		
16010 - Assembler		15.65
16030 - Counter Attendant		15.65
16040 - Dry Cleaner		17.89
16070 - Finisher, Flatwork, Machine		15.65
16090 - Presser, Hand		15.65
16110 - Presser, Machine, Drycleaning		15.65
16130 - Presser, Machine, Shirts		15.65
16160 - Presser, Machine, Wearing Apparel, Laundry		15.65
16190 - Sewing Machine Operator		18.64
16220 - Tailor		19.38
16250 - Washer, Machine		16.40
19000 - Machine Tool Operation And Repair Occupations		
19010 - Machine-Tool Operator (Tool Room)		27.63
19040 - Tool And Die Maker		32.59
21000 - Materials Handling And Packing Occupations		
21020 - Forklift Operator		19.56
21030 - Material Coordinator		28.11
21040 - Material Expediter		28.11
21050 - Material Handling Laborer		16.69
21071 - Order Filler		15.60
21080 - Production Line Worker (Food Processing)		19.56
21110 - Shipping Packer		18.62
21130 - Shipping/Receiving Clerk		18.62
21140 - Store Worker I		15.84
21150 - Stock Clerk		21.80
21210 - Tools And Parts Attendant		19.56
21410 - Warehouse Specialist		19.56
23000 - Mechanics And Maintenance And Repair Occupations		
23010 - Aerospace Structural welder		36.92
23019 - Aircraft Logs and Records Technician		29.71
23021 - Aircraft Mechanic I		35.11
23022 - Aircraft Mechanic II		36.92
23023 - Aircraft Mechanic III		38.48
23040 - Aircraft Mechanic Helper		25.65
23050 - Aircraft, Painter		33.06
23060 - Aircraft Servicer		29.71
23070 - Aircraft Survival Flight Equipment Technician		33.06
23080 - Aircraft Worker		31.53
23091 - Aircrew Life Support Equipment (ALSE) Mechanic		31.53

23092 - Aircrew Life Support Equipment (ALSE) Mechanic II	35.11
23110 - Appliance Mechanic	22.85
23120 - Bicycle Repairer	22.47
23125 - Cable Splicer	32.68
23130 - Carpenter, Maintenance	31.52
23140 - Carpet Layer	31.96
23160 - Electrician, Maintenance	49.53
23181 - Electronics Technician Maintenance I	30.54
23182 - Electronics Technician Maintenance II	32.27
23183 - Electronics Technician Maintenance III	34.02
23260 - Fabric Worker	26.60
23290 - Fire Alarm System Mechanic	26.76
23310 - Fire Extinguisher Repairer	25.84
23311 - Fuel Distribution System Mechanic	32.68
23312 - Fuel Distribution System Operator	25.84
23370 - General Maintenance Worker	26.76
23380 - Ground Support Equipment Mechanic	35.11
23381 - Ground Support Equipment Servicer	29.71
23382 - Ground Support Equipment Worker	31.53
23391 - Gunsmith I	25.84
23392 - Gunsmith II	29.34
23393 - Gunsmith III	32.68
23410 - Heating, Ventilation And Air-Conditioning Mechanic	29.47
23411 - Heating, Ventilation And Air Contidioning Mechanic (Research Facility)	30.98
23430 - Heavy Equipment Mechanic	35.90
23440 - Heavy Equipment Operator	39.20
23460 - Instrument Mechanic	34.64
23465 - Laboratory/Shelter Mechanic	31.00
23470 - Laborer	16.00
23510 - Locksmith	26.95
23530 - Machinery Maintenance Mechanic	37.64
23550 - Machinist, Maintenance	29.58
23580 - Maintenance Trades Helper	18.69
23591 - Metrology Technician I	34.64
23592 - Metrology Technician II	36.41
23593 - Metrology Technician III	37.95
23640 - Millwright	32.68
23710 - Office Appliance Repairer	23.08
23760 - Painter, Maintenance	30.54
23790 - Pipefitter, Maintenance	34.82
23810 - Plumber, Maintenance	34.44
23820 - Pneudraulic Systems Mechanic	32.68
23850 - Rigger	32.53
23870 - Scale Mechanic	29.34
23890 - Sheet-Metal Worker, Maintenance	36.39
23910 - Small Engine Mechanic	23.14
23931 - Telecommunications Mechanic I	32.99
23932 - Telecommunications Mechanic II	34.68
23950 - Telephone Lineman	32.39
23960 - Welder, Combination, Maintenance	32.75
23965 - Well Driller	32.68
23970 - Woodcraft Worker	32.68
23980 - Woodworker	25.84
24000 - Personal Needs Occupations	
24550 - Case Manager	21.06
24570 - Child Care Attendant	14.93
24580 - Child Care Center Clerk	18.99
24610 - Chore Aide	12.21
24620 - Family Readiness And Support Services Coordinator	21.06



24630 - Homemaker	21.06
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	47.33
25040 - Sewage Plant Operator	38.85
25070 - Stationary Engineer	47.33
25190 - Ventilation Equipment Tender	34.60
25210 - Water Treatment Plant Operator	38.85
27000 - Protective Service Occupations	
27004 - Alarm Monitor	31.63
27007 - Baggage Inspector	15.72
27008 - Corrections Officer	44.13
27010 - Court Security Officer	44.13
27030 - Detection Dog Handler	25.35
27040 - Detention Officer	44.13
27070 - Firefighter	44.13
27101 - Guard I	15.72
27102 - Guard II	25.35
27131 - Police Officer I	49.33
27132 - Police Officer II	54.83
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	17.45
28042 - Carnival Equipment Repairer	18.88
28043 - Carnival Worker	13.08
28210 - Gate Attendant/Gate Tender	21.94
28310 - Lifeguard	14.56
28350 - Park Attendant (Aide)	24.54
28510 - Recreation Aide/Health Facility Attendant	17.91
28515 - Recreation Specialist	30.40
28630 - Sports Official	19.54
28690 - Swimming Pool Operator	22.07
29000 - Stevedoring/Longshoremen Occupational Services	
29010 - Blocker And Bracer	35.21
29020 - Hatch Tender	35.21
29030 - Line Handler	35.21
29041 - Stevedore I	33.18
29042 - Stevedore II	37.21
30000 - Technical Occupations	
30010 - Air Traffic Control Specialist, Center (HFO) (see 3)	46.05
30011 - Air Traffic Control Specialist, Station (HFO) (see 3)	31.75
30012 - Air Traffic Control Specialist, Terminal (HFO) (see 3)	34.98
30021 - Archeological Technician I	24.86
30022 - Archeological Technician II	27.80
30023 - Archeological Technician III	34.44
30030 - Cartographic Technician	34.44
30040 - Civil Engineering Technician	34.84
30051 - Cryogenic Technician I	32.83
30052 - Cryogenic Technician II	36.26
30061 - Drafter/CAD Operator I	24.86
30062 - Drafter/CAD Operator II	27.80
30063 - Drafter/CAD Operator III	30.99
30064 - Drafter/CAD Operator IV	38.15
30081 - Engineering Technician I	18.90
30082 - Engineering Technician II	21.22
30083 - Engineering Technician III	23.73
30084 - Engineering Technician IV	29.40
30085 - Engineering Technician V	35.98
30086 - Engineering Technician VI	43.51
30090 - Environmental Technician	31.23
30095 - Evidence Control Specialist	29.65
30210 - Laboratory Technician	25.55
30221 - Latent Fingerprint Technician I	39.40
30222 - Latent Fingerprint Technician II	43.52
30240 - Mathematical Technician	35.89

201556379.txt

30361 - Paralegal/Legal Assistant I	23.52
30362 - Paralegal/Legal Assistant II	29.13
30363 - Paralegal/Legal Assistant III	35.65
30364 - Paralegal/Legal Assistant IV	43.11
30375 - Petroleum Supply Specialist	36.26
30390 - Photo-Optics Technician	35.89
30395 - Radiation Control Technician	36.26
30461 - Technical Writer I	29.33
30462 - Technical Writer II	35.87
30463 - Technical Writer III	43.40
30491 - Unexploded Ordnance (UXO) Technician I	29.27
30492 - Unexploded Ordnance (UXO) Technician II	35.41
30493 - Unexploded Ordnance (UXO) Technician III	42.44
30494 - Unexploded (UXO) Safety Escort	29.27
30495 - Unexploded (UXO) Sweep Personnel	29.27
30501 - Weather Forecaster I	35.81
30502 - Weather Forecaster II	43.55
30620 - Weather Observer, Combined Upper Air Or	(see 3) 30.99
Surface Programs	
30621 - Weather Observer, Senior	(see 3) 32.89
31000 - Transportation/Mobile Equipment Operation Occupations	
31010 - Airplane Pilot	35.41
31020 - Bus Aide	16.27
31030 - Bus Driver	22.62
31043 - Driver Courier	17.77
31260 - Parking and Lot Attendant	14.50
31290 - Shuttle Bus Driver	19.22
31310 - Taxi Driver	16.98
31361 - Truckdriver, Light	19.22
31362 - Truckdriver, Medium	20.64
31363 - Truckdriver, Heavy	24.77
31364 - Truckdriver, Tractor-Trailer	24.77
99000 - Miscellaneous Occupations	
99020 - Cabin Safety Specialist	17.27
99030 - Cashier	13.32
99050 - Desk Clerk	18.65
99095 - Embalmer	29.47
99130 - Flight Follower	29.27
99251 - Laboratory Animal Caretaker I	16.43
99252 - Laboratory Animal Caretaker II	17.77
99260 - Marketing Analyst	41.74
99310 - Mortician	29.47
99410 - Pest Controller	24.35
99510 - Photofinishing Worker	17.70
99710 - Recycling Laborer	29.19
99711 - Recycling Specialist	34.68
99730 - Refuse Collector	26.27
99810 - Sales Clerk	15.51
99820 - School Crossing Guard	17.56
99830 - Survey Party Chief	54.14
99831 - Surveying Aide	31.30
99832 - Surveying Technician	36.92
99840 - Vending Machine Attendant	15.59
99841 - Vending Machine Repairer	18.24
99842 - Vending Machine Repairer Helper	15.59

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors, applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees

201556379.txt

with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is the victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: \$4.41 per hour or \$176.40 per week or \$764.40 per month

HEALTH & WELFARE EO 13706: \$4.13 per hour, or \$165.20 per week, or \$715.87 per month\*

\*This rate is to be used only when compensating employees for performance on an SCA-covered contract also covered by EO 13706, Establishing Paid Sick Leave for Federal Contractors. A contractor may not receive credit toward its SCA obligations for any paid sick leave provided pursuant to EO 13706.

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor; 3 weeks after 5 years, and 4 weeks after 12 years. Length of service includes the whole span of continuous service with the present contractor or successor, wherever employed, and with the predecessor contractors in the performance of similar work at the same Federal facility. (Reg. 29 CFR 4.173)

HOLIDAYS: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 CFR 4.174)

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) JANITOR: The rate listed on this WD for the "Janitor" occupation applies only to Marin and San Mateo counties. Please refer to WD 1974-1257 to obtain the wage rate and fringe benefits applicable to the "Janitor" occupation in San Francisco County.

2) COMPUTER EMPLOYEES: Under the SCA at section 8(b), this wage determination does not apply to any employee who individually qualifies as a bona fide executive, administrative, or professional employee as defined in 29 C.F.R. Part 541. Because most Computer System Analysts and Computer Programmers who are compensated at a rate not less than \$27.63 (or on a salary or fee basis at a rate not less than \$455 per week) an hour would likely qualify as exempt computer professionals, (29 C.F.R. 541.400) wage rates may not be listed on this wage determination for all occupations within those job families. In addition, because this wage determination may not list a wage rate for some or all occupations within those job families if the survey

data indicates that the prevailing wage rate for the occupation equals or exceeds \$27.63 per hour conformances may be necessary for certain nonexempt employees. For example, if an individual employee is nonexempt but nevertheless performs duties within the scope of one of the Computer Systems Analyst or Computer Programmer occupations for which this wage determination does not specify an SCA wage rate, then the wage rate for that employee must be conformed in accordance with the conformance procedures described in the conformance note included on this wage

determination.

Additionally, because job titles vary widely and change quickly in the computer industry, job titles are not determinative of the application of the computer professional exemption. Therefore, the exemption applies only to computer employees who satisfy the compensation requirements and whose primary duty consists of:

(1) The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;

(2) The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;

(3) The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or

(4) A combination of the aforementioned duties, the performance of which requires the same level of skills. (29 C.F.R. 541.400).

3) AIR TRAFFIC CONTROLLERS AND WEATHER OBSERVERS - NIGHT PAY & SUNDAY PAY: If you work at night as part of a regular tour of duty, you will earn a night differential and receive an additional 10% of basic pay for any hours worked between 6pm and 6am.

If you are a full-time employed (40 hours a week) and Sunday is part of your regularly scheduled workweek, you are paid at your rate of basic pay plus a Sunday premium of 25% of your basic rate for each hour of Sunday work which is not overtime

(i.e. occasional work on Sunday outside the normal tour of duty is considered overtime work).

**\*\* HAZARDOUS PAY DIFFERENTIAL \*\***

An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordnance, explosives, and incendiary materials. This includes work such as screening, blending, dying, mixing, and pressing of sensitive ordnance, explosives, and pyrotechnic compositions such as lead azide, black powder and photoflash powder.

All dry-house activities involving propellants or explosives. Demilitarization, modification, renovation, demolition, and maintenance operations on sensitive ordnance, explosives and incendiary materials. All operations involving re-grading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with, or in close proximity to ordnance, (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands, face, or arms of the employee engaged in the operation, irritation of the skin, minor burns and the like;

minimal damage to immediate or adjacent work area or equipment being used. All operations involving, unloading, storage, and hauling of ordnance, explosive, and incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance, explosives, and incendiary material differential pay.

**\*\* UNIFORM ALLOWANCE \*\***

If employees are required to wear uniforms in the performance of this contract :

(either by the terms of the Government contract, by the employer, by the state or local law, etc.), the cost of furnishing such uniforms and maintaining (by laundering or dry cleaning) such uniforms is an expense that may not be borne by an employee where such cost reduces the hourly rate below that required by the wage determination. The Department of Labor will accept payment in accordance with the following standards as compliance:

The contractor or subcontractor is required to furnish all employees with an adequate number of uniforms without cost or to reimburse employees for the actual cost of the uniforms. In addition, where uniform cleaning and maintenance is made the responsibility of the employee, all contractors and subcontractors subject to this wage determination shall (in the absence of a bona fide collective bargaining agreement providing for a different amount, or the furnishing of contrary affirmative proof as to the actual cost), reimburse all employees for such cleaning and maintenance at a rate of \$3.35 per week (or \$.67 cents per day). However, in those instances where the uniforms furnished are made of "wash and wear" materials, may be routinely washed and dried with other personal garments, and do not require any special treatment such as dry cleaning, daily washing, or commercial

laundering in order to meet the cleanliness or appearance standards set by the terms of the Government contract, by the contractor, by law, or by the nature of the work, there is no requirement that employees be reimbursed for uniform maintenance costs.

**\*\* SERVICE CONTRACT ACT DIRECTORY OF OCCUPATIONS \*\***

The duties of employees under job titles listed are those described in the "Service Contract Act Directory of Occupations", Fifth Edition (Revision 1), dated September 2015, unless otherwise indicated.

**\*\* REQUEST FOR AUTHORIZATION OF ADDITIONAL CLASSIFICATION AND WAGE RATE, Standard Form 1444 (SF-1444) \*\***

**Conformance Process:**

The contracting officer shall require that any class of service employee which is not listed herein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination), be classified by the contractor so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination (See 29 CFR

4.6(b)(2)(i)). Such conforming procedures shall be initiated by the contractor prior to the performance of contract work by such unlisted class(es) of employees (See 29 CFR 4.6(b)(2)(ii)). The Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be paid to all employees performing in the classification from the first day of work on which contract work is performed by them in the classification. Failure to pay such unlisted employees the compensation agreed upon by the interested parties and/or fully determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract. (See 29 CFR 4.6(b)(2)(v)). When multiple wage determinations are included in a contract, a separate SF-1444 should be prepared for each wage determination to which a class(es) is to be conformed.

The process for preparing a conformance request is as follows:

- 1) When preparing the bid, the contractor identifies the need for a conformed

occupation(s) and computes a proposed rate(s).

2) After contract award, the contractor prepares a written report listing in order the proposed classification title(s), a Federal grade equivalency (FGE) for each proposed classification(s), job description(s), and rationale for proposed wage rate(s), including information regarding the agreement or disagreement of the authorized representative of the employees involved, or where there is no authorized representative, the employees themselves. This report should be submitted to the contracting officer no later than 30 days after such unlisted class(es) of employees performs any contract work.

3) The contracting officer reviews the proposed action and promptly submits a report of the action, together with the agency's recommendations and pertinent information including the position of the contractor and the employees, to the U.S. Department of Labor, Wage and Hour Division, for review (See 29 CFR 4.6(b)(2)(ii)).

4) Within 30 days of receipt, the Wage and Hour Division approves, modifies, or disapproves the action via transmittal to the agency contracting officer, or notifies the contracting officer that additional time will be required to process the request.

5) The contracting officer transmits the Wage and Hour Division's decision to the contractor.

6) Each affected employee shall be furnished by the contractor with a written copy of such determination or it shall be posted as a part of the wage determination (See 29 CFR 4.6(b)(2)(iii)).

Information required by the Regulations must be submitted on SF-1444 or bond paper.

When preparing a conformance request, the "Service Contract Act Directory of Occupations" should be used to compare job definitions to ensure that duties requested are not performed by a classification already listed in the wage determination. Remember, it is not the job title, but the required tasks that determine whether a class is included in an established wage determination. Conformances may not be used to artificially split, combine, or subdivide classifications listed in the wage determination (See 29 CFR 4.152(c)(1)).

201800741.txt

REGISTER OF WAGE DETERMINATIONS UNDER  
THE SERVICE CONTRACT ACT  
By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR  
EMPLOYMENT STANDARDS ADMINISTRATION  
WAGE AND HOUR DIVISION  
WASHINGTON D.C. 20210

Daniel W. Simms  
Director

Division of  
Wage Determinations

Wage Determination No.: 2018-0074  
Revision No.: 1  
Date Of Last Revision: 05/17/2018

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts)

State: California

Area: California County of San Francisco

**\*\*Fringe Benefits Required Follow the Occupational Listing\*\***

Employed on the National Park Service contract to provide passenger ferry transportation services to Alcatraz

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
(not set) - Master	(see 1)	42.62
(not set) - Assistant Engineer	(see 1)	29.25
(not set) - Journeyman (Engineer)	(see 1)	30.40
(not set) - Engineer I	(see 1)	35.86
(not set) - Engineer II	(see 1)	39.23
(not set) - Senior Engineer	(see 1)	42.62
(not set) - Port Engineer	(see 1)	47.78
(not set) - Deckhand	(see 2)	30.34
(not set) - Senior Deckhand	(see 2)	30.95

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors, applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is the victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) Health and Welfare: \$1,550 per month

Sick Leave: 8 days after 1 year; thereafter accrues 8 hours per month

Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years (See 29 C.F.R. 4.173)

Pension: Master/Senior Engineer/ Port Engineer- \$507.00 per month

Engineer I/Engineer II- \$496.00 per month

Journeyman/ Assistant Engineer- \$476.00 per month

Holidays: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 C.F.R. 4.174)

2) Health and Welfare: \$1,394.00 per month (Trust Plan or equivalent);

\$1,689.00 per month (Kaiser Plan or equivalent)

Pension: \$524.00 per month

Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years (See 29 C.F.R. 4.173)

Holiday: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 C.F.R. 4.174)

Sick Leave: 8 hours per month

**\*\* OCCUPATIONS NOT INCLUDED IN THE SCA DIRECTORY OF OCCUPATIONS \*\***

Assistant Engineer

No Job Description

Deckhand

Performs customer relations and also acts as a liaison between the Customers, Captain, and the Employers as directed. Deckhands will be required to sell and collect tickets on all vessels during Ferry runs whenever operationally appropriate.

Assist in counting of passenger's on and off the vessel. Deckhands may be required to assist in the engine room and to assist with fueling operations. Perform sanitary and normal maintenance work while the vessel is underway to insure the safety of the passengers, crew and vessel.

Engineer I



(No Job Description)

Engineer II

(No Job Description)

Journeyman (Engineer)

(No Job Description)

Master

(No Job Description)

Port Engineer

(No Job Description)

Senior Deckhand

Perform all the duties of the Deckhand and complete the Senior Deckhand training.

Senior Engineer

(No Job Description)



## SAN FRANCISCO PLANNING DEPARTMENT

### Final Mitigated Negative Declaration

*Date of Issuance  
of PMND:*

December 6, 2017; amended on February 15, 2018 (amendments to the PMND are shown in deletions as ~~striketrough~~; additions in double underline)

*Case No.:*

2017-000188ENV

*Project Title:*

Alcatraz Ferry Embarkation Project

*Zoning:*

Light Industrial District  
40-X Height and Bulk District

*Block/Lot:*

9900/031, 031H, 033 (Pier 31½), and 200-150-07 (Fort Baker)

*Project Area:*

73,800 square feet (Pier 31½) and 39,200 square feet (Fort Baker)

*Project Sponsor*

National Park Service  
Brian Aviles – (415) 624-9685  
Golden Gate National Parks Conservancy  
Catherine Barner – (415) 561-3000  
Port of San Francisco  
Diane Oshima – (415) 274-0553  
San Francisco Planning Department  
Julie Moore – (415) 575-8733  
julie.moore@sfgov.org

*Lead Agency:*

*Staff Contact:*

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

#### PROJECT DESCRIPTION:

Alcatraz Island, a national historic landmark, is part of and managed by the Golden Gate National Recreation Area, a National Park Service unit that includes numerous park facilities within the San Francisco Bay area, including Fort Mason, Fort Baker, Ocean Beach, and Crissy Field. Under the proposed project, the Park Service seeks to enter into a long-term agreement with the Port of San Francisco for the development and operation of an improved ferry embarkation site at Pier 31½ to support Alcatraz Island visitors. The Port agreement would require the Park Service's selected concessioner to renovate the marginal wharf, the Pier 33 bulkhead buildings, and portions of the Pier 31 and Pier 33 shed buildings. In addition, the Park Service's partner, the Golden Gate National Parks Conservancy, would renovate the Pier 31 bulkhead building and additional portions of the Pier 31 and Pier 33 shed buildings. Renovations would provide a combination of indoor and outdoor spaces to welcome, orient, and provide improved basic amenities for the public. The proposed project would also include other administrative and operational spaces, such as new boarding ramps and floats to support the berthing of up to three ferry boats at a time. These improvements would establish an identifiable and well-functioning facility to provide a quality experience for visitors. The proposed project would also establish limited ferry service between Pier 31½ and the existing Fort Baker pier, as well as interpretive cruises around the bay.

Final Mitigated Negative Declaration  
February 23, 2018

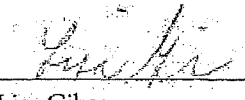
CASE NO. 2017-000188ENV  
Alcatraz Ferry Embarkation Project

**FINDING:**

This project could not have a significant effect on the environment. This finding is based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance), and 15070 (Decision to prepare a Negative Declaration), and the following reasons, as documented in the Initial Evaluation (Initial Study) for the project, which is attached.

Mitigation measures are included in this project to avoid potentially significant effects. See Section F, Mitigation Measures and Improvement Measures.

In the independent judgment of the Planning Department, there is no substantial evidence that the project could have a significant effect on the environment.

  
\_\_\_\_\_  
Lisa Gibson  
Environmental Review Officer

2/23/18  
\_\_\_\_\_  
Date of Issuance of Final Mitigated  
Negative Declaration

cc: Ming Yeung, Port of San Francisco  
Master Decision File  
Distribution List

## INITIAL STUDY TABLE OF CONTENTS

### TABLE OF CONTENTS

#### Alcatraz Ferry Embarkation Project

---

<u>Section</u>	<u>Page</u>
A. PROJECT DESCRIPTION	1
B. PROJECT SETTING	24
C. COMPATIBILITY WITH EXISTING ZONING AND PLANS	28
D. SUMMARY OF ENVIRONMENTAL EFFECTS	34
E. EVALUATION OF ENVIRONMENTAL EFFECTS	34
E.1 Land Use and Land Use Planning	35
E.2 Aesthetics	37
E.3 Population and Housing	43
E.4 Cultural Resources	45
E.5 Transportation and Circulation	55
E.6 Noise	80
E.7 Air Quality	91
E.8 Greenhouse Gas Emissions	92
E.9 Wind and Shadow	114
E.10 Recreation	115
E.11 Utilities and Service Systems	118
E.12 Public Services	119
E.13 Biological Resources	120
E.14 Geology and Soils	121
E.15 Hydrology and Water Quality	122
E.16 Hazards and Hazardous Materials	123
E.17 Mineral and Energy Resources	127
E.18 Agriculture and Forest Resources	128
E.19 Mandatory Findings of Significance	129
F. MITIGATION MEASURES AND IMPROVEMENT MEASURES	151
G. PUBLIC NOTICE AND COMMENT	152
H. DETERMINATION	173
I. INITIAL STUDY PREPARERS	174

<u>List of Figures</u>	<u>Page</u>
1 Vicinity Map	3
2 Area Map	4
3 Existing Site Program Use	5
4 Site Plan	9
5 Site Program	10
6 View of Pier 31½ from The Embarcadero under the Proposed Project	11

7	Building Program	12
8	New Dock Arrangement	13
9	Fort Baker Concept Plan	15
10	Fort Baker Perspective Sketch	16
11	Existing View of Pier 31½ from Coit Tower	38
12	View of Pier 31½ from Coit Tower under the Proposed Project	39
13	View of Fort Baker	39
14	Project Site Vicinity Curb Usage	62
15	Existing and Proposed Project Northbound Curb Configuration	63
16	Elgrass Mapped in Horseshoe Bay	<del>132</del> <u>133</u>

#### List of Tables

	<u>Page</u>
1 Ferry Trips from Pier 31½ Under Existing Conditions	2
2 Visitor Numbers Under Existing Conditions	6
3 Ferry Trips from Pier 31½ Under Proposed Project Conditions	18
4 Visitor Numbers Under Proposed Project Conditions	18
5 Anticipated Construction Schedule	21
6 Cumulative Scenario Actions: Past, Present, And Future	25
7 Project Effects on The Port Of San Francisco Embarcadero National Historic District	47
8 Transit Routes, Stops, And Frequencies Near Pier 31½	57
9 Daily Vehicle Miles Traveled – Existing Conditions	66
10 Existing and Future Daily Person Trips to The Alcatraz Embarkation Site	67
11 Existing and Future Peak Hour Person Trips to The Alcatraz Embarkation Site	67
12 Person Trips by Mode	68
13 Vehicle Trips by Mode	69
14 Peak 15-Minute Passenger Loading Zone Activity	71
15 Net Increase in Parking Demand at Pier 31½	72
16 Daily Vehicle Miles Traveled – Year 2040 Conditions	<del>76</del> <u>77</u>
17 Typical Noise Level of Proposed Construction Equipment	83
18 Construction Noise at Pier 31½	84
19 Construction Noise at Fort Baker	<del>86</del> <u>87</u>
20 Operational Noise from Fort Baker Limited Ferry Service	87
21 Vibration Receptors in The Vicinity of Pier 31½	<del>88</del> <u>89</u>
22 Typical Vibration Levels of Proposed Construction Equipment	<del>89</del> <u>90</u>
23 Guideline Vibration Damage Potential Threshold Criteria	<del>89</del> <u>90</u>
24 Criteria Air Pollutant Significance Thresholds	<del>93</del> <u>94</u>
25 Construction Emissions (Average Pounds Per Day), Pier 31½ And Fort Baker	<del>101</del> <u>102</u>
26 Construction Emissions (Average Pounds Per Day), Pier 31½ And Fort Baker with Improvement Measures	<del>103</del> <u>104</u>
27 Annual Operational Emissions, Pier 31½ And Fort Baker (Tons/Year)	<del>106</del> <u>107</u>
28 Daily Operational Emissions, Pier 31½ And Fort Baker (Pounds/Day)	<del>108</del> <u>109</u>
29 Greenhouse Gas Emissions at Pier 31½ And Fort Baker	<del>116</del> <u>117</u>
30 Hay Road and Redwood Sanitary Landfills Throughput and Capacity	<del>125</del> <u>126</u>
31 Species with Designated Essential Fish Habitat Within the Immediate Project Area	<del>133</del> <u>134</u>
32 Proposed Project Pile Details	<del>140</del> <u>141</u>

**Appendix**

Appendix A Federal and State Listed Species with the Potential to Occur in the Study Area

Appendix B Supplemental Transportation Circulation Study

## **Initial Study**

### **Pier 31½, Port of San Francisco/Alcatraz Ferry Embarkation Project**

#### **Planning Department Case No. 2017-000188ENV**

#### **A. PROJECT DESCRIPTION**

Alcatraz Island, a national historic landmark, is part of and managed by the Golden Gate National Recreation Area, a National Park Service unit that includes numerous park facilities within the San Francisco Bay area, including Fort Mason, Fort Baker, Ocean Beach, and Crissy Field (Figures 1 and 2). Under the proposed project, the Park Service seeks to enter into a long-term agreement with the Port of San Francisco for the development and operation of an improved ferry embarkation site at Pier 31½ to support Alcatraz Island visitors. The Port agreement would require the Park Service's selected concessioner to renovate the marginal wharf, the Pier 33 bulkhead buildings, and portions of the Pier 31 shed building. In addition, the Park Service's partner, the Golden Gate National Parks Conservancy, would renovate the Pier 31 bulkhead building and additional portions of the Pier 31 shed building. Renovations would provide a combination of indoor and outdoor spaces to welcome, orient, and provide improved basic amenities for the public. The proposed project would also include other administrative and operational spaces, such as new boarding ramps and floats to support the berthing of up to three ferry boats at a time. These improvements would establish an identifiable and well-functioning facility to provide a quality experience for visitors. The proposed project would also establish limited ferry service between Pier 31½ and the existing Fort Baker pier, as well as interpretive cruises around the bay.

#### **Project Location, Existing Site Characteristics, and Operations**

##### **Pier 31½**

Pier 31½ is located along the northern end of The Embarcadero and within Port jurisdiction. The existing embarkation site is located primarily in the open area between the Pier 33 shed to the north and the Pier 31 shed to the south, and to the rear (bay side) of the Pier 33 and Pier 31 bulkhead buildings. The outdoor site occupies approximately 0.95 acre along the water. The site lies within the Port of San Francisco Embarcadero Historic District. Figure 3 shows the layout of the existing embarkation site, which has been operated by Alcatraz Cruises, LLC, since 2006. The ferry embarkation site program is located on the marginal wharf,<sup>1</sup> except for a portable restroom facility and limited operational space located in the Pier 33 shed. The site features a portable ticket booth, several exhibits, and a small parking area of approximately 15 spaces for Park Service operations, located on the southeastern portion of the marginal wharf. There is a large canopy structure over the queuing area adjacent to the water, a seating area with café tables and chairs under eight market umbrellas, and a temporary fabric canopy over a concession stand. The Pier 33 bulkhead building is occupied by the privately-operated Alcatraz Café and Grill. A passenger loading zone compliant with Federal Accessibility Standards for tour bus operations is

---

<sup>1</sup> A wharf is a docking structure oriented parallel to the shore. A wharf built as a continuation of the shoreline is known as a "marginal wharf."

located in front of the Pier 33 building. The Pier 31 bulkhead building is vacant. There is currently one float to accommodate two berths at the existing site.

Visitors enter Pier 31½ from The Embarcadero between the bulkhead buildings. Visitor use the ticket booth, circulate through several small interpretive exhibits, and enter the covered queuing area, which has space for visitors to stand. A pre-boarding area adjacent to the gangway offers seating for those with disabilities. Visitors are guided down the gangway and on to the ferry.

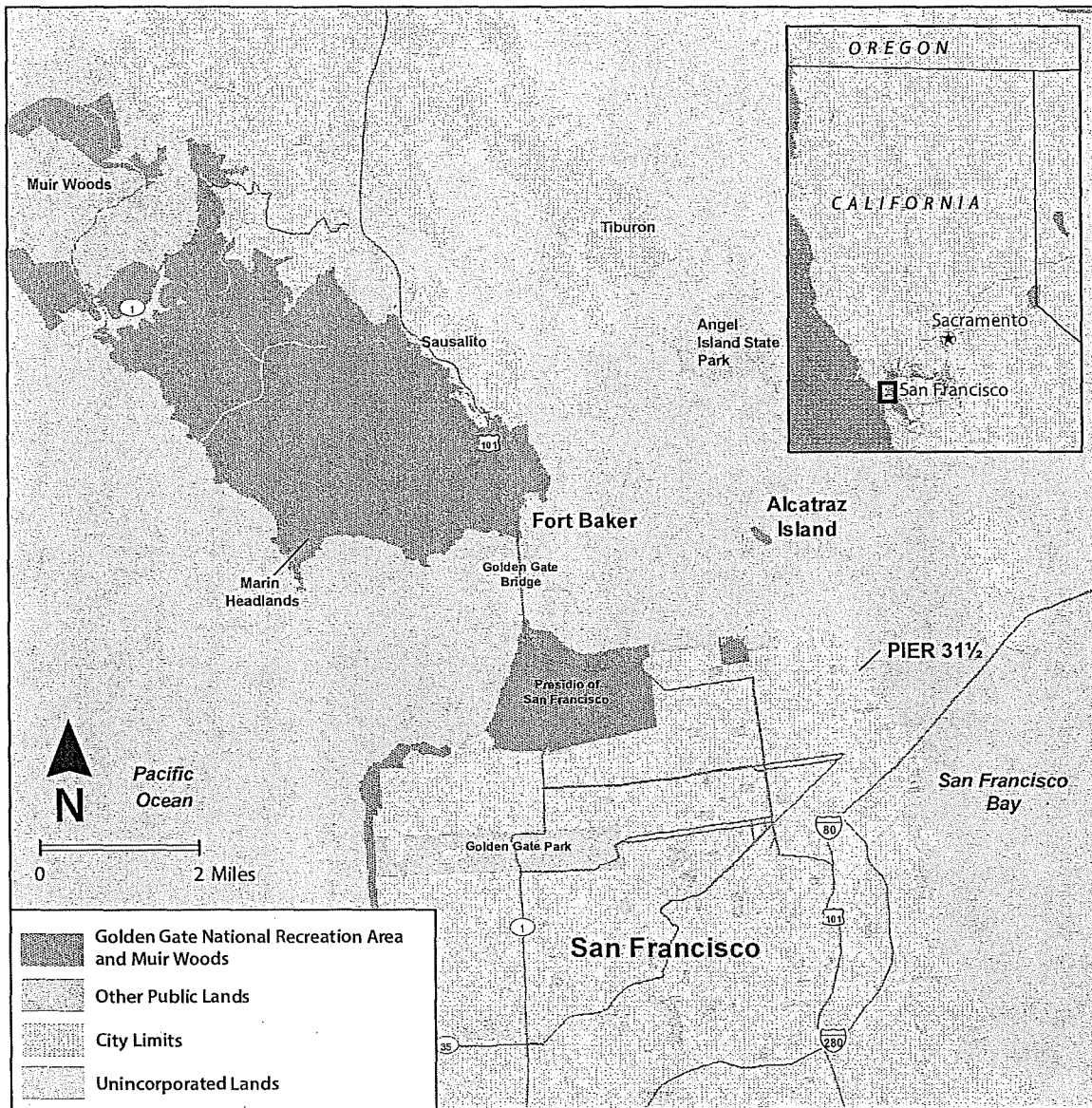
In 2016, the Pier 31½ facility served 1.76 million visitors a year, which included people traveling to Alcatraz Island and other ferry destinations, as well as a small number of visitors without tickets to Alcatraz Island or other destinations but who visited the facility to enquire about tickets or learn about the island. There were 7,077 annual and 24 peak day ferry trips to Alcatraz Island via the primary embarkation site at Pier 31½, which included service to both Alcatraz Island and Angel Island (the "Alcatraz plus Angel Island Loop"). In addition, during the peak season (June to September), the concessioner operated 133 bay cruises from the site that were not associated with Park Service operations. Table 1 presents the annual, peak day, and average day number of ferry trips that occurred from Pier 31½ in 2016. Table 2 presents the annual, peak day, and average day number of visitors that visited Pier 31½ in 2016.

**TABLE 1**  
**FERRY TRIPS FROM PIER 31½ UNDER EXISTING CONDITIONS**

Destination	One-Way Trip Distance from Pier 31½ (nautical miles)	2016		
		Ferry Trips		
		No. Annual Calls (trips/year)	No. Peak Day Calls <sup>2</sup> (trips/day)	No. Average Day Calls (trips/day)
Alcatraz	1.5	6,956	22	18
Alcatraz Plus Angel Island Loop	5.5	121	2	2
Bay Cruise <sup>1</sup> (Hornblower)	8	133	3	3
<b>Total</b>		<b>7,229</b>	<b>27</b>	<b>23</b>

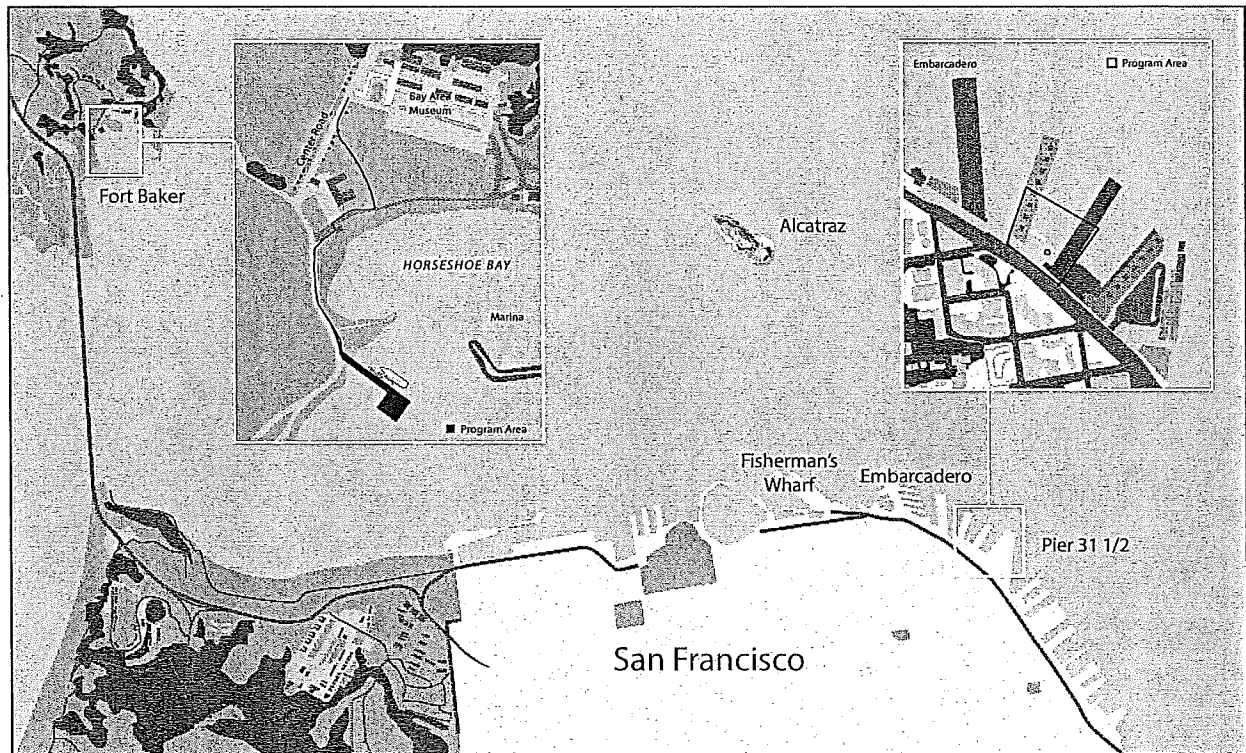
1. Hornblower offered the bay cruise during the summer season (June through September)
2. Peak day trips would occur in peak season (March to November)





SOURCE: Anchor QEA Case No. 2017.000188ENV: Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project

**Figure 1**  
Vicinity Map



SOURCE: Anchor QEA

Case No. 2017.000188ENV: Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project

**Figure 2**  
Area Map



SOURCE: National Park Service

Case No. 2017.000188ENV: Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project

**Figure 3**  
Existing Site Program Use

**TABLE 2**  
**VISITOR NUMBERS UNDER EXISTING CONDITIONS**

Destination	Annual	Peak Day	Average Day
Alcatraz <sup>1</sup>	1.7 million	5,840	4,397
Alcatraz Plus Angel Island Loop	36,000	100	80
Bay Cruise	24,000	220	180
<b>Total</b>	<b>1.76 million</b>	<b>6,160</b>	<b>4,657</b>

1. Includes visitors to Pier 31½ who did not travel to Alcatraz Island

Visitors have several transportation options to arrive at the site, including combinations of public transit (e.g., the MUNI streetcar on The Embarcadero, bus, cable car, or Bay Area Rapid Transit), tour buses, taxis, bicycles, personal vehicles, and walking. In a 2012 Visitor Flow Survey, the Park Service found that most visitors arrive by public transportation (35 percent), walk (23 percent), or carpool (28 percent) to the site. Ample paid parking for personal vehicles is located nearby, as are many other visitor services.

#### Fort Baker

Fort Baker is a former U.S. Army post located in Marin County at the foot of the Golden Gate Bridge and entrance to the bay. Fort Baker comprises approximately 335 acres, including a core zone of 91 acres surrounding a parade ground and 24 historic military buildings dating from the late nineteenth century. The site also includes a historic pier, gun batteries, open space, and rocky shoreline, and is connected to the Golden Gate National Recreation Area's trail system.<sup>2</sup> Fort Baker is a federal park, which is part of the Golden Gate National Recreation Area and managed per the policies and decisions set forth in the Park Service's *Fort Baker Plan Environmental Impact Statement* (Fort Baker Plan).<sup>3</sup> The park currently offers recreational and educational opportunities through its partners, including the Cavallo Point Lodge, the Bay Area Discovery Museum, and the Travis Sailing Center. Visitors can go fishing or crabbing off the pier at Horseshoe Cove, launch a kayak or sailboat at the boat ramp, explore the seacoast fortifications at Battery Yates on the eastern Bluff, and take walks along the waterfront and trails which provide spectacular views of the Golden Gate Bridge and San Francisco Bay.

The existing pier was built in 1937 and modified in subsequent years. There is no ferry service to Fort Baker. Currently, the pier is mostly used for recreational fishing and offers clear, unobstructed views of the bay, San Francisco, and Angel Island. The structural deck is constructed of cast-in-place concrete and is topped with an asphalt surface. The concrete deck is supported by plumb and precast-concrete piles, and lateral support to the pier is provided by rows of similar battered piles on the northeast, southeast, and southwest sides. The existing pier has significant damage and deterioration, and the precast-concrete

<sup>2</sup> National Park Service, Fort Baker Brochure, updated June 2008. Available from <https://www.nps.gov/goga/planyourvisit/upload/2008-0910-sb-foba-web.pdf>.

<sup>3</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

piles also show significant damage (in the form of large cracks, rust stains, and exposed reinforcing steel) visible above the waterline.

## **Project Background and Objectives**

The Park Service has provided public access to Alcatraz Island from San Francisco since the 1970s, embarking from various locations in San Francisco. From 2006 to the present, the ferry embarkation site has been located at Pier 31½ on The Embarcadero. The current facility functions adequately, but the public areas are entirely outdoors, and the site has a temporary visual character that the Park Service considers inappropriate for a national park gateway. It is also too small to accommodate projected visitor levels and only supports two berths, which restricts ferry operations. The existing concession contract has been extended to expire in 2018. For a variety of reasons, the Park Service has not been able to require its concessioner to greatly improve the embarkation facility, which has led to visitor confusion, community concerns, and inconsistency in providing visitor support services. Visitor demand is expected to grow in line with a general growth in tourism in San Francisco, which will exacerbate current crowding.

The proposed project was defined and analyzed in the Alcatraz Ferry Embarkation Environmental Impact Statement (EIS).<sup>4</sup> As stated in the EIS, the Park Service desires an identifiable and well-functioning facility that provides a quality welcome and support program for visitors, orients visitors to the history of Alcatraz Island, ~~and provides a connection to other Golden Gate National Recreation Area parklands,~~ and ~~orientation~~ to the national park system in general. The EIS evaluated several alternative locations for the embarkation facility: Pier 31½ and Pier 41 at the Port of San Francisco; and a site at Fort Mason. The EIS also evaluated opportunities for new or enhanced linkages to the bay and other park lands. The Draft EIS was available for public review from March 20 to June 4, 2015. After exhaustive study and review, the Park Service identified the Pier 31½ Alternative, as described herein, inclusive of developing a limited ferry service to Fort Baker and an interpretive bay cruise, as the preferred alternative among the alternatives evaluated in the EIS. The Park Service completed the final EIS in January 2017. The Park Service expects to complete the record of decision finalizing the EIS in fall 2017.

Under the proposed project, the Park Service seeks to enter into a long-term General Agreement (50 years) with the Port that will provide for the development and operation of the new ferry embarkation site at Pier 31½ to support Alcatraz Island visitors, interpretive bay cruises, and provide connections to Golden Gate National Recreation Area sites, including new limited ferry service to Fort Baker and expanded signage highlighting other regional park facilities. This development will be accomplished through two Port leases: one with the Park Service ferry concessioner and one with the Golden Gate National Parks Conservancy.

Many potential visitors are unable to obtain tickets to Alcatraz Island due to high demand. Enhanced on-shore visitor facilities would provide those visitors with interpretive information about the island. The

---

<sup>4</sup> National Park Service, *Alcatraz Ferry Embarkation Final Environmental Impact Statement*, January 2017. Available from <https://parkplanning.nps.gov/document.cfm?parkID=303&projectID=41352&documentID=77056>.

proposed project would improve cross-bay connectivity and accommodate existing and future visitor demand for recreational travel to Fort Baker and the Marin Headlands, thereby enhancing the Golden Gate National Recreation Area's operational effectiveness.

## Project Components

### Pier 31½

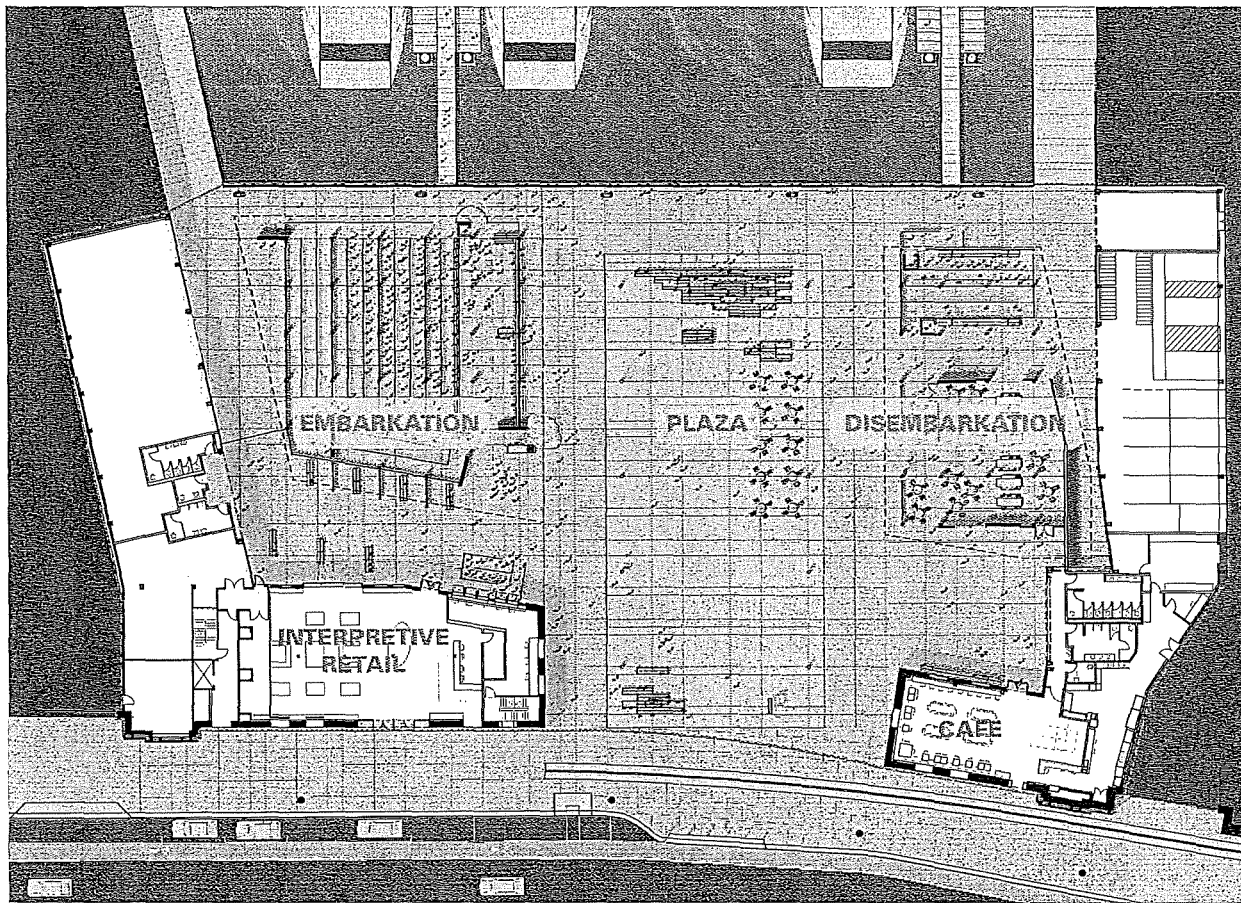
The proposed project would require improvements to the existing facility, which lies within the Port of San Francisco Embarcadero Historic District. The overall treatment philosophy is rehabilitation, informed by *The Secretary of the Interior's Standards for Rehabilitation of Historic Buildings*.<sup>5</sup> The proposed project seeks to preserve and protect the original historic fabric of the pier structures, and where possible, rehabilitate and restore original fabric. The marginal wharf in between the pier structures would be rehabilitated in a manner that is sensitive to its historic open, utilitarian character as a site for berthing large vessels and loading/unloading cargo.

The proposed project would renovate the Pier 31 and Pier 33 bulkhead buildings on The Embarcadero, portions of the sheds at Pier 31 and Pier 33, and all the outdoor space between Piers 31 and 33 for embarkation services (Figure 4). The proposed project would remove the existing parking and exhibits to create an open civic plaza in the center of the marginal wharf that would welcome the public and improve access to the waterfront (Figures 5 and 6). The proposed project would remove the non-historic canopy structure and construct two new canopies adjacent to the pier sheds to protect and organize visitor queuing and boat operations. The interiors of both bulkhead buildings would be reconfigured, while restoring the exterior historic features to the extent feasible (Figure 7). The existing single dock and gangway would be relocated and replaced with two parallel floating docks and gangways (to accommodate three berths) accessed from the existing wharf (Figure 8).

---

<sup>5</sup> National Park Service, *The Secretary of the Interior's Standards for Rehabilitation of Historic Buildings*, 2017. Available from <https://www.nps.gov/tps/standards/treatment-guidelines-2017.pdf>.

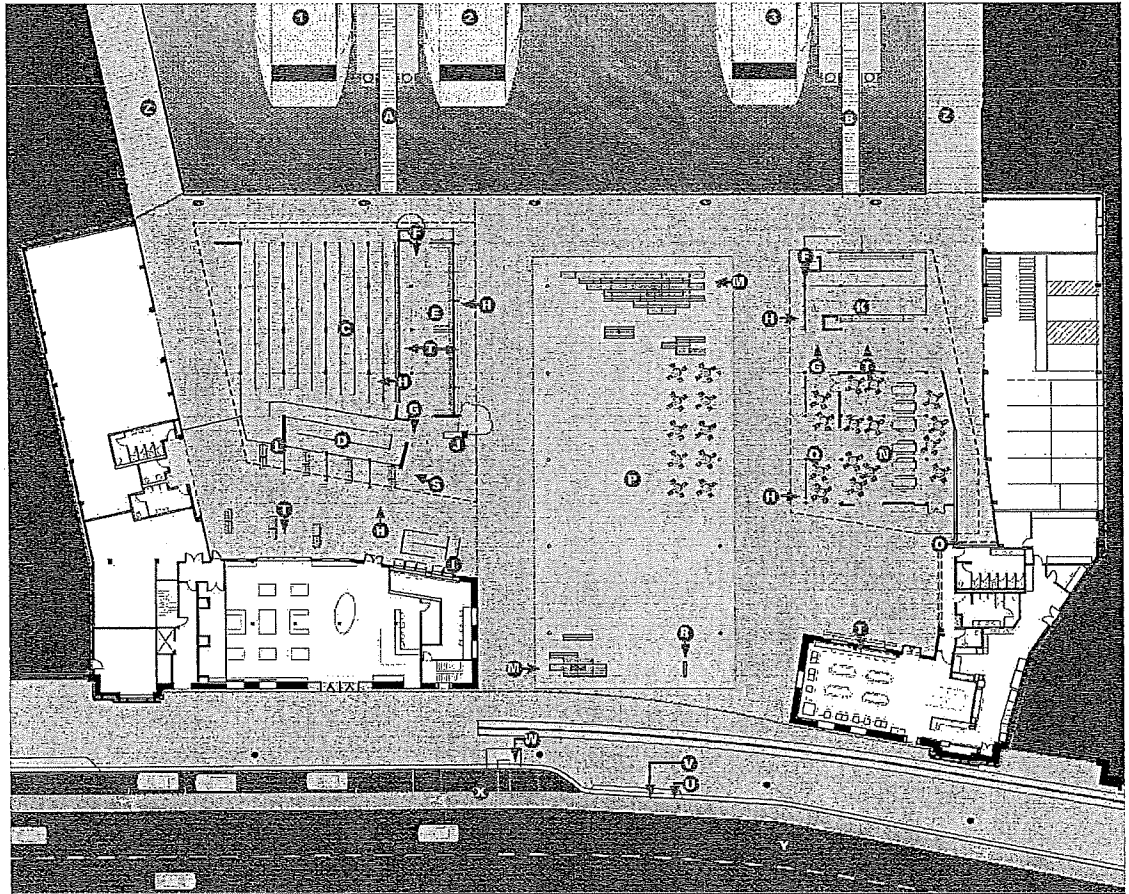




SOURCE: EMD

Case No. 2017.000166ENV: Pier 31.5, Port of San Francisco/Akaiwa Ferry Embarkation Project  
Figure 4  
Site Plan

- A Main Dock (Berths 1 & 2)
- B Secondary Dock (Berth 3)
- C Ferry Primary Queue
- D Ferry Pre-Queue
- E Group Queue and Orientation
- F Ticket Confirmation Booth
- G Ticket Check Booth
- H Interpretive Panels
- I Ticketing Queue
- J Visitor Contact Desk
- K Additional Ferry Queue Photo
- L Taking Area
- M Seatwall
- N Enclosed Dining Area
- O Rainwater Cisterns
- P Wood Deck
- Q Outdoor Dining
- R Monument Sign Information
- S Display
- T Fixed Bench
- U (E) Drive Apron
- V Collapsible Bollards
- W (E) Curb Ramp
- X (E) Accessible Loading Zone
- Y (E) Bike Lane
- Z (E) Pier Apron



SOURCE: EHDD

Case No. 2017.000188ENV: Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project  
 Figure 5  
 Site Program



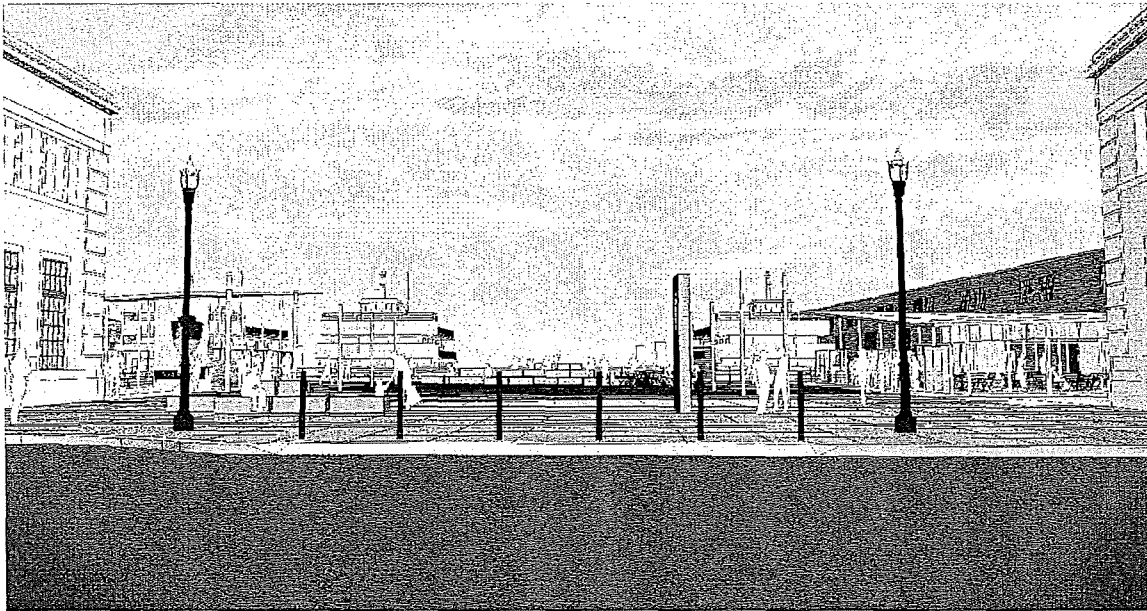
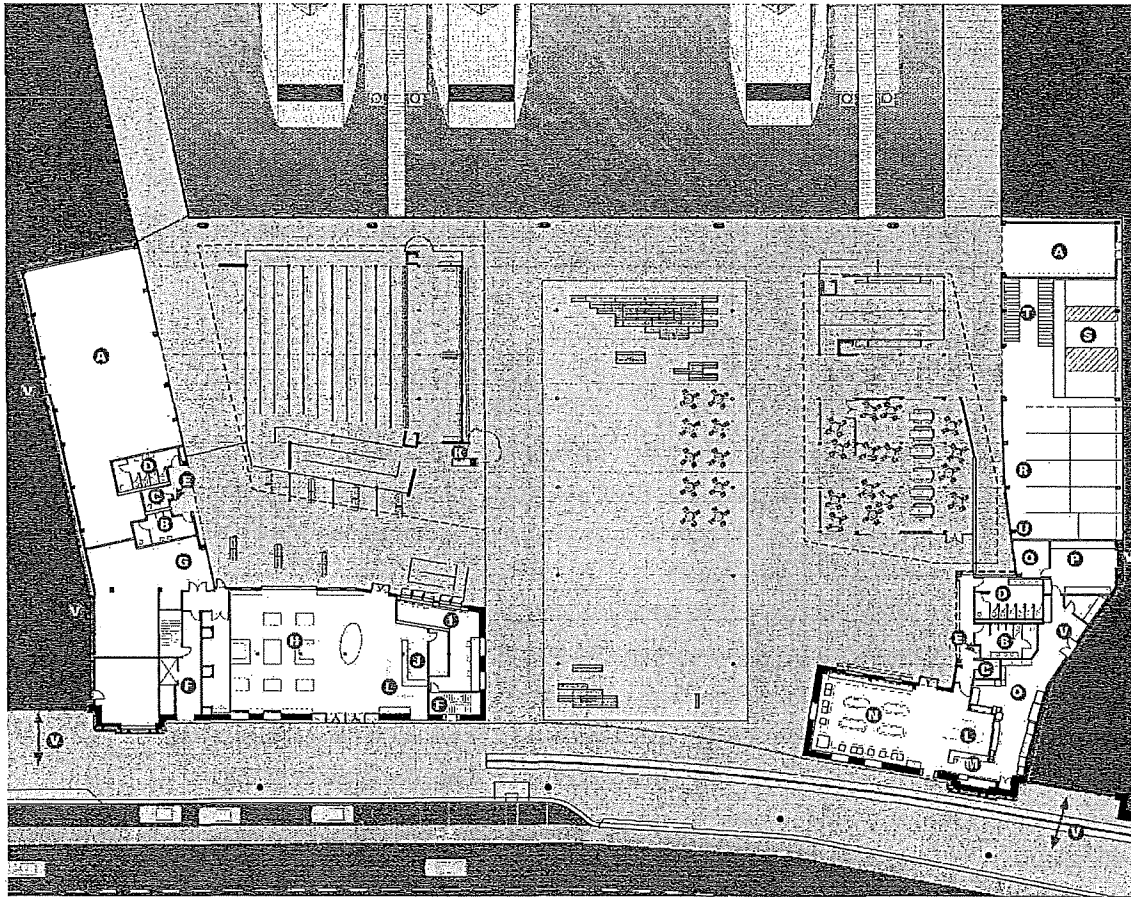


Figure 6

View of Pier 31½ from The Embarcadero under the Proposed Project

The following improvements would take place at the Pier 31½ project site:

- **In-Water Infrastructure:** The existing berth would be removed, and two new berths would be installed, each consisting of an accessible gangway, float, and guide piles. A total of 12 hollow steel piles, 24 to 36 inches in diameter, would be driven to depths up to 90 feet below the water; no fill material would be removed during the process.
- **Marginal Wharf:** Queuing outside the Pier 33 Bulkhead Building would be reorganized and the existing white canopy replaced with a concrete canopy. Seating, ticket confirmation and check-in booths, interpretive panels, and an information display would be added to this area.
- **Ticketing Queue and Infrastructure:** New ticket windows would be added to the east façade of the Pier 33 Bulkhead Building. Restoration work would also occur along the same façade, including restoration of historic windows and removal of post-1949 additions.
- **Interior Renovations to the Pier 33 Bulkhead Building and Shed:** The Pier 33 Bulkhead Building has existing second and third floors. The space would be modified to accommodate exhibits, interpretive retail, storage, restrooms, office space, and a ticketing area. The second floor would be mostly demolished (except for a small area to create a mezzanine level for offices and a mechanical platform). Portions of the shed would be renovated for public restrooms and site operations.
- **Interior Renovations to the Pier 31 Bulkhead Building and Shed:** The Pier 31 Bulkhead Building is currently an unoccupied construction zone stripped to the core shell of deck, structure, exterior framing, and roof structure. Modifications to the interior space would consist of constructing a



Key

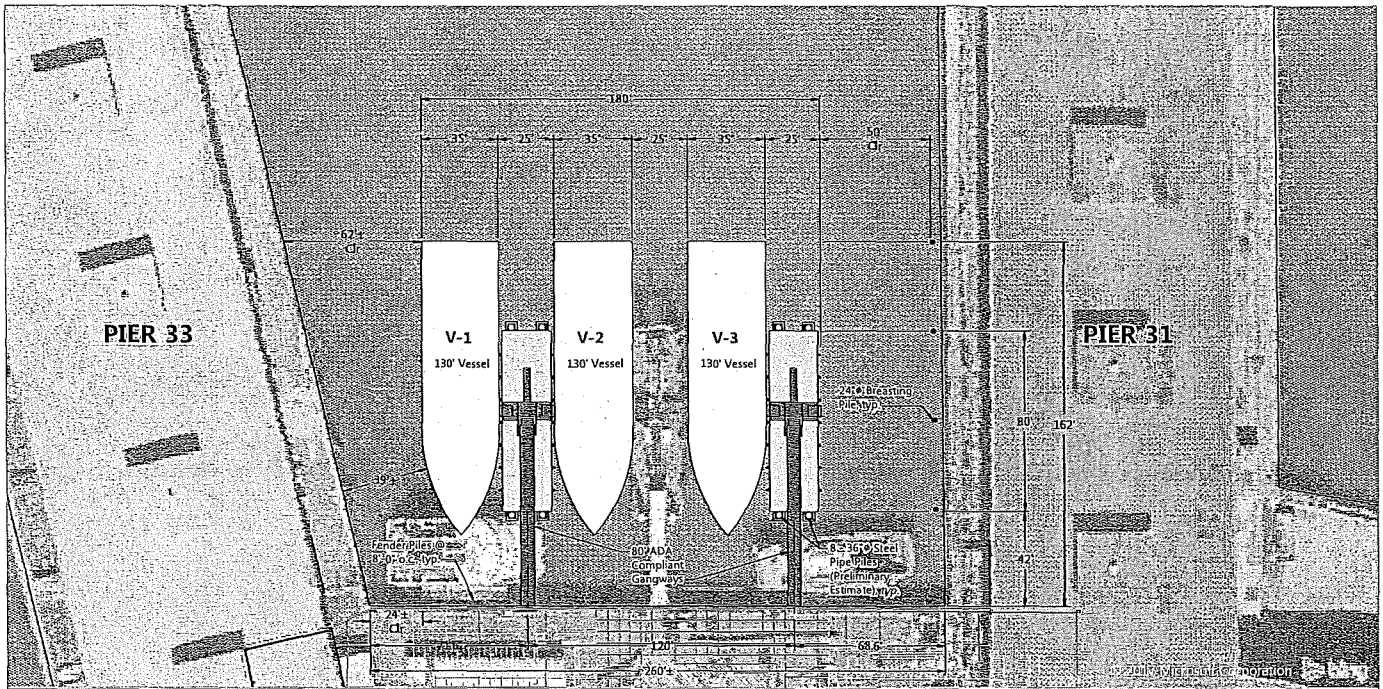
- A Operations Storage
- B Men's Restroom
- C Family Restroom
- D Women's Restroom
- E Drinking Fountains
- F Circulation (Staff)
- G Staff Break Room / Locker Room
- H Interpretive Retail
- I Ticketing Sales & Office
- J Point of Sales
- K Information Counter
- L Queuing
- M Cafe Service
- N Cafe Seating
- O Prep Kitchen
- P Dry Storage
- Q Cold Storage
- R Tandem Staff Parking
- S Accessible Parking
- T Bike Parking
- U Trash & Recycling
- V Service Loading

\*Additional program located in Pier 33 mezzanine and upper level.

SOURCE: EHDD

Case No. 2017.000188ENV; Pier 31.5, Port of San Francisco/Akatz Ferry Embarkation Project

Figure 7  
Building Program



SOURCE: Anchor QEA, Aerial photograph provided by Bing, via Autodesk, Wharf Development Plan provided by EHDD.  
 NOTE: Dimensions based on aerial photo ±3'. Detail survey required.

Case No. 2017.000188ENV. Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project  
 Figure 8  
 New Dock Arrangement



café, space for food preparation, and storage. Portions of the shed would be renovated for public restrooms, public bicycle parking, disabled visitor parking, staff parking, and site operations.

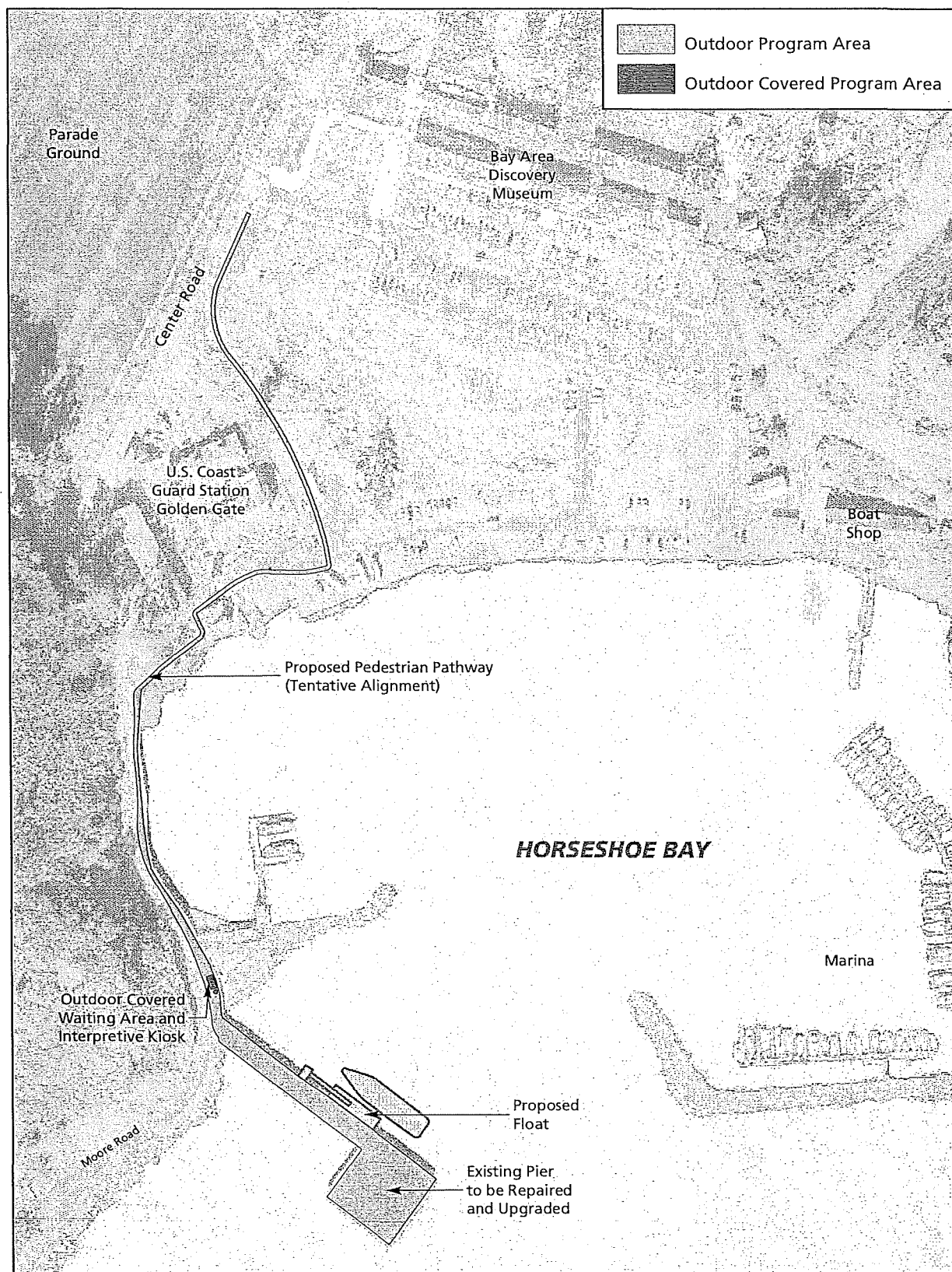
- **Café Seating and Additional Queuing Area:** Queuing outside the Pier 31 Bulkhead Building would be reorganized and the existing white fabric canopy replaced with a concrete canopy made in part of glass panels that would allow more natural light through than the existing fabric panels. Seating, interpretive panels, and a dining area with tables and food stalls would be added.
- **Civic Plaza:** The existing parking, seating, sign, and interpretive displays would be replaced with low bench seating and a monument sign, as well as space for tables and chairs. The surface of the plaza would be improved.
- **Emergency Generator:** An emergency backup generator would be installed.
- **Loading Zone:** A new 110-foot vehicle loading zone would be developed along The Embarcadero between the site entrance and the Pier 33 driveway. The loading zone would be separated from the roadway and bike lane by flexible bollards and could accommodate a queue of five vehicles.
- **Bicycle Parking:** Additional bicycle parking and related signage would be installed at the site.

#### Fort Baker

Figures 9 and 10 show the concept plan and a perspective sketch of the proposed improvements to the Fort Baker pier, respectively. The construction necessary to establish ferry service at Fort Baker would primarily involve repairs and upgrades to the existing massive concrete pier, which was constructed for military purposes in the late 1930s.

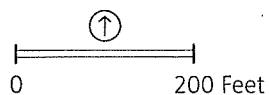
The following improvements would take place at Fort Baker and be overseen directly by the Park Service:

- **Pier Infrastructure:**
  - Damaged concrete and reinforcing bars would need to be repaired and replaced on portions of the deck soffit and bulkhead wall.
  - Fender piles, the asphalt paving on top of the deck, and the existing guardrails would be replaced.
  - A new gangway and float would be installed. A total of four new piles would be installed for the gangway landing, and four new steel guide piles would be installed for the float. Piles would be 30 to 36 inches in diameter and driven to depths up to 90 feet.
- **Pedestrian Pathway:** A new pedestrian pathway (approximately 1,400 feet) would be constructed to connect the Bay Area Discovery Museum and Cavallo Point Lodge with the pier. These upgrades would include adding Americans with Disabilities Act-compliant ramps to the Murray Circle sidewalk where it intersects the access road between Murray Circle and McReynolds Road just north of East Road.
- **Signage:** Maps and interpretive signage would be installed near the pier to orient visitors to Fort Baker facilities and nearby trails.

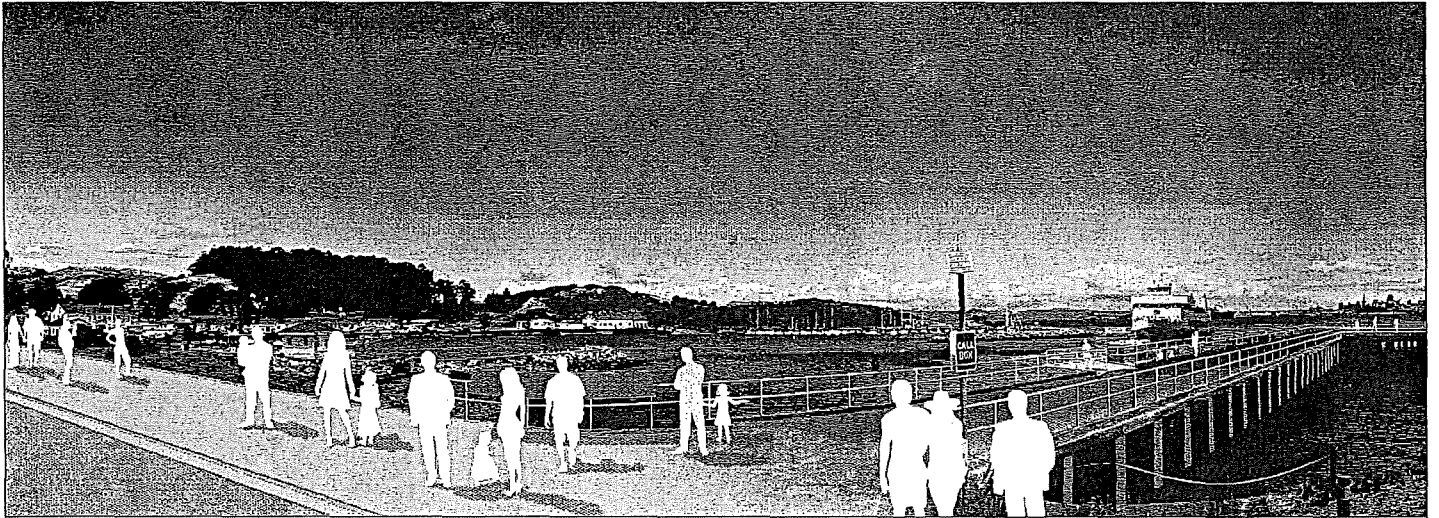


SOURCE: National Park Service

Case No. 2017.000188ENV: Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project



**Figure 9**  
Fort Baker Concept Plan



SOURCE: Anchor O&A

Case No. 2017.000188ENV: Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project  
Figure 10  
Fort Baker Perspective Sketch



## Project Operations

### Pier 31½

Visitor demand is expected to grow in line with a general growth in tourism in San Francisco. Park Service modeling forecasts that 7,790 visitors could visit the primary ferry embarkation site per day, or 1.9 million visitors per year, in 2018. These numbers include both ticketed passengers and visitors to the site without tickets, as well as passengers taking part in interpretative bay cruises and limited ferry service to Fort Baker.

While site operations would be similar to existing conditions—visitors would continue to embark from the site to Alcatraz Island and there would still be a gift shop and café—expanding services into the bulkhead buildings would increase the site’s functional area and enhance interpretation compared to existing conditions. New public restrooms in the Pier 31 and 33 sheds would expand the capacity and replace the portable restrooms presently in use (Figure 7).

The site would be designed to provide a logical flow for visitors and enhance the overall visitor experience over the entire site, from the curb to the berth. The new vehicle loading zone would better manage visitor drop-off/pick-up activities and improve safety for passengers, drivers, and cyclists during such activities. The general public would have access to the center of the site, including the waterfront edge, extending the Port’s Bayside History Walk. Most of the proposed project elements would continue to be in the outdoor areas between Piers 31 and 33, including interpretive and rest areas, ferry queuing, and boat staging. The proposed project also includes a food service area and space for exhibits and sale of interpretive products in the bulkhead buildings. These improvements would also accommodate people who are not visiting Alcatraz Island and include information on other recreational options in the national park system. The additional berth would support the interpretative bay cruise and limited service to Fort Baker. There are no plans to accommodate bicycles on the ferry boats.

Table 3 presents the annual, peak day, and average day number of ferry trips anticipated to occur from Pier 31½ by 2020 under proposed project conditions. Ferry trips are not expected to grow over 2020 numbers. Table 4 presents the annual, peak day, and average day number of visitors (1.7 million) anticipated to visit Pier 31½ under proposed project conditions. As shown in Tables 2 and 4, visitor levels to Alcatraz are not expected to grow over current levels. The increases in the Alcatraz destination ferry trip numbers, as presented in Table 3, are the result of changing schedules and peak demand, not the result of improvements at Pier 31½. A variety of vessels of different passenger capacities (ranging from 125 to 350 passengers) currently serve Alcatraz, and it is expected that the general fleet mix would stay the same. Trips to Fort Baker would be limited to two per day and would occur on weekends only. As part of the proposed project, and discussed in more detail below, the Park Service would require that all ferries meet U.S. Environmental Protection Agency Tier 3 engine standards within 2 years of the agreement.

**TABLE 3**  
**FERRY TRIPS FROM PIER 31½ UNDER PROPOSED PROJECT CONDITIONS**

Destination	One Way Distance from Pier 31½ (nautical miles)	2020 to Project End		
		Number of Annual Calls (calls/year)	Number of Peak Day Calls (calls/day)	Number of Average <sup>4</sup> Day Calls (calls/day)
Alcatraz <sup>1</sup>	1.5	7,136	22	18
Alcatraz Plus Angel Island Loop	5.5	354	2	2
Interpretive Cruise <sup>2</sup>	8	450	3	2
Fort Baker <sup>3</sup>	4	208	2	1
<b>Total</b>		<b>8,148</b>	<b>29</b>	<b>23</b>

1. Alcatraz trips would be offered daily.

2. Interpretive cruises would be offered daily during peak season only (May – September).

3. Fort Baker trips would be offered on weekends only.

4. "Average day" refers to a typical off-peak day, not a mathematical average.

**TABLE 4**  
**VISITOR NUMBERS UNDER PROPOSED PROJECT CONDITIONS**

Destination	Annual	Peak	Average Daily <sup>2</sup>
Alcatraz <sup>1</sup>	1.7 million	6,040	3,955
Alcatraz Plus Angel Island Loop	46,000	500	500
Interpretive Cruise	90,000	750	500
Fort Baker	40,000	500	250
<b>Total</b>	<b>1.9 million</b>	<b>7,790</b>	<b>5,205</b>

1. Includes visitors to Pier 31½ who do not travel to Alcatraz Island

2. "Average daily" refers to a typical off-peak day, not a mathematical average.

The following conditions will be required by the Park Service as part of the concession contract and therefore an enforceable part of the proposed project. The selected concessioner will need to meet the below ferry requirements, at minimum, to reduce emissions. The Park Service recognizes that the concessioner may have non-Tier 3 propulsion engines initially, and allows for a 24-month grace period from the effective date of the concession contract. While the 24-month grace period will be allowed if needed, the Park Service prefers all engines at a minimum meet the Tier 3 emission standards on each vessel as soon as possible after the effective date of the concessioner agreement. Contract requirements include the following:

- **Project Condition 1: Tier 3 Propulsion Engine Requirements.** Within 24 months of the effective date of the concession contract, all diesel-powered propulsion engines shall meet the published United States Environmental Protection Agency emission standards for Tier 3 engines as specified in 40 Code of Federal Regulations (CFR) Part 1042 for the class of engine in use. All auxiliary engines must meet at least Tier 2 engine standards. Please note:
  - Tier 1 propulsion and auxiliary engines are no longer compliant with the California Air Resources Board Commercial Harbor Craft Regulations and compliance with this measure



does not eliminate the requirement for the concessioner to comply with applicable California Air Resources Board Commercial Harbor Craft regulations.

- California Air Resources Board Commercial Harbor Craft regulations require the use of California ultra-low sulfur diesel.
- Project Condition 2: Alternative Fuels and Technologies. The Park Service will only consider proposals for using alternative fuels or alternative fuel conversion technologies, including but not limited to, bio-diesel, ethanol, natural gas, propane, or other fuels, if the proposal is able to provide the U.S. Environmental Protection Agency Certificate of Conformity that demonstrates the engines meet or exceed the U.S. Environmental Protection Agency emissions standards for Tier 3 engines when using the alternative fuel. All conversion technologies must be U.S. Environmental Protection Agency-compliant.
- Project Condition 3: Hybrid-electric and Fully Electric Power Systems. As an alternative to Tier 3 propulsion engines, use of hybrid-electric or fully electric power systems may be proposed. The Park Service considers a "hybrid-electric power system or vessel" to be one that relies on some combination of electric (i.e., battery) and diesel or alternative fuel to generate onboard propulsion and auxiliary power. The Park Service considers a "fully electric power system and vessel" to be one that does not have any diesel or alternative fuel engines onboard and instead uses onboard batteries to supply all vessel propulsion and auxiliary power needs. The Park Service assumes that offerors proposing to use fully electric power systems (i.e., batteries instead of diesel or alternative fuel engines) would result in no direct engine emissions, as this system would not operate diesel or alternative fuel engines to produce electrical power.
- Project Condition 4: Idling Limits. Ferries will be restricted to a limit of 15 minutes idling at berth (propulsion and auxiliary engine).

Site transportation access and arrival options would be generally consistent with those of existing conditions, with a few key modifications. There are two existing bicycle racks, each accommodating approximately 20 bicycles. These racks and a small staff parking area currently located on the south side of the marginal wharf would be relocated inside the Pier 31 shed building. The current staff parking area accommodates approximately 15 parked cars, although no parking stall lines are provided. The proposed project would provide eight tandem parking stalls, as well as three Americans with Disabilities Act-designated parking stalls in the interior of the Pier 31 shed building. The Americans with Disabilities Act-designated parking stalls would be compliant with Federal Accessibility Standards. A new Federal Accessibility Standards-compliant 155-foot vehicle loading zone would be developed along the Embarcadero between the site entrance and the Pier 33 driveway. The loading zone would have one entrance and exit, would be separated from the roadway and bike lane by flexible bollards, and would provide 110 feet of usable curb space, accommodating a queue of five to six vehicles. A similar design is used on the Embarcadero in front of the Exploratorium. The proposed loading zone would remove five standard and one Americans with Disabilities Act-designated parking space from the curbside. The three new Americans with Disabilities Act-designated spaces provided in the Pier 31 bulkhead building would

serve visitor needs at the Pier 31½ site, and this curbside Americans with Disabilities Act-designated space would be relocated to the north, between the Pier 33 driveway and the Bay Street intersection.

The existing Federal Accessibility Standards-compliant drop-off zone for tour buses and persons with disabilities, measuring approximately 45 feet in length, would remain north on the Embarcadero, adjacent to the Pier 35 bulkhead building. Commercial loading would continue to occur inside the Pier 33 and Pier 31 bulkhead buildings with no changes proposed to the existing bulkhead driveways or curb cuts. Visitors on foot would still enter this site from the Embarcadero, between the two bulkhead buildings. However, because the staff parking would be removed from the marginal wharf under the proposed project, the entry, measuring approximately 115 feet, would encompass the full space between the buildings. Additional pedestrian access would be provided through the interior of the Pier 33 bulkhead buildings. The current project driveway, measuring approximately 32 feet, would be closed to vehicles, with the exception of emergency vehicles and after-hours fuel trucks; these exceptions would be permitted through the installation of collapsible bollards along the current driveway.

#### Fort Baker

It is anticipated that a maximum of roughly 40,000 visitors per year would travel to Fort Baker from Pier 31½ under the proposed project. The ferry service would operate on a limited basis on weekends only and the concessioner would not be permitted to sell tickets at Fort Baker, in an effort to promote pedestrian-only visits to Fort Baker, ~~based on a variety of operational and physical constraints, including limited parking at Fort Baker and the potential to congest roads nearby in Sausalito.~~ All trips would be same-day roundtrip, departing from and returning to the Pier 31½ site. There would be no alterations of the existing parking near the pier (Figure 9), and no shuttle service would be provided to serve ferry passengers. The proposed pedestrian path would require updating existing pedestrian infrastructure on the pier and the path between Cavallo Point Lodge and the Discovery Museum, as well as constructing an entirely new path, measuring approximately 0.25 mile, between the Discovery Museum and pier. These upgrades would include adding Americans with Disabilities Act-compliant ramps to the Murray Circle sidewalk where it intersects the access road between Murray Circle and McReynolds Road just north of East Road. Ferry operations would use a small portion of the pier on weekends; the majority of the pier would remain open for recreational uses including fishing and sightseeing.

### Project Construction

#### Pier 31½

At Pier 31½, construction would begin in 2019 and end in 2022, with active construction occurring over a period of 10 months. Construction of upgraded berthing infrastructure is expected to occur in 2019, with pile driving occurring from barges lasting approximately 3 days. The gangways and floats would be fabricated off site and floated into place using barges and cranes. Work would occur annually between July 1 to November 30, as described in Section E.13, Biological Resources.

Separate from installation of new berthing infrastructure, interior building and exterior plaza renovations are expected to occur in phases between 2019 and 2022, with precise phasing ultimately confirmed by the

concessioner. Work would occur on the landside using the types of construction equipment described in Table 5.

#### Fort Baker

At Fort Baker, construction would occur in 2023, with active construction occurring over a period of 11 months. Most of the proposed pier improvements are under-pier activities and would be performed from barges and floats staged under the pier. Pile driving from barges is expected to last 2 to 3 days. The gangway and float would be fabricated off site and floated into place using barges and cranes. Work would occur annually between July 1 to September 30, as described in Section E.13, Biological Resources. Minor improvements to upland areas, such as construction of the pathway, would occur as described above.

#### Construction Schedule

The construction schedule and construction equipment estimates for Pier 31½ and Fort Baker are presented in Table 5.

**TABLE 5  
ANTICIPATED CONSTRUCTION SCHEDULE**

Task	Actions	Equipment (fuel, horsepower)	No. of pieces	Hours/ day	Duration (days)
<b>Pier 31½ Estimated Start November 2019</b>					
<b>Gangway/ Float Installation</b>	Installing new float(s), gangways, platforms, and piling	Crane Barge (d, 360 hp)	1	8	30 days (6 days for pile driving)
		Tug (d, 1000 hp)	1	2	
		Support Vehicle (g, 385 hp)	2	4	
		Generator (d, 45 hp)	1	6	
		Work Boat (g, 30 hp)	2	2	
<b>Site Demo and Preparation</b>	Miscellaneous site demolition	Excavator (d, 165 hp)	2	8	22 days
		Backhoe (d, 180 hp)	3	8	
		Concrete Industrial Saw (d, 84 hp)	1	6	
		Haul/Dump Truck (d, 445 hp)	2	6	
<b>Site Improvements</b>	Paving/concrete, striping, signage, constructing railings, canopies, and entry portal, and new exterior construction	Backhoe (d, 180 hp)	3	8	66 days
		Paver (d, 200 hp)	1	3	
		Concrete Mixer/Asphalt Truck (d, 445 hp)	2	4	
		Support Vehicle (g, 385 hp)	4	8	
		Delivery Truck (d, 175 hp)	1	2	
		Dump Truck (d, 445 hp)	4	6	
<b>Site Utility Installation</b>	Water, sewer, storm drainage, electrical	Backhoe (d, 180 hp)	3	8	63 days
		Air Compressor, 100 CFM (50 hp)	1	4	
		Support Vehicle (g, 385 hp)	3	8	
		Delivery Truck (d, 175 hp)	1	2	
<b>Deck Repair</b>	Repair/replace pier top	Support Vehicle (g, 385 hp)	2	4	44 days

Task	Actions	Equipment (fuel, horsepower)	No. of pieces	Hours/ day	Duration (days)
	asphalt topping, install new deck and amenities, repair deck edge, and repair deck soffit	Generator (d, 45 hp)	1	6	
		Concrete Industrial Saw (d, 84 hp)	1	6	
		Work Boat (g, 30 hp)	2	6	
Architectural Coating	Interior wall finishing		N/A		23 days
Fort Baker: Estimated Start January 2023					
Pile/Caisson Repair	Cleaning, FRP jacket, grout injection, and hanging work platform installation and removal	Crane Barge (d, 360 hp)	1	4	160
		Tug (d, 1000 hp)	1	2	
		Support Vehicle (g, 385 hp)	2	4	
		Work Boat (g, 30 hp)	2	4	
		Generator (d, 45 hp)	1	6	
Bulkhead Repair	Cleaning, concrete patching with rebar repair	Support Vehicle (g, 385 hp)	2	4	10
		Work Boat (g, 30 hp)	2	6	
		Support Vehicle (g, 385 hp)	2	4	
Deck Repair	Repair/replace pier top asphalt topping, install new deck and amenities, repair deck edge, and repair deck soffit	Generator (d, 45 hp)	1	6	10
		Concrete Industrial Saw (d, 84 hp)	1	6	
		Work Boat (g, 30 hp)	2	6	
Fender Pile Replacement	Replace fender piling and timbers	Excavator/Barge (d, 165 hp)	1	8	20
		Crane Barge (d, 360 hp)	1	8	
		Tug (d, 1000 hp)	1	8	
		Support Vehicle (g, 385 hp)	2	4	
		Work Boat (g, 30 hp)	2	2	
		Delivery Truck (d, 175 hp)	1	2	
Gangway and Float Installation	Installing new float(s), gangways, platforms, and piling	Crane Barge (d, 360 hp)	1	8	30
		Tug (d, 1000 hp)	1	2	
		Support Vehicle (g, 385 hp)	2	4	
		Generator (d, 45 hp)	1	6	
		Work Boat (g, 30 hp)	2	2	
Site Demo & Preparation	Miscellaneous site demolition	Excavator (d, 165 hp)	2	8	10
		Backhoe (d, 180 hp)	3	8	
		Concrete Industrial Saw (d, 84 hp)	1	6	
		Haul/Dump Truck (d, 445 hp)	2	6	
Site Improvements	Construction of pathway, railings, and site amenities	Backhoe (d, 180 hp)	3	8	15
		Paver (d, 200 hp)	1	3	
		Concrete Mixer/Asphalt Truck (d, 445 hp)	2	4	
		Support Vehicle (g, 385 hp)	4	8	

Task	Actions	Equipment (fuel, horsepower)	No. of pieces	Hours/ day	Duration (days)
Pier Utilities	Electrical for pier lighting, and pier and gangway utilities	Delivery Truck (d, 175 hp)	1	2	10
		Dump Truck (d, 445 hp)	4	6	
		Backhoe (d, 180 hp)	3	8	
		Air Compressor, 100 CFM (50 hp)	1	4	
		Support Vehicle (g, 385 hp)	3	8	
		Delivery Truck (d, 175 hp)	1	2	

CFM: cubic feet per minute

d: diesel

FRP: fiber-reinforced polymer

g: gasoline

hp: horsepower

N/A: not applicable

## Required Approvals and Permits

The following is a list of approvals and permits required for completion of the proposed project.

### Federal Approvals and Permits

- **National Park Service:** Approval under the National Environmental Policy Act
- **U.S. Army Corps of Engineers:** Permits under Section 404 of the Clean Water Act and Section 10 of the River and Harbors Act
- **U.S. Fish and Wildlife Service:** Approval under the Endangered Species Act
- **National Oceanic and Atmospheric Administration; National Marine Fisheries Service:** Approval under the Endangered Species Act and Magnuson-Stevens Fishery Conservation and Management Act

### State Approvals and Permits

- **California Office of Historic Preservation:** Approval under Section 106 of the National Historic Preservation Act
- **Regional Water Quality Control Board:** Approval under Section 401 of the Clean Water Act and Porter-Cologne Water Quality Control Act
- **San Francisco Bay Conservation and Development Commission:** Approval under the McAteer-Petris Act and the Coastal Zone Management Act
- **Bay Area Air Quality Management District:** Construction permit

### Local Approvals and Permits

- **Port of San Francisco:** Approval of lease to operate at Pier 31½ includes:
  - Issuance of building permit and approval of standard construction best management practices (spill prevention, debris, and stormwater management best management practices)
  - Approval of loading zone and parking modifications

- Approval of a Stormwater Control Plan in compliance with the City’s 2016 Stormwater Management Requirements and Design Guidelines
- San Francisco Department of Health: Approval of a Dust Control Plan

## B. PROJECT SETTING

### Regional and Local Setting

#### Pier 31½

The project site at Pier 31½ is located along the northern end of The Embarcadero, a roadway spanning San Francisco’s eastern waterfront. The Pier 31½ site is zoned as a light industrial district, and directly across The Embarcadero is a commercial community business district. The roadway sits atop an engineered seawall constructed between the 1860s and 1920s. The Embarcadero was historically home to a short-line freight railroad which connected the numerous piers extending off the roadway into the bay. During World War II, nearly all piers along The Embarcadero were used for military activities. The Embarcadero District was listed in the National Register of Historic Places in 2002. The piers along The Embarcadero remain owned and leased by the Port, and are currently home to the Alcatraz ferry embarkation site at Pier 31½ and the Alcatraz Café and Grill at Pier 33, the James R. Herman Cruise Terminal (Pier 27), and the Exploratorium (Pier 15), among other establishments.

All piers along The Embarcadero are owned by the Port. Piers to the north of the Ferry Building (Pier 1) are sequentially labeled by even numbers (Pier 2, Pier 4, etc.), while piers to the south of the Ferry Building are sequentially labeled by odd numbers (Pier 3, Pier 5, etc.). The northeastern portion of The Embarcadero, specifically between piers 7 and 35, has historically been known as a maritime, industrial, and manufacturing area which offers cargo-shipping, ship repair, tug and barge operations, and cruise ship embarkation. However, development over the last 25 years has also introduced new open space, commercial, amusement, and parking uses in this area.

#### Fort Baker

Fort Baker is a former U.S. Army post located in Marin County at the foot of the Golden Gate Bridge which offers recreational and educational opportunities to visitors. Fort Baker comprises approximately 335 acres, including a core zone of 91 acres surrounding a parade ground and 24 historic military buildings dating from the late nineteenth century. The site also includes the historic pier, historic batteries, open space, and rocky shoreline, and is connected to the Golden Gate National Recreation Area’s trail system.<sup>6</sup> The site is managed according to the policies and decisions set forth in the Park Service’s *Fort Baker Plan Environmental Impact Statement*.<sup>7</sup>

<sup>6</sup> National Park Service, Fort Baker Brochure, June 2008. Available from <https://www.nps.gov/goga/planyourvisit/upload/2008-0910-sb-foba-web.pdf>.

<sup>7</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

Within Fort Baker is the Cavallo Point Lodge at the Golden Gate, the newest retreat and conference center in the national park system, which provides historic and contemporary guest rooms and associated amenities to visitors. The lodge is also used by the Institute at the Golden Gate, a new program of the Golden Gate National Parks Conservancy, in partnership with the Park Service; dedicated to advancing environmental preservation and global sustainability. The Bay Area Discovery Museum and the Travis Sailing Center are also located at Fort Baker.<sup>8</sup>

Fort Baker is accessible from U.S. Highway 101 by travelling less than one quarter mile on Alexander Avenue, to Bunker Road which descends approximately one quarter mile into the Fort Baker historic post area, encircled by Murray Circle. Moore Road, a two-way roadway, provides access to the Coast Guard Station and the historic pier. East Road borders the eastern edge of Fort Baker, leading to Alexander Avenue and downtown Sausalito, approximately 2.5 miles to the north. Additional information regarding Sausalito is provided in Appendix B.

### Other Projects in the Vicinity

Past, present, and reasonably foreseeable future projects occurring in the vicinity of the proposed project could result in cumulative impacts in combination with the proposed project impacts. Cumulative development in the project vicinity (generally within a 0.25-mile radius of the project sites) or development related to the proposed project in scope includes the projects shown in Table 6 that are either under construction or for which the Planning Department has an Environmental Evaluation Application on file.

TABLE 6  
CUMULATIVE SCENARIO ACTIONS: PAST, PRESENT, AND FUTURE

Action Name	City Planning Number (if applicable)	Summary
<b>Past Actions</b>		
<i>Marin Headlands and Fort Baker Transportation Infrastructure and Management Plan (Park Service)</i>	N/A	This plan involves improving multimodal connections between Marin Headlands and Fort Baker by improving roadway surfaces and configurations, drainage structures, directional signage, and safety. Phases 1 and 2 have been completed, and included the rehabilitation/reconstruction of Upper Conzelman, Lower Conzelman, McCullough, East, Bunker, Mitchell, Old Bunker, and Field roads, the Alexander Avenue and West Bunker Road intersection, as well as several parking areas, trails, and drainage features. Additional project elements, including car-free events at Fort Baker, traffic control for special events, and paid parking within the Marin Headlands are not currently slated for implementation. <sup>4</sup>
<b>Present Actions</b>		

<sup>8</sup> National Park Service, Fort Baker Brochure, June 2008. Available from <https://www.nps.gov/goga/planyourvisit/upload/2008-0910-sb-foba-web.pdf>.

Action Name	City Planning Number (if applicable)	Summary
<i>Ongoing Maintenance Dredging of Port Piers (Port)</i>	N/A	The Port conducts regular maintenance dredging of its piers between Fisherman's Wharf and Pier 96. From 2011 to 2014, the maintenance dredging contract covered the dredging and disposal of more than 900,000 cubic yards of dredged sediment. The Port Commission recently recommended approval of the 2016-2020 contract. <sup>5</sup>
<i>Ongoing Routine Repair and Maintenance of Port Facilities</i>	2016-003866ENV	The Port conducts ongoing repair and maintenance of its facilities as part of its routine maintenance program. These may include substructure and apron repair of its piers, utility upgrades, and roof repairs. Several upcoming and ongoing projects include substructure repairs to Piers 29 and 31½, roof repairs to Pier 19, and utility upgrades at Piers 23, 31, and 33.
<i>Pier 29</i>	2017-005787ENV	The project seeks to adapt the interior central and southern portion of the Pier 29 bulkhead and a portion of the adjacent transit shed into a new retail space with food and beverage component.
<i>Pier 43½, The Embarcadero - Red and White Ferry Embarkation Improvements</i>	2017-002244ENV	Golden Gate Scenic Steamship Corporation (dba Red and White Fleet), a 124-year-old San Francisco Excursion tour boat business, seeks a new 30-year lease with the Port of San Francisco. The proposed project entails enhancing its existing business operations and public services by providing a ticket booth facility, passenger queuing and disembarking, vessel landing and berthing, guest photography and photographic sales, a passenger loading and drop off zone, the presentation of educational interpretative displays, retail sales of merchandise, onboard food and beverage services, enhancement of general public circulation within the shoreline corridor, and additional activities necessary for the support of permitted uses.
<i>Downtown San Francisco Ferry Terminal Expansion Project (WETA)</i>	N/A	The Downtown San Francisco Ferry Terminal Expansion Project would include construction of up to three new ferry gates and additional amenities at the Ferry Building's WETA ferry terminal to accommodate existing and future users. These improvements would support WETA projects currently in the planning phase, including providing new ferry service to Richmond, Berkeley, Treasure Island, Hercules, Redwood City, Martinez, and Antioch. Construction began in May 2017, expected to be completed in 2019. <sup>6</sup>
<i>Seawall Lot 322-1 (88 Broadway and 735 Davis Street)</i>	2016-007850ENV	The project involves the proposed construction of two six-story buildings containing affordable family and senior housing. The first floor would provide ground floor units, commercial space, commercial parking, bike parking, and common space/social services for residents' use.
<i>Seawall Lots 323 and 324 (Teatro ZinZanni)</i>	2015-016326ENV	The project proponent proposes the following: 1) the street vacation of portions of Davis and Vallejo streets to combine the two Port-owned lots that are separated due to the presence of the streets; 2) the removal of the existing surface parking lot and pay booths; and 3) the construction of a mixed-use development that includes a theater, a hotel building, and a privately owned public plaza and park. The proposed 40-foot-tall, 28,500-sf theater would be occupied by Teatro ZinZanni and would include 3,510-square-foot historic travelling theater tent. The proposed 40-foot-tall, 155,300-square-foot hotel would include 185 rooms with a ground-floor restaurant/bar and a retail space.
<i>The Seawall Lot 337 and Pier 48 Mixed-Use Project</i>	2013.0208E	The proposed project is envisioned to be a mixed-use development comprising both residential and commercial buildings, as well as several acres of open space. The project includes 8 acres of new parks and open space and approximately 1,500 new rental homes (40% affordable to low and middle-income individuals and families), sea level rise resiliency and adaptation features, historic rehabilitation of Pier 48, and public waterfront access improvements along the Blue Greenway trail. The Final EIR is currently being prepared for the project.



Action Name	City Planning Number (if applicable)	Summary
<b>Reasonably Foreseeable Future Actions</b>		
<i>Embarcadero Enhancement Project</i>	N/A	The SFMTA, Port of San Francisco, San Francisco Planning Department and San Francisco Public Works Department seek to develop a Complete Streets conceptual design and cost estimate that includes a bikeway, which would be physically separated from moving or parked vehicles and pedestrians, along The Embarcadero from AT&T Park at King Street to the Fisherman's Wharf area.
<i>Pier 19-23 Temporary Flower Mart Relocation</i>	2015-004256ENV	The project involves the improvement and reuse of the existing sheds and bulkhead building located at Piers 19, 19½, and 23 in order to operate a wholesale flower market on a temporary basis, estimated to occur from late 2019 to 2023. The project would include approximately 103,000 sf for wholesale vendor stalls, circulation, and offices; 113,000 sf of parking and loading to accommodate 191 parking spaces; and supporting uses.

1. Woolsey, K., *Build: The Making of a Museum*, February 1, 2013.
  2. City and County of San Francisco Planning Department, *The 34th America's Cup, James R. Herman Cruise Terminal and Northeast Wharf Plaza Final Environmental Impact Report*, December 15, 2011.
  3. National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.
  4. National Park Service, *Marin Headlands and Fort Baker Transportation Infrastructure and Management Plan Record of Decision*, August 11, 2009. Available from <https://www.nps.gov/goga/learn/management/upload/MHFB-ROD-Final.pdf>.
  5. Port of San Francisco, Contract No. 2746 Maintenance Dredging 2011-2015, 2011. Available from <http://www.sf-port.org/index.aspx?page=1727>.
  6. Water Emergency Transportation Authority, San Francisco Ferry Terminal Expansion Project, <http://watertransit.org/weta/downtown-san-francisco-ferry-terminal-expansion-project-outreach>, accessed October 15, 2013.
- DPW: Department of Public Works  
EIR: Environmental Impact Report  
N/A: not applicable  
sf: square feet  
SFMTA: San Francisco Metropolitan Transportation Agency  
WETA: Water Emergency Transportation Authority  
Source: City and County of San Francisco Planning Department, Permits in My Neighborhood, <http://sf-planning.org/active-permits-my-neighborhood>, accessed July 12, 2017.

## C. COMPATIBILITY WITH EXISTING ZONING AND PLANS

	<i>Applicable</i>	<i>Not Applicable</i>
Discuss any variances, special authorizations, or changes proposed to the Planning Code or Zoning Map, if applicable.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss any conflicts with any adopted plans and goals of the City or Region, if applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Discuss any approvals and/or permits from City departments other than the Planning Department or the Department of Building Inspection, or from Regional, State, or Federal Agencies.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

This section discusses the compatibility of the proposed project with applicable zoning regulations and land use plans, and approvals and/or permits required from City departments other than the Planning and Building Inspection departments, or from regional, state, or federal agencies. The proposed project would be located entirely on Port property (Pier 31½) and Park Service property (Fort Baker). The proposed project would not require the issuance of a variance, conditional use authorization, or changes to San Francisco's Planning Code or Zoning Map. Therefore, these issues are not discussed further in this document.

The following section presents federal, local, and regional plans, policies, and goals that are applicable to the proposed project. Potential inconsistencies between the proposed project and applicable plans are also discussed. Whether a project is consistent with particular plans for which a consistency determination is required is decided at the time of project approval by the agency charged with that determination. Land use plans typically contain numerous policies emphasizing differing legislative goals, and an interpretation of consistency requires balancing all relevant policies. The board or commission that enacted a plan or policy and determines the meaning of the policy and whether an individual project satisfies the policy at the time the board considers approval of the project.

As discussed below, the proposed project would not obviously or substantially conflict with any of the plans or policies.

### **Federal Park Service Plans and Policies**

The proposed project is subject to federal plans and policies, namely those that provide oversight of the Park Service, which owns and operates Fort Baker and would operate the Pier 31½ facility via a concessioner. These plans and policies are described in the following paragraphs.

#### **Organic Act of 1916**

The Organic Act directs the Park Service to "promote and regulate the use of the Federal areas known as national parks, monuments, and reservations... to conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations" (16 USC Chapter 1).

Management of Park Service resources, including the Golden Gate National Recreation Area, is guided by these principles. This policy only applies at Fort Baker.

#### General Authorities Act of 1970

As mandated by the Organic Act and reaffirmed by the General Authorities Act, management of Park Service resources is guided by the fundamental principal of conserving park resources and values. In addition, these laws require the Park Service to avoid, or to minimize to the greatest extent practicable, adverse impacts on park resources and values. This policy only applies at Fort Baker.

#### Park Service Management Policies, 2006

The proposed project is subject to the Park's Service's Management Policies and as such, Park Service decision-makers must investigate potential conflicts with proposed park uses and the National Park System's "fundamental purpose" of conserving park resources and values. In keeping with these policies, the Park Service evaluated several alternative project locations in an EIS which identified the proposed project as the preferred alternative. The Final EIS found that the proposed project would protect park resources and values.

#### National Park Service Concessions Management Improvement Act of 1998

Commercial services may take place within a unit of the National Park System only under certain defined and limited circumstances. Allowable commercial services may be authorized through concession contracts. A competitive selection process is mandated by the 1998 Concessions Act for concession contracts, with criteria for selection of the best proposal set out in the law, itself. The act also generally limits the maximum term of concession contracts to 10 years.

#### Public Law 92-589

The law calls for park management to utilize the park's resources in a manner that will provide for recreation and educational opportunities, and to preserve the recreation area, as far as possible, in its natural setting, and protect it from development and uses that would destroy the scenic beauty and natural character of the area. This policy only applies at Fort Baker.

#### Fort Baker Plan

Numerous plan elements have been implemented, including construction and opening of the Cavallo Point Lodge at Golden Gate and improvements to the Bay Area Discovery Museum. The plan identifies the potential for the fishing pier to provide water-based connections to other park sites in the future. The proposed project would not conflict with this land use plan. This policy only applies at Fort Baker.

### **City and County of San Francisco and Port of San Francisco Plans and Policies**

#### San Francisco General Plan

The San Francisco General Plan sets forth the comprehensive long-term land use policy for the City and County of San Francisco. The general plan consists of 10 issue-oriented plan elements: air quality; arts; commerce and industry; community facilities; community safety; environmental protection; housing;

recreation and open space; transportation; and urban design. All land use documents, such as the Planning Code, area-specific plans, and redevelopment plans, must be consistent with the General Plan. The charter approved by the voters in November 1995 requires that the Planning Commission recommend amendments to the General Plan to the Board of Supervisors for approval. This approval changes the General Plan's status from an advisory to a mandatory document and underscores the importance of referrals establishing consistency with the General Plan before actions by the Board of Supervisors on a variety of actions.<sup>9</sup> Plan elements relevant to the proposed project are briefly described as follows:

- Air Quality Element: Promotes clean air planning through objectives and policies that ensure compliance with air quality regulations.
- Commerce and Industry Elements: Guides decisions on economic growth and change in San Francisco with the three goals of continued economic vitality, social equity, and environmental quality.
- Urban Design Element: Concerns the physical character and order of San Francisco, and the relationship between people and their environment, including the preservation of landmarks.
- Recreation and Open Space: Ensures a well-maintained, highly utilized and integrated open space and recreational system that meets the long-term needs of San Francisco and Bay Area.
- Environmental Protection Element: Addresses the impact of urbanization on the natural environment.

The proposed project would not obviously or substantially conflict with any goals, policies, or objectives of the General Plan.

#### Waterfront Land Use Plan<sup>10</sup>

In 1997, the Port adopted the Waterfront Plan to address how and where existing and new land uses will be located along the waterfront over the next 20 years. The plan outlines general land use policies and objectives for all property under the Port's jurisdiction, specifically regarding maritime uses, open space and public access, residential and commercial uses, and other/interim uses. Unacceptable nonmaritime uses are also identified. This plan is consistent with the Port's public trust responsibilities and the City/County's Northeastern Waterfront Area Plan.<sup>11</sup> As a component to the Waterfront Plan, the Waterfront Design and Access Element was prepared to provide goals, policies, and qualitative standards for future waterfront improvement projects, specifically regarding public access and open space, views, and historical preservation. The plan also provides general architectural criteria for piers, bulkhead sites,

---

<sup>9</sup> City and County of San Francisco, *San Francisco General Plan*, as amended through 1996. Available from <http://generalplan.sfplanning.org/>.

<sup>10</sup> Port of San Francisco, *Waterfront Land Use Plan*, adopted 1997 and republished 2004. Available from <http://sfport.com/waterfront-land-use-plan-chapters>.

<sup>11</sup> City and County of San Francisco, *Northeastern Waterfront Area Plan*, July 2003. Available from [http://generalplan.sfplanning.org/NE\\_Waterfront.htm](http://generalplan.sfplanning.org/NE_Waterfront.htm).

and seawall lots, as well as some site-specific architectural criteria. The proposed project would not conflict with the Waterfront Land Use Plan.

#### Port of San Francisco Codes, Guidelines, and Regulations

The Port of San Francisco requires compliance with a number of City of San Francisco codes, as well as specific Port codes and guidelines for all Port projects, including the following:

- 2016 Port Green Building Code<sup>12</sup>
- 2016 Port Existing Building Code
- San Francisco Public Utilities Commission Construction Best Management Practice Handbook<sup>13</sup>
- San Francisco Public Utilities Commission Construction Site Runoff Control Technical Standards and Guidelines
- City's 2016 Stormwater Management Requirements and Design Guidelines<sup>14</sup>

As applicable, construction and operation at the Pier 31½ site will comply with all regulations.

#### Northeastern Waterfront Plan

Branching from the General Plan, the City/County's Northeastern Waterfront Plan guides decisions made regarding land use development and urban design specific to San Francisco's northeastern waterfront. The overall goal of this plan is to promote a physical and economic environment along the waterfront that best uses the area's resources and best serves the City/County's community. The proposed project would not conflict with the Northeastern Waterfront Plan.

#### Regional Plans

In addition to local general plans and related documents, regional environmental, transportation, and land use plans and policies consider the growth and development of the nine-county San Francisco Bay Area. Some of these plans and policy documents are advisory, and some include specific goals and provisions that must be adhered to when evaluating a project under CEQA. These regional plans are described as follows.

#### Bay Area 2010 Clean Air Plan

This comprehensive document updates the Bay Area 2005 Ozone Strategy, in accordance with the requirements of the California Clean Air Act, to implement feasible measures to reduce ozone and provide a control strategy to reduce ozone, particulate matter, air toxics, and greenhouse gases

---

<sup>12</sup> Port of San Francisco, *Green Building Code*, adopted 2016 and revised May 2017. Available from <http://sfport.com/sites/default/files/Business/Docs/Permit%20Services/2016%20Port%20Building%20Codes/2016%20Port%20Green%20Building%20Code-Revised%20May%202017-Publish.pdf>.

<sup>13</sup> San Francisco Public Utilities Commission, *Construction Best Management Practices Handbook*, adopted August 2013. Available from <http://sfport.com/sites/default/files/Business/Docs/Permit%20Services/SFPUC%20Construction%20Best%20Management%20Practice%20Handbook%20Aug%202013.pdf>.

<sup>14</sup> San Francisco Public Utilities Commission, *Stormwater Management Requirements and Design Guidelines*, May 2016. Available from <http://www.sfwater.org/Modules/ShowDocument.aspx?documentID=9026>.

throughout the region. It is administered by the Bay Area Air Quality Management District. The proposed project would not conflict with the Bay Area 2010 Clean Air Plan.

#### Plan Bay Area

This is a long-range integrated transportation and land use/housing strategy through 2040 for the San Francisco Bay Area to meet the requirements of Senate Bill 375, which calls on each of the state's 18 metropolitan areas to develop a sustainable communities' strategy to accommodate future population growth and reduce greenhouse gas emissions from cars and light trucks. It is administered by the Association of Bay Area Governments and the Metropolitan Transportation Commission. The proposed project would not conflict with the Plan Bay Area.

#### Water Quality Control Plan for the San Francisco Bay Basin

This is the San Francisco Bay Regional Water Quality Control Board's master water quality control planning document. It designates beneficial uses and water quality objectives for waters of the state, including surface waters and groundwater, and includes programs of implementation to achieve water quality objectives. The proposed project would not conflict with the Water Quality Control Plan for the San Francisco Bay Basin.

#### San Francisco Bay Plan and Special Area Plan

The Bay Plan<sup>15,16</sup> is the San Francisco Bay Conservation and Development Commission's policy guide that designates development, recreation, and conservation uses in its jurisdiction around the San Francisco Bay shoreline and various supporting waterways and estuaries in accordance with the McAteer-Petris Act. The San Francisco Bay Plan, and the jurisdictional boundary of the San Francisco Bay Conservation and Development Commission, was amended in October 2011 to reflect climate change issues and anticipated sea level rise. Priority uses include ports, water-related industry, airports, wildlife refuges, and water-related recreation. As an extension to the Bay Plan,<sup>17</sup> the San Francisco Bay Conservation and Development Commission worked in concert with the City's Planning Department and the Port to create the Special Area Plan. Adopted in 1975 and amended through February 2010, this plan identifies site-specific policies pertaining to all Port properties along the shoreline east of Hyde Street Pier to just south of India Basin (located in the southeastern part of San Francisco, near Hunter's Point). Additionally, based on the Bay Plan, the design guidelines handbook helps guide design decisions made on future development projects along the bay shoreline. While only advisory and not legally enforceable, the guidelines were adopted by the San Francisco Bay Conservation and Development Commission in 2005 and have influenced past recommendations and formal decisions made by the San Francisco Bay Conservation and Development Commission and its Design Review Board. The Park Service is currently

---

<sup>15</sup> San Francisco Bay Conservation and Development Commission, *San Francisco Waterfront Special Area Plan*, April 1975, as amended through February 2010.

<sup>16</sup> San Francisco Bay Conservation and Development Commission, *San Francisco Bay Plan*, adopted 1968 and reprinted 2012. Available from <http://www.bcdc.ca.gov/pdf/bayplan/bayplan.pdf>.

<sup>17</sup> Ibid.

working with the San Francisco Bay Conservation and Development Commission to complete the Coastal Zone Management Act consistency process and a permit for the proposed project from San Francisco Bay Conservation and Development Commission will also be obtained. There are no apparent inconsistencies with the Bay Plan and the proposed project.

#### D. SUMMARY OF ENVIRONMENTAL EFFECTS

The proposed project could potentially affect the environmental factor(s) checked below. The following pages present a more detailed checklist and discussion of each environmental factor.

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Land Use                       | <input checked="" type="checkbox"/> Air Quality        | <input checked="" type="checkbox"/> Biological Resources               |
| <input type="checkbox"/> Aesthetics                     | <input type="checkbox"/> Greenhouse Gas Emissions      | <input type="checkbox"/> Geology and Soils                             |
| <input type="checkbox"/> Population and Housing         | <input type="checkbox"/> Wind and Shadow               | <input type="checkbox"/> Hydrology and Water Quality                   |
| <input checked="" type="checkbox"/> Cultural Resources  | <input type="checkbox"/> Recreation                    | <input type="checkbox"/> Hazards/Hazardous Materials                   |
| <input type="checkbox"/> Transportation and Circulation | <input type="checkbox"/> Utilities and Service Systems | <input type="checkbox"/> Mineral/Energy Resources                      |
| <input checked="" type="checkbox"/> Noise               | <input type="checkbox"/> Public Services               | <input type="checkbox"/> Agricultural and Forest Resources             |
|   |  | <input checked="" type="checkbox"/> Mandatory Findings of Significance |

#### E. EVALUATION OF ENVIRONMENTAL EFFECTS

This Initial Study examines the proposed project to identify potential effects on the environment. For each item on the Initial Study checklist, the evaluation has considered the impacts of the proposed project both individually and cumulatively. A full discussion is included for all items checked "Less than Significant with Mitigation Incorporated" and "Less than Significant Impact," and a brief discussion is included for items checked "No Impact" or "Not Applicable." The items checked above in Section D, Summary of Environmental Effects, have been determined to be "Less than Significant with Mitigation Incorporated."

Environmental impacts are numbered throughout this Initial Study using the section topic identifier followed by sequentially numbered impacts (for example, LU-1, LU-2, etc.). If needed, mitigation measures are numbered to correspond to the impact numbers (for example, M-LU-1, etc.). Cumulative impacts are discussed at the end of each environmental topic impact discussion and use the letter C to identify them; for example, Impact C-LU addresses cumulative land use impacts.



Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>1. LAND USE AND PLANNING— Would the project:</b>					
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact LU-1: The proposed project would not physically divide an established community. (No Impact)**

The division of an established community would typically involve the construction of a physical barrier to neighborhood access, such as a new freeway, or the removal of a means of access, such as a bridge or a roadway.

The proposed project site at Pier 31½ is located entirely on Port property, and is currently being used for the same uses as those proposed. Pier 31½ is located within a waterfront tourist district, separated from nearby urban areas primarily made up of commercial uses interspersed with residential units by the Embarcadero roadway and MUNI railway tracks. The closest community is located in Telegraph Hill, which is already divided from the proposed project site by a steep hill. The proposed project features and all construction would occur on site and would not block access to adjacent areas.

Fort Baker is located on a peninsula and on federal land over a mile away from the nearest community. Proposed project construction would be restricted to the wharf and nearshore area, and would not include any additional structures or impediments that would limit access or availability to surrounding communities.

Based on this analysis, the proposed project would not physically divide an established community at either project location, and there would be no impact.

**Impact LU-2: The proposed project would not conflict with any applicable land use plans, policies, or regulations of an agency with jurisdiction over the project (including, but not limited to, the general plan, Waterfront Land Use Plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect. (Less than Significant)**

Land use impacts are considered to be significant if the proposed project would conflict with any plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. Environmental plans and policies are those which directly address environmental issues and/or contain

targets or standards which must be met in order to preserve or improve characteristics of the City's physical environment.

The proposed project site at Pier 31½ is zoned light industrial and is located directly across The Embarcadero from a commercial community business district.<sup>18</sup> All piers along The Embarcadero are owned by the Port. The northeastern portion of The Embarcadero, specifically between piers 7 and 35, has historically been known as a maritime, industrial, and manufacturing area that offers cargo shipping, ship repair, tug and barge operations, and cruise ship embarkation. However, development over the last 25 years has also introduced new open space, commercial, amusement, and parking uses in this area.

As discussed in Section C, Compatibility with Existing Zoning and Plans, project construction and operation at Pier 31½ and Fort Baker would not obviously or substantially conflict with any adopted environmental plan or policy. The proposed project would be compliant with all relevant environmental regulations, including the Clean Water Act, Endangered Species Act, Bay Plan, and McAteer-Petris Act (refer to Section E.13, Biological Resources, and Section E.15, Hydrology and Water Quality). Therefore, the proposed project would have a less-than-significant impact with regard to conflicts with applicable land use policies, plans, and regulations adopted for the purpose of avoiding or mitigating an environmental effect.

**Impact C-LU: The proposed project, in combination with past, present, and reasonably foreseeable future projects in the vicinity of the site, would result in less-than-significant cumulative impacts on land use. (Less than Significant)**

The geographic scope of potential cumulative impacts on land use encompasses the project site and nearby vicinity (within a quarter-mile radius of the project site or development related to the proposed project in scope) and includes the following projects that are either under construction or for which the Planning Department has an Environmental Evaluation Application on file (see Table 6 in Section B, Project Setting): ongoing maintenance dredging of Port piers; ongoing routine repair and maintenance of Port facilities; new retail space at Pier 29; the Pier 43½ Red and White ferry facilities; and the construction of a mixed-use development, including a new theater, and parking modifications at Seawall Lots 323 and 3243. There are no known potential projects within a quarter-mile of Fort Baker. As discussed above, the proposed project would have a less-than-significant effect regarding conflicts with applicable land use plans, policies, and regulations. Similarly, the identified cumulative projects would also be required to comply with applicable land use plans, policies, and regulations adopted for the purpose of minimizing an environmental effect. Accordingly, no significant cumulative impact related to conflicts with applicable plans, policies and regulations would result from the cumulative scenario to which the proposed project and other cumulative projects would contribute. This impact would be less than significant.

---

<sup>18</sup> City and County of San Francisco, *San Francisco Municipal Code* (current through Ordinance 70-12, File No. 130085), approved April 23, 2013, and effective May 23, 2013. Available from <http://www.amlegal.com/library/ca/sfrancisco.shtml>.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>2. AESTHETICS—Would the project:</b>					
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

An aesthetics or visual quality analysis considers the project design in relation to the surrounding visual character, heights, and building or structure types of surrounding uses, its potential to obstruct scenic views or vistas, and its potential for light and glare. A project would be considered to have a significant adverse environmental effect on visual quality only if it would cause a substantial, demonstrable negative change.

**Impact AES-1: The proposed project would not have a substantial adverse effect on a scenic vista. (Less than Significant)**

A scenic vista is generally considered to be a location from which the public can experience unique and high-quality views, typically from elevated and uninterrupted vantage points that offer panoramic views of great breadth and depth. Scenic vistas may be officially recognized or designated (e.g., within local planning documents or the Caltrans scenic highway program) or they may be informal in nature (e.g., mountain peaks or coastal bluffs). A project would have a significant effect on scenic vistas if it would substantially degrade important public views or obstruct scenic views from public areas viewable by a substantial number of people.

At Pier 31½, the proposed project includes redevelopment of the Alcatraz Island ferry embarkation facility along the Embarcadero, a popular tourist destination known for its scenic vistas. This site is within and contributes to the Embarcadero National Register Historic District. This site is located between Fisherman's Wharf and other tourist facilities, such as the cruise terminal and the Exploratorium. The site does not have views of Alcatraz Island, but does have views between the piers of San Francisco Bay towards the east. As shown in Figure 11, the project site is visible from Coit Tower in Pioneer Park, a scenic vista. Figure 11 shows Pier 31 to the right (south), Pier 33 to the left (north), the existing embarkation facility canopy, a single dock, and open areas between the two piers. In front of the

project site is The Embarcadero, which has streetcar tracks lined with palm trees running between its two lanes of traffic.



Figure 11  
Existing View of Pier 31½ from Coit Tower

As shown in Figure 12, an approximate simulation of the view of Pier 31½ after construction, the proposed project at Pier 31½ would look similar to baseline conditions. Buildings would be the same height with restored historic character and outdoor programming would be integrated into the public waterfront area. The primary noticeable changes would be the addition of a second canopy behind the Pier 31 bulkhead building, a second gangway/dock, and renovated public spaces, including recreational and interpretative opportunities, between the two pier buildings. Parking would be moved inside the shed buildings. The proposed canopies would be located behind buildings and would generally not be visible from the Embarcadero. Therefore, improvements at Pier 31½ would not substantially affect a scenic vista and impacts would be less than significant.



Figure 12  
View of Pier 31½ from Coit Tower under the Proposed Project

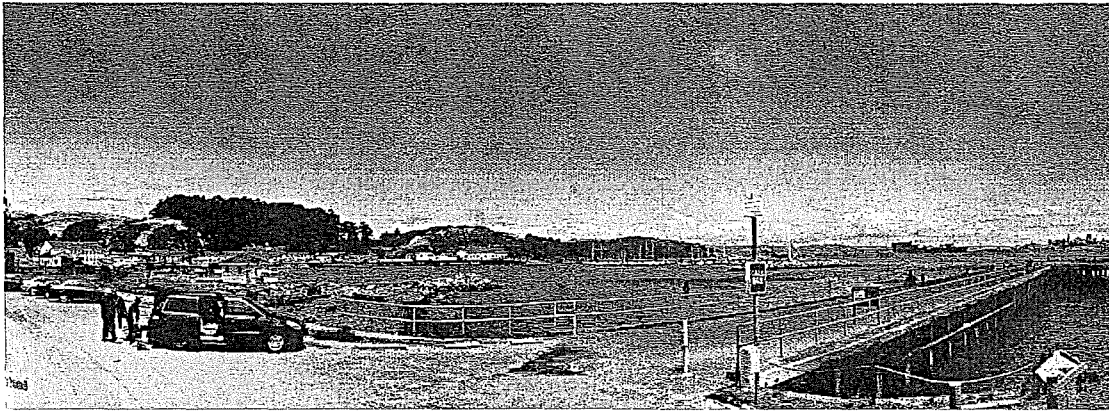


Figure 13  
View of Fort Baker

As shown in Figure 13, views of Fort Baker consist of a concrete pier and open vistas. The proposed project includes upgrades to the existing pier, including addition of a new gangway and improved pedestrian pathway. The pier upgrades would not alter the scenic vista, as most of the improvements would be to the substructure, and therefore, would not be visible. Alterations to the pier would maintain the pier's current appearance and dimensions. Following construction, the pier would look generally as it does today. Operationally, intermittent ferry service to the pier would not alter the scenic vistas of and from Fort Baker, as ferry berthing would be short term and in line with existing maritime uses of the

surrounding area. Therefore, the proposed project would not affect scenic vistas in the area and impacts would be less than significant.

**Impact AES-2: The proposed project would not substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway. (Less than Significant)**

Scenic resources are the visible physical features of a landscape and historic structures that contribute to a unique and exemplary visual setting. The section below describes the proposed project's impact on designated scenic resources located in the vicinity of the project sites.

There are no state designated scenic highways in San Francisco.<sup>19</sup> State routes 1 and 80 are identified as eligible for designation as scenic highways, but the Pier 31½ site would not be visible from these highways. The 49-Mile Scenic Drive is a locally designated road created in 1938 by San Francisco's Downtown Association to highlight the city's beauty and to promote it as a tourist destination. This scenic roadway includes portions of The Embarcadero south of the ferry building, but does not include the roadway adjacent to the project site.<sup>20</sup> The urban design element of the San Francisco General Plan rates street areas important to urban design and views and also rates city streets as excellent, good, or average for the quality of their views. The views along The Embarcadero near the project site are designated as having average views.

At Pier 31½, there are no trees, rock outcroppings, vegetation, or other natural features on the site; therefore, alterations to the site would not damage such resources. The alterations to the historic buildings visible from The Embarcadero roadway, mostly to window and door openings in keeping with the historic context, would appear to be relatively minor changes. In addition, the design would provide upgraded public access to on-site water viewpoints, which would expand opportunities for the public to view the piers and the proposed project area as a whole. Therefore, improvements at Pier 31½ would not substantially damage scenic resources and impacts would be less than significant.

There are no state designated scenic highways near Fort Baker.<sup>21</sup> Fort Baker may be considered a scenic resource, as its park-like setting attracts visitors. Fort Baker does include trees and vegetation; however, the proposed construction would be restricted to the existing pier and adjacent upland area. Alterations to the pier would maintain the pier's current appearance and dimensions, with the addition of a new gangway and dock. The proposed trail would not damage any scenic resources. Following construction, the project site would look generally as it does today. Therefore, improvements at Fort Baker would not substantially damage scenic resources and impacts would be less than significant.

---

<sup>19</sup> California State Department of Transportation (Caltrans), California Scenic Highway Mapping System, San Francisco County. Available from [http://www.dot.ca.gov/hq/LandArch/16\\_livability/scenic\\_highways/index.htm](http://www.dot.ca.gov/hq/LandArch/16_livability/scenic_highways/index.htm).

<sup>20</sup> <http://www.sftodo.com/maps/49-mile-scenic-drive-san-francisco.pdf>

<sup>21</sup> California State Department of Transportation (Caltrans), California Scenic Highway Mapping System, San Francisco County. Available from [http://www.dot.ca.gov/hq/LandArch/16\\_livability/scenic\\_highways/index.htm](http://www.dot.ca.gov/hq/LandArch/16_livability/scenic_highways/index.htm).

**Impact AES-3: The proposed project would not substantially degrade the existing visual character or quality of the site and its surroundings. (Less than Significant)**

At Pier 31½, the existing visual character of the site and its surroundings is predominantly that of the adjacent Pier 31 and 33 bulkhead and transit shed buildings. The bulkhead buildings are timber frame structures clad in stucco that is lightly scored to resemble ashlar masonry; the transit sheds are timber frame buildings with walls of reinforced concrete. The marginal wharf between these two piers contains a ticket booth, queuing areas, displays, and vehicle parking. The project site is part of the Port of San Francisco Embarcadero Historic District, which extends for three miles of waterfront including over 20 piers (see Section A, Project Description, or Section E.4, Cultural Resources, for further discussion).

As shown in in Figure 12, the proposed project would look similar to the existing conditions. Modifications to window and door openings of the bulkhead buildings, proposed canopies, interpretive displays, and renovated public spaces would be compatible with the surrounding historic district with the have little effect on the overall visual character of the site. The only noticeable changes would be the addition of a second canopy behind the Pier 31 bulkhead building, a second gangway/dock, and renovated public spaces between the two pier buildings. Parking would be moved inside the shed buildings. The proposed canopies would be located behind buildings and would generally not be viewed from the Embarcadero. The proposed modifications would not degrade the existing visual character or quality of the site and its surroundings.

At Fort Baker, most of the wharf improvements would be to the substructure and, therefore, would not be visible. Alterations to the pier would maintain the pier's current appearance and dimensions, with the addition of a gangway and floating dock. Following construction, the project site would look generally as it does today, in keeping with the existing character of the waterfront park.

In summary, the proposed project would redevelop existing facilities but would not change the overall character of the existing uses, which are in line with the visual character of the surrounding areas, and would not substantially degrade the existing visual character or quality of the site and its surroundings. Therefore, there would be a less-than-significant impact as a result of the proposed project.

**Impact AES-4: The proposed project would not create a new source of substantial light or glare which would adversely affect day or nighttime views in the area. (Less than Significant)**

The proposed project would not introduce new sources of outdoor daytime lighting at either Pier 31½ or Fort Baker. In fact, natural lighting would be employed to a greater extent under the proposed project than with current operations. For example, the new canopies proposed for Pier 31½ would continue to provide shade and cover from inclement weather, but would include glass panels to allow more natural light through than the existing fabric panels. The proposed project would not include new structures that could cause glare. The proposed modifications to the bulkhead buildings at Pier 31½ would use similar sizes and types of windows and doors, resulting in minimal changes from existing conditions. The glass

panels in the new concrete canopy would be embedded and interspersed in the panel and would not introduce a new source of glare. Therefore, the rest of this discussion is focused on nighttime lighting.

The nighttime lighting conditions near Pier 31½ are quite bright due to the urban setting along the piers and the predominant street lighting along The Embarcadero. Along the streetcar tracks, dual lamp fixtures alternate with palm trees. These fixtures illuminate the roadway and streetcar tracks and have small shields. The existing sidewalk fixtures across the street do not employ shields, and thus contribute the greatest amount of light in the vicinity. The existing Alcatraz Landing sign lettering is illuminated, and the sign also has underlights. Within Pier 31½, the ticket booth employs lighting under its overhang. Additional lights are installed near the vessels for security and safety. The vessels themselves are also well-lit for security and safety. Overall, the area is quite bright in the nighttime, with a warmer hue of light near the street and cooler lamp colors within the pier itself.

Under the proposed project at Pier 31½, the level and character of night lighting for security, safety, and identification within the project site would remain unchanged, though lights would be upgraded and relocated, with consideration given to avoiding light pollution of darkened skies. The inclusion of a third ferry-occupied berth would minimally increase the need for security and safety lighting for the additional vessel, gangway, and float. As part of the proposed project at Pier 31½, the Park Service would require that all new and upgraded lighting employ shields over lamps or be located under building/structure overhangs to minimize light pollution of the dark sky, and new lighting for the gangways and floats would employ motion activation sensors after operational hours to minimize the amount of time lamps would be illuminated.

Current nighttime light levels at the Fort Baker pier are low, and the proposed project would minimally increase light levels through the use of security and safety lighting at the new gangway and float and on moored vessels. However, the Fort Baker area is relatively distant from most viewpoints. Similar to Pier 31½, as part of the proposed project at Fort Baker, the Park Service would require that any new lighting located on the gangways and floats would employ light shades and motion activation sensors after operational hours to minimize the amount of time lamps would be illuminated.

For these reasons, the proposed project would not create new sources of substantial light or glare that would adversely affect day or nighttime views in the area. Therefore, impacts would be less than significant.

**Impact C-AES: The proposed project would not make a considerable contribution to any cumulative significant effects related to aesthetics. (Less than Significant)**

The geographic scope of aesthetic impacts on scenic vistas, scenic resources, and visual character that could be affected by proposed project construction and operation include the following cumulative projects along The Embarcadero waterfront identified in Table 6 (Section B, Project Setting): Pier 29 (new retail/restaurant space); Pier 43½ (Red and White Ferry Embarkation Improvements); Downtown San



Francisco Ferry Terminal Expansion; and Seawall Lots 323 and 324 (Teatro ZinZanni hotel and theater tent).

The proposed project, when combined with other past, present, and reasonably foreseeable projects, could potentially result in significant cumulative impacts on these aesthetic resources if cumulative projects introduced a number of exceedingly large, brightly illuminated or reflective structures in the low-lying shoreline areas that disrupted views of the waterfront area or surrounding scenic vistas, or substantially impaired the visual character of the site and vicinity, a historic district. However, the proposed project and the projects listed above, with the exception of the proposed 40-foot-tall theater and hotel as part of the Seawall Lots 323 and 324 project, would consist of renovations and small structures within Port facilities subject to review for compatibility with the Embarcadero Historic District, and thus would not substantially affect the visual character and scenic resources of the site and vicinity. The proposed Seawall Lots 323 and 324 project is more than 0.5 mile from Pier 31½, and is not visually connected to the project site. None of these projects would block scenic vistas from the surrounding public viewpoints or introduce substantial amounts of light or glare. For these reasons, the proposed project, in combination with past, present, and reasonably foreseeable future projects in the area, would not result in a significant cumulative aesthetics impact.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>3. POPULATION AND HOUSING— Would the project:</b>					
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing units, necessitating the construction of replacement housing?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact PH-1: The proposed project would not induce substantial population growth either directly or indirectly. (Less than Significant)**

In general, a project would be considered growth-inducing if its implementation would result in substantial population increases and/or new development that might not occur if the project were not approved and implemented. Population growth is considered in the context of local and regional plans and population, housing, and employment projections. Generally, a project that induces population

growth is not viewed as having a significant impact on the environment unless this growth is unplanned and results in significant physical impacts on the environment. Thus, the growth and changes in employment and population and potential demand for housing that would occur with implementation of the project would not be adverse physical impacts in themselves. However, the physical changes needed to accommodate project-related improvements may have physical impacts on the environment.

The proposed project does not include the development of residences, new roads, or related infrastructure that would remove an obstacle to growth in the area. While the proposed project would accommodate growth in visitor levels to Alcatraz Island, the proposed project itself is not growth-inducing. Future capacity at the Pier 31½ site is based on the forecasted 20% growth in visitors to the site through 2036.<sup>22</sup> This projected growth is based on general increases in City tourism levels and population growth, as well as on-island improvements such as the Park Service either opening additional locations on Alcatraz Island for visitor use or implementing visitor management strategies that would allow for increased visitation. The growth is not induced by the proposed project; however, the proposed project is intended to accommodate the projected growth. The proposed project would provide a long-term lease for the ferry embarkation site, allowing the project proponent location certainty for investments in site improvements.

The proposed project may result in a slight increase in the number of direct and indirect jobs related to the expansion in visitor services. The potential additional workforce, likely less than 20 employees, could be readily filled by the Bay Area workforce and would not induce substantial population growth that would cause a substantial adverse physical change to the environment.

For these reasons, the proposed project would not directly or indirectly induce substantial population growth, and impacts would be less than significant.

**Impact PH-2: The proposed project would not displace a substantial number of existing housing units or people, necessitating the construction of replacement housing. (No Impact)**

The proposed project would not displace any housing units or people because the project site is within Port (Pier 31½) and Park Service (Fort Baker) properties, and there is no on-site housing at either the Pier 31½ or Fort Baker project sites; therefore, the proposed project would have no impact.

**Impact C-PH: The proposed project would not make a considerable contribution to any potential significant cumulative effects related to population or housing. (Less than Significant)**

The *Plan Bay Area*, the current regional transportation plan and Sustainable Communities Strategy adopted by the Metropolitan Transportation Commission and Association of Bay Area Governments in July 2013, contains housing and employment projections for San Francisco through 2040. *Plan Bay Area*

---

<sup>22</sup> ORCA Consulting, LLC, *America's Cup 34 Spectator Sites on NPS Properties Visitation Estimate and Capacity Assessment Preliminary Report*, December 2011.

projections provide context for the population and housing cumulative analysis. Cumulative development in the project vicinity would result in an intensification of land uses and cumulative increases in the residential and employment populations at the neighborhood, citywide, and regional levels. This cumulative growth is consistent with the projections presented in *Plan Bay Area*. As discussed under Impacts PH-1 and PH-2, the proposed project's contribution to cumulative growth would not be substantial and it would have no contribution to displacement of housing units or people. Therefore, the proposed project in combination with past, present, and reasonably future projects would not result in a significant cumulative impact related to population and housing.

<u>Topics:</u>	<u>Potentially Significant Impact</u>	<u>Less Than Significant with Mitigation Incorporated</u>	<u>Less Than Significant Impact</u>	<u>No Impact</u>	<u>Not Applicable</u>
<b>4. CULTURAL RESOURCES—Would the proposed project:</b>					
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco Planning Code?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code §21074?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The study area for analysis of cultural resources and tribal cultural resources is known as the Area of Potential Effect, as defined in Section 106 of the National Historic Preservation Act, and its implementing regulations at 36 Code of Federal Regulations 800.4. The Area of Potential Effect is the geographic area or areas within which an undertaking may adversely affect historic properties (36 Code of Federal Regulations 800.16[d]). This is consistent with the CEQA requirement to determine whether a project will cause a substantial adverse change in the significance of a historical resource. The proposed project has undergone separate Section 106 review, and the Area of Potential Effect has been determined in consultation with Native American tribes and the State Historic Preservation Officer. The proposed project would occur within the boundaries of the Port of San Francisco Embarcadero National Historic District and the Fort Baker portion of the Forts Baker, Barry, and Cronkhite National Historic District, both of which are listed in the National Register of Historic Places. Therefore, the study area (Area of Potential Effect) includes the entirety of both districts, because effects to a property within a district could potentially affect the significance of the whole district.

**Impact CR-1: The proposed project would not result in a substantial adverse change in the significance of a historical resource as defined in §15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco Planning Code. (Less than Significant)**

Historical resources are those properties that meet the definitions in Section 21084.1 of the CEQA statute and Section 15064.5 of the CEQA Guidelines. Historical resources include properties listed in, or formally determined eligible for listing in, the California Register of Historical Resources or in an adopted local historic register. Historical resources also include resources identified as significant in a local historical resource survey meeting certain criteria. Additionally, properties that are not listed but are otherwise determined to be historically significant, based on substantial evidence, would also be considered historical resources. This section addresses impacts to historical resources of the built environment. A historical resource is materially impaired when a project “demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance.”

The proposed project includes alterations to Piers 31 and 33. The bulkhead buildings, transit sheds, and wharfs that comprise the piers are contributing structures to the Port of San Francisco Embarcadero Historic District. The district is historically significant for the time period of 1878 through 1946, in the areas of Government, Commerce, Transportation, Labor, Architecture, Engineering, and Community Planning and Development. Proposed project work would generally restore historic conditions and would follow the Secretary of the Interior’s Standards for Rehabilitation of Historic Buildings<sup>23</sup>, which provide a framework and guidance for decision-making about work or changes to a historic property. A project meets the Secretary of the Interior’s Standards when the overall effect of all work on the property is one of consistency with the property’s historic character. Determination that a project meets the Secretary of the Interior’s Standards is based on the cumulative effect of all the work in the context of the specific existing conditions, evaluated through the professional review of the State Historic Preservation Office, the Park Service, and the Port of San Francisco. The Port Commission adopted Resolution 04-89 in 2006, which requires that Port staff review projects involving alteration, construction, or demolition within the historic district for consistency with the Secretary of the Interior’s Standards.

Table 7 lists the proposed project work and effects to the Port of San Francisco Embarcadero National Historic District.

---

<sup>23</sup> 36 Code of Federal Regulations 67

**TABLE 7**  
**PROJECT EFFECTS ON THE PORT OF SAN FRANCISCO EMBARCADERO**  
**NATIONAL HISTORIC DISTRICT**

Structure	Elevation	Planned Work	Effect on Historic District
Pier 33 Bulkhead Building	South	Removal of awnings placed in 2012	Removal of the recent awnings will have no effect because they were added after the period of significance and are not historic.
		Replacement of a shallow arch (which originally held a coiling door and was filled in between 1949 and 1985) with a curtain wall and door	Replacement of the arch would restore some of the transparency of the large original coiling door opening. Both changes would enhance the integrity of feeling, association, and design by restoring historic views and the historic appearance of the elevation.
	East	Restoration of two large windows which were filled in between 1949 and 1985	Restoration of the original 1918 windows (now infilled) and removal of two later windows would enhance integrity of feeling and design by restoring the original appearance of the elevation. Restoration work will be in compliance with SOI #6 ("distinctive materials, features, finishes, and construction techniques that characterize a property will be preserved") and #9 ("new additions, exterior alterations or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property").
		Filling in two small windows which were installed post-1949	
	North	Addition of ticket windows at the location of two post-1949 windows at the eastern extent of the elevation.	Conversion of two post-1949 windows (added after the period of significance) to ticket windows would not change any of the historic fabric of the structure, and does not represent a change in the balance or massing of the façade.
		Restoration of windows on the outer end of the façade (currently infilled)	Restoration and the installation of a new glazed opening that is in line with the opening on the south elevation would restore historic views and enhance the integrity of feeling and design by returning the elevation to its appearance during the period of significance. The restored windows will be constructed in compliance with SOI Standards #9.
		Infilling of a post-1949 door, louvre, and window on the inner end of the façade	Infilling of the door, louvre, and window would restore the historic appearance and enhance the integrity of feeling and design by returning the elevation to its appearance during the period of significance.
		Alteration of existing view of the elevation by removal of existing non-permanent features on the marginal wharf (canopies, seating, kiosks, signage, and planters), and replacement with new concrete canopies, signage, seating, and queuing appurtenances	New non-permanent features would not destroy any historic fabric and are reversible. The height, thickness, and the angle of the new canopies were carefully chosen for maximum transparency, so that pedestrians entering the site from the Embarcadero would be presented with the edge of the canopies at a height that reveals the pier shed and bulkhead building beyond. This constitutes a reduction of effect on the view, as compared to the current canopies. The design of the canopies would be contemporary, simple, and industrial in design.

Structure	Elevation	Planned Work	Effect on Historic District
Pier 33 Transit Shed	North	Pinning a post-1949 steel coiling door in open position to allow insertion of a restroom "box" set back into the volume of the bulkhead beyond	The restroom "box" insertion into the non-historic door would not affect the scale or massing of the façade. It would be separate from the historic fabric and reversible in keeping with SOI Standards #10 ("new additions...will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired").
Pier 31 Bulkhead Building	South	Replacement of an existing door with an accessible door made of appropriate historic materials (such as wood, glass, and concrete)	To minimize effects to integrity of design, workmanship, and materials, the installed doors would use appropriate historic materials (such as wood, glass, and concrete) and scale, and would be visually consistent with other doors on both the Pier 31 and Pier 33 bulkhead buildings. The proposed new openings would be contemporary in construction while matching the proportions and materials of the historic windows, in compliance with SOI Standards #9.
	North	Replacement of one historic double height window with a door	
Pier 31 Transit Shed	North	Two historic coiling doors would be pinned in open position to allow insertion of the restroom "box" into the volume of the bulkhead beyond.	The restroom box addition would be separate from the historic fabric and reversible in keeping with the SOI Standards #9 and #10. The pinning open of the coiling doors would also be reversible in keeping with the SOI Standards #6.
		The non-historic coiling door on the non-historic addition would be pinned open to allow the insertion of a "box" entrance to the café.	The café "box" entrance insertion is in the non-contributing addition, and would not affect the scale or massing of the façade.
All Structures	All Elevations Where Work is Proposed	Minor repairs and painting	Repairs would be completed in compliance with the SOI Standards #6, which requires that "distinctive materials, features, finishes, and construction techniques that characterize a property will be preserved."

Note:  
SOI: Secretary of the Interior

The proposed project would affect the historic district at Piers 31 and 33. As shown in Table 7, most changes involve the restoration of historic appearance and therefore would be consistent with preservation goals and the Secretary of the Interior's Standards. Work at the Pier 31 bulkhead building includes some alterations that would replace historical doors and windows with new window and door assemblies, but effects would be minimized through adherence to the Secretary of the Interior's Standards, as detailed in Table 7.

The proposed project also includes work in Fort Baker National Historic District. The District is also a Cultural Landscape in the category of designed landscapes, as documented by the Park Service and significant for the coastal defense history of the site.<sup>24</sup> The Fort Baker pier is a contributing property to the

<sup>24</sup> National Park Service, *Cultural Landscape Report for Fort Baker, Golden Gate National Recreation Area*, 2005. Available from [http://www.nps.gov/history/history/online\\_books/foba/clr.pdf](http://www.nps.gov/history/history/online_books/foba/clr.pdf).

Forts Baker, Barry, and Cronkhite National Historic District (historical documentation labels it the Mine Wharf). Treatment guidelines in the 2005 Fort Baker Cultural Landscapes Report prioritize the preservation of “work-related industrial development around Horseshoe Cove including breakwater, seawalls, wharves, ramps, and ship repair structures which define the industrial character of the waterfront,” and note that “management of the waterfront focuses on redevelopment for recreational use, within the general framework of preservation, of the contributing resources and character of the cultural landscape as a working waterfront.” Therefore, retaining and rehabilitating the historic Mine Wharf is consistent with the cultural landscape treatment guidelines. Replacing materials in-kind would preserve the industrial character of the wharf. Further, rehabilitating the wharf would prevent it from falling into disrepair, extending the life of the historic structure. Though some historic elements would be replaced with modern materials, the effect to the structure (and therefore to the historic district) would be consistent with historic preservation goals and the Secretary of the Interior’s Standards.

The proposed project has been analyzed under Section 106 and documented in a Finding of Effects letter from the Park Service to the State Historic Preservation Officer.<sup>25</sup> The Park Service determined that the proposed project would have no adverse effects on historic properties. The State Historic Preservation Officer concurred with this determination on August 10, 2017.<sup>26</sup> The City of San Francisco Planning Department has reviewed the proposed project for impacts to historical resources, and prepared a report of their findings. Planning staff “concurs with the Findings of Effect letter prepared by the National Park Service which determined the proposed project will not have a significant impact on the subject property or the Port of San Francisco Embarcadero Historic District and will be in conformance with the Secretary of the Interior’s Standards for Rehabilitation.”<sup>27</sup>

For these reasons, the proposed project’s impacts on historic resources, including the Embarcadero National Historic District and the Forts Baker, Barry, and Cronkhite National Historic District, would be considered less than significant.

**Impact CR-2: The proposed project could potentially result in a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5. (Less than Significant with Mitigation)**

Archaeological resources are defined as those that: 1) are significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military or cultural annals of California; 2) meet the criteria for listing on the California Register; or 3) are defined as a unique archaeological

---

<sup>25</sup> Muldoon, Cicely, U.S. Department of the Interior, National Park Service, Golden Gate Recreation Area, Acting General Superintendent, letter correspondence regarding “Alcatraz Ferry Embarkation Project, Golden Gate National Recreation Area” with Julianne Polanco, State Historic Preservation Officer, Office of Historic Preservation, June 23, 2017.

<sup>26</sup> Polanco, Julianne, State Historic Preservation Officer, Office of Historic Preservation, letter correspondence regarding “Alcatraz Ferry Embarkation Project, Golden Gate National Recreation Area” with Cicely Muldoon, U.S. Department of the Interior, National Park Service, Golden Gate Recreation Area, Acting General Superintendent, August 10, 2017.

<sup>27</sup> San Francisco Planning Department, Historic Resource Evaluation Response, Pier 31 ½ and Pier 33, Case No. 2017-001888ENV, August 31, 2017.

resource.<sup>28</sup> Determining the potential for encountering archaeological resources includes relevant factors such as the location, depth, and amount of excavation proposed, as well as any recorded information on known resources in the area. Ground disturbance would occur in the following areas for the proposed project: in-water at Pier 31½, where 12 new hollow steel piles would be driven; and at Fort Baker, where eight hollow steel piles would be driven at the Mine Wharf and a gravel trail would be constructed in the upland area between the wharf and the Discovery Museum parking area.

Two archaeological sites are recorded in the study area. Because the Area of Potential Effect includes the entire Port of San Francisco Embarcadero Historic District, it includes archaeological site CA-SFR-127H, the mid-Embarcadero Historic Fill site, which is an element of the historic district. However, SFR-127H is 0.65 mile southeast of the project area, and ground disturbance for the proposed project would not occur in the vicinity. The designation CA-MRN-648 has been assigned to a group of 55 structures and archaeological sites in east Fort Baker. Some features are also part of the Forts Baker, Barry, and Cronkhite National Historic District. Many of the archaeological features have not been evaluated for National Register of Historic Places eligibility, and some are likely not associated with the period of significance of Fort Baker.

No archaeological resources have been identified in-water at Pier 31½ or Fort Baker. Both areas are working waterfronts that have been subject to ongoing disturbance of the bay floor as the result of propeller wash, in addition to currents and seismic movement of the sea floor documented in the San Francisco Bay area.<sup>29</sup> A 1998 dive survey near the Mine Wharf at Fort Baker noted only sport fishing and crabbing equipment, as well as broken concrete piles, which are evidence of previous disturbance.<sup>30</sup> Installation of hollow core pilings would not likely encounter any significant, undisturbed archaeological historical resources at either location and would not bring soil to the surface for archaeological inspection. In the upland area of Fort Baker, the gravel trail would extend from the existing road to the Discovery Center. An archaeological survey has been previously conducted in the area,<sup>31</sup> and no features of site CA-MRN-648 or any other archaeological resources were identified along the proposed trail route. Disturbance along the trail route, currently landscaped as lawn, would be surficial and would not be expected to extend into previously undisturbed soils.

---

<sup>28</sup> A unique archaeological resource is one where "without merely adding to the current body of knowledge, there is a high probability that it meets any of the following criteria: 1) contains information needed to answer important scientific research questions and that there is a demonstrable public interest in that information; 2) has a special and particular quality such as being the oldest of its type or the best available example of its type; or 3) is directly associated with a scientifically recognized important prehistoric or historic event or person." (California Public Resources Code § 21083.2 [g])

<sup>29</sup> Marine Design Associates, *Inspection of Fort Baker, Fort Point, and Fort Mason Pier 4, San Francisco, California*, 1998. Report on file at Golden Gate National Recreation Area, San Francisco, California.

<sup>30</sup> Ibid.

<sup>31</sup> Stewart, Suzanne, Jack Meyer, and Michael Newland, *Phase One Investigations for the Fort Baker Archaeological Survey, Golden Gate National Recreation Area, Marin County, California*, 2001. Report on file at the Northwest Information Center, Sonoma State University, Rohnert Park, California.



Based on the above analysis, there is a low potential for uncovering archaeological resources during project construction. The proposed project operation is expected to have no impact on archaeological resources. While unlikely, it is possible that previously unrecorded and buried (or otherwise obscured) archaeological deposits could be discovered during ground disturbing activities. Excavating, grading, and moving heavy construction vehicles and equipment could expose and have impacts on unknown archaeological resources, which would be a significant impact. However, this impact would be reduced to a less-than-significant level with implementation of **Mitigation Measure M-CR-2, Accidental Discovery of Archaeological Resources**. This measure requires that archaeological resources be avoided, and if accidentally discovered, that they be appropriately assessed and treated.

#### **Mitigation Measure M-CR-2: Accidental Discovery of Archaeological Resources**

The following mitigation measure is required to avoid any potential adverse effect from the proposed project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a) and (c). The project proponent shall distribute the Planning Department archaeological resource "ALERT" sheet to the project prime contractor; any project subcontractor (including demolition, excavation, grading, foundation, pile driving, etc. firms); and any utilities firm involved in soil-disturbing activities within the project site. Prior to any soils disturbing activities being undertaken each contractor is responsible for ensuring that the "ALERT" sheet is circulated to all field personnel including, machine operators, field crew, pile drivers, supervisory personnel, etc. The project proponent shall provide the Environmental Review Officer and the Port of San Francisco with a signed affidavit from the responsible parties (prime contractor, subcontractor(s), and utilities firm) to the Environmental Review Officer confirming that all field personnel have received copies of the "ALERT" Sheet.

Should any indication of an archaeological resource be encountered during any soils disturbing activity of the project, the project Head Foreman and/or project proponent shall immediately notify the Environmental Review Officer and the Port of San Francisco and shall immediately suspend any soils disturbing activities in the vicinity of the discovery until the Environmental Review Officer has determined what additional measures should be undertaken.

If the Environmental Review Officer determines that an archaeological resource may be present within the project site, the project proponent shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archaeological consultant shall advise the Environmental Review Officer and the Port of San Francisco as to whether the discovery is an archaeological resource, retains sufficient integrity, and is of potential scientific/historical/cultural significance. If an archaeological resource is present, the archaeological consultant shall identify and evaluate the archaeological resource. The archaeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the Environmental Review Officer may require, if warranted, specific additional measures to be implemented by the project proponent.

Measures might include: preservation in situ of the archaeological resource; an archaeological monitoring program; or an archaeological testing program. If an archaeological monitoring program or archaeological testing program is required, it shall be consistent with the Environmental Planning division guidelines for such programs. The Environmental Review Officer may also require that the project proponent immediately implement a site security program if the archaeological resource is at risk from vandalism, looting, or other damaging actions.

The project archaeological consultant shall submit a Final Archaeological Resources Report to the Environmental Review Officer and the Port of San Francisco that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the final report.

Copies of the Draft Final Archaeological Resources Report shall be sent to the Environmental Review Officer for review and approval. Once approved by the Environmental Review Officer, copies of the Final Archaeological Resources Report shall be distributed as follows: the California Archaeological Site Survey Northwest Information Center shall receive one copy, and the Environmental Review Officer shall receive a copy of the transmittal of the Final Archaeological Resources Report to the Northwest Information Center. The Environmental Planning division of the Planning Department shall receive one bound copy; one unbound copy; and one unlocked, searchable PDF copy on CD of the Final Archaeological Resources Report, along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the Environmental Review Officer may require a different final report content, format, and distribution than that presented above.

With implementation of **Mitigation Measure M-CR-2, Accidental Discovery of Archaeological Resources**, as described above, the proposed project would have a less-than-significant impact on archaeological resources.

**Impact CR-3: The proposed project could potentially disturb human remains, including those interred outside of formal cemeteries. (Less than Significant)**

No burials or formal cemeteries have been identified near the area of ground disturbance for the proposed project. Human remains would not be expected in a near-shore, in-water environment; installation of pilings at Fort Baker and Pier 31½ is not expected to encounter human remains. At the proposed trail location at Fort Baker, the landform has been modified and disturbed in the historic era to the full extent of proposed ground disturbance for the trail. The proposed project is not expected to encounter or disturb human remains. Therefore, this impact would be less than significant.

**Impact CR-4: The proposed project could potentially result in a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code §21074. (Less than Significant with Mitigation)**

CEQA Section 21074.2 requires the lead agency to consider the effects of a project on tribal cultural resources. As defined in Section 21074, tribal cultural resources are sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are listed, or determined to be eligible for listing, on the national, state, or local register of historical resources. Based on discussions with Native American tribal representatives, in San Francisco, prehistoric archaeological resources are presumed to be potential tribal cultural resources. A tribal cultural resource is adversely affected when a project causes a substantial adverse change in the resource's significance. Pursuant to CEQA Section 21080.3.1(d), within 14 days of a determination that an application for a project is complete or a decision by a public agency to undertake a project, the Lead Agency is required to contact the Native American tribes that are culturally or traditionally affiliated with the geographic area in which the proposed project is located. Notified tribes have 30 days to request consultation with the Lead Agency to discuss potential impacts on tribal cultural resources and measures for addressing those impacts. On August 15, 2017, the Planning Department contacted Native American individuals and organizations in the San Francisco area, providing a description of the proposed project and requesting comments on the identification, presence, and significance of tribal cultural resources in the project vicinity. No tribes provided information or requested consultation.

As discussed under Impact CR-2 and Impact CR-3, no archaeological resources or human remains have been identified in the project area, and it is not anticipated that any would be encountered because of the small scale and shallow depth of anticipated ground disturbance. The proposed project is not anticipated to have impacts to archaeological resources or human remains. However, in the unlikely event that archaeological resources or human remains are encountered, they could be identified as tribal cultural resources at the time of discovery or at a later date. Therefore, the potential adverse effects of the proposed project on previously unidentified archaeological resources, discussed under Impact CR-2, also represent a potentially significant impact on tribal cultural resources. Implementation of **Mitigation Measure M-CR-4, Tribal Cultural Resources Interpretive Program**, would reduce potential adverse effects on tribal cultural resources to a less-than-significant level. **Mitigation Measure M-CR-4, Tribal Cultural Resources Interpretive Program**, would require either preservation-in-place of the tribal cultural resources, if determined effective and feasible, or an interpretive program regarding the tribal cultural resources developed in consultation with affiliated Native American tribal representatives.

#### **Mitigation Measure M-CR-4: Tribal Cultural Resources Interpretive Program**

If the Environmental Review Officer determines that a significant archaeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the Environmental Review Officer determines that the resource constitutes a tribal cultural resource and that the resource could be adversely affected by the proposed project, the proposed project

shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible. If the Environmental Review Officer, in consultation with the affiliated Native American tribal representatives and the project proponent, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, the project proponent shall implement an interpretive program of the tribal cultural resources in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the Environmental Review Officer and affiliated tribal representatives, at a minimum, and approved by the Environmental Review Officer, would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and interpretation, and educational panels or other informational displays. In the event that construction activities disturb unknown archaeological sites that are considered tribal cultural resources, any inadvertent damage would be considered a significant impact.

With implementation of **Mitigation Measures M-CR-2, Accidental Discovery of Archaeological Resources**, and **M-CR-4, Tribal Cultural Resources Interpretive Program**, as described above, the proposed project would have a less-than-significant impact on previously unknown tribal cultural resources.

**Impact C-CR: The proposed project, in combination with past, present, and reasonably foreseeable future projects in the vicinity, could potentially result in cumulative impacts to cultural resources. (Less than Significant with Mitigation)**

The geographic scope of potential cumulative impacts on historic built environment resources encompasses the entirety of the Port of San Francisco Embarcadero National Historic District and the Fort Baker portion of the Forts Baker, Barry, and Cronkhite National Historic District. Cumulative projects in the Embarcadero National Historic District, such as Pier 29 reconstruction, the Pier 43½ Golden Gate Scenic Steamship project, and the Downtown Ferry Terminal Expansion, are not anticipated to cause or contribute to impacts on the historical resource, as these projects would not alter the physical characteristics that convey the district's historical significance. No cumulative projects are identified in the Fort Baker portion of the Forts Baker, Barry, and Cronkhite National Historic District. Accordingly, the proposed project, together with the cumulative development, would have a less-than-significant impact on historic built environment resources.

The geographic scope of potential cumulative impacts on archaeological resources, human remains, and tribal cultural resources encompasses the project site and nearby vicinities. All cumulative projects identified in the proposed project vicinity (see Table 6) are assumed to cause some degree of ground disturbance during construction and thus contribute to a potential cumulative impact on cultural resources.

Background research suggests that the potential to encounter archaeological resources, tribal cultural resources, or human remains would be low; however, the proposed project would have the potential to affect unknown resources should they be present in the project area. In combination with the other identified cumulative projects, the potential for a cumulative impact would be significant without mitigation. With implementation of **Mitigation Measures M-CR-2, Accidental Discovery of Archaeological Resources**, and **M-CR-4, Tribal Cultural Resources Interpretive Program**, the proposed project's contribution to cumulative impacts on archaeological resources, tribal cultural resources, and human remains would be less-than-cumulatively considerable with mitigation (less than significant with mitigation).

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>5. TRANSPORTATION AND CIRCULATION— Would the project:</b>					
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The proposed project is not located within an airport land use plan area or in the vicinity of a private airstrip. Therefore, Topic E.5(c) is not applicable to the proposed project. A transportation study was prepared for the proposed project, which was based in part on the 2013 traffic analysis included in the

Park Service's EIS prepared for the proposed project and updated for current conditions. The following analysis is based on the information provided in the transportation memorandum. <sup>32</sup> Additional analysis regarding transportation and circulation at Fort Baker and Sausalito is provided in Appendix B based on a supplemental transportation study.<sup>33</sup>

## Setting

### Pier 31½

The proposed project site at Pier 31½ is located on the eastern side of The Embarcadero, bounded by Pier 31 to the south, Pier 33 to the north, and the San Francisco Bay to the east. The Embarcadero, adjacent to the Pier 31½ site, consists of three northbound and two southbound travel lanes, one historic streetcar line in each direction (in the median), northbound and southbound class II bikes lanes, a standard sidewalk on the southbound side, and a multi-use promenade on the northbound side.

The Pier 31½ site opens onto the multi-use promenade, which runs the length of The Embarcadero from Fisherman's Wharf to the AT&T Ballpark. Pedestrians may cross to the promenade directly across from the site at the Bay Street and The Embarcadero intersection or south of the site at the Sansome Street/Chestnut Street and The Embarcadero intersection. In addition to providing pedestrian crossings, these are the two closest vehicle intersections to the site.

Bay Street is a two-way, east-west roadway that connects the site to the North Beach, Russian Hill, and Marina Districts. Chestnut Street and Sansome Street form a "K" intersection with The Embarcadero. Chestnut is a one-way, two-lane street, which directs traffic east, away from The Embarcadero to a dead-end, two blocks away. Sansome is also a one-way, two-lane, northbound street. Although closer to the Bay Street intersection, the proposed project site at Pier 31½ is within reasonable walking distance from either intersection.

Roadway connectivity to San Francisco's interior is limited along this stretch of The Embarcadero, given the topographical barrier created by Telegraph Hill a few blocks southwest of the site. This barrier means that most visitors would travel to the site from either the north or the south, with Bay Street serving as the prominent east-west access option. Employees and select shuttle companies are permitted to either park or pick-up/drop-off in the interior of the site, but all other visitors arriving by car must park at an off-site location and walk. Tour bus parking is provided in front of the Pier 33 bulkhead building.

### Transit Network

Table 8 presents the transit options near the Pier 31½ site. Primary public transit access to the site is provided by San Francisco Municipal Railway (Muni) bus and streetcar services. The Historic F Market/Wharf and E Embarcadero streetcars operate in their own right-of-way in the median on The

---

<sup>32</sup> Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, December 2017.

<sup>33</sup> Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, Response to PMND Appeal Transportation Concerns, February 8, 2018.

Embarcadero, following signals that are timed with north- and south-bound traffic. Muni bus lines with service near the site include 82X Levi Express, 8/8X Bayshore Express, 39 Coit Tower and 47 Van Ness. Various ferry service providers operate out of Pier 41 about a quarter-mile north on The Embarcadero. According to the Transportation Study, all ferries from Pier 41 run to the Ferry Building, Alameda, and Oakland during the mid-day on weekdays and all day on the weekends.<sup>34</sup>

**TABLE 8**  
**TRANSIT ROUTES, STOPS, AND FREQUENCIES NEAR PIER 31½**

Route	Destination(s)	Nearest Stop Location	Service Frequency (minutes)			
			AM	Midday	PM	Saturday
Muni Transit Service						
F Market & Wharves	The Embarcadero, Market Street, Upper Market	Embarcadero/Bay	8	7	7	8
E Embarcadero	4 <sup>th</sup> Street/King Street, Ferry Building, Fisherman’s Wharf	Embarcadero/Bay	--	20	16	16
8/8BX Bayshore Express	Balboa Park, Financial District, North Beach	Kearny/North Point	6/6	7/--	7/7	8/--
39 Coit Tower	Coit Tower, Fisherman’s Wharf, North Beach	Stockton/North Point	--	20	20	20
47 Van Ness	Fisherman’s Wharf, Soma	Powell/Beach	8	9	8	10
82X Levi Express	Levi Plaza, Caltrain	Battery/Filbert	12	--	15	--
Water Emergency Transport Authority (WETA)/SF Bay Ferry & Blue and Gold Fleet						
Various Ferry Lines	Alameda, Oakland, SF Ferry Building	Pier 41	--	45+	--	45+
Golden Gate Transit						
Various GG Bus Lines <sup>1</sup>	Financial District, Van Ness, Embarcadero	Embarcadero/Bay	30	45	30	--

1. Although Golden Gate Transit buses travel near Pier 31½, Golden Gate Transit vehicles are prohibited from picking passengers up in San Francisco in the inbound direction and from dropping passengers off in San Francisco in the outbound direction. Because of this, Golden Gate Transit is not expected to be a key transit connection to the proposed project. Headways shown are the average of 13 Golden Gate Transit routes that stop at Bay Street and Embarcadero.

Source: Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, California, September 2017.

According to the Transportation Study, all transit lines operate within their capacity utilization threshold in the AM peak hour, and all lines except the F-Market & Wharves operate within the capacity utilization threshold in the PM peak hour. In the PM peak hour, the F-Market & Wharves exceeds the capacity utilization threshold in the PM peak hour in the outbound direction.

#### *Pedestrian and Bicycle Facilities*

Existing pedestrian facilities within the vicinity of the Pier 31½ site include sidewalks, crosswalks, curb ramps, pedestrian signals, and streetscape and landscape features (i.e., trees, planters, and street lighting). The multi-use promenade along the east side of The Embarcadero is generally 18 to 25 feet wide.

<sup>34</sup> Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, September 2017.

Sidewalks on the west side of The Embarcadero are generally 10 feet wide. Pedestrians can cross The Embarcadero at either Bay Street, which is approximately 350 feet north of the Pier 31½ site, or Chestnut Street/Sansome Street, which is 700 feet to the south. Most active uses on The Embarcadero are located on the waterfront (east side) where the majority of pedestrian activity occurs.

Existing pedestrian volumes and conditions were evaluated during field visits to the Pier 31½ site. Less pedestrian activity was observed along The Embarcadero's west side in comparison to activity on the east side promenade. Approximately 150 and 250 people crossed Bay Street during the AM and PM peak hours, respectively. Similar volumes crossed Chestnut Street during the AM and PM peak hours, with 340 crossing Sansome Street in the PM peak hour. The Embarcadero crossing at Bay Street had about 80 more pedestrian crossings in the AM peak hour than The Embarcadero crossing at Sansome, but PM peak hour crossing volumes were about the same (approximately 200) for the two intersections. According to the Transportation Study, although pedestrian volumes are high, pedestrian facilities operate within acceptable crowding levels.

Existing bicycle facilities are part of the City of San Francisco bicycle network. Bikeways are typically classified into three categories:

- **Class I:** Pathways that provide exclusive right-of-way for use by bicyclists and pedestrians.
- **Class II:** Bicycle lanes striped within the roadway for use by bicyclists, typically between the vehicle travel lane and parking lane or curb.
- **Class III:** Bicycle routes that are signed and sometimes marked with shared lane markings ("sharrows") where bicycles and vehicles share the same travel lane.

The Pier 31½ site is served by several primary bicycle facilities. A Class II facility runs along The Embarcadero between North Point Street and AT&T Park in the South of Market Area (SOMA), including in front of the site and southbound on the other side of The Embarcadero. The eastern promenade of The Embarcadero is designated as Herb Caen Way, a Class I shared bicycle/pedestrian path. Finally, a Class II facility runs along North Point Street between The Embarcadero and Van Ness Avenue through Fisherman's Wharf.

Bicycle parking on the project site is provided in two locations: two large public racks placed on the side of the Pier 33 building; and two large employee racks in the Pier 31 building (inside the enclosed employee parking area). These parking racks were about 90% full during the June 27, 2017, observation site visit conducted for the transportation study, each accommodating anywhere from 10 to 15 bikes at a time. There are seven public u-racks in front of Pier 35 and Pier 33 (within 500 feet of Pier 31½). None of these racks were in use during either site observation period (mid-day and PM). There are also three pedicab stops located along the curb in front of Pier 31½.

During the site observation period, about 210 cyclists were counted traveling northbound (directly in front of the Pier 31½ site) on The Embarcadero in the PM peak hour, while about 100 were counted traveling in the southbound direction. The higher volume of northbound cyclists led to more conflicts



between cyclists and pedestrian loading activities. Most of the northbound cyclists in the PM period were observed to be commuter rather than tourist cyclists, which were more common during the mid-day period. Commuting cyclists typically moved at a quicker speed than tourist cyclists and opted to merge into a travel lane to avoid idling curb activity rather than come to a stop in the bike lane. The summer 2017 expansion of Ford GoBike's regional bikeshare program included a station just south of the Pier 31½ site at The Embarcadero/Sansome Street/Chestnut Street intersection. The station, which has 14 bike docks, is the northernmost station planned at the time of the Transportation Study, with the next closest station located at The Exploratorium at Pier 15.

### *Parking Conditions*

Off-street parking is currently provided on the Pier 31½ site for Park Service and site staff, and is not provided for visitors. There is space for about 15 cars in the on-site parking area on the southeast portion of the site, 12 of which were observed to be occupied at mid-day on a weekday. The informal gate entrance off The Embarcadero northbound is opened and closed by the security guard/information officer for the site. When exiting the site, cars must turn right onto The Embarcadero northbound. Conflicts were not observed between pedestrians and vehicles entering and exiting the parking lot on the day of the site visit; in a few instances, the guard directed pedestrian traffic in order to let a car enter or exit.

There are approximately 1,125 off-street parking spaces in garages and lots within a quarter-mile of the Pier 31½ site. The parking garages in the area are privately-owned, but available to the public. Surface parking in the area is generally managed by the Port of San Francisco, and only represents a small portion of the total off-street parking count. Within a quarter-mile of the site, there are approximately 690 on-street parking spaces. This count includes spaces to the northeast of Telegraph Hill but does not include spaces within a quarter-mile that would require a circuitous route to the site due to topography or discontinuous streets.

Parking is most utilized between 12:00 PM and 3:00 PM during weekdays when, on average, 80 percent of available on-street spaces are occupied. Off-street parking garages are between 50 and 70 percent occupied during business hours (generally 9:00 AM to 6:00 PM), and after 6:00 PM, parking utilization drops to 26 percent. On-street parking in the area is also effectively full between 9:00 AM and 6:00 PM, when utilization is between 80 and 100 percent. Weekend parking utilization is around 50 percent, reflecting the ability to find available parking easily.

### *Passenger Loading*

Field observations were conducted at the Pier 31½ site on a typical weekday during mid-day and PM peak periods while Alcatraz ferry trips were operating. Most passenger loading activity occurred immediately in front of the site, but activity related to the site extended as far north as Pier 35 and as far south as Pier 31. The only existing loading zone near the site is immediately north of the Bay Street intersection, which is in front of the Pier 33 Bulkhead building, approximately 400 feet north of the site entrance. The loading zone (approximately 45 feet long) can accommodate one bus or two cars comfortably. All other curb space between Pier 31 and 35 is dedicated to driveways or metered on-street

parking, which includes one Americans with Disabilities Act-accessible space immediately in front of the site entrance. In addition to vehicle parking spaces, there are two curb spaces designated for pedicabs. These pedicab spaces flank the Americans with Disabilities Act space immediately in front of the site entrance. There is an additional pedicab zone on the promenade sidewalk in front of the site. South of the site driveway is a stretch of red curb extending to the Pier 31 driveway, which is signed as "No stopping anytime."

The majority of pick-ups and drop-offs were performed by either a TNC vehicle (e.g., Uber or Lyft) or taxi (59 percent of all stops). The highest passenger loads came from tour buses (20 percent of stops). Private vehicles also accounted for 18 percent of stops. Shuttles and freight (remaining 3 percent of stops) appeared a few times during site observations, but played a minor role when compared to other vehicle categories.<sup>35</sup>

Despite the curb restrictions, most curb activity occurred immediately in front of the Pier 31½ site, likely due to the door-to-door nature of TNCs and taxis. This led to numerous conflicts with bicycles and automobiles while cars were parked or idling in the bicycle and/or travel lanes. Only on rare occasions did vehicles pull fully into an empty curb parking space. Tour buses typically drove past the site and used the designated loading zone on The Embarcadero north of Bay Street (Figure 14). In the event that two buses arrived at the loading zone simultaneously, however, the second bus was forced to stack in the bicycle lane. As shown in Figure 15, vehicles dropping off and picking up visitors most commonly utilized the area directly fronting the site. This area included the Americans with Disabilities Act parking space (when unoccupied), the tapered curb area, and pedicab zone north of the site driveway, the site driveway, and the red curb zone south of the site.

#### *Pedicab Activity*

Pedicabs—typically in the form of a bicycle pulling a two- to three-passenger bench on wheels—are a unique mode of transport along The Embarcadero. They typically travel in the bicycle lane, but pull up onto the promenade to load and unload passengers. Three staging zones are designated for the pedicabs adjacent to the Pier 31½ site: two on the street and one large box marked on the promenade itself. Pedicab drivers were diligent in staying in these boxes while trying to attract passengers. The existing Alcatraz ferry embarkation site was noted to be a popular staging area for the pedicabs drivers, who would often return to the site after dropping passengers off elsewhere along The Embarcadero. The pedicab drivers were observed to be particularly successful at attracting disembarking ferry passengers in the early PM period (4:00 PM to 5:00 PM) and would typically carry two to three passengers. Although pedicab counts were not recorded, pick-up and drop-off volumes appeared higher than private vehicle activity but lower than TNC and taxi activity, and were noted to be an important factor in the passenger loading activity for the site.

---

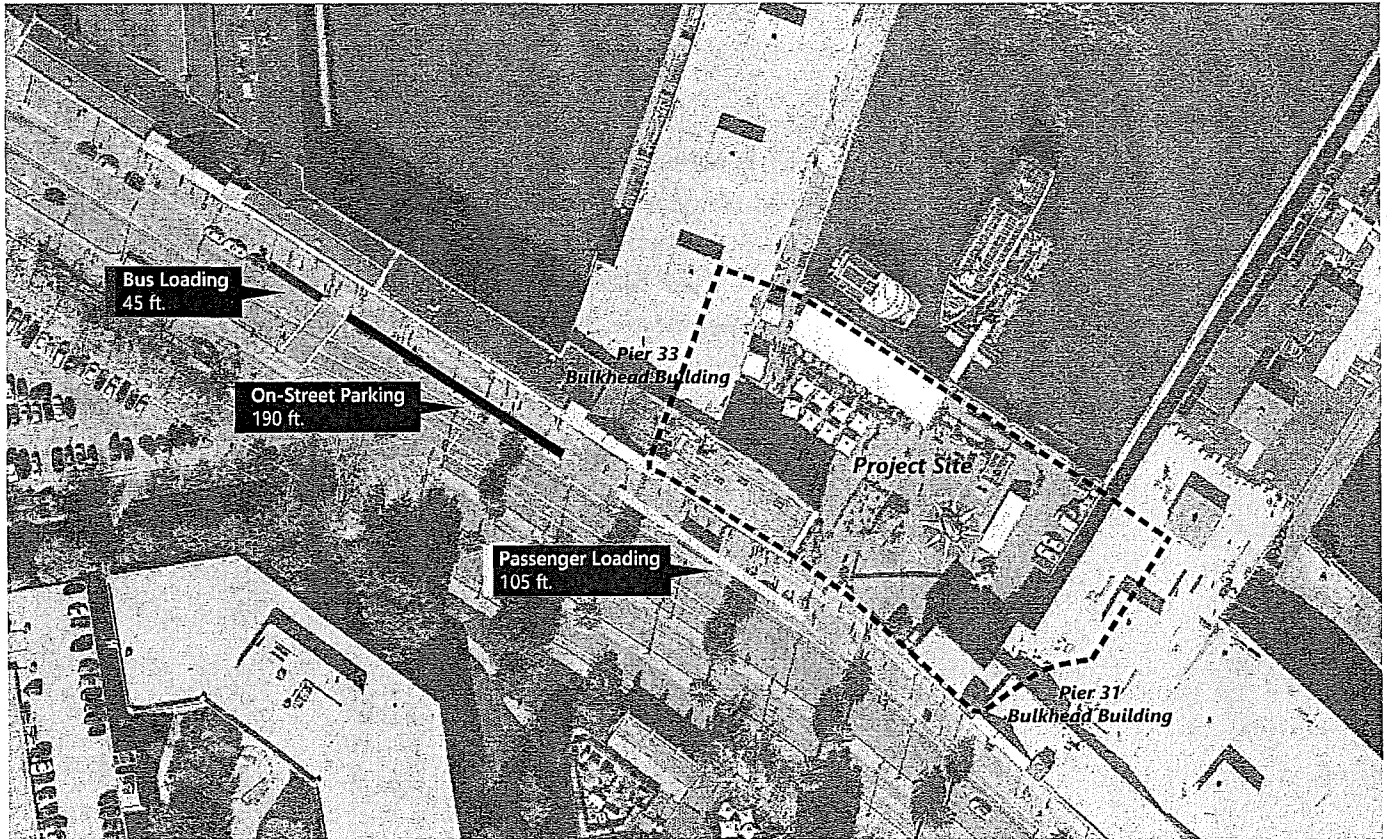
<sup>35</sup> More shuttles visited the site to load or unload passengers than were recorded in the curb activity log. This is due to the fact that certain shuttle companies were permitted to enter the on-site parking lot via the site driveway.

### *Commercial/Freight Loading*

Commercial loading at the Pier 31½ site occurs primarily in the on-site parking area. However, at the time of site observations, two commercial loading instances occurred. In the first instance, the truck parked in the bike lane and remained there for approximately 15 minutes. The second truck found an open parking spot along the curb and pulled fully out of the bike lane; it remained in the spot for 20 minutes. It was unclear whether either of these deliveries were received by the Pier 31½ site or some other neighboring business. Fuel loading for the ferries occurs in the pedestrian plaza after hours when there are no pedestrians in the plaza and pedestrian activity is low on the sidewalk. Waste and recycling collection for facility occurs in the Pier 33 shed building in the early morning.

### *Emergency Services and Access*

Emergency vehicles typically use The Embarcadero northbound to access the Pier 31½ site. As an arterial roadway, The Embarcadero allows emergency vehicles to travel at higher speeds and permits other traffic to maneuver out of the path of the emergency vehicle. Further, in cases of heavy congestion, emergency vehicles could use the center transit-only lanes used by the F-Market and Wharves and the E-Embarcadero streetcars. The San Francisco Fire Department stations closest to the Pier 31½ site are Station 28 (1814 Stockton Street at Greenwich Street, 0.6 mile away from the site) and Station 13 (530 Sansome Street at Washington Street, 0.8 mile away from the site).



NOT TO SCALE

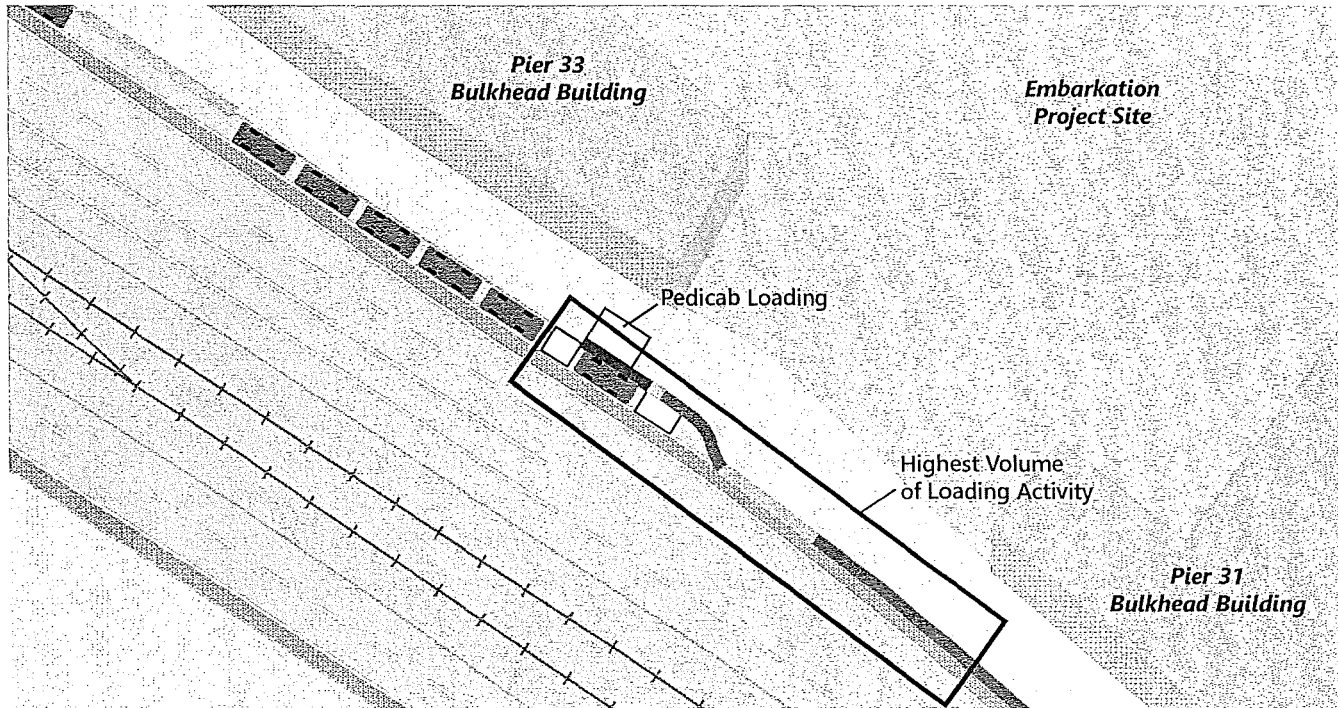


Case No. 2017.000188ENV: Alcatraz Ferry Embarkation Project

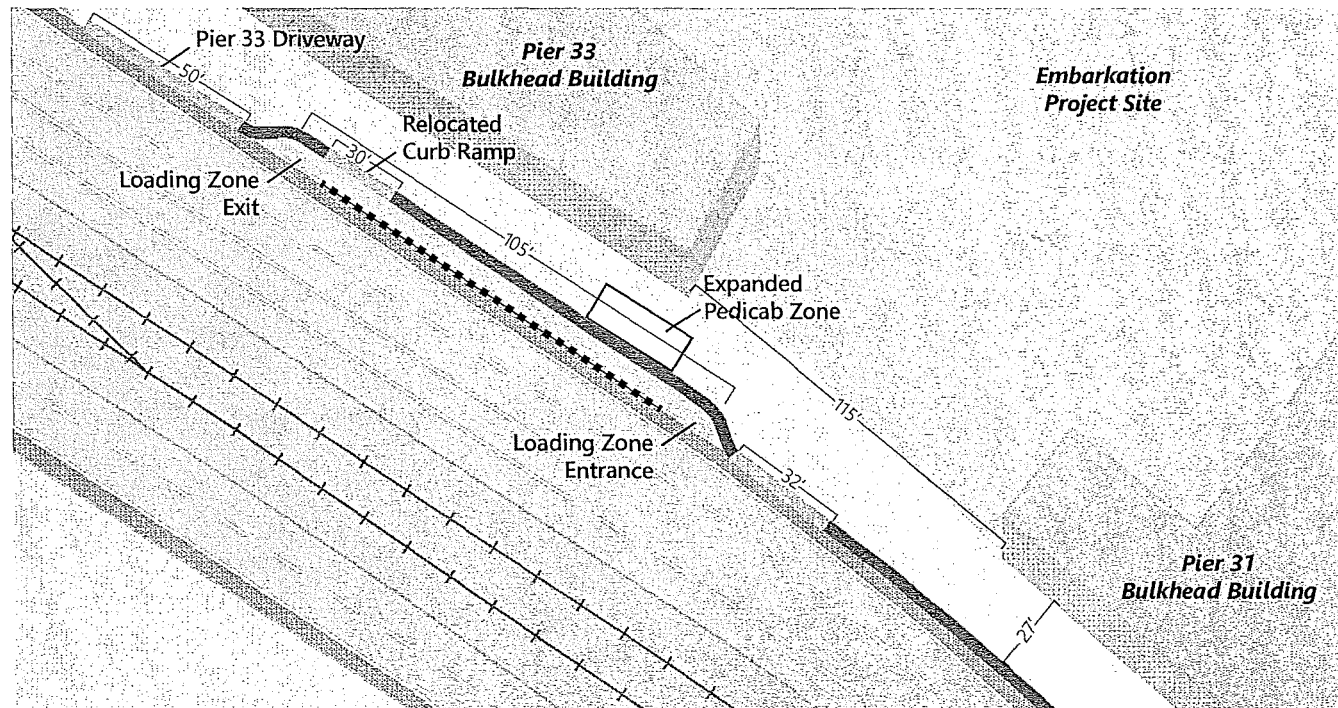
SOURCE: Fehr & Peers

**Figure 14**  
Project Site Vicinity Curb Usage

## Existing Northbound Curb Configuration



## Proposed Project Northbound Curb Configuration



- |  |              |  |                                 |
|--|--------------|--|---------------------------------|
|  | Project Site |  | Bike Lane                       |
|  | ADA Parking  |  | Proposed Passenger Loading Zone |
|  | Curb Ramp    |  | Flexible Bollards               |
|  | No Parking   |  |                                 |



## Fort Baker

Fort Baker is a 335-acre federal park located immediately north of the Golden Gate Bridge. The park consists of historic buildings clustered around a main parade ground, a sheltered harbor protected by a jetty, and trails and forested areas. As discussed in Section A, Project Description, the ferry service would operate on a limited basis on weekends only and the concessioner would not be permitted to sell tickets at Fort Baker. All trips would be roundtrip, departing from and returning to the Pier 31½ site. There would be no alterations of the existing parking near the pier, and no shuttle service would be provided to serve ferry passengers. The proposed project would not result in change to roadways or visitors accessing the park by auto, transit, or bicycle. Therefore, the setting discussion is limited to the pedestrian resources.

High-visibility pedestrian amenities exist surrounding the Bay Area Discovery Museum parking lot, loading zone, and entrance. All sidewalks around the parking lot have multiple ramp access points with warning pads, and brightly striped crosswalks form clear pedestrian pathways through the parking lanes to the museum entrance. These elements continue into the gravel parking area at the southern end of the lot.

A paved, separated pathway travels the length of the Parade Grounds along Center Road and provides a travel route to the pier and waterfront from either the Cavallo Point facilities or the museum. The paved pathway continues around the southern edge of the Parade Grounds, but does not connect to the pier. The pedestrian connection between the pier and Center Road requires crossing grass, an unmarked intersection, and walking along the road. An informal dirt path exists along the east side of Moore Road between Center Road and Sommerville Road.

Existing pedestrian infrastructure and pathways at Fort Baker were assessed on July 12, 2017, between 9:00 AM and 11:00 AM. Conditions were observed on Center Road, Moore Road, the pier, Sommerville Road, Murray Circle, East Road, and around the Bay Area Discovery Museum and parking lot. During observations, there was a steady, but low-volume flow of vehicles into and out of the museum parking lot. This was likely due to summer camp loading and unloading. There was very little vehicle or pedestrian activity outside of the museum parking lot. Pedestrian activity outside of the museum parking lot was estimated at 15 to 20 visitors over the course of 2 hours.

## Approach to Analysis

Policy 10.4 of the Transportation Element of the *General Plan* directs City decision-makers to “consider the transportation system performance measurements in all decisions for projects that affect the transportation system.” In order to determine whether the proposed project would conflict with a transportation- or circulation-related plan, ordinance, or policy, this section discusses the potential impacts that the proposed project could have on traffic, transit, pedestrian, bicycle, and emergency vehicle circulation, as well as potential impacts associated with loading activities and construction activities.

## Vehicle Miles Traveled in San Francisco and the Bay Area

Many factors affect travel behavior. These factors include density, diversity of land uses, design of the transportation network, access to regional destinations, distance to high-quality transit, development scale, demographics, and transportation demand management. Typically, low-density development at great distance from other land uses, located in areas with poor access to non-private vehicular modes of travel, generate more automobile travel compared to development located in urban areas, where a higher density, mix of land uses, and travel options other than private vehicles are available.

Given these travel behavior factors, San Francisco has a lower VMT ratio than the nine-county San Francisco Bay Area region. In addition, some areas of the City have lower VMT ratios than other areas of the City. These areas of the City can be expressed geographically through transportation analysis zones. Transportation analysis zones are used in transportation planning models for transportation analysis and other planning purposes. The zones vary in size from single city blocks in the downtown core, multiple blocks in outer neighborhoods, to even larger zones in historically industrial areas like the Hunters Point Shipyard.

The San Francisco County Transportation Authority uses the San Francisco Chained Activity Model Process (SF-CHAMP) to estimate VMT by private automobiles and taxis for different land use types. Travel behavior in SF-CHAMP is calibrated based on observed behavior from the California Household Travel Survey 2010-2012, Census data regarding automobile ownership rates and county-to-county worker flows, and observed vehicle counts and transit boardings. SF-CHAMP uses a synthetic population, which is a set of individual actors that represents the Bay Area's actual population, who make simulated travel decisions for a complete day. The Transportation Authority uses tour-based analysis for office and residential uses, which examines the entire chain of trips over the course of a day, not just trips to and from the project. For retail uses, the Transportation Authority uses trip-based analysis, which counts VMT from individual trips to and from the project (as opposed to entire chain of trips). A trip-based approach, as opposed to a tour-based approach, is necessary for retail projects because a tour is likely to consist of trips stopping in multiple locations, and the summarizing of tour VMT to each location would over-estimate VMT.<sup>36,37</sup>

For the purposes of VMT analysis, retail VMT is used as a proxy for other similar developments (such as the tourist activity). For retail development, regional average daily work-related VMT per employee is 7.3. Table 9 includes the transportation analysis zone (TAZ) in which the proposed project site is located, TAZ 854.

---

<sup>36</sup> A tour-based assessment of VMT at a retail site would consider the VMT for all trips in the tour, for any tour with a stop at the retail site. If a single tour stops at two retail locations, for example, a coffee shop on the way to work and a restaurant on the way back home, then both retail locations would be allotted the total tour VMT. A trip-based approach allows us to apportion all retail-related VMT to retail sites without double-counting.

<sup>37</sup> San Francisco Planning Department, *Executive Summary: Resolution Modifying Transportation Impact Analysis*, Appendix F, Attachment A, March 3, 2016.

**TABLE 9**  
**DAILY VEHICLE MILES TRAVELED – EXISTING CONDITIONS**

Land Use	Bay Area		TAZ 854
	Regional Average	Regional Average Minus 15%	
Employment (Retail)	14.9	12.6	7.3

Source: San Francisco Transportation Information Map, <http://sftransportationmap.org/>, accessed October 2017.

## Travel Demand

### Trip Generation

Daily and peak hour person trip generation forecasts for the proposed project sites at Pier 31½ and Fort Baker were developed based on the existing and expected visitors to the island and embarkation site. The existing Alcatraz ferry embarkation site currently has about 5,460 touring visitors (i.e., ticketed passengers taking the ferry to the island) and 700 non-touring visitors on a peak day of the year (i.e., visitors that travel to the embarkation site but do not board a ferry to Alcatraz Island). Typically, the non-touring visitors consist of visitors that do not have pre-purchased tickets and cannot be accommodated because ferries are sold out.

In general, visitation peak is controlled by the capacity of Alcatraz Island, and not necessarily the number of ferries that arrive and depart from the embarkation site. After planned long-term enhancements are made on-island to more efficiently manage visitor flow (not part of the proposed project), the Park Service expects that approximately 20 percent more visitors can be accommodated on a peak day (i.e., about 6,600 daily Alcatraz Island visitors). Similarly, the number of non-touring visitors is expected to increase in the long term, from approximately 700 to 800 per day.<sup>38</sup> Enhancements to landside facilities at the Pier 31½ embarkation site as part of the proposed project are expected to more comfortably accommodate the increased number of visitors, but they are not essential to the growth, which would occur with or without the enhancements to the embarkation facility.

Under the proposed project, the embarkation facility would contain an additional berth that would operate additional ferry service to Fort Baker as well as offer interpretive cruises around the bay. Ferry service to Fort Baker would be limited to two ferries per day and occur on weekends only. For the purposes of the transportation study, the Fort Baker ferry service was included in the weekday travel demand estimates in order to present a conservative “peak day” analysis. The peak day person trip generation under near-term and long-term conditions are summarized in Table 10.

<sup>38</sup> URS, *Draft Final Alcatraz Ferry Embarkation and Education Site Feasibility Study*, NPS PMIS GOGA 77160, Document No. 641/107703, May 2011.



**TABLE 10**  
**EXISTING AND FUTURE DAILY PERSON TRIPS TO THE ALCATRAZ EMBARKATION SITE**

Near-Term			
	Existing	Proposed Project	Net New Person Trips
Alcatraz Tour Visitors	5,460	5,460	0
Non-Alcatraz Tour Visitors	700	1,090	390
<b>Total</b>	<b>6,160</b>	<b>6,550</b>	<b>390</b>
Long-Term (2035)			
	No Project	Proposed Project	Net New Person Trips
Alcatraz Tour Visitors	6,600	6,600	0
Non-Alcatraz Tour Visitors	800	1,190	390
<b>Total</b>	<b>7,400</b>	<b>7,790</b>	<b>390</b>

Source: Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, December 2017, and URS, *Draft Final Alcatraz Ferry Embarkation and Education Site Feasibility Study*, NPS PMIS GOGA 77160, Document No. 641/107703, May 2011.

Person trip generation for peak hours is driven largely by ferry departures and arrivals that occur during the peak hours, as well as the visitor arrival patterns discussed in the *Draft Embarkation Facility Space Planning Model-Results* study.<sup>39</sup> The study provided information on the typical visitor arrival time before a ferry leaves the dock, length of stay after disembarking from a ferry, and the number of non-island tour visitors expected to be at the site during a typical hour throughout the day. Much of the changes proposed by the proposed project are designed to better accommodate future increased levels of visitation that will occur regardless of the proposed project. Thus, travel demand associated with increases in visitorship to Alcatraz Island is not considered part of the proposed project. The existing and future peak hour person trips to the primary Alcatraz ferry embarkation site are presented in Table 11.

**TABLE 11**  
**EXISTING AND FUTURE PEAK HOUR PERSON TRIPS TO THE ALCATRAZ EMBARKATION SITE**

	Inbound Person Trips		Outbound Person Trips	
	Near-Term	Long-Term (2035)	Near-Term	Long-Term (2035)
<b>No Project Conditions</b>				
AM Peak Hour	1,200	1,440	0	0
PM Peak Hour	600	720	1,050	1,260
<b>Proposed Project Conditions</b>				
AM Peak Hour	1,270	1,510	0	0
PM Peak Hour	640	760	1,110	1,320

Source: Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, December 2017.

<sup>39</sup>ORCA, *Draft Embarkation Facility Space Planning Model-Results*, 2011.

Mode split was based on a large survey effort conducted by Fehr & Peers in July 2012. The response rate was very high, with over 800 completed surveys at Pier 31½. Mode of travel was recorded in the survey and presents a robust mode split that was applied proportionally to the existing trip generation as well as the 6 percent predicted increase in visitors (see Table 10). The resulting net new trips and total person trips are shown in Table 12. To convert person trips to vehicle trips, an average vehicle occupancy of 3.9 was derived from the survey data and applied to the Taxi and Car+Walk modes. For tour buses, an average vehicle occupancy of 40 was assumed, based on the split between full size tour buses and smaller shuttle-style buses. The net new and total vehicle trips is presented in Table 13.

**TABLE 12**  
**PERSON TRIPS BY MODE**

Mode	Net New Project Trips			Total Trips		
	Inbound	Outbound	Total	Inbound	Outbound	Total
<b>AM Peak Hour (8-9 AM)</b>						
Walk/Bike	17	0	17	306	0	306
Tour Bus	3	0	3	64	0	64
Taxi	8	0	8	140	0	140
Other Public Transit	11	0	11	204	0	204
F-Line	12	0	12	217	0	217
Car + Walk	19	0	19	344	0	344
Total Person Trips	70	0	70	1,275	0	1,275
<b>PM Peak Hour (5-6 PM)</b>						
Walk/Bike	10	14	24	153	268	421
Tour Bus	2	3	5	32	56	88
Taxi	4	7	11	70	123	193
Other Public Transit	6	10	16	102	179	281
F-Line	7	10	17	109	190	299
Car + Walk	11	16	27	172	301	473
Total Person Trips	40	60	100	638	1,117	1,755

Source: Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, December 2017.

**TABLE 13  
VEHICLE TRIPS BY MODE<sup>1</sup>**

Mode	Net New Project Trips			Total Trips		
	Inbound	Outbound	Total	Inbound	Outbound	Total
<b>AM Peak Hour (8-9 AM)</b>						
Tour Bus	--2	0	--	2	0	2
Taxi	2	0	2	36	0	36
Car + Walk	5	0	5	89	0	89
Total Vehicle Trips	7	0	7	127	0	127
<b>PM Peak Hour (5-6 PM)</b>						
Tour Bus	--2	--2	--2	1	2	3
Taxi	1	2	3	18	32	50
Car + Walk	3	4	7	45	77	122
Total Vehicle Trips	4	6	10	64	111	175

1. In order to convert person trips to vehicle trips, the following occupancy assumptions were made: for tour buses, it was assumed that all tour buses were full, for an average occupancy of 40 visitors. For car and taxi arrivals, an average vehicle occupancy of 3.9 was used, which was derived from the survey effort results.

2. New trips would be accommodated by existing buses.

Source: Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, December 2017.

**Impact TR-1: The proposed project would not cause substantial additional Vehicle Miles Traveled or substantially induce automobile travel. (Less than Significant)**

### **Vehicle Miles Traveled Analysis**

As mentioned previously, existing average daily VMT per employee for retail uses in TAZ 854 is 7.9 miles. This is 47 percent below the existing regional average daily VMT per capita of 14.9. Given that the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the proposed project's bar/lounge use would meet the Map-Based Screening for Retail and Residential Projects criterion and would not result in substantial additional VMT, and impacts would be less than significant. The project site also meets the Proximity to Transit Stations screening criterion, which indicates that the proposed project's retail uses would not cause substantial additional VMT.

The proposed project would generate 10 net new PM peak-hour vehicle trips that would travel through surrounding intersections. These 10 PM peak-hour vehicle trips represent a small portion of the overall number of PM peak-hour vehicle trips that pass through the Embarcadero and nearby roadways. The proposed project's daily and PM peak-hour vehicle trips would not substantially increase traffic volumes at nearby intersections such that new traffic hazards would be created.

The State Office of Planning and Research's proposed transportation impact guidelines include a list of transportation project types that would not likely lead to a substantial or measurable increase in VMT. As a transit project, the proposed Fort Baker ferry service would not result in a substantial increase in VMT.

For these reasons, the proposed project would result in less-than-significant traffic impacts, and no mitigation measures are necessary.

**Impact TR-2: The proposed project would not conflict with an applicable plan, ordinance, or policy establishing measures of effectiveness for the performance of the circulation system and would not conflict with an applicable congestion management program. (Less than Significant)**

### **Construction Impacts**

Prior to construction, the project proponent and construction contractor(s) would be required to meet with Public Works and San Francisco Metropolitan Transportation Agency staff to develop and review truck routing plans for demolition, disposal of excavated materials, materials delivery and storage, and staging for construction vehicles. The construction contractor would be required to comply with the City of San Francisco's Regulations for Working in San Francisco Streets (the Blue Book), including those regarding sidewalk and lane closures, and would meet with San Francisco Metropolitan Transportation Agency staff to determine whether any special traffic permits would be required. In addition to the regulations in the Blue Book, the contractor would be responsible for complying with all city, state and federal codes, rules, and regulations.

Construction-related activities would generally occur Monday through Friday. Construction is not anticipated to occur on Saturdays, Sundays, or major legal holidays, but may occur as needed and if approved by the Port's Building Permit Group (a part of the Engineering Division). The hours of construction would be stipulated by the Building Permit Group, and the contractor would be required to comply with the San Francisco Noise Ordinance and the Blue Book, including requirements to avoid peak hour construction activities on adjacent streets.

All construction-related activity would enter the site from the project site driveway on The Embarcadero. Most trucks would approach the site from I-80 W or US-101 N, by using Embarcadero northbound. Trucks over 3 tons are restricted in much of the Marina and North Beach districts, including Bay Street from Laguna Street to Columbus Avenue. These restrictions make for a circuitous route from US-101 S that would discourage construction trucks from approaching the site from the north or west.

During construction of the proposed project, portions of Pier 31½ would be closed to visitors, although overall ferry service to Alcatraz Island is expected to remain open during the construction period. Closure of portions of Pier 31½ during construction may result in additional localized crowding for pedestrians, especially when ferries are loading and unloading.

At Fort Baker, all construction related activity is expected to be staged on the site itself and out of the roadway or pedestrian right-of-way. Most construction activity at the Fort Baker site would take place around the pier on barges and floats.

For the reasons noted above, the proposed project's construction impacts related to transportation would be less than significant.

## Passenger Loading

Under existing conditions at Pier 31½, passenger loading on the Embarcadero northbound occurs primarily outside of the designated loading zone. Tour buses are the only vehicle type to consistently utilize the loading zone, while most other vehicle types (for-hire vehicles, private automobiles, and shuttles) queue in the pedicab parking spots, bicycle lane, or vehicle lane directly fronting the site, blocking pedicab, cyclist, and/or automobile travel.

The increase in maximum passenger loading demand due to the proposed project was estimated by scaling up the existing maximum passenger loading demand (15 and 9 vehicles in the peak 15-minutes in the mid-day and PM peak hours, respectively) by 6 percent, or the expected increase in daily visitors, as shown in Table 10. Each vehicle stopped for approximately 1 minute or less to load or unload passengers. Table 14 presents the existing maximum passenger loading demand and the estimated demand under the proposed project. As shown in Table 10, the proposed project would increase the number of visitors by 6 percent. Assuming additional visitors use modes of travel in the same proportion as under existing conditions, the peak loading demand in the mid-day peak hour would increase from 15 to 16 vehicles. The peak loading demand in the PM peak hour would increase from 9 to 10 vehicles. The proposed loading zone would be able to accommodate five to six vehicles at a time, which is two to three more vehicles than was ever observed loading simultaneously under existing conditions. For this reason, and given the very small increase in loading demand under the proposed project, it is anticipated that that new loading zone would be able to accommodate peak loading demand. Therefore, the impacts of the proposed project would be less than significant.

TABLE 14  
PEAK 15-MINUTE PASSENGER LOADING ZONE ACTIVITY

	Existing	Net New Loading	Total
Mid-day Peak 15 minutes (11:00 AM – 11:15 PM) <sup>1</sup>	15	1	16
PM Peak 15 minutes (4:15 PM – 4:30 PM) <sup>2</sup>	9	1 <sup>3</sup>	10

1. The maximum passenger loading demand for the Mid-day peak hour currently occurs at 11:00 AM.

2. The maximum passenger loading demand for the PM peak hour currently occurs at 4:15 PM.

3. Vehicles are rounded to nearest whole number.

Source: Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, September 2017.

Because the proposed weekend ferry service to Fort Baker would only accommodate round-trip passengers ticketed at Pier 31½, all new visitors are anticipated to arrive via the ferry. The proposed project activities at Fort Baker involve no substantial changes to the roadway network and are not anticipated to generate any only a nominal number of new vehicle trips on the local roadways that may result if ferry passengers utilized a for-hire vehicle service, such as taxis, Uber or Lyft.<sup>40</sup> Pick-up or drop-

<sup>40</sup> Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, Response to PMND Appeal Transportation Concerns, February 8, 2018. According to a conservative scenario analyzed in this study, if half of all ferry passengers travelled by vehicle outside Fort Baker, each ferry trip could result in approximately 30 vehicle trips.

off would likely be dispersed over the day and spread over multiple destinations within Fort Baker. Therefore, the vehicle and circulation impacts at the Fort Baker site could accommodate passenger loading demand and impacts and vicinity would also be less than significant.

### Commercial Loading

At the Pier 31½ site, the proposed project would relocate commercial loading from the existing service parking lot on the marginal wharf to the interior of the Pier 31 and Pier 33 shed buildings, however, commercial loading demand would remain the same. Although the number of commercial vehicles may stay the same as today, they would be consolidated from three potential conflict points (driveways) with pedestrians to two potential conflict points. It would also move commercial loading activity away from the main pedestrian entrance, where pedestrians are likely to congregate. Fuel loading for the ferries would continue to occur in the pedestrian plaza after hours, when there would be no pedestrians in the plaza and pedestrian activity on the sidewalk would be low. Commercial loading activity under the proposed project is not expected to create conflicts with other modes of transportation. The proposed project would make no adjustments to the commercial loading at Fort Baker. Therefore, the proposed project's impacts on commercial loading would be less than significant.

### Parking

As part of the 2012 on-site survey conducted at Pier 31½, parking-specific questions were asked to help determine where people park and where they may park in the future. Visitors who drove or carpooled were asked where they parked and estimates of total parking demand and parking location were developed from survey responses. Based on mode split data, the estimated parking demand increase associated with new visitors to Pier 31½ is just under 30 vehicles per day on weekdays and weekend days over the course of an entire day. This increase is in addition to the existing parking demand associated with the Pier 31½ facility, and is primarily associated with the addition of a third ferry berth. Parking estimates by time of day are shown in Table 15 for new visitors to Pier 31½.

TABLE 15  
NET INCREASE IN PARKING DEMAND AT PIER 31½

	Week Day	Weekend Days
9:00 AM – 12:00 PM	8	8
12:00 PM – 3:00 PM	8	8
3:00 PM – 6:00 PM	8	8
6:00 PM – 9:00 PM	3	3
Daily Net Increase in Demand	26	27

Source: Fehr & Peers, *Alcatraz Embarkation Facility – Pier 31½ Circulation Study*, San Francisco, CA, September 2017.

Under the proposed project, off-street parking for staff would be relocated into the interior of the Pier 31 shed building. Eight tandem parking spaces and four Americans with Disabilities Act-accessible spaces

would be provided. The Americans with Disabilities Act-accessible spaces would be available to staff as well as visitors. A total of eight unrestricted spaces is a reduction from the current staff parking supply and would not accommodate the staff parking demand observed during the June 2017 site visit. During the mid-day period, 12 staff vehicles were parked in the on-site lot. The unmet staff parking demand would either move to off-site lots or shift to another mode of travel. In the event that these staff continue to drive, their parking needs could be accommodated by the observed supply in nearby lots.

As shown in Table 15, the proposed project would increase parking demand by approximately eight spaces during the peak utilization period (12:00PM – 3:00PM). The 2013 EIS found that there are 1,125 off-street and 690 on-street parking spots within 0.25 mile of Pier 31½. During the peak utilization period parking was, on average, 80 percent occupied. Spot checks performed by Fehr & Peers in June 2017 of on-street and off-street parking showed that parking conditions have not substantially changed since the 2013 analysis. Given parking supply and observed utilization rates, it appears that the added visitor and staff parking demand could be accommodated by parking facilities within 0.25 mile.

Because no ferry ticket sales would take place at Fort Baker, there is no anticipated increase in parking demand at the site. All new visitors would arrive at the site via the ferry. Therefore, impacts related to parking would be less than significant.

A number of recommendations have been identified to improve safety for passengers, drivers, and cyclists at the Pier 31½ site. These include **Improvement Measures I-TR-2a, Provide Information on Active Transportation and Transit Routes to/from the Pier 31½ Site**, and **I-TR-2b, Install Multimodal Wayfinding Kiosk and Signage at the Pier 31½ Site**, as described below.

**Improvement Measure I-TR-2a: Provide Information on Active Transportation and Transit Routes to/from the Pier 31½ Site**

The project proponent will require the concessioner to provide information regarding pedestrian, bicycle, and transit travel to/from the embarkation site to both employees and in advance to visitors. This may include maps designating preferred pedestrian, bicycle or transit routes to/from the site, maps indicating where City-provided bicycle facilities or transit stops are present, and time estimates for walking or biking to common destinations, such as BART stations, Union Square, Pier 39, or other tourist destinations. This information would be presented on tickets and information websites, as well as distributed via mail or email to all ticketed visitors.

**Improvement Measure I-TR-2b: Install Multimodal Wayfinding Kiosk and Signage at the Pier 31½ Site**

The project proponent will add a multimodal wayfinding kiosk that may include maps, signs, or digital displays to provide visitors information on various travel options and times. The kiosk will be located near the site entrance/exit to the Pier 31½ site. In addition to a centralized kiosk, signage

could be placed at the site entrance with directional arrows indicating walk times to nearby destinations or transit stops.

Implementation of **Improvement Measures I-TR-2a, Provide Information on Active Transportation and Transit Routes to/from the Pier 31½ Site, and I-TR-2b, Install Multimodal Wayfinding Kiosk and Signage at the Pier 31½ Site**, would encourage staff and visitors to carpool, take transit, bicycle, and walk by providing additional information on these modes. This would reduce the number of people driving to access the site and alleviate effects on parking demand, loading demand, and bicyclist safety. Thus, if implemented, these improvement measures would further reduce the proposed project's less-than-significant impacts.

**Impact TR-3: The proposed project would not substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses. (Less than Significant)**

The proposed project would not include any design features that would substantially increase traffic hazards (e.g., a new sharp curve or dangerous intersections) at either the Pier 31½ or Fort Baker sites, and would not introduce any incompatible uses, as uses would be similar to current conditions. The proposed project would not add new driveways or curb cuts along the project frontages, and would reduce the use of the existing driveway in front of the project site. Therefore, the proposed project would have a less-than-significant impact related to transportation hazards due to a design feature or resulting from incompatible uses.

**Impact TR-4: The proposed project would not result in inadequate emergency access. (Less than Significant)**

Emergency access would remain unchanged from existing conditions; emergency vehicles would continue to access the Pier 31½ site from The Embarcadero, with the ability to drive onto the pedestrian plaza if necessary. Changes to the Fort Baker site would make no alterations to existing emergency vehicle access to the site or vicinity. Improvements to the Fort Baker pier would improve emergency access to the site from the water. The proposed project's impact to emergency vehicle access would therefore be less than significant.

**Impact TR-5: The proposed project would not conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities. (Less than Significant)**

## **Public Transit**

According to transportation analysis conducted for the Park Service's EIS for the proposed project prior to the introduction of the E Embarcadero streetcar line, all transit lines serving the study area and the Downtown Screenlines operate within the 85 percent capacity utilization threshold in the weekday AM peak hour. However, in the weekday PM peak hour, the F Market & Wharves operate above the threshold in the outbound direction (i.e., away from the Pier 31½ site). Based on 2017 field work by Fehr



& Peers (subsequent to the introduction of the E Embarcadero historic streetcar), similar patterns were observed for the E Embarcadero as for the F Market & Wharves. The growth in transit ridership associated with the proposed project (compared to current conditions) would be less than 1 percent of the capacity of the transit line. The historic streetcars run in an exclusive right-of-way and would experience no delay due to new project-related trips. No transit impacts are anticipated as a result of the ~~project~~pedestrian improvements at Fort Baker. Therefore, the proposed project would have a less-than-significant impact on transit capacity and delay.

## **Pedestrians**

The proposed project would improve the pedestrian realm at the Pier 31½ site by eliminating frequent vehicular access/egress to the 15 on-site parking spaces from the site driveway. Although these entrance and exit movements are only moving to the Pier 31 driveway, and not being eliminated, the proposed arrangement reduces the number of active driveways, thereby also reducing the number of pedestrian conflict points with automobiles. Furthermore, vehicular driveway activity would be moved away from the main pedestrian plaza entrance, where pedestrians are likely to congregate.

The proposed project would further improve the pedestrian realm by creating a more spacious and welcoming pedestrian experience with enhanced exhibits and seating at Pier 31½ open to all members of the public, in addition to ticket-holding visitors. This includes converting the existing on-site parking into additional pedestrian space. Nearly all net new trips, regardless of mode, end as walking trips into the Pier 31½ site. Given the modest increase in new trips generated by the proposed project (Table 13) and the excess capacity of the sidewalk, pedestrian crowding is not expected to be severe or cause any hazards. The amount of new pedestrian activity generated by passenger loading activity is not expected to present substantial new conflicts, and would occur on the Embarcadero, which has sufficient space for this activity. Furthermore, the proposed project would not interfere with Americans with Disabilities Act accessibility to the site and adjoining areas. Existing Americans with Disabilities Act-compliant curb ramps are being retained, and three Americans with Disabilities Act-designated parking spaces would be added inside the Pier 31 bulkhead building. The existing curbside Americans with Disabilities Act-designated parking space, which would be converted to a loading zone as part of the proposed project, would be relocated to the curbside parking area just north of the Pier 33 bulkhead building.

At Fort Baker, the proposed project would greatly enhance pedestrian connectivity, especially Americans with Disabilities Act-compliant pedestrian connections. At present, there are no formal pedestrian paths connecting the pier with the Bay Area Discovery Museum or Cavallo Point Hotel and Conference Center. The proposed project would create a formal pedestrian path between the pier and the museum loading zone, enabling pedestrians of all abilities to make the trip. The proposed project would also install Americans with Disabilities Act-compliant curb ramps at the access road intersection just north of East Road between Murray Circle and McReynolds Road, allowing direct Americans with Disabilities Act access from the pier to the Cavallo Point Lodge and Conference Center.

For the reasons noted above, the proposed project would have a less-than-significant impact on pedestrian conditions.

### **Bicycle Conditions**

The proposed project would relocate the existing bicycle racks into the Pier 31 shed building. No changes are proposed to bicycle travel lanes along The Embarcadero adjacent to the site, and removal of the site driveway would reduce the number of driveway conflict points between bicycles and automobiles. The proposed project is not expected to substantially increase overall traffic levels along nearby streets such that it could create potentially hazardous conditions for bicyclists or interfere with bicycle access or circulation to the site and adjoining areas. The small increase in bicyclists (17 AM peak hour and 24 PM peak hour walk/bike trips), along with a modest increase in other modes of access, is not expected to result in potentially hazardous conditions or interfere with bicyclist accessibility to the park.

The addition of the bollard-separated loading zone is expected to reduce potential conflicts between loading vehicles and northbound bicyclists. Passenger loading vehicles would have a designated space outside of the bicycle lane, and potential conflict points between bicyclists and loading vehicles would be reduced from the entire site frontage to the entry and exit of the new passenger loading zone. Bicycle conditions at Fort Baker are not anticipated to change with the proposed project, as there would be no changes to roadways. The proposed project would not generate any new bicycle trips at the Fort Baker site, because ferry passengers will not be permitted to bring bicycles on board ferries from Pier 31½ and rental bicycles are not available at the site, and none are planned. Potential nominal increases in vehicular traffic associated with for-hire vehicles serving ferry passengers would not result in substantial conflicts with bicycles. Bicycle conditions in Sausalito are discussed in Appendix B for informational purposes.

Therefore, the proposed project's impacts on bicycle conditions would be less than significant.

**Impact C-TR-1: The proposed project, in combination of past, present, and reasonably foreseeable future projects, would not result in a considerable contribution to cumulative regional VMT. (Less than Significant)**

VMT, by its very nature, is largely a cumulative impact. The VMT associated with past, present, and future projects contribute to physical secondary environmental impacts. It is likely that no single project by itself would be sufficient in size to prevent the region or state from meeting its VMT reduction goals. Instead, a project's individual VMT contributes to cumulative VMT impacts. The VMT and induced automobile travel project-level thresholds are based on levels at which new projects are not anticipated to conflict with state and regional long-term greenhouse gas emission reduction targets and statewide VMT per capita reduction targets set for 2020. Therefore, because the proposed project would not exceed the project-level thresholds for VMT and induced automobile travel (Impact TR-1), the proposed project would not result in a cumulatively considerable contribution to VMT impacts.

Furthermore, as shown in Table 16, the projected 2040 average daily VMT per employee for retail uses in TAZ 854 is 7.0 miles. This is approximately 59 percent below the projected 2040 regional average daily

VMT per employee of 14.6. Given that the project site is located in an area where VMT is more than 15 percent below the projected 2040 regional average, the proposed project would not contribute considerably to any substantial cumulative increase in VMT.

**TABLE 16**  
**DAILY VEHICLE MILES TRAVELED – YEAR 2040 CONDITIONS**

Land Use	Bay Area		TAZ 854
	Regional Average	Regional Average Minus 15%	
Employment (Retail)	14.6	12.4	7.0

Source: San Francisco Transportation Information Map, <http://sftransportationmap.org/>, accessed May 2017.

**Impact C-TR-2: The proposed project, in combination with past, present, and reasonably foreseeable future projects, would not result in substantial cumulative transportation impacts. (Less than Significant)**

The geographic context for the analysis of cumulative traffic impacts is the local roadways and transit system within the Pier 31½ vicinity.

### **Construction**

Project-related construction activities would not result in substantial interference with bicycle, pedestrian, or vehicle circulation, or to accessibility to adjoining areas and would not cause potentially hazardous conditions. The only future project anticipated to potentially result in nearby construction activity at Pier 31½ is the Embarcadero Enhancement Project, which does not yet have a construction schedule or plan available to the public. It will be important for the project proponent to coordinate its construction efforts and regular operational practices with the City when the time comes to create a construction plan and timeline for The Embarcadero Enhancement Project. There are no known current or future projects at Fort Baker that would result in nearby construction. Given current information, cumulative construction impacts are anticipated to be less than significant.

### **Passenger Loading**

Loading activity at the Pier 31½ site is expected to increase with long-term increases to capacity on Alcatraz Island (associated with on-island facilities and visitor management), which are unrelated to the proposed project. This increased loading activity would be accommodated by the new loading zone, which provides increased capacity of 200 percent above existing demand levels. The combination of the long-term on-island capacity increases plus proposed project enhancements would increase demand by 26 percent (6 percent with proposed project and 20 percent with long-term on-island capacity increases). Bicycle and loading conflict points would be greatly minimized with the proposed loading zone design. Also, with future implementation of the Embarcadero Enhancement Project, which would separate bicyclists from the vehicular right-of-way, bicycle and passenger loading conflict points would be further reduced, if not entirely eliminated. No land use, development, or transportation projects are anticipated

to change cumulative conditions at Fort Baker. For these reasons, the cumulative impacts on passenger loading would be considered less than significant.

### **Commercial Loading Impacts**

No changes are anticipated for commercial loading at Pier 31½ or Fort Baker. The only cumulative project that could potentially contribute to commercial loading impacts would be the Embarcadero Enhancement Project. With implementation of The Embarcadero Enhancement Project, driveway access to the Pier 31 and Pier 33 sheds is expected to be retained. Commercial loading at the Pier 31½ site associated with the proposed project under cumulative conditions would not create potentially hazardous traffic conditions or significant delays affecting traffic, transit, bicycles, or pedestrians. No land use, development, or transportation projects are anticipated to change cumulative conditions at Fort Baker. Therefore, the impact of the proposed project and other cumulative developments on loading conditions would be less than significant.

### **Transit Impacts**

Under cumulative conditions, it is expected that transit demand would rise due to long-term growth in the vicinity of Pier 31½ and the region. The E and F Muni lines run directly in front of the Pier 31½ site and are the closest transit stations serving the proposed project; therefore, this capacity discussion focuses on these two lines. The E and F Muni lines fall under the Northeast screenline, which is projected to run at 72 percent capacity utilization during the PM peak under cumulative conditions, based on the latest figures for the downtown transit screenlines.<sup>41</sup> The contribution of transit riders by the proposed project to the northeast screenline is not expected to reach the 85 percent capacity utilization threshold. Furthermore, cumulative conditions would not cause a substantial increase in delays or operating costs such that significant adverse impacts on transit service levels would occur. The E and F Muni lines would continue to run in the designated median right-of-way, where cumulative increases to vehicle and pedestrian traffic would have little impact to transit operations. No land use, development, or transportation projects are anticipated to change cumulative conditions at Fort Baker. Therefore, the cumulative impacts to transit are anticipated to be less than significant.

### **Pedestrian Impacts**

Under cumulative conditions, pedestrian volumes are expected to increase at Pier 31½ due to long-term growth in the vicinity of the proposed project and the region. Although some pedestrian congestion could form due to the increase in pedestrians in the Pier 31½ area, the contribution to this congestion by the proposed project would be minimal. Because land uses are anticipated to change very little in the immediate vicinity, it is unlikely that pedestrian volumes would increase substantially over baseline levels. The proposed project, cumulative transportation network, and land use changes would not result in substantial overcrowding on public sidewalks, create potentially hazardous conditions for pedestrians, or otherwise interfere with pedestrian accessibility to the site and adjoining areas. No land use,

---

<sup>41</sup> San Francisco Planning Department, *Transit Data for Transportation Impact Studies*, May 2015.

development, or transportation projects are anticipated to change cumulative conditions at Fort Baker. Therefore, the cumulative impact of the proposed project would be less than significant.

### **Bicycle Impacts**

In the vicinity of the Pier 31½ site, cumulative bicycle projects include the Embarcadero Enhancement Project, the Battery Street bike lane, and the Ford GoBike expansion. These projects would enhance the environment for cyclists and pedestrians, potentially increasing the number of bicyclists in the project vicinity. The Embarcadero Enhancement Project is anticipated to have the most direct impact on the Pier 31½ site. By separating cyclists from pedestrians, parked vehicles, and moving vehicles along the Embarcadero, the area would become safer and more efficient. The bicycle/auto conflict points associated with passenger loading for the Pier 31½ site would likely be alleviated, if not entirely resolved, by designated bicycle lanes on the Embarcadero. These improvements would encourage more bicycle and pedestrian travel to the site, possibly reducing transit, driving, or drop-off mode shares for the project site in the long term. Very little land use-related mode shift to bicycles is anticipated under cumulative conditions because land use in the area will remain largely consistent with current conditions. When combined with the proposed project, the transportation network changes described above would not create potentially hazardous conditions for bicyclists or otherwise substantially interfere with bicycle accessibility to the site or adjoining areas.

The proposed project would not substantially affect bicycle conditions at Fort Baker, and so would not contribute to cumulative effects. No land use, development, or transportation projects are anticipated to change cumulative conditions at Fort Baker.

Therefore, the cumulative impact of the proposed project and surrounding projects would be less than significant.

### **Parking Impacts**

Parking demand around the Pier 31½ site is expected to increase with long-term increases to capacity on Alcatraz Island and other long-term development in the area. However, the increased parking demand resulting from the proposed project would not be considerable, and cumulative parking demand would not result in a substantial parking deficit that could create potentially hazardous conditions affecting traffic, transit, bicycles, or pedestrians. Land use in the area is expected to change very little in the future and would therefore place no significant additional strain on the existing parking supply. The proposed project is not expected to influence parking at Fort Baker, and so would not contribute to cumulative effects. No land use, development, or transportation projects are anticipated to change cumulative conditions at Fort Baker. For these reasons, the cumulative parking impacts would be less than significant.

### **Emergency Vehicle Impacts**

No changes are anticipated for emergency vehicle access or site access under the cumulative conditions. Roadway congestion is expected to increase due to long-term growth in the vicinity of the proposed

project and the region at both sites, which could cause delays for emergency vehicles in traversing the street network. This delay, however, would not result in inadequate emergency access that would significantly affect emergency access. Furthermore, the increased congestion resulting from the proposed project would be a small portion of this increase, and therefore, the impacts would be less than significant.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>6. NOISE—Would the project:</b>					
a) Result in exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan area, or, where such a plan has not been adopted, in an area within two miles of a public airport or public use airport, would the project expose people residing or working in the area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project located in the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The proposed project sites at Pier 31½ and Fort Baker are not within an airport land use plan area, nor are they in the vicinity of a private airstrip. Therefore, Topics 5(e) and 5(f) are not applicable.

**Impact NO-1:** The proposed project would not result in the exposure of persons to or generation of noise levels in excess of established standards, nor would the proposed project result in a substantial temporary or permanent increase in ambient noise levels. (Less than Significant)

#### Applicable Noise Standards

##### *Construction*

**San Francisco Noise Ordinance.** Article 29 of the San Francisco Police Code<sup>42</sup> gives authority to the City to regulate unnecessary, excessive, and offensive noise. Under this ordinance, ambient sound is defined as the lowest repeating sound level within a 10-minute time period (at a minimum), and considered to be no less than 35 decibels (A-weighted; dBA) within interior residences and 45 dBA in all other locations. Regarding construction noise, Section 2907 prohibits such equipment that emits noise in excess of 80 dBA at 100 feet. However, impact tools and equipment (e.g., pile drivers, pavement breakers, and jackhammers) are exempt from this regulation, provided that they are affixed with approved noise-reducing shields or shrouds.

**Marin County Noise Ordinance.** Sections 6.70.030(5) and 6.70.040 of the Marin County Noise Ordinance address noise from construction activities. Pertinent to the proposed project, Marin County requires that loud noise-generating construction-related equipment only be operated Monday through Friday between 8:00 a.m. and 5:00 p.m.

##### *Operations*

**San Francisco General Plan.** The Environmental Protection Element of the San Francisco General Plan contains Land Use Compatibility Guidelines for Community Noise. These guidelines, which are similar to state guidelines promulgated by the Governor's Office of Planning and Research, indicate maximum acceptable noise levels for various newly developed land uses. The proposed uses for the proposed project correspond to the "Commercial" land use category as it represents a private operation on public (Port) land. For this land use category, the maximum "satisfactory, with no special insulation requirements" exterior noise levels are approximately 77 dBA ( $L_{dn}$  [average day/night equivalent sound level]).

The following thresholds are applied to determine the significance of project-related operational noise increases: 1) An increase of more than 5 dBA is considered a significant noise increase, and 2) in places where the existing or resulting noise environment is "conditionally acceptable," "conditionally unacceptable," or "unacceptable," based on the San Francisco Land Use Compatibility Chart for Community Noise, any noise increase greater than 3 dBA is considered a significant noise increase. A 5 dBA increase over ambient noise levels in any noise environment would be considered a substantial permanent increase in the ambient noise levels in the project vicinity because it would be clearly noticeable. A 3 dBA increase over ambient noise levels where the existing or resulting noise environment

---

<sup>42</sup> City and County of San Francisco, *San Francisco Noise Ordinance*, 2008. Available from <http://www.noisefree.org/cityord/san-francisco.pdf>.

is “conditionally acceptable,” “conditionally unacceptable,” or “unacceptable” would be considered a substantial permanent increase in the ambient noise levels in the project vicinity because, although barely perceptible, it would add to an existing or resulting noise level that exceeds satisfactory standards for the applicable land use per the Land Use Compatibility Chart. As noted, noise levels for commercial areas related to transportation uses are acceptable to about 77 dBA.

**San Francisco Noise Ordinance (Article 29 of the Police Code).** Regarding operational noise, Article 29 of the San Francisco Police Code, Section 2909(c), states that no person shall produce or allow to be produced by any machine or device, or any combination of the same, a noise level more than 10 dBA above the local ambient sound level at a distance of 25 feet or more on public property, unless the machine or device is being operated to serve or maintain the property. In order to prevent sleep disturbance, protect public health, and prevent the acoustical environment from progressive deterioration, Section 2909(d) states that “no fixed noise source may cause the noise level measure inside any sleeping or living room in any dwelling unit located on residential property to exceed 45 dBA between the hours of 10 pm to 7 am or 55 dBA between the hours of 7 am to 10 pm with windows open except where building ventilation is achieved through mechanical systems that allow windows to remain closed.”

#### Pier 31½

##### *Existing Conditions*

Pier 31½ is located in a commercial zone within The Embarcadero, a highly-urbanized stretch along the waterfront that supports heavy pedestrian, bicycle, and automobile traffic. It is surrounded landward to the west by several commercial and office buildings, as well as cafés and restaurants. While land uses in the project site vicinity do not generate a substantial amount of noise, high traffic volumes along the surrounding streets result in a relatively loud noise environment. The closest residential zone (specifically, a high-density combined commercial/residential zone) is located one block away at the corner of Chestnut and Sansome streets. Ambient noise levels in the project vicinity are typical of noise levels found in San Francisco, which are dominated by vehicular traffic, including, cars, Muni streetcars and buses, and emergency vehicles. Based on data collected from the noise monitoring surveys conducted for the EIS, ambient noise levels at this site range from 56 to 68 dBA. The peak  $L_{max}$  recorded was 89 dBA, and the  $L_{min}$  was 46 dBA.<sup>43</sup>

Some land uses (and associated users) are considered more sensitive to ambient noise levels than others. In general, occupants of residences, schools, daycare centers, hospitals, schools, places of worship, and nursing homes are considered to be sensitive receptors. The closest sensitive receptors are residences located approximately 540 feet southwest of the project site. There are no additional receptors within 900 feet of the Pier 31½ site.

---

<sup>43</sup> National Park Service, *Alcatraz Ferry Embarkation Final Environmental Impact Statement*, January 2017. Available from <https://parkplanning.nps.gov/document.cfm?parkID=303&projectID=41352&documentID=77056>.



### Noise from Project Construction

Construction of the proposed project is expected to occur in phases, estimated to begin in late 2019 and conclude in 2021. Construction of upgraded berthing infrastructure is expected to occur in 2019, with pile driving occurring from barges lasting approximately 3 days. Interior building and exterior plaza renovations are expected to occur in phases between 2019 and 2022, with precise phasing ultimately confirmed by the concessioner. Work will occur on the landside using the types of construction equipment described in Table 5 (Section A, Project Description). The construction schedule is anticipated to be 8 hours per day, 5 days per week. Table 17 lists the typical noise levels of proposed construction equipment.

TABLE 17  
TYPICAL NOISE LEVEL OF PROPOSED CONSTRUCTION EQUIPMENT

Equipment	Noise Level (dBA) <sup>1</sup>	
	At 50 feet	At 100 feet
Saw	76	70
Backhoe	80	74
Air Compressor	81	75
Generator	81	75
Mobile Crane	83	77
Grader	85	79
Truck	88	82
Paver	89	83
Pile Driver, Vibratory	96	90
Pile Driver, Impact	101	95

dBA: decibels, A-weighted

Construction noise is evaluated according to the following three criteria, taking into account the frequency, duration, equipment noise level, and proximity of sensitive receptors:

1. Comparing the maximum noise-generating potential for each individual piece of equipment proposed for use with the noise ordinance limit of 80 dBA at 100 feet (or equivalent sound level at some other convenient distance);
2. Comparing the combined noise level resulting from simultaneous operation of the two loudest pieces of equipment with the Federal Transit Administration's general construction assessment criterion of 90 dBA 1-hour  $L_{eq}$ <sup>44</sup> at the nearest residential receptor; and
3. Determining if the combined noise level resulting from simultaneous operation of the two loudest pieces of equipment would be greater than 10 dBA above the background noise level.<sup>45</sup>

<sup>44</sup> The 1-hour  $L_{eq}$  (or  $L_{eq}[1h]$ ) represents the equivalent steady-state sound level that, in 1 hour, would contain the same acoustical energy.

Table 18 presents noise levels anticipated during construction of the proposed project at Pier 31½. The noise levels were estimated using the Federal Highway Administration Roadway Construction Noise Model (initialized with construction equipment specified) for the loudest construction phases with and without pile driving (i.e., gangway/float installation for the former and site demolition and preparation for the latter). The Roadway Construction Noise Model provides reference values (at 50 feet from the source) for the maximum sound levels ( $L_{max}$ ) for each piece of equipment operating per phase. Noise levels are then adjusted to account for distance (i.e., lowered by 6 dBA with each doubling of distance between the equipment and the affected receptor) and added (using the rules of decibel addition) for each piece of equipment operating per phase to obtain the average total noise level ( $L_{eq}$ ) at each receptor.

**TABLE 18**  
**CONSTRUCTION NOISE AT PIER 31½**

Affected Receptor	Sensitive Receptors: Nearest Residential Zone	Other Receptors: Business Across Street
Distance from Outer Boundary of Receptor to Outer Boundary of Site (feet)	540	120
Existing Daytime Background Noise Level without Project (dBA, $L_{eq}$ )	63	63
<b>During Pile Driving</b>		
Modeled Maximum ( $L_{max}$ ) Construction Noise Level (dBA)	80.8	93.7
Modeled Average Construction Noise Level (dBA, $L_{eq}$ )	73.9	86.8
Noise Ordinance Threshold	SFPDPW-Certified Maximum Noise Attenuation	
Exceeds Threshold?	No	No
<b>During Loudest Non-Pile-Driving (Non-Impact) Phase</b>		
Predicted Maximum ( $L_{max}$ ) Construction Noise Level (dBA)	69.1	82
Predicted Average Construction Noise Level (dBA, $L_{dn}$ )	63.8	76.7
Noise Ordinance Threshold	Any construction equipment $L_{max} > 80$ dBA at 100 feet	
Exceeds Threshold?	No	Yes

dBA: decibels, A-weighted

$L_{dn}$ : average day/night equivalent sound level

$L_{eq}$ : equivalent continuous sound level

$L_{max}$ : maximum sound level

SFPDPW: San Francisco Department of Public Works

As shown in Table 18, noise from construction of the proposed project at Pier 31½ from non-impact equipment would not exceed 80 dBA at 100 feet or increase ambient noise levels by 10 dBA at the closest sensitive receptor. Therefore, non-impact noise would not exceed noise ordinance limits. Pile driving

<sup>45</sup> An increase of 10 dBA would represent a perceived doubling of noise above existing conditions, a potentially substantial temporary or periodic increase in ambient noise levels in the project vicinity.

would exceed the 80-dBA threshold but is considered an impact tool and therefore is exempt from noise ordinance limits, provided that such equipment is affixed with approved noise-reducing shields or shroud. Therefore, impacts are considered less than significant. While not significant under CEQA, construction noise has the potential to affect nearby businesses within 120 feet of construction. To ensure construction noise is minimized, the project proponent will implement **Improvement Measure I-NO-1, Construction Noise Minimization Plan for Pier 31½**.

**Improvement Measure I-NO-1: Construction Noise Minimization Plan for Pier 31½**

The project proponent shall develop a construction noise minimization plan that requires the following:

- Construction contractors shall specify noise-reducing construction practices and measures that will be employed to reduce construction noise from pile driving and construction activities. The practices and measures specified by the project proponent will be reviewed and approved by the City prior to the issuance of building permits. Practices and measures that can be used to limit noise include but are not limited to those listed below:
  - Avoid simultaneous use of equipment that exceeds 90 dBA, particularly impact and vibratory pile drivers
  - Install noise mufflers to stationary equipment and impact tools that are no less effective than those provided by the manufacturer
  - Use construction equipment with low noise emission ratings
  - Locate equipment, materials, and staging areas as far as practicable from sensitive receptors
  - Install barriers around particularly loud activities at the construction site to eliminate the line of sight between the source of noise and nearby sensitive receptors, which could reduce noise up to 10 dBA based on the configuration of the site and equipment used.<sup>46</sup>
  - Prohibit unnecessary idling of vehicles or equipment
  - Require applicable construction-related vehicles or equipment to use designated truck routes to access the proposed project site
  - Restrict construction activities between 7:00 AM to 8:00 PM Monday through Saturday

---

<sup>46</sup> The Federal Highway Administration's *Roadway Construction Noise Model Users' Guide* gives the following "rules of thumb" for estimating noise attenuation of barriers at construction sites:

3 dBA - if a noise barrier or other obstruction (like a dirt mound) just barely breaks the line-of-sight between the noise source and the receptor;

5 dBA - if the noise source is partly enclosed OR shielded with a barrier with some gaps located close to the source;

8 dBA - if the noise source is completely enclosed OR completely shielded with a solid barrier located close to the source;

10 dBA - if the noise source is completely enclosed AND completely shielded with a solid barrier located close to the source;

15 dBA - if a building stands between the noise source and receptor and completely shields the noise source.

### *Noise from Operations*

In general, peak visitation is controlled by the capacity of Alcatraz Island, and not necessarily the number of ferries that arrive and depart from the embarkation site. Under the proposed project, the embarkation facility would contain an additional berth that would operate additional ferry service to Fort Baker as well as offer interpretive cruises around the bay. Ferry service to Fort Baker would be limited to two ferries per day and occur on weekends only. Currently, 27 peak day ferry trips are operated per day for travel to Alcatraz Island and other locations from Pier 31½. Under the proposed project, ferry trips would increase to 29 peak day trips for an increase of two ferry trips per day. Noise surveys conducted for the EIS determined that the existing ambient noise levels at Pier 31½ range between 56 to 68 dBA. The Land Use Compatibility Chart provides criteria to assess compatibility of a proposed project with the existing noise environment. The operational significance threshold for this setting would be an increase of more than 5 dBA. Based on the limited number of new ferry trips, the proposed project is not expected to increase noise levels by 5 dBA.

As discussed in Section E.5, Transportation and Circulation, there are currently 6,160 daily person trips over a variety of modes (including walking, cars, public transportation, and tour buses) to the Pier 31½ site. The proposed project would result in 390 new daily trips. Given this minor increase and the existing noise environment, increased operations at Pier 31½ resulting from the proposed project would result in a negligible increase in noise and vibration within the surrounding area, and impacts would be considered less than significant.

### *Fort Baker*

#### *Existing Conditions*

The Fort Baker pier is currently used for fishing and other recreational activities. Based on the Fort Baker Plan, ambient noise levels in the area range between 55 to 60 dBA, with "the western end of the site [having] more ambient urban noise from traffic along U.S. Highway 101."<sup>47,48</sup> The closest residence is approximately 1,500 feet north of the project site and there are no other sensitive receptors within 900 feet of the project site. Receptors in the area include the Bay Area Discovery Museum and the U.S. Coast Guard Station; however, neither of those receptors are considered sensitive.

#### *Noise from Project Construction*

Table 19 presents noise levels anticipated during construction of the proposed project at Fort Baker at the closest receptors.

---

<sup>47</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>48</sup> Conditions in the Fort Baker area are consistent with the levels identified in the plan as the user group has switched from active military operations to less intense recreational uses such as picnicking, hiking, and fishing.

**TABLE 19  
CONSTRUCTION NOISE AT FORT BAKER**

Affected Receptor	USCG Station	Bay Area Discovery Museum
Distance from Outer Boundary of Receptor to Outer Boundary of Site (feet)	600	1,150
Existing Daytime Background Noise Level without Project (dBA, $L_{eq}$ )	55	55
<b>During Pile Driving</b>		
Predicted Maximum ( $L_{max}$ ) Construction Noise Level (dBA)	79.7	74.0
Predicted Average Construction Noise Level (dBA, $L_{dn}$ )	72.8	67.1
Noise Ordinance Threshold	N/A	
Exceeds Threshold?	No	No
<b>During Loudest Non-Pile-Driving Phase (Site Demolition)</b>		
Predicted Maximum ( $L_{max}$ ) Construction Noise Level (dBA)	68	62.3
Predicted Average Construction Noise Level (dBA, $L_{dn}$ )	62.7	57.1
Noise Ordinance Threshold	Work restricted to daytime hours	
Exceeds Threshold?	No	No

dBA: decibels, A-weighted

$L_{dn}$ : average day/night equivalent sound level

$L_{eq}$ : equivalent continuous sound level

$L_{max}$ : maximum sound level

SFDPW: San Francisco Department of Public Works

USCG: U.S. Coast Guard

As shown in Table 19, noise from construction of the proposed project at Fort Baker would not exceed ordinance limits and would not impact sensitive receptors. Therefore, impacts would be considered less than significant, and mitigation is not required.

#### *Noise from Project Operations*

The proposed project would provide a ferry landing for new future occasional ferry embarkation service. As such, the current noise and vibration levels at this location and within the surrounding area may be affected by changes proposed by long-term operation at this site. However, the service would be occasional and intermittent, with a maximum of two ferries per weekend day.

**TABLE 20  
OPERATIONAL NOISE FROM FORT BAKER LIMITED FERRY SERVICE**

Receptor	Recreational Use Area	USCG Station	Bay Area Discovery Museum
Land Use Category	3	3	3
Distance from Outer Boundary of Receptor to Closest Proposed Ferry Berth (feet)	160	800	1,290
Existing Noise Level without Project	55	55	55

Receptor	Recreational Use Area	USCG Station	Bay Area Discovery Museum
(dBA, L <sub>dn</sub> )			
Predicted Noise Level Contribution from Project	45	28	23
Predicted Noise Level with Project (dBA, L <sub>dn</sub> )	55	55	55
Total Noise Level Increase (Existing vs. Predicted; dBA)	0	0	0
Criteria for Moderate Impact (dBA)	60	60	60
Criteria for Severe Impact (dBA)	66	66	66
Impact?	None	None	None

dBA: decibels, A-weighted

L<sub>max</sub>: maximum sound level

L<sub>dn</sub>: average day/night equivalent sound level

USCG: U.S. Coast Guard

Based on the results presented in Table 20, receptors in the vicinity of the Fort Baker pier are not anticipated to be impacted by long-term operation of the proposed project. All predicted noise levels would remain below Federal Transit Administration criteria for commercial uses. For the reasons stated above, operational impacts resulting from the proposed project would be less than significant.

**Impact NO-2: The proposed project could expose persons or structures to or generate excessive groundborne vibration or groundborne noise levels. (Less than Significant with Mitigation)**

Groundborne noise is noise which is experienced inside a building or structure from vibrations produced outside of the building and transmitted as ground vibration between the source and receiver. The San Francisco Municipal Code does not address vibration. Regarding vibration impacts during construction, the Federal Transit Administration suggests a peak particle velocity level of 0.12 inches per second<sup>49</sup> or lower be maintained at buildings extremely susceptible to vibration damage (i.e., historic buildings such as those on the project site). Based on the peak particle velocity levels of the proposed construction equipment, the Federal Transit Administration's criteria for even the most fragile of buildings would be anticipated to be maintained so long as these buildings are 80 feet or more from the vibration source or site's outer boundary. Table 21 shows the distance from the Pier 31½ project site to receptors in the area that may be affected by vibration.

**TABLE 21  
VIBRATION RECEPTORS IN THE VICINITY OF PIER 31½**

Receptor	Distance from Site (feet) <sup>1</sup>
Historic Pier 29 Building	340
Historic Pier 31 and 33 Bulkhead Buildings	0
Businesses directly across the street from Pier 31½	120
Residences at the corner of Chestnut and Sansome streets	540

1. Per Federal Transit Administration guidance, distance was measured from the outer boundary of the receptors to the outer boundary of the Pier 31½ site.

dBA: decibels, A-weighted

VdB: vibration velocity decibels

Typical vibration levels from various types of construction equipment at 25 feet are listed in Table 22; some of these are similar to the equipment proposed to be used for the proposed project. Table 23 includes information on the vibratory damage potential at different buildings.

<sup>49</sup> Federal Transit Administration, *Transit Noise and Vibration Impact Assessment*, September 2013.

**TABLE 22**  
**TYPICAL VIBRATION LEVELS OF PROPOSED CONSTRUCTION EQUIPMENT**

Equipment	Vibration Level (peak particle velocity, inches/second) <sup>1</sup>			
	At 10 feet	At 25 feet	At 50 feet	At 100 feet
Small Bulldozer	0.012	0.003	0.001	0.000
Jackhammer	0.138	0.035	0.012	0.004
Loaded Trucks	0.300	0.076	0.027	0.010
Large Bulldozer	0.352	0.089	0.031	0.011
Pile Driver, Vibratory	0.672	0.170	0.060	0.021
Pile Driver, Impact	2.546	0.644	0.228	0.081

1. The typical vibration levels (peak particle velocity [PPV]) of construction equipment at 25 feet are based on data provided in Table 12-2 of the Federal Transit Administration's 2006 *Transit Noise and Vibration Impact Assessment*. Per Federal Transit Administration guidance, the vibration levels of proposed construction equipment at other distances (i.e., 10, 50, and 100 feet) were calculated using the following equation: PPV at Distance D = PPV (at 25 feet) × [(25/D)<sup>1.5</sup>].

**TABLE 23**  
**GUIDELINE VIBRATION DAMAGE POTENTIAL THRESHOLD CRITERIA**

Structure and Condition	Maximum Peak Particle Velocity (inches/second)	
	Transient Sources	Continuous/Frequent Intermittent Sources
Extremely fragile historic buildings, ruins, ancient monuments	0.12	0.08
Fragile buildings	0.2	0.1
Historic and some old buildings	0.5	0.25
Older residential structures	0.5	0.3
New residential structures	1	0.5
Modern industrial/commercial buildings	2	0.5

Transient sources create a single isolated vibration event, such as blasting or drop balls. Continuous/frequent, intermittent sources include impact pile drivers, pogo stick compactors stick compactors, crack and seat equipment, vibratory pile drivers, and vibratory compaction equipment. Source: Federal Transit Administration, *Transit Noise and Vibration Impact Assessment*, September 2013.

Regarding the proposed project work at Pier 31½ and in accordance with the Federal Transit Administration guidance stated above, vibration impacts at off-site receptors are not anticipated, as the closest off-site receptor to this site is 120 feet away. However, as noted in Table 23, the historic bulkhead buildings could be impacted by vibration, considering that construction activities are likely to occur in and around the buildings (essentially 0 feet from the vibration source or the building's outer boundary). This impact would be considered potentially significant. **Mitigation Measure M-NO-2, Conduct Vibration Monitoring at Pier 31½**, would be implemented to reduce impacts. Active monitoring would detect vibration near action levels and require the contractor to cease the use of large earth-moving equipment and to institute equipment controls to reduce vibration levels, thereby reducing the potential for effects on the building.



#### **Mitigation Measure M-NO-2: Conduct Vibration Monitoring at Pier 31½**

The project proponent would require that a qualified professional evaluate the subject structure(s) prior to the pile driving to assess their susceptibility to vibration impacts and provide pre-construction bracing if warranted. Based on the results of the evaluation, the professional shall develop a vibration control plan. The plan would include set of site-specific vibration attenuation measures that would be implemented under the supervision of a qualified acoustical consultant during the project construction. These attenuation measures would include as feasible, in consideration of technical and structural requirements and conditions, implementing "quiet" pile driving technology, such as predrilling piles, and using sonic pile drivers. During construction, the construction contractor will conduct vibration monitoring when construction activities occur within 50 feet of the historic Pier 31 and 33 bulkhead buildings. If monitoring indicates that peak particle velocity caused by construction activities is approaching 0.12 inches per second, construction activities would be halted and a plan would be developed to reduce vibration. Other effective strategies, such as use of smaller construction equipment in close proximity to buildings, may also be required to the extent necessary to achieve a peak particle velocity vibration level at bulkhead buildings of less than the level of 0.12 inches per second.

With the implementation of **M-NO-2, Conduct Vibration Monitoring at Pier 31½**, vibration impacts on historic structures at the Pier 31½ site would be considered less than significant.

Using the same Federal Transit Administration guidance and considering that the closest building to the outer boundary of the Fort Baker project site is more than 400 feet away, no significant vibration impacts are anticipated at Fort Baker. Impacts would be considered less than significant and mitigation is not required.

**Impact C-NO: The proposed project would not make a considerable contribution to potential cumulative significant noise impacts. (Less than Significant)**

The geographic scope of potential cumulative noise impacts encompasses the project sites and immediate vicinities. Construction of the proposed project could result in temporary noise and vibration increases; however, no significant impact would result from the proposed project. Cumulative noise increases in the site vicinity could occur if there are concurrent construction activities in the site vicinity. Cumulative projects listed in Table 6 could overlap, to some extent, with construction of the proposed project. There are no known projects under development within 0.25 mile of Fort Baker. Of the projects listed in Table 6, only the Pier 29 reconstruction, Port maintenance dredging, and ongoing routine repair and maintenance of Port facilities projects could pose cumulative noise impacts on residences if construction of these projects were to occur at the same time. In general, compliance with applicable noise ordinance requirements would maintain the noise impact from proposed project construction at a less-than-significant level. Project construction-related noise and vibration would not substantially increase ambient noise levels at locations greater than a few hundred feet from the project sites. As such, construction noise and vibration effects associated with the proposed project are not anticipated to

combine with those associated with other proposed and ongoing projects located near the project sites, and cumulative construction-related noise and vibration impacts would be less than significant.

Project-related stationary source noise from ferry operations would not substantially increase ambient noise levels at locations greater than a few hundred feet from the project site. A number of other ferry projects are currently under development in the Pier 31½ area; however, they are outside the 0.25-mile boundary and separated from the Pier 31½ area by buildings and structures that would minimize sound movement. There are no known projects under development within 0.25 mile of Fort Baker. Consequently, cumulative noise impacts from stationary noise sources would be less than significant.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>7. AIR QUALITY—Would the project:</b>					
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal, state, or regional ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Setting

The Bay Area Air Quality Management District (air district) is the regional agency with jurisdiction over the nine-county San Francisco Bay Area Air Basin, which includes San Francisco, Alameda, Contra Costa, Marin, San Mateo, Santa Clara, and Napa counties, and portions of Sonoma and Solano counties. The air district is responsible for attaining and maintaining federal and state air quality standards in the air basin, as established by the federal Clean Air Act and the California Clean Air Act, respectively. Specifically, the air district has the responsibility to monitor ambient air pollutant levels throughout the air basin and to develop and implement strategies to attain the applicable federal and state standards. The federal and state clean air acts require plans to be developed for areas that do not meet air quality standards, generally. The most recent air quality plan, the 2017 Clean Air Plan, was adopted by the air district on April 19, 2017. The 2017 Clean Air Plan updates the most recent Bay Area ozone plan, the 2010 Clean Air

Plan, in accordance with the requirements of the state Clean Air Act to implement all feasible measures to reduce ozone; provide a control strategy to reduce particulate matter, air toxics, and greenhouse gases in a single, integrated plan; and establish emission control measures to be adopted or implemented. The 2017 Clean Air Plan contains the following primary goals:

- Protect air quality and health at the regional and local scale: Attain all state and national air quality standards, and eliminate disparities among Bay Area communities in cancer health risk from toxic air contaminants; and
- Protect the climate: Reduce Bay Area greenhouse gas emissions to 40 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050.

The 2017 Clean Air Plan is the most current applicable air quality plan for the air basin. Consistency with this plan is the basis for determining whether the proposed project would conflict with or obstruct implementation of an air quality plan.

#### Criteria Air Pollutants

In accordance with the state and federal clean air acts, air pollutant standards are identified for the following six *criteria air pollutants*: ozone, carbon monoxide (CO), particulate matter (PM), nitrogen dioxide (NO<sub>2</sub>), sulfur dioxide (SO<sub>2</sub>), and lead. These air pollutants are termed criteria air pollutants because they are regulated by developing specific public health- and welfare-based criteria as the basis for setting permissible levels. In general, the air basin experiences low concentrations of most pollutants when compared to federal or state standards. The air basin is designated as either in attainment<sup>50</sup> or unclassified for most criteria air pollutants with the exception of ozone, PM<sub>2.5</sub>, and PM<sub>10</sub>, for which these pollutants are designated as non-attainment for either the state or federal standards. By its very nature, regional air pollution is largely a cumulative impact in that no single project is sufficient in size to, by itself, result in non-attainment of air quality standards. Instead, a project's individual emissions contribute to existing cumulative air quality impacts. If a project's contribution to cumulative air quality impacts is considerable, then the project's impact on air quality would be considered significant.<sup>51</sup>

Land use projects may contribute to regional criteria air pollutants during the construction and operational phases of a project. Table 24 identifies air quality significance thresholds, followed by a discussion of each threshold. Projects that would result in criteria air pollutant emissions below these significance thresholds would not violate an air quality standard, contribute substantially to an air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants within the air basin.

---

<sup>50</sup> "Attainment" status refers to those regions that are meeting federal and/or state standards for a specified criteria pollutant. "Non-attainment" refers to regions that do not meet federal and/or state standards for a specified criteria pollutant. "Unclassified" refers to regions where there is not enough data to determine the region's attainment status for a specified criteria air pollutant.

<sup>51</sup> Bay Area Air Quality Management District, *California Environmental Quality Act Air Quality Guidelines*, May 2017, p. 2-1.

**TABLE 24**  
**CRITERIA AIR POLLUTANT SIGNIFICANCE THRESHOLDS**

Pollutant	Construction Thresholds	Operational Thresholds	
	Average Daily Emissions (pounds/day)	Average Daily Emissions (pounds/day)	Maximum Annual Emissions (tons/year)
ROG	54	54	10
NO <sub>x</sub>	54	54	10
PM <sub>10</sub>	82 (exhaust)	82	15
PM <sub>2.5</sub>	54 (exhaust)	54	10
Fugitive Dust	Construction Dust Ordinance or other Best Management Practices	Not Applicable	

NO<sub>x</sub>: oxides of nitrogen

PM: particulate matter

ROG: reactive organic gases

Source: Bay Area Air Quality Management District, *California Environmental Quality Act Air Quality Guidelines*, May 2017, p. 2-1.

**Ozone Precursors.** As discussed previously, the air basin is currently designated as non-attainment for ozone and particulate matter. Ozone is a secondary air pollutant produced in the atmosphere through a complex series of photochemical reactions involving reactive organic gases (ROG) and oxides of nitrogen (NO<sub>x</sub>). The potential for a project to result in a cumulatively considerable net increase in criteria air pollutants, which may contribute to an existing or projected air quality violation, is based on the state and federal clean air acts emissions limits for stationary sources. To ensure that new stationary sources do not cause or contribute to a violation of an air quality standard, air district regulation 2, rule 2 requires that any new source that emits criteria air pollutants above a specified emissions limit must offset those emissions. For ozone precursors ROG and NO<sub>x</sub>, the offset emissions level is an annual average of 10 tons per year (or 54 pounds per day).<sup>52</sup> These levels represent emissions below which new sources are not anticipated to contribute to an air quality violation or result in a considerable net increase in criteria air pollutants.

Although this regulation applies to new or modified stationary sources, land use development projects result in ROG and NO<sub>x</sub> emissions as a result of increases in vehicle trips, architectural coating, and construction activities. Therefore, the above thresholds can be applied to the construction and operational phases of land use projects, and those projects that result in emissions below these thresholds would not be considered to contribute to an existing or projected air quality violation or result in a considerable net increase in ROG and NO<sub>x</sub> emissions. Due to the temporary nature of construction activities, only the average daily thresholds are applicable to construction phase emissions.

<sup>52</sup> Bay Area Air Quality Management District, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, p. 17.

**Particulate Matter (PM<sub>10</sub> and PM<sub>2.5</sub>).**<sup>53</sup> The air district has not established an offset limit for PM<sub>2.5</sub>. However, the emissions limit in the federal New Source Review for stationary sources in nonattainment areas is an appropriate significance threshold. For PM<sub>10</sub> and PM<sub>2.5</sub>, the emissions limit under New Source Review is 15 tons per year (82 pounds per day) and 10 tons per year (54 pounds per day), respectively. These emissions limits represent levels below which a source is not expected to have an impact on air quality.<sup>54</sup> Similar to ozone precursor thresholds identified above, land use development projects typically result in particulate matter emissions as a result of increases in vehicle trips, space heating and natural gas combustion, landscape maintenance, and construction activities. Therefore, the above thresholds can be applied to the construction and operational phases of a land use project. Again, because construction activities are temporary in nature, only the average daily thresholds are applicable to construction-phase emissions.

**Fugitive Dust.** Fugitive dust emissions are typically generated during construction phases. Studies have shown that the application of best management practices at construction sites significantly control fugitive dust<sup>55</sup> and individual measures have been shown to reduce fugitive dust by anywhere from 30 to 90 percent.<sup>56</sup> The air district has identified a number of best management practices to control fugitive dust emissions from construction activities.<sup>57</sup> The City's Construction Dust Control Ordinance (ordinance 176-08, effective July 30, 2008) requires a number of measures to control fugitive dust, and the best management practices employed in compliance with the ordinance are an effective strategy for controlling construction-related fugitive dust.

**Other Criteria Pollutants.** Regional concentrations of CO in the Bay Area have not exceeded the state standards in the past 11 years, and SO<sub>2</sub> concentrations have never exceeded the standards. The primary source of CO emissions from development projects is vehicle traffic. Construction-related SO<sub>2</sub> emissions represent a negligible portion of the total basin-wide emissions, and construction-related CO emissions represent less than five percent of the Bay Area total basin-wide CO emissions. As discussed previously, the Bay Area is in attainment for both CO and SO<sub>2</sub>. Furthermore, the air district has demonstrated, based on modeling, that to exceed the California ambient air quality standard of 9.0 ppm (parts per million) (8-hour average) or 20.0 ppm (1-hour average) for CO, project traffic in addition to existing traffic would need to exceed 44,000 vehicles per hour at affected intersections (or 24,000 vehicles per hour where vertical and/or horizontal mixing is limited). Therefore, given the Bay Area's attainment status and the limited CO and SO<sub>2</sub> emissions that could result from development projects, development projects would

---

<sup>53</sup> PM<sub>10</sub> is often termed "coarse" particulate matter and is made of particulates that are 10 microns in diameter or smaller. PM<sub>2.5</sub>, termed "fine" particulate matter, is composed of particles that are 2.5 microns or less in diameter.

<sup>54</sup> Bay Area Air Quality Management District, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, p. 16.

<sup>55</sup> Western Regional Air Partnership, *WRAP Fugitive Dust Handbook*, September 7, 2006. Available from [http://www.wrapair.org/forums/dejffjdh/content/FDHandbook\\_Rev\\_06.pdf](http://www.wrapair.org/forums/dejffjdh/content/FDHandbook_Rev_06.pdf).

<sup>56</sup> Bay Area Air Quality Management District, *CEQA Air Quality Guidelines*, May 2017, p. D-47.

<sup>57</sup> Ibid.

not result in a cumulatively considerable net increase in CO or SO<sub>2</sub> emissions, and quantitative analysis is not required.

#### Local Health Risks and Hazards

In addition to criteria air pollutants, individual projects may emit toxic air contaminants. Toxic air contaminants collectively refer to a diverse group of air pollutants that are capable of causing chronic (i.e., of long-duration) and acute (i.e., severe but short-term) adverse effects to human health, including carcinogenic effects. Human health effects of toxic air contaminants include birth defects, neurological damage, cancer, and mortality. There are hundreds of different types of toxic air contaminants with varying degrees of toxicity. Individual toxic air contaminants vary greatly in the health risk they present; at a given level of exposure, one toxic air contaminant may pose a hazard that is many times greater than another.

Unlike criteria air pollutants, toxic air contaminants do not have ambient air quality standards, but are regulated by the air district using a risk-based approach to determine which sources and pollutants to control as well as the degree of control. A *health risk assessment* is an analysis in which human health exposure to toxic substances is estimated, and considered together with information regarding the toxic potency of the substances, to provide quantitative estimates of health risks.<sup>58</sup>

Air pollution does not affect every individual in the population in the same way, and some groups are more sensitive to adverse health effects than others. Land uses such as residences, schools, children's day care centers, hospitals, and nursing and convalescent homes are considered to be the most sensitive to poor air quality because the population groups associated with these uses have increased susceptibility to respiratory distress or, as in the case of residential receptors, their exposure time is greater than that for other land uses. Therefore, these groups are referred to as sensitive receptors. Exposure assessment guidance typically assumes that residences would be exposed to air pollution 24 hours per day, seven days a week, for 30 years.<sup>59</sup> Therefore, assessments of air pollutant exposure to residents typically result in the greatest adverse health outcomes of all population groups.

Exposures to fine particulate matter (PM<sub>2.5</sub>) are strongly associated with mortality, respiratory diseases, and lung development in children, and other endpoints such as hospitalization for cardiopulmonary disease.<sup>60</sup> In addition to PM<sub>2.5</sub>, diesel particulate matter is also of concern. The California Air Resources Board identified diesel particulate matter as a toxic air contaminant in 1998, primarily based on evidence

---

<sup>58</sup> In general, a health risk assessment is required if the air district concludes that projected emissions of a specific air toxic compound from a proposed new or modified source suggest a potential public health risk. The applicant is then subject to a health risk assessment for the source in question. Such an assessment generally evaluates chronic, long-term effects, estimating the increased risk of cancer as a result of exposure to one or more toxic air contaminants.

<sup>59</sup> California Office of Environmental Health Hazard Assessment, *Air Toxics Hot Spot Program Risk Assessment Guidelines*, February 2015, pp. 4-44, 8-6.

<sup>60</sup> San Francisco Department of Public Health, *Assessment and Mitigation of Air Pollutant Health Effects from Intra-Urban Roadways: Guidance for Land Use Planning and Environmental Review*, May 2008.

demonstrating cancer effects in humans.<sup>61</sup> The estimated cancer risk from exposure to diesel exhaust is much higher than the risk associated with any other toxic air contaminant routinely measured in the region.

In an effort to identify areas of San Francisco most adversely affected by sources of toxic air contaminants, San Francisco partnered with the air district to conduct a citywide *health risk assessment* based on an inventory and assessment of air pollution and exposures from mobile, stationary, and area sources within San Francisco. Areas with poor air quality, termed the “Air Pollutant Exposure Zone,” were identified based on health-protective criteria that consider estimated cancer risk, exposures to fine particulate matter, proximity to freeways, and locations with particularly vulnerable populations. A portion of the project site, Pier 31½, is located within the Air Pollutant Exposure Zone.

**Excess Cancer Risk.** The Air Pollution Exposure Zone includes areas where modeled cancer risk exceeds 100 incidents per million persons exposed. This criterion is based on U.S. Environmental Protection Agency guidance for conducting air toxic analyses and making risk management decisions at the facility and community-scale level.<sup>62</sup> As described by the air district, the U.S. Environmental Protection Agency considers a cancer risk of 100 per million to be within the “acceptable” range of cancer risk. Furthermore, in the 1989 preamble to the benzene National Emissions Standards for Hazardous Air Pollutants rulemaking,<sup>63</sup> the U.S. Environmental Protection Agency states that it “...strives to provide maximum feasible protection against risks to health from hazardous air pollutants by (1) protecting the greatest number of persons possible to an individual lifetime risk level no higher than approximately one in one million and (2) limiting to no higher than approximately one in ten thousand [100 in one million] the estimated risk that a person living near a plant would have if he or she were exposed to the maximum pollutant concentrations for 70 years.” The 100 per one million excess cancer cases is also consistent with the ambient cancer risk in the most pristine portions of the Bay Area based on air district regional modeling.<sup>64</sup>

**Fine Particulate Matter.** U.S. Environmental Protection Agency staff’s 2011 review of the federal PM<sub>2.5</sub> standard concluded that the then current federal annual PM<sub>2.5</sub> standard of 15 µg/m<sup>3</sup> (micrograms per cubic meter) should be revised to a level within the range of 13 to 11 µg/m<sup>3</sup>, with evidence strongly supporting a standard within the range of 12 to 11 µg/m<sup>3</sup>.<sup>65</sup> The Air Pollutant Exposure Zone for San Francisco is based on the health protective PM<sub>2.5</sub> standard of 11 µg/m<sup>3</sup>, as supported by the U.S.

---

<sup>61</sup> California Air Resources Board, Fact Sheet: “The Toxic Air Contaminant Identification Process: Toxic Air Contaminant Emissions from Diesel-fueled Engines,” October 1998.

<sup>62</sup> Bay Area Air Quality Management District, *Revised Draft Options and Justification Report, California Environmental Quality Act Thresholds of Significance*, October 2009, p. 67.

<sup>63</sup> 54 Federal Register 38044, September 14, 1989.

<sup>64</sup> Bay Area Air Quality Management District, *Clean Air Plan*, May 2017, p. D-43.

<sup>65</sup> U.S. Environmental Protection Agency, *Policy Assessment for the Review of the Particulate Matter National Ambient Air Quality Standards*. “Particulate Matter Policy Assessment.” April 2011. Available from <https://www3.epa.gov/ttn/naaqs/standards/pm/data/20110419pmpafinal.pdf>.

Environmental Protection Agency's assessment, although lowered to 10 µg/m<sup>3</sup> to account for uncertainty in accurately predicting air pollutant concentrations using emissions modeling programs.

**Proximity to Freeways.** According to the California air board, studies have shown an association between the proximity of sensitive land uses to freeways and a variety of respiratory symptoms, asthma exacerbations, and decreases in lung function in children. Siting sensitive uses in close proximity to freeways increases both exposure to air pollution and the potential for adverse health effects. As evidence shows that sensitive uses in an area within a 500-foot buffer of any freeway are at an increased health risk from air pollution,<sup>66</sup> parcels that are within 500 feet of freeways are included in the Air Pollutant Exposure Zone.

**Health Vulnerable Locations.** Based on the air district's evaluation of health vulnerability in the Bay Area, those zip codes (94102, 94103, 94105, 94124, and 94130) in the worst quintile of Bay Area health vulnerability scores as a result of air pollution-related causes were afforded additional protection by lowering the standards for identifying parcels in the Air Pollutant Exposure Zone to: 1) an excess cancer risk greater than 90 per one million persons exposed; and/or 2) PM<sub>2.5</sub> concentrations in excess of 9 µg/m<sup>3</sup>.<sup>67</sup>

The above citywide health risk modeling was also used as the basis in approving amendments to the San Francisco Building and Health codes, referred to as the Enhanced Ventilation Required for Urban Infill Sensitive Use Developments or Health Code, article 38 (ordinance 224-14, effective December 8, 2014). The purpose of article 38 is to protect the public health and welfare by establishing an Air Pollutant Exposure Zone and imposing an enhanced ventilation requirement for all urban infill sensitive use development within the Air Pollutant Exposure Zone. In addition, projects within the Air Pollutant Exposure Zone require special consideration to determine whether the project's activities would add a substantial amount of emissions to areas already adversely affected by poor air quality.

### **Construction Air Quality Impacts**

Project-related air quality impacts fall into two categories: short-term impacts from construction and long-term impacts from project operation. The following addresses construction-related air quality impacts resulting from the proposed project.

**Impact AQ-1: The proposed project's construction activities would generate fugitive dust and criteria air pollutants, but would not violate an air quality standard, contribute substantially to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Less than Significant)**

---

<sup>66</sup> California Air Resources Board, *Air Quality and Land Use Handbook: A Community Health Perspective*, April 2005. Available from <http://www.arb.ca.gov/ch/landuse.htm>.

<sup>67</sup> San Francisco Planning Department and San Francisco Department of Public Health, *2014 Air Pollutant Exposure Zone Map (Memo and Map)*, April 9, 2014. These documents are part of San Francisco Board of Supervisors File No. 14806, Ordinance No. 224-14; Amendment to Health Code Article 38.



Construction activities (short-term) typically result in emissions of ozone precursors and PM in the form of dust (fugitive dust) and exhaust (e.g., vehicle tailpipe emissions). Emissions of ozone precursors and PM are primarily a result of the combustion of fuel from on-road and off-road vehicles. However, ROGs are also emitted from activities that involve painting, other types of architectural coatings, or asphalt paving.

The proposed project would include both in-water and land-based construction at Pier 31½ and Fort Baker, including the use of diesel powered construction equipment. At Pier 31½, construction would begin in 2019 and end in 2022, with active construction occurring over a period of 10 months. At Fort Baker, construction would occur in 2023, with active construction occurring over a period of 11 months. During the proposed project's construction period, construction activities would have the potential to result in emissions of fugitive dust and criteria air pollutants, discussed as follows.

### **Fugitive Dust**

Project-related demolition, excavation, grading, and other construction activities may cause wind-blown dust that could contribute particulate matter into the local atmosphere. Depending on exposure, adverse health effects can occur due to this particulate matter in general and also due to specific contaminants, such as lead or asbestos, that may be constituents of soil. Although there are federal standards for air pollutants and implementation of state and regional air quality control plans, air pollutants continue to have impacts on human health throughout the country. California has found that particulate matter exposure can cause health effects at lower levels than national standards. The current health burden of particulate matter demands that, where possible, public agencies take feasible available actions to reduce sources of particulate matter exposure. According to the California Air Resources Board, reducing PM<sub>2.5</sub> concentrations to state and federal standards of 12 µg/m<sup>3</sup> in the San Francisco Bay Area would prevent between 200 and 1,300 premature deaths.<sup>68</sup>

#### **Pier 31½**

In response to California Air Resources Board guidance, the San Francisco Board of Supervisors approved the Construction Dust Control Ordinance (ordinance 176-08, effective July 30, 2008) with the intent of reducing the quantity of dust generated during site preparation, demolition, and construction work in order to protect the health of the general public and of on-site workers, minimize public nuisance complaints, and to avoid orders to stop work by the Port's Building Permit Group.

The Construction Dust Control Ordinance requires that all site preparation work, demolition, or other construction activities within San Francisco that have the potential to create dust or to expose or disturb more than 10 cubic yards or 500 square feet of soil comply with specified dust control measures whether or not the activity requires a permit from the Port. The Director of the Port's Building Permit Group may

---

<sup>68</sup> California Air Resources Board, *Methodology for Estimating Premature Deaths Associated with Long-term Exposure to Fine Airborne Particulate Matter in California*, Staff Report, Table 4c, October 24, 2008.

waive this requirement for activities on sites less than 0.5 acre that are unlikely to result in any visible wind-blown dust.

For projects over 0.5 acre, the Dust Control Ordinance requires that the project proponent submit a Dust Control Plan for approval by the San Francisco Department of Public Health. The Port will not issue a building permit without written notification from the Director of Public Health that the applicant has a site-specific Dust Control Plan, unless the Director waives the requirement. Interior-only tenant improvement projects that are over 0.5 acre in size that will not produce exterior visible dust are exempt from the site-specific Dust Control Plan requirement. In addition to the Dust Control Ordinance, County- and City-led projects must follow specific department guidance which incorporates the City's dust control requirements. For the Port, these dust control ordinances are codified under Section 106A.3.2.3, Construction Dust Control.

Construction at Pier 31½ has the potential to generate low levels of fugitive dust. Work on the Pier 31 and 33 bulkhead buildings would be to the building interiors, which would reduce exposure to fugitive dust, but movement of construction equipment and repaving may expose sensitive receptors to fugitive dust. The closest sensitive receptor is a residence located 540 feet southwest of the site. Repaving would occur over approximately 0.9 acre. Therefore, a dust control plan will be developed for the Pier 31½ project site. The dust control plan will incorporate dust control ordinance consistent with the Port's requirements. The project proponent and the contractor responsible for construction activities at the project site would be required to use the practices described below to control construction dust on the site or other practices that result in equivalent dust control that are acceptable to the director:

- Water all active construction areas sufficiently to prevent dust from becoming airborne. Increased watering frequency may be necessary whenever wind speeds exceed 15 miles per hour.
- Provide as much water as necessary to control dust (without creating run-off) in any area of land clearing, earth movement, excavation, drilling, and other dust-generating activity.
- During excavation and dirt-moving activities, wet sweep or vacuum the streets, sidewalks, paths, and intersections where work is in progress at the end of the workday.
- Cover any inactive (no disturbance for more than 7 days) stockpiles greater than 10 cubic yards or 500 square feet of excavated materials, backfill material, import material, gravel, sand, road base, and soil with a 10 mil (0.01 inch) polyethylene plastic or equivalent tarp and brace it down or use other equivalent soil stabilization techniques.
- Use dust enclosures, curtains, and dust collectors as necessary to control dust in the excavation area.

The site-specific Dust Control Plan would also require the project proponent to: submit a map to the Director of Public Health showing all sensitive receptors within 1,000 feet of the site; wet down areas of soil at least three times per day; provide an analysis of wind direction and install upwind and downwind particulate dust monitors; record particulate monitoring results; hire an independent third-party to conduct inspections and keep a record of those inspections; establish shut-down conditions based on

wind, soil migration, etc.; establish a hotline for surrounding community members who may be potentially affected by project-related dust; limit the area subject to construction activities at any one time; install dust curtains and windbreaks on the property lines, as necessary; limit the amount of soil in hauling trucks to the size of the truck bed and securing with a tarpaulin; enforce a 15-mph speed limit for vehicles entering and exiting construction areas; sweep affected streets with water sweepers at the end of the day; install and utilize wheel washers to clean truck tires; terminate construction activities when winds exceed 25-mph; apply soil stabilizers to inactive areas; and sweep off adjacent streets to reduce particulate emissions. The project proponent would be required to designate an individual to monitor compliance with these dust control requirements. With compliance with the dust control ordinance, project construction impacts related to exposure to fugitive dust emissions would be less than significant.

### **Fort Baker**

Construction of the path at Fort Baker has the potential to result in dust. However, because the closest sensitive receptors are located well over 1,000 feet away from construction and construction would incorporate applicable air district construction best management practices, sensitive receptors would not be affected by fugitive dust. Studies have shown that the application of best management practices at construction sites controls fugitive dust significantly, and individual measures have been shown to reduce fugitive dust by anywhere from 30 to 90 percent. For fugitive dust, the air district does not have numerical thresholds; a project is considered less than significant for fugitive dust if it complies with the air district's construction best management practices. Because the construction contract would require compliance with the air district's construction best management practices related to dust control, potential dust-related air quality impacts from construction at Fort Baker would be less than significant.

### **Criteria Air Pollutants**

As discussed above, construction activities would result in emissions of criteria air pollutants from the use of off- and on-road vehicles and equipment. Land-based construction-related criteria air pollutants generated by the proposed project were quantified using the California Emissions Estimator Model (CalEEMod). Marine-based (tugboats and work boats) construction-related criteria air pollutants generated by the proposed project were quantified using the California Air Resources Board harbor craft emissions inventory<sup>69</sup> and U.S. Environmental Protection Agency marine engine standards. Both land-based and marine-based emissions are provided in the *Air Quality and Greenhouse Gas Technical Report*.<sup>70</sup> The CalEEMod model was developed, including default data (emission factors, meteorology, etc.), in collaboration with California air district staff. Default assumptions were used where project-specific information was unknown.

---

<sup>69</sup> California Air Resources Board, *California Harbor Craft Emissions Inventory Database*, 2010.

<sup>70</sup> Anchor QEA, *Air Quality and Greenhouse Gas Technical Report*, Alcatraz Ferry Embarkation Project, Case No. 2017-000188ENV, December 2017.

Construction of the proposed project would occur over an approximately 21-month period between 2019 and 2023, and the construction schedule is anticipated to be 8 hours per day, 5 days per week. Emissions were converted from tons per year to pounds per day using the estimated construction duration of 504 total working days. As shown in Table 25, proposed project construction emissions would be below the threshold of significance for all criteria pollutants.

**TABLE 25  
CONSTRUCTION EMISSIONS (AVERAGE POUNDS PER DAY), PIER 31½ AND FORT BAKER**

	NO <sub>x</sub>	Exhaust PM <sub>10</sub>	Exhaust PM <sub>2.5</sub>	ROG
<b>Pier 31½ Construction 2019</b>				
Construction Equipment and On-road Vehicles	10.0	0.4	0.4	1.1
Marine Sources	15.4	0.5	0.5	1.7
<b>Total 2019</b>	<b>25.3</b>	<b>0.9</b>	<b>0.9</b>	<b>2.8</b>
Significance Criteria	54	82	54	54
Significant?	No	No	No	No
<b>Pier 31½ Construction 2020</b>				
Construction Equipment and On-road Vehicles	13.8	0.5	0.4	1.2
Marine Sources	0.0	0.0	0.0	0.0
<b>Total 2020</b>	<b>13.8</b>	<b>0.5</b>	<b>0.4</b>	<b>1.2</b>
Significance Criteria	54	82	54	54
Significant?	No	No	No	No
<b>Pier 31½ Construction 2021</b>				
Construction Equipment and On-road Vehicles	6.9	0.3	0.2	4.4
Marine Sources	0.7	0.0	0.0	0.1
<b>Total 2021</b>	<b>7.6</b>	<b>0.3</b>	<b>0.3</b>	<b>4.5</b>
Significance Criteria	54	82	54	54
Significant?	No	No	No	No
<b>Fort Baker Construction 2023</b>				
Construction Equipment and On-road Vehicles	5.0	0.2	0.2	0.6
Marine Sources	14.3	0.4	0.4	1.8
<b>Total 2023</b>	<b>19.3</b>	<b>0.6</b>	<b>0.6</b>	<b>2.4</b>
Significance Criteria	54	82	54	54
Significant?	No	No	No	No

Notes:  
Emissions may not add precisely due to rounding.  
NO<sub>x</sub>: oxides of nitrogen  
PM<sub>10</sub>: particulate matter, diameter <10 microns  
PM<sub>2.5</sub>: particulate matter, diameter <2.5 microns  
ROG: reactive organic gases

As shown, emissions at both locations would be less than significant. Therefore, construction-related emissions would not violate air quality standards or contribute significantly to an existing or projected air quality violation and impacts would be less than significant.

The proposed project was the subject of an EIS prepared by the Park Service<sup>71</sup>, which included a number of construction air quality impact reduction measures. The following measures from the EIS are included in the Record of Decision and therefore will be applied to construction of the proposed project as **Improvement Measures I-AQ-1a, Use Cleaner Construction Equipment, and I-AQ-1b, Use Cleaner Engines on Tugboats**:

**Improvement Measure I-AQ-1a: Use Cleaner Construction Equipment**

The project proponent shall develop a plan demonstrating that the off-road equipment (more than 50 horsepower) to be used in the construction project (i.e., owned, leased, and subcontractor vehicles) would achieve a project wide fleet-average 20 percent nitrogen oxide (NOx) reduction and 45 percent particulate matter (PM) reduction compared to the most recent California Air Resources Board fleet average. Acceptable options for reducing emissions include the use of late model engines, low-emission diesel products, alternative fuels, engine retrofit technology, after-treatment products, add-on devices such as particulate filters, and/or other options as such become available.

**Improvement Measure I-AQ-1b: Use Cleaner Engines on Tugboats**

The project proponent shall use tugboats with Tier 4 propulsion engines and Tier 3 auxiliary engines.

Table 26 presents the results of construction emissions following the implementation of **Improvement Measures I-AQ-1a, Use Cleaner Construction Equipment, and I-AQ-1b, Use Cleaner Engines on Tugboats**. As shown, the proposed project's less-than-significant impacts would be further reduced.

---

<sup>71</sup> National Park Service, 2017. *Alcatraz Ferry Embarkation Environmental Impact Statement*. January 2017. Available from: <https://parkplanning.nps.gov/document.cfm?parkID=303&projectID=41352&documentID=77056>.

**TABLE 26**  
**CONSTRUCTION EMISSIONS (AVERAGE POUNDS PER DAY),**  
**PIER 31½ AND FORT BAKER WITH IMPROVEMENT MEASURES**

	NO <sub>x</sub>	Exhaust PM <sub>10</sub>	Exhaust PM <sub>2.5</sub>	ROG
<b>Pier 31½ Construction 2019</b>				
Construction Equipment and On-road Vehicles	8	0.2	0.2	1.1
Marine Sources	7.1	0.5	0.5	1.4
Total 2019	15.1	0.8	0.7	2.5
Significance Criteria	54	82	54	54
Significant?	No	No	No	No
<b>Pier 31½ Construction 2020</b>				
Construction Equipment and On-road Vehicles	11	0.3	0.2	1.2
Marine Sources	0	0	0	0
Total 2020	11	0.3	0.2	1.2
Significance Criteria	54	82	54	54
Significant?	No	No	No	No
<b>Pier 31½ Construction 2021</b>				
Construction Equipment and On-road Vehicles	5.5	0.1	0.1	4.4
Marine Sources	0.7	0	0	0.1
Total 2021	6.2	0.2	0.2	4.5
Significance Criteria	54	82	54	54
Significant?	No	No	No	No
<b>Fort Baker Construction 2023</b>				
Construction Equipment and On-road Vehicles	4	0.1	0.1	0.6
Marine Sources	7.5	0.4	0.4	1.5
Total 2023	11.6	0.5	0.5	2
Significance Criteria	54	82	54	54
Significant?	No	No	No	No

**Notes:**

Emissions may not add precisely due to rounding.

NO<sub>x</sub>: oxides of nitrogen

PM<sub>10</sub>: particulate matter, diameter <10 microns

PM<sub>2.5</sub>: particulate matter, diameter <2.5 microns

ROG: reactive organic gases

**Impact AQ-2: The proposed project's construction activities would generate toxic air contaminants, including diesel particulate matter, but would not expose sensitive receptors to substantial pollutant concentrations. (Less than Significant)**

Pier 31½ is located within the Air Pollutant Exposure Zone, as described above. The closest sensitive land uses near the Pier 31½ site are residences along Sansome Street, located approximately 540 feet southwest of the site. The closest sensitive land uses near the Fort Baker site are residences along Murray Circle, located approximately 700 feet northwest of the site and over 1,400 feet northwest of in-water construction.

Off-road construction equipment is a large contributor to particulate matter emissions, of which diesel particulate matter is a major component. In California, although emissions associated with off-road equipment have declined and are projected to continue to decline with implementation of the U.S. Environmental Protection Agency's engine requirements for new off-road engines and the California Air Resources Board's requirements for in-use off-road equipment. Specifically, both the U.S. Environmental Protection Agency and California have set emissions standards for new off-road equipment engines, ranging from Tier 1 to Tier 4. Tier 1 emission standards were phased in between 1996 and 2000 and Tier 4 Interim and Final emission standards for all new engines were phased in between 2008 and 2015. To meet the Tier 4 emission standards, engine manufacturers are required to produce new engines with advanced emission-control technologies. Although the full benefits of these regulations will not be realized for several years, the U.S. Environmental Protection Agency estimates that by implementing the federal Tier 4 standards, NO<sub>x</sub> and particulate matter emissions will be greatly reduced.<sup>72</sup> For example, the California Air Resources Board's 2011 emissions inventory predicts a particulate matter emissions decrease of nearly 80 percent in 2029, the last projected year in the inventory, from 2010 emissions and predicts an average annual decrease of 4 percent from 2010 emissions.<sup>73</sup>

In addition, construction activities do not lend themselves to analysis of long-term health risks because of their temporary and variable nature. As explained in the air district's *CEQA Air Quality Guidelines*:

"Due to the variable nature of construction activity, the generation of TAC emissions in most cases would be temporary, especially considering the short amount of time such equipment is typically within an influential distance that would result in the exposure of sensitive receptors to substantial concentrations. Concentrations of mobile-source diesel PM emissions are typically reduced by 70 percent at a distance of approximately 500 feet (California Air Resources Board 2005). In addition, current models and methodologies for conducting health risk assessments are associated with longer-term exposure periods of 9, 40, and 70 years, which do not correlate well

---

<sup>72</sup> U.S. Environmental Protection Agency, *Clean Air Nonroad Diesel Rule: Fact Sheet*, May 2004.

<sup>73</sup> California Air Resources Board, *In-Use Off-Road Equipment, 2011 Inventory Model*, cited August 21, 2017. Available from [http://www.arb.ca.gov/msei/categories.htm#inuse\\_or\\_category](http://www.arb.ca.gov/msei/categories.htm#inuse_or_category).

with the temporary and highly variable nature of construction activities. This results in difficulties with producing accurate estimates of health risk.”<sup>74</sup>

Therefore, project-level analyses of construction activities have a tendency to produce overestimated assessments of long-term health risks. However, within the Air Pollutant Exposure Zone, as discussed above, additional construction activity may adversely affect populations that are already at a higher risk for adverse long-term health risks from existing sources of air pollution. An air quality technical report was prepared that quantified emissions for both construction and operation of the proposed project.<sup>75</sup> Health impacts associated with the proposed project construction were evaluated qualitatively by comparing the proposed project’s diesel particulate matter and PM<sub>2.5</sub> emissions to those of the Third Street Bridge Rehabilitation Project, a project of similar scale for which a detailed health risk assessment was performed and emissions of toxic air contaminants were determined not to pose a significant health risk for the maximum exposed sensitive receptors.<sup>76</sup> In general, an evaluation of health impacts is based on projected emissions, locations of sensitive receptors, and meteorological conditions in the project vicinity. Because the proposed project’s construction emissions would be less than that of the Third Street Bridge Rehabilitation project and the closest sensitive receptors would be located at a greater distance, it was determined that a health risk assessment was not necessary to conclude that the potential health risks resulting from project construction at Pier 31½ would be less than significant.<sup>77</sup> At Fort Baker, potential health risks would be even lower, due to the shorter duration of construction activities and the greater distance to sensitive receptors.

For these reasons, the proposed project would not expose sensitive receptors to substantial health risks and impacts would be less than significant.

### **Operational Air Quality Impacts**

Land use projects typically result in emissions of criteria air pollutants and toxic air contaminants primarily from an increase in motor vehicle trips. However, land use projects may also result in emissions of criteria air pollutants and toxic air contaminants from combustion of natural gas, landscape maintenance, use of consumer products, and architectural coating. The following addresses air quality impacts resulting from operation of the proposed project.

---

<sup>74</sup> Bay Area Air Quality Management District, *CEQA Air Quality Guidelines*, pp. 6-8, May 2011.

<sup>75</sup> Anchor QEA, *Air Quality and Greenhouse Gas Technical Report*, Alcatraz Ferry Embarkation Project, Case No. 2017-000188ENV, December 2017.

<sup>76</sup> Taha Environmental Planners, *Third Street Bridge Rehabilitation Project Air Quality and Greenhouse Gas Technical Memorandum*, Planning Department Case No. 2015-009647ENV, April 17, 2017.

<sup>77</sup> Anchor QEA, Memorandum re: Health Risk Assessment for the Alcatraz Ferry Embarkation Project, Case No. 2017-000188ENV, November 13, 2017.



**Impact AQ-3:** During project operations, the proposed project would result in emissions of criteria air pollutants, but not at levels that would violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Less than Significant)

As discussed above in Impact AQ-1, the air district, in its *CEQA Air Quality Guidelines*, has developed screening criteria to determine whether a project requires an analysis of project-generated criteria air pollutants. If all the screening criteria are met by a proposed project, then the lead agency or applicant does not need to perform a detailed air quality assessment.

The proposed project would generate criteria pollutant emissions associated with ferry and vehicle traffic (mobile sources), on-site area sources (i.e., natural gas combustion for space and water heating, and combustion of other fuels by building and grounds maintenance equipment), energy usage, and testing of a backup diesel generator. Land-based operational-related criteria air pollutants generated by the proposed project were quantified using CalEEMod. Ferry emissions were calculated using the California Air Resources Board harbor craft emissions inventory and U.S. Environmental Protection Agency emission standards. Both land-based and marine-based operational emissions are provided in the *Alcatraz Embarkation Air Quality and GHG Study*.<sup>78</sup> Default assumptions were used where project-specific information was unknown. The analysis also assumed incorporation of the Park Service's requirements for clean ferries, as discussed in Section A, Project Description. These conditions will require that: 1) all ferries use U.S. Environmental Protection Agency Tier 3 engines or better within 2 years of the effective date of the concessioner agreement; 2) ferries use clean fuel; and 3) ferries meet strict idling limits. These conditions would decrease ferry emissions and offset the activity increase. The conditions will be required as part of the concession contract by the Park Service and are therefore an enforceable part of the proposed project.

The annual and average daily emissions associated with operation of the proposed project (incorporating the project conditions discussed above) are shown in Tables 27 and 28, which also include the City's thresholds of significance. The proposed operations would result in cleaner ferry engines and therefore less ROG, PM<sub>10</sub>, and PM<sub>2.5</sub> emissions than were emitted under baseline conditions.

**TABLE 27**  
**ANNUAL OPERATIONAL EMISSIONS, PIER 31½ AND FORT BAKER (TONS/YEAR)**

	ROG	NO <sub>x</sub>	Exhaust PM <sub>10</sub>	Exhaust PM <sub>2.5</sub>
<i>Baseline 2016 (tons/year)</i>				
Area	0.03	0	0	0
Vehicles	0.23	1.05	0.01	0.01
Stationary	0.01	0.04	0	0

<sup>78</sup> Anchor QEA, *Air Quality and Greenhouse Gas Technical Report*, Alcatraz Ferry Embarkation Project, Case No. 2017-000188ENV, December 2017.

	ROG	NO <sub>x</sub>	Exhaust PM <sub>10</sub>	Exhaust PM <sub>2.5</sub>
Ferries	0.2	2.33	0.26	0.24
2016 Total	0.47	3.41	0.28	0.25

*Project Annual (tons/year)*

Area	0.03	0	0	0
Vehicles	0.17	1.41	0.02	0.01
Stationary	0.01	0.04	0	0
Ferries	0.25	2.8	0.32	0.28
Total	0.46	4.25	0.34	0.3
CEQA Baseline	0.47	3.41	0.28	0.25
Project minus Baseline	-0.02	0.84	0.06	0.05
Threshold	10	10	15	10
Significant?	No	No	No	No

*2026 Annual (tons/year)*

Area	0.03	0	0	0
Vehicles	0.12	1.02	0.01	0.01
Stationary	0.01	0.04	0	0
Ferries	0.21	2.49	0.19	0.17
2026 Total	0.37	3.54	0.2	0.18
CEQA Baseline	0.47	3.41	0.28	0.25
Project minus Baseline	-0.11	0.13	-0.07	-0.07
Threshold	10	10	15	10
Significant?	No	No	No	No

*2035 Annual (tons/year)*

Area	0.03	0	0	0
Vehicles	0.07	0.77	0.01	0
Stationary	0.01	0.04	0	0
Ferries	0.21	2.49	0.19	0.17
2035 Total	0.32	3.29	0.2	0.18
CEQA Baseline	0.47	3.41	0.28	0.25
Project minus Baseline	-0.15	-0.12	-0.08	-0.07
Threshold	10	10	15	10
Significant?	No	No	No	No

Notes:

Project emissions reflect the increment between future emissions and the 2016 baseline emissions.

lbs/day: pounds per day

NO<sub>x</sub>: oxides of nitrogen

PM: particulate matter

ROG: reactive organic gases

tpy: tons per year

Sources: Bay Area Air Quality Management District, *CEQA Air Quality Guidelines*, pp. 6-8, May 2011;

Anchor QEA, *Air Quality and Greenhouse Gas Technical Report*, Alcatraz Ferry Embarkation Project,

Case No. 2017-000188ENV, December 2017.

**TABLE 28**  
**DAILY OPERATIONAL EMISSIONS, PIER 31½ AND FORT BAKER (POUNDS/DAY)**

	ROG	NO <sub>x</sub>	Exhaust PM <sub>10</sub>	Exhaust PM <sub>2.5</sub>
<i>CEQA Baseline (2016)</i>				
Area	0.15	0	0	0
Vehicles	1.25	5.76	0.06	0.06
Stationary	0.07	0.2	0.01	0.01
Ferries	1.11	12.74	1.45	1.29
Total	2.59	18.7	1.52	1.36
<i>2021 Average Daily</i>				
Area	0.15	0	0	0
Vehicles	0.93	7.72	0.09	0.08
Stationary	0.07	0.2	0.01	0.01
Ferries	1.34	15.37	1.75	1.56
2021 Total	2.5	23.29	1.84	1.65
CEQA Baseline	2.59	18.7	1.52	1.36
CEQA Increment	-0.09	4.58	0.32	0.29
Threshold	54	54	82	54
Significant?	No	No	No	No
<i>2024 Average Daily</i>				
Area	0.15	0	0	0
Vehicles	0.75	6.44	0.07	0.07
Stationary	0.07	0.2	0.01	0.01
Ferries	1.34	15.37	1.75	1.56
2024 Total	2.31	22.01	1.83	1.63
CEQA Baseline	2.59	18.7	1.52	1.36
CEQA Increment	-0.28	3.3	0.31	0.28
Threshold	54	54	82	54
Significant?	No	No	No	No
<i>2026 Average Daily</i>				
Area	0.15	0	0	0
Vehicles	0.64	5.58	0.06	0.05
Stationary	0.07	0.2	0.01	0.01
Ferries	1.15	13.64	1.05	0.93
2026 Total	2.01	19.42	1.11	0.99
CEQA Baseline	2.59	18.7	1.52	1.36
CEQA Increment	-0.58	0.72	-0.41	-0.36
Threshold	54	54	82	54
Significant?	No	No	No	No
<i>2035 Average Daily</i>				
Area	0.15	0	0	0

	ROG	NO <sub>x</sub>	Exhaust PM <sub>10</sub>	Exhaust PM <sub>2.5</sub>
Vehicles	0.37	4.21	0.03	0.03
Stationary	0.07	0.2	0.01	0.01
Ferries	1.15	13.64	1.05	0.93
2035 Total	1.74	18.05	1.08	0.97
CEQA Baseline	2.59	18.7	1.52	1.36
CEQA Increment	-0.84	-0.65	-0.44	-0.39
Threshold	54	54	82	54
Significant?	No	No	No	No

NO<sub>x</sub>: oxides of nitrogen

PM: particulate matter

ROG: reactive organic gases

As shown in Tables 27 and 28, the proposed project would not exceed any of the significance thresholds for criteria air pollutants, and would result in less-than-significant impacts with respect to criteria air pollutants.

**Impact AQ-4: The proposed project operations would generate toxic air contaminants, including diesel particulate matter, exposing sensitive receptors to substantial air pollutant concentrations. (Less than Significant with Mitigation)**

As discussed above, the Pier 31½ site is located in proximity to sensitive land uses and within the Air Pollutant Exposure Zone. The closest sensitive land uses near the Pier 31½ site are residences along Sansome Street, located approximately 540 feet southwest of the site. The closest sensitive land uses near the Fort Baker site are residences along Murray Circle, located approximately 700 feet northwest of the site and over 1,400 feet northwest of in-water construction.

Health effects of project operational emissions were assessed qualitatively based on projected emissions, locations of sensitive receptors, and meteorological conditions in the project vicinity.<sup>79</sup> Proposed project operational emissions would not expose sensitive receptors to substantial air pollutant concentrations for the following reasons:

- Operational emissions associated with the proposed project would, for the most part, occur over water and as such be located away from human receptors. Ninety-five percent of projected operational emissions would result from ferry operations. Of this, less than 10 percent would be due to ferries operating at berth. In other words, more than 90 percent of projected operational emissions would occur in the water and away from on-land receptors. Further, the prevailing wind direction is from the west, away from sensitive receptors.
- Operational emissions would be greater than the 2016 baseline only during the first 5 years of proposed project operation. Table 28 shows that the incremental difference (project minus

<sup>79</sup> Anchor QEA, Memorandum re: Health Risk Assessment for the Alcatraz Ferry Embarkation Project, November 13, 2017.

baseline) would be approximately 0.3 pound per day of PM<sub>10</sub> and PM<sub>2.5</sub>. This increase would primarily be due to the increase in ferry activity in the first 5 years of proposed project operation. Starting in 2026, the Park Service will require that all ferries use U.S. Environmental Protection Agency Tier 3 engines or better. This requirement would decrease ferry emissions and offset the activity increase such that daily emissions starting in 2026 would be below the 2016 baseline.

- Greater separation distances generally contribute to a lower health risk. The California Air Resources Board holds that, in general, impacts from exposures to diesel particulate matter decline by approximately 90 percent at 300 to 500 feet from the emissions source. Sensitive receptors would be located approximately 540 feet from Pier 31½.

Vehicle trips associated with the project would be well below the air district's thresholds. The air district considers roads with less than 10,000 vehicles per day to be "minor, low-impact" sources that do not pose a significant health impact even in combination with other nearby sources and recommends that these sources be excluded from the environmental analysis. The proposed project's 672 vehicle trips (all generated at Pier 31½) would be well below this level and would be distributed among the local roadway network.

The proposed project would also include a backup emergency generator at Pier 31½. Emergency generators are regulated by the air district through their New Source Review (Regulation 2, Rule 5) permitting process. The project proponent would be required to obtain applicable permits to operate an emergency generator from the air district. Although emergency generators are intended only to be used in periods of power outages, monthly testing of the generator would be required. Air district limits testing to no more than 50 hours per year. Additionally, as part of the permitting process, the air district would limit the excess cancer risk from any facility to no more than ten per one million population and requires any source that would result in an excess cancer risk greater than one per one million population to install Best Available Control Technology for Toxics. However, because the project site is located in an area that already experiences poor air quality, the proposed emergency back-up generator has the potential to expose sensitive receptors to substantial concentrations of diesel emissions, a known toxic air contaminant, which could result in a significant air quality impact. **Mitigation Measure M-AQ-4, Best Available Control Technology for Diesel Generators at Pier 31½**, would be implemented to reduce impacts.

**Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators at Pier 31½**

The project proponent shall ensure that the backup diesel generator meets or exceeds one of the following emission standards for particulate matter: 1) Tier 4-certified engine; or 2) Tier 2- or Tier 3-certified engine that is equipped with a California Air Resources Board Level 3 Verified Diesel Emissions Control Strategy. A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical California Air Resources Board-verified

model and if the Bay Area Air Quality Management District approves of its use. The project proponent shall submit documentation of compliance with the Bay Area Air Quality Management District New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.

Implementation of this measure would reduce emissions by 89 to 94 percent compared to equipment with engines that do not meet any emission standards and without a Verified Diesel Emissions Control Strategy. Therefore, although the proposed project would add a new source of toxic air contaminants within an area that already experiences poor air quality, implementation of **Mitigation Measure M-AQ-4, Best Available Control Technology for Diesel Generators at Pier 31½**, would reduce this impact to a less-than-significant level.

**Impact AQ-5: The proposed project would not conflict with, or obstruct implementation of, the 2017 Clean Air Plan. (Less than Significant)**

The most recently adopted air quality plan for the air basin is the 2017 *Clean Air Plan*. The 2017 *Clean Air Plan* is a road map that demonstrates how the San Francisco Bay Area will achieve compliance with the state ozone standards as expeditiously as practicable and how the region will reduce the transport of ozone and ozone precursors to neighboring air basins. In determining consistency with the plan, this analysis considers whether the project would: 1) support the primary goals of the plan; 2) include applicable control measures from the plan; and 3) avoid disrupting or hindering implementation of control measures identified in the plan.

The primary goals of the plan are to: 1) protect air quality and health at the regional and local scale; 2) eliminate disparities among Bay Area communities in cancer health risk from toxic air contaminants; and 3) protect the climate by reducing greenhouse gas emissions. To meet the primary goals, the plan recommends specific control measures and actions. These control measures are grouped into various categories and include stationary and area source measures, mobile source measures, transportation control measures, land use measures, and energy and climate measures. The plan recognizes that to a great extent, community design dictates individual travel mode, and that a key long-term control strategy to reduce emissions of criteria pollutants, air toxics, and greenhouse gases from motor vehicles is to channel future Bay Area growth into vibrant urban communities where goods and services are close at hand, and people have a range of viable transportation options. To this end, the plan includes 85 control measures aimed at reducing air pollution in the air basin.

The measures most applicable to the proposed project are transportation control measures and energy and climate control measures. The proposed project's impact with respect to greenhouse gases are discussed in Section E.8, Greenhouse Gas Emissions, which demonstrates that the proposed project would comply with the applicable provisions of the City's Greenhouse Gas Reduction Strategy.

The compact development of the proposed project and high availability of viable transportation options ensure that visitors could bicycle, walk, and ride transit to and from the project site instead of taking trips via private automobile. While Fort Baker is less accessible than Pier 31½, visitors to Fort Baker as part of the proposed project would access the park from Pier 31½, as ticket sales would not be available at Fort Baker (i.e., all passengers would originate from Pier 31½; new passengers would not be able to board the ferry at Fort Baker for a trip to Pier 31½). These features ensure that the proposed project would avoid substantial growth in automobile trips and vehicle miles traveled. The proposed project's anticipated 672 net new daily vehicle trips would result in a negligible increase in air pollutant emissions. Furthermore, the proposed project would be generally consistent with the San Francisco General Plan, as discussed in Section E.5, Transportation and Circulation. Transportation control measures that are identified in the *2017 Clean Air Plan* are implemented by the *San Francisco General Plan* and the Planning Code, for example, through the City's Transit First Policy, bicycle parking requirements, and transit impact development fees. Compliance with these requirements would ensure the proposed project includes relevant transportation control measures specified in the *2017 Clean Air Plan*. Therefore, the proposed project would include applicable control measures identified in the *2017 Clean Air Plan* to meet the *2017 Clean Air Plan's* primary goals.

Examples of a project that could cause the disruption or delay of *2017 Clean Air Plan* control measures are projects that would preclude the extension of a transit line or bike path, or projects that propose excessive parking beyond parking requirements. The proposed project would develop and operation of an improved ferry embarkation site to support Alcatraz Island and Fort Baker visitors in a dense, walkable urban area near a concentration of regional and local transit service. It would not preclude the extension of a transit line or a bike path or any other transit improvement, and thus would not disrupt or hinder implementation of control measures identified in the *2017 Clean Air Plan*.

For the reasons described above, the proposed project would not interfere with implementation of the *2017 Clean Air Plan*, and because the proposed project would be consistent with the applicable air quality plan that demonstrates how the region will improve ambient air quality and achieve the state and federal ambient air quality standards, this impact would be less than significant.

**Impact AQ-6: The proposed project would not create objectionable odors that would affect a substantial number of people. (Less than Significant)**

Typical odor sources of concern include wastewater treatment plants, sanitary landfills, transfer stations, composting facilities, petroleum refineries, asphalt batch plants, chemical manufacturing facilities, fiberglass manufacturing facilities, auto body shops, rendering plants, and coffee roasting facilities. During construction, diesel exhaust from construction equipment would generate some odors. However, construction-related odors would be temporary and would not persist upon project completion. Observation indicates that the project site is not substantially affected by sources of odors, including

existing ferry operations.<sup>80</sup> During operation, odors would mainly come from diesel powered ferry engines. However, as the proposed project would be subject to strict ferry idling emissions and most of the ferry's operation would be over water, such operations would therefore not create a significant source of new odors. Additionally, Park Service requirements for clean engines will minimize odors as ferry engines run more efficiently and emit less exhaust. Therefore, odor impacts would be less than significant.

### **Cumulative Air Quality Impacts**

**Impact C-AQ: The proposed project, in combination with past, present, and reasonably foreseeable future development in the project area would contribute to cumulative air quality impacts. (Less than Significant with Mitigation)**

As discussed above, regional air pollution is by its nature largely a cumulative impact. Emissions from past, present, and future projects contribute to the region's adverse air quality on a cumulative basis. No single project by itself would be sufficient in size to result in regional nonattainment of ambient air quality standards. Instead, a project's individual emissions contribute to existing cumulative adverse air quality impacts.<sup>81</sup> The project-level thresholds for criteria air pollutants are based on levels below which new sources are not anticipated to contribute to an air quality violation or result in a considerable net increase in criteria air pollutants. Therefore, because the proposed project's construction (Impact AQ-1) and operational (Impact AQ-3) emissions would not exceed the project-level thresholds for criteria air pollutants, the proposed project would not be considered to result in a cumulatively considerable contribution to regional air quality impacts.

As discussed above, the project site is located in an area that already experiences poor air quality. The proposed project would add temporary emissions of diesel particulate matter during construction and would add new ferry trips, vehicle trips, and an emergency generator within an area already adversely affected by air quality which has the potential to contribute to cumulative air quality impacts. However, the proposed project would implement Tier 4 engines in accordance with **Improvement Measure I-AQ-1a, Use Cleaner Construction Equipment**, and **I-AQ-1b, Use Cleaner Engines on Tugboats**, thereby reducing construction period emissions by up to 90 percent, and adhere to Park Service ferry requirements, which would reduce ferry emissions below baseline levels. **Mitigation Measure M-AQ-4, Best Available Control Technology for Diesel Generators at Pier 31½**, which requires best available control technology to limit emissions from the project's emergency back-up generator, would ensure that the proposed project would not expose sensitive receptors to substantial pollutant concentrations. Therefore, the proposed project would not contribute considerably to cumulative air quality impacts.

---

<sup>80</sup> Observations based on Anchor QEA staff site visit.

<sup>81</sup> Bay Area Air Quality Management District, *CEQA Air Quality Guidelines*, p. 2-1, May 2011.



Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>8. GREENHOUSE GAS EMISSIONS— Would the project:</b>					
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Greenhouse gas emissions and global climate change represent cumulative impacts. Greenhouse gas emissions cumulatively contribute to the significant adverse environmental impacts of global climate change. No single project could generate enough greenhouse gas emissions to noticeably change the global average temperature; instead, the combination of greenhouse gas emissions from past, present, and future projects have contributed and will continue to contribute to global climate change and its associated environmental impacts.

The Bay Area Air Quality Management District has prepared guidelines and methodologies for analyzing greenhouse gases. These guidelines are consistent with CEQA Guidelines Sections 15064.4 and 15183.5, which address the analysis and determination of significant impacts from a proposed project's greenhouse gas emissions. CEQA Guidelines Section 15064.4 allows lead agencies to rely on a qualitative analysis to describe greenhouse gas emissions resulting from a project. CEQA Guidelines Section 15183.5 allows for public agencies to analyze and mitigate greenhouse gas emissions as part of a larger plan for the reduction of greenhouse gases and describes the required contents of such a plan. Accordingly, San Francisco has prepared *Strategies to Address Greenhouse Gas Emissions in San Francisco*,<sup>82</sup> which presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's qualified greenhouse gas reduction strategy in compliance with the CEQA guidelines. These greenhouse gas reduction actions have resulted in a 28 percent reduction in greenhouse gas emissions in 2015 compared to 1990 levels,<sup>83</sup> exceeding the year 2020 reduction goals outlined in the air district's 2017 Clean Air Plan, Executive Order S-3-05, and Assembly Bill 32 (also known as the Global Warming Solutions Act).<sup>84</sup>

<sup>82</sup> San Francisco Planning Department, *Strategies to Address Greenhouse Gas Emissions in San Francisco*, 2017. Available from <http://sf-planning.org/strategies-address-greenhouse-gas-emissions>.

<sup>83</sup> San Francisco Department of the Environment, *San Francisco's Carbon Footprint*. Available from <https://sfenvironment.org/carbon-footprint>, accessed July 19, 2017.

<sup>84</sup> Executive Order S-3-05, Assembly Bill 32, and the air district's 2017 Clean Air Plan (continuing the trajectory set in the 2010 Clean Air Plan) set a target of reducing greenhouse gas emissions to below 1990 levels by year 2020.

The Port of San Francisco prepared a *Climate Action Plan*<sup>85</sup> for fiscal year 2012-2013. The plan focuses on reducing greenhouse gas emissions from internal port operations and does not include prescriptive tenant measures. However, the Port's *Green Building Standards Code*<sup>86</sup> includes green building practices designed to reduce the greenhouse gas emissions in the City and County of San Francisco to a level 25 percent below 1990 levels by the year 2017, as stated in Board of Supervisors Resolution No. 158-02 and San Francisco Environment Code Chapter 9.

Given that the City has met the state and region's 2020 greenhouse gas reduction targets and San Francisco's greenhouse gas reduction goals are consistent with, or more aggressive than, the long-term goals established under order S-3-05<sup>87,88</sup>, order B-30-15,<sup>89,90,91</sup> and Senate Bill 32,<sup>92,93</sup> the City's greenhouse gas reduction goals are consistent with order S-3-05, order B-30-15, Assembly Bill 32, Senate Bill 32 and the 2017 Clean Air Plan. Therefore, proposed projects that are consistent with the City's greenhouse gas reduction strategy would be consistent with the aforementioned greenhouse gas reduction goals, would not conflict with these plans or result in significant greenhouse gas emissions, and would therefore not exceed San Francisco's applicable greenhouse gas threshold of significance.

The following analysis of the proposed project's impact on climate change focuses on the proposed project's contribution to cumulatively significant greenhouse gas emissions. Because no individual project could emit greenhouse gases at a level that could result in a significant impact on the global

---

<sup>85</sup> Port of San Francisco, *Climate Action Plan Fiscal Year 2012-2013*. Available from [http://sfport.com/sites/default/files/Planning/Docs/Port%202014\\_DepCAP\\_FINAL\\_0.pdf](http://sfport.com/sites/default/files/Planning/Docs/Port%202014_DepCAP_FINAL_0.pdf).

<sup>86</sup> Port of San Francisco, *Green Building Standards Code*, approved 2016, updated 2017. Available from <http://sfport.com/sites/default/files/Business/Docs/Permit%20Services/2016%20Port%20Building%20Codes/2016%20Port%20Green%20Building%20Code-Revised%20May%202017-Publish.pdf>.

<sup>87</sup> Office of the Governor, Executive Order S-3-05, June 1, 2005, accessed March 16, 2016. Available from <http://www.pcl.org/projects/2008symposium/proceedings/Coatsworth12.pdf>, accessed March 16, 2016.

<sup>88</sup> Executive Order S-3-05 sets forth a series of target dates by which statewide emissions of greenhouse gases need to be progressively reduced, as follows: by 2010, reduce greenhouse gas emissions to 2000 levels (approximately 457 million metric tons of carbon dioxide equivalents [MTCO<sub>2</sub>E]); by 2020, reduce emissions to 1990 levels (approximately 427 million MTCO<sub>2</sub>E); and by 2050 reduce emissions to 80 percent below 1990 levels (approximately 85 million MTCO<sub>2</sub>E). Because of the differential heat absorption potential of various greenhouse gases, greenhouse gas emissions are frequently measured in "carbon dioxide-equivalents," which present a weighted average based on each gas's heat absorption (or "global warming") potential.

<sup>89</sup> Office of the Governor, *Executive Order B-30-15*, April 29, 2015, accessed March 3, 2016. Available from <https://www.gov.ca.gov/news.php?id=18938>.

<sup>90</sup> Executive Order B-30-15, issued on April 29, 2015, sets forth a target of reducing greenhouse gas emissions to 40 percent below 1990 levels by 2030 (estimated at 2.9 million MTCO<sub>2</sub>E).

<sup>91</sup> San Francisco's greenhouse gas reduction goals are codified in Section 902 of the Environment Code and include: i) by 2008, determine City greenhouse gas emissions for year 1990; ii) by 2017, reduce greenhouse gas emissions by 25 percent below 1990 levels; iii) by 2025, reduce greenhouse gas emissions by 40 percent below 1990 levels; and iv) by 2050, reduce greenhouse gas emissions by 80 percent below 1990 levels.

<sup>92</sup> Senate Bill 32 amends California Health and Safety Code Division 25.5 (also known as the California Global Warming Solutions Act of 2006) by adding Section 38566, which directs that statewide greenhouse gas emissions to be reduced by 40 percent below 1990 levels by 2030.

<sup>93</sup> Senate Bill 32 was paired with Assembly Bill 197, which would modify the structure of the State Air Resources Board; institute requirements for the disclosure of greenhouse gas emissions, criteria pollutants, and toxic air contaminants; and establish requirements for the review and adoption of rules, regulations, and measures for the reduction of greenhouse gas emissions.

climate, this analysis is in a cumulative context, and this section does not include an individual project-specific impact statement.

**Impact C-GG-1: The proposed project would generate greenhouse gas emissions, but not at levels that would result in a significant impact on the environment or conflict with any policy, plan, or regulation adopted for the purpose of reducing greenhouse gas emissions. (Less than Significant)**

Individual projects contribute to the cumulative effects of climate change by directly or indirectly emitting greenhouse gases during construction and operational phases. Direct operational emissions include greenhouse gas emissions from new vehicle and ferry trips and area sources (natural gas combustion). Indirect emissions include emissions from electricity providers; energy required to pump, treat, and convey water; and emissions associated with waste removal, disposal, and landfill operations.

As discussed in the Project Description, the proposed project would increase the number of annual ferry trips, expand visitor facilities, and result in limited new vehicle trips at Pier 31½. Therefore, the proposed project would contribute to annual long-term increases in greenhouse gases as a result of increased ferry and vehicle trips (mobile sources) and commercial operations that result in an increase in energy use, water use, wastewater treatment, and solid waste disposal. Construction activities at both Pier 31½ and Fort Baker would also result in temporary increases in greenhouse gas emissions. The proposed project's greenhouse gas emissions are presented in Table 29.

**TABLE 29  
GREENHOUSE GAS EMISSIONS AT PIER 31½ AND FORT BAKER**

Year	CO <sub>2</sub> E (mty)
<b>Construction</b>	
Pier 31½ Construction 2019	28
Pier 31½ Construction 2020	79
Pier 31½ Construction 2021	104
Fort Baker Construction 2023	344
<b>Operation</b>	
2016 CEQA Baseline	1,924
2026 Total	2157
2026 CEQA Increment (Project minus baseline)	232
2035 Total	2115
2035 CEQA Increment (Project minus baseline)	191

**Notes:**

Pier 31½ construction emissions reflect City of San Francisco's Clean Construction Ordinance.

Operational emissions reflect the increment between future emissions and the 2016 baseline emissions and include ferry upgrades as project conditions.

CEQA: California Environmental Quality Act

CO<sub>2</sub>E: carbon dioxide equivalent

mty: metric tons per year

Source: Anchor QEA, *Air Quality and Greenhouse Gas Technical Report*, Alcatraz Ferry Embarkation Project, Case No. 2017-000188ENV, December 2017.

While greenhouse gas emissions are cumulative in nature, the emissions originating within the City's limits would be subject to different regulations than those outside. Construction would occur at both Pier 31½ and Fort Baker. Mobile source emissions, which represent the bulk of operational greenhouse gas emissions, would, however, all originate from the Pier 31½ site; there would be no new ferry trips or vehicle trips originating from Fort Baker as a result of the proposed project. Therefore, construction at Pier 31½ and the majority of proposed project operations would be subject to regulations adopted to reduce greenhouse gas emissions as identified in the City's greenhouse gas reduction strategy.

#### Pier 31½

As discussed below, compliance with the applicable regulations would reduce greenhouse gas emissions at Pier 31½ related to transportation, energy use, and waste disposal. Compliance with the City's Commuter Benefits Program, Emergency Ride Home Program, transportation management programs, and bicycle parking requirements would reduce the proposed project's transportation-related emissions. These regulations reduce greenhouse gas emissions from single-occupancy vehicles by promoting the use of alternative transportation modes with zero or lower greenhouse gas emissions on a per capita basis.

The proposed project would be required to comply with the energy efficiency requirements of the Port's Green Building Code and the City's Environment Code, Stormwater Management Ordinance, Water Conservation and Irrigation ordinances, which would promote energy and water efficiency, thereby reducing the proposed project's energy-related greenhouse gas emissions.<sup>94</sup> Additionally, the proposed project would be required to meet the renewable energy criteria of the Green Building Code, further reducing its energy-related greenhouse gas emissions.

The proposed project's waste-related emissions would be reduced through compliance with the City's Recycling and Composting Ordinance, Construction and Demolition Debris Recovery Ordinance, and Green Building Code requirements. These regulations reduce the amount of materials sent to a landfill, reducing greenhouse gases emitted by landfill operations. These regulations also promote reuse of materials, conserving their embodied energy<sup>95</sup> and reducing the energy required to produce new materials. Thus, the proposed project components at Pier 31½ were determined to be consistent with San Francisco's greenhouse gas reduction strategy.<sup>96</sup>

The project proponent is required to comply with these regulations, which have proven effective, as San Francisco's greenhouse gas emissions have measurably decreased when compared to 1990 emissions levels, demonstrating that the City has met and exceeded Executive Order S-3-05, Assembly Bill 32, and the 2017 Clean Air Plan greenhouse gas reduction goals for the year 2020. Furthermore, the City has met

---

<sup>94</sup> Compliance with water conservation measures reduces the energy (and greenhouse gas emissions) required to convey, pump, and treat water required for the proposed project.

<sup>95</sup> Embodied energy is the total energy required for the extraction, processing, manufacture, and delivery of building materials to the building site.

<sup>96</sup> San Francisco Planning Department, *Greenhouse Gas Analysis: Compliance Checklist for Alcatraz Ferry Embarkation Project*, November 22, 2017.

its 2017 goal of reducing greenhouse gas emissions to 25 percent below 1990 levels by 2017. Other existing regulations, such as those implemented through Assembly Bill 32, will continue to reduce projects' contribution to climate change. In addition, San Francisco's local greenhouse gas reduction targets are consistent with the long-term greenhouse gas reduction goals of Executive Order S-3-05, Executive Order B-30-15, Assembly Bill 32, Senate Bill 32 and the 2017 Clean Air Plan. Therefore, because the proposed project elements in San Francisco are consistent with the City's greenhouse gas reduction strategy, it is also consistent with the greenhouse gas reduction goals of Executive Order S-3-05, Executive Order B-30-15, Assembly Bill 32, Senate Bill 32 and the 2017 Clean Air Plan, would not conflict with these plans, and would therefore not exceed San Francisco's applicable greenhouse gas threshold of significance.

#### Fort Baker

Fort Baker greenhouse gas emissions would be subject to air district thresholds. In May 2017, the air district released new CEQA thresholds, including a greenhouse gas threshold.<sup>97</sup> For land use development projects, the threshold is compliance with a qualified Greenhouse Gas Reduction Strategy or annual emissions less than 1,100 metric tons per year of CO<sub>2</sub>. Land use development projects include residential, commercial, industrial, and public land uses and facilities. As shown in Table 29, greenhouse gas emissions at Fort Baker would be well under the 1,100 metric tons per year threshold.

As such, the proposed project would result in less-than-significant impacts with respect to greenhouse gas emissions. No mitigation measures are necessary.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>9. WIND AND SHADOW—Would the project:</b>					
a) Alter wind in a manner that substantially affects public areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Impact WS-1: The proposed project would not alter wind in a manner that substantially affects public areas. (Less than Significant)

At the Pier 31½ site, the proposed project would construct two new canopies to replace the existing single canopy and provide improved weather protection to visitors. One canopy would cover the primary visitor queuing area, and the other would cover a secondary queuing area and cluster of outdoor tables

<sup>97</sup> Bay Area Air Quality Management District, *Bay Area Air Quality Management District 2017 CEQA Guidelines Update*, May 2017. Available from [http://www.baaqmd.gov/-/media/files/planning-and-research/ceqa/ceqa\\_guidelines\\_may2017-pdf.pdf?la=en](http://www.baaqmd.gov/-/media/files/planning-and-research/ceqa/ceqa_guidelines_may2017-pdf.pdf?la=en).

closer to the food service and restrooms. The site is relatively enclosed by the adjacent Pier 31 and 33 sheds and bulkhead buildings. No height or bulk changes to the existing Pier 31 or 33 buildings are proposed as part of the proposed project. The canopies would slope in height (see Figure 12), and would range from 5 to 15 feet lower in elevation than the adjacent pier buildings. For these reasons, these canopies would have little effect on wind patterns in the vicinity of the site. Other changes to the site, such as informational displays and seating, would not be expected to affect wind patterns due to their low height. The proposed project would not install structures or remove trees at the Fort Baker site. For these reasons, impacts from altering wind in a manner that substantially affects public areas would be less than significant.

**Impact WS-2: The proposed project would not create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas. (Less than Significant)**

The proposed project would involve construction of two canopies (one new net canopy) to cover visitor queuing and eating areas at the Pier 31½ site. The two canopies would cover a relatively small portion of the site, and the remainder of the outdoor site would be open areas. The canopies would not cause new shadows that would negatively affect the use and enjoyment of the outdoor public areas. The proposed project would not install any structures that would cause new shadows at the Fort Baker site. For these reasons, impacts from creating new shadows in a manner that substantially affects public areas would be less than significant.

**Impact C-WS: The proposed project, in combination with other past, present, and reasonably foreseeable projects, would not result in cumulatively considerable impacts related to wind and shadow. (Less than Significant)**

Wind and shadow effects are highly localized. The geographic scope of potential cumulative wind and shadow impacts on public areas is limited to public areas in the vicinity of the proposed project sites. There are no potential cumulative projects in the vicinity of the proposed project sites listed in Table 6 that could affect wind and shadow. Therefore, the proposed project, in combination with other reasonably foreseeable projects, would not result in significant cumulative wind and shadow impacts.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>10. RECREATION—Would the project:</b>					
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact RE-1: The proposed project would not result in a substantial increase in the use of existing parks and recreational facilities or the deterioration of such facilities. (Less than Significant)**

A project could increase the use of existing neighborhood and regional parks or other recreational facilities either through population growth, which would increase the overall number of recreational facility users, or by closure of an existing recreational facility, which would displace recreational users to other similar parks or recreational facilities.

The proposed project site at Pier 31½ is located within a tourist district near an existing urban area primarily made up of commercial uses. The area does not contain park facilities, but includes a number of public spaces and recreational facilities related to maritime use, including the existing Alcatraz ferry embarkation site. As discussed in Section E.3, Population and Housing, even without the proposed project, visitation levels to Pier 31½ are expected to increase in future years as a result of management improvements to increase Alcatraz Island's visitation capacity and a projected increase in tourism in San Francisco. Furthermore, the Park Service is planning for additional capacity to support other interpretative tours, including limited service to Fort Baker. The proposed project improvements would serve to better accommodate those visitors and facilitate visitor loading and unloading, which would reduce possible crowding in the common areas around Pier 31½. There is one park facility within a 0.25-mile radius, the Chestnut and Kearny Open Space; however, this area serves as a natural open space, not as a visitor attraction.

The proposed project would periodically increase visitors to Fort Baker and the Marin Headlands at levels that can be accommodated by existing facilities. Providing limited ferry service between Fort Baker and the primary embarkation site would improve connectivity between and visitor knowledge of the Golden Gate National Recreation Area parklands outside of Alcatraz Island. Visitors arriving by ferry from the primary embarkation site are not expected to leave Fort Baker and nearby parklands so they would not cause an increase in the use of existing parks and recreational facilities in the area. However, even if a portion of ferry passengers visited recreational facilities outside the Golden Gate National Recreation Area, such as those in downtown Sausalito, the increase in use would not be substantial.

Therefore, the proposed project would not result in a substantial increase in the use of existing parks and recreational facilities, or the deterioration of such facilities within the proposed project area, and impacts would be less than significant.

**Impact RE-2: The proposed project includes recreational facilities but would not require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment. (Less than Significant)**

The proposed project involves the redevelopment of an existing commercial and recreational facility. Improved public amenities at Pier 31½ would include a new ticketing queue and infrastructure, café seating, interpretive displays, a civic plaza, and boat staging. Remodel of the bulkhead buildings would allow for expansion of the basic visitor service program functional area (including a small food service, interpretive retail, restrooms, and operations), and would provide additional and improved orientation and exhibit opportunities for visitors and non-visitors. Additional periodic ferry services to Fort Baker would improve connectivity to and visitor knowledge of the Golden Gate National Recreation Area parklands outside of Alcatraz Island, and would not degrade existing parklands.

The resource topics impact analyses in this Initial Study assess whether the construction and expansion of these existing open space and recreational facilities—the proposed project—would have an adverse physical effect on the environment. Through implementation of the mitigation measures summarized in Section F, Mitigation Measures and Improvement Measures, the proposed project would result in less-than-significant impacts on the environment. Implementation of the improvement measures summarized in that section would further reduce the proposed project's less-than-significant impacts.

**Impact C-RE: The proposed project, in combination with other past, present, or reasonably foreseeable projects, would result in less-than-significant impacts to recreational resources. (Less than Significant)**

Cumulative development in the project vicinity would result in an intensification of land uses and a cumulative increase in the demand for recreational facilities and resources, including additional demand for Park Service resources. The City has accounted for such growth as part of the Recreation and Open Space Element of the *San Francisco General Plan*. It is expected that existing recreational facilities in the area would be able to accommodate the increase in demand for recreational resources generated by nearby cumulative development projects. There are no known projects under development within 0.25 mile of Fort Baker. At both the Pier 31½ and Fort Baker sites, the proposed project would help alleviate crowding and enhance recreational activities. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative impact on recreational facilities or resources.



<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>11. UTILITIES AND SERVICE SYSTEMS— Would the project:</b>					
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Have sufficient water supply available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact UT-1: The proposed project would not exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board. (Less than Significant)**

Under existing site operations, wastewater generated by restaurants and restrooms at the Pier 31½ site, sewage from Alcatraz Island (via an onshore pump station), as well as greywater and sewage onboard the ferries, are directed to the San Francisco Public Utilities Commission combined sewer system. Wastewater in the combined sewer system is conveyed to one of three treatment plants in San Francisco: the Oceanside Plant; the Southeast Plant; and the North Point Facility. The Oceanside and Southeast plants operate continuously, while the North Point Facility operates only when it rains. Following treatment, effluent is discharged into either the bay or the Pacific Ocean. Treated solids become biosolids for land application. During prolonged storm events resulting in rainfall that exceeds the system's capacity, water is discharged either into the bay or the Pacific Ocean through one of 36 discharge points.

The proposed project at the Pier 31½ site would not introduce new potential wastewater sources that would substantially change the quality of discharges to the sewer system. Ferries would continue to discharge directly to the system using onboard pumps, similar to baseline conditions. The proposed project would marginally increase demand on restrooms and other wastewater generating facilities, including through the increase in ferry service, although any potential increases in wastewater flows would be offset by new and upgraded water efficient facilities, such as low flow toilets, in compliance with applicable regulations.

Under baseline conditions, sewage from Alcatraz Island is offloaded from barges via pump at Pier 31½. This operation would be discontinued, with sewage offloading moving to another approved facility, which would result in a reduction in discharge to the combined sewer system at Pier 31½.

At the Fort Baker site, portable restrooms maintained by the Park Service are provided to accommodate visitors, and there are no amenities requiring water or wastewater service. Portable restrooms would continue to be maintained under the proposed project; no permanent restrooms are proposed as part of the proposed project. In addition, there would be no pump-out facilities for ferries at Fort Baker. For these reasons, the proposed project would not exceed the wastewater treatment requirements of the applicable Regional Water Quality Control Board, and this impact would be less than significant.

**Impact UT-2: The proposed project would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects (Less than Significant)**

At the Pier 31½ site, amenities requiring water and wastewater service include restrooms and restaurants. Water and wastewater hookups are also provided to ferries operating on site. The proposed project may include water and sewer lateral connections to existing Port or San Francisco Public Utilities Commission infrastructure on or adjacent to the project site. At the Fort Baker site, portable restrooms maintained by the Park Service are provided to accommodate visitors, and no new amenities are planned for the ferry service that would require water or wastewater service. Given the presence of adequate existing water and wastewater treatment infrastructure, and the proposed project's limited effect on water demand or wastewater generation, the proposed project would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, and impacts would be less than significant.

**Impact UT-3: The proposed project would not require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects. (Less than Significant)**

Stormwater runoff from the Pier 31½ site exterior areas is discharged directly into the bay. The proposed project would improve the existing on-site stormwater drainage system to accommodate the proposed improvements and provide lateral connections to the San Francisco Public Utilities Commission combined sewer system, if required. Improvements to the collection and treatment of stormwater would

be evaluated through development of a Stormwater Control Plan in compliance with the City's 2016 Stormwater Management Requirements and Design Guidelines.<sup>98</sup> Although the proposed project includes resurfacing at Pier 31½, the entirety of the existing site is developed with impervious surfaces. Therefore, the proposed resurfacing would not increase the volume of stormwater runoff.

At Fort Baker, stormwater is currently conveyed via a trunkline system consisting of catch basins, pipes, and concrete-lined swales. Stormwater is gathered and conveyed via gravity flow to four major storm drain outfalls along the seawall at Horseshoe Bay.<sup>99</sup> The proposed gravel trail would have a negligible effect on impervious surfaces and no new storm water drainage facilities or expansion of existing facilities serving Fort Baker would be required.

For these reasons, the proposed project would have less-than-significant impacts related to construction of new storm water drainage facilities or expansion of existing facilities.

**Impact UT-4: The proposed project would have sufficient water supply available to serve the project from existing entitlements and resources. (Less than Significant)**

The San Francisco Public Utilities Commission provides water to the Pier 31½ site and throughout San Francisco. In May 2013, the public utility commission updated citywide water supply and demand projections with the *2013 Water Availability Study for the City and County of San Francisco*.<sup>100</sup> According to the study, the San Francisco Public Utilities Commission can meet the current and future water demand in years of average or above-average precipitation, and in single-dry-year and multiple-dry-year events. Study water demand estimates are made in consideration of expected growth in business and industry.

The proposed project may result in a slight increase in operational demand for water supply-dependent services at the Pier 31½ site, which could be accommodated through existing water supplies. Although the increased numbers of visitors to the site would marginally increase demand on water supply-dependent services such as restrooms, the effect on water supply demand would be negligible.

Providing limited ferry service to Fort Baker would have no effect on water supply demands, as visitors would be accommodated by existing or additional portable restrooms. No new amenities are being constructed as part of the proposed project other than the pier improvements, dock, and the trail.

In consideration of the proposed project's anticipated water demands and the study water demand predictions, the proposed project would have a less-than-significant impact on existing water supply entitlements and resources.

---

<sup>98</sup> San Francisco Public Utilities Commission, *Stormwater Management Requirements and Design Guidelines*, May 2016. Available from <http://www.sfwater.org/Modules/ShowDocument.aspx?documentID=9026>.

<sup>99</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>100</sup> San Francisco Public Utilities Commission, *2013 Water Availability Study for the City and County of San Francisco*, May 2013. Available from <http://www.sfwater.org/modules/showdocument.aspx?documentid=4168>.

**Impact UT-5:** The proposed project would not result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments. (Less than Significant)

As described under Impact UT-1, both the Pier 31½ and Fort Baker sites are adequately served by existing wastewater infrastructure. At the Pier 31½ site, the effect of increased visitation on wastewater generation would be diminished by complying with applicable regulations, including plans to modernize existing facilities. For the Fort Baker site, wastewater treatment requirements by visitors using the limited ferry service would be accommodated by existing or additional portable restrooms to be maintained by the Park Service. Therefore, there would be a less-than-significant impact on wastewater treatment providers' ability to accommodate the proposed project and existing commitments.

**Impact UT-6:** The proposed project would be served by landfills with sufficient permitted capacity to accommodate the project's solid waste disposal needs. (Less than Significant)

Solid waste collection and disposal services in San Francisco, including at Pier 31½, are provided by Recology San Francisco. As of late 2016, solid waste that cannot be recycled, composted, or reused is disposed of at Recology's Hay Road Landfill in Vacaville. Bay Cities Refuse provides solid waste collection within unincorporated southern Marin, including Fort Baker. The majority of solid waste in Marin County is sent to Redwood Sanitary Landfill. The county recently approved an expansion of the landfill to allow operation through 2024.<sup>101</sup> The average annual use and average annual capacities of Hay Road and Redwood Sanitary landfills are presented in Table 30.

**TABLE 30  
HAY ROAD AND REDWOOD SANITARY LANDFILLS THROUGHPUT AND CAPACITY**

Activity	Average Annual Throughput (tons per year)	Average Annual Capacity (tons per year)
<b>Hay Road Landfill</b>		
Beneficial Reuse	250 to 499	50,000 to 99,999
Solid Waste Disposal (Landfill)	250,000 to 374,999	750,000 to 999,999
<b>Redwood Sanitary Landfill</b>		
Beneficial Reuse	250 to 499	50,000 to 99,999
Solid Waste Disposal (Landfill)	250,000 to 374,999	750,000 to 999,999

Source: California Department of Resources Recycling and Recovery, Facility Information Toolbox (FacIT), Facility Operations: Recology Hay Road Landfill, Inc. (B + J Landfill), 2017.

<sup>101</sup> Marin County Community Development Agency, *Marin Countywide Plan Geology, Mineral Resources and Hazardous Materials Technical Background Report*, November 2005. Available from [http://www.marincounty.org/-/media/files/departments/cd/planning/currentplanning/publications/county-wide-plan/background-reports/geology\\_background\\_report.pdf](http://www.marincounty.org/-/media/files/departments/cd/planning/currentplanning/publications/county-wide-plan/background-reports/geology_background_report.pdf).

As shown in Table 30, Hay Road and Redwood Sanitary landfills are operating well below their average annual capacity. Projections for the region and state also show sufficient existing landfill capacity. As determined by the California Department of Resources Recycling and Recovery, there is an estimated 44 years of remaining landfill space serving the Bay Area region projected through a *business-as-usual* scenario using the current rate of disposal. Although the department does not provide estimates on a regional basis, there is estimated to be 26 years of remaining landfill capacity for the state under a "High Disposal Scenario" or "Economic Boom Scenario," and 67 years of capacity under a "Low Disposal Scenario" or "Meets 75 Percent Goal Scenario."<sup>102</sup>

While the proposed project operations may slightly increase solid waste generation above existing levels, landfills serving the area have sufficient capacity to accommodate this change. Existing landfills also have sufficient capacity to accommodate debris generated during demolition and construction. Therefore, there would be a less-than-significant impact related to exceeding landfill capacities.

**Impact UT-7: The proposed project would comply with federal, state, and local statutes and regulations related to solid waste. (Less than Significant)**

The proposed project would comply with all applicable state and local statutes and regulations associated with operational and construction-related solid waste at both the Pier 31½ and Fort Baker sites. Proposed project operations at Pier 31½ would be subject to San Francisco's Mandatory Recycling and Composting Ordinance (City Ordinance 100-09), which requires all San Francisco residents and commercial landlords to separate their refuse into recyclables, compostables, and trash, thereby minimizing solid waste disposal and maximizing recycling. Construction at Pier 31½ would be subject to the Port's Green Building Code, which requires all construction and demolition debris to be transported to a registered facility that can divert a minimum of 75 percent of the material from landfills. Solid waste collection would continue to be managed by the Park Service at the Fort Baker site. Therefore, the proposed project would comply with federal, state, and local statutes and regulations related to solid waste, and this impact would be less than significant.

**Impact C-UT: The proposed project would not make a considerable contribution to any cumulative significant effects related to utilities or service systems. (Less than Significant)**

The geographic scope for potential cumulative utilities and service systems impacts consists of the service areas of the regional utility providers in San Francisco and Marin counties. A number of landfills are located within 100 miles that could be used by the cumulative projects listed in Table 6, as well as by a wide variety of additional users. The proposed project would result in less-than-significant impacts on water and wastewater service providers and landfill capacity.

---

<sup>102</sup> California Department of Resources Recycling and Recovery, *State of Disposal in California*, 2016.

The proposed project, along with other cumulative projects, would incrementally increase demand on utilities and service systems at both sites, but not beyond levels anticipated and planned for by public service providers in existing service management plan areas. Most of the cumulative projects would dispose of construction debris at available landfills, which would contribute to potential impacts on available landfill capacity. As discussed above under Impact UT-3, there is adequate landfill capacity in the Bay Area region for an estimated 44 years. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the region to create a significant impact on utilities and service systems. Impacts would be less than significant.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>12. PUBLIC SERVICES— Would the project:</b>					
a) Result in substantial adverse physical impacts associated with the provision of, or the need for, new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any public services such as fire protection, police protection, schools, parks, or other services?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Impact PS-1: The proposed project would not result in an increase in demand for police protection, fire protection, schools, or other services to an extent that would result in substantial adverse physical impacts associated with the construction or alteration of governmental facilities. (Less than Significant)**

The existing and proposed Alcatraz embarkation facility at Pier 31½ receives fire protection and emergency medical services from the San Francisco Fire Department's Fire Station 28 located at 1814 Stockton Street, approximately 0.35 mile from the site, and police protection services from the San Francisco Police Department's Central Station located at 766 Vallejo Street, approximately 0.7 mile southeast of the site. As discussed in Section E.3, Population and Housing, the proposed project would not result in population changes or increased housing needs. While designed to accommodate projected growth in tourism to San Francisco, the proposed project itself would not be growth-inducing. Regardless, the projected growth in visitors to the site would not substantially increase the demand for police protection, fire protection, schools, parks, or other services.

The proposed project site at Fort Baker would continue to be served by the Southern Marin Fire Protection District, U.S. Park Police, Park Service Rangers, and the U.S. Coast Guard. Providing limited ferry service to Fort Baker is expected to result in a negligible increase in demand for these services. Any

increased demand for public services associated with this component of the proposed project is expected to be minimal and adequately served by existing services.

For the reasons noted above, the impacts of the proposed project on public services would be less than significant.

**Impact C-PS: The proposed project, combined with past, present, and reasonably foreseeable future projects in the vicinity, would not result in significant physical impacts on the environment associated with the construction or alteration of public service facilities. (Less than Significant Impact)**

Cumulative development in the project vicinity would result in an intensification of land uses and a cumulative increase in the demand for fire protection, police protection, school services, and other public services. The Fire Department, the Police Department, the San Francisco Unified School District, and other City agencies have accounted for such growth in providing public services to the residents of San Francisco. In addition, for those cumulative projects that may increase the demand for public services in the vicinity of the Pier 31½ proposed project site, the City has enacted development impact fees to expand services, any of which that would require physical upgrades would also be subject to individual CEQA analysis. There are no known projects under development within 0.25 mile of Fort Baker. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative impact on public services.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>13. BIOLOGICAL RESOURCES— Would the project:</b>					
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Aquatic Biological Resources

### Setting

The aquatic biological resources study area includes the in-water footprint of the proposed project, including immediately adjacent marine areas that could be indirectly affected by construction or operations. The Pier 31½ site includes the shoreline along the northeastern San Francisco waterfront, while the Fort Baker site includes the shoreline along the southern waterfront of Marin County. The study area related to underwater sound pressure (noise) impacts includes the in-water area that could be affected by noise during pile driving, which was estimated through bioacoustics noise modeling conducted during the Endangered Species Act consultation with the National Marine Fisheries Service as memorialized in the Biological Opinion prepared for the proposed project<sup>103, 104</sup>. This distance is inclusive of areas where pile driving may result in increased turbidity.

### General Habitat Conditions

Aquatic habitat at the Pier 31½ and Fort Baker study areas are representative of species assemblages at pier locations throughout the Central Bay, and includes benthic fauna, encrusting organisms, aquatic vegetation, planktonic organisms, fish, and marine mammals. Marine habitats along the northeastern San Francisco waterfront include intertidal, subtidal, and open water.

The study area at Pier 31½ is developed with piers and hard armoring. Marine habitats and associated communities present in these areas include artificial intertidal structures (e.g., pilings and seawalls),

<sup>103</sup> National Marine Fisheries Service, Endangered Species Act Section 7(a)(2) Biological Opinion and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response for the Alcatraz Ferry Embarkation Project (NPS File No. L76 [GOGA-PL]), October 3, 2017.

<sup>104</sup> National Park Service, Response to Non-Concurrence Letter and Request for Additional Information for the Alcatraz Ferry Embarkation Project, National Marine Fisheries Service WCR-2016-5894L76, March 3, 2017.



substrate and benthos, and open water. No natural undisturbed shorelines exist in the vicinity of the Pier 31½ site.

The study area at Fort Baker primarily includes the existing pier structure, which provides habitat to encrusting organisms within the intertidal zone, and adjacent open waters. Neighboring Horseshoe Bay also contains sandy-gravel beaches and rocky intertidal habitats, and an offshore population of eelgrass.<sup>105,106</sup>

### Special Aquatic Sites

Certain waters of the United States that are recognized as having unique ecological value have been designated “special aquatic sites.” This includes sanctuaries and refuges, mudflats, wetlands, vegetated shallows, eelgrass bed, coral reefs, and riffle and pool complexes. Special aquatic sites may be afforded additional protection or consideration under federal regulations. Within the Central Bay, two unique natural communities are considered special aquatic sites: eelgrass beds and native oyster beds.

Eelgrass has been afforded special management considerations by the California Department of Fish and Wildlife, U.S. Fish and Wildlife Service, National Marine Fisheries Service, U.S. Environmental Protection Agency, San Francisco Bay Conservation and Development Commission, and the Golden Gate Audubon Society. The National Marine Fisheries Service considers eelgrass beds to be a habitat area of particular concern. Eelgrass commonly inhabits shallow, soft-bottom substrates of bays and estuaries throughout the California coast. Eelgrass beds often accrete sediments and function ecologically as substrate for epifauna and nursery habitat for juvenile fish. In the bay, eelgrass provides unique biological environments for spawning Pacific herring, and serves as a nursery area for many valued species of fish, including Pacific herring, halibut (*Hippoglossus* spp.), and English sole. Comprehensive eelgrass surveys of the bay were completed as part of a Bay-wide programmatic essential fish habitat consultation for the San Francisco Bay Long-term Management Strategy Program for maintenance dredging. Surveys throughout the bay are also conducted regularly by the California Department of Fish and Wildlife (last updated in 2016). Specific to the shoreline at Fort Baker, eelgrass surveys were completed to support the 1999 Fort Baker Plan Final Environmental Impact Statement. Eelgrass has not been observed at the Pier 31½ site, but was observed within the eastern and northeastern perimeter of Horseshoe Bay approximately 1000-feet from the pier at Fort Baker (Figure 16).<sup>107,108,109</sup>

---

<sup>105</sup> U.S. Army Corps of Engineers, *Agreement on Programmatic EFH Conservation Measures for Maintenance Dredging Conducted Under the LTMS Program*, June 9, 2011. Available from [http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential\\_fish\\_habitat/ltms\\_efh\\_full\\_signed\\_agreement\\_final\\_060911.pdf](http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential_fish_habitat/ltms_efh_full_signed_agreement_final_060911.pdf).

<sup>106</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>107</sup> U.S. Army Corps of Engineers, *Agreement on Programmatic EFH Conservation Measures for Maintenance Dredging Conducted Under the LTMS Program*, June 9, 2011. Available from [http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential\\_fish\\_habitat/ltms\\_efh\\_full\\_signed\\_agreement\\_final\\_060911.pdf](http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential_fish_habitat/ltms_efh_full_signed_agreement_final_060911.pdf).

<sup>108</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

Native oyster beds are composed of living Olympia oysters (*Ostrea conchaphila*) and remnant beds composed of dead shell material. Oyster beds form in the subtidal zone, typically bordered by mudflats at higher elevations and eelgrass beds at lower elevations. No live subtidal Olympia oyster beds have been documented at the Pier 31½ or Fort Baker sites in the bay, and neither site has been identified as a priority native oyster restoration site.<sup>110</sup> Native oysters have been reported to inhabit intertidal wharf pilings on Port piers, and may be found on pilings within the study area.<sup>111</sup>

#### Essential Fish Habitat

Essential fish habitat is defined as the specific habitat essential for each life stage of federally-managed species. The Central Bay, including the project sites, is designated essential fish habitat for assorted fish species managed under the Coastal Pelagic, Pacific Groundfish, and Pacific Coast Salmon Fishery Management Plans. The Pacific Coast Groundfish Fishery Management Plan manages at least 89 species over a large, ecologically diverse area covering the entire West Coast of the continental United States; 15 species managed under this Fishery Management Plan have species distributions within the Central Bay. The Coastal Pelagic Species Fishery Management Plan includes five species, three of which have known species distributions in the Central Bay. In addition, the Pacific Coast Salmon Fishery Management Plan includes Chinook salmon and coho salmon, and identifies the entire Bay as essential fish habitat.<sup>112</sup> Species for which essential fish habitat has been designated that are likely to exist in the study area are listed in Table 31.

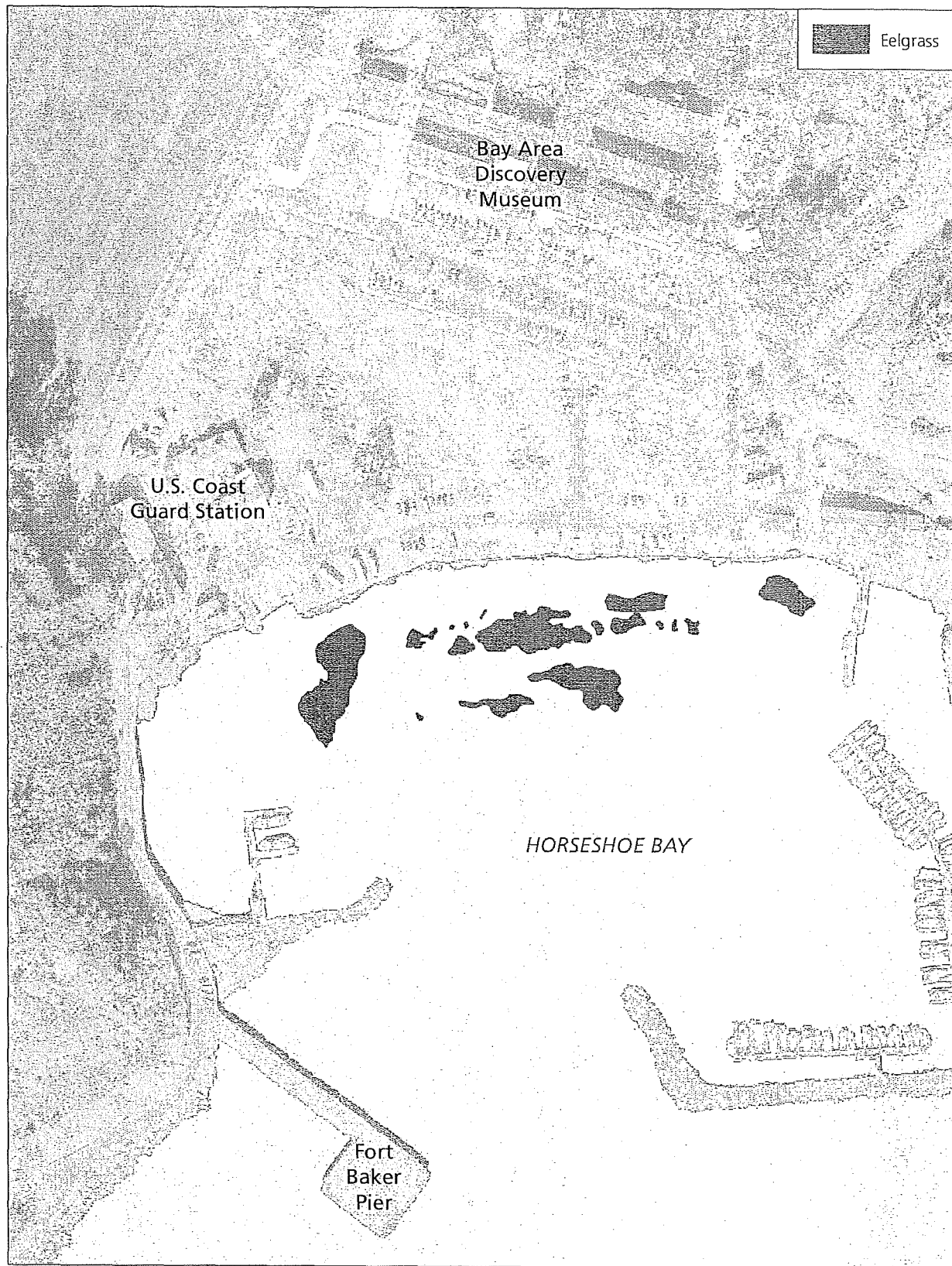
---

<sup>109</sup> California Department of Fish and Wildlife, CDFW BIOS Viewer Eelgrass Dataset, last updated May 4, 2016, including San Francisco Bay data from Merkel & Associates (2014).

<sup>110</sup> San Francisco Bay Subtidal Habitat Goals Project, *San Francisco Bay Subtidal Habitat Goals Report*, 2010. Available from <http://www.sfbaysubtidal.org/report.html>.

<sup>111</sup> San Francisco Planning Department, *The 34th America's Cup, James R. Herman Cruise Terminal and Northeast Wharf Plaza Final Environmental Impact Report*, December 15, 2011.

<sup>112</sup> The Pacific Fishery Management Council and National Marine Fisheries Service, *Final Environmental Assessment and Regulatory Impact Review: Pacific Coast Salmon Plan Amendment 18: Incorporating Revisions to Pacific Salmon Essential Fish Habitat*, September 2014. Available from [http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential\\_fish\\_habitat/bc95\\_final\\_ea\\_nir\\_am\\_18\\_fonsi\\_appendices.pdf](http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential_fish_habitat/bc95_final_ea_nir_am_18_fonsi_appendices.pdf).

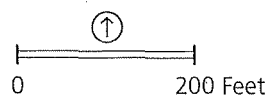


SOURCE: National Park Service

Case No. 2017.000188ENV: Pier 31.5, Port of San Francisco/Alcatraz Ferry Embarkation Project

**Figure 16**

Eelgrass Mapped in Horseshoe Bay



**TABLE 31**  
**SPECIES WITH DESIGNATED ESSENTIAL FISH HABITAT WITHIN THE IMMEDIATE PROJECT AREA**

Common Name	Scientific Name
<b>Pacific Groundfish Fishery Management Plan</b>	
English sole	<i>Parophrys vetulus</i>
Starry flounder	<i>Platichthys stellatus</i>
Brown rockfish	<i>Sebastes auriculatus</i>
Pacific sanddab	<i>Citharichthys sordidus</i>
Lingcod	<i>Ophiodon elongatus</i>
Sand sole	<i>Psettichthys melanostictus</i>
Leopard shark	<i>Triakis semifasciata</i>
Spiny dogfish	<i>Squalus acanthias</i>
Big skate	<i>Raja</i> ssp.
Pacific whiting (hake)	<i>Merluccius productus</i>
Kelp greenling	<i>Hexagrammos decagrammus</i>
Soupfin shark	<i>Galeorhinus galeus</i>
Curlfin sole	<i>Pleuronichthys decurrens</i>
Bocaccio	<i>Sebastes paucispinis</i>
Cabazon	<i>Scorpaenichthys marmoratus</i>
<b>Coastal Pelagic Fishery Management Plan</b>	
Northern anchovy	<i>Engraulis mordax</i>
Jack mackerel	<i>Trachurus symmetricus</i>
Pacific sardine	<i>Sardinops sagax</i>
<b>Pacific Coast Salmon Fishery Management Plan</b>	
Chinook salmon	<i>Oncorhynchus tshawytscha</i>
Coho salmon	<i>Oncorhynchus kisutch</i>

Source: National Marine Fisheries Service, *Fisheries Management Plan Species Distributions in San Francisco, San Pablo, and Suisun Bays*, 2001. Available from <http://swr.nmfs.noaa.gov/hcd/loclist.htm>.

### Special Status Species

The California Natural Diversity Database identifies 13 federal Endangered Species Act- or California Endangered Species Act-listed marine species (species listed as candidate special concern, threatened, or endangered pursuant to the Endangered Species Act or the California Endangered Species Act) with recorded occurrences in the vicinity of the study area.<sup>113</sup> These species are listed in Appendix A. Several marine species may be reasonably expected to inhabit the study area based on the presence of suitable habitat. Endangered Species Act- and California Endangered Species Act-listed species with a moderate

<sup>113</sup> California Department of Fish and Wildlife, California Natural Diversity Database and U.S. Fish and Wildlife Service database search of project and surrounding quadrangles: San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South, 2017.

to high potential to inhabit the study area or with critical habitat or essential fish habitat that they depend on in the study area are discussed in further detail as follows.

**Chinook salmon.** Three Chinook salmon evolutionarily significant units migrate through the northern and central portions of the bay: Sacramento River winter-run, Central Valley spring-run, and Central Valley fall/late fall-run.<sup>114</sup> Each evolutionarily significant unit is considered a distinct race and has been given its own management status: the Sacramento River evolutionarily significant unit is state and federally listed as endangered; the Central Valley spring-run is state and federally listed as threatened; and the Central Valley fall/late fall-run is a state and federal species of concern.<sup>115</sup>

Sacramento River winter-run Chinook salmon migrate and spawn from mid-December to August along the Sacramento River, up to Keswick Dam in Shasta County. Adult winter-run Chinook salmon can be found in the bay in November and December. Central Valley spring-run Chinook salmon have a similar life history, but begin spawning migration to the Delta in late winter to spring. Adults are found in the bay during the migratory period in the spring, and juveniles have the potential to inhabit the bay in the fall, winter, and spring. Critical habitat for Sacramento River winter-run Chinook and Central Valley spring-run Chinook salmon includes all waters of the bay north of the Bay Bridge.<sup>116</sup> Adult Central Valley fall-run/late fall-run Chinook salmon begin their migration toward their spawning grounds in June, with a peak in September. They spawn in the Delta in December and January. Juvenile salmon potentially inhabit the bay in the late winter through summer. There is no critical habitat designated for this species.

**Coho salmon.** Coho salmon are listed as threatened under the Endangered Species Act and endangered under the California Endangered Species Act. Adult coho migrate through the bay after late fall or winter heavy rains to spawn in the Delta. Juvenile coho potentially inhabit the bay in the spring, summer, and fall and may be present in the Central Bay. Critical habitat for Central California Coast coho salmon within the bay includes all waters of the Central Bay north of the Bay Bridge.<sup>117</sup>

**Steelhead trout.** Individuals from two steelhead evolutionarily significant units can be found in the bay: central California coast steelhead and Central Valley steelhead. Both evolutionarily significant units are federally listed as threatened, and central California coast steelhead are also a species of special concern.

Central Valley steelhead migrate between the ocean and the Delta and its tributaries via the San Francisco and San Pablo bays. Upstream migration occurs in the winter, with peak spawning occurring from

---

<sup>114</sup> California Department of Fish and Game, *Delta Outflow Effects on the Abundance and Distribution of San Francisco Bay Fishes and Invertebrates, 1980-1985, 1987*. Available from [http://www.waterboards.ca.gov/waterrights/water\\_issues/programs/bay\\_delta/wq\\_control/plans/1995wqcp/admin\\_records/part05/304.pdf](http://www.waterboards.ca.gov/waterrights/water_issues/programs/bay_delta/wq_control/plans/1995wqcp/admin_records/part05/304.pdf).

<sup>115</sup> California Department of Fish and Wildlife, CDFW Resource Management Entry for Chinook Salmon, <http://www.dfg.ca.gov/fish/Resources/Chinook/>, accessed November 25, 2013.

<sup>116</sup> The Pacific Fishery Management Council and National Marine Fisheries Service, *Final Environmental Assessment and Regulatory Impact Review: Pacific Coast Salmon Plan Amendment 18: Incorporating Revisions to Pacific Salmon Essential Fish Habitat*, September 2014. Available from [http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential\\_fish\\_habitat/bc95\\_final\\_ea\\_rir\\_am\\_18\\_fonsi\\_appendices.pdf](http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential_fish_habitat/bc95_final_ea_rir_am_18_fonsi_appendices.pdf).

<sup>117</sup> Ibid.

December through April. Central California coast steelhead migrate from the Pacific coast through the bay in the winter to spawn in freshwater in the upper Sacramento River. Critical habitat for central California coast steelhead and Central Valley steelhead occurs in the Central Bay and includes the study area.<sup>118</sup>

**Green sturgeon.** Green sturgeon are listed as a federally threatened species and as a state species of concern. Green sturgeon are found throughout the bay and are native to the Sacramento-San Joaquin River system. Spawning occurs in the lower reaches of the Sacramento-San Joaquin River system; however, feeding occurs throughout the bay. Adult green sturgeon migrate into freshwater beginning in late February, with spawning occurring in March through July and peak activity in April and June. After spawning, juveniles remain in fresh and estuarine waters for 1 to 4 years and then begin to migrate out to sea. Critical habitat for green sturgeon occurs within the Central Bay and includes the study area.<sup>119</sup>

**Longfin smelt.** Longfin smelt are listed as a state threatened species, and are a candidate for listing under the federal Endangered Species Act. Longfin smelt live in open waters of the Central Bay, including within the study area.<sup>120</sup> Longfin smelt inhabit Central Bay waters throughout the year, although they migrate to the Delta to spawn in freshwater during the winter. No critical habitat has been designated for this species.

Marine mammals are afforded special regulatory protection under the Marine Mammal Protection Act. The most common marine mammals to inhabit the project sites are Pacific harbor seals (*Phoca vitulina*) and California sea lions (*Zalophus californianus*). Other marine mammal species that occasionally inhabit the bay and could be considered transient visitors include the gray whale (*Eschrichtius robustus*), harbor porpoise (*Phocoena phocoena*), Steller sea lion (*Eumetopias jubatus*), and, less frequently, the southern sea otter (*Enhydra lutris*).<sup>121</sup> On rare occasions, individual humpback whales (*Megaptera novaeangliae*) have entered the bay. Pacific harbor seals are nonmigratory, have limited seasonal movements associated with foraging and breeding activities, and use the bay year-round.<sup>122</sup> Harbor seals forage in shallow waters on a variety of fish and crustaceans, and therefore, could occasionally be found foraging in Pier 31½ or Fort Baker waters. Harbor seals come ashore (haulout) in groups ranging in size from a few individuals to several hundred. Habitats used as haulout sites include tidal rocks, bayflats, sandbars, and sandy beaches.<sup>123</sup> California sea lions breed in Southern California and along the Channel Islands. After the

---

<sup>118</sup> Ibid.

<sup>119</sup> Ibid.

<sup>120</sup> California Department of Fish and Wildlife, Fish Distribution Map, Bay Delta Region, [http://www.dfg.ca.gov/delta/data/BayStudy/CPUE\\_Map.asp](http://www.dfg.ca.gov/delta/data/BayStudy/CPUE_Map.asp), 1998-2017.

<sup>121</sup> URS Corporation, *Final Program Environmental Impact Report Expansion of Ferry Transit Service in the San Francisco Bay Area*, prepared for the Water Transit Authority, June 2003.

<sup>122</sup> Kopec, D. and J. Harvey, *Toxic Pollutants, Health Indices, and Pollution Dynamics of Harbor Seals in San Francisco Bay, 1989-91: Final Report*, 1995.

<sup>123</sup> Zeiner, D.C., W.F. Laudenslayer, K.E. Mayer, and M. White, *California's Wildlife, Volume II: Birds and Volume III: Mammals*, 1990. Available from [http://www.co.monterey.ca.us/planning/gpu/2007\\_GPU\\_DEIR\\_Sept\\_2008/Text/References/Zeiner1990a.pdf](http://www.co.monterey.ca.us/planning/gpu/2007_GPU_DEIR_Sept_2008/Text/References/Zeiner1990a.pdf).

breeding season, males migrate up the Pacific Coast and enter the bay. Sea lions are known to haul out at Pier 39 in Fisherman's Wharf, which is approximately 0.75 mile west of Pier 31½. During anchovy and herring runs, approximately 400 to 500 sea lions (mostly immature males) feed almost exclusively in the North and Central Bay<sup>124</sup> and could occasionally forage at Pier 31½ or Fort Baker. Pinnipeds, including California sea lions and harbor seals, may haulout on buoys in the vicinity of Pier 31½, and may use the Fort Baker pier. Other marine mammal species may be infrequent transient visitors at both sites.

## Terrestrial Biological Resources

### Setting

The terrestrial biological resources study area includes the entire upland footprint of the proposed project at both sites and all areas that may be directly or indirectly affected by the proposed project. Specifically, the study area at the Pier 31½ site includes the Pier 31 and Pier 33 bulkhead buildings, as well as the developed waterfront space between these piers. The study area at the Fort Baker site includes the above-water portions of the pier and the planned trail area.

### General Habitat Conditions

Pier 31½ is located in a developed urban area, as characterized using the California Wildlife Habitat Relationship System.<sup>125</sup> Vegetation is minimal, primarily consisting of ornamental landscaping and scattered trees and bushes in planter boxes. The areas surrounding Pier 31½ are minimally vegetated, with a few landscaped trees and bushes intermittently located along the adjacent promenade.

The Fort Baker Plan EIS<sup>126</sup> described the vegetation of Cavallo Point and the developed areas of Fort Baker as "Urban/Disturbed" as a result of historic use and landscape plantings. Developed areas of Fort Baker are bordered on three sides by undeveloped lands managed by the Park Service, and by Horseshoe Bay to the south. The hillside immediately west of the pier consists of coastal scrub dominated by coyote brush (*Baccharis pilularis*) and California sagebrush (*Artemisia californica*). Planted stands of Monterey cypress (*Cupressus macrocarpa*) are also located near the pier.<sup>127</sup>

---

<sup>124</sup> U.S. Fish and Wildlife Service, *Status and Trends Report on Wildlife of the San Francisco Estuary*, prepared under U.S. Environmental Protection Agency cooperative agreement CE-009519-0, January 1992, as cited in San Francisco Bay Area Water Emergency Transportation Agency and U.S. Department of Transportation, *Downtown San Francisco Ferry Terminal Expansion Project Final Environmental Impact Statement and Record of Decision/Environmental Impact Report*, Appendix D: Revised Agency Coordination and Consultation, September 2014. Available from <http://sanfranciscobayferry.com/sites/default/files/weta/currentprojects/DFTX/files/DFTXFinalEISEIR/Appendix%20D%20Agency%20Coordination.pdf>.

<sup>125</sup> California Department of Fish and Wildlife, California Wildlife Habitat Relationship System, version 8.2, California Interagency Wildlife Task Group, Sacramento, California, 2008. Available from <https://www.wildlife.ca.gov/Data/CWHR>.

<sup>126</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>127</sup> U.S. Fish and Wildlife Service, Species List Search of Project and Surrounding Quadrangles, <https://ecos.fws.gov/ipac/>, last updated October 11, 2012, accessed March 20, 2013.

### *Special Status Species*

Special status terrestrial species that have been documented in the California Natural Diversity Database search area<sup>128</sup> are presented in Appendix A, including a description of their habitat associations and potential to inhabit the study area. Most of the species are not expected to inhabit the study area because their required habitat is not present. At the Pier 31½ site, potential presence of special status species is limited to bat species and Migratory Bird Treaty Act-protected birds; these protected bats and birds may also be present at Fort Baker, in addition to the mission blue butterfly (*Icaricia icarioides missionensis*), California least tern (*Sterna antillarum browni*), and American badger (*Taxidea taxus*). These species with potential to occur are discussed further as follows.

Additional California Native Plant Species-ranked plant species are listed in Appendix A. Based on the current habitat conditions and the known range of these species, none of these have potential to inhabit the study area.

Populations of the mission blue butterfly and host species lupine have been recorded at several sites within the Marin Headlands and Fort Baker. While lupine is most commonly associated with coastal chaparral and grasslands, this species could potentially inhabit coastal scrub areas at Fort Baker.<sup>129</sup> The Park Service conducts annual surveys for the mission blue butterfly, which includes mapping lupine populations. Neither the mission blue butterfly or host lupine species have been recorded during these surveys within coastal scrub in the study area at Fort Baker.<sup>130</sup>

The federal and state endangered California least tern has been observed feeding in Horseshoe Bay.<sup>131</sup> This species is not expected to use the study area as nesting habitat.<sup>132,133</sup>

Numerous special status bat species are known to inhabit the Bay Area, and may potentially inhabit the vicinity of Fort Baker or Pier 31½. The California Natural Diversity Database lists occurrence of four bat species of special concern within the project and surrounding quadrangles, including the pallid bat (*Antrozous pallidus*), Townsend's big-eared bat, western red bat (*Lasiurus blossevillei*), and big free-tailed bat

---

<sup>128</sup> California Department of Fish and Wildlife, California Natural Diversity Database and U.S. Fish and Wildlife Service database search of project and surrounding quadrangles: San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South, 2017.

<sup>129</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>130</sup> Urban Wildlands Group, *Status and Variability of Mission Blue Butterfly Populations at Milagra Ridge, Marin Headlands, and Oakwood Valley*, 2012. Available from <http://www.urbanwildlands.org/Resources/MBBFinalLowRes.pdf>.

<sup>131</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>132</sup> California Department of Fish and Wildlife, California Natural Diversity Database and U.S. Fish and Wildlife Service database search of Project and surrounding quadrangles: San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South.

<sup>133</sup> California Department of Fish and Wildlife, *California Least Tern Breeding Survey 2015 Season*, 2016.



(*Nyctinomops macrotis*).<sup>134</sup> Townsend's big-eared bats and pallid bats may roost in abandoned or minimally occupied structures within the study area, western red bats may roost in trees, and big free-tailed bats may roost in trees or buildings.<sup>135,136</sup> Townsend's big-eared bats have been documented at buildings in the Marin Headlands, and western red bats have been observed in low abundance in San Francisco park and lake areas during 2009 surveys.<sup>137,138</sup> At Fort Baker, trees and buildings suitable for bat roosting are located away from the pier area. Pier 31½ lacks trees suitable for bat roosting, although bulkhead buildings planned for renovation may provide suitable roosting habitat for Townsend's big-eared bats, pallid bats, big free-tailed bats, or other bat species.

The American badger, a state species of special concern, has been observed at Wolfback Ridge in the vicinity of Fort Baker.<sup>139</sup> This species is typically associated with open, arid habitats, including grasslands within the Marin Headlands. American badgers may occasionally frequent coastal scrub habitats, possibly including those occurring adjacent to the study area at Fort Baker.

Migratory birds protected under the Migratory Bird Treaty Act may nest in trees, shrubs, or buildings within the Fort Baker or Pier 31½ sites. Trees at Fort Baker may provide nesting or roosting habitat for birds of prey, such as the great horned owl (*Bubo virginianus*), red-tailed hawk (*Buteo jamaicensis*), red-shouldered hawk (*Buteo lineatus*), and Cooper's hawk (*Accipiter cooperii*).<sup>140</sup> In addition, cliff swallows (*Hirundo pyrrhonota*) are known to nest on buildings at Fort Baker.<sup>141</sup> All owls, hawks, and swallows are protected by the Migratory Bird Treaty Act. Western and California gulls (*Larus occidentalis* and *Larus californicus*), which are also protected migratory birds, often nest on or under roofs of pier sheds and or pier decks.

There are three special status plant species (California Native Plant Species Rank 1 or 2 species) documented in the California Natural Diversity Database search area covering both the Pier 31½ and Fort Baker project sites: bristly sedge (*Carex comosa*); rose leptosiphon (*Leptosiphon rosaceus*), and beach layia

---

<sup>134</sup> California Department of Fish and Wildlife, California Department of Fish and Wildlife Natural Diversity Database search of the San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South USGS Quadrangles, December 30, 2012.

<sup>135</sup> Ibid.

<sup>136</sup> National Park Service, *Final Environmental Impact Statement for Extension of F-Line Streetcar Service to Fort Mason Center*, Document No. 641/106203a, February 2012.

<sup>137</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>138</sup> Krauel, J.K., *Foraging Ecology of Bats in San Francisco, California*, Master's thesis. San Francisco, California. San Francisco State University; Department of Biology, 2009.

<sup>139</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>140</sup> National Park Service, *Final Environmental Impact Statement for Extension of F-Line Streetcar Service to Fort Mason Center*, Document No. 641/106203a, February 2012.

<sup>141</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

(*Layia camosa*).<sup>142</sup> None of these species occur at the Pier 31½ site. Based on historic occurrences in the region and association with habitats at Fort Baker, three additional species are considered to have potential to inhabit the Fort Baker area: San Francisco wallflower (*Erysimum franciscanum*), San Francisco campion (*Silene verecunda* ssp. *verecunda*), and San Francisco lessingia (*Lessingia germanorum*).<sup>143</sup> Suitable habitat or microhabitat conditions specific to these species do not exist because of long-term disturbances associated with the Fort Baker site. Therefore, these California Native Plant Species-ranked species are unlikely to inhabit the immediate project area.<sup>144,145</sup>

**Impact BI-1: The proposed project could have a substantial adverse effect, either directly or through habitat modifications, on species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service. (Less than Significant with Mitigation)**

### **Managed Fish Species**

During construction, increases in underwater sound pressure levels as a result of pile driving may affect fish behavior, or cause injury. Pile driving may also temporarily disturb benthic sediments and increase suspended sediment levels (turbidity) in the immediate vicinity of the project sites during construction. Increased suspended sediment levels and associated loss of benthic or encrusting organisms may temporarily impact foraging opportunities for fish during construction.

Construction underwater noise and increased turbidity effects would be localized and temporary: at Pier 31½, pile driving would occur for a period of up to 6 days (for driving of up to 12 steel piles); and at Fort Baker, pile driving would occur for a period of up to 4 days (for driving up to 8 steel piles). The anticipated pile counts, pile types (size and material), and number of piles to be installed per day as part of the proposed project are identified in Table 32. All piles would be installed via impact hammer, with bubble curtains<sup>146</sup> installed to attenuate underwater sound levels.

---

<sup>142</sup> California Department of Fish and Game, California Department of Fish and Game Natural Diversity Database search of the San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South USGS Quadrangles, December 30, 2012.

<sup>143</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

<sup>144</sup> Ibid.

<sup>145</sup> National Park Service, *Final Environmental Impact Statement for Extension of F-Line Streetcar Service to Fort Mason Center*, Document No. 641/106203a, February 2012.

<sup>146</sup> A bubble curtain is a system set up around a construction activity that produces air bubbles originating from the bottom of the water column. When the bubbles of air (gas) are released, they act as a barrier (a curtain) breaking sound propagating through water due to the difference in density between air and water.

**TABLE 32**  
**PROPOSED PROJECT PILE DETAILS**

Project Site	Pile Diameter (inches)	Pile Type	Number of New Permanent Piles <sup>1</sup>	Piles Installed per Day <sup>2</sup>
Pier 31½	36	Steel	8	2-3
	24	Steel	4	2-3
Fort Baker	30 (for gangway landing)	Steel filled with concrete	4	2-3
	36 (for float)	Steel	4	2-3

1. Pile counts are approximate, based on preliminary designs and substrate conditions.
2. All piles to be installed via impact hammer with bubble curtain.

As described above, listed salmonids, including central California coast evolutionarily significant unit Coho salmon, central California coast distinct population segment steelhead trout, Central Valley distinct population segment steelhead trout, Sacramento River winter-run evolutionarily significant unit Chinook salmon, and Central Valley spring-run evolutionarily significant unit Chinook salmon, are seasonally present in the bay. Green sturgeon southern distinct population segment and longfin smelt are year-round residents in the San Francisco Bay, and may be present in the project area during construction. However, tagging studies on green sturgeon in the bay suggest that green sturgeon do not typically occur in areas along the waterfront for more than minutes to hours at a time,<sup>147</sup> and the project area lacks the quality forage and cover favored by green sturgeon. Longfin smelt are primarily present in the central Bay during the late summer months before migrating upstream in fall and winter.

If they are locally present during the short duration of activities (up to 6 days at Pier 31½ and 4 days at Fort Baker), pile driving may result in impacts to managed fish species. Impacts could include injury, abnormal behavior indicative of stress, or a startle response. Although managed fish species could occur in the vicinity of construction activities, the likelihood of injury or mortality is proportionate to the low likelihood of presence within the project area and the brief duration of construction. These responses are likely to diminish after a few pile strikes, or as fish leave the area.<sup>148</sup> The open water area of the San Francisco Bay surrounding the pile driving area of effect would provide startled fish sufficient area to escape from the area of potential mortality and injury to areas of reduced or eliminated behavioral effects. Therefore, elevated sound levels should not result in significant effects on these individuals. Areas adjacent to pile driving sites provide habitat of similar or higher quality and provide adequate carrying capacity to support individuals that are temporarily displaced during pile driving.

Furthermore, the area around Pier 31½ in particular is subject to ongoing commercial vessel activity, and pile driving would occur within areas already containing substantial solid fill and large numbers of existing piles surrounding the project site. This would serve to further reduce the likelihood of managed

<sup>147</sup> National Marine Fisheries Service, *Biological Opinion for the Downtown San Francisco Ferry Terminal Expansion Project, San Francisco, California*, June 30, 2014.

<sup>148</sup> Ibid.

fish species being present at this site. At Fort Baker, the small number of piles would also be driven adjacent to an existing pier.

Turbidity effects at from pile driving at Pier 31½ and Fort Baker would be short term and minor, as described in Section E.16, Hydrology and Water Quality. Pile driving may temporarily disturb benthic sediments and increase suspended sediment levels in the immediate vicinity of the project site during construction. Increased suspended sediment levels and associated loss of benthic or encrusting organisms may temporarily impact foraging opportunities. Temporary increases in suspended sediment may cause clogging of gills and feeding apparatuses of fish and filter feeders, if present. These impacts would be limited to the very short pile driving construction period. The likelihood of managed fish species' presence within areas affected by pile driving is low, as discussed above, would further encourage fish species to leave the pile driving area. Therefore, managed fish species would experience only negligible effects related to turbidity and suspended sediments.

Thus, based on the low number of piles being driven, the extremely short duration of pile driving activities, ongoing activity at the Pier 31½ site, proximity to existing structures, and use of bubble curtains, the proposed project would have less-than-significant impacts on managed fish species.

The Park Service, as lead federal agency for the proposed project, initiated formal consultation under the Endangered Species Act with the National Marine Fisheries Service during the National Environmental Policy Act process. This consultation concluded on October 3, 2017, with issuance of the Biological Opinion for the proposed project.<sup>149</sup> As part of the Endangered Species Act consultation, bioacoustic noise modeling was performed to assess the potential for the proposed project to cause adverse pile driving noise effects on managed fish species. The results of this evaluation are documented in the Biological Opinion. As part of the consultation, the Park Service agreed to implement additional measures to ensure the effects of pile driving remain less than significant. These are included as the following project improvement measures:

#### **Improvement Measure I-BI-1a: Pile Driving Work Windows**

Pile driving will occur between July 1 and November 30 at the Pier 31½ site and between July 1 and September 30 at the Fort Baker site.

---

<sup>149</sup> National Marine Fisheries Service, Endangered Species Act Section 7(a)(2) Biological Opinion and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response for the Alcatraz Ferry Embarkation Project (NPS File No. L76 [GOGA-PL]), October 3, 2017.

### **Improvement Measure I-BI-1b: Noise Monitoring Plan**

The project proponent will develop and implement a marine noise monitoring plan which would be subject to review and approval by the National Marine Fisheries Service. As part of this plan, the following measures will be implemented:

- *Equipment Controls:* The proposed project will be required to bring loud mechanical equipment online slowly (employ a "soft-start").
- *Noise Monitoring:* A trained acoustical specialist will conduct underwater noise monitoring during marine construction to ensure that pile driving noise levels do not exceed the levels identified through noise modeling for the proposed project. If noise levels are exceeded, the proposed project will implement cushion blocks in the hammer to reduce sound levels and prevent exceedance of the levels projected through noise modeling, and noise level exceedances will be reported to the National Marine Fisheries Service.

Based on the analysis presented above, impacts on managed fish species due to pile driving would be less than significant. Adherence to **Improvement Measures I-BI-1a, Pile Driving Work Windows, and I-BI-1b, Noise Monitoring Plan**, both of which were agreed to by the Park Service in consultation with the National Marine Fisheries Service, would further ensure that effects of pile driving would remain less than significant.

The installation of new docks would result in a small amount of shading over bay waters. Long-term overwater shading from docks and piers has historically been viewed as relatively neutral with respect to fish communities<sup>150</sup>; seasonal variance would likely have a much stronger effect on fish community composition compared to relatively minor changes in light gradients from gangways and floats. In-water fill from the proposed project would be minimal, limited to the small area required for additional support piles, floats, and gangways (approximate net fill of 0.06 acre at Pier 31½ and 0.04 acre at Fort Baker). The addition of artificial hard substrates (i.e., new piles) may minimally increase habitat area for encrusting organisms on which fish feed. The project proponent would be required to obtain permits from the U.S. Army Corps of Engineers, Regional Water Quality Control Board, and San Francisco Bay Conservation and Development Commission, and proposed project implementation would proceed in adherence with all conditions from these agencies. Effects to fish from shading and in-water fill, including to green sturgeon and longfin smelt, are therefore expected to be less than significant.

### **Marine Mammals**

Marine mammals have large home range; therefore, they are capable of avoiding use of some areas for short periods of time. Any marine mammals present in the general vicinity of the Pier 31½ and Fort Baker sites during construction would be able to detect the increased underwater sound pressure levels resulting from pile driving, and would be expected to temporarily avoid the construction area. The radii

---

<sup>150</sup> Naval Facilities Engineering Command and Unified Port of San Diego, *San Diego Bay Integrated Natural Resources Management Plan, Draft*, prepared by Tierra Data, Inc., Escondido, California, November 2011.

of possible impacts are described in full in the proposed project's Biological Opinion. Thus, similar to impacts on managed fish species, due to the extremely short pile driving duration, location of pile driving, low number of piles, and use of bubble curtains, the proposed project would result in less-than-significant impacts to marine mammals.

Bioacoustic noise modeling to evaluate the effects of pile driving on marine mammals was also developed during the Endangered Species Act consultation process. As also described in the Biological Opinion, to further ensure that underwater noise effects remain consistent with the levels anticipated through bioacoustics noise modeling, the project proponent would implement **Improvement Measure I-BI-1c, Marine Mammal Safety Zone**:

**Improvement Measure I-BI-1c: Marine Mammal Safety Zone**

The project proponent will maintain a 500-meter safety zone around sound sources in the event that the sound level is unknown or cannot be adequately predicted. This will be required at the onset of construction, prior to confirming noise levels through noise monitoring (as required through **Improvement Measure I-BI-1b, Noise Monitoring Plan**).

A qualified marine biologist on shore or by boat will survey the safety zone to ensure that no marine mammals are within the zone before pile driving begins. If a marine mammal is observed within the safety zone before pile driving begins, pile driving will be delayed until the marine mammals move out of the area.

If marine mammals enter the safety zone after pile driving of a segment has begun, pile driving will continue. The biologist will monitor and record the species and number of individuals observed, and make note of their behavior patterns. If the animal appears distressed, and if it is operationally safe to do so, pile driving will cease until the animal leaves the area. Prior to the initiation of each new pile driving episode, the area will again be thoroughly surveyed by the biologist.

Implementation of **Improvement Measure I-BI-1c, Marine Mammal Safety Zone**, would further lessen the proposed project's less-than-significant impacts on marine mammals.

## Terrestrial Mammals

At Fort Baker, buildings may provide roosting habitat for Townsend's big-eared bat, pallid bat, and big free-tailed bat; and trees may provide roosting habitat for Western red bat and big free-tailed bat. Fort Baker buildings and trees are located away from the area of direct impact associated with the proposed project, and the proposed project would not result in loss of any potential bat roosting habitat. Indirect construction impacts would largely be limited to noise effects, most significantly from pile driving, which would similarly occur away from building or tree habitat suitable for bat roosting. Furthermore, only Townsend's big-eared bat has any record of occurring within the project site or neighboring areas. Therefore, the proposed project is unlikely to affect any special status bat species potentially present at Fort Baker.

The bulkhead buildings at Pier 31 and Pier 33 within the Pier 31½ site may provide habitat to bat species that roost in buildings, potentially including the Townsend's big-eared bat, pallid bat, and big free-tailed bat. Renovations within the bulkhead buildings could result in direct mortality of special status bats roosting within the project site, if present. This would constitute a significant impact. **Mitigation Measure M-BI-1a, Avoidance and Minimization Measures for Special Status Bats at Pier 31½**, would be implemented to reduce impacts.

### **Mitigation Measure M-BI-1a: Avoidance and Minimization Measures for Special Status Bats at Pier 31½**

The project proponent will implement the following measures:

- Demolition within Pier 31 and 33 bulkhead buildings shall occur when bats are active, approximately between the periods of March 1 to April 15 and August 15 to October 15; outside of bat maternity roosting season (approximately April 15 – August 15) and outside of months of winter torpor (approximately October 15 – February 28), to the extent feasible.
- If demolition within Pier 31 and 33 bulkhead buildings during the periods when bats are active is not feasible, a qualified biologist will survey the project site to identify if active bat roosts being used for maternity or hibernation purposes are present. If so, a no disturbance buffer of 100 feet shall be established around these roost sites until they are determined to be no longer active by the qualified biologist.
- The qualified biologist shall be present demolition within Pier 31 and 33 bulkhead buildings if active bat roosts are present. Structures with active roosts shall be disturbed only when no rain is occurring or is forecast to occur for 3 days and when daytime temperatures are at least 50°F.
- Removal of structures containing or suspected to contain active bat roosts shall be dismantled under the supervision of the qualified biologist in the evening and after bats have emerged from the roost to forage. Structures shall be partially dismantled to significantly change the roost conditions, causing bats to abandon and not return to the roost.

Implementing **Mitigation Measure M-BI-1a, Avoidance and Minimization Measures for Special Status Bats at Pier 31½**, would reduce potential impacts on special-status bats to a less-than-significant level by

requiring preconstruction surveys and implementing avoidance measures if potential roosting habitat or active roosts are located.

The American badger is known to inhabit coastal scrub habitat within the vicinity of Fort Baker. Operational and construction noise effects from Fort Baker limited ferry service would have minimal noise impacts on surrounding coastal scrub and grassland habitats, as these habitats are located away from the pile driving and ferry operation areas. Noise impacts are not a primary threat to the American badger.<sup>151</sup> Due to the temporary nature of construction, infrequent nature of ferry operations at the site, and baseline noise levels, noise impacts to any American badgers potentially present in these habitats would be less than significant.

#### Birds

Special status bird species may be affected by increased noise levels, turbidity, or displacement during construction. Cliff swallows nest on the buildings at Fort Baker, and California least terns have been observed feeding in Horseshoe Bay and next to the jetties. California least terns are not known to nest at Fort Baker.<sup>152,153</sup> The Pier 31½ site lacks suitable habitat for Endangered Species Act-listed bird species, although Migratory Bird Treaty Act-protected birds may be present, including gull species which are known to nest on pier sheds and or pier decks.

Construction would include pile driving, which could increase turbidity in the area immediately around the piers at Fort Baker and Pier 31½. Increased turbidity may reduce in-water visibility, which could affect bird foraging. Underwater noise during pile driving is also anticipated to discourage presence of fish or other bird prey species from the project area. Pile driving impacts to bird foraging resulting from increased turbidity and noise would be minimal, localized, and temporary. Additionally, the extent of available foraging habitat in close proximity to the project area is large. Therefore, impacts from pile driving are expected to be less than significant.

Renovations to structures or scrubbing of vegetation could destroy active bird nests, if present. Construction noise may also disturb nesting birds. These effects would constitute a potentially significant impact. The project proponent would be required to implement **Mitigation Measure M-BI-1b, Nesting Bird Protection Measures**, to reduce potential impacts on nesting special status bird species during construction:

---

<sup>151</sup> Reid, F. and K. Helgen, *Taxidea taxus*, in IUCN 2013, *IUCN Red List of Threatened Species*, version 2013.1. Available from <http://www.iucnredlist.org/details/41663/0>.

<sup>152</sup> California Department of Fish and Wildlife, California Natural Diversity Database and U.S. Fish and Wildlife Service database search of Project and surrounding quadrangles; San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South, 2017.

<sup>153</sup> California Department of Fish and Wildlife, *California Least Tern Breeding Survey 2011 Season*, 2012. Available from <https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=48694>.



#### Mitigation Measure M-BI-1b: Nesting Bird Protection Measures

Nesting birds and their nests shall be protected during construction by use of the following measures:

- Removal of trees, scrub vegetation and structures shall occur outside the bird nesting season (February 1 to August 30), to the extent feasible.
- If removal of trees, scrub vegetation or structures during bird nesting season cannot be fully avoided, a qualified wildlife biologist shall conduct preconstruction nesting bird surveys within 7 days prior to the start of such activities or after any construction breaks of 14 days or more. Surveys shall be performed for the project site and suitable habitat within 250 feet of the project site in order to locate any active passerine (perching bird) nests and within 500 feet of the project site to locate any active raptor (birds of prey) nests or double-crested cormorant or heron rookeries.
  - At Pier 31½, if it is determined that bird nesting habitat is only present for gulls, surveys may be conducted actively during construction from April through August during gull nesting season. Any old nests, potential nests, or nests under construction (but not active) shall be removed.
- If active nests are located during the preconstruction bird nesting survey, the wildlife biologist shall evaluate if the schedule of construction activities could affect the active nests and the following measures shall be implemented based on their determination:
  - If construction is not likely to affect the active nest, it may proceed without restriction; however, a biologist shall regularly monitor the nest to confirm there is no adverse effect and may revise their determination at any time during the nesting season. In this case, the following measure would apply.
  - If construction may affect the active nest, the biologist shall establish a no disturbance buffer. Typically, these buffer distances are between 25 feet and 250 feet for passerines and between 300 feet and 500 feet for raptors. These distances may be adjusted depending on the level of surrounding ambient activity (e.g., if the project area is adjacent to a road or active trail) and if an obstruction, such as a building, is within line-of-sight between the nest and construction. For bird species that are federally and/or state-listed sensitive species (i.e., fully protected, endangered, threatened, species of special concern), a proposed project representative, supported by the wildlife biologist, shall consult with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife regarding modifications to nest buffers, prohibiting construction within the buffer, modifying construction, and removing or relocating active nests that are found on the site.
- Removing inactive passerine nests may occur at any time. Inactive raptor nests shall not be removed unless approved by the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife.

- Removing or relocating active nests shall be coordinated by the project representative with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife, as appropriate, given the nests that are found on site.
- Any birds that begin nesting within the project area and survey buffers amid construction activities are assumed to be habituated to construction-related or similar noise and disturbance levels and no work exclusion zones shall be established around active nests in these cases.

With incorporation of **Mitigation Measure M-BI-1b, Nesting Bird Protection Measures**, the proposed project would result in less-than-significant impacts on special status bird species.

#### Insects

The endangered mission blue butterfly is known to inhabit coastal chaparral and grasslands in close association with lupine in Marin County. These habitats, however, do not occur within the study area.<sup>154</sup> Therefore, construction and operations associated with Fort Baker limited ferry service would have no effect on the mission blue butterfly. There is no suitable habitat for special status insect species at Pier 31½, and there would be no impact to special status insects from proposed project construction or operation.

#### Plants

The entirety of improvements and operations associated proposed to occur at Pier 31½ would be constructed on existing developed and highly-utilized areas that do not provide habitat for special status plants. Areas surrounding Pier 31½ are similarly developed and devoid of special status plant species.

At Fort Baker, construction of the pedestrian pathway would displace existing vegetation along the proposed alignment. Existing ground cover in this area consists of disturbed or ornamental grass species and ruderal vegetation. Removal of this vegetation would result in no impacts to special status plant species. Ferry operations would not result in any greater impacts on vegetation. Therefore, the proposed project would result in no impacts on special status plants.

#### Summary

Based on the analysis presented above, the proposed project could result in significant impacts, either directly or through habitat modifications, on species identified as candidate, sensitive, or special-status in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service. The project proponent would be required to obtain and comply with all required resource agency permit conditions and to implement **Mitigation Measures M-BI-1a, Avoidance and Minimization Measures for Special Status Bats at Pier 31½**, and **M-BI-1b, Nesting Bird Protection Measures**, to reduce impacts to special status species to a less-than-significant level. The project

<sup>154</sup> Urban Wildlands Group, *Status and Variability of Mission Blue Butterfly Populations at Milagra Ridge, Marin Headlands, and Onkwood Valley*, 2012. Available from <http://www.urbanwildlands.org/Resources/MBBFinalLowRes.pdf>.

proponent would also implement Improvement Measures I-BI-1a, Pile Driving Work Windows, I-BI-1b, Noise Monitoring Plan, and I-BI-1c, Marine Mammal Safety Zone, to reduce potential less-than-significant impacts even further.

**Impact BI-2: The proposed project would not have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife. (Less than Significant)**

Sensitive natural communities present within the project areas at the Pier 31½ and Fort Baker sites are limited to aquatic habitats. No riparian habitat, or other upland sensitive natural communities would be affected by the proposed project.

Although the proposed project would result in permanent shading (net increase of approximately 4,100 square feet at Pier 31½ and approximately 2,100 square feet at Fort Baker), the new piles and floats could increase invertebrate habitat and species diversity, thereby increasing foraging opportunities for fish. Long-term shading impacts on aquatic habitats would be insignificant, due to the size of the increased shading area relative to existing overwater structures, the abundance of suitable and similar neighboring habitat in the area, and ongoing disturbance of the area by commercial and recreational activities under existing conditions. Potential construction impacts to aquatic habitats, including turbidity and underwater noise effects, would be short term and less than significant, as described in Impact BI-1. Therefore, for effects to aquatic habitats classified as essential fish habitat under the Magnuson-Stevens Fishery Conservation and Management Act, including the Coastal Pelagic, Pacific Groundfish, and Pacific Coast Salmon Fishery Management Plans, all impacts from construction and operation of the proposed project would be less than significant.

Eelgrass (a special aquatic site, as described in Section B, Project Setting) or other submerged aquatic vegetation has not been observed at Pier 31½.<sup>155,156,157</sup> Eelgrass has been observed in Horseshoe Bay, but outside the proposed project footprint (Figure 16). Proposed project activities would not affect these areas; therefore, the proposed project would not affect eelgrass.

---

<sup>155</sup> U.S. Army Corps of Engineers, *Agreement on Programmatic EFH Conservation Measures for Maintenance Dredging Conducted Under the LTMS Program*, June 9, 2011. Available from [http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential\\_fish\\_habitat/ltms\\_efh\\_full\\_signed\\_agreement\\_final\\_060911.pdf](http://www.westcoast.fisheries.noaa.gov/publications/habitat/essential_fish_habitat/ltms_efh_full_signed_agreement_final_060911.pdf).

<sup>156</sup> San Francisco Bay Subtidal Habitat Goals Project, *San Francisco Bay Subtidal Habitat Goals Report*, 2010. Available from <http://www.sfbaysubtidal.org/report.html>.

<sup>157</sup> California Department of Fish and Wildlife, CDFW BIOS Viewer Eelgrass Dataset, last updated May 4, 2016, including San Francisco Bay data from Merkel & Associates (2014).

**Impact BI-3:** The proposed project would not have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means. (No Impact)

There are no wetlands located within or adjacent to the Pier 31½ or Fort Baker sites; therefore, the proposed project would have no impact.

**Impact BI-4:** The proposed project would not interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites. (Less than Significant with Mitigation)

Both the Pier 31½ and Fort Baker sites contain aquatic habitat that may support migratory fish or marine mammal species, as well as nesting migratory birds protected by the Migratory Bird Treaty Act. As discussed in Impact BI-1, buildings at Pier 31½ may also support nesting bats. The proposed improvements would not create any barriers to movement or migration, and would not permanently affect native wildlife nursery sites. With implementation of Improvement Measures I-BI-1a, Pile Driving Work Windows, I-BI-1b, Noise Monitoring Plan, and I-BI-1c, Marine Mammal Safety Zone, any potential impacts to fish or marine mammal movement from temporary construction noise would be reduced to a less-than-significant level. No other construction impacts to movement or migration are anticipated. With implementation of Mitigation Measures M-BI-1a, Avoidance and Minimization Measures for Special Status Bats at Pier 31½, and M-BI-1b, Nesting Bird Protection Measures, proposed project impacts to bat and bird nesting from construction would be reduced to a less-than-significant level.

**Impact BI-5:** The proposed project would not conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance. (Less than Significant)

The proposed project would not require tree removal and would therefore not conflict with City and County of San Francisco Tree Protection Legislation (including San Francisco Public Works Code Section 8.02-8.11, which requires disclosure and protection of protected trees), the Marin County Native Tree Protection and Preservation Ordinance, or the City of Sausalito Tree and View Preservation Ordinance. There are no other local policies or ordinances for protecting biological resources that are applicable to the project sites at Pier 31½ and Fort Baker. Therefore, the proposed project would result in less-than-significant impacts related to potential conflicts with local policies or ordinances protecting biological resources.

**Impact BI-6:** The proposed project would not conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. (No Impact)

There are no adopted Habitat Conservation or Natural Community Conservation plans for the City and County of San Francisco, or for Marin County and Sausalito. The California Eelgrass Mitigation Policy applies to any activities in California which may adversely affect eelgrass. As noted in Impact BI-2, the proposed project would not affect eelgrass, and therefore would not conflict with the California Eelgrass Mitigation Policy. The proposed project would have no impact associated with conflicting with any habitat conservation plans.

**Impact C-BI:** The proposed project in combination with other past, present or reasonably foreseeable projects, could result in significant impacts to biological resources. (Less than Significant with Mitigation)

The geographic context for the analysis of cumulative impacts on biological resources generally encompasses the waters surrounding the project sites and considers the projects listed in Table 6. There are no known projects under development within 0.25 mile of Fort Baker. There are three potential cumulative projects in the vicinity of the Pier 31½ site listed in Table 6 that could affect biological resources: ongoing Port pier maintenance dredging; ongoing routine repair and maintenance of Port facilities; and the Pier 43½ project (Red and White Ferry Embarkation Improvements). As is the case for the proposed project, construction and operation of these projects would be required to comply with applicable state and federal regulations protecting special status species, which would reduce the potential for cumulative impacts on biological resources.

Without project-specific mitigation, the contribution of the proposed project to significant cumulative biological resources impacts could be considerable, due to the proposed project's potential to cause significant, project-specific impacts on sensitive biological resources. However, implementing **Mitigation Measures M-BI-1a, Avoidance and Minimization Measures for Special Status Bats at Pier 31½, and M-BI-1b, Nesting Bird Protection Measures**, would avoid or substantially minimize the proposed project's effects on special status species. **Improvement Measures I-BI-1a, Pile Driving Work Windows, I-BI-1b, Noise Monitoring Plan, and I-BI-1c, Marine Mammal Safety Zone**, would also further reduce potential impacts. As a result, these measures would reduce the proposed project's contribution to cumulative impacts on biological resources to a less-than-cumulatively-considerable level with mitigation (less than significant with mitigation).

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>14. GEOLOGY AND SOILS— Would the project:</b>					
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:					
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Special Publication 42.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The project sites would not be located on expansive soil; therefore, Initial Study Checklist criterion E.14(d) is not applicable to the proposed project. The proposed project would connect to existing sewer and stormwater collection and treatment systems and would not use a septic water disposal system; therefore, Initial Study Checklist criterion E.14(e) is not applicable to the proposed project.

**Impact GE-1:** The proposed project would not result in exposure of people and structures to potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, seismic ground-shaking, liquefaction, lateral spreading, or landslides. (Less than Significant)

#### Pier 31½

The proposed project site at Pier 31½ and the greater San Francisco waterfront area would experience violent or very strong ground shaking (Modified Mercalli Intensity Unit VIII to IX) in the event of a large earthquake along the San Andreas or Hayward faults (modeled as magnitude 7.5 and 6.9, respectively).<sup>158</sup> Additionally, the area has been mapped as a high liquefaction hazard area, with liquefaction likely to be triggered by strong ground shaking. Seismically induced ground shaking or liquefaction may result in structural damage and possible injury or loss of life. Given the age of the existing piers and structures at Pier 31½, it is anticipated that a large earthquake could potentially result in damage to existing structures and potential harm to users.

Fill materials and bay muds underlie Pier 31½ and may be susceptible to seismically-induced settlement. In the absence of site-specific subsurface information, the precise potential for ground subsidence is not known. Most fills along this section of the San Francisco waterfront are old and were not constructed using currently-required engineering methods. However, because of the site's relative age, most fill compression has likely occurred as a result of natural compression. In the event of a large seismic event, there may be some localized settlement associated with liquefaction. Fill materials are not expected to have expansive properties, and damage due to soil expansion is unlikely. The San Francisco waterfront is relatively flat in the vicinity of Pier 31½. Therefore, landslides in this area are not likely, and the site has not been delineated as within an earthquake-induced landslide zone. Impacts associated with landslides or slope failure are unlikely.

The proposed project would include a retrofit of existing structures at the Pier 31½ site to address seismic hazards and minimize their potential impacts. The design and construction of these improvements would adhere with applicable laws and policies related to seismic safety requirements. Therefore, with implemented retrofits and improvements to the structure, the proposed project would reduce potential for substantial adverse effects resulting from seismic hazards at Pier 31½ as compared to existing conditions, and impacts would be considered less than significant.

#### Fort Baker

Fort Baker would experience moderate to very strong ground shaking (Modified Mercalli Intensity Unit VI-VIII) in the event of a large seismic event along the San Andreas or Hayward faults (modeled as magnitude 7.5 and 6.9, respectively).<sup>159</sup> Earthquake-induced ground shaking could potentially damage

---

<sup>158</sup> Association of Bay Area Governments, Interactive Future Earthquake Shaking Scenarios Map, <http://gis.abag.ca.gov/website/Hazards/?hlyr=northSanAndreas>, accessed March 18, 2013.

<sup>159</sup> Ibid.

structures and result in injury. The Fort Baker pier area has a very low susceptibility to liquefaction.<sup>160</sup> Therefore, impacts due to liquefaction from improving the Fort Baker pier are unlikely. Underlying materials at Fort Baker include natural deposits of gravelly loam and fill materials, which may be susceptible to seismic-induced settlement.<sup>161</sup> However, because of their age, most fill compression at Fort Baker has likely occurred already, as evidenced by a relative lack of apparent surface distress in areas of the site likely underlain by fill.

The proposed project would include a retrofit of the existing Fort Baker pier to address seismic hazards and minimize potential impacts. The design and construction of these improvements would adhere with applicable laws and policies related to seismic safety requirements. Therefore, with implemented retrofits and improvements to the structure, the proposed project would reduce potential for loss, injury, or death resulting from seismic hazards at Fort Baker as compared to existing conditions, and impacts would be considered less than significant.

**Impact GE-2: The proposed project would not result in substantial loss of topsoil or erosion. (Less than Significant)**

Construction of the proposed project at the Pier 31½ site would not expose topsoil, as all construction would occur on the pier or in the water. Construction of the proposed project at Fort Baker would include construction of a trail. Because the proposed project site (including the proposed trail area) is flat and trail construction would involve minor grading of surficial soils, construction activities would not result in substantial soil erosion. In addition, the construction contractor would be required to implement best management practices to prevent erosion and discharge of soils into stormwater runoff (see Section E.15, Hydrology and Water Quality). This impact would be less than significant.

**Impact GE-3: The proposed project would not be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse. (Less than Significant)**

Fill materials and bay muds underlie the proposed project sites and may be susceptible to seismically induced settlement, most likely associated with seismically induced liquefaction. In the event of an earthquake, there may be some localized settlement associated with liquefaction. However, construction and operation of the proposed project would not result in additional risk over existing conditions based on adherence to building codes and improvements, and proposed project design details discussed in Impact GE-1. Therefore, impacts would be less than significant.

---

<sup>160</sup> Association of Bay Area Governments, Liquefaction Susceptibility Maps, <http://gis.abag.ca.gov/website/Hazards/?hlyr=liqSusceptibility>, last modified January 3, 2013, accessed March 18, 2013.

<sup>161</sup> National Resources Conservation Service, Web Soil Survey Search of Project Area, <https://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx>, last modified February 17, 2012, accessed March 18, 2013.



**Impact GE-4: The proposed project would not indirectly destroy a unique paleontological resource or site or unique geologic feature. (Less than Significant)**

As discussed above, fill materials and bay muds underlie the proposed project sites. There are no unique geological features on or near the sites.<sup>162</sup> Native sediments may be found under the fill but construction would not expose such sediment. Due to its geomorphological history, the proposed project sites are not likely to contain any fossils other than invertebrate fossils that are in a re-deposited context. Therefore, it is very unlikely that any fossil that is unique or scientifically significant is present, and impacts would be less than significant.

**Impact C-GE: The proposed project would not make a considerable contribution to any cumulative significant effects related to geology or soils. (Less than Significant)**

The geographic scope of potential geology and soils impacts are generally restricted to the project sites and immediate vicinity because related impacts are relatively localized or even site-specific. As discussed above, the proposed project would result in less-than-significant impacts related to geology and soils. Nearby cumulative development projects would be subject to the same seismic safety standards and design review procedures applicable to the proposed project. Compliance with the seismic safety standards and the design review procedures would ensure that the effects from nearby development projects would also be less than significant. The effects of each project would be restricted to its immediate vicinity. Impacts on paleontological resources are also site-specific and generally do not combine with impacts of other projects. As discussed above, the proposed project would not affect any unique paleontological resources, and thus would not combine with impacts of any other projects on such resources. For these reasons, the proposed project would not combine with past, present, and reasonably foreseeable future projects in the project vicinity to create a significant cumulative impact related to geology and soils or to unique paleontological resources.

---

<sup>162</sup> Schlocker, Julius, Geology of the San Francisco North Quadrangle, California, Geological Survey Professional Paper 782, 109 pp., 1974. Available from <https://pubs.usgs.gov/pp/0782/report.pdf>.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>15. HYDROLOGY AND WATER QUALITY— Would the project:</b>					
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other authoritative flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The proposed project would not construct housing; therefore, Topic E.15(g) is not applicable to the proposed project.

**Impact HY-1:** The proposed project would not violate any water quality standards or waste discharge requirements and would not otherwise substantially degrade water quality. (Less than Significant)

All waters of the United States, including San Francisco Bay, are subject to regulation by the San Francisco Bay Regional Water Quality Control Board (RWQCB) pursuant to Section 401 of the Clean Water Act. Waters of the United States generally correspond to those waters delineated as federally jurisdictional pursuant to Section 404 of the Clean Water Act. In California, the Porter-Cologne Act is the principal law governing water quality regulation. It establishes a comprehensive program to protect water quality and the beneficial uses of water. The Porter-Cologne Act applies to surface waters, wetlands, and ground water and to both point and nonpoint sources of pollution. Regulatory standards and objectives for water quality in the Bay are established in the Water Quality Control Plan for the San Francisco Bay Basin, commonly referred to as the Basin Plan.<sup>163</sup> The Basin Plan identifies existing and potential beneficial uses for surface and ground waters and provides numerical and narrative water quality objectives designed to protect those uses.

The open tidal waters of the San Francisco Bay below the highest astronomical tide are subject to regulation under Section 404 of the Clean Water Act. Those waters below the Mean High Water elevation are also regulated under Section 10 of the Rivers and Harbor Act. Under Section 401 of the Clean Water Act, every applicant for a federal permit or license for any activity that may result in a discharge to a water of the United States must obtain a State Water Quality Certification from the RWQCB that the proposed activity will comply with state water quality standards.

## **Construction**

Proposed project construction would involve driving hollow steel piles for installation of the gangways and floats for the new berths at each project site. A total of 12 piles would be installed at Pier 31½ and eight piles at Fort Baker. Pile driving may disturb sediments and result in temporary localized increases in turbidity, releases of chemicals in the sediment, increases in dissolved oxygen, and changes to pH in the water column. However, the San Francisco Bay is a naturally turbid estuary.<sup>164</sup> Potential impacts on water quality would be short-term, as pile driving operations are only expected to last a matter of days, and conditions would quickly return to baseline levels after pile driving activities are completed. In addition, construction of the proposed project would comply with all local, state, and federal permits, including San Francisco Bay Conservation and Development Commission, U.S. Army Corps of Engineers, and San Francisco Regional Water Quality Control Board requirements. Applicable permit and plan conditions are expected to lay out requirements for maintaining water quality during construction, including but not limited to minimizing turbidity, managing trash, and handling fuels and chemicals. Through issuance of the building permit, the proposed project construction at Pier 31½ would also be

---

<sup>163</sup> San Francisco Bay Regional Water Quality Control Board (RWQCB), *Water Quality Control Plan for the San Francisco Bay Basin (Basin Plan)*, May 4, 2017. Available online at [https://www.waterboards.ca.gov/sanfranciscobay/water\\_issues/programs/planningtmdls/basinplan/web/docs/BP\\_all\\_chapters.pdf](https://www.waterboards.ca.gov/sanfranciscobay/water_issues/programs/planningtmdls/basinplan/web/docs/BP_all_chapters.pdf).

<sup>164</sup> CALFED Bay-Delta Program, *Water Quality Program Plan Final Programmatic EIS/EIR*, July 2000.

required to comply with the Port of San Francisco's standard best management practice for debris and stormwater management during construction, which require the following:

#### Debris Management

- Closed debris containment booms, floating debris screens, and/or absorbent booms will be positioned beneath and alongside work areas whenever possible. During construction, the barges performing the work will be moored in a position to capture and contain the debris generated during any sub-structure or in-water work. Care will be taken to minimize debris falling into the water. In the event that debris does reach the bay, personnel in workboats will immediately retrieve the debris for proper handling and disposal. For small-scale over-water repairs and maintenance, tarps, tubs and/or vacuums will be used as appropriate to catch sawdust, debris, and drips.
- All construction material, wastes, debris, sediment, rubbish, trash, fencing, etc., will be removed from the site on a regular basis during work and at project completion. Debris will be transported to an authorized disposal area.

#### Stormwater Management

- Minimal ground disturbance is anticipated since the proposed activities focus on maintenance and repair of existing hard-surfaced structures. Where ground disturbance is necessary, construction crews will reduce the footprint of disturbance to the minimum necessary to complete the project.
- Construction material that could wash or blow away will be covered every night and during any rainfall event.
- Construction materials will be stored in an area that does not freely drain to the bay, free from standing water and wet soil, and protected from rain. If necessary, materials will be stored on skids or support timbers to keep them off the ground.
- Adequate erosion control supplies (sand bags, wattles, shovels, etc.) shall be kept on site and during all construction activities to ensure materials are kept out of water bodies.

No grading would occur as part of the proposed project at the Pier 31½ site. Landside improvements at the Fort Baker site could require minimal grading over a maximum area of 0.35 acre to create a trail. Fuels and other chemicals used during construction at both sites, as well as hazardous building materials (i.e., lead-based paint, asbestos, and polychlorinated biphenyl-containing materials) encountered during demolition at the Pier 31½ site, could potentially degrade Bay water quality if improperly handled or spilled. Specific to Clean Water Act Section 303(d) listed pollutants for the Central San Francisco Bay,<sup>165</sup> while heavy metals and polychlorinated biphenyl-containing materials may be found in fill soils or building materials on site, the proposed project would not involve extensive grading at the Fort Baker site

---

<sup>165</sup> State Water Resources Control Board and Regional Water Quality Control Board, *2010 Integrated Report on Water Quality with Web-Based Interactive Map*, April 2010. Available from [http://www.waterboards.ca.gov/water\\_issues/programs/tmdl/integrated2010.shtml](http://www.waterboards.ca.gov/water_issues/programs/tmdl/integrated2010.shtml).

and would not involve any grading at the Pier 31½ site, which would reduce potential for release of hazardous materials in on-site soils. Building materials would be handled and disposed of in accordance with applicable hazardous materials regulations and permit conditions. Construction at Pier 31½ and Fort Baker would occur in adherence with site-specific Spill Prevention, Control, and Countermeasure Plans required as part of the concessioner agreement for both sites. As outlined above, the proposed project would comply with standard Port construction best management practices for water quality and similar construction contract requirements at Fort Baker. Construction activities within and over the Bay would be subject to the requirements of permits issued by the US Army Corps of Engineers under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act that would receive water quality certification from the RWOCB under Section 401 of the Clean Water Act. The permits would specify the best management practices, such as those described above, for the protection of water quality. Implementation of water quality control measures proposed as part of the project and enforced through compliance with permit requirements would ensure that water quality impacts related to construction activities within and over the Bay would be less than significant. As such, there would be minimal potential for impacts on water quality from construction of the proposed project related to Section 303(d)-listed pollutants.

Given the relatively high natural turbidity of the San Francisco Bay, the localized nature of impacts, the lack of any excavation or significant earthwork, and compliance with all permits and regulations, construction would not substantially degrade water quality and impacts would be less than significant.

## **Operations**

Ferry operations have the potential to impact water quality from potential pollutant discharges of hazardous materials, including chemicals and solvents used onboard, boat cleaning and maintenance materials, fuels, bilge or ballast water, sewage from toilets, and gray water, and trash from passengers and visitors. Under the proposed project, the number of peak day ferry trips from the Pier 31½ site would increase from 27 to 29, and limited ferry service would be introduced at Fort Baker. Ferry operations at both the Pier 31½ and Fort Baker sites would adhere with plans and policies designed to address potential water quality impacts. Consistent with past practices at the Pier 31½ site, proposed project operations would obtain coverage under the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Industrial Activities. In accordance with the requirements of the project's National Pollutant Discharge Elimination System permit, the project proponent would be required to prepare and implement a Stormwater Pollution Prevention Plan for operations at the Pier 31½ site and the Park Service would prepare a Stormwater Pollution Prevention Plan for operations at the Fort Baker site. The Stormwater Pollution Prevention Plan would identify pollutant sources within the site and provide site-specific best management practices regarding control of sediments in runoff and storage and use of hazardous materials to prevent discharge of pollutants into stormwater. For the Pier 31½ site, the Stormwater Pollution Prevention Plan would additionally conform with the San Francisco Public Works Code Section 147.2 to minimize stormwater runoff impacts. For the Pier 31½ and Fort Baker sites, respectively, the project proponent and the Park Service would also adhere

to site-specific Spill Prevention Control and Countermeasure Plans or equivalent plans that would address protecting water quality through implementation of best management practices, hazardous materials storage and handling protocols, and spill prevention and cleanup procedures.

Vessel fueling at Pier 31½ under the proposed project would continue consistent with past practices, where fuel is brought to the site via truck to directly fuel the ferries. This activity would continue in adherence with applicable regulations, including Coast Guard regulations (33 CFR 156.120 and 33 CFR 155.320). Any spills would be cleaned up immediately using spill response equipment as identified in the Spill Prevention Control and Countermeasure Plan. The Coast Guard maintains a Marine Environmental Protection Division whose primary mission includes containment and cleanup of oil discharges and hazardous substances introduced into navigable waters in coordination with other local, state, and federal agencies.

Ferries do not typically take on or discharge large quantities of ballast water. Nonetheless, any such actions would occur in compliance with federal and state regulations, including the Vessel General Permit and Ballast Water Management for Control of Nonindigenous Species Act. These actions would minimize the potential for introducing invasive aquatic species, which are a Section 303(d)-listed pollutant, and protect Bay waters from other pollutants present in ballast water. Furthermore, ferries servicing the proposed project sites would only operate in the bay; as such, water quality impacts associated with increased invasive marine species would not be expected.

Sanitary sewage from ferries would be subject to the requirements of the MARPOL convention and Section 312 of the Clean Water Act, which include requirements for onboard marine sanitation devices, as well as for storage and discharge of sewage, treatment of sewage, and disinfection of sewage. Sewage systems onboard the ferries would be self-contained and would pump off into the San Francisco Public Utilities Commission combined sewer system in San Francisco.

Due to the proximity of Pier 31½ and Fort Baker to the bay, litter from visitors at the sites could potentially enter the bay. The ferry operator would be responsible for implementation of a trash collection and management program, and waste management at both proposed project sites would proceed in adherence with all applicable federal, state, and local regulations for waste management and disposal. At Pier 31½, design of new facilities must comply with the City's Zero Waste requirements, including providing space and access to ensure convenient recycling and composting. Solid waste collection and disposal services would continue to be provided by existing service providers.

The proposed project would be required to comply with San Francisco's Stormwater Management Requirements and Design Guidelines,<sup>166</sup> which regulate the volume and quality of stormwater discharged from the site into the public combined stormwater and sewer collection system. Compliance with the

---

<sup>166</sup> San Francisco Public Utilities Commission, *Stormwater Management Requirements and Design Guidelines*, May 2016. Available from <http://www.sfwater.org/Modules/ShowDocument.aspx?documentID=9026>.

2016 Stormwater Management Requirements and Design Guidelines would ensure that discharges comply with current standards. Wastewater at the site would continue to be discharged into the combined system, as discussed in Section E.11, Utilities and Service Systems.

While the proposed project would result in a minor increase in the number of ferry trips from the Pier 31½ site compared to existing conditions and would introduce limited ferry service to Fort Baker, development of required plans and compliance with regulations as detailed above would ensure that water quality impacts associated with long-term operations of the proposed project would be less than significant.

**Impact HY-2: The proposed project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or lowering of the local groundwater table. (No Impact)**

The proposed project neither involves excavation to depths that would affect aquifer systems or groundwater movement nor includes the construction of substantial new impervious surfaces that would impede groundwater recharge. Therefore, no impacts related to groundwater would occur from the proposed project.

**Impact HY-3: The proposed project would not substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site. (Less than Significant)**

The proposed project would modify and upgrade the existing on-site stormwater drainage system at Pier 31½ to accommodate the proposed improvements and provide lateral connections to the existing municipal sewer system. Although the proposed project includes resurfacing at Pier 31½, the entirety of the existing site is already developed with impervious surfaces; therefore, the proposed project would not alter the existing drainage pattern or result in any soil erosion. The proposed project would comply with the San Francisco Storm Water Management Requirements and Design Guidelines,<sup>167</sup> including measures pertaining to utility connections, drainage patterns, and impermeable surfaces. Therefore, there would be less-than-significant impacts from drainage pattern changes at the Pier 31½ site.

At Fort Baker, stormwater is currently conveyed via a trunkline system consisting of catch basins, pipes, and concrete-lined swales. Stormwater is gathered and conveyed via gravity flow to four major storm drain outfalls along the seawall at Horseshoe Bay.<sup>168</sup> No significant upland infrastructure would be installed to support limited ferry service to Fort Baker; a new pedestrian pathway would be constructed to connect Cavallo Point Lodge and the Bay Area Discovery Museum with the repaired pier. The pedestrian pathway would cover an area of approximately 0.35 acre, and would be constructed with

---

<sup>167</sup> Ibid.

<sup>168</sup> National Park Service, *Fort Baker Plan Final Environmental Impact Statement*, October 1999. Available from <http://parkplanning.nps.gov/document.cfm?parkID=303&projectID=20244&documentID=20847>.

permeable surfaces (e.g., gravel). These improvements are not anticipated to alter the existing drainage pattern or otherwise result in changes that would contribute substantial erosion.

Based on the analyses presented above, the proposed project would result in less-than-significant impacts related to erosion or siltation from drainage pattern alterations.

**Impact HY-4: The proposed project would not substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site. (Less than Significant)**

As described under Impact HY-3, the proposed project would result in no substantial alterations to drainage patterns. The Pier 31½ site is entirely paved and the proposed improvements would not increase the amount of impermeable surfaces. New construction would be designed and constructed with drainage infrastructure that complies with the San Francisco Storm Water Management Requirements and Design Guidelines and other applicable regulations. Proposed improvements at Fort Baker include constructing a permeable trail (as described in Impact HY-3), which is not anticipated to affect stormwater runoff. Although Pier 31½ is within a Federal Emergency Management Agency-delineated 100-year flood plain,<sup>169</sup> and the Fort Baker site may be subject to inundation during large storm events, the proposed project would not alter existing drainage patterns in any way that exacerbates existing flood hazards. Therefore, there would be less-than-significant impacts related to flooding from altering existing drainage patterns.

**Impact HY-5: The proposed project would not create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. (Less than Significant)**

As described under Impact HY-3, proposed improvements at Pier 31½ would not increase impermeable surface areas and therefore would not increase stormwater runoff from the site. New construction would be designed and constructed in compliance with the San Francisco Stormwater Management Requirements and Design Guidelines, including requirements to reduce runoff. Proposed improvements at Fort Baker include construction of permeable surfaced trail, which is not anticipated to affect stormwater runoff volume or quality.

Both proposed project sites are adequately served by existing stormwater drainage facilities. Compliance with applicable regulations, as detailed under Impact HY-1, would ensure that proposed project operations neither introduce nor contribute substantial inputs of polluted runoff.

---

<sup>169</sup> Federal Emergency Management Agency, Flood Insurance Rate Map, City and County of San Francisco, California, panel number 120 of 260, 2013. Available from [http://sfgov.org/sfc/riskmanagement/Modules/ShowImage\\_5bf6.jpg?imageid=2672](http://sfgov.org/sfc/riskmanagement/Modules/ShowImage_5bf6.jpg?imageid=2672).



For these reasons, the proposed project would result in less-than-significant impacts related to exceeding the capacity of stormwater drainage systems or providing substantial additional sources of polluted runoff.

**Impact HY-6: The proposed project would not place within a 100-year flood hazard area structures that would impede or redirect flood flows. (No Impact)**

Pier 31½ is within a Federal Emergency Management Agency-delineated 100-year flood plain, and waterfront flooding could occur in this area.<sup>170</sup> Replacement piles or small structures constructed on the pier would not impede or redirect flood flows. Federal Emergency Management Agency flood maps do not include information for the Fort Baker pier area; however, waterfront areas in adjacent Sausalito and the Marin Headlands are mapped by the Federal Emergency Management Agency as occurring with the 100-year flood zone.<sup>171</sup> As such, the Fort Baker pier area would likely be subject to similar inundation. Construction of the proposed trail and pier improvements (e.g., new piles and floats) would not impede or redirect flood flows.

Based on the analyses presented above, there would be no impact related to redirecting or impeding flood flows resulting from the proposed project.

**Impact HY-7: The proposed project would not expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam. (Less than Significant)**

Pier 31½ and Fort Baker are not located in areas where there are levees or dams, or in any dam inundation zones. Therefore, exposure to risk of flooding from the failure of a levee or dam is not applicable to the proposed project.

As described above, Pier 31½ is within a Federal Emergency Management Agency-delineated 100-year flood plain, and the Fort Baker pier area may be subject to inundation during large storm events. Under the U.S. Geological Survey-predicted sea level rise scenario of 100 centimeters (29 inches), the proposed outdoor program area at Pier 31½ and the beach areas northeast and southwest of the Fort Baker pier would be vulnerable to inundation during a 100-year flood event. The areas vulnerable to inundation would further increase under the U.S. Geological Survey sea level rise scenario of 150 centimeters (59 inches).<sup>172</sup>

---

<sup>170</sup> Ibid.

<sup>171</sup> Federal Emergency Management Agency, Flood Insurance Rate Map, Marin County Unincorporated and Incorporated Areas, California, panel number 528 of 531, 2014. Available from <http://www.ci.sausalito.ca.us/modules/showdocument.aspx?documentid=15111>.

<sup>172</sup> U.S. Geological Survey, *Potential Inundation due to Rising Sea Levels in the San Francisco Bay Region*, updated December 14, 2014, accessed September 6, 2017. Available from <https://cascade.wr.usgs.gov/data/Task2b-SFBay/index.shtm>.

Although the proposed project would result in increased visitation to both the Pier 31½ and Fort Baker, weather advisories and flood warning systems would provide adequate time for site visitors to evacuate. At Pier 31½, the proposed project would not alter the flooding risk for the existing bulkhead buildings and piers, and would only construct floating docks and several small structures on the marginal wharf. At Fort Baker, no new upland structures are proposed. The proposed improvements and operations at both sites would not increase the exposure of individuals or structures to substantial risks of loss, injury, or death involving flooding. Therefore, impacts related to flood risk as a result of the proposed project would be less than significant.

**Impact HY-8: The proposed project would not expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow. (Less than Significant)**

The Pier 31½ and Fort Baker sites are not located near geologic conditions that would generate mudflow (e.g., not in mountainous areas or near channelized features).

A seiche is caused by oscillation of the surface of an enclosed body of water during an earthquake such as San Francisco Bay due to an earthquake or large wind event. Seiches can result in long-period waves that cause run-up or overtopping of adjacent land masses, similar to a tsunami.

Pier 31½ and Fort Baker are within the tsunami inundation area, as delineated on the state's tsunami inundation maps.<sup>173,174</sup> The primary tsunami threat in San Francisco Bay is from distant earthquakes along subduction zones elsewhere in the Pacific basin. By the time a tsunami enters the bay, its impacts would be reduced compared to those on the open coast, likely involving just a few feet of inundation. In an extreme worst-case scenario involving a rupture of the Alaska-Aleutians subduction zone, waves at Pier 31½ could reach as high as 10.17 feet.<sup>175</sup> Tsunami-induced wave height increases have not been estimated for Marin County coastal areas within the bay, such as Fort Baker.<sup>176</sup>

The National Oceanic and Atmospheric Administration operates the tsunami warning system that serves both San Francisco and Marin counties, among other areas.<sup>177</sup> Tsunami warning procedures for the counties of San Francisco and Marin are provided in their respective tsunami emergency response

---

<sup>173</sup> California Emergency Management Agency, *California Geological Survey University of Southern California, 2009, Tsunami Inundation Map for Emergency Planning, San Francisco, 2009*. Available from [http://www.conservation.ca.gov/cgs/geologic\\_hazards/Tsunami/Inundation\\_Maps/SanFrancisco/Documents/Tsunami\\_Inundation\\_SF\\_Overview\\_SanFrancisco.pdf](http://www.conservation.ca.gov/cgs/geologic_hazards/Tsunami/Inundation_Maps/SanFrancisco/Documents/Tsunami_Inundation_SF_Overview_SanFrancisco.pdf).

<sup>174</sup> California Emergency Management Agency, *California Geological Survey University of Southern California, 2009, Tsunami Inundation Map for Emergency Planning, San Francisco North Quadrangle, 2009*. Available from [http://www.conservation.ca.gov/cgs/geologic\\_hazards/Tsunami/Inundation\\_Maps/Marin/Documents/Tsunami\\_Inundation\\_SanFranciscoNorth\\_Quad\\_Marin.pdf](http://www.conservation.ca.gov/cgs/geologic_hazards/Tsunami/Inundation_Maps/Marin/Documents/Tsunami_Inundation_SanFranciscoNorth_Quad_Marin.pdf).

<sup>175</sup> City and County of San Francisco, *Emergency Response Plan Tsunami Response Annex*, March 2011. Available from <http://www.sfdem.org/modules/ShowDocument.aspx?documentid=1115>.

<sup>176</sup> Marin County Sheriff Office of Emergency Services, *Tsunami Annex Marin Operational Area Emergency Operations Plan*, January 2007.

<sup>177</sup> City and County of San Francisco, *Emergency Response Plan Tsunami Response Annex*, March 2011. Available from <http://www.sfdem.org/modules/ShowDocument.aspx?documentid=1115>.

plans.<sup>178,179</sup> As discussed above under Impact HY-7, the proposed project would not alter the flooding risk for the existing bulkhead buildings and piers, and would only construct floating docks and several small structures on the marginal wharf. At Fort Baker, no new upland structures are proposed. Although the proposed project would result in minor increases in the number of visitors at the Pier 31½ and Fort Baker project sites, based on the low likelihood of a significant seiche or tsunami event at Pier 31½ and Fort Baker, and taking into consideration the National Oceanic and Atmospheric Administration's tsunami warning system and the City/County's emergency response plans, the proposed project would not expose individuals or structures to a substantial risk of loss, injury or death due to inundation from seiche or tsunami, and this impact would be less than significant.

**Impact C-HY: The proposed project, in combination with other past, present, or reasonably foreseeable projects, would result in less-than-significant cumulative impacts to hydrology and water quality. (Less than Significant)**

The geographic scope of potential cumulative impacts on water quality encompasses Lower San Francisco Bay; the geographic scope of effects on drainage and flooding consists of areas in the vicinity of project sites; and the geographic scope of flooding consists of the low-lying areas along the bay waterfront.

As outlined in Impact HY-1, the proposed project would not result in significant impacts on water quality. As is the case for the proposed project, construction and operation of other projects that could contribute to a cumulative impact would be required to comply with applicable local, state, and federal water quality regulations. Implementation of these requirements under each individual project would ensure that all discharges comply with regulatory standards and would not otherwise degrade water quality. Therefore, the proposed project, in combination with other reasonably foreseeable projects, would result in less-than-significant cumulative water quality impacts.

As discussed in Impacts HY-3 and HY-4, the proposed project would have less-than-significant impacts with respect to erosion or flooding resulting from alterations to drainage patterns at the project sites. However, the proposed project's drainage changes would be negligible and would not contribute considerably to any potential cumulative impact.

With respect to storm drain system capacity and polluted runoff as discussed in Impact HY-5, the proposed project would be subject to compliance with established guidelines for the combined sewer system and site runoff which would ensure impacts are less than significant. Other cumulative projects would be subject to the same regulations and, accordingly, no significant cumulative impact would result.

---

<sup>178</sup> Ibid.

<sup>179</sup> Marin County Sheriff Office of Emergency Services, *Tsunami Annex Marin Operational Area Emergency Operations Plan*, January 2007.

Finally, low lying shoreline areas are currently subject to flooding and will be subject to an increased risk of flooding in the future due to sea level rise. Because the hazard warning systems would protect people at the proposed project and other cumulative project sites, cumulative impacts regarding risk of injury and death would be less than significant. Given the small size of new structures and the floating nature of new elements that would be constructed under the proposed project, the proposed project would not contribute considerably to any potential cumulative impact related to existing and future flooding hazards.

<i>Topics:</i>	<i>Potentially Significant Impact</i>	<i>Less Than Significant with Mitigation Incorporated</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>	<i>Not Applicable</i>
<b>16. HAZARDS AND HAZARDOUS MATERIALS— Would the project:</b>					
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Pier 31½ site is not listed in the GeoTracker or EnviroStor database of hazardous material sites. The Embarcadero was once a highly-industrialized area supporting railyards, fuel terminals, shipyards, and tanneries. In addition, much of the San Francisco shoreline is made up of imported fill, consisting of soil and debris from the 1906 earthquake, which potentially contains lead and other hazardous materials. Because of potential public and worker health exposure, the San Francisco Board of Supervisors adopted the Maher ordinance (Article 22A of the San Francisco health code) in 1986, which requires soil analysis for a specified list of inorganic and organic chemicals at construction sites where: 1) at least 50 cubic yards of soil are disturbed; 2) there is construction on the bay side of the historic high-tide line; or 3) there is reason to believe that hazardous waste may be present. The Embarcadero area is subject to the Maher ordinance, which denotes areas of known historical landfill with a high likelihood of contamination.<sup>180</sup>

Fort Baker has a similar history of former use by the U.S. Department of Defense. It is listed in the Formerly Used Defense Site database as both a hazardous, toxic, and radioactive waste site; and a military munitions response program site.<sup>181</sup> The U.S. Army is the lead agency conducting the investigation and cleanup of areas at Fort Baker contaminated by hazardous materials as a result of military operations. During the site investigation of Fort Baker, eight areas were identified with elevated soil concentrations of polycyclic aromatic hydrocarbons, pesticides, metals, and petroleum hydrocarbons. Of the eight areas, four have been recommended for advancement to a remedial and feasibility investigation. These areas include the storm drain system, Horseshoe Bay, a petroleum tank site near Building 637, and a concrete basin near Building 407. The four remaining areas (an engine repair shop, a small paint shed, soil beneath the deck of the historic boat shop, and the vehicle wash rack adjacent to Building 691) have been cleaned up. Underground storage tanks, which may have started leaking into the surrounding soils, likely remain throughout Fort Baker.<sup>182</sup> The project site is not among the eight Fort Baker sites with identified elevated soil concentrations of polycyclic aromatic hydrocarbons, pesticides, metals, and petroleum hydrocarbons.

Because the proposed project sites are not within a quarter-mile of any schools and are not near any private airstrips, Topics E.16(c), E.16(e), and E.16(f) are not applicable to the proposed project.

**Impact HZ-1: The proposed project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, or through reasonably foreseeable upset or accident conditions involving the release of hazardous materials into the environment. (Less than Significant)**

---

<sup>180</sup> San Francisco Department of Public Health, *Hazardous Waste - Analyzing Soil for Hazardous Waste*, 2013. Available from <http://www.sfdph.org/dph/EH/HazWaste/hazWasteAnalyzeSoil.asp>.

<sup>181</sup> U.S. Army Corps of Engineers, *Formerly Used Defense Sites Projects Per State*, September 30, 2011. Available from <http://www.usace.army.mil/Missions/Environmental/FormerlyUsedDefenseSites/FUDSInventory.aspx>.

<sup>182</sup> National Park Service, *Marin Headlands and Fort Baker Transportation Infrastructure and Management Plan Final Environmental Impact Statement*, March 2009. Available from [https://www.nps.gov/goga/learn/management/upload/feis\\_2009-0310\\_150dpi.pdf](https://www.nps.gov/goga/learn/management/upload/feis_2009-0310_150dpi.pdf).

## Construction

Construction activities at Pier 31½ include improvements to the bulkhead buildings and sheds which, due to their age, may contain hazardous materials, including asbestos, lead-based paint, and polychlorinated biphenyls. Wood underneath the pier may be treated with hazardous compounds. Chemicals and fuels may be used during construction. While artificial fill or marine sediments at Pier 31½ may contain polycyclic aromatic hydrocarbons, heavy metals, oil and grease, or volatile organic compounds, the proposed project would not involve grading or soil disturbance and is not expected to disturb potentially hazardous soils either during pile driving or other activities.

As a building permit requirement, the proposed project would be required comply with the Port of San Francisco's standard best management practice for spill prevention and response, which requires the following:

- Fueling and maintenance of vehicles and equipment will be conducted offsite with the exception of barge-mounted and fixed cranes. Fueling locations will be inspected after fueling to document that no spills have occurred. Any spills will be cleaned up immediately and reported in accordance with existing Port standard operating procedures for spill reporting. All Port vehicles carry spill response supplies.
- Fueling cranes on barges or fixed to pier decks over water will be performed using proper fuel transfer procedures as specified by federal regulations for fuel transfer. Land-based equipment will be fueled by mobile trucks with secondary containment or at the Port's maintenance facility. Fueling location will be inspected after fueling to document that no spills have occurred. Spills will be cleaned up immediately using spill response equipment.
- Well-maintained equipment will be used to perform construction work, and, except in the case of a failure or breakdown, equipment maintenance will be performed off site. Repair crews will check heavy equipment daily for leaks, and not use equipment until any leak is fixed. If leaks or spills are encountered, the source of the leak will be identified, leaked material will be cleaned up, and the cleaning materials will be collected and will be properly disposed.
- All hazardous material shall be stored upland in storage trailers and/or shipping containers designed to provide adequate containment. Short-term laydown of hazardous materials for immediate use shall be permitted with the same anti-spill precautions.
- Petroleum products, chemicals, fresh cement, saw water, or concrete or water contaminated by the aforementioned shall not be allowed to enter the water.

At Fort Baker, the existing concrete pier was constructed in the late 1930s and may contain creosote-treated wood. Other hazardous materials, including asbestos, lead-based paint, or polychlorinated biphenyls, may be present in structures or other improvements on-site, including treated woods. Fort Baker is also listed in the Formerly Used Defense Site database as both a Hazardous, Toxic, and

Radioactive Waste site and a Military Munitions Response Program site,<sup>183</sup> although the immediate project area is not among the eight Fort Baker sites with identified elevated soil concentrations of polycyclic aromatic hydrocarbons, pesticides, metals, and petroleum hydrocarbons. At the Fort Baker site, the proposed project would include limited shallow ground disturbance (i.e., grading) for construction of a new trail over an approximately 0.35-acre area.

Due to the age of existing structures at Pier 31½ and Fort Baker and the historical uses of these sites, it is expected that some routine removal and management of hazardous materials may be required during construction. Construction would comply with all applicable federal, state, and local regulations to ensure that hazardous materials are handled in a safe and lawful manner, which would reduce the potential for harmful health effects due to exposure to hazardous materials and for an accidental release of hazardous materials to the environment. These regulations are discussed further below.

**Polychlorinated Biphenyls.** All workers must follow Occupational Safety and Health Administration regulations governing the removal and handling of polychlorinated biphenyl products including Code of Federal Regulations Title 29 Section 1910.120 – Hazardous Waste Operations and Emergency Response and 8 California Code of Regulations Title 8 Section 5192 – Hazardous Waste Operations and Emergency Response.

**Asbestos-containing Materials.** Section 19827.5 of the California Health and Safety Code requires that local agencies not issue demolition or alteration permits until an applicant has demonstrated compliance with the notification requirements under applicable federal regulations regarding hazardous air pollutants, including asbestos. The Bay Area Air Quality Management District is vested by the California legislature with authority to regulate airborne pollutants, including asbestos, through both inspection and law enforcement, and is to be notified 10 days in advance of any proposed demolition or abatement work.

Notification of asbestos removal includes the names and addresses of operations and persons responsible; description and location of the structure to be demolished/altered, including size, age and prior use, and the approximate amount of friable asbestos; scheduled starting and completion dates of demolition or abatement; nature of planned work and methods to be employed; procedures to be employed to meet air quality management district requirements; and the name and location of the waste disposal site to be used. The Bay Area Air Quality Management District randomly inspects asbestos removal operations. In addition, the Bay Area Air Quality Management District will inspect any removal operation when a complaint has been received.

The local California Occupational Safety and Health Administration office must also be notified prior to asbestos remediation. Asbestos abatement contractors must follow state regulations contained in

---

<sup>183</sup> U.S. Army Corps of Engineers, *Formerly Used Defense Sites Projects Per State, California Entry*, September 30, 2011. Available from <http://www.usace.army.mil/Missions/Environmental/FormerlyUsedDefenseSites/FUDSInventory.aspx>.

8 California Code of Regulations 1529 and 8 California Code of Regulations 341.6 through 341.14 where there is asbestos-related work involving 100 or more square feet or linear feet of asbestos-containing materials. Asbestos removal contractors must be certified as such by the Contractors Licensing Board of the State of California. The abatement workers are required to have received U.S. Environmental Protection Agency-accredited training and be certified for asbestos abatement work. The owner of the property where abatement is to occur must have a Hazardous Waste Generator Number assigned by and registered with the California Department of Health Services in Sacramento. The contractor and hauler of the material are required to file a Hazardous Waste Manifest that details the hauling of the material from the site and appropriate disposal. Pursuant to California law, the Port of San Francisco will not issue a required permit for work at the Pier 31½ site until an applicant has complied with the notice and abatement requirements described above.

**Lead-based Paint.** Removal of various fixtures from substrates painted with lead-based or lead-containing paint are required to be performed by workers trained in accordance with the California Division of Occupational Safety and Health Lead in Construction Standard, Title 8, Section 1532.1 training requirements. Demolition and construction would additionally need to comply with San Francisco Building Code Section 3425, which applies to buildings and steel structures on which original construction was completed prior to 1979, and which regulates any disturbance of lead-based paint. The Code requirements include provisions to eliminate the off-site migration of lead contamination and potential on-site soil contamination. The Port of San Francisco must also be notified of the removal, and signs must be posted advising adjacent property owners and/or occupants of the lead-based paint removal.

**Hazardous Materials in Soil.** Should unanticipated soil contamination be encountered during construction, soil would be segregated and handled in accordance with all applicable regulations for the handling and disposal of hazardous materials.

**Routine Construction Chemicals.** Hazardous materials that would be used during construction include fuels, lubricants and solvents needed for the fueling and maintenance of construction equipment. Storage and use of hazardous materials at the construction site could result in the accidental release of small quantities of hazardous materials, which could degrade soil and or water quality. Project construction would implement best management practices to control construction site runoff and prevent it from entering San Francisco Bay. These measures include storing chemicals in water-tight containers with appropriate secondary containment, maintaining materials and equipment for spill cleanup, and implementing spill response procedures in the event of a release.

Implementation of the regulations and procedures listed above, along with the Port's standard best management practices and other applicable federal, state, and local laws and regulations, would reduce potential impacts from routine transport, use, or disposal of hazardous materials during construction to a less-than-significant level.



## Operations

Ferry operations would involve the routine use of fuel, lubricants, and solvents, as well as cleaning and maintenance chemicals. Ferry operations at Pier 31½ and Fort Baker would occur in adherence with site-specific Spill Prevention, Control, and Countermeasure Plans (required as part of the concessioner agreement for both sites), which would outline how potentially-hazardous materials would be managed to comply with all applicable oversight regulations, including, but not limited to, discharge prevention measures, discharge or drainage controls, countermeasures for accidental releases and methods of disposal (refer to Impact HY-1 in Section E.15, Hydrology and Water Quality, for additional discussion of water quality regulations).

Given the negligible increase in hazardous materials use associated with the minor increase in ferry service under the proposed project and its compliance with federal, state, and local laws and regulations, there would be less-than-significant impacts related to routine transport, use, or disposal of hazardous materials, including accidental releases.

**Impact HZ-2: The proposed project is located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. (Less than Significant)**

The Pier 31½ site is not listed in the GeoTracker or EnviroStor database of hazardous material sites.<sup>184,185</sup> Fort Baker is listed in the Formerly Used Defense Site database as both a Hazardous, Toxic, and Radioactive Waste site and a Military Munitions Response Program site,<sup>186</sup> although the project area is not among the eight Fort Baker sites with identified elevated soil concentrations of polycyclic aromatic hydrocarbons, pesticides, metals, and petroleum hydrocarbons. Furthermore, the proposed project includes only minimal grading (0.35 acre) at Fort Baker for trail construction and would have a low potential to encounter hazardous materials, if any, in the subsurface. The proposed project would not affect ongoing investigations and cleanups of any listed hazardous materials sites. Therefore, the proposed project would result in less-than-significant impacts related to its location on a listed hazardous materials site.

---

<sup>184</sup> California Department of Toxic Substances Control, GeoTracker Database, accessed June 23, 2017. Available from <http://geotracker.waterboards.ca.gov/>.

<sup>185</sup> California Department of Toxic Substances Control, EnviroStor Database, accessed September 5, 2013. Available from <http://www.envirostor.dtsc.ca.gov/public/>.

<sup>186</sup> U.S. Army Corps of Engineers, *Formerly Used Defense Sites Projects Per State*, September 30, 2011. Available from <http://www.usace.army.mil/Missions/Environmental/FormerlyUsedDefenseSites/FUDSInventory.aspx>.

**Impact HZ-3: The proposed project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. (Less than Significant)**

The proposed project would not significantly impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan, including but not limited to the following plans:

- **The City and County of San Francisco Emergency Management Program.** The City and County of San Francisco Emergency Management Program is a jurisdiction-wide system that provides emergency management actions for the prevention of, preparedness for, response to, and recovery from any emergency or disaster within the City and County of San Francisco (including Pier 31½).
- **Water Emergency Transportation Authority's Water Transportation System Management Plan.** The Water Emergency Transportation Authority is a regional agency authorized by the state to operate a comprehensive Bay Area public water transit system. In 2009, the Water Emergency Transportation Authority adopted the Emergency Water Transportation System Management Plan, which complements and reinforces other transportation emergency plans that will enable the Bay Area to restore mobility after a regional disaster.
- **Tsunami Response Plans.** The National Oceanic and Atmospheric Administration operates the tsunami warning system that serves both San Francisco and Marin counties, among other areas. Tsunami warning procedures for the counties of San Francisco and Marin are provided in their respective tsunami emergency response plans.<sup>187,188</sup>

By adhering to the provisions of the California Building Standards Code and the San Francisco Building Code (which require additional life-safety protections for new construction), and by maintaining adequate emergency vehicle access throughout construction (as required by local ordinances and the conditions of permit approvals), proposed project construction and operation at Pier 31½ would not impede or interfere with implementation of the City and County of San Francisco Emergency Management Program or other emergency response plans for the project area.

The pier improvements and berthing access at Fort Baker would increase access for emergency responders at the site. The proposed project would not physically interfere with emergency response or emergency evacuation at the Fort Baker site.

Based on the low likelihood of a significant seiche or tsunami event at Pier 31½ or Fort Baker, and taking into consideration the National Oceanic and Atmospheric Administration's tsunami warning system and the emergency response plans for San Francisco and Marin, there would be no impact on the respective

---

<sup>187</sup> City and County of San Francisco, *Emergency Response Plan Tsunami Response Annex*, March 2011. Available from <http://www.sfdem.org/modules/ShowDocument.aspx?documentid=1115>.

<sup>188</sup> Marin County Sheriff Office of Emergency Services, *Tsunami Annex Marin Operational Area Emergency Operations Plan*, January 2015. Available from <http://www.marinsheriff.org/assets/downloads/01.30.2015-Tsunami-AnnexUH.pdf>.

tsunami response plans for San Francisco and Marin counties. The proposed project would not block any evacuation routes or otherwise affect evacuation from Pier 31½ or Fort Baker.

Based on the analysis presented above, the proposed project would result in less-than-significant impacts related to emergency response or evacuation plans.

**Impact HZ-4: The proposed project would not expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands. (Less than Significant)**

The Pier 31½ site is not within a wildland fire area or mapped fire hazard severity areas for San Francisco.<sup>189</sup> San Francisco ensures fire safety and emergency accessibility within new and existing developments through provisions of its building and fire codes. The proposed improvements at Pier 31½ would conform to these standards, ensuring that life safety protections are included as part of the proposed project. Therefore, there would be less-than-significant impacts pertaining to risk of loss, injury, or death involving wildland fire from proposed improvements at Pier 31½, as the site is not within a fire hazard area.

Fort Baker is within a high wildland fire risk area, as identified through the Marin County Fire Department Hazard Model.<sup>190</sup> As described in the 2008 Golden Gate National Recreation Area *Operational Strategy for the Fire Management Plan*, fire management issues at Fort Baker include fire hazards from dense stands of nonnative trees, and fuel hazards (i.e., live and dead vegetation that has accumulated and increases the likelihood of unusually large wildland fires) around buildings. Fire management actions at Fort Baker include prescribed burns in the Marin Headlands to manage coastal scrub, prescribed test burns to enhance mission blue butterfly habitat, and the reduction of fuel hazards near historic structures and heavily developed areas that receive high visitation.<sup>191</sup> The proposed project would not affect these or other fire management activities at Fort Baker. Proposed project construction would occur overwater on the pier and along the shoreline, away from areas with fire-susceptible trees and vegetation. The proposed project would not include new facilities or implementation of any activities that would increase the risk of fire. Furthermore, Fort Baker is adequately served by existing fire response services (as discussed under Section E.12, Public Services). Therefore, the proposed project would not expose people or structures to a significant risk of loss, injury, or death involving wildland fires, and the impact would be less than significant.

---

<sup>189</sup> California Department of Forestry and Fire Protection, *Fire Hazard Severity Zones in LRA San Francisco County*, November 2008.

<sup>190</sup> National Park Service, *Operational Strategy for the Fire Management Plan*, Golden Gate National Recreation Area, April 2008. Available from [https://www.nps.gov/goga/learn/management/upload/fire\\_fmp\\_op\\_strat\\_cover.pdf](https://www.nps.gov/goga/learn/management/upload/fire_fmp_op_strat_cover.pdf).

<sup>191</sup> National Park Service, *Marin Headlands and Fort Baker Transportation Infrastructure and Management Plan Final Environmental Impact Statement*, March 2009. Available from [https://www.nps.gov/goga/learn/management/upload/MH\\_FB-TJMP-Final-EIS\\_Main-Document.pdf](https://www.nps.gov/goga/learn/management/upload/MH_FB-TJMP-Final-EIS_Main-Document.pdf).

**Impact C-HZ:** The proposed project would not make a considerable contribution to any cumulative significant effects related to hazardous materials. (Less than Significant)

Environmental impacts related to hazards and hazardous materials are generally restricted to the project site and immediate vicinity due to the site-specific nature of hazardous materials in building materials and the subsurface. As outlined in this section, the proposed project would not result in significant impacts related to hazards or hazardous materials. There are no known projects under development within 0.25 mile of Fort Baker. There are three potential cumulative projects in the vicinity of the Pier 31½ site listed in Table 6 that could affect hazards or hazardous materials: ongoing Port pier maintenance dredging; ongoing routine repair and maintenance of Port facilities; and the Seawall Resiliency project. As is the case for the proposed project, construction and operation of these nearby cumulative projects would be required to comply with applicable local, state, and federal regulations regarding the storage, handling, and disposal of hazardous materials and emergency access. With respect to wildland fire, all projects in San Francisco must comply with the fire code, and any projects within Fort Baker would comply with the fire plan discussed in Impact HZ-4. Therefore, the proposed project, in combination with other reasonably foreseeable projects, would result in less-than-significant cumulative hazards and hazardous materials impacts.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>17. MINERAL AND ENERGY RESOURCES— Would the project:</b>					
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Pier 31½ and the Fort Baker pier are located on fill or over water with no known mineral resources. Neither site has been delineated as a mineral resource recovery site on a local general plan, specific plan, or other land use plan.<sup>192</sup> Therefore, Topics 17(a) and 17(b) are not applicable.

<sup>192</sup> California Division of Mines and Geology, *Open File Report 96-03* and *Special Report 146*, Parts I and II, Generalized Mineral Land Classification Map of the South San Francisco Bay Production-Consumption Region, 1996.

**Impact ME-1: The proposed project would not encourage activities that would result in the use of large amounts of fuel, water, or energy, or use these resources in a wasteful manner. (Less than Significant)**

Construction of the proposed project would require the use of energy resources, such as water, electricity, and diesel fuel. These energy resources would be used by construction equipment and construction workers' vehicles at both the Pier 31½ and Fort Baker sites. However, construction of the proposed project would adhere to applicable regulations, including the Port's Green Building Standards at the Pier 31½ site, and employ best management practices to ensure that these resources would be used conservatively.<sup>193</sup> The Green Building Standards require minimizing waste of energy, water, and other resources and reducing greenhouse gas emissions from project construction and operations in the City.

Operation of the proposed project would also require the use of water, electricity, and diesel fuel. The largest use of energy in terms of operations would be diesel fuel to power the ferries. The overall number of peak day ferry trips would increase from 27 to 29 under the proposed project; however, the proposed project includes Park Service contract requirements to use more efficient Tier 3 engines, to reduce overall fuel use, and to limit idling, decreasing fuel consumption. The Port's Green Building Standards also apply to operations of the proposed project at Pier 31½. For example, the Green Building Standards require that commercial projects achieve a minimum 30 percent reduction in the use of indoor potable water. The proposed project would modernize both the Pier 31½ and Fort Baker sites to include design features that limit resource use, such as high-efficiency lighting and water-saving control measures (see Section E.11, Utilities and Service Systems).

For the reasons noted above, the proposed project would not result in the use of large amounts of fuel, water, or energy, or use these resources in a wasteful manner. Impacts would be less than significant.

**Impact C-ME: The proposed project, in combination with other past, present, or reasonably foreseeable projects, would not result in a cumulative impact on mineral and energy resources. (Less than Significant)**

As discussed above, no known mineral deposits or resource recovery areas exist at the proposed project sites; therefore, the proposed project would not contribute to cumulative impacts on mineral resources. While the proposed project would use energy resources, both the proposed project and other regional projects would be subject to City of San Francisco and state laws mandating efficiencies and reductions in overall resource consumption. Therefore, the proposed project, in combination with other reasonably foreseeable projects, would result in a less-than-significant cumulative impact on mineral or energy resources.

---

<sup>193</sup> Port of San Francisco, 2016 *Port of San Francisco Green Building Standards Code*, effective January 1, 2017.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>18. AGRICULTURE AND FOREST RESOURCES:</b> In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.					
<b>—Would the project</b>					
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220[g]), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104[g])?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The proposed project site at Pier 31½ is zoned light industrial, and the proposed project site at Fort Baker is part of the National Park System.<sup>194</sup> No farmland, lands subject to a Williamson Act contract, forest land, or timberland exist in the proposed project area.<sup>195</sup> The proposed project would not result in the conversion of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use. Because the proposed project sites are in existing developed areas and do not contain farmland, land zoned for agricultural use, forest land, or timberland, none of the above criteria (Topics 18[a] through 18[e]) are applicable.

<sup>194</sup> City and County of San Francisco, San Francisco Municipal Code (current through Ordinance 70-12, File No. 130085), approved April 23, 2013, effective May 23, 2013. Available from <http://www.amlegal.com/library/ca/sfrancisco.shtml>.

<sup>195</sup> California Department of Conservation, *The California Land Conservation Act of 1965 2016 Status Report*, December 2016. Available from [http://www.conservation.ca.gov/dlrp/lca/stats\\_reports/Documents/2016%20LCA%20Status%20Report.pdf](http://www.conservation.ca.gov/dlrp/lca/stats_reports/Documents/2016%20LCA%20Status%20Report.pdf).

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
<b>19. MANDATORY FINDINGS OF SIGNIFICANCE—</b>					
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

As discussed in the previous sections (E.1 through E.17), impacts as a result of the proposed project are anticipated to be less than significant or less than significant with mitigation in the areas discussed. The foregoing analysis identifies potentially significant impacts related to cultural resources, noise, air quality, and biological resources, which would be mitigated through implementation of mitigation measures, as described in the following paragraphs and in more detail in Section F, Mitigation Measures and Improvement Measures.

As described in Section E.3, Cultural Resources, construction of the proposed project could result in a substantial adverse change on historic and archeological resources. The proposed project could also disturb human remains. Implementation of **Mitigation Measures M-CR-2, Accidental Discovery of Archaeological Resources**, and **M-CR-5, Tribal Cultural Resources Interpretive Program**, would reduce the impacts to less-than-significant levels. Therefore, the proposed project would not result in a significant impact through the elimination of important examples of major periods of California history or prehistory.

As described in Section E.6, Noise, construction of the proposed project has the potential to impact the historic bulkhead buildings at the Pier 31½ site from vibration during construction. Implementation of **Mitigation Measure M-NO-2, Conduct Vibration Monitoring at Pier 31½**, would reduce impacts to a less-than-significant level.

As described in Section E.7, Air Quality, the proposed project at Pier 31½ has the potential to expose sensitive receptors to substantial concentrations of diesel emissions, resulting in a significant air quality impact. Implementation of **Mitigation Measure M-AQ-4, Best Available Control Technology for Diesel Generators at Pier 31½**, would reduce emissions by 89 to 94 percent compared to equipment with engines that do not meet any emission standards and without a Verified Diesel Emissions Control Strategy, and impacts would be less than significant.

As described in Section E.13, Biological Resources, the proposed project has the potential to affect special status bats at the Pier 31½ site and nesting birds at both project sites during construction. Implementation of **Mitigation Measures M-BI-1a, Avoidance and Minimization Measures for Special Status Bats at Pier 31½**, and **M-BI-1b, Nesting Bird Protection Measures**, would reduce the impacts on special status bats and nesting birds to less-than-significant levels.

Both long-term and short-term environmental effects, including substantial adverse effects on human beings, associated with the proposed project would be less than significant or less than significant with mitigation, as discussed under each environmental topic. Each environmental topic area includes an analysis of cumulative impacts. This initial study concludes that cumulative impacts for all environmental topic areas would be less than significant.

---



## **F. MITIGATION MEASURES AND IMPROVEMENT MEASURES**

The project proponent has agreed to implement the following mitigation and improvement measures. Mitigation measures identified below are necessary to reduce the significant effects of the proposed project to a less-than-significant level. Improvement measures would further reduce the effect of the proposed project's less-than-significant impacts.

### **Mitigation Measure M-CR-2: Accidental Discovery of Archaeological Resources**

The following mitigation measure is required to avoid any potential adverse effect from the proposed project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a) and (c). The project proponent shall distribute the Planning Department archaeological resource "ALERT" sheet to the project prime contractor; any project subcontractor (including demolition, excavation, grading, foundation, pile driving, etc. firms); and any utilities firm involved in soil-disturbing activities within the project site. Prior to any soils disturbing activities being undertaken each contractor is responsible for ensuring that the "ALERT" sheet is circulated to all field personnel including, machine operators, field crew, pile drivers, supervisory personnel, etc. The project proponent shall provide the Environmental Review Officer and the Port of San Francisco with a signed affidavit from the responsible parties (prime contractor, subcontractor(s), and utilities firm) to the Environmental Review Officer confirming that all field personnel have received copies of the "ALERT" Sheet.

Should any indication of an archaeological resource be encountered during any soils disturbing activity of the project, the project Head Foreman and/or project proponent shall immediately notify the Environmental Review Officer and the Port of San Francisco and shall immediately suspend any soils disturbing activities in the vicinity of the discovery until the Environmental Review Officer has determined what additional measures should be undertaken.

If the Environmental Review Officer determines that an archaeological resource may be present within the project site, the project proponent shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archaeological consultant shall advise the Environmental Review Officer and the Port of San Francisco as to whether the discovery is an archaeological resource, retains sufficient integrity, and is of potential scientific/historical/cultural significance. If an archaeological resource is present, the archaeological consultant shall identify and evaluate the archaeological resource. The archaeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the Environmental Review Officer may require, if warranted, specific additional measures to be implemented by the project proponent.

Measures might include: preservation in situ of the archaeological resource; an archaeological monitoring program; or an archaeological testing program. If an archaeological monitoring program or archaeological testing program is required, it shall be consistent with the Environmental Planning

division guidelines for such programs. The Environmental Review Officer may also require that the project proponent immediately implement a site security program if the archaeological resource is at risk from vandalism, looting, or other damaging actions.

The project archaeological consultant shall submit a Final Archaeological Resources Report to the Environmental Review Officer and the Port of San Francisco that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the final report.

Copies of the Draft Final Archaeological Resources Report shall be sent to the Environmental Review Officer for review and approval. Once approved by the Environmental Review Officer, copies of the Final Archaeological Resources Report shall be distributed as follows: the California Archaeological Site Survey Northwest Information Center shall receive one copy, and the Environmental Review Officer shall receive a copy of the transmittal of the Final Archaeological Resources Report to the Northwest Information Center. The Environmental Planning division of the Planning Department shall receive one bound copy; one unbound copy; and one unlocked, searchable PDF copy on CD of the Final Archaeological Resources Report, along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the Environmental Review Officer may require a different final report content, format, and distribution than that presented above.

#### **Mitigation Measure M-CR-4: Tribal Cultural Resources Interpretive Program**

If the Environmental Review Officer determines that a significant archaeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the Environmental Review Officer determines that the resource constitutes a tribal cultural resource and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible. If the Environmental Review Officer, in consultation with the affiliated Native American tribal representatives and the project proponent, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, the project proponent shall implement an interpretive program of the tribal cultural resources in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the Environmental Review Officer and affiliated tribal representatives, at a minimum, and approved by the Environmental Review Officer, would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and

interpretation, and educational panels or other informational displays. In the event that construction activities disturb unknown archaeological sites that are considered tribal cultural resources, any inadvertent damage would be considered a significant impact.

**Mitigation Measure M-NO-2: Conduct Vibration Monitoring at Pier 31½**

The project proponent would require that a qualified professional evaluate the subject structure(s) prior to the pile driving to assess their susceptibility to vibration impacts and provide pre-construction bracing if warranted. Based on the results of the evaluation, the professional shall develop a vibration control plan. The plan would include set of site-specific vibration attenuation measures that would be implemented under the supervision of a qualified acoustical consultant during the project construction. These attenuation measures would include as feasible, in consideration of technical and structural requirements and conditions, implementing “quiet” pile driving technology, such as predrilling piles, using sonic pile drivers, or using more than one pile driver to shorten the total duration of pile driving. During construction, the construction contractor will conduct vibration monitoring when construction activities occur within 50 feet of the historic Pier 33 bulkhead building. If monitoring indicates that peak particle velocity caused by construction activities is approaching 0.12 inches per second, construction activities would be halted and a plan would be developed to reduce construction activities. Other effective strategies may also be required to the extent necessary to achieve a peak particle velocity vibration level at bulkhead buildings of less than the level of 0.12 inches per second.

**Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators at Pier 31½**

The project proponent shall ensure that the backup diesel generator meets or exceeds one of the following emission standards for particulate matter: 1) Tier 4-certified engine; or 2) Tier 2- or Tier 3-certified engine that is equipped with a California Air Resources Board Level 3 Verified Diesel Emissions Control Strategy. A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical California Air Resources Board-verified model and if the Bay Area Air Quality Management District approves of its use. The project proponent shall submit documentation of compliance with the Bay Area Air Quality Management District New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.

**Mitigation Measure M-BI-1a: Avoidance and Minimization Measures for Special Status Bats at Pier 31½**

The project proponent will implement the following measures:

- Demolition within Pier 31 and 33 bulkhead buildings shall occur when bats are active, approximately between the periods of March 1 to April 15 and August 15 to October 15; outside of bat maternity roosting season (approximately April 15 – August 15) and outside of months of winter torpor (approximately October 15 – February 28), to the extent feasible.

- If demolition within Pier 31 and 33 bulkhead buildings during the periods when bats are active is not feasible, a qualified biologist will survey the project site to identify if active bat roosts being used for maternity or hibernation purposes are present. If so, a no disturbance buffer of 100 feet shall be established around these roost sites until they are determined to be no longer active by the qualified biologist.
- The qualified biologist shall be present demolition within Pier 31 and 33 bulkhead buildings if active bat roosts are present. Structures with active roosts shall be disturbed only when no rain is occurring or is forecast to occur for 3 days and when daytime temperatures are at least 50°F.
- Removal of structures containing or suspected to contain active bat roosts shall be dismantled under the supervision of the qualified biologist in the evening and after bats have emerged from the roost to forage. Structures shall be partially dismantled to significantly change the roost conditions, causing bats to abandon and not return to the roost.

#### **Mitigation Measure M-BI-1b: Nesting Bird Protection Measures**

Nesting birds and their nests shall be protected during construction by use of the following measures:

- Removal of trees, scrub vegetation and structures shall occur outside the bird nesting season (February 1 to August 30), to the extent feasible.
- If removal of trees, scrub vegetation or structures during bird nesting season cannot be fully avoided, a qualified wildlife biologist shall conduct preconstruction nesting bird surveys within 7 days prior to the start of such activities or after any construction breaks of 14 days or more. Surveys shall be performed for the project site and suitable habitat within 250 feet of the project site in order to locate any active passerine (perching bird) nests and within 500 feet of the project site to locate any active raptor (birds of prey) nests or double-crested cormorant or heron rookeries.
  - At Pier 31½, if it is determined that bird nesting habitat is only present for gulls, surveys may be conducted actively during construction from April through August during gull nesting season. Any old nests, potential nests, or nests under construction (but not active) shall be removed.
- If active nests are located during the preconstruction bird nesting survey, the wildlife biologist shall evaluate if the schedule of construction activities could affect the active nests and the following measures shall be implemented based on their determination:
  - If construction is not likely to affect the active nest, it may proceed without restriction; however, a biologist shall regularly monitor the nest to confirm there is no adverse effect and may revise their determination at any time during the nesting season. In this case, the following measure would apply.
  - If construction may affect the active nest, the biologist shall establish a no disturbance buffer. Typically, these buffer distances are between 25 feet and 250 feet for passerines and between 300 feet and 500 feet for raptors. These distances may be adjusted depending on

the level of surrounding ambient activity (e.g., if the project area is adjacent to a road or active trail) and if an obstruction, such as a building, is within line-of-sight between the nest and construction. For bird species that are federally and/or state-listed sensitive species (i.e., fully protected, endangered, threatened, species of special concern), a proposed project representative, supported by the wildlife biologist, shall consult with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife regarding modifications to nest buffers, prohibiting construction within the buffer, modifying construction, and removing or relocating active nests that are found on the site.

- Removing inactive passerine nests may occur at any time. Inactive raptor nests shall not be removed unless approved by the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife.
- Removing or relocating active nests shall be coordinated by the project representative with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife, as appropriate, given the nests that are found on site.
- Any birds that begin nesting within the project area and survey buffers amid construction activities are assumed to be habituated to construction-related or similar noise and disturbance levels and no work exclusion zones shall be established around active nests in these cases.

**Improvement Measure I-TR-2a: Provide Information on Active Transportation and Transit Routes to/from the Pier 31½ Site**

The project proponent will require the concessioner to provide information regarding pedestrian, bicycle, and transit travel to/from the embarkation site to both employees and in advance to visitors. This may include maps designating preferred pedestrian, bicycle or transit routes to/from the site, maps indicating where City-provided bicycle facilities or transit stops are present, and time estimates for walking or biking to common destinations, such as BART stations, Union Square, Pier 39, or other tourist destinations. This information would be presented on tickets and information websites, as well as distributed via mail or email to all ticketed visitors.

**Improvement Measure I-TR-2b: Install Multimodal Wayfinding Kiosk and Signage at the Pier 31½ Site**

The project proponent will add a multimodal wayfinding kiosk that may include maps, signs, or digital displays to provide visitors information on various travel options and times. The kiosk will be located near the site entrance/exit to the Pier 31½ site. In addition to a centralized kiosk, signage could be placed at the site entrance with directional arrows indicating walk times to nearby destinations or transit stops.

**Improvement Measure I-NO-1: Construction Noise Minimization Plan for Pier 31½**

The project proponent shall develop a construction noise minimization plan that requires the following:

- Construction contractors shall specify noise-reducing construction practices and measures that will be employed to reduce construction noise from pile driving and construction activities. The practices and measures specified by the project proponent will be reviewed and approved by the City prior to the issuance of building permits. Practices and measures that can be used to limit noise include but are not limited to those listed below:
  - Avoid simultaneous use of equipment that exceeds 90 dBA, particularly impact and vibratory pile drivers
  - Install noise mufflers to stationary equipment and impact tools that are no less effective than those provided by the manufacturer
  - Use construction equipment with low noise emission ratings
  - Locate equipment, materials, and staging areas as far as practicable from sensitive receptors
  - Install barriers around particularly loud activities at the construction site to eliminate the line of sight between the source of noise and nearby sensitive receptors, which could reduce noise up to 10 dBA based on the configuration of the site and equipment used.<sup>196</sup>
  - Prohibit unnecessary idling of vehicles or equipment
  - Require applicable construction-related vehicles or equipment to use designated truck routes to access the proposed project site
  - Restrict construction activities between 7:00 AM to 8:00 PM Monday through Saturday

#### **Improvement Measure I-AQ-1a: Use Cleaner Construction Equipment**

The project proponent shall develop a plan demonstrating that the off-road equipment (more than 50 horsepower) to be used in the construction project (i.e., owned, leased, and subcontractor vehicles) would achieve a project wide fleet-average 20 percent nitrogen oxide (NOx) reduction and 45 percent particulate matter (PM) reduction compared to the most recent California Air Resources Board fleet average. Acceptable options for reducing emissions include the use of late model engines, low-emission diesel products, alternative fuels, engine retrofit technology, after-treatment products, add-on devices such as particulate filters, and/or other options as such become available.

#### **Improvement Measure I-AQ-1b: Use Cleaner Engines on Tugboats**

The project proponent shall use tugboats with Tier 4 propulsion engines and Tier 3 auxiliary engines.

---

<sup>196</sup> The Federal Highway Administration's *Roadway Construction Noise Model Users' Guide* gives the following "rules of thumb" for estimating noise attenuation of barriers at construction sites:

3 dBA - if a noise barrier or other obstruction (like a dirt mound) just barely breaks the line-of-sight between the noise source and the receptor;

5 dBA - if the noise source is partly enclosed OR shielded with a barrier with some gaps located close to the source;

8 dBA - if the noise source is completely enclosed OR completely shielded with a solid barrier located close to the source;

10 dBA - if the noise source is completely enclosed AND completely shielded with a solid barrier located close to the source;

15 dBA - if a building stands between the noise source and receptor and completely shields the noise source.

#### **Improvement Measure I-BI-1a: Pile Driving Work Windows**

Pile driving will occur between July 1 and November 30 at the Pier 31½ site and between July 1 and September 30 at the Fort Baker site.

#### **Improvement Measure I-BI-1b: Noise Monitoring Plan**

The project proponent will develop and implement a marine noise monitoring plan which would be subject to review and approval by the National Marine Fisheries Service. As part of this plan, the following measures will be implemented:

- *Equipment Controls:* The proposed project will be required to bring loud mechanical equipment online slowly (employ a “soft-start”).
- *Noise Monitoring:* A trained acoustical specialist will conduct underwater noise monitoring during marine construction to ensure that pile driving noise levels do not exceed the levels identified through noise modeling for the proposed project. If noise levels are exceeded, the proposed project will implement cushion blocks in the hammer to reduce sound levels and prevent exceedance of the levels projected through noise modeling, and noise level exceedances will be reported to the National Marine Fisheries Service.

#### **Improvement Measure I-BI-1c: Marine Mammal Safety Zone**

The project proponent will maintain a 500-meter safety zone around sound sources in the event that the sound level is unknown or cannot be adequately predicted. This will be required at the onset of construction, prior to confirming noise levels through noise monitoring (as required through Improvement Measure I-BI-1b, Noise Monitoring Plan).

A qualified marine biologist on shore or by boat will survey the safety zone to ensure that no marine mammals are within the zone before pile driving begins. If a marine mammal is observed within the safety zone before pile driving begins, pile driving will be delayed until the marine mammals move out of the area.

If marine mammals enter the safety zone after pile driving of a segment has begun, pile driving will continue. The biologist will monitor and record the species and number of individuals observed, and make note of their behavior patterns. If the animal appears distressed, and if it is operationally safe to do so, pile driving will cease until the animal leaves the area. Prior to the initiation of each new pile driving episode, the area will again be thoroughly surveyed by the biologist.

## G. PUBLIC NOTICE AND COMMENT

On September 13, 2017, the Planning Department mailed a "Notification of Project Receiving Environmental Review" to property owners and residents of property within 300 feet of the project sites, responsible and trustee agencies, and interested parties. No comments were received in response to the notification.

On December 6, 2017, the Planning Department issued a "Notice of Availability of and Intent to Adopt a Negative Declaration" in accordance with CEQA Guidelines section 15072. In response to this notice, the City of Sausalito filed an appeal of the preliminary mitigated negative declaration on December 27, 2018. The City of Sausalito's primary concern is that Fort Baker ferry passengers may leave Fort Baker and travel to downtown Sausalito, exacerbating overcrowded conditions within Sausalito's downtown and waterfront. To evaluate this concern, a supplemental transportation and circulation study was performed and is included as Appendix B. The study concluded that the project is not likely to contribute substantially to congestion issues and conflicts between bicycles, pedestrians, and vehicles in Sausalito. FMND section E.5, Transportation and Circulation, has been revised to reflect this additional analysis, which does not change the less-than-significant findings of the PMND concerning transportation and circulation.

No other comments were received.



## H. DETERMINATION

On the basis of this Initial Study:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, no further environmental documentation is required.

DATE \_\_\_\_\_

\_\_\_\_\_  
Lisa Gibson  
Environmental Review Officer  
for  
John Rahaim  
Director of Planning

## **I. INITIAL STUDY PREPARERS**

**Planning Department, City and County of San Francisco**  
Environmental Planning Division  
165 Mission Street, Suite 400  
San Francisco, California 94103

Environmental Review Officer: Lisa Gibson  
Senior Environmental Planner: Joy Navarrete  
Environmental Planner: Julie Moore

### **Project Sponsors**

**National Park Service, Golden Gate National Recreation Area**  
Building 201, Fort Mason  
San Francisco, California 94123-0022  
Chief of Planning: Brian Aviles  
Chief of Business Management: Jessica Carter

**Golden Gate National Parks Conservancy**  
Building 201, Fort Mason  
San Francisco, California 94123-0022  
Vice President, Park Projects: Catherine Barner

**Port of San Francisco**  
Pier 1, The Embarcadero  
San Francisco, California 94111  
Real Estate Project Manager: James Hurley  
Planning Division Review Coordinator: Mark Paez  
Waterfront Planner: Ming Yeung  
Environmental Planner: Carol Bach

### **Environmental Consultants**

**Anchor QEA, LLC**  
130 Battery Street, Suite 400  
San Francisco, California 94101  
Program Manager: Dr. Joshua Burnam  
Project Manager: Katie Chamberlin  
Environmental Planner: Lena DeSantis, Nicolas Duffort  
Archaeologist: Dr. Barbara Bundy  
Editor: Jordan Theyel

**iLanco Environmental, LLC**

1817 Harriman Lane, Suite B

Redondo Beach, California 90278

Air Quality and Greenhouse Gas: Lora Granovsky

**Fehr & Peers, Inc.**

332 Pine Street

San Francisco, California 94104

Transportation and Circulation: Chris Mitchell, Dennis Lee

**Appendix A**  
**Federal and State Listed Species with**  
**the Potential to Occur in the Study Area**

TABLE A-1  
FEDERALLY LISTED SPECIES WITH THE POTENTIAL TO OCCUR IN THE STUDY AREA  
(FISH AND MARINE MAMMALS LISTED IN TABLE A-4)

Species	Federal	State	Habitat Association	Potential to Occur	
				Pier 31 ½	Fort Baker
Invertebrates					
San Bruno elfin butterfly ( <i>Callophrys mossii bayensis</i> )	E	-	Rocky outcrops and cliffs in coastal scrub on the San Francisco Peninsula that support its host plant, stonecrop ( <i>Sedum spathulifolium</i> ).	No potential to occur. Habitat not present.	
Bay checkerspot butterfly ( <i>Euphydryas editha bayensis</i> )	T	-	Shallow, serpentine-derived or similar soils in the San Francisco Bay Area. Primary host plant is the native plantain ( <i>Plantago erecta</i> ). Populations are known only from San Mateo and Santa Clara counties.	No potential to occur. Habitat not present.	Very low potential to occur. Coastal scrub habitat may be marginally suitable for host species. No recorded observations in the study area.
Black abalone ( <i>Haliotes cracherodii</i> )	E	-	Rocky intertidal and subtidal habitats.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
White abalone ( <i>Haliotes sorenseni</i> )	E	-	Open low and high relief rock or boulder habitat that is interspersed with sand channels.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Mission blue butterfly ( <i>Icaricia icarioides missionensis</i> )	E	-	Coastal chaparral and grasslands that support its host plants, perennial lupines ( <i>Lupinus albifrons</i> , <i>L. Varicolor</i> , and <i>L. Formosus</i> ).	No potential to occur. Habitat not present.	Low potential to occur. Coastal scrub habitat may be marginally suitable for host species. Recorded observations in grasslands of Marin Headlands.
Callippe silverspot butterfly ( <i>Speyeria callippe callippe</i> )	E	-	Grasslands that support its host plant, Johnny jump-up ( <i>Viola pedunculata</i> ). Populations are known only from San Bruno Mountain on the San Francisco Peninsula.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Myrtle's silverspot butterfly ( <i>Speyeria zerene myrtilae</i> )	E	-	Dunes, scrub, and grasslands immediately adjacent to the coast. Populations are known only from Marin County.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.

Species	Federal	State	Habitat Association	Potential to Occur	
				Pier 31 ½	Fort Baker
Amphibians					
California tiger salamander ( <i>Ambystoma californiense</i> )	T	T	Cismontane woodland, meadow and seep, riparian woodland, valley and foothill grassland.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
California red-legged frog ( <i>Rana draytonii</i> )	T	-	Streams, deep pools, backwaters within streams and creeks, ponds, marshes, sag ponds, dune ponds, and lagoons and adjacent uplands.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Reptiles					
Loggerhead turtle ( <i>Caretta caretta</i> )	T	-	Open ocean, seldom along the California coast.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Green turtle ( <i>Chelonia mydas</i> )	T	-	Warm-water bays and lagoons.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Leatherback turtle ( <i>Dermochelys coriacea</i> )	E	-	Open ocean, California coast, bays, and estuaries.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Olive Ridley sea turtle ( <i>Lepidochelys olivacea</i> )	T	-	Bay and lagoons, seldom in California.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Alameda whipsnake ( <i>Masticophis lateralis euryxanthus</i> )	T	T	Chaparral and scrub habitats, adjacent grassland, oak savanna, and woodland habitats. Mostly south-facing slopes and ravines with rock outcrops, deep crevices, or abundant rodent burrows.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
San Francisco garter snake ( <i>Thamnophis sirtalis tetrataenia</i> )	E	E	Wetlands or grasslands near ponds, marshes, and sloughs.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Birds					
Marbled murrelet ( <i>Brachyramphus marmoratus</i> )	T	E	Coastal waters; nests inland in old-growth redwood forests and in Marin County in Douglas fir forests.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Western snowy plover ( <i>Charadrius alexandrinus nivosus</i> )	T	SSC	Flat, open coastal beaches, dunes, and near stream mouths.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
California Ridgway's rail ( <i>Rallus longirostris obsoletus</i> )	E	E; FP	Saltmarshes along San Francisco Bay.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
California least tern ( <i>Sternula antillarum brownii</i> )	E	E; FP	Shallow estuaries and lagoons.	No potential to occur. Habitat not present.	Low potential to occur. Known to occur in Horseshoe Bay.

Species	Federal	State	Habitat Association	Potential to Occur	
				Pier 31 ½	Fort Baker
Northern spotted owl ( <i>Strix occidentalis caurina</i> )	T	-	Old-growth forests or mixed stands of old-growth and mature trees. Occasionally in younger forests w/patches of big trees. High, multistory canopy dominated by big trees, many trees w/cavities or broken tops, woody debris, and space under canopy.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Yellow-headed blackbird ( <i>Xanthocephalus xanthocephalus</i> )	-	SC	Nests in freshwater emergent wetlands with dense vegetation and deep water. Often along borders of lakes or ponds. Nests only where large insects such as odonata are abundant, nesting timed with maximum emergence of aquatic insects.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
<b>Mammals</b>					
Salt marsh harvest mouse ( <i>Reithrodontomys raviventris</i> )	E	E, FP	Saline emergent wetlands only; requires pickleweed.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
<b>Plants</b>					
Presidio manzanita ( <i>Arctostaphylos montana</i> ssp. <i>ravenii</i> )	E	E; 1B.1	Serpentinite soils in chaparral, coastal prairie, and coastal scrub. Known from only one extant native occurrence at the Presidio in San Francisco.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Franciscan manzanita ( <i>Arctostaphylos franciscana</i> )	E	1B.1	Chaparral, ultramafic.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Pallid manzanita ( <i>Arctostaphylos pallida</i> )	T	E; 1B.1	Broadleaved upland forest, closed-cone coniferous forest, chaparral, cismontane woodland, coastal scrub. Grows on uplifted marine terraces on siliceous shale or thin chert. May require fire.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Marsh sandwort ( <i>Arenaria paludicola</i> )	E	E; 1B.1	Sandy, openings, freshwater or brackish marshes and swamps. Populations are known only from Santa Cruz County.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Tiburon mariposa lily ( <i>Calochortus tiburonensis</i> )	T	T; 1B.1	Valley and foothill grassland. On open, rocky, slopes in serpentine grassland.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Tiburon paintbrush ( <i>Castilleja affinis</i> ssp. <i>neglecta</i> )	E	T; 1B.2	Valley and foothill grassland. Rocky serpentine sites.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.

Species	Federal	State	Habitat Association	Potential to Occur	
				Pier 31 ½	Fort Baker
Robust spineflower ( <i>Chorizanthe robusta</i> var. <i>robusta</i> )	E	1B.1	Sandy or gravelly soils in maritime chaparral, openings in cismontane woodland, coastal dunes, and coastal scrub. Most populations extirpated, and now known from only six extended occurrences in Santa Cruz and Monterey Counties.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Presidio clarkia ( <i>Clarkia franciscana</i> )	E	E; 1B.1	Coastal scrub and serpentinite soils in valley and foothill grassland.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Marin western-flax ( <i>Hesperolinon congestum</i> )	T	T; 1B.1	Serpentinite soils in chaparral and valley and foothill grassland.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Santa Cruz tarplant ( <i>Holocarpha macradenia</i> )	T	E; 1B.1	Coastal prairie, valley and foothill grassland. Light, sandy soil or sandy clay; often with non-natives.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Beach layia ( <i>Layia canosa</i> )	E	E; 1B.1	Coastal dunes and sandy soils in coastal scrub.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
San Francisco lessingia ( <i>Lessingia germanorum</i> )	E	E; 1B.1	Remnant dunes in coastal scrub. Populations known from only four occurrences in the Presidio.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
White-rayed pentachaeta ( <i>Pentachaeta bellidiflora</i> )	E	E; 1B.1	Cismontane woodland and serpentine soils in valley and foothill grassland.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Tiburon jewelflower ( <i>Streptanthus glandulosus</i> ssp. <i>niger</i> )	E	E; 1B.1	Valley and foothill grassland. Shallow, rocky serpentine slopes.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
California sea blite ( <i>Suaeda californica</i> )	E	1B.1	Coastal salt marshes and swamps. Populations known only from Morrow Bay and near Cayucos Point; considered extirpated in the San Francisco Bay area.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Two-forkall clover ( <i>Trifolium amoenum</i> )	E	1B.1	Coastal bluff scrub and valley and foothill grasslands (occasionally serpentinite soils).	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.

Source: California Natural Diversity Database and U.S. Fish and Wildlife Service database search of project and surrounding quadrangles; San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South

E: endangered

Rare Plant Rank 1B.1: rare, threatened, or endangered in California and elsewhere; seriously threatened in California (over 80% of occurrences threatened / high degree and immediacy of threat)

SSC: state species of special concern

T: threatened



TABLE A-2  
STATE LISTED THREATENED AND ENDANGERED PLANTS AND ADDITIONAL SPECIAL STATUS  
WILDLIFE SPECIES WITH THE POTENTIAL TO OCCUR IN THE STUDY AREA  
(FISH AND MARINE MAMMALS LISTED IN TABLE A-4)

Species	Federal	State	Habitat Association	Potential to Occur	
				Pier 31 ½	Fort Baker
Amphibians					
California giant salamander ( <i>Dicamptodon ensatus</i> )		SSC	Aquatic, meadow and seep, north coast coniferous forest, riparian forest.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Foothill yellow-legged frog ( <i>Rana boylei</i> )	-	SC	Partly-shaded, shallow streams and riffles with a rocky substrate in a variety of habitats. Need at least some cobble-sized substrate for egg-laying.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Reptiles					
Western pond turtle ( <i>Emys marmorata</i> )	-	SSC	Freshwater ponds, marshes, and year-round streams.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Birds					
Short-eared owl ( <i>Asio flammeus</i> )	-	SSC	Found in swamp lands, both fresh and salt; lowland meadows; irrigated alfalfa fields. Tule patches/tall grass needed for nesting/daytime seclusion. Nests on dry ground in depression concealed in vegetation.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Burrowing owl ( <i>Athene cucularia</i> )	-	SSC	Open, dry annual or perennial grasslands, deserts and scrublands characterized by low-growing vegetation. Subterranean nester, dependent upon burrowing mammals, most notably, the California ground squirrel.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Northern harrier ( <i>Circus cyaneus</i> )	-	SSC	Coastal salt and fresh-water marsh. Nest and forage in grasslands, from salt grass in desert sink to mountain cienagas. Nests on ground in shrubby vegetation, usually at marsh edge; nest built of a large mound of sticks in wet areas.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Salt marsh common yellowthroat ( <i>Geothlypis trichas sinuosa</i> )	-	SSC	Tidal salt marshes with adjacent riparian vegetation.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
California black rail ( <i>Lateralus jamaicensis coturniculus</i> )	-	T; FP	Tidal salt marshes.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.

Species	Federal	State	Habitat Association	Potential to Occur	
				Pier 31 ½	Fort Baker
Alameda song sparrow ( <i>Melospiza melodia pusillula</i> )	-	SSC	Tidal salt marshes.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
San Pablo song sparrow ( <i>Melospiza melodia samuelis</i> )	-	SSC	Tidal salt marshes.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
California brown pelican ( <i>Pelecanus occidentalis californicus</i> )	D	FP	Coastal waters along the Pacific Coast.	Potential to occur.	No potential to occur. Habitat not present.
Bank swallow ( <i>Riparia riparia</i> )	-	T	Vertical banks or bluffs of friable soils suitable for burrowing.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Yellow-headed blackbird ( <i>Xanthocephalus xanthocephalus</i> )	-	SSC	Marsh, swamp, and wetlands.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
<b>Mammals</b>					
Pallid bat ( <i>Antrozous pallidus</i> )	-	SSC	Deserts, grasslands, shrublands, woodlands, and forests. Most common in open, dry habitats with rocky areas for roosting. Roosts must protect bats from high temperatures. Very sensitive to disturbance of roosting sites.	No potential to occur. Habitat not present.	Low to moderate potential to occur. May roost in abandoned or minimally occupied structures within the study area.
Townsend's big-eared bat ( <i>Corynorhinus (Plecotus) townsendii</i> )	-	SSC	Caves, mines, tunnels, buildings, or other human-made structures for roosting.	No potential to occur. Habitat not present.	Low to moderate potential to occur. May roost in abandoned or minimally occupied structures within the study area.
Western red bat ( <i>Lasiurus blossevillii</i> )	-	SSC	Woodland borders, rivers, agricultural areas, and urban areas with mature trees.	No potential to occur. Habitat not present.	Low to moderate potential to occur. May roost in trees within the project area.
San Pablo vole ( <i>Microtus californicus sanpabloensis</i> )	-	SSC	Saltmarshes of San Pablo Creek, on the south shore of San Pablo Bay. Constructs burrow in soft soil. Feeds on grasses, sedges, and herbs. Forms a network of runways leading from the burrow.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Big free-tailed bat ( <i>Nyctinomops macrotis</i> )	-	SC	Low-lying arid areas in southern California. Need high cliffs or rocky outcrops for roosting sites. Feeds principally on large moths.	No potential to occur. Habitat not present.	Low to moderate potential to occur. May roost or forage in the project area.
Alameda Island mole	-	SSC	Valley and foothill grassland, only known in Alameda	No potential to occur.	No potential to occur.

Species	Federal	State	Habitat Association	Potential to Occur	
				Pier 31 ½	Fort Baker
<i>(Scapanus latimanus parvus)</i>			Island.	Habitat not present.	Habitat not present.
Salt-marsh wandering shrew ( <i>Sorex vagrans halicoetes</i> )	-	SSC	Salt marshes of the south arm of San Francisco Bay. Medium high marsh 6 to 8 feet above sea level where abundant driftwood is scattered among imbricata.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
American badger ( <i>Taxidea taxus</i> )	-	SSC	Open, arid habitats, commonly in grasslands, savannas, mountain meadows, and open areas of desert scrub.	No potential to occur. Habitat not present.	Low potential to occur. Known to occur in grasslands of Marin Headlands. May frequent coastal scrub at Fort Baker.
Point Reyes jumping mouse ( <i>Zapus trinotatus orarius</i> )	-	SSC	Coastal forests; restricted to Point Reyes Peninsula.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Plants					
San Bruno Mountain manzanita ( <i>Arctostaphylos imbricata</i> )	-	E; 1B.1	Rocky areas in chaparral and coastal scrub. Population known from fewer than five occurrences on San Bruno Mountain.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
Pacific manzanita ( <i>Arctostaphylos pacifica</i> )	-	E; 1B.1	Chaparral, coastal scrub.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
San Francisco popcorn-flower ( <i>Plagiobothrys diffusus</i> )	-	E; 1B.1	Coastal prairie and valley and foothill grassland. Populations in San Francisco are considered extirpated.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.
North Coast semaphore grass ( <i>Pleuropogon hooverianus</i> )	-	T; 1B.1	Broadleafed upland forest, meadows and seeps, north coast coniferous forest. Wet grassy, usually shady areas, sometimes freshwater marsh; associated with forest environments.	No potential to occur. Habitat not present.	No potential to occur. Habitat not present.

D: Delisted

FP: fully protected

Rare Plant Rank 1B.1: rare, threatened, or endangered in California and elsewhere; seriously threatened in California (over 80% of occurrences threatened / high degree and immediacy of threat)

SSC: state species of special concern

T: threatened

Additional Special-Status Plants. Plant species with a California Rare Plant Rank 1B (Plants Rare, Threatened or Endangered in California and Elsewhere), 2 (Plants Rare, Threatened or Endangered in California but More Common Elsewhere) or 3 (Plants About Which We Need More Information) are listed in Table A-3 below. Based on the current habitat conditions and the known range of these species, none of these have potential to occur within the study area:

TABLE A-3  
ADDITIONAL CALIFORNIA NATIVE PLANT SPECIES LIST PLANT SPECIES WITH THE POTENTIAL TO OCCUR IN THE STUDY AREA

Common Name	Scientific Name	California Rare Plant Rank
Franciscan onion	<i>Allium peninsulare</i> var. <i>franciscanum</i>	1B.2
Napa false indigo	<i>Amorpha californica</i> var. <i>napensis</i>	1B.2
Bent-flowered fiddleneck	<i>Amsinckia lunaris</i>	1B.2
Montara manzanita	<i>Arctostaphylos montaraensis</i>	1B.2
Mt. Tamalpais manzanita	<i>Mt. Tamalpais manzanita</i>	1B.3
Marin manzanita	<i>Arctostaphylos virgata</i>	1B.2
Alkali milk-vetch	<i>Astragalus tener</i> var. <i>tener</i>	1B.2
Round-leaved filaree	<i>California macrophylla</i>	1B.1
Coastal bluff morning-glory	<i>Calystegia purpurata</i> ssp. <i>saxicola</i>	1B.2
Bristly sedge	<i>Carex comosa</i>	2B.1
Point Reyes bird's-beak	<i>Chloropyron maritimum</i> ssp. <i>palustre</i>	1B.2
San Francisco Bay spineflower	<i>Chorizanthe cuspidata</i> var. <i>cuspidata</i>	1B.2
Franciscan thistle	<i>Cirsium andrewsii</i>	1B.2
Mt. Tamalpais thistle	<i>Cirsium hydrophilum</i> var. <i>vaseyi</i>	1B.2
Compact cobwebby thistle	<i>Cirsium occidentale</i> var. <i>compactum</i>	1B.2
Round-headed Chinese-houses	<i>Collinsia corymbosa</i>	1B.2
San Francisco collinsia	<i>Collinsia multicolor</i>	1B.2
Western leatherwood	<i>Dirca occidentalis</i>	1B.2
Tiburon buckwheat	<i>Eriogonum luteolum</i> var. <i>caninum</i>	1B.2
Extriplex joaquinana	<i>Extriplex joaquinana</i>	1B.2
Minute pocket moss	<i>Fissidens pauperculus</i>	1B.2

Common Name	Scientific Name	California Rare Plant Rank
Marin checker lily	<i>Fritillaria lanceolata</i> var. <i>tristulis</i>	1B.1
Fragrant fritillary	<i>Fritillaria liliacea</i>	1B.2
Blue coast gilia	<i>Gilia capitata</i> ssp. <i>chamissonis</i>	1B.1
Dark-eyed gilia	<i>Gilia millefoliata</i>	1B.2
San Francisco gumplant	<i>Grindelia hirsutula</i> var. <i>maritima</i>	3.2
Diablo helianthella	<i>Helianthella castanea</i>	1B.2
Congested-headed hayfield tarplant	<i>Hemizonia congesta</i> ssp. <i>congesta</i>	1B.2
Short-leaved evax	<i>Hesperis matronalis</i> var. <i>brevifolia</i>	1B.2
Loma Prieta hoita	<i>Hoita strobilina</i>	1B.1
Kellogg's horkelia	<i>Horkelia cuneata</i> ssp. <i>sericea</i>	1B.1
Point Reyes horkelia	<i>Horkelia marinensis</i>	1B.2
Thin-lobed horkelia	<i>Horkelia tenuiloba</i>	1B.2
Rose leptosiphon	<i>Leptosiphon rosaceus</i>	1B.1
Tamalpais lessingia	<i>Lessingia micradenia</i> var. <i>micradenia</i>	1B.2
Arcuate bush-mallow	<i>Malacothamnus arcuatus</i>	1B.1
Marsh microseris	<i>Microseris paludosa</i>	1B.2
Northern curly-leaved monardella	<i>Monardella sinuata</i> ssp. <i>nigrescens</i>	1B.2
Marin County navarretia	<i>Navarretia rosulata</i>	1B.2
Choris' popcorn-flower	<i>Plagiobothrys chorisianus</i> var. <i>chorisianus</i>	1B.2
Hairless popcorn-flower	<i>Plagiobothrys glaber</i>	1A
Oregon polemonium	<i>Polemonium carneum</i>	2B.2
Marin knotweed	<i>Polygonum marinense</i>	3.1
Tamalpais oak	<i>Quercus parvula</i> var. <i>tamalpaisensis</i>	1B.3
Adobe sanicle	<i>Sanicula maritime</i>	1B.1
Point Reyes checkerbloom	<i>Sidalcea calycosa</i> ssp. <i>rhizomata</i>	1B.2
Marin checkerbloom	<i>Sidalcea hickmanii</i> ssp. <i>viridis</i>	1B.1
San Francisco campion	<i>Silene verecunda</i> ssp. <i>verecunda</i>	1B.2
Santa Cruz microseris	<i>Stebbinsoseris decipiens</i>	1B.2

Common Name	Scientific Name	California Rare Plant Rank
Tamalpais jewelflower	<i>Streptanthus batrachopus</i>	1B.3
Mount Tamalpais bristly jewel-flower	<i>Streptanthus glandulosus</i> ssp. <i>pulchellus</i>	1B.2
Suisun Marsh aster	<i>Symphyotrichum lentum</i>	1B.2
Saline clover	<i>Trifolium hydrophilum</i>	1B.2
San Francisco owl's-clover	<i>Triphysaria floribunda</i>	1B.2
Coastal triquetrella	<i>Triquetrella californica</i>	1B.2

Rare Plant Rank 1B.1 – rare, threatened, or endangered in California and elsewhere; seriously threatened in California (over 80% of occurrences threatened / high degree and immediacy of threat)

Rare Plant Rank 1B.2 – rare, threatened, or endangered in California and elsewhere; fairly threatened in California (20-80% occurrences threatened / moderate degree and immediacy of threat)

Rare Plant Rank 1B.3 – rare, threatened, or endangered in California and elsewhere; not very endangered in California

Rare Plant Rank 2B.2 – rare or Endangered in California, common elsewhere; fairly endangered in California

**TABLE A-4  
FEDERAL ESA- AND STATE ESA-LISTED MARINE SPECIES WITH THE POTENTIAL TO INHABIT THE STUDY AREA**

Species	Federal	State	Habitat Association	Potential to Inhabit (Pier 31 ½ and Fort Baker)
<b>Fish</b>				
Green sturgeon southern DPS ( <i>Acipenser medirostris</i> )	T	SSC	Marine and estuarine environments and Sacramento River; all of San Francisco Bay-Delta (Bay-Delta)	High potential to inhabit. Known to inhabit the Central Bay. Critical habitat present in the study area.
Tidewater goby ( <i>Eucyclogobius newberryi</i> )	E	SSC	Brackish water habitats along the California coast from Agua Hedionda Lagoon, San Diego County to the mouth of the Smith River	No suitable habitat present. Species presumed to be extirpated from Bay-Delta.
Delta smelt ( <i>Hypomesus transpacificus</i> )	T	E	Sacramento-San Joaquin Delta, Suisun Bay, San Pablo Bay, river channels and sloughs in Delta	Outside known range.
Central California coast ESU coho salmon ( <i>Oncorhynchus kisutch</i> )	E	E	Ocean waters, Sacramento and San Joaquin Rivers; migrates from ocean through the Bay-Delta to freshwater spawning grounds	High potential to inhabit. Known to inhabit the Central Bay. Critical habitat present in the study area.
Central California coast DPS steelhead trout ( <i>Oncorhynchus mykiss</i> )	T	SSC	Ocean waters, Sacramento and San Joaquin Rivers; migrates from ocean through the Bay-Delta to freshwater spawning grounds	High potential to inhabit. Known to inhabit the Central Bay. Critical habitat present in the study area.
Central Valley DPS steelhead trout ( <i>Oncorhynchus mykiss</i> )	T	-	Ocean waters, Sacramento and San Joaquin Rivers; migrates from ocean through the Bay-Delta to freshwater spawning grounds	High potential to inhabit. Known to inhabit the Central Bay. Critical habitat present in the study area.
Sacramento River winter-run ESU Chinook salmon ( <i>Oncorhynchus tshawytscha</i> )	E	E	Ocean waters, Sacramento and San Joaquin Rivers; migrates from ocean through the Bay-Delta to freshwater spawning grounds	High potential to inhabit. Known to inhabit the Central Bay. Critical habitat present in the study area.
Central Valley spring-run ESU Chinook salmon ( <i>Oncorhynchus tshawytscha</i> )	T	T	Ocean waters, Sacramento and San Joaquin Rivers; migrates from ocean through the Bay-Delta to freshwater spawning grounds	High potential to inhabit. Known to inhabit the Central Bay. Critical habitat present in the study area.
Central Valley fall-run/late fall-run Chinook salmon ( <i>Oncorhynchus tshawytscha</i> )	FSC	SSC	Ocean waters, Sacramento and San Joaquin Rivers; migrates from ocean through the Bay-Delta to freshwater spawning grounds	High potential to inhabit. Known to inhabit the Central Bay.
Longfin smelt ( <i>Spirinchus thaleichthys</i> )	C	T; SSC	Euryhaline, nektonic, and anadromous. Found in open waters of estuaries, mostly in middle or bottom of water column.	High potential to inhabit. Known to inhabit Central Bay.

Species	Federal	State	Habitat Association	Potential to Inhabit (Pier 31 ½ and Fort Baker)
Eulachon ( <i>Thaleichthys pacificus</i> )	T	-	Found in Klamath River, Mad River, Redwood Creek, and in small numbers in Smith River and Humboldt Bay tributaries.	No suitable habitat present. Outside of known range.
<b>Marine Mammals</b>				
Southern Sea Otter ( <i>Enhydra lutris nereis</i> )	T	-	Nearshore marine environments from about Ano Nuevo, San Mateo Co. to Point Sal, Santa Barbara Co. Needs canopies of giant kelp and bull kelp for rafting and feeding. Prefers rocky substrates with abundant invertebrates.	No suitable habitat present. Outside of known range.
Humpback whale ( <i>Megaptera novaeangliae</i> )	E	SSC	Predominantly coastal waters, although occasional individuals enter the Bay-Delta.	Will not inhabit Project footprint. Infrequent transient visitor to the Bay, typically only in deeper waters.

C: candidate  
DPS: distinct population segment  
E: endangered  
ESU: evolutionarily significant unit  
FSC: federal species of special concern  
SSC: state species of special concern  
T: threatened

Sources:

California Department of Fish and Wildlife, California Natural Diversity Database and U.S. Fish and Wildlife Service database search of Project and surrounding quadrangles: San Francisco North, San Rafael, San Quentin, Richmond, Point Bonita, Oakland West, Hunters Point, and San Francisco South, 2017.  
National Marine Fisheries Service, Fisheries Management Plan Species Distributions in San Francisco, San Pablo and Suisun Bays, 2001.



**Appendix B**  
**Supplemental Transportation Study**  
**Fehr & Peers, February 2018**



February 8, 2018

Ms. Julie Moore  
San Francisco Planning Department  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

**Subject: Alcatraz Embarkation Facility – Pier 31 ½ Transportation Circulation Study  
Response to PMND Appeal Transportation Concerns**

Dear Julie:

We understand the Preliminary Mitigated Negative Declaration (PMND) on the above subject project has been appealed by the City of Sausalito. As noted in the PMND, the project would include ferry service from Pier 31 ½ to Fort Baker including up to two round trips on weekends only. The City of Sausalito's appeal, prepared by Sheppard Mullin, and dated December 27, 2017, claims that the Fort Baker ferry service component of the project may substantially increase visitor demand to Sausalito, exacerbating already-congested conditions along Sausalito's waterfront, which could potentially cause significant environmental impacts that were not evaluated in the PMND. Further, the City of Sausalito's appeal states that the PMND should have included more detailed discussion about the environmental setting further from Fort Baker, including the Marin Headlands, Alexander Avenue, and Sausalito.

This letter provides additional discussion of the environmental setting near Sausalito and additional discussion of travel demand specific to Sausalito that may be included in the PMND for informational purposes. This letter also includes a more specific response to the transportation-related concerns identified in the City of Sausalito's letter, based on the additional setting and travel demand analysis contained herein.

#### ADDITIONAL SETTING DISCUSSION

The PMND prepared for the Alcatraz Embarkation Facility did not forecast substantial amount of additional transportation demand between Fort Baker and Sausalito associated with the project. However, additional detail on the existing setting along Alexander Avenue and within Sausalito is provided here for informational purposes.

The City of Sausalito currently experiences high tourism on weekends, particularly during the summer months. On-street traffic and bicycle and pedestrian flows along the City's waterfront are



routine, including perceived high levels of congestion. The Golden Gate Bridge, Highway, and Transportation District (GGBHTD) and the Blue and Gold Fleet operate several ferries between Sausalito and San Francisco on weekends, with higher frequency during the peak summer periods. As part of a separate project, the GGBHTD plans to increase the size of the ferry terminal in Sausalito to accommodate increases in ferry ridership. According to the *Second Addendum to the 2012 Initial Study/Mitigated Negative Declaration and 2017 Addendum for the Sausalito Ferry Terminal* (LSA Associates, 2017) (Ferry Terminal Addendum), the number of ferry passengers with bicycles can reach up to 6,000 passengers per day on peak weekends, which contributes to the congestion in Sausalito and creates some operational challenges associated with loading/unloading passengers.

Specifically, the Ferry Terminal Addendum notes that the primary areas where congestion occurs are in the parking lot areas adjacent to the ferry terminal, with concentrations near the pier, the sidewalks connecting the pier to the local street network, and near the ferry ticket kiosk associated with ferry passengers with bicycles attempting to board ferries to return to San Francisco. The City of Sausalito has noted that this congestion creates safety concerns.

To manage the congestion, the City of Sausalito has adopted a number of strategies including physical improvements to better manage the demand and increased enforcement. The Ferry Terminal Addendum found that with active management to prevent queues from extending outside a designated queuing area, the proposed expansion project would have less than significant transportation impacts.

Fehr & Peers examined collision statistics for an approximately one quarter-mile long segment along Bridgeway, from Bay Street to a midblock location to the south, approximately at Scoma's restaurant for the most recent five-year period for which data is available, 2012-2016 (see Figure 1).<sup>1</sup> This area includes the area that experiences the highest levels of tourism-related congestion.

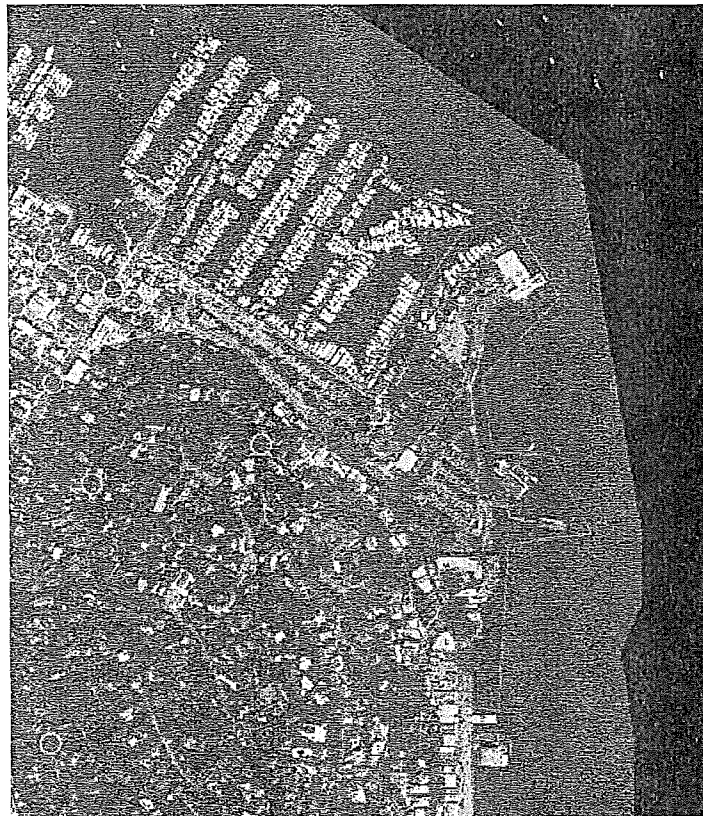
During that five-year period, a total of 17 collisions were reported. Three of the collisions were reported during weekends and five were reported on Fridays, with the remaining nine occurring on Mondays through Thursdays. Fourteen of the seventeen collisions involved bicycles or pedestrians (eight with bicycles and six with pedestrians). Five of the 17 collisions were reported during the

---

<sup>1</sup> California Statewide Integrated Traffic Records System (SWITRS), most recently accessed February 2, 2018. Note that records from 2015 and 2016 are considered provisional and subject to change.



month of June, with no other month experiencing more than two (January, September, and October each recorded two collisions). Overall, the data suggests that weekends do not appear to experience disproportionately high rates of collisions. However, the vast majority of reported collisions did involve bicycles or pedestrians. Detailed collision data are provided in the Appendix to this letter.



**Figure 1 - Reported Collisions along Bridgeway in Sausalito (2012-2016)**

In April 2017, Fehr & Peers completed a study for the Golden Gate National Recreation Area (GGNRA) of conditions at and around Vista Point at the Golden Gate Bridge, which included counts of traffic volumes and speeds along Alexander Avenue on summer weekends in 2016. Alexander Avenue, particularly north of Bunker Road, is the primary route to access Sausalito by car from San Francisco and points to the south, and thus, represents a reasonable proxy for tourist vehicle traffic to and from Sausalito. That study found that the peak traffic volume on Alexander Avenue, north of Bunker Road, near the Fort Baker site, was approximately 775 vehicles per hour on both Saturday and Sunday on a May weekend (May 14-15, 2016). During this same weekend, the 85<sup>th</sup> percentile



travel speed along the same portion of Alexander Avenue was approximately 40 mph. Traffic counts and speed survey data are included as an Appendix to this letter.

## SUPPLEMENTAL ANALYSIS OF TRAVEL DEMAND TO SAUSALITO

As noted in Table 4 of the PMND, the Fort Baker ferry service component of the project would serve approximately 40,000 visitors annually, with service operating on weekends only via two round-trips per weekend day. Visitation is expected to vary by season, with summer and holiday weekends experiencing higher usage than the off-peak winter season. During typical off-peak days, the service is expected to serve approximately 250 visitors per weekend day. During peak weekends, visitor forecasts are expected to reach 500 passengers per day, or approximately 250 passengers per boat.

As noted in the Setting section, both the GGBHTD and the Blue and Gold Fleet operate several ferries between Sausalito and San Francisco on weekends, with higher frequency during the peak summer periods. Combined, the ferries operate approximately 12 round trips per day on peak summer weekends, with service between Sausalito and the San Francisco Ferry Terminal and Pier 41. Because the ferry service between Sausalito and San Francisco is so robust, it is unlikely that most visitors would choose to take a ferry to Fort Baker and then some other form of transportation to Sausalito, as it would be a more circuitous, time-consuming, and likely more expensive way to travel.<sup>2</sup> Instead the ferry service to Fort Baker would likely be most attractive to visitors who wish to visit Fort Baker's many uses, including the Cavallo Point Lodge (restaurant, spa, hotel, and conference center), the Bay Area Discovery Museum, Battery Yates and Battery Cavallo, the Travis Sailing Center/Presidio Yacht Club, or the California Coastal Trail in the Marin Headlands.

However, even if some users did elect to make the trip to Sausalito via Fort Baker, options for doing so are limited. Walking is not likely a viable option. The distance between Fort Baker and Sausalito is approximately 2 miles, and sidewalks or paths between the two are discontinuous. Pedestrians

---

<sup>2</sup> It is also unlikely that most visitors would take a ferry to downtown Sausalito from San Francisco and then travel to and from Fort Baker from downtown Sausalito because the distance between the San Francisco Ferry Building and Pier 31.5 is approximately one mile and the numerous travel options that exist between those two sites. In other words, it is most likely that if a visitor is destined for downtown Sausalito, they would leave from the San Francisco Ferry Building and if a visitor is destined for Fort Baker, they would leave from Pier 31.5.



would likely be forced to use Alexander Avenue or East Road, both of which are very narrow, windy, and steep with partial sidewalks, and would be extremely uncomfortable for pedestrians. Bicycling is also not a likely option, as bicycles would be prohibited on the Fort Baker ferries, and there are not currently any bicycle rental locations in Fort Baker, nor are there any known plans to add them. Thus passengers would not be able to obtain a bicycle in Fort Baker with which to ride to Sausalito. Finally, transit service between Fort Baker and Sausalito is virtually non-existent, and there are no shuttles currently or planned in the future. The most viable potential way for visitors to travel between Fort Baker and Sausalito would be by Transportation Network Company (TNC), such as Uber or Lyft, or other types of for-hire vehicles (e.g., taxis).

While traveling to Sausalito via Fort Baker does not appear to be a particularly convenient or desirable route, even if it were to occur, the number of new vehicles added to the roadway network would be small. For example, even if one-half of all ferry passengers were to travel to Sausalito (a conservatively large portion given the number of ferries that travel directly between San Francisco and Sausalito and the potential lack of TNC or other for-hire vehicle availability to arrive at one time given the lower relative density of demand for such for-hire vehicles compared to other places in the Bay Area (e.g., downtown San Francisco)), that would mean 125 passengers per ferry would travel to Sausalito. Based on the analysis in the PMND, average vehicle occupancy for visitors who arrived at the Pier 31 ½ Embarkation Facility in San Francisco was 3.9 persons per vehicle. It is reasonable to assume this represents an average group size, regardless of arrival mode in San Francisco. Assuming a vehicle occupancy of 3.9 passengers per vehicle means the 125 passengers per ferry would occupy 32 vehicles. Finally, if people were taking the ferry to Fort Baker and Sausalito, it is likely that some of those trips would have occurred anyway (or are currently occurring) by car, which means that the number of net new vehicle trips would be even lower than 32 for each ferry.

Thus, even under the very conservative assumption that 50 percent of Fort Baker ferry passengers eventually traveled to Sausalito, the number of net new car trips to Sausalito would likely be less than 30 vehicles per hour, even on a peak weekend. And, even if those trips happened to coincide with the peak hour of traffic volumes on Alexander Avenue, they would represent less than four percent of the existing peak weekend traffic on Alexander Avenue, north of Bunker Road.

While this relatively small (and hypothetical) increase in traffic due to TNCs traveling between Fort Baker and Sausalito would be very small in relation to the existing traffic along Alexander Road and in Sausalito, if that level of traffic were to appear at once within Fort Baker without any curbside management to facilitate safe unloading or loading of passengers, it may create some localized



congestion near the Fort Baker ferry landing. This would be a particular concern during the period when passengers disembark the ferry because they arrive simultaneously; passengers taking TNCs back to the ferry landing to return to San Francisco would likely arrive over a more dispersed period of time prior to the ferry departure, such that vehicles would not arrive simultaneously, drivers would drop off passengers, and queues would not form.

However, for the reasons described above, it is highly unlikely that passengers would disembark the ferry at Fort Baker and immediately request a TNC vehicle to transport them somewhere else that has existing ferry service, such as Sausalito. Instead, those who wish to visit Sausalito from Fort Baker would most likely chose to do so for a meal or sightseeing after completing whatever activities at Fort Baker they originally and primarily traveled for. In this instance, the instances of pick-up or drop-off would be dispersed over time during the day, and would not be concentrated at a specific location (i.e., the ferry landing); instead, they would be spread over multiple destinations within Fort Baker, and would not likely form queues or congestion at any particular point.

Thus, overall, as noted in the PMND, the project is not expected to add substantial increases in traffic, pedestrians or bicycling to Sausalito and therefore is not expected to exacerbate the existing pedestrian, bicycle, or traffic congestion levels described in the Setting section or to create new hazards or exacerbate any existing hazards. Additionally, the very small number of patrons that may travel to Sausalito by TNC vehicle, if any, would not likely create localized congestion near the ferry landing because pick-ups would be dispersed geographically and temporally.

## RESPONSE TO TRANSPORTATION CONCERN

The City of Sausalito's appeal also cites the Fort Baker Plan EIS (p. 5-4), which states:

*Increased visitation at Fort Baker would increase the demand for lodging, restaurant, and other tourist-oriented services in surrounding areas, especially in Sausalito, Tiburon, and San Francisco.*

This statement was made in the context of the entire Fort Baker Plan, which included substantial improvements to the site's historic features and a new conference center, with new meeting space, up to 350 hotel rooms, spa, and restaurant components, an expansion to the Bay Area Discovery Museum, and parking for up to 455 vehicles. This general increase in activity at Fort Baker could reasonably be expected to generate demand for travel between the two sites, particularly for visitors with cars who would be staying at the Fort Baker conference facility for multiple days.



In contrast, the proposed Fort Baker ferry service would be for day trips for visitors from San Francisco who specifically wanted to visit Fort Baker, and not for visitors who were staying multiple days at Fort Baker for a conference who may wish to explore other parts of Marin County during their stay. While both the Fort Baker Plan and the Fort Baker ferry service could increase visitorship at Fort Baker, the types and travel patterns of visitors is different between conference attendees staying at Fort Baker and ferry passengers traveling there from San Francisco for the day. Thus, the conclusion that the Fort Baker ferry would not likely generate substantial increases in visitors to Sausalito is not inconsistent with the Fort Baker EIS.

The PMND included a detailed and adequate analysis of transportation conditions likely to be affected by the proposed project. As noted above, it is unlikely that a substantial amount of passengers would use the Fort Baker ferry to travel from San Francisco to Sausalito because there are so many direct ferries between the two cities, and the connections between Fort Baker and Sausalito are not particularly convenient. However, as noted above, even if some passengers did include a stop in Sausalito on their trip, the likely way to do so would be by TNC (e.g., Uber and Lyft) or other for-hire vehicle (e.g., taxi), and not by foot, bicycle, or transit. Even under a set of conservative assumptions, traffic volume increases would not likely be high enough to be perceptible to the public. Therefore, the project would not create new hazards or exacerbate existing hazards in and around Sausalito.

Further, as discussed on pp. 65-66 and p. 69 of the PRMD, the City of San Francisco does not use traffic congestion as a metric for assessing transportation impacts. Rather, consistent with Senate Bill 743 and recent supporting guidance from the State of California Governor's Office of Planning and Research (OPR), the City of San Francisco has adopted a VMT efficiency metric<sup>3</sup>. Thus, even if traffic from the Fort Baker ferry service were to increase congestion in Sausalito, it would not be considered a significant environmental impact.

The City of San Francisco does consider substantial conflicts between modes that create new or exacerbate existing safety problems to be a significant impact. However, as noted above, the vast majority of reported collisions in the last five years were mid-week, likely when congestion levels

---

<sup>3</sup> San Francisco Planning Department, *Executive Summary: Resolution Modifying Transportation Impact Analysis*, March 3, 2016.



Ms. Julie Moore, San Francisco Planning Department  
February 8, 2018  
Page 8 of 9



are lower and cars are traveling at faster speeds. The project would not be in operation mid-week, and would not likely increase bicycles or pedestrians in Sausalito on weekends, and therefore, would not exacerbate the City of Sausalito's safety concerns.

In summary, although congestion issues and conflicts between bicycles, pedestrians, and car traffic are perceived as high for the context of Sausalito, particularly during peak summer weekends, the project is not likely to contribute to that congestion or those conflicts in a meaningful way such that the project would create new significant impacts in Sausalito requiring mitigation.

We hope you have found this information helpful. Please do not hesitate to call if you have any questions.

Sincerely,  
FEHR & PEERS



Chris Mitchell, PE  
Principal

## TECHNICAL APPENDIX

## Vehicle Speed Report Summary



Location: Sausalito Lateral Rd

Count Direction: Northbound / Southbound

Date Range: 5/14/2016 to 5/15/2016

Site Code: 01

	Speed Range (mph)																	Total
	0 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	45 - 50	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	75 - 80	80 - 85	85 +	Volume
<b>Study Total</b>																		
Northbound	8	56	164	506	1,092	2,287	2,408	957	199	28	3	2	0	0	0	0	0	7,710
Percent	0.1%	0.7%	2.1%	6.6%	14.2%	29.7%	31.2%	12.4%	2.6%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Southbound	5	133	743	764	957	2,354	2,541	1,410	367	73	7	1	0	0	0	0	0	9,355
Percent	0.1%	1.4%	7.9%	8.2%	10.2%	25.2%	27.2%	15.1%	3.9%	0.8%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Total	13	189	907	1,270	2,049	4,641	4,949	2,367	566	101	10	3	0	0	0	0	0	17,065
Percent	0.1%	1.1%	5.3%	7.4%	12.0%	27.2%	29.0%	13.9%	3.3%	0.6%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%

Total Study Percentile Speed Summary			Total Study Speed Statistics		
<b>Northbound</b>			<b>Northbound</b>		
50th Percentile (Median)	34.5	mph	Mean (Average) Speed	33.9	mph
85th Percentile	40.0	mph	10 mph Pace	29.8 - 39.8	mph
95th Percentile	43.3	mph	Percent in Pace	60.9	%
<b>Southbound</b>			<b>Southbound</b>		
50th Percentile (Median)	34.2	mph	Mean (Average) Speed	33.3	mph
85th Percentile	41.0	mph	10 mph Pace	30.9 - 40.9	mph
95th Percentile	44.8	mph	Percent in Pace	52.8	%

Location: Sausalito Lateral Rd  
 Date Range: 5/14/2016 to 5/15/2016  
 Site Code: 01



Saturday, May 14, 2016  
 Northbound

Time	Speed Range (mph)																	Total
	0 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	45 - 50	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	75 - 80	80 - 85	85 +	Volume
12:00 AM	0	0	0	0	3	8	16	1	1	0	0	0	0	0	0	0	0	29
1:00 AM	0	0	0	1	2	6	5	4	0	0	0	0	0	0	0	0	0	18
2:00 AM	0	0	0	2	0	4	7	2	1	0	0	0	0	0	0	0	0	16
3:00 AM	0	0	0	0	0	1	4	1	0	0	0	0	0	0	0	0	0	6
4:00 AM	0	0	1	0	1	1	4	2	0	0	0	0	0	0	0	0	0	9
5:00 AM	0	0	0	0	1	2	7	6	2	0	0	0	0	0	0	0	0	18
6:00 AM	0	1	4	10	4	6	13	5	4	0	0	0	0	0	0	0	0	47
7:00 AM	0	0	2	3	9	12	17	9	9	1	1	0	0	0	0	0	0	63
8:00 AM	0	0	6	30	29	28	52	18	5	0	0	0	0	0	0	0	0	168
9:00 AM	0	0	6	24	34	55	54	40	3	3	0	0	0	0	0	0	0	219
10:00 AM	0	5	15	29	47	93	65	20	2	0	0	0	0	0	0	0	0	276
11:00 AM	0	2	8	47	59	85	84	39	3	0	0	0	0	0	0	0	0	327
12:00 PM	1	2	11	20	59	114	92	30	6	0	0	0	0	0	0	0	0	335
1:00 PM	0	1	3	16	46	107	81	12	6	1	0	2	0	0	0	0	0	275
2:00 PM	0	1	3	15	59	87	107	30	2	2	0	0	0	0	0	0	0	306
3:00 PM	2	6	6	12	45	95	99	31	4	0	0	0	0	0	0	0	0	300
4:00 PM	0	0	5	8	42	84	63	14	8	0	1	0	0	0	0	0	0	225
5:00 PM	0	2	2	11	51	75	82	26	1	1	0	0	0	0	0	0	0	251
6:00 PM	0	0	1	11	49	92	87	25	12	2	0	0	0	0	0	0	0	279
7:00 PM	0	1	1	2	21	60	69	36	10	1	0	0	0	0	0	0	0	201
8:00 PM	0	0	2	9	13	43	58	37	4	0	0	0	0	0	0	0	0	166
9:00 PM	0	0	0	3	15	37	39	20	3	0	0	0	0	0	0	0	0	117
10:00 PM	0	0	0	4	10	25	39	17	3	0	0	0	0	0	0	0	0	98
11:00 PM	0	0	0	1	11	13	20	15	8	0	0	0	0	0	0	0	0	68
<b>Total</b>	<b>3</b>	<b>21</b>	<b>76</b>	<b>258</b>	<b>610</b>	<b>1,133</b>	<b>1,164</b>	<b>440</b>	<b>97</b>	<b>11</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,817</b>
<b>Percent</b>	<b>0.1%</b>	<b>0.6%</b>	<b>2.0%</b>	<b>6.8%</b>	<b>16.0%</b>	<b>29.7%</b>	<b>30.5%</b>	<b>11.5%</b>	<b>2.5%</b>	<b>0.3%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	

Daily Percentile Speed Summary			Speed Statistics		
50th Percentile (Median)	34.2	mph	Mean (Average) Speed	33.8	mph
85th Percentile	39.7	mph	10 mph Pace	29.5 - 39.5	mph
95th Percentile	43.1	mph	Percent in Pace	60.6	%

Location: Sausalito Lateral Rd  
Date Range: 5/14/2016 to 5/15/2016  
Site Code: 01

Saturday, May 14, 2016  
Southbound

Time	Speed Range (mph)																	Total
	0 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	45 - 50	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	75 - 80	80 - 85	85 +	Volume
12:00 AM	0	0	0	0	2	4	5	13	1	1	0	0	0	0	0	0	0	26
1:00 AM	0	0	0	0	0	5	2	3	0	0	0	0	0	0	0	0	0	10
2:00 AM	0	0	0	0	0	4	3	5	2	1	0	0	0	0	0	0	0	15
3:00 AM	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
4:00 AM	0	0	0	0	0	3	4	3	2	0	0	0	0	0	0	0	0	12
5:00 AM	0	0	0	0	0	3	4	7	1	0	0	1	0	0	0	0	0	16
6:00 AM	0	0	2	1	0	1	9	22	10	2	0	0	0	0	0	0	0	47
7:00 AM	0	0	1	6	1	12	18	27	15	2	1	0	0	0	0	0	0	83
8:00 AM	0	2	3	10	5	12	40	48	19	6	0	0	0	0	0	0	0	145
9:00 AM	0	0	17	16	5	22	50	52	23	6	2	0	0	0	0	0	0	193
10:00 AM	0	3	31	40	14	40	75	35	12	4	0	0	0	0	0	0	0	254
11:00 AM	0	6	47	44	33	70	79	38	7	2	0	0	0	0	0	0	0	326
12:00 PM	1	4	51	61	58	78	103	35	5	0	0	0	0	0	0	0	0	396
1:00 PM	0	6	57	35	42	126	91	34	8	0	0	0	0	0	0	0	0	399
2:00 PM	1	22	53	31	44	103	104	38	4	0	0	0	0	0	0	0	0	400
3:00 PM	1	11	57	39	64	155	101	45	7	1	0	0	0	0	0	0	0	481
4:00 PM	0	11	48	44	64	140	98	25	4	1	0	0	0	0	0	0	0	435
5:00 PM	0	9	31	26	70	129	111	64	7	0	0	0	0	0	0	0	0	447
6:00 PM	0	11	21	22	39	87	122	81	17	4	0	0	0	0	0	0	0	404
7:00 PM	0	2	10	12	25	73	89	64	13	3	0	0	0	0	0	0	0	291
8:00 PM	0	2	6	14	21	77	70	35	5	1	0	0	0	0	0	0	0	231
9:00 PM	0	1	1	0	14	62	60	26	3	4	0	0	0	0	0	0	0	171
10:00 PM	1	1	2	5	14	41	46	12	5	0	0	0	0	0	0	0	0	127
11:00 PM	0	0	0	1	2	21	21	22	1	1	0	0	0	0	0	0	0	69
Total	4	91	438	407	517	1,269	1,305	734	171	39	3	1	0	0	0	0	0	4,979
Percent	0.1%	1.8%	8.8%	8.2%	10.4%	25.5%	26.2%	14.7%	3.4%	0.8%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Daily Percentile Speed Summary		Speed Statistics	
50th Percentile (Median)	34.0 mph	Mean (Average) Speed	32.9 mph
85th Percentile	40.7 mph	10 mph Pace	30.8 - 40.8 mph
95th Percentile	44.4 mph	Percent in Pace	52 %

Location: Sausalito Lateral Rd  
 Date Range: 5/14/2016 to 5/15/2016  
 Site Code: 01



Sunday, May 15, 2016  
 Northbound

Time	Speed Range (mph)																	Total Volume
	0 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	45 - 50	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	75 - 80	80 - 85	85 +	
12:00 AM	0	0	0	4	2	13	22	7	3	2	0	0	0	0	0	0	0	53
1:00 AM	0	0	0	0	1	14	10	3	0	1	0	0	0	0	0	0	0	29
2:00 AM	0	0	0	0	0	4	2	4	1	0	0	0	0	0	0	0	0	11
3:00 AM	0	0	0	0	1	2	2	1	1	0	0	0	0	0	0	0	0	7
4:00 AM	0	0	0	2	1	2	3	1	0	0	0	0	0	0	0	0	0	9
5:00 AM	0	0	0	0	3	2	1	3	3	0	0	0	0	0	0	0	0	12
6:00 AM	0	0	0	0	0	6	6	11	6	1	0	0	0	0	0	0	0	30
7:00 AM	0	0	3	10	8	10	16	9	5	1	0	0	0	0	0	0	0	62
8:00 AM	0	0	7	15	20	28	48	24	5	1	0	0	0	0	0	0	0	148
9:00 AM	0	4	16	32	24	46	50	34	7	0	0	0	0	0	0	0	0	213
10:00 AM	1	3	12	16	30	79	71	32	3	1	0	0	0	0	0	0	0	248
11:00 AM	0	6	12	33	61	90	90	22	2	0	0	0	0	0	0	0	0	316
12:00 PM	2	6	12	34	61	139	121	25	7	1	0	0	0	0	0	0	0	408
1:00 PM	1	4	4	20	53	121	111	50	3	2	0	0	0	0	0	0	0	369
2:00 PM	0	2	8	19	49	106	91	46	2	0	0	0	0	0	0	0	0	323
3:00 PM	0	2	4	21	38	85	97	31	7	1	0	0	0	0	0	0	0	286
4:00 PM	1	6	3	15	27	99	105	27	6	2	0	0	0	0	0	0	0	291
5:00 PM	0	0	2	10	42	103	84	32	9	1	0	0	0	0	0	0	0	283
6:00 PM	0	1	0	1	13	61	101	61	8	0	1	0	0	0	0	0	0	247
7:00 PM	0	0	2	5	10	42	84	52	6	3	0	0	0	0	0	0	0	204
8:00 PM	0	0	1	3	14	44	66	26	7	0	0	0	0	0	0	0	0	161
9:00 PM	0	0	2	2	13	29	29	6	2	0	0	0	0	0	0	0	0	83
10:00 PM	0	1	0	2	5	16	21	3	5	0	0	0	0	0	0	0	0	53
11:00 PM	0	0	0	4	6	13	13	7	4	0	0	0	0	0	0	0	0	47
Total	5	35	88	248	482	1,154	1,244	517	102	17	1	0	0	0	0	0	0	3,893
Percent	0.1%	0.9%	2.3%	6.4%	12.4%	29.6%	32.0%	13.3%	2.6%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Daily Percentile Speed Summary		Speed Statistics	
50th Percentile (Median)	34.7 mph	Mean (Average) Speed	34.1 mph
85th Percentile	40.3 mph	10 mph Pace	31.0 - 41.0 mph
95th Percentile	43.5 mph	Percent in Pace	61.8 %

Location: Sausalito Lateral Rd  
Date Range: 5/14/2016 to 5/15/2016  
Site Code: 01

Sunday, May 15, 2016  
Southbound

Time	Speed Range (mph)																	Total
	0 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	45 - 50	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	75 - 80	80 - 85	85 +	Volume
12:00 AM	0	0	0	3	6	11	6	3	0	0	0	0	0	0	0	0	0	29
1:00 AM	0	0	0	0	2	1	4	0	1	1	0	0	0	0	0	0	0	9
2:00 AM	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	2
3:00 AM	0	0	0	1	0	0	3	2	0	0	0	0	0	0	0	0	0	6
4:00 AM	0	0	4	0	0	6	2	2	1	1	0	0	0	0	0	0	0	16
5:00 AM	0	1	0	0	0	1	1	6	1	0	0	0	0	0	0	0	0	10
6:00 AM	0	1	2	0	0	2	11	15	9	2	0	0	0	0	0	0	0	42
7:00 AM	0	1	3	3	1	6	21	25	14	4	0	0	0	0	0	0	0	78
8:00 AM	0	0	7	12	4	8	22	37	13	6	0	0	0	0	0	0	0	109
9:00 AM	0	0	9	19	21	22	53	41	21	3	1	0	0	0	0	0	0	190
10:00 AM	0	3	20	31	19	26	48	39	19	4	0	0	0	0	0	0	0	209
11:00 AM	0	0	21	38	22	44	64	68	17	0	1	0	0	0	0	0	0	275
12:00 PM	0	4	34	53	37	70	74	46	13	0	0	0	0	0	0	0	0	331
1:00 PM	0	6	49	38	37	89	107	39	7	1	2	0	0	0	0	0	0	375
2:00 PM	0	5	37	41	61	136	109	38	12	0	0	0	0	0	0	0	0	439
3:00 PM	0	4	35	26	47	113	128	38	6	2	0	0	0	0	0	0	0	399
4:00 PM	0	2	28	39	33	125	140	56	6	1	0	0	0	0	0	0	0	430
5:00 PM	0	5	23	24	40	103	83	63	13	0	0	0	0	0	0	0	0	354
6:00 PM	1	5	26	19	37	100	92	47	9	1	0	0	0	0	0	0	0	337
7:00 PM	0	1	2	5	29	80	91	39	13	2	0	0	0	0	0	0	0	262
8:00 PM	0	0	2	2	23	71	73	32	12	2	0	0	0	0	0	0	0	217
9:00 PM	0	3	1	1	15	52	62	16	5	0	0	0	0	0	0	0	0	155
10:00 PM	0	1	2	2	4	15	33	14	3	1	0	0	0	0	0	0	0	75
11:00 PM	0	0	0	0	2	4	9	9	1	2	0	0	0	0	0	0	0	27
<b>Total</b>	<b>1</b>	<b>42</b>	<b>305</b>	<b>357</b>	<b>440</b>	<b>1,085</b>	<b>1,236</b>	<b>676</b>	<b>196</b>	<b>34</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,376</b>
<b>Percent</b>	<b>0.0%</b>	<b>1.0%</b>	<b>7.0%</b>	<b>8.2%</b>	<b>10.1%</b>	<b>24.8%</b>	<b>28.2%</b>	<b>15.4%</b>	<b>4.5%</b>	<b>0.8%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	

Daily Percentile Speed Summary		Speed Statistics	
50th Percentile (Median)	34.7 mph	Mean (Average) Speed	33.8 mph
85th Percentile	41.3 mph	10 mph Pace	30.9 - 40.9 mph
95th Percentile	45.2 mph	Percent in Pace	53.7 %

Location: Sausalito Lateral Rd  
 Date Range: 5/14/2016 to 5/15/2016  
 Site Code: 01



Total Study Average  
 Northbound

Time	Speed Range (mph)																	Total
	0 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	45 - 50	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	75 - 80	80 - 85	85 +	Volume
12:00 AM	0	0	0	2	3	11	19	4	2	1	0	0	0	0	0	0	0	42
1:00 AM	0	0	0	1	2	10	8	4	0	1	0	0	0	0	0	0	0	26
2:00 AM	0	0	0	1	0	4	5	3	1	0	0	0	0	0	0	0	0	14
3:00 AM	0	0	0	0	1	2	3	1	1	0	0	0	0	0	0	0	0	8
4:00 AM	0	0	1	1	1	2	4	2	0	0	0	0	0	0	0	0	0	11
5:00 AM	0	0	0	0	2	2	4	5	3	0	0	0	0	0	0	0	0	16
6:00 AM	0	1	2	5	2	6	10	8	5	1	0	0	0	0	0	0	0	40
7:00 AM	0	0	3	7	9	11	17	9	7	1	1	0	0	0	0	0	0	65
8:00 AM	0	0	7	23	25	28	50	21	5	1	0	0	0	0	0	0	0	160
9:00 AM	0	2	11	28	29	51	52	37	5	2	0	0	0	0	0	0	0	217
10:00 AM	1	4	14	23	39	86	68	26	3	1	0	0	0	0	0	0	0	265
11:00 AM	0	4	10	40	60	88	87	31	3	0	0	0	0	0	0	0	0	323
12:00 PM	2	4	12	27	60	127	107	28	7	1	0	0	0	0	0	0	0	375
1:00 PM	1	3	4	18	50	114	96	31	5	2	0	1	0	0	0	0	0	325
2:00 PM	0	2	6	17	54	97	99	38	2	1	0	0	0	0	0	0	0	316
3:00 PM	1	4	5	17	42	90	98	31	6	1	0	0	0	0	0	0	0	295
4:00 PM	1	3	4	12	35	92	84	21	7	1	1	0	0	0	0	0	0	261
5:00 PM	0	1	2	11	47	89	83	29	5	1	0	0	0	0	0	0	0	268
6:00 PM	0	1	1	6	31	77	94	43	10	1	1	0	0	0	0	0	0	265
7:00 PM	0	1	2	4	16	51	77	44	8	2	0	0	0	0	0	0	0	205
8:00 PM	0	0	2	6	14	44	62	32	6	0	0	0	0	0	0	0	0	166
9:00 PM	0	0	1	3	14	33	34	13	3	0	0	0	0	0	0	0	0	101
10:00 PM	0	1	0	3	8	21	30	10	4	0	0	0	0	0	0	0	0	77
11:00 PM	0	0	0	3	9	13	17	11	6	0	0	0	0	0	0	0	0	59
Total	6	31	87	258	553	1,149	1,208	482	104	18	3	1	0	0	0	0	0	3,900
Percent	0.2%	0.8%	2.2%	6.6%	14.2%	29.5%	31.0%	12.4%	2.7%	0.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Note: Average only considered on days with 24-hours of data.

Total Study Percentile Speed Summary			Total Study Speed Statistics		
50th Percentile (Median)	34.5	mph	Mean (Average) Speed	33.9	mph
85th Percentile	40.0	mph	10 mph Pace	29.8 - 39.8	mph
95th Percentile	43.3	mph	Percent in Pace	60.9	%





Location: Sausalito Lateral Rd  
 Date Range: 5/14/2016 to 5/15/2016  
 Site Code: 01

**Total Study Average  
 Southbound**

Time	Speed Range (mph)																	Total Volume
	0 - 10	10 - 15	15 - 20	20 - 25	25 - 30	30 - 35	35 - 40	40 - 45	45 - 50	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	75 - 80	80 - 85	85 +	
12:00 AM	0	0	0	2	4	8	6	8	1	1	0	0	0	0	0	0	0	30
1:00 AM	0	0	0	0	1	3	3	2	1	1	0	0	0	0	0	0	0	11
2:00 AM	0	0	0	0	0	2	2	3	1	1	0	0	0	0	0	0	0	9
3:00 AM	0	0	0	1	0	1	2	1	0	0	0	0	0	0	0	0	0	5
4:00 AM	0	0	2	0	0	5	3	3	2	1	0	0	0	0	0	0	0	16
5:00 AM	0	1	0	0	0	2	3	7	1	0	0	1	0	0	0	0	0	15
6:00 AM	0	1	2	1	0	2	10	19	10	2	0	0	0	0	0	0	0	47
7:00 AM	0	1	2	5	1	9	20	26	15	3	1	0	0	0	0	0	0	83
8:00 AM	0	1	5	11	5	10	31	43	16	6	0	0	0	0	0	0	0	128
9:00 AM	0	0	13	18	13	22	52	47	22	5	2	0	0	0	0	0	0	194
10:00 AM	0	3	26	36	17	33	62	37	16	4	0	0	0	0	0	0	0	234
11:00 AM	0	3	34	41	28	57	72	53	12	1	1	0	0	0	0	0	0	302
12:00 PM	1	4	43	57	48	74	89	41	9	0	0	0	0	0	0	0	0	366
1:00 PM	0	6	53	37	40	108	99	37	8	1	1	0	0	0	0	0	0	390
2:00 PM	1	14	45	36	53	120	107	38	8	0	0	0	0	0	0	0	0	422
3:00 PM	1	8	46	33	56	134	115	42	7	2	0	0	0	0	0	0	0	444
4:00 PM	0	7	38	42	49	133	119	41	5	1	0	0	0	0	0	0	0	435
5:00 PM	0	7	27	25	55	116	97	64	10	0	0	0	0	0	0	0	0	401
6:00 PM	1	8	24	21	38	94	107	64	13	3	0	0	0	0	0	0	0	373
7:00 PM	0	2	6	9	27	77	90	52	13	3	0	0	0	0	0	0	0	279
8:00 PM	0	1	4	8	22	74	72	34	9	2	0	0	0	0	0	0	0	226
9:00 PM	0	2	1	1	15	57	61	21	4	2	0	0	0	0	0	0	0	164
10:00 PM	1	1	2	4	9	28	40	13	4	1	0	0	0	0	0	0	0	103
11:00 PM	0	0	0	1	2	13	15	16	1	2	0	0	0	0	0	0	0	50
<b>Total</b>	<b>5</b>	<b>70</b>	<b>373</b>	<b>389</b>	<b>483</b>	<b>1,182</b>	<b>1,277</b>	<b>712</b>	<b>188</b>	<b>42</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,727</b>
<b>Percent</b>	<b>0.1%</b>	<b>1.5%</b>	<b>7.9%</b>	<b>8.2%</b>	<b>10.2%</b>	<b>25.0%</b>	<b>27.0%</b>	<b>15.1%</b>	<b>4.0%</b>	<b>0.9%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	

Note: Average only considered on days with 24-hours of data.

Total Study Percentile Speed Summary		Total Study Speed Statistics	
50th Percentile (Median)	34.2 mph	Mean (Average) Speed	33.3 mph
85th Percentile	41.0 mph	10 mph Pace	30.9 - 40.9 mph
95th Percentile	44.8 mph	Percent in Pace	52.8 %

Location: Sausalito Lateral Rd  
 Date Range: 5/14/2016 - 5/20/2016  
 Site Code: 01



Time	Saturday 5/14/2016			Sunday 5/15/2016			Monday 5/16/2016			Tuesday 5/17/2016			Wednesday 5/18/2016			Thursday 5/19/2016			Friday 5/20/2016			Mid-Week Average		
	NB	SB	Total	NB	SB	Total	NB	SB	Total	NB	SB	Total	NB	SB	Total	NB	SB	Total	NB	SB	Total	NB	SB	Total
12:00 AM	29	26	55	53	29	82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
1:00 AM	18	10	28	29	9	38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
2:00 AM	16	15	31	11	2	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
3:00 AM	6	1	7	7	6	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
4:00 AM	9	12	21	9	16	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
5:00 AM	18	16	34	12	10	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
6:00 AM	47	47	94	30	42	72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
7:00 AM	63	83	146	62	78	140	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
8:00 AM	168	145	313	148	109	257	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
9:00 AM	219	193	412	213	190	403	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
10:00 AM	276	254	530	248	209	457	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
11:00 AM	327	326	653	316	275	591	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
12:00 PM	335	396	731	408	331	739	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
1:00 PM	275	399	674	389	375	744	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
2:00 PM	306	400	706	323	439	762	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
3:00 PM	300	481	781	286	399	685	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
4:00 PM	225	435	660	291	430	721	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
5:00 PM	251	447	698	283	354	637	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
6:00 PM	279	404	683	247	337	584	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
7:00 PM	201	291	492	204	262	466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
8:00 PM	166	231	397	161	217	378	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
9:00 PM	117	171	288	83	155	238	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
10:00 PM	98	127	225	53	75	128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
11:00 PM	68	69	137	47	27	74	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
Total	3,817	4,979	8,796	3,893	4,376	8,269	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####
Percent	43%	57%		47%	53%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	####	####	####

1. Mid-week average includes data between Tuesday and Thursday.

## Collision Summary

This tool shows the summary of collision counts by collision factors, injury trends, and killed/injured victim.

- The summary was generated based on collision level result.
- The summary does not contain non-geocoded collisions. Please go to SWITRS Query & Map to look at the summary including non-geocoded collisions.

Collision Factors   Injury Trends   Killed/Injured Victim Summary

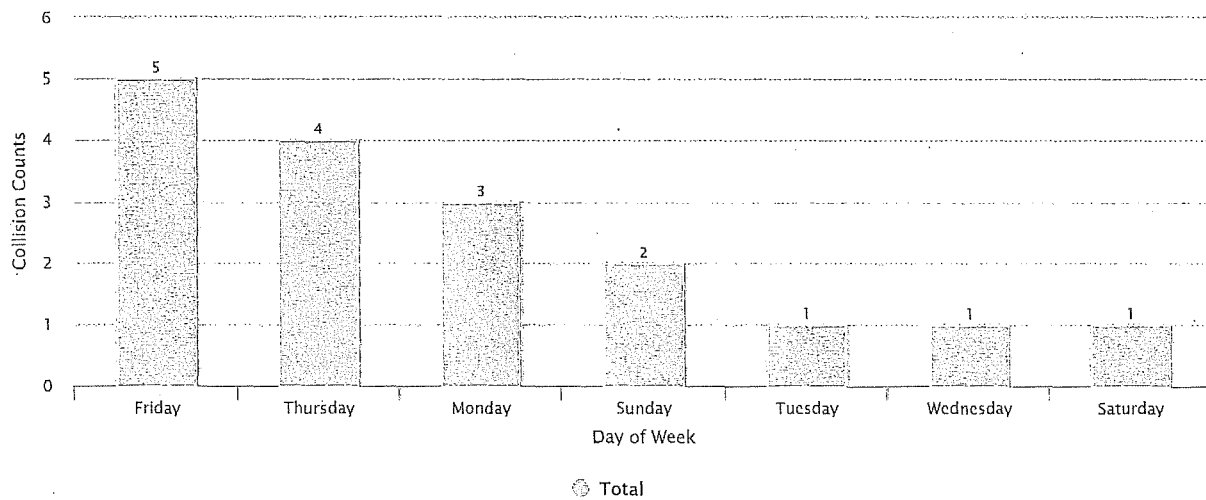
Select Variable Type

Collision Variable

Select Subtype

Day of Week

Marin - Sausalito: 01/01/2012 - 12/31/2016



This tool shows the summary of collision counts by collision factors, injury trends, and killed/injured victim.

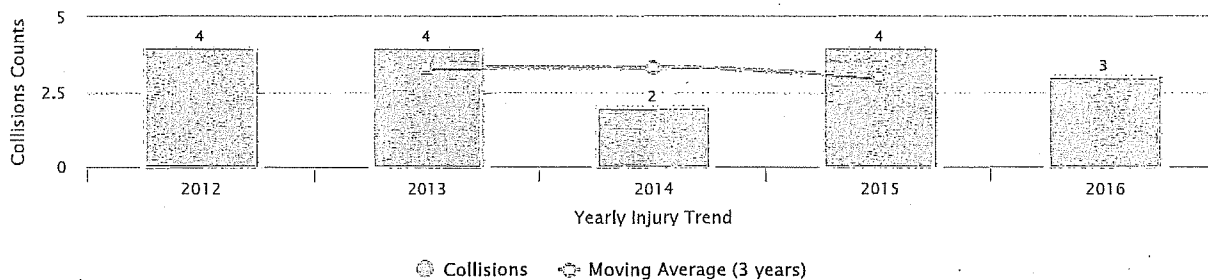
- The summary was generated based on collision level result.
- The summary does not contains non-geocoded collisions. Please go to SWITRS Query & Map to look at the summary including non-geocoded collisions.

Collision Factors

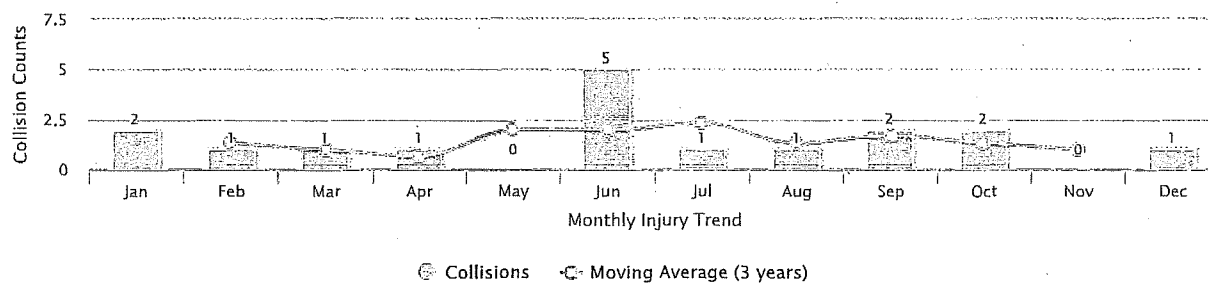
Injury Trends

Killed/Injured Victim Summary

Marin - Sausalito: 01/01/2012 - 12/31/2016



Marin - Sausalito: 01/01/2012 - 12/31/2016



Close

## Collision Summary

This tool shows the summary of collision counts by collision factors, injury trends, and killed/injured victim.

- The summary was generated based on collision level result.
- The summary does not contain non-geocoded collisions. Please go to SWITRS Query & Map to look at the summary including non-geocoded collisions.

Collision Factors    Injury Trends    Killed/Injured Victim Summary

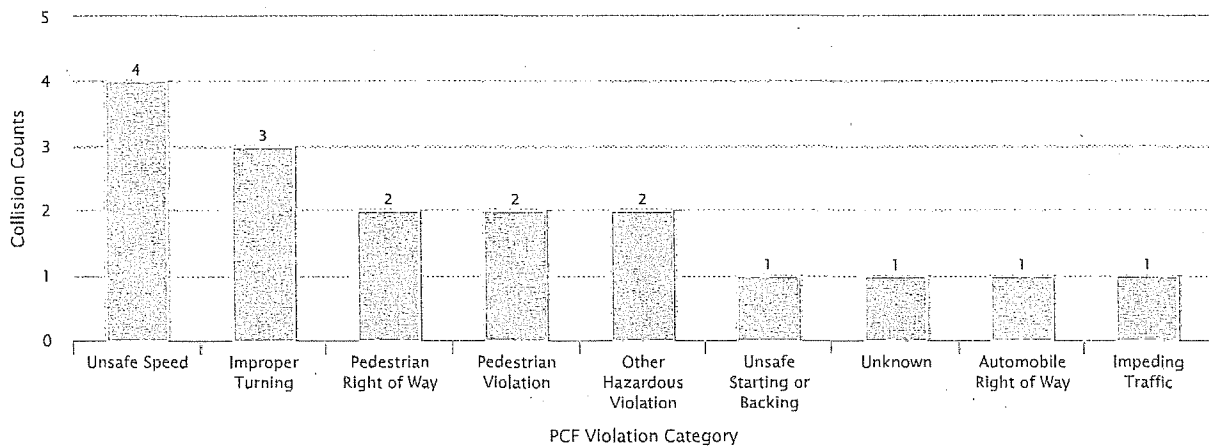
Select Variable Type

Collision Variable ▼

Select Subtype

PCF Violation Category ▼

Marin - Sausalito: 01/01/2012 - 12/31/2016



## Collision Summary

This tool shows the summary of collision counts by collision factors, injury trends, and killed/injured victim.

- The summary was generated based on collision level result.
- The summary does not contains non-geocoded collisions. Please go to SWITRS Query & Map to look at the summary including non-geocoded collisions.

Collision Factors   Injury Trends   Killed/Injured Victim Summary

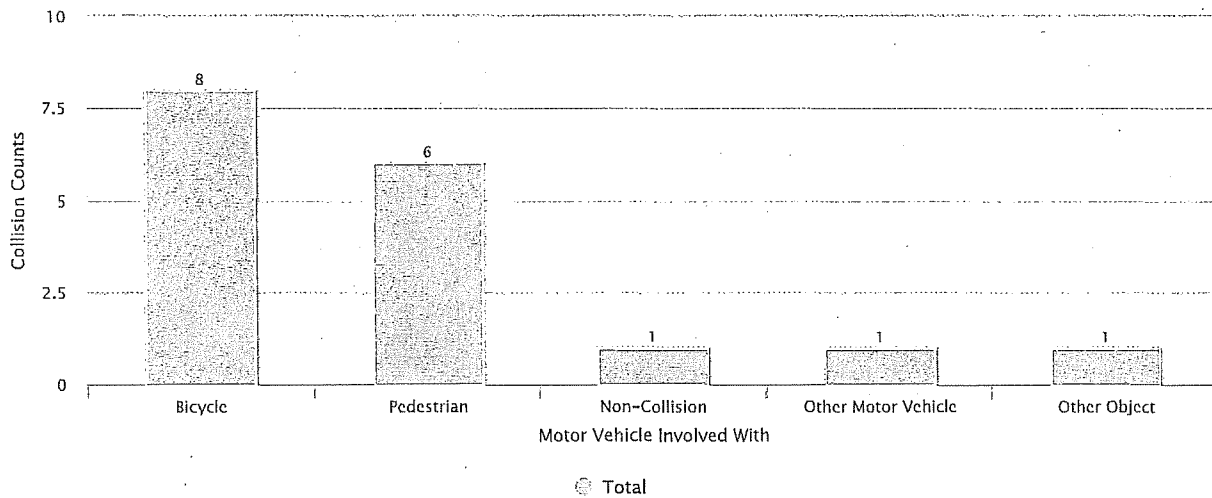
Select Variable Type

Collision Variable

Select Subtype

Motor Vehicle Involved With

Marin - Sausalito: 01/01/2012 - 12/31/2016



MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<b>MITIGATION MEASURES FOR THE ALCATRAZ FERRY EMBARKATION PROJECT</b>					
<i><b>Cultural Resources Mitigation Measures</b></i>					
<b>M-CR-2: Accidental Discovery of Archaeological Resources</b>	Project proponent	Prior to any soil disturbing activities	Project proponent must provide the Port of San Francisco and Environmental Review Officer with a signed affidavit from the responsible parties confirming that all field personnel have received copies of the "ALERT" sheet.	Distribution of the "ALERT" sheet is considered complete when the Port of San Francisco and Environmental Review Officer receive the affidavit.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)
The following mitigation measure is required to avoid any potential adverse effect from the proposed project on accidentally discovered buried or submerged historical resources as defined in CEQA Guidelines Section 15064.5(a) and (c). The project proponent shall distribute the Planning Department archaeological resource "ALERT" sheet to the project prime contractor; any project subcontractor (including demolition, excavation, grading, foundation, pile driving, etc. firms); and any utilities firm involved in soil-disturbing activities within the project site. Prior to any soils disturbing activities being undertaken each contractor is responsible for ensuring that the "ALERT" sheet is circulated to all field personnel, including machine operators, field crew, pile drivers, supervisory personnel, etc. The project proponent shall provide the Environmental Review Officer and the Port of San Francisco with a signed affidavit from the responsible parties (prime contractor, subcontractor[s], and utilities firm) to the Environmental Review Officer confirming that all field personnel have received copies of the "ALERT" Sheet.					
Should any indication of an archaeological resource be encountered during any soils disturbing activity of the project, the project Head Foreman and/or project proponent shall immediately notify the Environmental Review Officer and the Port of San Francisco and shall immediately suspend any soils disturbing activities in the vicinity of the discovery until the	Head Foreman and/or project proponent	Accidental discovery	Notify Environmental Review Officer of accidental discovery		

<b>MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT</b>					
<b>MEASURES ADOPTED AS CONDITIONS OF APPROVAL</b>	<b>Responsibility for Implementation</b>	<b>Schedule</b>	<b>Monitoring/ Reporting Responsibility</b>	<b>Status/Date Completed</b>	<b>Monitoring Agency</b>
Environmental Review Officer has determined what additional measures should be undertaken.					
If the Environmental Review Officer determines that an archaeological resource may be present within the project site, the project proponent shall retain the services of an archaeological consultant from the pool of qualified archaeological consultants maintained by the Planning Department archaeologist. The archaeological consultant shall advise the Environmental Review Officer and the Port of San Francisco as to whether the discovery is an archaeological resource, retains sufficient integrity, and is of potential scientific/historical/cultural significance. If an archaeological resource is present, the archaeological consultant shall identify and evaluate the archaeological resource. The archaeological consultant shall make a recommendation as to what action, if any, is warranted. Based on this information, the Environmental Review Officer may require, if warranted, specific additional measures to be implemented by the project proponent.	Project proponent and archeological consultant	In case of accidental discovery	If Environmental Review Officer determines an archeological resource may be present, the archaeological consultant's work shall be conducted in accordance with this measure at the direction of the Port of San Francisco and Environmental Review Officer.	If it is determined there is a need for an archaeological consultant, this task is considered complete upon submittal of the Final Archaeological Resources Report.	
Measures might include: preservation in situ of the archaeological resource; an archaeological monitoring program; or an archaeological testing program. If an archaeological monitoring program or archaeological testing program is required, it shall be consistent with the Environmental Planning division guidelines for such programs. The Environmental Review Officer may also require that the project proponent immediately implement a site security program if the archaeological resource is at risk from vandalism, looting, or other damaging actions.	Project proponent	After determination by Environmental Review Officer of appropriate action to be implemented following	Implementation of archeological measures required by Environmental Review Officer.		
The project archaeological consultant shall submit a Final Archaeological					



MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>Resources Report to the Environmental Review Officer and the Port of San Francisco that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the final report.</p> <p>Copies of the Draft Final Archaeological Resources Report shall be sent to the Environmental Review Officer for review and approval. Once approved by the Environmental Review Officer, copies of the Final Archaeological Resources Report shall be distributed as follows: the California Archaeological Site Survey Northwest Information Center shall receive one copy, and the Environmental Review Officer shall receive a copy of the transmittal of the Final Archaeological Resources Report to the Northwest Information Center. The Environmental Planning division of the Planning Department shall receive one bound copy; one unbound copy; and one unlocked, searchable PDF copy on CD of the Final Archaeological Resources Report, along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the Environmental Review Officer may require a different final report content, format, and distribution than that presented above.</p>	<p>Project proponent</p> <p>Project proponent</p>	<p>evaluation of accidental discovery</p> <p>Following completion of required archeological field program</p>	<p>Submittal of Draft/Final Archaeological Resources Report to Environmental Review Officer</p> <p>Distribution of Final Archaeological Resources Report</p>		
<p><b>M-CR-4: Tribal Cultural Resources Interpretive Program</b></p> <p>If the Environmental Review Officer determines that a significant</p>	<p>Project proponent and qualified</p>	<p>Prior to the issuance of site</p>	<p>If an archaeological consultant is</p>	<p>Considered complete when</p>	<p>Port of San Francisco</p>

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
archaeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the Environmental Review Officer determines that the resource constitutes a tribal cultural resource and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible. If the Environmental Review Officer, in consultation with the affiliated Native American tribal representatives and the project proponent, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, the project proponent shall implement an interpretive program of the tribal cultural resources in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the Environmental Review Officer and affiliated tribal representatives, at a minimum, and approved by the Environmental Review Officer, would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and interpretation, and educational panels or other informational displays. In the event that construction activities disturb unknown archaeological sites that are considered tribal cultural resources, any inadvertent damage would be considered a significant impact.	professional archaeologist from the pool of archaeological consultants maintained by the Planning Department.	permits, submittal of all plans and reports for approval by the Port of San Francisco and Environmental Review Officer  Installation of displays (if needed) would occur prior to or during construction.	retained per Port of San Francisco and Environmental Review Officer direction, the archaeological consultant's work shall be conducted in accordance with this measure at the direction of the Port of San Francisco and Environmental Review Officer.	project proponent retains a qualified professional archaeological consultant, if required, and archeological consultant has approved scope by the Port of San Francisco and Environmental Review Officer for the interpretive program; and/or following program implementation.	(Pier 31½ site)  National Park Service (Fort Baker site)
<b>Noise Mitigation Measures</b>					
M-NO-2: Conduct Vibration Monitoring at Pier 31½	Project proponent	Prior to the start	Project proponent	Considered	Port of San

File No. 2017-000188ENV  
Alcatraz Ferry Embarkation Project  
Motion No. \_\_\_\_\_

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
The project proponent would require that a qualified professional evaluate the subject structure(s) prior to the pile driving to assess their susceptibility to vibration impacts and provide pre-construction bracing if warranted. Based on the results of the evaluation, the professional shall develop a vibration control plan. The plan would include a set of site-specific vibration attenuation measures that would be implemented under the supervision of a qualified acoustical consultant during the project construction. These attenuation measures would include as feasible, in consideration of technical and structural requirements and conditions, implementing "quiet" pile driving technology, such as predrilling piles, using sonic pile drivers, or using more than one pile driver to shorten the total duration of pile driving. During construction, the construction contractor will conduct vibration monitoring when construction activities occur within 50 feet of the historic Pier 33 bulkhead building. If monitoring indicates that peak particle velocity caused by construction activities is approaching 0.12 inches per second, construction activities would be halted and a plan would be developed to reduce construction activities. Other effective strategies may also be required to the extent necessary to achieve a peak particle velocity vibration level at bulkhead buildings of less than the level of 0.12 inches per second.	and construction contractor(s).	of construction activities       Implementation during construction	shall include requirements of vibration monitoring plan in all construction contracts for the Pier 31½ site. Vibration monitoring plan to be submitted to Port of San Francisco for review and approval prior to construction   Project proponent to submit to the Port of San Francisco documentation of compliance of implemented control practices that show construction contractor	complete upon submittal of documentation incorporating identified practices.	Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
			agreement with specified practices.		
<b><i>Air Quality Mitigation Measures</i></b>					
<p><b>M-AQ-4: Best Available Control Technology for Diesel Generators at Pier 31½</b></p> <p>The project proponent shall ensure that the backup diesel generator meets or exceeds one of the following emission standards for particulate matter: 1) Tier 4-certified engine; or 2) Tier 2- or Tier 3-certified engine that is equipped with a California Air Resources Board Level 3 Verified Diesel Emissions Control Strategy. A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical California Air Resources Board-verified model and if the Bay Area Air Quality Management District approves of its use. The project proponent shall submit documentation of compliance with the Bay Area Air Quality Management District New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.</p>	Project proponent and construction contractor(s)	Prior to approval of a generator permit by the Port of San Francisco and New Source Review permit by the Bay Area Air Quality Management District	Anticipated location and engine specifications of a proposed diesel backup generator shall be submitted to the Port of San Francisco for review and approval prior to issuance of a generator permit; and to the Bay Area Air Quality Management District prior to New Source Review permit.	Considered complete upon review and approval by the Port of San Francisco and Bay Area Air Quality Management District.	Port of San Francisco
<b><i>Biological Resources Mitigation Measures</i></b>					
<p><b>M-BI-1a: Avoidance and Minimization Measures for Special Status Bats at Pier 31½</b></p> <p>The project proponent will implement the following measures:</p>	Project proponent and qualified biological	Prior to demolition and potentially	Project proponent shall include avoidance	Considered complete upon completion of	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>Demolition within Pier 31 and 33 bulkhead buildings shall occur when bats are active, approximately between the periods of March 1 to April 15 and August 15 to October 15; outside of bat maternity roosting season (approximately April 15 – August 15) and outside of months of winter torpor (approximately October 15 – February 28), to the extent feasible.</li> <li>If demolition within Pier 31 and 33 bulkhead buildings during the periods when bats are active is not feasible, a qualified biologist will survey the project site to identify if active bat roosts being used for maternity or hibernation purposes are present. If so, a no disturbance buffer of 100 feet shall be established around these roost sites until they are determined to be no longer active by the qualified biologist.</li> <li>The qualified biologist shall be present during demolition within the Pier 31 and 33 bulkhead buildings if active bat roosts are present. Structures with active roosts shall be disturbed only when no rain is occurring or is forecast to occur for 3 days and when daytime temperatures are at least 50 °F.</li> <li>Removal of structures containing or suspected to contain active bat roosts shall be dismantled under the supervision of the qualified biologist in the evening and after bats have emerged from the roost to forage. Structures shall be partially dismantled to significantly change the roost conditions, causing bats to abandon and not return to the roost.</li> </ul>	consultant	<p>during demolition within bulkhead buildings</p> <p>Implementation during construction, if applicable</p>	measures in all construction contracts. Qualified biological consultant to conduct bat surveys and present results to Port of San Francisco.	any demolition or construction.	
Mitigation Measure M-BI-1b: Nesting Bird Protection Measures	Project proponent	Prior to	Project proponent	Considered	Port of San

<b>MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT</b>					
<b>MEASURES ADOPTED AS CONDITIONS OF APPROVAL</b>	<b>Responsibility for Implementation</b>	<b>Schedule</b>	<b>Monitoring/ Reporting Responsibility</b>	<b>Status/Date Completed</b>	<b>Monitoring Agency</b>
Nesting birds and their nests shall be protected during construction by use of the following measures:	and qualified biological consultant	construction	shall include avoidance measures in all construction contracts. Qualified biological consultant to conduct bird surveys and present results.	complete upon completion of construction and submittal of monitoring reports, if applicable.	Francisco (Pier 3 1½ site)
<ul style="list-style-type: none"> <li>• Removal of trees, scrub vegetation, and structures shall occur outside the bird nesting season (February 1 to August 30), to the extent feasible.</li> <li>• If removal of trees, scrub vegetation, or structures during bird nesting season cannot be fully avoided, a qualified wildlife biologist shall conduct preconstruction nesting bird surveys within 7 days prior to the start of such activities or after any construction breaks of 14 days or more. Surveys shall be performed for the project site and suitable habitat within 250 feet of the project site in order to locate any active passerine (perching bird) nests and within 500 feet of the project site to locate any active raptor (birds of prey) nests or double-crested cormorant or heron rookeries.               <ul style="list-style-type: none"> <li>- At Pier 3 1½, if it is determined that bird nesting habitat is only present for gulls, surveys may be conducted actively during construction from April through August during gull nesting season. Any old nests, potential nests, or nests under construction (but not active) shall be removed.</li> </ul> </li> <li>• If active nests are located during the preconstruction bird nesting survey, the wildlife biologist shall evaluate if the schedule of construction activities could affect the active nests and the following measures shall be implemented based on their determination:               <ul style="list-style-type: none"> <li>- If construction is not likely to affect the active nest, it may proceed without restriction; however, a biologist shall regularly monitor the nest to confirm there is no adverse</li> </ul> </li> </ul>		During construction	Qualified biologist to notify Port of San Francisco and, if necessary, USFWS and/or CDFW. Qualified biologist to perform monitoring, as		National Park Service (Fort Baker site)

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p>effect and may revise their determination at any time during the nesting season. In this case, the following measure would apply.</p> <ul style="list-style-type: none"> <li>- If construction may affect the active nest, the biologist shall establish a no disturbance buffer. Typically, these buffer distances are between 25 feet and 250 feet for passerines and between 300 feet and 500 feet for raptors. These distances may be adjusted depending on the level of surrounding ambient activity (e.g., if the project area is adjacent to a road or active trail) and if an obstruction, such as a building, is within line-of-sight between the nest and construction. For bird species that are federally and/or state-listed sensitive species (i.e., fully protected, endangered, threatened, species of special concern), a proposed project representative, supported by the wildlife biologist, shall consult with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife regarding modifications to nest buffers, prohibiting construction within the buffer, modifying construction, and removing or relocating active nests that are found on the site.</li> <li>• Removing inactive passerine nests may occur at any time. Inactive raptor nests shall not be removed unless approved by the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife.</li> </ul>			needed.		

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>Removing or relocating active nests shall be coordinated by the project representative with the U.S. Fish and Wildlife Service and/or California Department of Fish and Wildlife, as appropriate, given the nests that are found on site.</li> <li>Any birds that begin nesting within the project area and survey buffers amid construction activities are assumed to be habituated to construction-related or similar noise and disturbance levels and no work exclusion zones shall be established around active nests in these cases.</li> </ul>					
IMPROVEMENT MEASURES FOR THE ALCATRAZ FERRY EMBARKATION PROJECT					
<b>I-TR-2a: Provide Information on Active Transportation and Transit Routes to/from the Pier 31½ Site</b>  The project proponent will require the concessioner to provide information regarding pedestrian, bicycle, and transit travel to/from the embarkation site to both employees and in advance to visitors. This may include maps designating preferred pedestrian, bicycle, or transit routes to/from the site, maps indicating where City-provided bicycle facilities or transit stops are present, and time estimates for walking or biking to common destinations, such as BART stations, Union Square, Pier 39, or other tourist destinations. This information would be presented on tickets and information websites, as well as distributed via mail or email to all ticketed visitors.	Project proponent and concessioner	Prior to and during operations	Port of San Francisco staff	Ongoing during operations	Port of San Francisco
<b>I-TR-2b: Install Multimodal Wayfinding Kiosk and Signage at the Pier 31½ Site</b>	Project proponent and concessioner	Prior to and during	Project proponent shall submit	Considered complete when	Port of San Francisco



MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
The project proponent will add a multimodal wayfinding kiosk that may include maps, signs, or digital displays to provide visitor information on various travel options and times. The kiosk will be located near the site entrance/exit to the Pier 31½ site. In addition to a centralized kiosk, signage could be placed at the site entrance with directional arrows indicating walk times to nearby destinations or transit stops.		operations	documentation of permanent kiosk and signage	kiosk and signage are approved by Port of San Francisco staff. These amenities would then be installed in the publicly accessible area of the site.	
<p><b>I-NO-1: Construction Noise Minimization Plan for Pier 31½</b></p> <p>The project proponent shall develop a construction noise minimization plan that requires the following:</p> <ul style="list-style-type: none"> <li>Construction contractors shall specify noise-reducing construction practices and measures that will be employed to reduce construction noise from pile driving and construction activities. The practices and measures specified by the project proponent will be reviewed and approved by the City prior to the issuance of building permits. Practices and measures that can be used to limit noise include but are not limited to those listed below: <ul style="list-style-type: none"> <li>Avoid simultaneous use of equipment that exceeds 90 dBA, particularly impact and vibratory pile drivers</li> <li>Install noise mufflers to stationary equipment and impact tools that are no less effective than those provided by the manufacturer</li> <li>Use construction equipment with low noise emission ratings</li> </ul> </li> </ul>	Project proponent and construction contractor(s)	Prior to the start of construction activities; implementation ongoing during construction	Project proponent shall submit the Construction Noise Minimization Plan to the Port of San Francisco. Project proponent shall include requirements of noise minimization plan in all construction contracts.	Considered complete with the Port of San Francisco's approval of the Construction Noise Minimization Plan and inclusion of the plan as a requirement in the building permit.	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<ul style="list-style-type: none"> <li>o Locate equipment, materials, and staging areas as far as practicable from sensitive receptors</li> <li>o Install barriers around particularly loud activities at the construction site to eliminate the line of sight between the source of noise and nearby sensitive receptors, which could reduce noise up to 10 dBA based on the configuration of the site and equipment used.<sup>1</sup></li> <li>o Prohibit unnecessary idling of vehicles or equipment</li> <li>o Require applicable construction-related vehicles or equipment to use designated truck routes to access the proposed project site</li> </ul> <p>Restrict construction activities between 7:00 AM to 8:00 PM Monday through Saturday</p>					

<sup>1</sup> The Federal Highway Administration's *Roadway Construction Noise Model Users' Guide* gives the following "rules of thumb" for estimating noise attenuation of barriers at construction sites:  
3 dBA - if a noise barrier or other obstruction (like a dirt mound) just barely breaks the line-of- sight between the noise source and the receptor;  
5 dBA - if the noise source is partly enclosed OR shielded with a barrier with some gaps located close to the source;  
8 dBA - if the noise source is completely enclosed OR completely shielded with a solid barrier located close to the source;  
10 dBA - if the noise source is completely enclosed AND completely shielded with a solid barrier located close to the source;  
15 dBA - if a building stands between the noise source and receptor and completely shields the noise source.

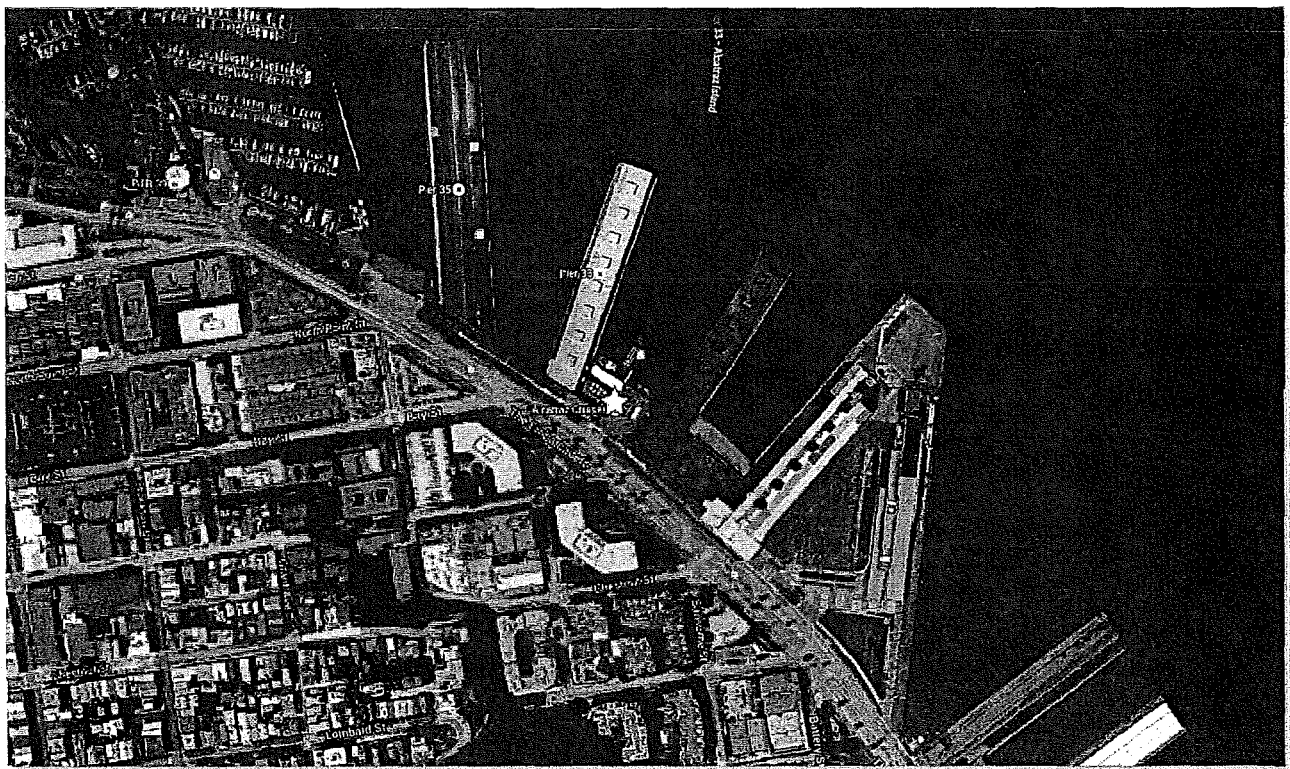
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-AQ-1a: Use Cleaner Construction Equipment</b></p> <p>The project proponent shall develop a plan demonstrating that the off-road equipment (more than 50 horsepower) to be used in the construction project (i.e., owned, leased, and subcontractor vehicles) would achieve a project wide fleet-average 20 percent nitrogen oxide (NO<sub>x</sub>) reduction and 45 percent particulate matter (PM) reduction compared to the most recent California Air Resources Board fleet average. Acceptable options for reducing emissions include the use of late model engines, low-emission diesel products, alternative fuels, engine retrofit technology, after-treatment products, add-on devices such as particulate filters, and/or other options as such become available.</p>	Project proponent and construction contractor	<p>Prior to construction</p> <p>During construction</p>	<p>Project proponent shall submit the Clean Construction Equipment Plan to the Port of San Francisco. Project proponent shall include requirements of clean construction equipment plan in all construction contracts.</p> <p>Monitoring agency shall ensure compliance with contract specifications.</p>	<p>Considered complete when compliance plan is approved by the Monitoring Agency.</p> <p>Considered complete when project proponent or construction contractor submits certification statement.</p>	<p>Port of San Francisco (Pier 3 1/2 site)</p> <p>National Park Service (Fort Baker site)</p>
<p><b>I-AQ-1b: Use Cleaner Engines on Tugboats</b></p> <p>The project proponent shall use tugboats with Tier 4 propulsion engines and</p>	Project proponent and construction	Prior to and during	Project proponent shall include	Considered complete after	Port of San Francisco

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
Tier 3 auxiliary engines.	contractor(s)	construction involving tugboats	requirements in all construction contracts and submit documentation of tugboat engines to the Monitoring Agency.	submittal of certification statement.	(Pier 3 1½ site)  National Park Service (Fort Baker site)
<b>I-BL-1a: Pile Driving Work Windows</b>  Pile driving will occur between July 1 and November 30 at the Pier 3 1½ site and between July 1 and September 30 at the Fort Baker site.	Project proponent and construction contractor(s)	During construction	Project proponent shall include requirements in all construction contracts.	Considered complete after construction.	Port of San Francisco (Pier 3 1½ site)  National Park Service (Fort Baker site)

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-BI-1b: Noise Monitoring Plan</b></p> <p>The project proponent will develop and implement a marine noise monitoring plan which would be subject to review and approval by the National Marine Fisheries Service. As part of this plan, the following measures will be implemented:</p> <ul style="list-style-type: none"> <li><i>Equipment Controls:</i> The proposed project will be required to bring loud mechanical equipment online slowly (employ a "soft-start").</li> <li><i>Noise Monitoring:</i> A trained acoustical specialist will conduct underwater noise monitoring during marine construction to ensure that pile driving noise levels do not exceed the levels identified through noise modeling for the proposed project. If noise levels are exceeded, the proposed project will implement cushion blocks in the hammer to reduce sound levels and prevent exceedance of the levels projected through noise modeling, and noise level exceedances will be reported to the National Marine Fisheries Service.</li> </ul>	Project proponent, construction contractor(s), and qualified biologist	Prior to and during in-water construction	<p>Qualified biologist shall develop noise monitoring plan. Project proponent shall include requirements of noise monitoring plan in all construction contracts.</p> <p>Project proponent shall submit documentation of noise monitoring to National Marine Fisheries Service.</p>	Considered complete after submitting documentation of noise monitoring to National Marine Fisheries Service.	<p>Port of San Francisco (Pier 31½ site)</p> <p>National Park Service (Fort Baker site)</p>

MITIGATION MONITORING AND REPORTING PROGRAM FOR ALCATRAZ FERRY EMBARKATION PROJECT					
MEASURES ADOPTED AS CONDITIONS OF APPROVAL	Responsibility for Implementation	Schedule	Monitoring/ Reporting Responsibility	Status/Date Completed	Monitoring Agency
<p><b>I-BI-1c: Marine Mammal Safety Zone</b></p> <p>The project proponent will maintain a 500-meter safety zone around sound sources in the event that the sound level is unknown or cannot be adequately predicted. This will be required at the onset of construction, prior to confirming noise levels through noise monitoring (as required through Improvement Measure I-BI-1b, Noise Monitoring Plan).</p> <p>A qualified marine biologist on shore or by boat will survey the safety zone to ensure that no marine mammals are within the zone before pile driving begins. If a marine mammal is observed within the safety zone before pile driving begins, pile driving will be delayed until the marine mammals move out of the area.</p> <p>If marine mammals enter the safety zone after pile driving of a segment has begun, pile driving will continue. The biologist will monitor and record the species and number of individuals observed, and make note of their behavior patterns. If the animal appears distressed, and if it is operationally safe to do so, pile driving will cease until the animal leaves the area. Prior to the initiation of each new pile driving episode, the area will again be thoroughly surveyed by the biologist.</p>	Project proponent, construction contractor(s), and qualified biologist	Prior to and during pile driving	Project proponent shall include requirements of safety zone in all construction contracts. Project proponent shall submit documentation of marine mammal safety zones to National Marine Fisheries Service.	Considered complete after submitting documentation of marine mammal safety zones to National Marine Fisheries Service.	Port of San Francisco (Pier 31½ site)  National Park Service (Fort Baker site)

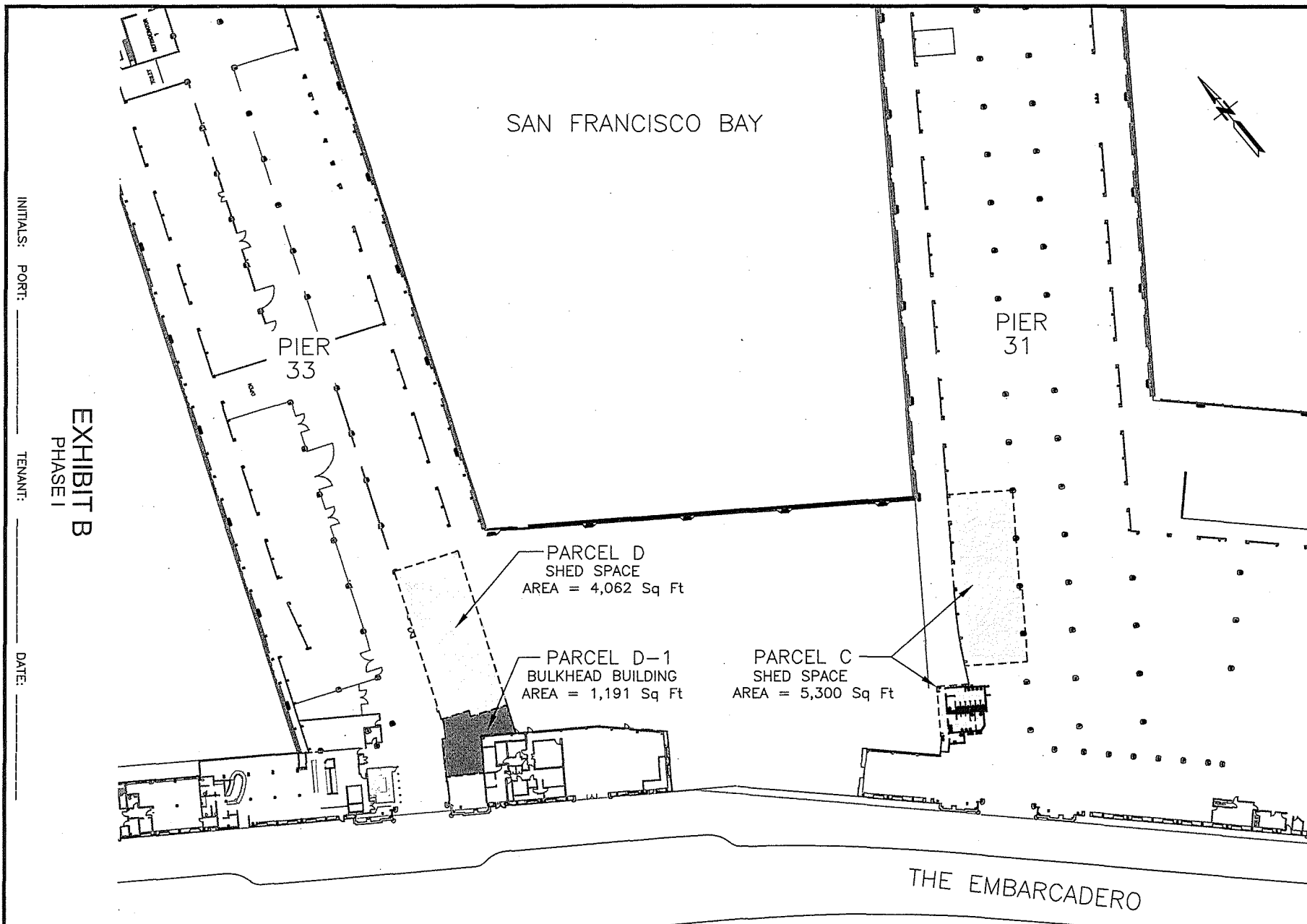
Exhibit A: Site Aerial Map



*Alcatraz Embarkation Site indicated by star*

## Exhibit B: Parcel Maps





LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER  
PHASE I

DRAWN BY: J. DOMINGUEZ

DATE: NOV. 28th, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 80'

PLACE CODE NO.

1335-00

SHEET NO.

OF SHEETS

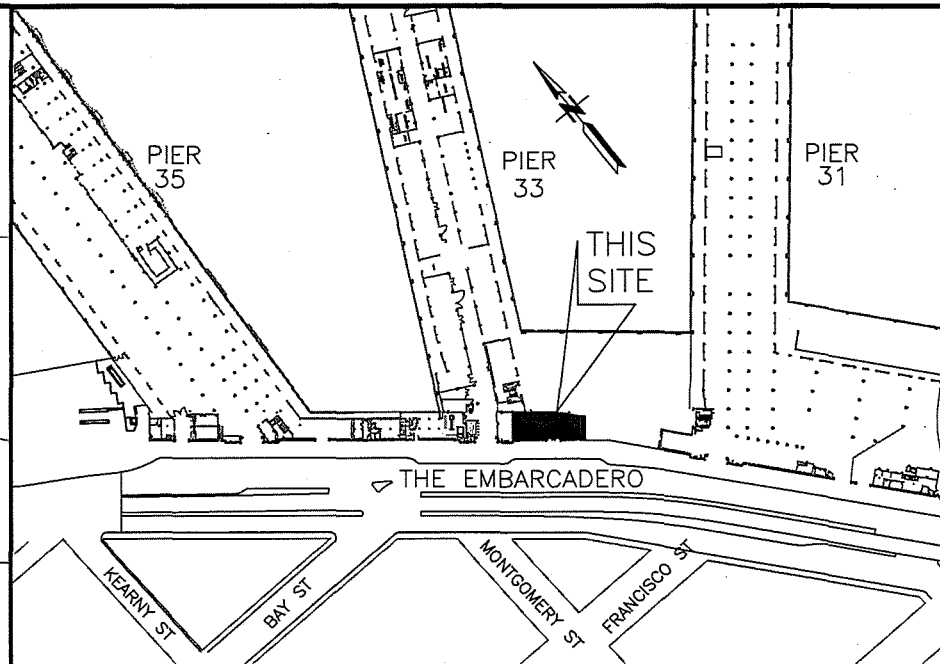
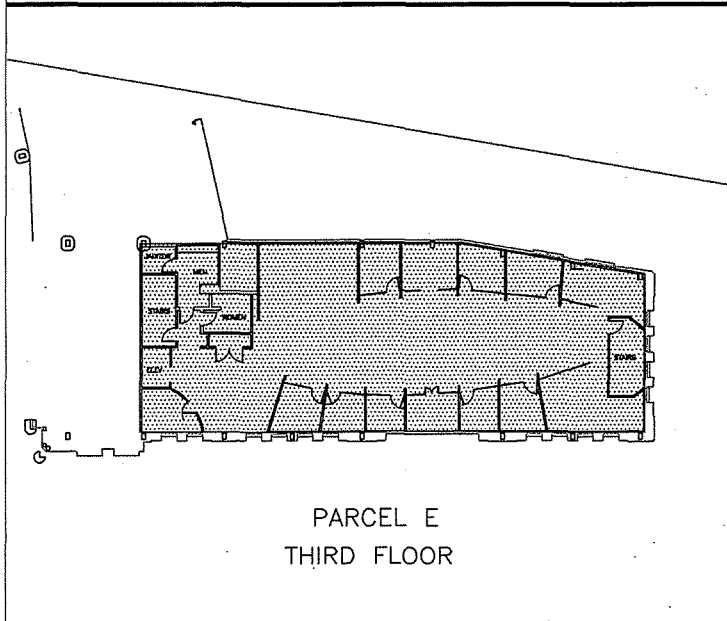
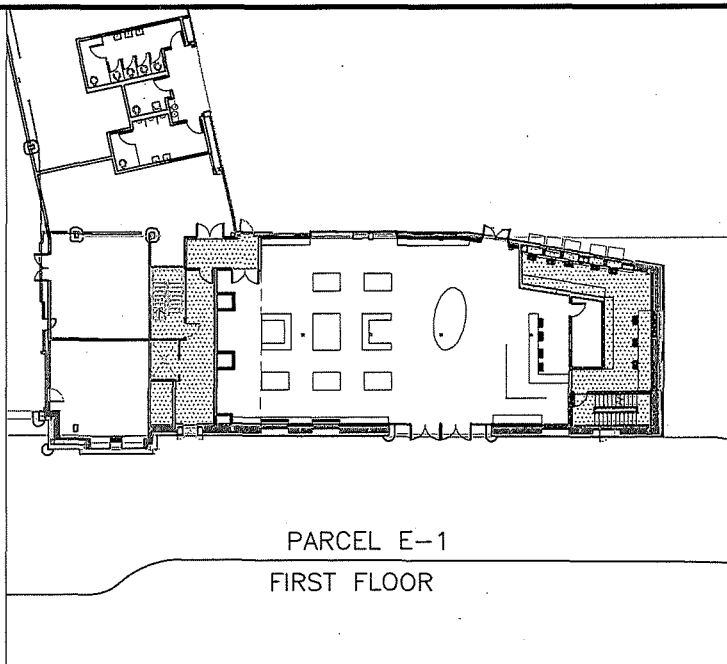
INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

PHASE III - FINAL PIER 33 SOUTH BULKHEAD PREMISES

EXHIBIT B-2



PIER 33 SOUTH BULKHEAD

PARCEL E-1  
FIRST FLOOR = 1,382 Sq Ft

PARCEL E  
THIRD FLOOR = 4,612 Sq Ft

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY PHASE  
CONCESSIONER III

DRAWN BY: J. DOMINGUEZ

DATE: NOV. 28, 2017

CHECKED BY: J. EDWARDS

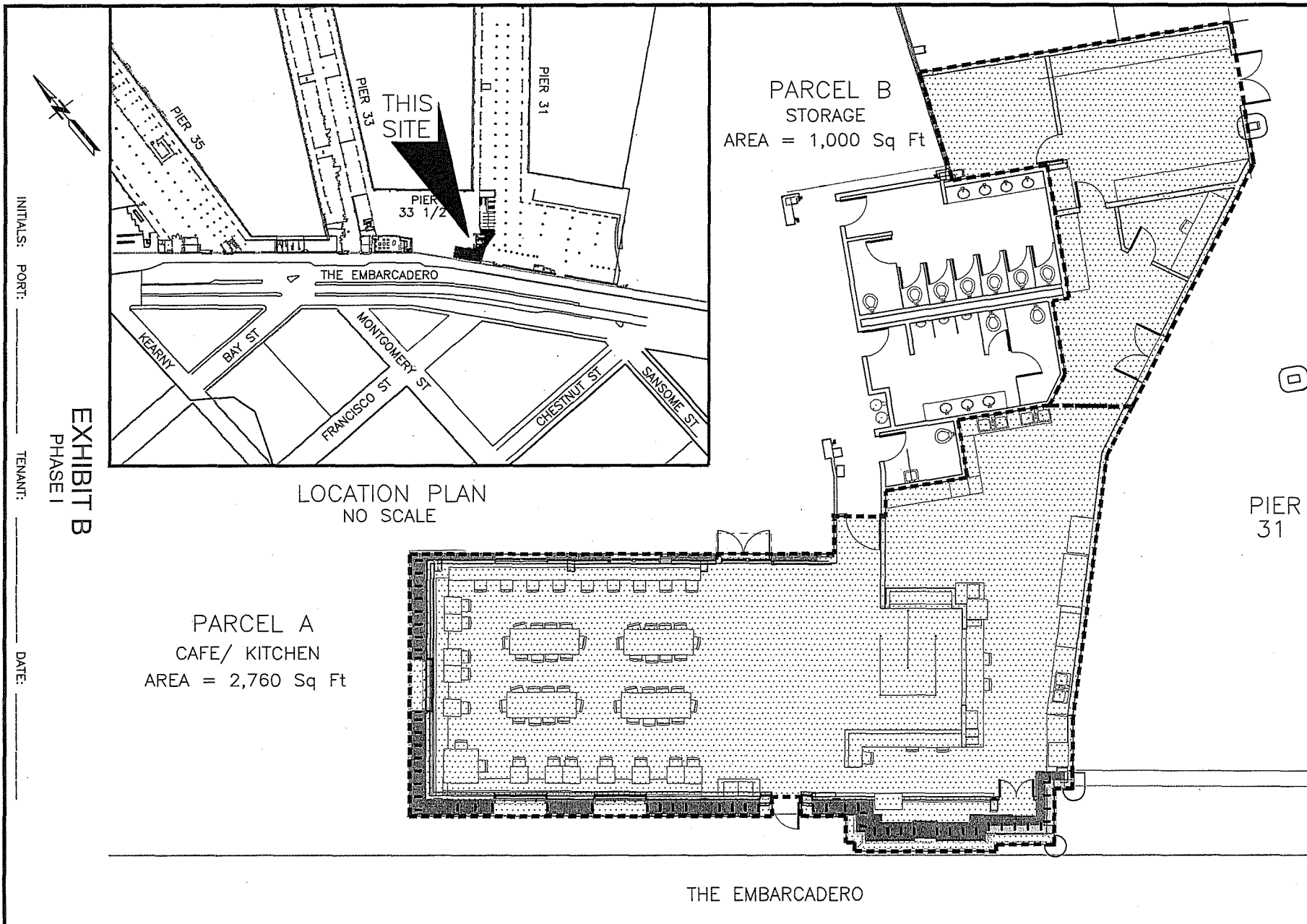
SCALE: 1" = 40'

PLACE CODE NO.

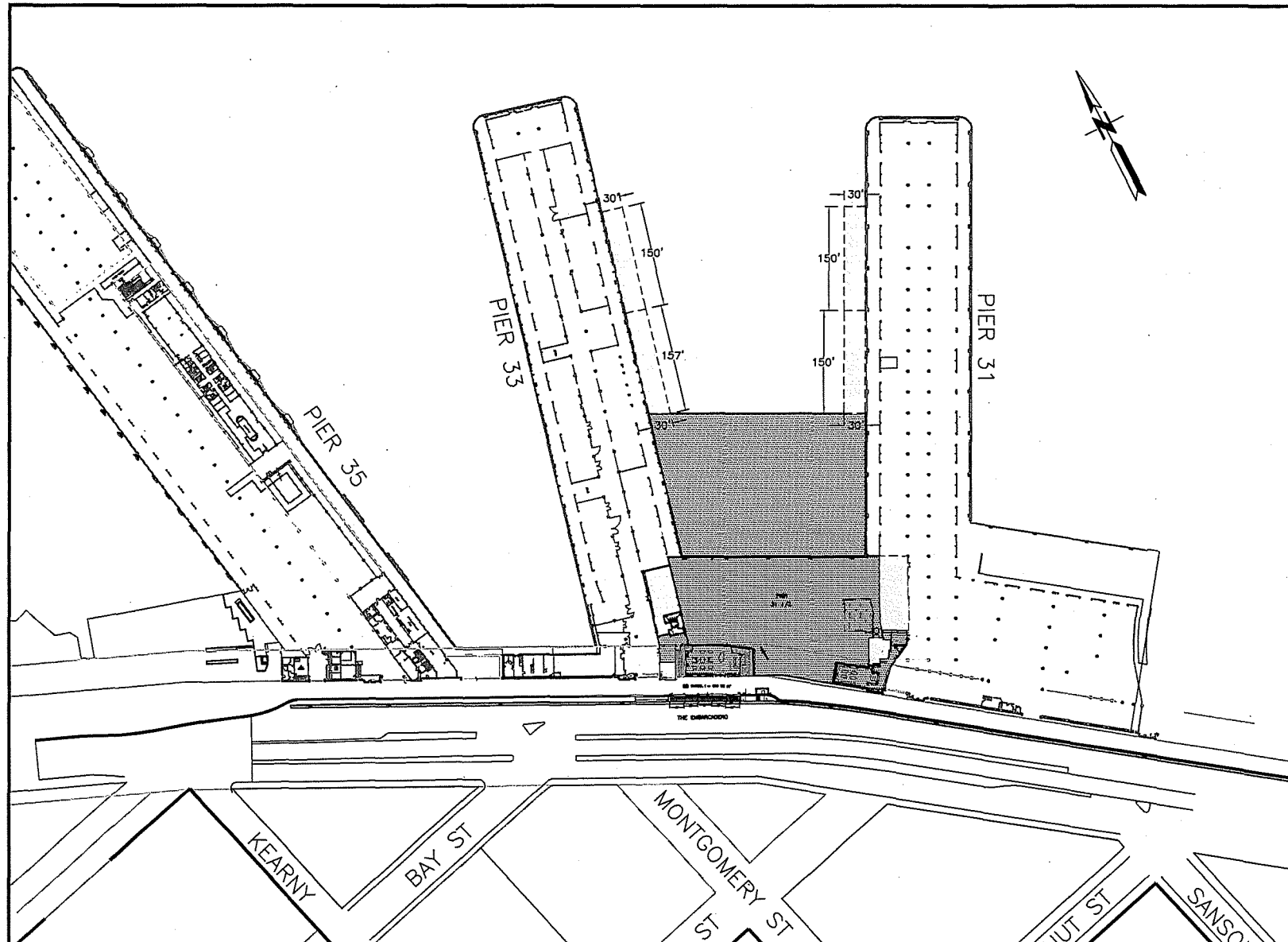
1335-00

SHEET NO.

OF SHEETS



LEASE NO.  L-16274	 <div>SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING</div>	TENANT  GOLDEN GATE NATIONAL PARKS CONSERVANCY	PHASE I	DRAWN BY: J. DOMINGUEZ	DATE: NOV. 28th, 2017
				CHECKED BY: J. EDWARDS	SCALE: 1" = 15'
				PLACE CODE NO.  1335-00	SHEET NO.  OF SHEETS



# EXHIBIT A

INITIALS: \_\_\_\_\_ PORT: \_\_\_\_\_ TENANT: \_\_\_\_\_ DATE: \_\_\_\_\_

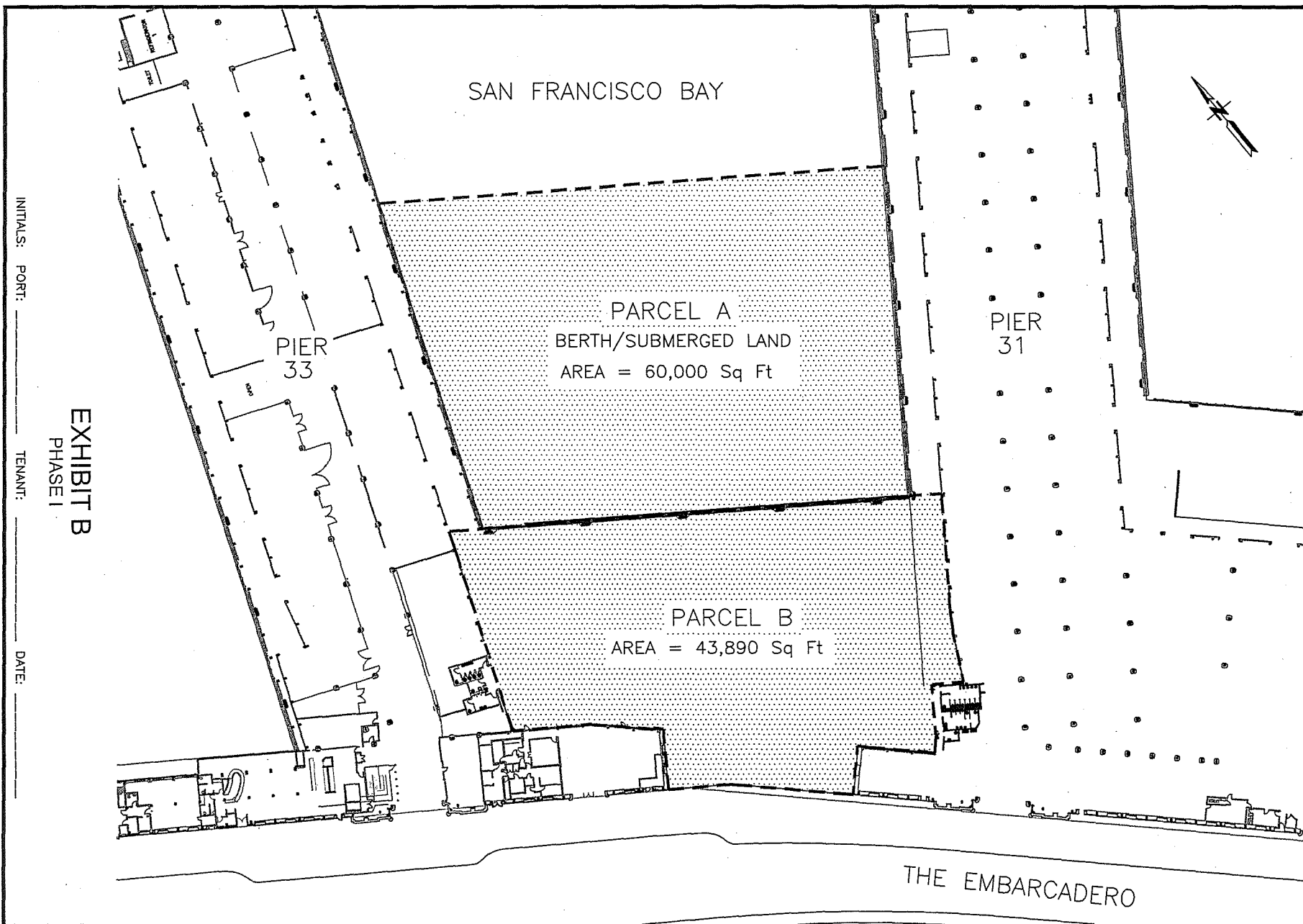
APPROVED BY  
SAN FRANCISCO PORT COMMISSION  
DATE \_\_\_\_\_  
CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

## ALCATRAZ LANDING VICINITY MAP

DRAWN BY : J. DOMINGUEZ	DATE: JULY 26TH 2017
CHECKED BY : J. EDWARDS	SCALE : 1"=200'
DRAWING NO.	SHEET NO.
	OF SHEETS

F:\DEPARTMENT PROJECTS\Real Estate\Key Edwards\A-31 Alcatraz Landing\A31-35 Alcatraz KeyS.DWG



INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

EXHIBIT B  
PHASE I

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER

PHASE  
I

DRAWN BY: J. DOMINGUEZ

DATE: JULY 26th, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 80'

PLACE CODE NO.

1335-00

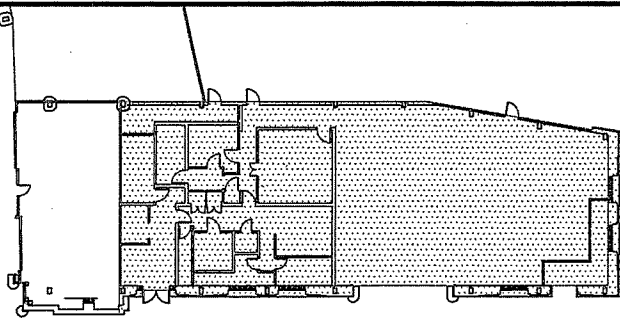
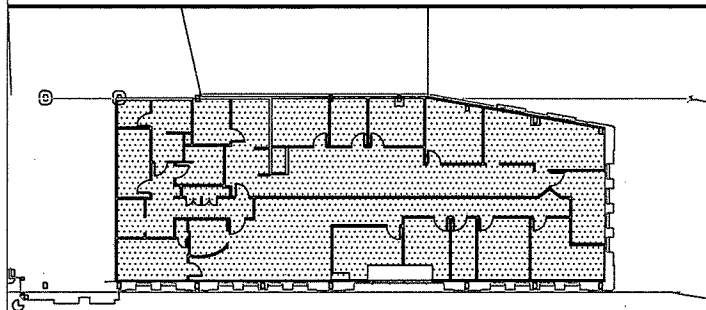
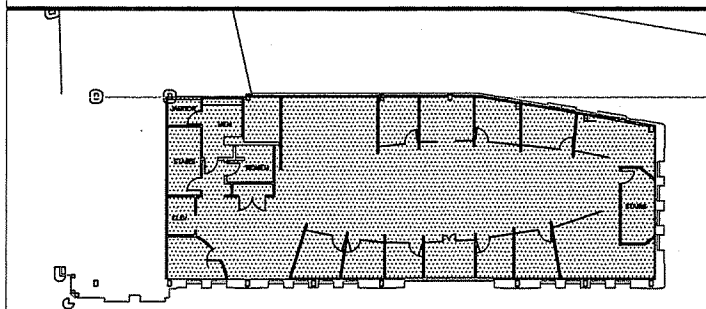
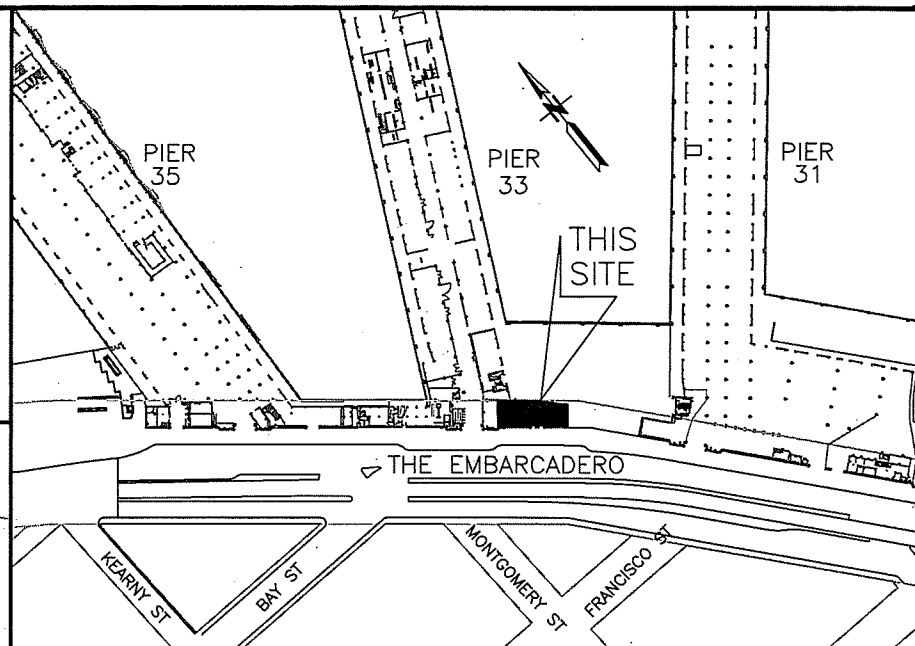
SHEET NO.

OF SHEETS

INITIALS: PORT:

TENANT:

DATE:

EXHIBIT B-1  
PHASE IIPARCEL E  
FIRST FLOORPARCEL F  
SECOND FLOORPARCEL G  
THIRD FLOORLOCATION PLAN  
NO SCALE

## PIER 33 SOUTH BULKHEAD

PARCEL E  
FIRST FLOOR = 4,612 Sq Ft

PARCEL F  
SECOND FLOOR = 4,555 Sq Ft

PARCEL G  
THIRD FLOOR = 4,612 Sq Ft

LEASE NO.

L-16273



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY PHASE  
CONCESSIONER II

DRAWN BY: J. DOMINGUEZ

DATE: NOV. 28, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 40'

PLACE CODE NO.

1335-00

SHEET NO.

OF SHEETS

# PIER 31 North & 33 South BERTHING

■ PARCEL J BERTHING = 18,105 Sq Ft

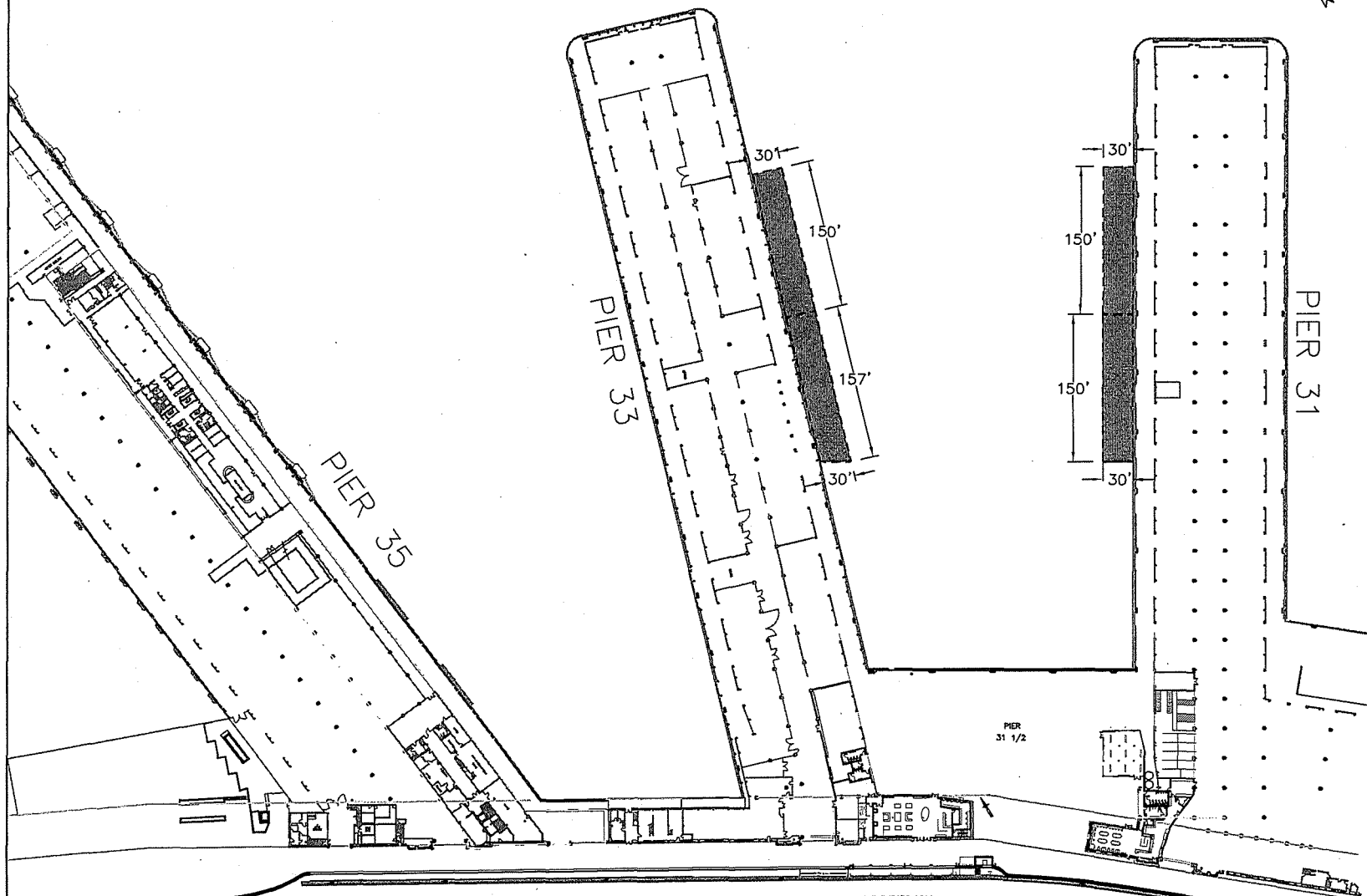


EXHIBIT B-3

INITIALS: PORT: \_\_\_\_\_

TENANT: \_\_\_\_\_

DATE: \_\_\_\_\_

LEASE NO.

L-16723



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

NPS FERRY  
CONCESSIONER

DRAWN BY: J. DOMINGUEZ

DATE: DEC. 07, 2017

CHECKED BY: J. EDWARDS

SCALE: 1"=150'

PLACE CODE NO.

1234-56

SHEET NO.

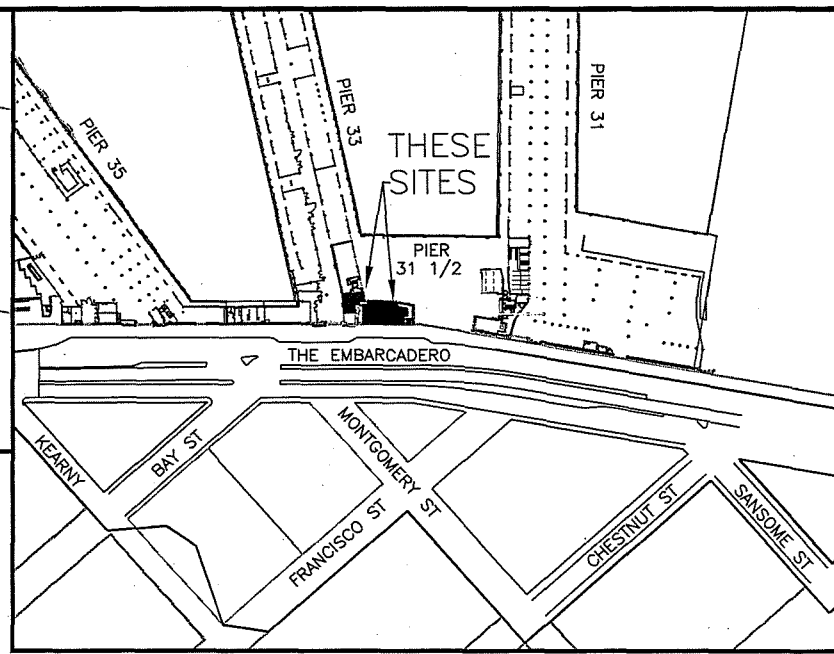
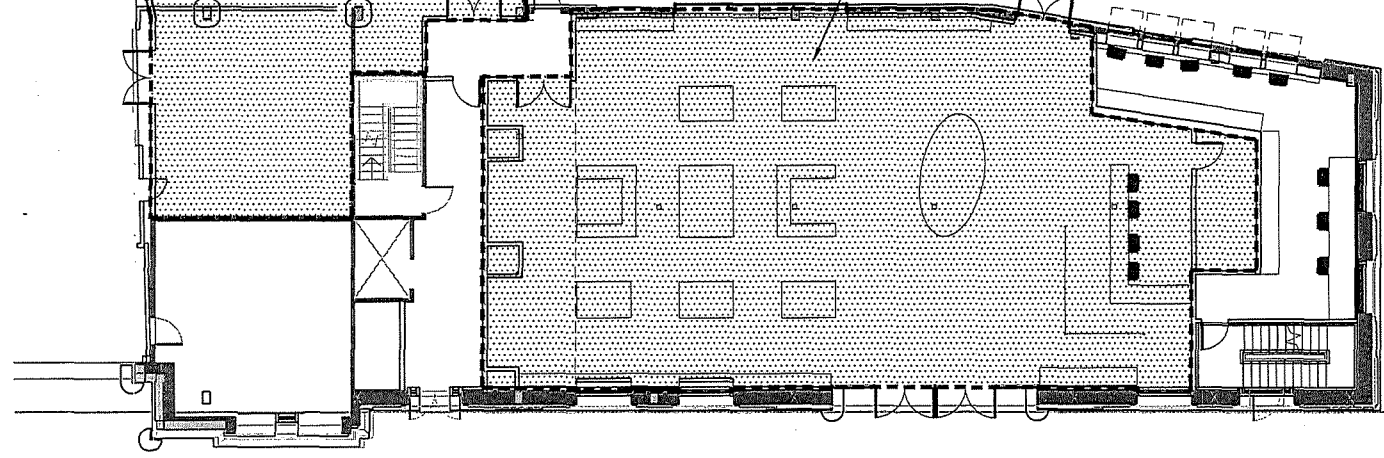
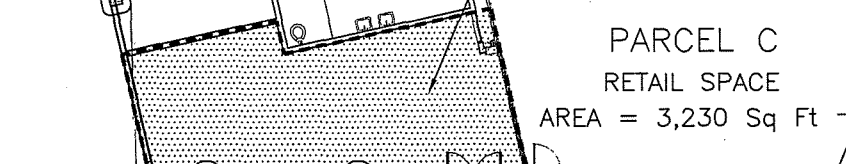
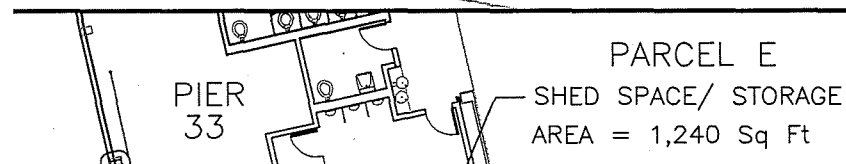
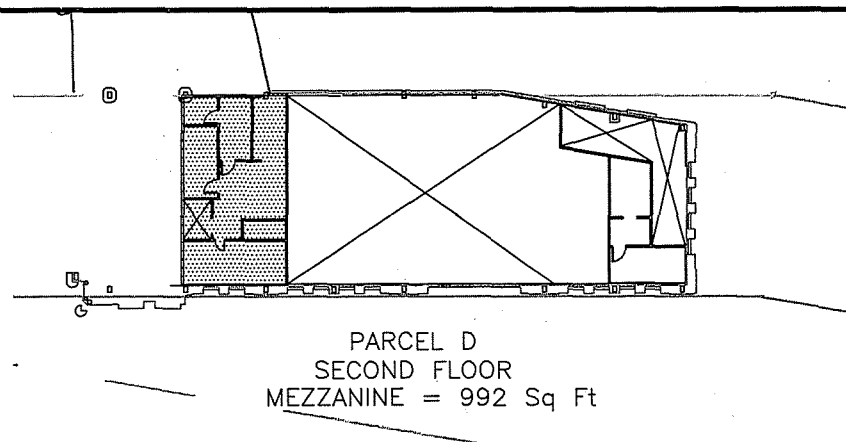
OF SHEETS

INITIALS: PORT:

TENANT:

DATE:

EXHIBIT B-1  
PHASE II



LOCATION PLAN  
NO SCALE



THE EMBARCADERO

LEASE NO.

L-16274



SAN FRANCISCO PORT COMMISSION  
PORT OF SAN FRANCISCO  
DEPARTMENT OF ENGINEERING

TENANT

GOLDEN GATE NATIONAL  
PARKS CONSERVANCY

PHASE  
II

DRAWN BY: J. DOMINGUEZ

DATE: DEC. 26th, 2017

CHECKED BY: J. EDWARDS

SCALE: 1" = 20'

PLACE CODE NO.

1335-00

SHEET NO.

OF SHEETS



## Exhibit C: Updated Wage Determination

201556379.txt

REGISTER OF WAGE DETERMINATIONS UNDER  
THE SERVICE CONTRACT ACT  
By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR  
EMPLOYMENT STANDARDS ADMINISTRATION  
WAGE AND HOUR DIVISION  
WASHINGTON D.C. 20210

Daniel W. Simms  
Director

Division of  
Wage Determinations

Wage Determination No.: 2015-5637  
Revision No.: 9  
Date of Last Revision: 05/17/2018

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts)

State: California

Area: California Counties of San Francisco, San Mateo

OCCUPATION NOTE:

Janitor: The rate listed on this WD for the "Janitor" occupation applies only to San Mateo county. Please refer to WD 1974-1257 to obtain the wage rate and fringe benefits applicable to the "Janitor" occupation in San Francisco County.

**\*\*Fringe Benefits Required Follow the Occupational Listing\*\***

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		21.07
01012 - Accounting Clerk II		23.66
01013 - Accounting Clerk III		26.47
01020 - Administrative Assistant		36.84
01035 - Court Reporter		37.17
01041 - Customer Service Representative I		19.06
01042 - Customer Service Representative II		21.43
01043 - Customer Service Representative III		23.38
01051 - Data Entry Operator I		16.07
01052 - Data Entry Operator II		17.54
01060 - Dispatcher, Motor Vehicle		29.13
01070 - Document Preparation Clerk		17.31
01090 - Duplicating Machine Operator		17.31
01111 - General Clerk I		16.87
01112 - General Clerk II		18.40
01113 - General Clerk III		20.66
01120 - Housing Referral Assistant		28.83
01141 - Messenger Courier		17.18
01191 - Order Clerk I		19.22
01192 - Order Clerk II		20.98
01261 - Personnel Assistant (Employment) I		20.61
01262 - Personnel Assistant (Employment) II		23.06
01263 - Personnel Assistant (Employment) III		25.70

01270 - Production Control Clerk	28.11
01290 - Rental Clerk	19.43
01300 - Scheduler, Maintenance	23.30
01311 - Secretary I	23.30
01312 - Secretary II	25.86
01313 - Secretary III	28.83
01320 - Service Order Dispatcher	28.67
01410 - Supply Technician	36.84
01420 - Survey Worker	26.04
01460 - Switchboard Operator/Receptionist	17.88
01531 - Travel Clerk I	15.41
01532 - Travel Clerk II	17.34
01533 - Travel Clerk III	19.53
01611 - Word Processor I	22.83
01612 - Word Processor II	25.64
01613 - Word Processor III	28.68
05000 - Automotive Service Occupations	
05005 - Automobile Body Repairer, Fiberglass	28.95
05010 - Automotive Electrician	24.75
05040 - Automotive Glass Installer	22.15
05070 - Automotive Worker	24.75
05110 - Mobile Equipment Servicer	21.54
05130 - Motor Equipment Metal Mechanic	25.85
05160 - Motor Equipment Metal Worker	23.66
05190 - Motor Vehicle Mechanic	25.64
05220 - Motor Vehicle Mechanic Helper	20.21
05250 - Motor Vehicle Upholstery Worker	22.61
05280 - Motor Vehicle Wrecker	23.66
05310 - Painter, Automotive	24.75
05340 - Radiator Repair Specialist	23.66
05370 - Tire Repairer	18.14
05400 - Transmission Repair Specialist	25.85
07000 - Food Preparation And Service Occupations	
07010 - Baker	18.24
07041 - Cook I	17.11
07042 - Cook II	20.06
07070 - Dishwasher	13.31
07130 - Food Service Worker	14.20
07210 - Meat Cutter	19.15
07260 - Waiter/Waitress	14.32
09000 - Furniture Maintenance And Repair Occupations	
09010 - Electrostatic Spray Painter	22.47
09040 - Furniture Handler	16.69
09080 - Furniture Refinisher	24.00
09090 - Furniture Refinisher Helper	19.60
09110 - Furniture Repairer, Minor	21.31
09130 - Upholsterer	23.25
11000 - General Services And Support Occupations	
11030 - Cleaner, Vehicles	14.27
11060 - Elevator Operator	14.89
11090 - Gardener	24.32
11122 - Housekeeping Aide	14.89
11150 - Janitor	14.89
11210 - Laborer, Grounds Maintenance	18.72
11240 - Maid or Houseman	18.74
11260 - Pruner	17.19
11270 - Tractor Operator	22.48
11330 - Trail Maintenance Worker	18.72
11360 - Window Cleaner	16.07
12000 - Health Occupations	
12010 - Ambulance Driver	23.48
12011 - Breath Alcohol Technician	27.11
12012 - Certified Occupational Therapist Assistant	37.17

(see 1)

201556379.txt

12015	- Certified Physical Therapist Assistant	35.41
12020	- Dental Assistant	24.75
12025	- Dental Hygienist	55.44
12030	- EKG Technician	40.40
12035	- Electroneurodiagnostic Technologist	40.40
12040	- Emergency Medical Technician	23.48
12071	- Licensed Practical Nurse I	24.22
12072	- Licensed Practical Nurse II	27.11
12073	- Licensed Practical Nurse III	30.22
12100	- Medical Assistant	23.27
12130	- Medical Laboratory Technician	29.72
12160	- Medical Record Clerk	23.26
12190	- Medical Record Technician	26.02
12195	- Medical Transcriptionist	27.36
12210	- Nuclear Medicine Technologist	60.74
12221	- Nursing Assistant I	16.15
12222	- Nursing Assistant II	18.16
12223	- Nursing Assistant III	19.81
12224	- Nursing Assistant IV	22.24
12235	- Optical Dispenser	25.61
12236	- Optical Technician	24.22
12250	- Pharmacy Technician	24.67
12280	- Phlebotomist	23.68
12305	- Radiologic Technologist	50.59
12311	- Registered Nurse I	43.85
12312	- Registered Nurse II	53.66
12313	- Registered Nurse II, Specialist	53.66
12314	- Registered Nurse III	64.90
12315	- Registered Nurse III, Anesthetist	64.90
12316	- Registered Nurse IV	77.80
12317	- Scheduler (Drug and Alcohol Testing)	34.02
12320	- Substance Abuse Treatment Counselor	23.67
13000	- Information And Arts Occupations	
13011	- Exhibits Specialist I	25.70
13012	- Exhibits Specialist II	31.84
13013	- Exhibits Specialist III	38.94
13041	- Illustrator I	29.12
13042	- Illustrator II	36.07
13043	- Illustrator III	44.12
13047	- Librarian	39.95
13050	- Library Aide/Clerk	22.28
13054	- Library Information Technology Systems Administrator	36.10
13058	- Library Technician	28.71
13061	- Media Specialist I	26.03
13062	- Media Specialist II	29.12
13063	- Media Specialist III	32.46
13071	- Photographer I	22.43
13072	- Photographer II	25.09
13073	- Photographer III	31.05
13074	- Photographer IV	38.02
13075	- Photographer V	45.99
13090	- Technical Order Library Clerk	23.47
13110	- Video Teleconference Technician	25.63
14000	- Information Technology Occupations	
14041	- Computer Operator I	19.80
14042	- Computer Operator II	22.18
14043	- Computer Operator III	24.69
14044	- Computer Operator IV	27.43
14045	- Computer Operator V	30.39
14071	- Computer Programmer I	(see 2)
14072	- Computer Programmer II	(see 2)
14073	- Computer Programmer III	(see 2)

201556379.txt

14074 - Computer Programmer IV	(see 2)	
14101 - Computer Systems Analyst I	(see 2)	
14102 - Computer Systems Analyst II	(see 2)	
14103 - Computer Systems Analyst III	(see 2)	
14150 - Peripheral Equipment Operator		19.80
14160 - Personal Computer Support Technician		27.43
14170 - System Support Specialist		40.89
15000 - Instructional Occupations		
15010 - Aircrew Training Devices Instructor (Non-Rated)		39.10
15020 - Aircrew Training Devices Instructor (Rated)		47.30
15030 - Air Crew Training Devices Instructor (Pilot)		56.69
15050 - Computer Based Training Specialist / Instructor		39.10
15060 - Educational Technologist		35.06
15070 - Flight Instructor (Pilot)		56.69
15080 - Graphic Artist		35.46
15085 - Maintenance Test Pilot, Fixed, Jet/Prop		56.69
15086 - Maintenance Test Pilot, Rotary Wing		56.69
15088 - Non-Maintenance Test/Co-Pilot		56.69
15090 - Technical Instructor		33.03
15095 - Technical Instructor/Course Developer		40.40
15110 - Test Proctor		26.67
15120 - Tutor		26.67
16000 - Laundry, Dry-Cleaning, Pressing And Related Occupations		
16010 - Assembler		15.65
16030 - Counter Attendant		15.65
16040 - Dry Cleaner		17.89
16070 - Finisher, Flatwork, Machine		15.65
16090 - Presser, Hand		15.65
16110 - Presser, Machine, Drycleaning		15.65
16130 - Presser, Machine, Shirts		15.65
16160 - Presser, Machine, Wearing Apparel, Laundry		15.65
16190 - Sewing Machine Operator		18.64
16220 - Tailor		19.38
16250 - Washer, Machine		16.40
19000 - Machine Tool Operation And Repair Occupations		
19010 - Machine-Tool Operator (Tool Room)		27.63
19040 - Tool And Die Maker		32.59
21000 - Materials Handling And Packing Occupations		
21020 - Forklift Operator		19.56
21030 - Material Coordinator		28.11
21040 - Material Expediter		28.11
21050 - Material Handling Laborer		16.69
21071 - Order Filler		15.60
21080 - Production Line Worker (Food Processing)		19.56
21110 - Shipping Packer		18.62
21130 - Shipping/Receiving Clerk		18.62
21140 - Store Worker I		15.84
21150 - Stock Clerk		21.80
21210 - Tools And Parts Attendant		19.56
21410 - Warehouse Specialist		19.56
23000 - Mechanics And Maintenance And Repair Occupations		
23010 - Aerospace Structural Welder		36.92
23019 - Aircraft Logs and Records Technician		29.71
23021 - Aircraft Mechanic I		35.11
23022 - Aircraft Mechanic II		36.92
23023 - Aircraft Mechanic III		38.48
23040 - Aircraft Mechanic Helper		25.65
23050 - Aircraft, Painter		33.06
23060 - Aircraft Servicer		29.71
23070 - Aircraft Survival Flight Equipment Technician		33.06
23080 - Aircraft Worker		31.53
23091 - Aircrew Life Support Equipment (ALSE) Mechanic		31.53

I

201556379.txt

23092 - Aircrew Life Support Equipment (ALSE) Mechanic II	35.11
23110 - Appliance Mechanic	22.85
23120 - Bicycle Repairer	22.47
23125 - Cable Splicer	32.68
23130 - Carpenter, Maintenance	31.52
23140 - Carpet Layer	31.96
23160 - Electrician, Maintenance	49.53
23181 - Electronics Technician Maintenance I	30.54
23182 - Electronics Technician Maintenance II	32.27
23183 - Electronics Technician Maintenance III	34.02
23260 - Fabric Worker	26.60
23290 - Fire Alarm System Mechanic	26.76
23310 - Fire Extinguisher Repairer	25.84
23311 - Fuel Distribution System Mechanic	32.68
23312 - Fuel Distribution System Operator	25.84
23370 - General Maintenance Worker	26.76
23380 - Ground Support Equipment Mechanic	35.11
23381 - Ground Support Equipment Servicer	29.71
23382 - Ground Support Equipment Worker	31.53
23391 - Gunsmith I	25.84
23392 - Gunsmith II	29.34
23393 - Gunsmith III	32.68
23410 - Heating, Ventilation And Air-Conditioning Mechanic	29.47
23411 - Heating, Ventilation And Air Contidioning Mechanic (Research Facility)	30.98
23430 - Heavy Equipment Mechanic	35.90
23440 - Heavy Equipment Operator	39.20
23460 - Instrument Mechanic	34.64
23465 - Laboratory/Shelter Mechanic	31.00
23470 - Laborer	16.00
23510 - Locksmith	26.95
23530 - Machinery Maintenance Mechanic	37.64
23550 - Machinist, Maintenance	29.58
23580 - Maintenance Trades Helper	18.69
23591 - Metrology Technician I	34.64
23592 - Metrology Technician II	36.41
23593 - Metrology Technician III	37.95
23640 - Millwright	32.68
23710 - Office Appliance Repairer	23.08
23760 - Painter, Maintenance	30.54
23790 - Pipefitter, Maintenance	34.82
23810 - Plumber, Maintenance	34.44
23820 - Pneudraulic Systems Mechanic	32.68
23850 - Rigger	32.53
23870 - Scale Mechanic	29.34
23890 - Sheet-Metal Worker, Maintenance	36.39
23910 - Small Engine Mechanic	23.14
23931 - Telecommunications Mechanic I	32.99
23932 - Telecommunications Mechanic II	34.68
23950 - Telephone Lineman	32.39
23960 - Welder, Combination, Maintenance	32.75
23965 - Well Driller	32.68
23970 - Woodcraft Worker	32.68
23980 - Woodworker	25.84
24000 - Personal Needs Occupations	
24550 - Case Manager	21.06
24570 - Child Care Attendant	14.93
24580 - Child Care Center Clerk	18.99
24610 - Chore Aide	12.21
24620 - Family Readiness And Support Services Coordinator	21.06

24630 - Homemaker	21.06
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	47.33
25040 - Sewage Plant Operator	38.85
25070 - Stationary Engineer	47.33
25190 - Ventilation Equipment Tender	34.60
25210 - Water Treatment Plant Operator	38.85
27000 - Protective Service Occupations	
27004 - Alarm Monitor	31.63
27007 - Baggage Inspector	15.72
27008 - Corrections Officer	44.13
27010 - Court Security Officer	44.13
27030 - Detection Dog Handler	25.35
27040 - Detention Officer	44.13
27070 - Firefighter	44.13
27101 - Guard I	15.72
27102 - Guard II	25.35
27131 - Police Officer I	49.33
27132 - Police Officer II	54.83
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	17.45
28042 - Carnival Equipment Repairer	18.88
28043 - Carnival Worker	13.08
28210 - Gate Attendant/Gate Tender	21.94
28310 - Lifeguard	14.56
28350 - Park Attendant (Aide)	24.54
28510 - Recreation Aide/Health Facility Attendant	17.91
28515 - Recreation Specialist	30.40
28630 - Sports Official	19.54
28690 - Swimming Pool Operator	22.07
29000 - Stevedoring/Longshoremen Occupational Services	
29010 - Blocker And Bracer	35.21
29020 - Hatch Tender	35.21
29030 - Line Handler	35.21
29041 - Stevedore I	33.18
29042 - Stevedore II	37.21
30000 - Technical Occupations	
30010 - Air Traffic Control Specialist, Center (HFO) (see 3)	46.05
30011 - Air Traffic Control Specialist, Station (HFO) (see 3)	31.75
30012 - Air Traffic Control Specialist, Terminal (HFO) (see 3)	34.98
30021 - Archeological Technician I	24.86
30022 - Archeological Technician II	27.80
30023 - Archeological Technician III	34.44
30030 - Cartographic Technician	34.44
30040 - Civil Engineering Technician	34.84
30051 - Cryogenic Technician I	32.83
30052 - Cryogenic Technician II	36.26
30061 - Drafter/CAD Operator I	24.86
30062 - Drafter/CAD Operator II	27.80
30063 - Drafter/CAD Operator III	30.99
30064 - Drafter/CAD Operator IV	38.15
30081 - Engineering Technician I	18.90
30082 - Engineering Technician II	21.22
30083 - Engineering Technician III	23.73
30084 - Engineering Technician IV	29.40
30085 - Engineering Technician V	35.98
30086 - Engineering Technician VI	43.51
30090 - Environmental Technician	31.23
30095 - Evidence Control Specialist	29.65
30210 - Laboratory Technician	25.55
30221 - Latent Fingerprint Technician I	39.40
30222 - Latent Fingerprint Technician II	43.52
30240 - Mathematical Technician	35.89

201556379.txt

30361 - Paralegal/Legal Assistant I	23.52
30362 - Paralegal/Legal Assistant II	29.13
30363 - Paralegal/Legal Assistant III	35.65
30364 - Paralegal/Legal Assistant IV	43.11
30375 - Petroleum Supply Specialist	36.26
30390 - Photo-Optics Technician	35.89
30395 - Radiation Control Technician	36.26
30461 - Technical Writer I	29.33
30462 - Technical Writer II	35.87
30463 - Technical Writer III	43.40
30491 - Unexploded Ordnance (UXO) Technician I	29.27
30492 - Unexploded Ordnance (UXO) Technician II	35.41
30493 - Unexploded Ordnance (UXO) Technician III	42.44
30494 - Unexploded (UXO) Safety Escort	29.27
30495 - Unexploded (UXO) Sweep Personnel	29.27
30501 - Weather Forecaster I	35.81
30502 - Weather Forecaster II	43.55
30620 - Weather Observer, Combined Upper Air Or	(see 3) 30.99
Surface Programs	
30621 - Weather Observer, Senior	(see 3) 32.89
31000 - Transportation/Mobile Equipment Operation Occupations	
31010 - Airplane Pilot	35.41
31020 - Bus Aide	16.27
31030 - Bus Driver	22.62
31043 - Driver Courier	17.77
31260 - Parking and Lot Attendant	14.50
31290 - Shuttle Bus Driver	19.22
31310 - Taxi Driver	16.98
31361 - Truckdriver, Light	19.22
31362 - Truckdriver, Medium	20.64
31363 - Truckdriver, Heavy	24.77
31364 - Truckdriver, Tractor-Trailer	24.77
99000 - Miscellaneous Occupations	
99020 - Cabin Safety Specialist	17.27
99030 - Cashier	13.32
99050 - Desk Clerk	18.65
99095 - Embalmer	29.47
99130 - Flight Follower	29.27
99251 - Laboratory Animal Caretaker I	16.43
99252 - Laboratory Animal Caretaker II	17.77
99260 - Marketing Analyst	41.74
99310 - Mortician	29.47
99410 - Pest Controller	24.35
99510 - Photofinishing Worker	17.70
99710 - Recycling Laborer	29.19
99711 - Recycling Specialist	34.68
99730 - Refuse Collector	26.27
99810 - Sales Clerk	15.51
99820 - School Crossing Guard	17.56
99830 - Survey Party Chief	54.14
99831 - Surveying Aide	31.30
99832 - Surveying Technician	36.92
99840 - Vending Machine Attendant	15.59
99841 - Vending Machine Repairer	18.24
99842 - Vending Machine Repairer Helper	15.59

---

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors, applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees



201556379.txt

with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is the victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: \$4.41 per hour or \$176.40 per week or \$764.40 per month

HEALTH & WELFARE EO 13706: \$4.13 per hour, or \$165.20 per week, or \$715.87 per month\*

\*This rate is to be used only when compensating employees for performance on an SCA-covered contract also covered by EO 13706, Establishing Paid Sick Leave for Federal Contractors. A contractor may not receive credit toward its SCA obligations for any paid sick leave provided pursuant to EO 13706.

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor; 3 weeks after 5 years, and 4 weeks after 12 years. Length of service includes the whole span of continuous service with the present contractor or successor, wherever employed, and with the predecessor contractors in the performance of similar work at the same Federal facility. (Reg. 29 CFR 4.173)

HOLIDAYS: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 CFR 4.174)

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) JANITOR: The rate listed on this WD for the "Janitor" occupation applies only to Marin and San Mateo counties. Please refer to WD 1974-1257 to obtain the wage rate and fringe benefits applicable to the "Janitor" occupation in San Francisco County.

2) COMPUTER EMPLOYEES: Under the SCA at section 8(b), this wage determination does not apply to any employee who individually qualifies as a bona fide executive, administrative, or professional employee as defined in 29 C.F.R. Part 541. Because most Computer System Analysts and Computer Programmers who are compensated at a rate

not less than \$27.63 (or on a salary or fee basis at a rate not less than \$455 per week) an hour would likely qualify as exempt computer professionals, (29 C.F.R. 541.400) wage rates may not be listed on this wage determination for all occupations within those job families. In addition, because this wage determination may not list a wage rate for some or all occupations within those job families if the survey

data indicates that the prevailing wage rate for the occupation equals or exceeds \$27.63 per hour conformances may be necessary for certain nonexempt employees. For example, if an individual employee is nonexempt but nevertheless performs duties within the scope of one of the Computer Systems Analyst or Computer Programmer occupations for which this wage determination does not specify an SCA wage rate, then the wage rate for that employee must be conformed in accordance with the conformance procedures described in the conformance note included on this wage

determination.

Additionally, because job titles vary widely and change quickly in the computer industry, job titles are not determinative of the application of the computer professional exemption. Therefore, the exemption applies only to computer employees who satisfy the compensation requirements and whose primary duty consists of:

(1) The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;

(2) The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;

(3) The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or

(4) A combination of the aforementioned duties, the performance of which requires the same level of skills. (29 C.F.R. 541.400).

3) AIR TRAFFIC CONTROLLERS AND WEATHER OBSERVERS - NIGHT PAY & SUNDAY PAY: If you work at night as part of a regular tour of duty, you will earn a night differential and receive an additional 10% of basic pay for any hours worked between 6pm and 6am.

If you are a full-time employed (40 hours a week) and Sunday is part of your regularly scheduled workweek, you are paid at your rate of basic pay plus a Sunday premium of 25% of your basic rate for each hour of Sunday work which is not overtime

(i.e. occasional work on Sunday outside the normal tour of duty is considered overtime work).

**\*\* HAZARDOUS PAY DIFFERENTIAL \*\***

An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordnance, explosives, and incendiary materials. This includes work such as screening, blending, dying, mixing, and pressing of sensitive ordnance, explosives, and pyrotechnic compositions such as lead azide, black powder and photoflash powder.

All dry-house activities involving propellants or explosives. Demilitarization, modification, renovation, demolition, and maintenance operations on sensitive ordnance, explosives and incendiary materials. All operations involving re-grading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with, or in close proximity to ordnance, (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands, face, or arms of the employee engaged in the operation, irritation of the skin, minor burns and the like;

minimal damage to immediate or adjacent work area or equipment being used. All operations involving, unloading, storage, and hauling of ordnance, explosive, and incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance, explosives, and incendiary material differential pay.

**\*\* UNIFORM ALLOWANCE \*\***

If employees are required to wear uniforms in the performance of this contract

201556379.txt

(either by the terms of the Government contract, by the employer, by the state or local law, etc.), the cost of furnishing such uniforms and maintaining (by laundering or dry cleaning) such uniforms is an expense that may not be borne by an employee where such cost reduces the hourly rate below that required by the wage determination. The Department of Labor will accept payment in accordance with the following standards as compliance:

The contractor or subcontractor is required to furnish all employees with an adequate number of uniforms without cost or to reimburse employees for the actual cost of the uniforms. In addition, where uniform cleaning and maintenance is made the responsibility of the employee, all contractors and subcontractors subject to this wage determination shall (in the absence of a bona fide collective bargaining agreement providing for a different amount, or the furnishing of contrary affirmative proof as to the actual cost), reimburse all employees for such cleaning and maintenance at a rate of \$3.35 per week (or \$.67 cents per day). However, in those instances where the uniforms furnished are made of "wash and wear" materials, may be routinely washed and dried with other personal garments, and do not require any special treatment such as dry cleaning, daily washing, or commercial

laundering in order to meet the cleanliness or appearance standards set by the terms of the Government contract, by the contractor, by law, or by the nature of the work, there is no requirement that employees be reimbursed for uniform maintenance costs.

**\*\* SERVICE CONTRACT ACT DIRECTORY OF OCCUPATIONS \*\***

The duties of employees under job titles listed are those described in the "Service Contract Act Directory of Occupations", Fifth Edition (Revision 1), dated September 2015, unless otherwise indicated.

**\*\* REQUEST FOR AUTHORIZATION OF ADDITIONAL CLASSIFICATION AND WAGE RATE, Standard Form 1444 (SF-1444) \*\***

**Conformance Process:**

The contracting officer shall require that any class of service employee which is not listed herein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination), be classified by the contractor so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination (See 29 CFR

4.6(b)(2)(i)). Such conforming procedures shall be initiated by the contractor prior to the performance of contract work by such unlisted class(es) of employees (See 29 CFR 4.6(b)(2)(ii)). The Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be paid to all employees performing in the classification from the first day of work on which contract work is performed by them in the classification. Failure to pay such unlisted employees the compensation agreed upon by the interested parties and/or fully determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act

and this contract. (See 29 CFR 4.6(b)(2)(v)). When multiple wage determinations are included in a contract, a separate SF-1444 should be prepared for each wage determination to which a class(es) is to be conformed.

The process for preparing a conformance request is as follows:

- 1) When preparing the bid, the contractor identifies the need for a conformed

occupation(s) and computes a proposed rate(s).

2) After contract award, the contractor prepares a written report listing in order the proposed classification title(s), a Federal grade equivalency (FGE) for each proposed classification(s), job description(s), and rationale for proposed wage rate(s), including information regarding the agreement or disagreement of the authorized representative of the employees involved, or where there is no authorized

representative, the employees themselves. This report should be submitted to the contracting officer no later than 30 days after such unlisted class(es) of employees performs any contract work.

3) The contracting officer reviews the proposed action and promptly submits a report of the action, together with the agency's recommendations and pertinent information including the position of the contractor and the employees, to the U.S. Department of Labor, Wage and Hour Division, for review (See 29 CFR 4.6(b)(2)(ii)).

4) Within 30 days of receipt, the Wage and Hour Division approves, modifies, or disapproves the action via transmittal to the agency contracting officer, or notifies the contracting officer that additional time will be required to process the request.

5) The contracting officer transmits the Wage and Hour Division's decision to the contractor.

6) Each affected employee shall be furnished by the contractor with a written copy of such determination or it shall be posted as a part of the wage determination (See 29 CFR 4.6(b)(2)(iii)).

Information required by the Regulations must be submitted on SF-1444 or bond paper.

When preparing a conformance request, the "Service Contract Act Directory of Occupations" should be used to compare job definitions to ensure that duties requested are not performed by a classification already listed in the wage determination. Remember, it is not the job title, but the required tasks that determine whether a class is included in an established wage determination. Conformances may not be used to artificially split, combine, or subdivide classifications listed in the wage determination (See 29 CFR 4.152(c)(1)).

201800741.txt

REGISTER OF WAGE DETERMINATIONS UNDER  
THE SERVICE CONTRACT ACT  
By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR  
EMPLOYMENT STANDARDS ADMINISTRATION  
WAGE AND HOUR DIVISION  
WASHINGTON D.C. 20210

Daniel W. Simms  
Director

Division of  
Wage Determinations

Wage Determination No.: 2018-0074  
Revision No.: 1  
Date Of Last Revision: 05/17/2018

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.35 for calendar year 2018 applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.35 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2018. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts)

State: California

Area: California County of San Francisco

**\*\*Fringe Benefits Required Follow the Occupational Listing\*\***

Employed on the National Park Service contract to provide passenger ferry transportation services to Alcatraz

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
(not set) - Master	(see 1)	42.62
(not set) - Assistant Engineer	(see 1)	29.25
(not set) - Journeyman (Engineer)	(see 1)	30.40
(not set) - Engineer I	(see 1)	35.86
(not set) - Engineer II	(see 1)	39.23
(not set) - Senior Engineer	(see 1)	42.62
(not set) - Port Engineer	(see 1)	47.78
(not set) - Deckhand	(see 2)	30.34
(not set) - Senior Deckhand	(see 2)	30.95

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors, applies to all contracts subject to the Service Contract Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is the victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) Health and Welfare: \$1,550 per month

Sick Leave: 8 days after 1 year; thereafter accrues 8 hours per month

Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years (See 29 C.F.R. 4.173)

Pension: Master/Senior Engineer/ Port Engineer- \$507.00 per month

Engineer I/Engineer II- \$496.00 per month

Journeyman/ Assistant Engineer- \$476.00 per month

Holidays: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 C.F.R. 4.174)

2) Health and Welfare: \$1,394.00 per month (Trust Plan or equivalent);

\$1,689.00 per month (Kaiser Plan or equivalent)

Pension: \$524.00 per month

Vacation: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10 years; 5 weeks after 20 years (See 29 C.F.R. 4.173)

Holiday: A minimum of ten paid holidays per year: New Year's Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, President's Day, Thanksgiving Day, Day after Thanksgiving and December 24th, Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 C.F.R. 4.174)

Sick Leave: 8 hours per month

**\*\* OCCUPATIONS NOT INCLUDED IN THE SCA DIRECTORY OF OCCUPATIONS \*\***

Assistant Engineer

No Job Description

Deckhand

Performs customer relations and also acts as a liaison between the Customers, Captain, and the Employers as directed. Deckhands will be required to sell and collect tickets on all vessels during Ferry runs whenever operationally appropriate.

Assist in counting of passenger's on and off the vessel. Deckhands may be required to assist in the engine room and to assist with fueling operations. Perform sanitary and normal maintenance work while the vessel is underway to insure the safety of the passengers, crew and vessel.

Engineer I

201800741.txt

(No Job Description)

Engineer II

(No Job Description)

Journeyman (Engineer)

(No Job Description)

Master

(No Job Description)

Port Engineer

(No Job Description)

Senior Deckhand

Perform all the duties of the Deckhand and complete the Senior Deckhand training.

Senior Engineer

(No Job Description)

# SheppardMullin

Sheppard, Mullin, Richter & Hampton LLP  
Four Embarcadero Center, 17<sup>th</sup> Floor  
San Francisco, California 94111-4109  
415.434.9100 main  
415.434.3947 fax  
www.sheppardmullin.com

Arthur J. Friedman  
415.774.2985 direct  
afriedman@sheppardmullin.com

December 27, 2017

File Number: 56RZ-257264

## Via Electronic Mail and Overnight Mail

San Francisco Planning Department  
Attention: Lisa M. Gibson  
1650 Mission Street, Suite 400  
San Francisco, CA 94103  
[Lisa.gibson@sfgov.org](mailto:Lisa.gibson@sfgov.org)

Re: Appeal of Preliminary Mitigated Negative Declaration Regarding Alcatraz Ferry  
Embarkation Project (Case No. 2017-000188ENV)

Dear Ms. Gibson

This firm represents the City of Sausalito (Sausalito) regarding the above-referenced matter. Pursuant to the Notice of Availability of and Intent to Adopt a Negative Declaration, dated December 6, 2017, and San Francisco Administrative Code section 13.11, subsection (e), Sausalito appeals the San Francisco Planning Department's (City) proposed Preliminary Mitigated Declaration (PMND) for the Alcatraz Ferry Embarkation Project (Project).

## SUMMARY OF CONCERNS AND OBJECTIONS

The Project's proposal to provide weekend ferry service between Pier 31 ½ and Fort Baker, located adjacent to Sausalito, will substantially increase pedestrian, bicycle and vehicular traffic along Alexander Avenue (a two-lane arterial road that connects Highway 101, Fort Baker, and Sausalito) as well as in the Marin Headlands and Sausalito. These additional visitors and traffic will exacerbate what are often severe, over-crowded conditions within Sausalito's historic downtown and waterfront, particularly during weekends and peak periods spanning from March through October. The PMND, however, neither analyzes nor mitigates these potentially significant impacts.

Instead, the PMND assumes that all ferry passengers arriving in Fort Baker will remain within Fort Baker as pedestrians and not generate *any* additional traffic or bicycle trips within or outside the park. The PMND therefore imposes no mitigation measures regulating the proposed Fort Baker ferry operations or its resulting impacts. However, these assumptions underlying nearly all of the PMND's less-than-significant impact findings regarding the proposed Fort Baker ferry service are a fallacy; unsupported and unsupportable by substantial evidence. Because, as explained below, substantial evidence supports a fair argument that Fort Baker ferry passengers may cause a myriad of significant environmental impacts, the City may not lawfully approve the PMND under California's Environmental Quality Act (CEQA), and instead must prepare an Environmental Impact Report (EIR) to fully assess the potential direct and indirect impacts of the proposed Fort Baker ferry service. Alternatively, the City and the National Park Service (NPS) may sever the proposed Fort Baker ferry service from the Project.



# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 2

## RELEVANT LEGAL STANDARDS

CEQA was enacted as a means to require public agency decision makers to document and consider the environmental implications of their actions. (Pub. Res. Code § 21000, 21001; *Friends of Mammoth v. Board of Supervisors* (1972) 8 Cal. 3d 247, 254-256.) CEQA contains a substantive mandate that public agencies refrain from approving projects with significant environmental effects if "there are feasible alternatives or mitigation measures" that can substantially lessen or avoid those effects. (Pub. Res. Code § 21002.) CEQA should be interpreted so "as to afford the fullest possible protection to the environment within the reasonable scope of the statutory language." (*Friends of Mammoth, supra*, at 259.)

Members of the public hold a "privileged position" in the CEQA process. (*Concerned Citizens of Costa Mesa, Inc. v. 32<sup>nd</sup> District Agricultural Association* (1986) 42 Cal. 3d 926, 936.) CEQA procedures must be scrupulously followed so that the "public will know the basis on which its responsible officials either approve or reject environmentally significant action," and will be able to "respond accordingly to action with which it disagrees." (*Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal. 3d 376, 392.)

"CEQA requires the preparation of an EIR whenever it can *fairly be argued* on the basis of substantial evidence that the project *may* have a significant environmental impact." (Pub. Res. Code §§ 21002.1, 21061; *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68, 75.) The CEQA Guidelines define "substantial evidence" in relevant part as:

Enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached....Substantial evidence shall include facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts.

(CEQA Guidelines, § 15384 (a) and (b).) A "significant effect on the environment" is defined as a substantial, or potentially substantial, adverse change in any of the physical, conditions within the area affected by the project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic and aesthetic significance." (CEQA Guidelines, § 15382.)

## THE CITY FAILED TO COMPLY WITH SPECIAL CONSULTATION REQUIREMENTS THAT APPLY TO THIS PROJECT OF STATEWIDE, REGIONAL, OR AREAWIDE SIGNIFICANCE

The Project is one of "Statewide, Regional or Areawide Significance" under CEQA because it would "substantially affect sensitive wildlife habitats including but not limited to riparian lands, wet lands, bays, estuaries, marshes, and habitats for endangered, rare and threatened species..." (CEQA Guidelines, § 15026(b)(5)). (See *e.g.*, PMND pp. 139-140 [managed fish species]; pp. 142-142 [marine mammals]; pp. 144-145 [terrestrial mammals (bats)]; and pp. 145-146 [special status bird species]; see also: FEIS for Fort Baker Plan, p. 4-23 ["Provision of ferry service to Fort Baker could increase turbidity and the amount of petroleum pollutants present in Horseshoe Bay resulting in potential adverse impact to water quality...Productivity of marine organisms could decrease as a result of petroleum leakage and increased turbidity, including potential reduction in eelgrass productivity....Increased wave

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 3

action within Horseshoe Bay could also increase shoreline erosion and further reduce water quality.”.] )

Lead agencies responsible for projects of Statewide, Regional or Areawide Significance must consult with “transportation planning agencies” and “public agencies which have transportation facilities within their jurisdiction which could be affected by the project.” (Pub. Res. Code § 21092.4(a); CEQA Guidelines, § 15086(a)(5).)

The City was required to consult with Sausalito because it is a public agency with transportation facilities within its jurisdiction which could be affected by the Project. CEQA defines such “transportation facilities” to include “major local arterials and public transit within five miles of the project site....” (Pub. Res. Code § 21092.4(b); CEQA Guidelines, § 15086(a)(5).)<sup>1</sup> Several of Sausalito’s major local arterials that *could* be affected by the Project are located well within a five-mile radius of the Fort Baker pier. Accordingly, the City was required to consult with Sausalito for this Project in the same manner as for “responsible agencies.” (Pub. Res. Code § 21092.4(a).) Specifically, the City was required to consult with Sausalito before determining which CEQA document to prepare so that Sausalito may assist the City in determining the appropriate environmental document for the Project, and to explain its reasons for recommending whether the City as lead agency should prepare an EIR or negative declaration for the Project. (CEQA Guidelines, § 15096(a) and (b).) The City, however, failed to consult with Sausalito in this manner, and thus failed to comply with CEQA’s mandatory notice and public agency consultation requirements. The City therefore may not lawfully approve the PMND for this reason alone.

## THE CITY MAY NOT LAWFULLY APPROVE THE PMND UNDER CEQA

### A. The PMND Fails To Impose Required Mitigation Measures on the Project

Repeatedly, throughout the document, the PMND concludes that the Project will have no impacts, or less-than-significant impacts, based on the assumption that a certain set of conditions will remain in place throughout the life of the Project, or that the Project will comply with certain “applicable” Federal, state or local requirements or regulations. However, in each such instance, the PMND fails to ensure the existence of such conditions or compliance with applicable legal requirements through mandatory mitigation measures that are enforceable and specify clear performance standards. In fact, the PMND contains in total only 6 mitigation measures, none of which regulate the proposed Fort Baker ferry operations. (PMND, pp. 178-182.) The PMND thus violates CEQA’s substantive mandate that lead agencies “provide measures to mitigate or avoid significant effects on the environment that are fully enforceable

---

<sup>1</sup> “The statute makes clear that a lead agency’s obligations to consult pursuant to Section 21092.4 are not contingent on a finding of significant impacts on particular transportation facilities; rather, a lead agency must consult with those entities whose facilities *could* be affected by the project.” (Remy et al., *Guide to CEQA* (11<sup>th</sup> ed.) (Solano Press 2007), p. 937, n. 12 (citing *Gentry v. City of Murrieta* (1995) 36 Cal. App. 4th 1359, 1387-1388) [interpreting the required level of “effect” under similar CEQA requirement triggering consultation as quite minimal to in order to serve the statutory purpose of fostering interagency consultation.] )

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 4

through permit conditions, agreements or other measures." (Pub. Res. Code § 21081.6(b).) "Mitigation measures must be feasible and enforceable." (*Federation of Hillside Canyon Assn. v. City of Los Angeles* (2004) 126 Cal. App. 4th 1180, 1198.)<sup>2</sup> Additionally, as discussed below, because several of the PMND's less-than-significant impact findings are premised on the existence of conditions or future conduct that is not enforceable, all such findings are unsupported by substantial evidence.

The PMND's lack of enforceable mitigation measures is not cured by the NPS' Final Environmental Impact Statement (FEIS) for the Project, dated January 2017. As an initial matter, the City did not provide notice, and does not purport to rely on the FEIS in place of the PMND, as authorized under limited circumstances not applicable here. (CEQA Guidelines § 15225(a).)<sup>3</sup> In any event, the FEIS likewise imposes no mitigation measures regulating the potential land use, transportation and circulation, air quality, noise, water quality and hydrology, recreation, or hazardous material impacts resulting from the proposed Fort Baker ferry operations. (FEIS, pp. 78-86.)

Nor may the City avoid CEQA's substantive mandate to impose enforceable mitigation measures on the Project by claiming that NPS is responsible for mitigating impacts resulting from ferry service to Fort Baker. The Court in *Citizens for Quality Growth v. City of Mt. Shasta* (1988) 198 Cal. App. 3d 433, rejected a similar effort by a city to defer mitigation of a project's impacts on wetlands to the Army Corps of Engineers' permit procedures, stating: "[E]ach public agency is required to comply with CEQA and meet its responsibilities, including evaluating mitigation measures and project alternatives." (*Id.*, p. 442, fn. 8, citing CEQA Guidelines, § 15020) (emphasis in original).

## B. The PMND's Project Description Is Vague and Incomplete

An accurate project description is the *sine qua non* of an informative, legally adequate CEQA document. (*County of Inyo v. City of Los Angeles* (1977) 71 Cal. App. 3d 185, 192.) Without an accurate description on which to base the CEQA analysis, CEQA's objective of furthering public disclosure and informed environmental decision-making is stymied. CEQA thus requires that initial studies/MNDs contain, among other things: (1) a description of the

---

<sup>2</sup> All necessary mitigation measures "must be specifically set forth at the time of publication of a mitigated negative declaration in advance of the City's adoption of it." (Pub. Res. Code § 21022; CEQA Guidelines, § 15072(a); *Quail Botanical Gardens Foundation, Inc. v. City of Encinitas* (1994) 29 Cal. App. 4th 1597, fn. 4.)

<sup>3</sup> Moreover, the preparation of an EIS under the National Environmental Protection Act (NEPA) does not eliminate the responsibility of a lead agency to ensure compliance with CEQA. (*Nelson v. County of Kern* (2010) 190 Cal. App. 4th 252, 279.) Relevant here, a lead agency must ensure, among other things, separate discussion, identification and addition of mitigation measures. (CEQA Guidelines, § 15221.) This requirement is consistent with CEQA's unique *substantive mandate* that public agencies refrain from approving projects with significant environmental effects if "there are feasible alternatives or mitigation measures" that can substantially lessen or avoid those effects. (Pub. Res. Code § 21002.)

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 5

project including the location of the project; and (2) an identification of the environmental setting. (CEQA Guidelines, § 15063(d).) Notably, NPS' FEIS for the Fort Baker Plan adopted in 2000 stated that a separate planning process for ferry service to Fort Baker would provide "a detailed description of the physical facilities and operational characteristics (*i.e.*, frequency of trips, size of boats, land-side facilities, etc.) of ferry service at Fort Baker..." (Fort Baker Plan FEIS, p. 4-23.) However, as explained below, the PMND provides none of the promised (and legally required) details regarding the proposed ferry service to Fort Baker.

The PMND states that the Project would provide two roundtrip ferry trips between Pier 31 ½ to Fort Baker on weekends only. It further estimates that the ferry would serve a daily average of 250 passengers, and 40,000 annual passengers. (PMND, pp. 17-18, Table 4.) No analysis or evidence, however, is provided to support these passenger estimates. Instead, they appear to be largely based on the Project's alleged limitation of two per day trips on weekends only. However, the PMND imposes no mitigation measure to ensure that no additional ferry trips will be added throughout the life of the Project. To the contrary, the PMND states that the number of ferry trips under the Project, including those to Fort Baker, "are not expected to grow...." (PMND, p. 17, referencing Tables 3 and 4, both of which include Fort Baker). Moreover, the FEIS for the Project confirms that additional ferry trips to Fort Baker will be provided for special events, conferences and water-based programs. (FEIS, pp. 66-67.) These additional ferry trips referenced in the FEIS are neither disclosed nor analyzed in the PMND.

Additionally, the PMND provides no information regarding the frequency of proposed ferry trips to Fort Baker, the type of ferry vessel(s) or the passenger capacity of ferry vessels that will provide this expanded service. This omitted information – which the Fort Baker Plan FEIS stated would be provided with this analysis – is highly material. For example, the Golden Gate Bridge Highway & Transportation District's (District) Spaulding class vessels serving the San Francisco-Sausalito route (and therefore a likely candidate to provide the expanded ferry service to Fort Baker) can accommodate 750 passengers *per trip* – well in excess of the PMND's estimate of 250 *daily* passengers from two roundtrip segments.

The PMND's estimates regarding total Fort Baker ferry passengers are further vague and incomplete in that they are fixed, based on some unspecified time and unspecified conditions, with no consideration or analysis of the potential for growth in visitors over the life of the Project. As an illustration, the FEIS for the Project explains that future capacity for ferry service to Alcatraz Island is based on "forecasted 20% growth in visitors to the site through 2036." (FEIS, p. 11.) The PMND, however, provides no comparable analysis regarding anticipated visitor growth to Fort Baker over time, nor any analysis of resulting impacts from such growth.

Moreover, the PMND states that no "shuttle service" or bike rentals are currently available to arriving passengers at the Fort Baker pier. (PMND, p. 20.) However, no information is provided regarding the availability or potential future availability of these resources for arriving ferry passengers beyond the immediate vicinity of the Fort Baker pier, such as elsewhere within or just outside the park. Additionally, no information is provided regarding the availability or potential future availability of additional means of transportation at the Fort Baker pier, such as private cars, cars-for-hire (*i.e.*, Uber, Lyft, taxis), charters, vans and

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 6

busses, that might transport arriving passengers elsewhere within the park, to nearby parks such as the Marin Headlands and Muir Woods, or to Sausalito.

The PMND's project description is further deficient because it fails to consider the Project "as a whole;" meaning, all phases of project planning, implementation, and operation, including phases planned for future implementation. (CEQA Guidelines, § 15063(a).) Under this CEQA requirement, a lead agency may not limit environmental disclosure by ignoring the development of other activity that will ultimately result from an initial approval. (*See City of Antioch v. City Council* (1986) 187 Cal. App. 3d 1325 [piecemeal review of development of infrastructure for undeveloped site resulting in negative declaration was improper, even though future development of the site would be examined in later EIRs, because infrastructure extension was approved to allow site to be developed].)

Like the facts in *City of Antioch*, the PMND states that the Project's infrastructure improvements, including expanded ferry service to Fort Baker, are intended to facilitate expanded multi-modal visitor access to Fort Baker and beyond. The PMND states: "[t]he proposed project would improve cross-bay connectivity and accommodate existing and future visitor demand for recreational travel to Fort Baker and the Marin Headlands, thereby enhancing the Golden Gate National Recreation Area's operational effectiveness." (PMND, pp. 7-8 [emphasis added].) The PMND's "cumulative scenarios" analysis similarly acknowledges that recent plan actions implemented by the NPS include "improving multimodal connections between the Marin Headlands and Fort Baker by improving roadway surfaces and configurations...directional signage and safety." (PMND, p. 25.) The PMND's project description (and the PMND's analysis of potential environmental impacts) therefore should encompass the Project's broader, existing plans to expand multi-modal transportation of visitors to nearby parks and other regional destinations.

Finally, the PMND's description of the Project's environmental setting is incomplete and misleading. A proper description of a project's environmental setting is critical for informed assessment of its potential environmental impacts. (CEQA Guidelines, § 15064(b); *Leonoff v. Monterey County Bd. of Supervisors* (1990) 222 Cal. App. 3d 1337.) The PMND's description of the environmental setting is deficient in at least two respects.

First, the PMND refers to a variety of "operational and physical constraints, including limited parking at Fort Baker." (PMND, p. 20, *see also* Figure 9.) However, no additional information is provided to describe the environmental setting in the vicinity of the Fort Baker pier, such as photographs, maps, plans or diagrams of this Project site. Absent this basic information regarding the Fort Baker pier environmental setting (*i.e.*, the location and capacity for parking, location and capacity for vehicle and/or bus pickups and drop offs, location and capacity for queuing, and location and capacity of access routes for circling the vicinity), the public may not meaningfully assess the Project's potential traffic and circulation impacts adjacent to the Fort Baker pier and along Moore Road resulting from vehicles queuing and/or circling to pick up or drop off ferry passengers.

Second, based on the PMND's erroneous assumption that all Fort Baker ferry passengers would not leave the confines of Fort Baker, the PMND provides a truncated

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 7

description of the environmental setting potentially affected by the Fort Baker ferry service, limited to the vicinity immediately surrounding the Fort Baker pier. The PMND's description of the Project's environmental setting therefore is incomplete and inadequate because it must include, at a minimum, Alexander Avenue, the Marin Headlands and Sausalito – each of which will be effected by the proposed Fort Baker ferry service. The PMND's truncated and incomplete description of the Project's environmental setting potentially impacted by the Fort Baker ferry service precludes meaningful public consideration of the Project's potential environmental impacts. For example, the PMND fails to inform the public of the Project's heightened potential to cause significant impacts in Sausalito in light of existing, over-crowded conditions, as described in detail in Sausalito's Second Addendum to the Golden Gate Bridge Highway & Transportation District's 2012 Initial Study/Mitigated Negative Declaration for the Sausalito Ferry Terminal, dated October 4, 2017. (enclosed as **Exhibit A**).

## **C. The PMND's Analysis of Traffic and Circulation Impacts Is Deficient**

The PMND's Traffic and Circulation impacts analysis is limited to the immediate vicinity of the Fort Baker pier and the proposed new pedestrian walkways within the park. The PMND states: "[t]he proposed project would not result in change to roadways or visitors accessing the park by auto, transit, or bicycle. Therefore, the setting discussion is limited to the pedestrian resources." (PMND, p. 64.) Based on the flawed assumption that no Fort Baker passengers will leave the confines of Fort Baker, the PMND concludes that the Project will not generate any additional traffic trips. The PMND thus states: "[t]he proposed project activities at Fort Baker involve no substantial changes to the roadway network and are not anticipated to generate any new vehicle trips on the local roadways. Therefore, the vehicle and circulation impacts at the Fort Baker site and vicinity would also be less than significant." (PMND, p. 71 [emphasis added].) As will be shown, the PMND's assumptions are unsupported and unsupportable by substantial evidence. To the contrary, substantial evidence supports a fair argument that Fort Baker ferry passengers will travel outside Fort Baker throughout the region. Notably, the NPS's FEIS for the Fort Baker Plan states in relevant part:

Increased visitation at Fort Baker would increase the demand for lodging, restaurant, and other tourist-oriented services in surrounding areas, especially in Sausalito, Tiburon and San Francisco. This business growth, combined with other park improvements, would potentially increase demand for local hotels. (Sedway Group 1980.)

(Fort Baker Plan FEIS, p. 5-4.) Thus, the NPS' prior FEIS alone constitutes substantial evidence supporting a fair argument that Fort Baker ferry passengers will travel beyond Fort Baker to Sausalito and other regional destinations.

The PMND's assumption that Fort Baker ferry passengers will remain within Fort Baker is largely premised on the statements that "no shuttle service" or bike rentals are currently available in the vicinity of the Fort Baker pier to serve arriving Fort Baker ferry passengers. (PMND, pp. 64, 79). However, the PMND imposes no mitigation measures to ensure that either

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 8

existing condition at the Fort Baker pier remains unchanged throughout the life of the Project.<sup>4</sup> Moreover, contrary to the PMND's apparent conclusion, the unavailability of shuttle bus services for arriving passengers is *not* evidence mitigating the Project's potential impacts, but instead by itself constitutes substantial evidence supporting a fair argument that the Project may have significant environmental impacts. In the absence of available shuttle services, arriving Fort Baker ferry passengers will resort to individual vehicles for hire (*i.e.* Uber, Lyft, taxis) to transport them within and outside the park. The PMND's apparent assumption that the unavailability of shuttle services leaves arriving ferry passengers without vehicle transport simply ignores the realities of the modern, smart-phone carrying world.<sup>5</sup> Fatally, the PMND does not consider, much less mitigate the virtually certain significant impacts resulting from numerous vehicles queueing and circling the vicinity of the Fort Baker pier to pick up or drop off ferry passengers. Nor does the PMND consider, much less mitigate the virtually certain significant impacts resulting from this same parade of vehicles meandering throughout Fort Baker and along Alexander Avenue, transporting ferry passenger/visitors to the Marin Headlands, Sausalito and other regional destinations.

## **D. Several Of The PMND's Environmental Impact Findings Are Premised On The Flawed Assumption That Fort Baker Ferry Passengers Will Not Leave Fort Baker**

The PMND's analysis and findings regarding the Project's potential to cause several additional environmental impacts likewise is premised upon the PMND's flawed assumption that all Fort Baker ferry passengers would remain on foot within the park, and therefore generate no additional traffic trips. The following categories of analysis in the PMND are legally deficient for this reason, among others.

Aesthetics. Because the PMND assumes that all Fort Baker arriving passengers will remain within Fort Baker as pedestrians, the PMND's aesthetic analysis is truncated, and limited in scope to potential scenic vista impacts in the immediate vicinity of the Fort Baker pier resulting from: "[o]perationally, intermittent ferry service to the pier..." (PMND, pp. 39-40.) The PMND therefore provides no analysis of aesthetic impacts on scenic vistas from vehicles queueing and/or circling near Fort Baker pier to pick up and drop off ferry passengers. Nor does it analyze aesthetic impacts on scenic vistas from additional pedestrian, bicycle and vehicular

---

<sup>4</sup> Even if existing conditions adjacent to the Fort Baker pier were enforceable for the life of the Project, the PMND does not address, much less impose any constraints on rental bicycle outlets from locating elsewhere within Fort Baker or just outside the park, which would enable Fort Baker ferry passengers to travel by bicycle to nearby parks and Sausalito – exacerbating existing, over-crowded conditions.

<sup>5</sup> Equally puzzling is the PMND's suggestion that Fort Baker ferry passengers' purchase of a roundtrip ticket will constrain visitors to the confines of Fort Baker. Here again, the PMND does not consider, much less account for the likelihood of ferry passengers arriving at Fort Baker on a Saturday ferry, but then returning on a Sunday ferry to allow time for travel to Sausalito and other regional locations. It is equally plausible that Fort Baker ferry passengers will simply forego use of their return ticket and instead purchase a separate return ticket from the Sausalito ferry, or return to San Francisco by private car or other mode of transportation.

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 9

traffic from Fort Baker ferry passengers traveling through Fort Baker, along Alexander Avenue, to and within nearby parks such as the Marin Headlands and Muir Woods, and to and within Sausalito's historic downtown and waterfront.

Noise. The PMND's analysis of potential noise impacts from Fort Baker ferry operations likewise is limited in scope to impacts on receptors in the immediate vicinity of the Fort Baker pier resulting from intermittent ferry service. (PMND, pp. 87-88.) The PMND thus provides no analysis of potential noise impacts from vehicles queuing and circling the Fort Baker pier vicinity to pick up and drop off ferry passengers. The PMND similarly fails to analyze potential noise impacts from Fort Baker ferry passengers traveling by various modes of transportation outside of Fort Baker, along Alexander Avenue to nearby parks, Sausalito and other regional destinations.

Air Quality. The PMND's analysis of air quality impacts likewise is premised on the flawed assumption that no vehicle trips will be generated by Fort Baker operations. (PMND, p. 110.) The PMND thus provides no analysis of air quality impacts from increases in vehicular traffic from Fort Baker ferry passengers traveling within the Fort Baker and beyond along Alexander Avenue, to nearby parks, Sausalito and other regional destinations.

Greenhouse Gas Emissions. The PMND's analysis of Greenhouse Gas Emissions likewise is premised on the flawed assumption that "[m]obile source emissions, which represent the bulk of operational greenhouse gas emissions, would, however, all originate from the Pier 31 ½ site; there would be no new ferry trips or vehicle trips originating from Fort Baker as a result of the proposed project." (PMND, p. 117.) The PMND thus provides no analysis of greenhouse gas impacts from idling ferries docked at the Fort Baker pier while passengers load and unload, queuing and circling vehicles picking up or dropping off ferry passengers, or the additional vehicular traffic from Fort Baker ferry passengers traveling to nearby parks, Sausalito and other regional destinations.

Recreation. The PMND's analysis of Recreation impacts likewise is premised on the flawed assumption that "[v]isitors arriving by ferry from the primary embarkation site are not expected to leave Fort Baker so they would not cause an increase in the use of existing parks and recreational facilities in the area." (PMND, p. 120.) The PMND thus provides no analysis of potential recreation impacts from Fort Baker ferry passengers traveling to nearby parks, including the Marin Headlands, Muir Woods, and multiple parks located along Sausalito's historic waterfront – adding to existing, over-crowded conditions.

Public Services. Here too, because the PMND assumes that Fort Baker ferry passengers will not leave Fort Baker, it provides no analysis of the Project's potential impacts on police and fire public services as well as emergency response times resulting from increased pedestrian, bicycle and vehicular traffic along Alexander Avenue, within the nearby parks and Sausalito. (PMND, pp. 127-128.)



## E. The PMND Fails To Adequately Analyze Potential Land Use and Regulatory Consistency Impacts

Lead agencies under CEQA must analyze a project's potential to cause significant land use and planning impacts. A project may cause significant land use impacts where, among other things, it conflicts with any applicable land use plan, policy or regulation of an agency with jurisdiction over the project accepted for the purpose of avoiding or mitigating an environmental effect; or conflicts with any applicable habitat conservation plan or natural communities conservation plan. (CEQA Guidelines, Appendix G.)

The PMND concludes that the Project is compliant with all "relevant" regulations under the Clean Water Act, Endangered Species Act, Bay Plan and McAteer-Petris Act. (PMND, p. 36.) This analysis, however, is incomplete because it fails to consider whether the proposed Fort Baker ferry service complies with applicable legal requirements under the Coastal Zone Management Act (CZMA) (16 U.S.C. § 1451 *et seq.*) and the Marine Mammal Protection Act (MMPA). (16 U.S.C. §§ 1372, 1374.).

The CZMA requires that "each Federal agency activity within or outside the coastal zone that affects any land or water use or natural resource of the coastal zone shall be carried out in a manner which is consistent to the maximum extent practicable with the enforceable policies of approved State management programs." (16 U.S.C. § 1456( c)(1)(C).) A federal agency ensures consistency of its actions with a state management program by submitting a consistency determination to the relevant state agency. (*Ibid.*) After receipt of the consistency determination, the "State agency shall inform the Federal agency of its concurrence with or objection to the Federal agency's consistency determination." (15 C.F.R. § 930.41). The PMND, however, provides no analysis nor evidence of the Project's compliance with the CZMA's requirements.

Under the MMPA, it is unlawful to "take" a marine mammal without a permit. (16 U.S.C. §§ 1372, 1374.) Under this statute, "take" means "harass, hunt, capture, or kill" or attempt to "harass, hunt, capture, or kill." (*Ibid.*) The MMPA defines "harassment" as "any act of pursuit, torment, or annoyance which: (i) has the potential to injure a marine mammal or marine mammal stock in the wild; or (ii) has the potential to disturb a marine mammal or marine mammal stock in the wild by causing disruption of behavioral patterns, including but not limited to, migration, breathing, nursing, breeding, feeding or sheltering." (*Id.* § 1362(18)(A).)

The PMND acknowledges that construction activity at the Fort Baker pier could annoy marine mammals and cause them to change course to avoid the construction area. The PMND, however, contains no mitigation measures to reduce impacts to marine mammals to less than significant. It provides instead only an "Improvement Measure," which states in relevant part:

If marine mammals enter the safety zone after pile driving of a segment has begun, *pile driving will continue*. The biologist will monitor and record the species and number of individuals observed, and make note of their behavior patterns. If the animal appears distressed, *and if it is operationally safe to do so*, pile driving will cease until the animal leaves the area.

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 11

(PMND, p. 184. [emphasis added]) Thus, although the PMND acknowledges that Project construction activity *will proceed* in many cases, notwithstanding clearly visible annoyance and disruption of marine mammal behavior patterns, the PMND provides no analysis nor explanation regarding why such Project activity would not constitute a "take" under the MMPA.

## **F. The PMND Fails To Adequately Analyze And Mitigate Potential Hazards, Pollutants and Water Quality Impacts**

The FEIS for the Fort Baker Plan previously noted that the provision of ferry service to Fort Baker could increase turbidity and the amount of petroleum pollutants present in Horseshoe Bay resulting in potential adverse impact to water quality. (Fort Baker Plan FEIS, p. 4-23.). The PMND, however, concludes that the Fort Baker ferry service will have less than significant impacts either because the Project will comply with all "applicable" Federal, state and local requirements and regulations; or alternatively, plans will be "developed" to identify and mitigate potential impacts. Both approaches, however, violate CEQA.

The PMND repeatedly finds that the Fort Baker ferry service will have no impacts or less than significant impacts because the Project will comply with "applicable" Federal, state and local requirements and regulations. For example, while the PMND acknowledges that "[f]erry operations have the potential to impact water quality from potential pollutant discharges of hazardous materials, including chemicals and solvents used onboard, boat cleaning and maintenance materials, fuels, bilge or ballast water, sewage from toilets, and gray water, and trash from passengers and visitors," it concludes that such impacts would be less than significant because operations at Fort Baker "would adhere with plans and policies designed to address potential water quality impacts." (PMND, pp. 157-158.) The PMND further states that Project impacts would be less than significant because:

- Vessel fueling would adhere to Coast Guard regulations;
- Any spills would be "cleaned up immediately using spill response equipment as identified in the Spill Prevention Control and Countermeasure Plan;
- Discharges and quantities of ballast water would occur in compliance with "federal and state regulations, including the Vessel General Permit and Ballast Water Management for Control of Nonindigenous Species Act; and
- Sanitary sewage ferries would be subject to the requirements of the MARPOL convention and Section 312 of the Clean Water Act; and
- Due to the proximity of Pier 31 ½ and Fort Baker to the Bay, litter from visitors at the site could potentially enter the bay. The ferry operator would be responsible for implementation of a trash collection and management program, and waste management at both proposed project sites would proceed in accordance with all applicable federal, state and local regulations for waste management disposal."

(PMND, pp158-159.)

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 12

The foregoing less-than-significant impact findings, however, are unsupported by substantial evidence and violate CEQA because they are premised on conditions and assumptions regarding the Project's future compliance with legal requirements that are not imposed on the Project as legally enforceable mitigation measures. (See PMND, p. 155 [no mitigation measures identified for Hydrology and Water Quality Impacts].) The PMND thus violates CEQA's substantive mandate to impose feasible and enforceable mitigation measures to *ensure* that a project's environmental impacts remain less than significant throughout the life of the project.

Adding to the foregoing legal deficiencies, the PMND's analysis of hazards and water quality impacts also relies on deferred "development" of plans to identify future mitigation measures. For example, the PMND states:

The Park Service would prepare a Stormwater Pollution Prevention Plan for operations at Fort Baker. The Stormwater Pollution Plan Prevention Plan would identify pollutant sources within the site and provide site-specific best management practices regarding control of sediments in runoff and storage and use of hazardous materials to prevent discharge of pollutants into stormwater.

(PMND, p. 158.) The PMND thus concludes that: "[w]hile the proposed project would result in a minor increase in the number of ferry trips...and would introduce limited ferry service to Fort Baker, *development of required plans* and compliance with regulations as detailed above would ensure that water quality impacts associated with long-term operations of the proposed project would be less than significant." (PMND, p. 159.)

Here, the PMND's reliance on *future* "plans" to be "developed" to mitigate the Project's potential impacts contravenes CEQA's prohibition of "deferred" mitigation. Under CEQA, "formulation of mitigation measures should not be deferred until some future time" as this frustrates review by the public. (CEQA Guidelines, § 15126.4(a)(1)(B); *Gentry v. City of Murrieta*, *supra*, 36 Cal. App. 4th at 1393).

## **G. The PMND Fails To Adequately Analyze and Mitigate Potential Growth-Inducing Impacts**

CEQA requires that lead agencies describe any growth-inducing impacts of the proposed project. (Pub. Res. Code § 21100(b)(5); CEQA Guidelines, § 15126(d).) Lead agencies must discuss the ways in which the project could directly or indirectly foster economic or population growth or the construction of new housing in the surrounding environment. (CEQA Guidelines, § 15126.2(d).) The discussion should also include characteristics of the project that may encourage and facilitate other activities that could have a significant effect on the environment, either individually or cumulatively. The CEQA Guidelines explain that projects, like the Fort Baker ferry service aspect of the Project, that make improvements to infrastructure, are more likely to be growth-inducing. (CEQA Guidelines, § 15126.2(d).)

As noted above, the NPS' FEIS for the Fort Baker Plan concluded that the increase of visitors to Fort Baker would cause growth-inducing impacts in the surrounding area, including Sausalito. (Fort Baker Plan FEIS, p. 5-4.) This evidence alone constitutes substantial evidence

# SheppardMullin

Lisa M. Gibson  
December 27, 2017  
Page 13

supporting a fair argument that the Fort Baker ferry service may cause significant growth-inducing impacts. Yet despite the NPS's previous acknowledgment of potential significant impacts, the PMND provides no analysis whatsoever of the Fort Baker ferry service's potential to cause growth-inducing impacts in Sausalito or elsewhere within the region. (PMND, p. 44.)

## CONCLUSION

Because as shown, the PMND's analysis and findings are legally deficient in numerous respects, and because substantial evidence supports a fair argument that the proposed Fort Baker ferry service may cause several significant impacts, the City may not lawfully approve the PMND, and instead must prepare an EIR.

We encourage the City and NPS to consult and work cooperatively with Sausalito henceforth regarding any proposal to expand ferry service to Fort Baker. As shown above, such consultation is required under CEQA. That approach also is consistent with past practice and NPS' previous commitment to Sausalito. The NPS' Record of Decision (ROD) for the Fort Baker Plan and Final EIS adopted nearly two decades ago states that "[t]he NPS is specifically committed to working with the City of Sausalito, Marin County Congestion Management Agency, the Golden Gate Bridge, Highway and Transportation District, Caltrans and the Metropolitan Transportation Commission..." to seek "regional solutions to transportation challenges in the areas surrounding Fort Baker...." (NPS' ROD for Fort Baker Plan and Final Environmental Impact Statement, June 9, 2000, p. 8.)

Sausalito thus requests that the Planning Commission reject the proposed PMND, or alternatively, sever the proposed Fort Baker ferry service from the Project. Sausalito welcomes the opportunity to work collaboratively with NPS and the City to properly and more fully consider, analyze and mitigate potential impacts to Sausalito and the region resulting from an expansion of ferry services to Fort Baker.

Very truly yours,

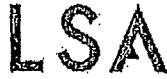


Arthur J. Friedman  
for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

SMRH:484983464.1

cc: Brian Aviles – National Parks Conservancy  
Catherine Barner – Golden Gate National Parks Conservancy  
Diane Oshima – Port of San Francisco  
Julie Moore – SF Planning Department, Staff Contact

# EXHIBIT A



BERKELEY  
CARLSBAD  
FRESNO  
IRVINE  
PALM SPRINGS  
POINT RICHMOND  
RIVERSIDE  
ROSEVILLE  
SAN LUIS OBISPO

## MEMORANDUM

**DATE:** October 4, 2017

**TO:** Adam Politzer, City Manager

**FROM:** Judith H. Malamut, ACIP, Principal

**SUBJECT:** Second Addendum to the 2012 Initial Study/Mitigated Negative Declaration and 2017 Addendum for the Sausalito Ferry Terminal

### 1.0. Introduction

The Golden Gate Bridge, Highway and Transportation District (District) proposes to remove the existing ferry landing in Sausalito (City) and build a new ferry landing (Project). On December 14, 2012, the District in its dual capacity as Project proponent and lead agency under California's Environmental Quality Act (CEQA) adopted the Golden Gate Sausalito Ferry Terminal Vessel Boarding Rehabilitation Project Initial Study/Mitigated Negative Declaration (MND) to analyze and identify measures to mitigate the Project's potential environmental impacts. Subsequent to the District's adoption of the MND, the District modified the Project in several respects. To address these Project changes as well as certain identified changed circumstances, the District prepared and adopted an Addendum to the MND on May 26, 2017 (District Addendum).

The Project is located on the shoreline of the City's historic downtown waterfront on lands held by the City as trustee for the State under California's Public Trust Doctrine.<sup>1</sup> The District operates the ferry landing under the authority and pursuant to the terms of a Lease Agreement dated December 1, 1995 between the City as Lessor and the District as Lessee (Lease). Under the terms of the Lease, the District must obtain the City's written consent to the Project. On August 31, 2017, the District submitted the Project to the City for its consent under the Lease.

The City is a Responsible Agency under CEQA because it has discretionary approval authority over the Project. As a Responsible Agency, the City has prepared this Second Addendum to the MND to analyze the Project's potential impacts in light of substantial changes that have occurred with respect to the circumstances under which the Project is to be undertaken arising from significant increases in the volume of ferry passengers with bicycles, primarily during peak periods spanning

<sup>1</sup> See Aerial Photograph of Project area attached as Exhibit 1.

from March through October. While the Project has the potential to cause significant environmental impacts in light of these new circumstances, these potential impacts are reduced to a less-than-significant level with the implementation of the mitigation measure identified herein.

## 2.0 Project Background and Changed Circumstances

The District operates ferry services between San Francisco and Sausalito in southern Marin County. The proposed Project would increase the size of the existing ferry terminal, in part to facilitate anticipated passenger volume growth in the future. The size of the proposed float would increase from 110' long x 42' wide to 144' long and 49' wide. The size of the gangway would increase from 70' long x 5.9 wide to 90' long x 12' wide.

Subsequent to the District's adoption of the MND in December 2012, substantial changes occurred with respect to the circumstances under which the Project is to be undertaken because of significant increases in the number of ferry passengers with bicycles, primarily tourists, during peak periods primarily spanning from March through October. Based on data provided by the District, in 2012, monthly ferry passengers with bicycles averaged 9,200, with a high mark of 16,469 in July. By 2014, monthly ferry passengers with bicycles averaged 16,007, with a high mark of 29,796 in August.<sup>2</sup> A report prepared by the District dated March 11, 2015 for the City's Joint Planning Commission and Historic Landmark Board Study Session states "during the peak season, weekday highs at Sausalito reach up to 3,500 passengers per day and weekend highs reach up to 6,000 passengers per day. During peak days, 33% to 50% of riders have bicycles, which results in delays associated with loading and unloading of passengers...."<sup>3</sup>

This significant increase in ferry passengers with bicycles has resulted in long queues for the ferry that periodically extend from the ferry pier, southward to El Portal Street, up Tracy Way, then turning the corner to the north and spanning Anchor Street, extending as far as the Spinnaker parking lot.<sup>4</sup> The number of passengers with bikes standing in the ferry queue during a peak day can range from 1,700 to 3,500 people.<sup>5</sup> Passengers arrive as early as 11:00 a.m., with the greatest volume arriving between 1:00 to 4:00 p.m. During peak periods, long queues are common from 2:00 p.m. to 6:00 p.m.

The primary locations of congestion, blocked access, conflicts and safety issues between passengers with bikes waiting to board the ferry, passengers leaving the ferry, pedestrians, mobility impaired citizens, and vehicles, occurs primarily in the following locations:

- <sup>2</sup> Golden Gate Ferry Sausalito Bike Counts" chart provided by the District on August 11, 2016 (Exhibit 2).
- <sup>3</sup> Golden Gate Bridge, Highway and Transportation District Sausalito Ferry Terminal Improvement Project, District report dated March 11, 2015, at p. 3 (Exhibit 3).
- <sup>4</sup> Yellow Highlighted Illustration of extent of Queue at Exhibit 4 and photographs of queue conditions at Project Site from Bicycle Committee Presentation dated February 28, 2017 (Exhibit 5).
- <sup>5</sup> Fotsch, Deborah. Executive Director of Sausalito Plus and Member of the Sausalito Congestion Management Working Group. 2017. Update on Crowd Management Challenges Related to Tourist Bikes and Ferry Queue, October 3, 2017 (Exhibit 6)

- At the end of the ferry terminal ramp where passengers with bikes block disembarking passengers from turning to the left toward the Downtown and force them to walk through the parking lot creating conflicts and safety concerns with vehicles parking and leaving the lot.
- At the ferry ticket kiosk where passengers with bikes line up to buy ferry tickets blocking the street and sidewalk and the parking lot kiosks.
- On all the sidewalks identified above, and especially along Tracy Way, where the passengers with bikes queue is located and which blocks the sidewalks to such a degree that Sausalito residents and other visitors cannot use the sidewalks and have difficulties passing through the queue as the bikes create a kind of fence-like barrier. Passengers and pedestrians then stand in or walk along the streets (especially Anchor Street) and within the parking lot itself interfering with vehicular and bike circulation.
- At and within the intersection of Tracy Way and El Portal Street as well as Tracy Way and Anchor Street.
- The areas accessible to persons with disabilities at the north and south corners of the parking lot at Tracy Way are completely blocked by the bicyclist queue leading to conflicts, safety issues and confusion for visitors who have parked and want to access the Downtown.
- At the vehicle ingress and egress locations for the parking lot which are often blocked by passengers and within the parking lot itself which becomes congested with disembarking ferry passengers, passengers with bikes cutting through the lot to reach the ticket kiosk, and vehicles entering, exiting and parking within the lot.

Because of the congestion and potential public safety issues identified above, crowd management of ferry passengers has been provided by City Department of Public Works, Sausalito Plus and the City's Police Department. These demands placed on City officials and the City's Police Department reduce the City's ability to provide police and other services to other areas of the City during these peak times. The District has not provided sufficient staff and resources to manage the queues, and has not provided sufficient mitigations to address these changed conditions.<sup>6</sup> The City's Chief of Police, John Rohrbacher, submitted a report dated September 25, 2017 to the City Manager describing the need for improved queue management from the District to mitigate the dangerous situation that exists when the queue spills into the City's adjacent parking lot, blocking traffic, increasing congestion and placing pedestrians in danger.<sup>7</sup>

To reduce the number of passengers with bikes blocking City facilities and through traffic, the City has closed Tracy Way to public access and has been using it to provide bicycle storage and parking. This effort to reduce the passenger bike queue congestion and nuisance on other public facilities,

<sup>6</sup> Polltzer, Adam. City Manager, City of Sausalito. Fotsch, Deborah, Rohrbacher, John. 2017. Personal Communication with Judith Malamut, LSA Associates, Inc. September 26.

<sup>7</sup> Letter dated September 25, 2017 from Chief of Police John Rohrbacher to City Manager Adam Polltzer. (Exhibit 7).



has led to the closure of Tracy Way and the elimination of 14 public parking spaces for the City of Sausalito residents, and other facilities (streets, intersections, sidewalks and public parks) continue to be crowded with ferry passengers with bikes. The City has also taken a number of additional steps to manage the congestion created in the downtown area including:

- Adopting regulations to impound bikes in place.
- Establishing a downtown bike parking zone.
- Establishing free bike parking areas in lot adjacent to municipal parking lots including repurposing seating areas along Bridgeway and lot 3.
- Reconfiguration of Parking Lot 1 to increase the queuing area, by eliminating 4 parking spaces and removing the circulation island for exiting cars.
- Reconfiguration of vehicular circulation on El Portal.
- Additional law enforcement officers to cite and enforce bike parking downtown.
- Replacement and end expansion of the downtown public restroom
- Establishment of an ambassador program to direct bicyclist to parking and to the ferry landing.
- Contracting with Sausalito Bike Return to operate a bike return program which utilizes space in municipal lot 1 to operate service.

### 3.0. Purpose of the Addendum

The City is a responsible agency for the Project under CEQA. Responsible agencies are those public agencies, other than the lead agency, which have responsibility for carrying out or approving a project, or which have discretionary approval power over a project for which the lead agency has prepared an EIR or negative declaration. (Pub. Res. Code § 21069; CEQA Guidelines, § 15381.)

The City is a responsible agency because it has discretionary approval authority for the Project pursuant to its right of consent under the Lease. Additionally, the Project includes both temporary and permanent components located outside of the current leased premises which require a lease amendment and/or encroachment agreements from the City. Finally, the City has discretionary authority over the Project as Trustee for the Project Site under the Public Trust Doctrine.

CEQA Guidelines Section 15096 requires that responsible agencies consider the adequacy of the Project's EIR or negative declaration prior to granting any discretionary approvals. Under Section 15096, subsection (e), if the responsible agency determines that the EIR or negative declaration is not adequate for use by the responsible agency, it must prepare the appropriate level of additional environmental analysis prior to granting any discretionary approvals.

The District's Addendum acknowledges that existing ferry operations at the Project site are "exacerbated by the large number of bicyclists using the southbound ferry (i.e., from Sausalito to

San Francisco), who require additional time and space to load, safely stow, and then offload bicycles.”<sup>8</sup> The District’s Addendum further explains that “lack of sufficient queueing space at the existing ferry terminal has caused waiting southbound passengers to overflow onto the City of Sausalito’s (City) landside ferry plaza and adjacent parking lot.” The Addendum further explains that “in order to maintain operating schedule, southbound ferries occasionally leave passengers in Sausalito during peak times...” (*Id.* at p. 2-2). The District’s Addendum, however, does not analyze the Project’s potential impacts in light of these change circumstances, nor analyze the Project’s potential to facilitate increases in the volume of future passengers and therefore exacerbate existing queue and crowd conditions.

This Second Addendum has been prepared pursuant to CEQA Guidelines Section 15164, subsection (b), which provides that a lead agency or responsible agency may prepare an addendum to an adopted negative declaration if only minor or technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.” Section 15162 specifies that “no subsequent EIR shall be prepared for that project unless the lead agency determines ... one or more of the following”:

1. Substantial changes are proposed in the project which would require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes occur with respect to the circumstances under which the project is undertaken which would require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete was adopted, shows any of the following:
  - (A) The project would have one or more significant effects not discussed in the previous EIR;
  - (B) Significant effects previously examined would be substantially more severe than shown in the previous EIR;
  - (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
  - (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant

<sup>8</sup> Final Sausalito Ferry Terminal Vessel Boarding Rehabilitation Project – Addendum to the Initial Study/Mitigated Negative Declaration, May 2017, at p. 1-2.

effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Although the substantial increases in the number of ferry passengers with bicycles and resulting long queues into the City's adjacent facilities, including streets, sidewalks, promenades, public parks and parking lots, constitutes a substantial change with respect to the Project's circumstances, this change does not require major revisions to the previous MND and District's Addendum. Pursuant to CEQA Guidelines Section 15164, subsection (e), this Second Addendum explains the City's decision to not prepare a subsequent EIR or negative declaration pursuant to Section 15162, analyzes the Project's new, potentially significant impacts in light of changed circumstances at the Project site since the District's adoption of the MND, which were not analyzed in the District's Addendum, and identifies mitigation measures to reduce these new, potential impacts to a less-than-significant level.

#### 4.0 Evaluation of Environmental Impacts

Evidence supplied by the District indicates that the Project encourages and facilitates future increases in the volume of ferry passengers with resulting impacts from the ferry queue and overcrowding conditions. On August 11, 2016, the District acknowledged in a statement provided to the City that "the District's mission is to encourage ferry ridership to reduce traffic along the 101 corridor."<sup>9</sup> The District designed the Project to facilitate and accommodate projected passenger volume growth through the year 2029, premised on 4% ferry passenger growth per year. The District's design calculations assumed at an 85-percentile volume (meaning the anticipated volume would exceed this benchmark 15% of the time) the disembarking and embarking of 920 passengers per trip, which is substantially greater than current conditions.<sup>10</sup> Finally, during the public meeting before the City Council on September 26, 2017, the District's General Manager testified that after the Project is constructed and permanent operations commence, during peak periods ferry vessels still would periodically be forced to depart to maintain the schedule while would-be-passengers remained in the queue.

After reviewing the analysis contained in the MND and the District's Addendum, the Project's potential impacts in light of the change in circumstances would not require new analysis or modifications relating to the following resources categories: Agriculture and Forestry Resources; Air Quality; Geology, Seismicity and Soils; Greenhouse Gas Emissions; Hazards and Hazardous Materials; Hydrology and Water Quality; Mineral Resources; Noise; Population and Housing; Utilities and Infrastructure.

This analysis will focus on impacts related to the following topics

- Aesthetics and Visual Resources
- Land Use and Planning;

<sup>9</sup> Additional Information per City of Sausalito 7-22-16 Request, dated August 11, 2016 at p. 2. (Exhibit 8.)

<sup>10</sup> District Response to Questions from City of Sausalito Received June 9, 2016, dated June 16, 2016, at p. 1. (Exhibit 9.)

- Public Services (Police);
- Recreation; and
- Transportation and Traffic.

#### A. AESTHETICS AND VISUAL RESOURCES

The MND and the District's Addendum analyzed impacts associated with aesthetics and visual resources concerning the construction of the Project, but did not address impacts to visual and scenic resources related to the passengers with bikes in long queues and related crowd congestion. Because of the changed circumstances, scenic vistas of the San Francisco Bay available from the public sidewalks and promenades along the Sausalito waterfront in the vicinity of the ferry landing are currently blocked by the length, character and congestion associated with the queue such that the public cannot access these vantage points. Additionally, the length, duration and character of the queue substantially degrades the existing visual character and quality of the area in the vicinity of the ferry landing including Gabrielson Park. Restricting the physical location of the queue to a designated area would mitigate these impacts to a less-than-significant level. The City therefore has identified the following mitigation measure:

**Mitigation Measure AES-1:** Commencing with permanent operations and continually thereafter, the District shall manage the queue for the Ferry Landing, which may span from the Ferry Landing Pier Southward along the side of the existing hedge towards El Portal Street, terminating at El Portal Street (Queue Area). The District shall implement all reasonable and necessary measures to prevent any queue for the Project from extending beyond or outside the Queue Area.

Exhibit 10 shows the location where the passengers and passengers with bikes shall be located per Mitigation Measure AES-1. Implementation of this mitigation measure would confine the queue to a limited and acceptable location and therefore reduce aesthetic impacts to the visual character, scenic vistas and viewpoints to a less-than-significant level.

#### B. LAND USE AND PLANNING

The MND and the District's Addendum analyzed impacts associated with land use and planning and determined that the Project would not conflict with adopted plans and policies. However, the analysis did not take into account the adverse effects of the increased numbers of passengers with bikes and crowded conditions on existing City uses and facilities including the municipal parking lots, City streets, sidewalks, and public parks, as identified above. The effect of the long passenger queues and congestion is to substantially limit the public's use and availability of these facilities and access to that portion of the City. Implementation of Mitigation Measure AES-1 would reduce these impacts to a less-than-significant level by requiring the District to manage the queue and by confining the queue to a limited and acceptable area.

### C. PUBLIC SERVICES

As stated above, the City has been providing public services, and especially police services to manage the overcrowding, congestion and bicyclist, vehicular, pedestrian conflicts associated with the passengers with bikes queue. The MND and District's Addendum identified that the Project would have no impact or a less-than-significant impact related to the Project. As stated above, the Project in concert with the new circumstances would result in substantial adverse physical impacts related to the maintenance of acceptable service ratios and response times to other areas of Sausalito during peak ferry times, as police personnel have needed to be on hand to manage the congestions, conflicts and safety issues related to the long queue. Implementation of Mitigation Measure AES-1 would reduce these impacts to a less-than-significant level by requiring the District to manage the queue and by confining the queue to a limited and acceptable area.

### D. RECREATION

The MND and the District's Addendum analyzed effects to recreational facilities and determined that there would be a less-than-significant impact on public parks and open space in the vicinity of the ferry terminal. As demonstrated and described above, the Project in concert with the new circumstances would result in substantial adverse physical impacts on public parks and open space. During peak times, Gabrielson Park, Plaza Vina del Mar, Yee Tock Chee Park as well as the waterfront promenade, open space areas and portions of Sausalito's historic downtown are crowded with waiting ferry passengers. This increased use and deterioration of the existing parks and recreational facilities by ferry passenger overcrowding and attendant litter is a potentially significant Project impact that would be reduced to a less-than-significant level with implementation of Mitigation Measures AES-1 by requiring the District to manage the queue and by confining it to a limited and acceptable area.

### E. TRANSPORTATION AND TRAFFIC

The MND and the District's Addendum analyzed the effects of the Project on transportation and circulation and found that there would be a less-than-significant impact related to those topics. However, as detailed above, the change in circumstances related to the increase in ferry passengers with bikes causes conflicts with the effectiveness of the circulation system for all modes of travel in the vicinity of the ferry terminal and the passenger bike queue. City streets (especially, El Portal, Tracy Way, and Anchor Street), intersections, sidewalks, access for persons with disabilities from the parking lot, bike lanes, ingress and egress to and circulation within the parking lot, are all congested by ferry passengers with bikes and not operating effectively during peak times. As stated previously, the City has shut down Tracy Way to through traffic and reconfigured vehicular circulation on El Portal and in Municipal Parking Lot 1 in an attempt to manage the congestion caused by the ferry passengers.

Additionally, the change in circumstances and use of City facilities by ferry passengers has resulted in hazardous traffic, circulation and public safety conditions due to the many physical conflicts and accidents among pedestrians, bicyclists, and drivers associated with the long queue and the spillover

of people and bikes into the streets and intersections and parking lot due to the overcrowded conditions.<sup>11</sup>

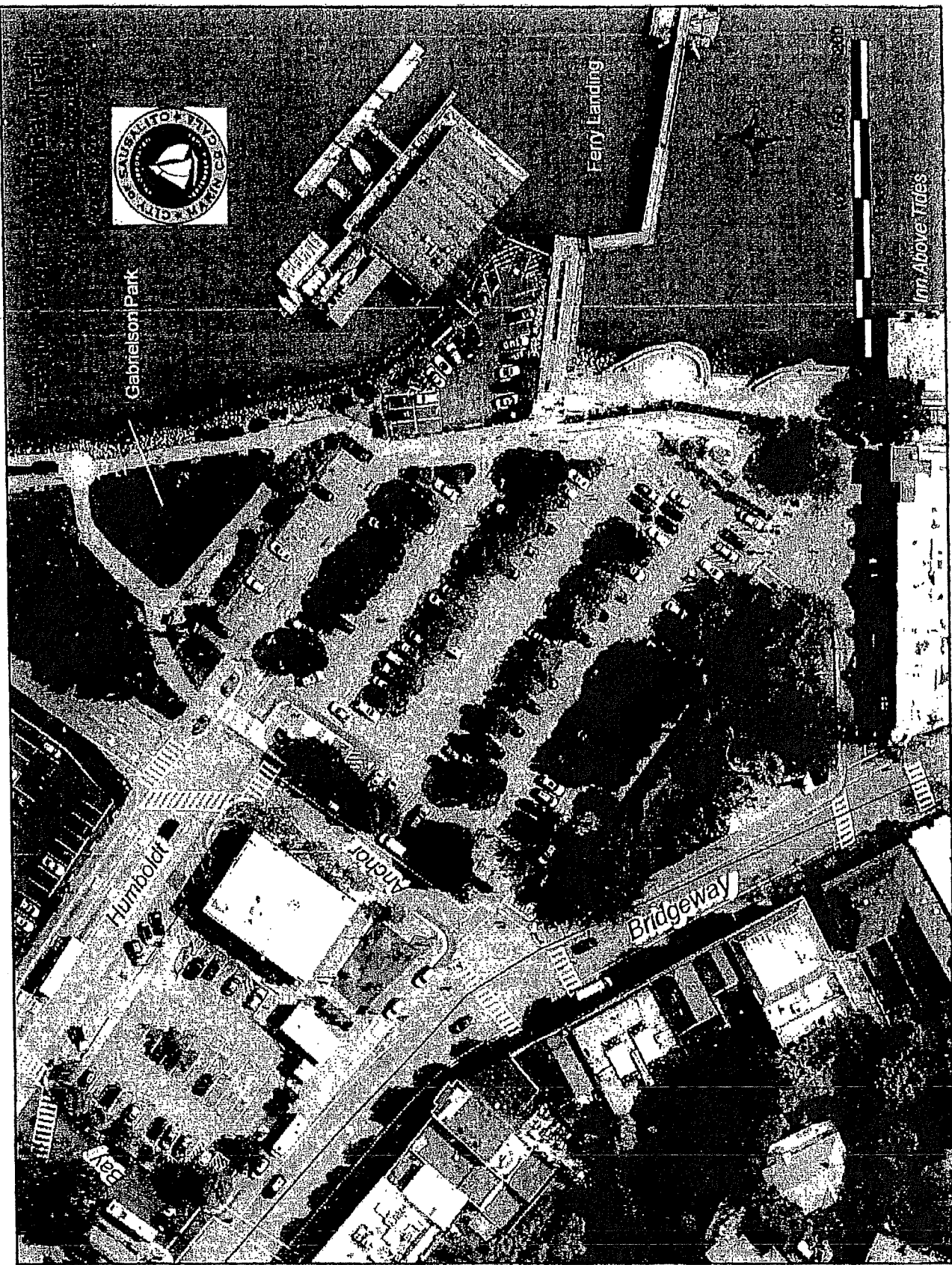
Implementation of Mitigation Measures AES-1 would reduce impacts on transportation facilities and service to a less-than-significant level by requiring the District to manage the queue, and by confining it to a limited and acceptable area..

## 5.0 Conclusion

As a responsible agency for the Project, the City has identified new and potentially significant environmental impacts of the Project in light of changed circumstances arising from the increase in ferry passengers with bikes and the resulting long queues, overcrowding, congestion on City facilities, multi-modal conflicts, public safety issues, and adverse effects on visual resources, land use, public services, recreation, and transportation and traffic. However, implementation of Mitigation Measure AES: 1, supplementing the Project's existing mitigation measures as set forth in the District's Mitigation and Monitoring Program (MMRP) for the Project adopted on December 14, 2012, incorporated herein, would ensure that the Project's impacts are less than significant. The City's supplement to the District's MMRP is provided as Table 1, attached as Exhibit 11.

<sup>11</sup> Rohrbacher, John. City of Sausalito Police Chief. 2017.

# EXHIBIT 1



Gabrielson Park

Ferry Landing

Inn Above Tides

Humboldt

Anchor

Bridgeway



## EXHIBIT 2

August 11, 2016

Sausalito Ferry Terminal Improvements Project

## Attachment C

# Ferry Passengers with Bicycles Count

Additional Information per City of Sausalito 7-22-16 Request

**GOLDEN GATE FERRY  
SAUSALITO SOUTHBOUND BIKE COUNTS**

<b>2012</b>														
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL	AVG
Bikes	4,412	6,022	7,331	10,898	8,547	11,014	16,469	14,960	11,032	8,055	6,833	4,824	110,397	9,200
<b>2013</b>														
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL	AVG
Bikes	6,231	7,512	11,302	11,177	10,662	14,242	22,697	22,318	15,085	10,428	9,153	9,062	149,869	12,489
<b>2014</b>														
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL	AVG
Bikes	10,456	8,376	13,459	17,284	15,564	17,956	27,653	29,796	19,694	13,029	10,861	7,952	192,080	16,007
					rev. 6/2/15	rev. 5/28/15	rev. 5/28/15	rev. 5/28/15						
<b>2015</b>														
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL	AVG
Bikes	10,240	10,534	17,129	14,799	12,889	14,444	25,393	26,163	16,326	11,227	8,656	5,015	172,815	14,401
<b>2016</b>														
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL	AVG
Bikes	4,126	7,476	9,569	13,943	14,259	17,077	.	.	.	.	.	.	66,450	11,075

\* May '14 slightly rev. due to recount

\* June, July, August '14 rev to reflect southbound only

## EXHIBIT 3

## **Golden Gate Bridge, Highway and Transportation District Sausalito Ferry Terminal Improvements Project**

**Prepared for the City of Sausalito Joint Planning Commission and Historic Landmark Board  
March 11, 2015, Study Session**

### ***Introduction***

The Golden Gate Bridge, Highway and Transportation District (District), operates Golden Gate Ferry, the largest public ferry transit system on the San Francisco Bay, on two ferry routes connecting Marin County and the City and County of San Francisco: the San Francisco/Larkspur route to central Marin County, and the San Francisco/Sausalito route to southern Marin County. Golden Gate Ferry has a fleet of seven (7) vessels and provides weekday passenger service as well as service on weekends and specific holidays. Special service is also offered from Larkspur to AT&T Park in San Francisco for Giants home games and other sporting and music events.

The District has been operating ferry service since 1970. The ferry boarding structures are nearing the end of their useful life and are in need of replacement. The District is proposing to replace the passenger boarding systems at its three facilities located in Larkspur, San Francisco, and Sausalito with structurally improved, ADA compliant and more operationally efficient boarding facilities. No new ferry service or routes are considered in the project design.

The improvements will allow Golden Gate Ferry to continue providing quality public transit across the San Francisco Bay and ease congestion on Highway 101 by reducing the number of motor vehicles traveling between the North Bay counties and San Francisco. The increased use of public transportation decreases the region's dependence upon automobile transportation, thereby reducing the region's overall fossil fuel usage and associated emissions and improving the environmental sustainability of transportation in the region.

### ***Sausalito Ferry***

Golden Gate Ferry currently provides 22 weekday summer crossings and 17 weekend summer crossings between Sausalito and San Francisco. For the fiscal year ending June 30, 2014 (FY14), the Sausalito/San Francisco patronage totals 793,192 riders, a 10.4% increase over the previous FY13 patronage totals. Weekday average ridership was 1,944 and average weekend ridership was 2,758. In 2014, during the peak summer season, ferry sailings from Sausalito to San Francisco carried up to 600 passengers per trip.

In addition to Golden Gate Ferry service, the Blue & Gold Fleet operates ferry service between San Francisco Pier 41 and the Sausalito Ferry Terminal. This provision for Blue & Gold use of the Sausalito Ferry Terminal was mandated by the CPUC Order No. 82-01-02 in 1982. Blue & Gold operates service for passengers, including those with bicycles, and is currently the only ferry service that can accommodate electric bicycles.

### ***Location and Existing Conditions***

The proposed project will occur at the location of the existing Golden Gate Sausalito Ferry Terminal, on the eastern waterfront of the City of Sausalito. The existing Sausalito Ferry Terminal is located within the San Francisco North Quadrangle, at approximately 37° 51' 22" N; 122° 28' 39" W. The project site lies east of

Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project

the intersection of Bridgeway and El Portal/Anchor Street and is accessible from Bridgeway with connections through El Portal, Anchor Street, Tracy Way, and Humboldt Avenue (see **Exhibit 1**). The project site is owned by the City of Sausalito. The District has constructed and operates the ferry terminal under a long term lease agreement with the City of Sausalito. The 51,402 square foot lease area extends from the landside around the existing pier and into the water, primarily within Marin County Assessor's Parcel Number (APN) 065-073-035, although the southern portion of the lease area extends into APN 065-133-22 (see **Exhibit 2**). The project site comprises 0.495 acre (21,571 square feet) within BCDC's Bay jurisdiction.

The site consists of tidal open waters within the Bay and a small linear area at the landside interface, which contains the concrete pier connecting to the City's landside Ferry Plaza area. This area contains the ticket vending machines, ferry schedule boards, news racks and welcome to Sausalito sign. The remaining landside areas, including tidal stairs and the City's Ferry Plaza are outside the ferry terminal leased area.

Bathymetry within the open waters of the site range from 0 feet MLLW where the terminal meets the shore, to -25 feet MLLW at the eastern end of the float. The shoreline consists of large rock riprap with limited seaweed growth below mean sea level (MSL). There are no eelgrass beds or oyster beds within the project site. A sheer, roughly 15-foot-high concrete wall with a tidal stair cut-out defines the transition between open water, shoreline, and the landside. The landside is developed as the City of Sausalito's Ferry Plaza, a highly used seating and walking area for both residents and tourists.

The existing boarding system consists of a 110-foot long by 42-foot wide steel float, a 70-foot long by 5.5-foot wide steel gangway, and an approximately 96.5-foot long by 8.5-foot wide pile-supported timber and concrete access pier. This access pier connects to a 95-foot-long x 20.5-foot-wide landside pier. The existing boarding system extends from the landside developed areas, over the shoreline, and to the open water where the float is located. The landside pier has a passenger control point that is demarked by a locked gate. Only paying ferry passengers may access the access pier beyond the gate, which is opened by crew members when a vessel arrives at the ferry terminal. **Exhibit 3** is an aerial view of the project site, the existing ferry terminal, and the proposed project footprint. **Exhibit 4** illustrates typical passenger use of the existing ferry terminal, including bicyclists.

### ***Surrounding Uses***

The Sausalito Yacht Club and its parking lot are located to the north of the existing Sausalito Ferry Terminal and Ferry Plaza. The City of Sausalito's Ferry Plaza encompasses the shoreline to the west of the terminal. The landscaped shoreline Ferry Plaza contains benches, tidal stairs, educational exhibits, ticket vending machines, ferry schedule signs, and newspaper racks. The Ferry Plaza and a concrete sidewalk extending to the north and the landside pier which extends approximately 95 feet into the water are within a Public Access Easement. A municipal parking lot is located west of the site and the Ferry Plaza. The lot is landscaped with non-native trees and ornamental shrubs. Adjacent to the parking lot is a Chamber of Commerce information kiosk, and the bicycle parking and ferry boarding reservation kiosk. The City of Sausalito's commercial district is located largely along Bridgeway, 300 feet west of the site, continuing to the southwest and northwest. The City of Sausalito's historic district is located to the south and west of the site. The San Francisco Bay Trail is located approximately 300 feet west of the project site and runs along Bridgeway. The closest commercial users are the Inn Above the Tide, Hotel Sausalito, and a row of shops

Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project

and restaurants lining El Portal Street, currently a cul de sac serving the businesses and as a drop off for the ferry. To the east of the terminal boarding facility is open water, which is used for ferry operations and recreational activities. Existing conditions in the vicinity and adjacent to the project site are shown in Exhibits 5 and 6.

### ***Project Purpose***

#### ***Replace Aging Facilities to Keep Structurally Sound***

The existing Sausalito Ferry Terminal boarding structures are aged and nearing the end of their useful life. The project purpose is to replace the aged structures with new structures designed to the current codes in order to continue providing public transit across the Bay.

#### ***Improve ADA Accessibility***

The existing Sausalito Ferry Terminal gangways and gangplanks are steep and narrow. The District is proposing to construct the replacement boarding facilities in conformance with the draft Americans with Disability Act (ADA) guidelines for off-shore ferry passenger facilities in order to improve overall accessibility.

#### ***Improve Operational Efficiencies***

At the existing Sausalito Ferry Terminal, passengers board and disembark through one door on the main (lower) deck of the ferry vessel, and at the existing San Francisco and Larkspur terminals passengers board and disembark through one door on the upper deck of the ferry vessel. Because these terminals board and disembark passengers on different decks, mobility-impaired passengers, passengers with bicycles or with strollers and wheelchair users must move between the decks to disembark. The existing Sausalito boarding facility limits the clear width of the door to 4 feet. The use of one door restricts passenger flow and increases the time for passengers to exit and to enter a vessel.

The District is retrofitting all of its ferry vessels to enable two door boarding and disembarking from the main deck. The width of these doors is eight feet. The proposed new boarding facilities will enable boarding and disembarking of all vessels from the same one level through two eight-foot wide doors.

Standardizing and upgrading the passenger boarding system will eliminate the need for the use of wheelchair lifts, which present their own set of potential problems, and require Ferry staff assistance to keep the lifts operational at all times given the circumstances of the marine environment causing vessel motions. The proposed improvements will eliminate the need to carry bikes and strollers from one deck to another and the resources and time impacts associated with these moves. For example, during the peak season, weekday highs at Sausalito reach up to 3,500 passengers per day and weekend highs reach up to 6,000 passengers per day. During peak days, 33% to 50% of riders have bicycles, which results in delays associated with loading and unloading of passengers where deck to deck transfers of the bikes are required. It currently takes approximately 30 minutes for passengers to disembark and board at Sausalito. It is estimated that the use of two eight-foot wide doors and the construction of the replacement facilities will decrease time of boarding and disembarking the vessel by three times (see Exhibits 7 and 8).

**Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project**

Implementing standardized boarding and disembarking from the main deck will eliminate the need for passengers to transfer between the decks, which will improve ferry accessibility for all passengers, including those with disabilities, bicycles and strollers, and will encourage the use of non-motorized transportation options. Standardized boarding at all three Golden Gate Ferry Terminals will minimize confusion and increase comfort of boarding and disembarking for all riders.

***Upgrade Emergency Preparedness***

The proposed updates to the passenger boarding system are especially important for emergency preparedness to provide ferry sailings during times of emergency or during periods of other public mass transit service disruptions, when the ferries may be one of few transportation options for Bay Area residents. The proposed new boarding facilities are designed to work with other types of ferry vessels.

***Proposed Project***

***New Boarding Facilities***

The proposed Golden Gate Sausalito Ferry Terminal new boarding facilities will be located in approximately the same location as the existing facilities and are being proposed to consist of a new 150-foot long by 53-foot wide concrete float, a new 90-foot long by 19-foot wide steel gangway, and a new 96-foot long by 25-foot-wide pile-supported concrete access pier that will connect to the existing landside pier (see Exhibit 9). Two donut fenders will be installed at the aft/Bay end of the float to provide protection of the ferries and float. Vessels will be allowed to lay up on either side of the replacement float, just as they operate today with the existing float. The float design allows boarding of only one vessel at a time.

To provide power to the ferry terminal for lighting and electrical pumps, a new transformer is proposed to be installed inland approximately 280 feet west at the corner of Anchor Street near the entrance to the municipal parking lot. The existing ticket vending machines and signs will be relocated from their current location to a location in the southern area of the Ferry Plaza. (see Exhibit 10 and 11).

New walkway lighting will be installed on the new float, gangway and pier, and area lighting will be installed on the float. Navigation lighting will be installed on the floats and dolphins.

***Temporary Construction Activities***

Construction of the replacement facilities at the Golden Gate Sausalito Ferry Terminal will require the use of a temporary terminal in order to maintain ferry service across the Bay. This temporary terminal will be located immediately adjacent to and south of the existing terminal (see Exhibit 9). The gangway and float of the existing terminal will be used for the temporary terminal. Access to the gangway will be provided by a temporary 16-foot wide access pier. Passengers will have access to this temporary pier from the existing pier landward of the proposed demolition work needed for the new terminal. The temporary terminal will use the utilities currently available at the terminal. It is expected that the temporary terminal will be in place for approximately 14 months.

***Replacement Facility Size***

Using a moderate 4% escalation factor of ferry passenger growth per year (note that in the recent years the growth was 7% on average), the maximum demand in the peak summer season in year 2020 is projected to



Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project

exceed 700 passengers per trip. The design of the replacement boarding facilities is based, however, not on the projected year 2020 maximum volume of passengers per trip but on the 85-percentile volume for that year (the 85-percentile means that from 100% of trips sorted in the order from the highest to the lowest volume, the passenger volume representing the 85% spot on the list is used for the design).

The Sausalito Ferry Terminal replacement facilities have been designed to comply with the ADA guidelines for off-shore ferry passenger facilities, to carry the projected 85-percentile volume of passengers in year 2020, and to meet the project purpose noted above. As a result, the size of the replacement facilities will be larger than the existing facilities. For example, the slope of the existing 70-foot long gangway reaches 1:9.5 (vertical: horizontal) at low tides. In order to provide for maximum 1:12 slope that comply with ADA guidelines during all tide conditions, the new gangway must be 90-feet long.

Similarly, the width of the existing float does not allow for gangplanks between the float and vessel to be of sufficient length to provide slopes which are do not exceed 1:12. The new float includes 18-foot long gangplanks between the float and vessels which will ensure that the slope does not exceed 1:12 during all tide conditions. The longer gangplanks result in the new float being wider than the existing float. The width of the new float is also driven by the boarding platform located at the center of the float. All District ferry vessels will be modified to include two eight-foot wide doors located on the main deck and positioned 48-feet apart. The 8-foot wide doors and gangplanks (the current width is controlled by 4-foot wide gangplanks) will allow for faster boarding and disembarking and the door locations will allow for standardizing the gangplank locations on the floats. The clear width of the gangplanks will match the door width in order to provide smooth flow of passengers. The gangplanks connect to the boarding platform, which dictates the platform width to be 16 feet in order to accommodate the passengers coming from the two 8-foot wide gangplanks. The two gangplanks and doorways will also allow for separating passengers with bicycles from those without bicycles, which will also improve the flow and speed of boarding and disembarking. The gangplank lengths coupled with the boarding platform width results in the width of the new float increasing from the existing width of 42 feet to the proposed width of 53 feet. The vessel door locations, the boarding platform length, the length necessary to transition from the boarding platform to the gangway (the boarding platform apron), the room necessary for emergency operations, plus the room needed to tie-up the different ferry vessel types all result in the new float requiring a length of 150 feet instead of the 110 feet length of the existing float.

In order to connect the new float and gangway to the landside pier, the project will construct a replacement access pier. The proposed replacement access pier is 96-feet long and 25-feet wide, with two 5-feet by 31-feet belvederes (or "bump-outs") on each side. Instead of replicating the dog-leg configuration of the existing access pier, the new replacement access pier will run on a straight line from the existing landside pier to the gangway. The location of the float and, therefore, the length of the access pier are controlled by the elevation of the bottom of the Bay. The float has been positioned as close to land as possible without it touching the bay bottom during low tides.

### **Public Access**

The proposed project will increase public access to the Bay. The City's Ferry Plaza promenade is a public plaza with benches, educational exhibits, two tidal staircases to access the water, perimeter landscaped vegetation, and lighting with hanging floral baskets. The current public access within the Golden Gate

**Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project**

Sausalito Ferry Terminal is limited to the 95-foot long and 20-foot wide landside pier. The pier has 6 benches in the center of the pier. A chain link gate restricts public access to the existing access pier because this pier is too narrow to allow for both public access and boarding and disembarking of vessels.

The new 96-foot long access pier will connect to the existing 95-foot long landside pier. The access gate will be moved to the end of the new pier, which will increase access onto the Bay for the public, whether for ferry passengers or those simply enjoying the views. The new access pier will have bump-outs on both sides providing space for 2 benches on each side. The bump-outs will provide a space for non-passengers outside of the spaces occupied by passengers queuing and by passengers boarding and disembarking.

The public access plan is shown in **Exhibit 12**. At night, the public access area will be illuminated with downward directed lighting, similar to that shown in **Exhibit 13**.

***Discretionary Features***

The District has designed the project to comply with design codes, regulatory agency requirements and the District's operational needs. The design includes some discretionary features, which the District is seeking input on from the City of Sausalito. The discretionary design features are color and configuration of the gangway truss, the access control gate and the pier railing. The width of the new access pier may also be considered as it may be decreased from 25 to 21 feet.

**Configuration of the Gangway Truss**

While the length and width of the gangway cannot be changed, the District proposes three different truss configurations for the City's consideration.

**Exhibit 14** shows a truss with an arched top chord. The closed tubular steel truss members provide good protection from the environment, do not readily collect debris as girder designs will, and are consistent with marine facility design. The curved upper chord is located above eye level when walking on the gangway, to allow for better views, and the vertical and diagonal elements are spaced to allow an open look when viewed from the shore.

**Exhibit 15** shows a similar steel truss design except that the top chord is lowered. This configuration reduces the profile of the truss, which partially obstructs views when walking on the gangway, but results in a smaller profile when viewed from the shore.

**Exhibit 16** shows a standard rectangular steel truss. The overall height of this truss is smaller than the arched trusses, but the closer spacing of the truss members results in a more dense look when viewed from shore.

**Configuration of the Access Control Gate**

A gate is required to control access between the public access areas and the gangway and float. The District proposes three different gate configurations for the City's consideration.

**Exhibit 17** shows a gate design with a curved roof located. The design includes two 8-foot wide roll-up gates and two 3-foot wide emergency exit doors on each side of the gates. The roll-up gates are operationally compact as they do not need space required for operating swing gates. The see-

**Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project**

through metal grating of the doors allows for partial views when the gates are closed. The overhead roof of the gate provides for storage of the roll-up doors, light fixtures and security cameras required at the site. The side emergency doors are necessary in case there is a problem operating the roll-up gates.

**Exhibit 18** shows an alternate gate design with two 8-foot wide swing doors. The doors must either swing in or out, which takes up more room when operating as compared with the roll-up gate. The use of swing doors eliminates the need for overhead structure to store the roll-up door but necessitates placement of lighting and security cameras on a pole extending above the gate. Three foot wide emergency doors are included on either side of the swing gates. It is possible to include these doors within the swing gates themselves, thereby reducing the overall width required for framing the doors.

**Exhibit 19** shows a variation of the swing-door gate alternative with a curved top element, which visually ties into the gangway curve truss design and allows a place to mount lighting and cameras.

**Configuration of the Pier Railing**

The District's proposed railing design is also shown in previous **Exhibits 17 through 19**. This railing consists of vertical steel pipe pickets between rectangular support posts and a top. This design matches the existing railing at the Plaza and provides an open look. The District investigated alternate designs, including horizontal stainless steel cables, vertical stainless steel cables, and glass, which are shown on **Exhibits 20 through 23**. The District believes that the vertical steel pipe picket design fits best within the site, is the most durable and provides minimal visual impact when viewed from the shore.

**Width of the New Access Pier**

The District is proposing that the new access pier be 25 feet wide with two side belvederes and the gate located at the end of the new access pier near the gangway. This pier configuration and width provides sufficient space to allow for more efficient boarding and disembarking of the projected increased ferry ridership while allowing public access on the access pier at all times. While the reduced 21-foot width of the pier with two side belvederes can theoretically accommodate the projected volumes of passengers queuing and disembarking and the non-passenger presence on the pier, the flow of passengers will be subjected to more frequent disruptions because of lack of sufficient refuge space for persons that must suddenly stop or slow down. Reducing the width will only decrease the Bay fill by about 4%, and there is no significantly observable difference between the 25-foot and 21-foot wide piers when viewed from the shore.

**Exhibits 24 through 41** present photo-simulations of the existing facility and proposed project from the south looking north, from the north looking south and from the parking lot near the Sausalito Yacht Club.

**Exhibits 42 through 44** present photo-simulations of the gate location moved from the end of the access pier to the end of the existing landside pier. The District does not recommend locating the gates at this location since it will restrict public access to the landside pier only and will also result in a larger gate profile when viewed from the shore.

The District is proposing that the gangway truss, the access control gate and the pier railing be painted white as this is a traditional color used for marine type facilities. However, blue, grey or any other color(s) can be used as desired by the City (see **Exhibits 45 and 46**).

Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project

The design of the replacement facilities has been minimized to the extent practicable, but the larger facilities are necessary in order to comply with ADA guidelines, improve operations improve passenger safety and public access. The existing and new structure descriptions, dimensions and over-water coverage are summarized in Tables 1 and 2 below.

**TABLE 1: NEW STRUCTURES AND FACILITIES**

Structure	Dimensions
Float	The float is constructed of concrete and supports one end of the gangway, and framing above the float deck which provides access to the ferries. The float is 53 feet wide by 150 long and 12 feet deep. The float is held in position by steel pipe guide piles connected to the float by steel collars. Fenders to protect the ferries during berthing are placed on the sides of the float. The float has a total area of 8,385 sq. ft.
Donut Fenders	Two donut fenders are provided beyond the Bay end of the float to protect the ferries from impact with the float. These fenders consist of a rubber bumper that floats with the tide on a steel pipe pile. The donut fenders have a total area of 115 sq. ft.
Gangway framing	The gangway is a 'pony' truss—which means a truss on each side of the walkway—with no horizontal framing at the truss upper chord interconnecting the two trusses. The gangway has a total over-water length of 90 feet and a total width of 19 feet. Each truss is curved with a maximum height of 12 feet in the center and a minimum height of 8 feet on the ends. Total area of the gangway framing over water is 1,800 square feet.
Guardrail	The existing landside pier, new access pier, gangway, framing on the float, and hydraulic gangplanks have a guardrail along their perimeter. The guardrail is approximately 1,015 feet long, 3 inches wide and 3 feet, 6 inches in height. Total area of the guardrail is 3,550 square feet.
Hydraulic power unit	The hydraulic power unit is 11 feet long, 3 feet wide and 8.5 feet tall. Total area of the hydraulic power unit is 33 square feet.
Hydraulic system electrical control cabinet	The hydraulic system electrical control cabinet is 66 inches long, 18 inches deep and 72 inches tall. Total area is 8 square feet.
Gangplank control stations	Each of the four gangplanks has a gangplank control station structure. Each gangplank control structure is 6 inches in diameter and 8.5 feet in height supported on a 1-foot square base plate. Total area of all gangplank control structures is 4.0 square feet.
Gangplank control consoles	Each of the four gangplanks has a gangplank control console. Each gangplank control console is a box 1 foot 3 inches long by 12 inches wide, supported on a 3-inch square tubular post. Total area of all gangplank control structures is 5 square feet.
Platform lift cylinders	There are six platform lift cylinders. Each platform cylinder is 12 inches in diameter and varies in length from 12 feet to 16 feet depending on the boarding platform elevation. Total area of all platform cylinders, including the connection to the boarding platform is 38 square feet.
Access Pier	The new access pier is proposed to be 25 feet wide and approximately 96 feet long. It will be constructed of reinforced concrete. The pier will be supported on 24-inch diameter steel pipe piles. The total area of the pier is approximately 2,700 square feet (public + non-public). As noted above, the pier may be reduced to 21 feet wide for a total area of approximately 2,138 square feet.
Landside electrical equipment on concrete pad	A new transformer is required to provide power to the ferry terminal for lighting as well as the hydraulic pumps located on the float.

The over-water coverage resulting from a directly overhead view of the proposed Sausalito Ferry Terminal is further defined in Table 2, below. Areas calculated include the existing terminal, proposed terminal with 25-foot wide pier and 21-foot wide pier, and temporary terminal to maintain service during construction.

Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project

TABLE 2  
OVER WATER COVERAGE AREA SUMMARY

Terminal	Area (square feet)					Pile Types	Pile Area <sup>3</sup>
	Landside Pier <sup>1</sup>	Access Pier	Gangway	Float <sup>2</sup>	Total		
Existing	1,943	820	402	4,835	8,000	16 - 18" Square Concrete 12 - 12" Square Concrete 8 - 24" Dia. Steel Pipe	73 sf
Proposed 25-foot Wide Pier	1,943	2,700	1,800	8,500	14,943	12 - 18" Square Concrete 15 - 24" Dia. Steel Pipe 5 - 60" Dia. Steel Pipe 2 - 54" Dia. Steel Pipe	204 sf
Proposed 21-foot Wide Pier	1,943	2,138	1,800	8,500	14,381	12 - 18" Square Concrete 15 - 24" Dia. Steel Pipe 5 - 60" Dia. Steel Pipe 2 - 54" Dia. Steel Pipe	204 sf
Temporary <sup>4</sup>	1,500	1,863	402	4,835	8,600	12 - 18" Square Concrete 18 - 12" Dia. Steel Pipe 8 - 24" Dia. Steel Pipe	66 sf

NOTES:

- <sup>1</sup> Landside Pier is the existing pier from the landside to remain. A portion of this pier is landward of MHW (472 SF) and the other portion is waterside of MHW (1,471 SF) for a total of 1,943 SF. It does not include work on land immediately adjacent to and west of the pier for trenching to provide additional power to the terminal (250 SF).
- <sup>2</sup> Float area includes the float structure, guide piles with surrounding collars, fenders outboard of the float, and donut fenders (at the new terminal only).
- <sup>3</sup> Pile Area is already included in the areas shown in 'Terminal Area'. It is repeated here for information only. The pile areas shown include the piles supporting the existing 'Landside Pier' to remain. The Landside Pier is supported on 12 - 18" square concrete piles (21 sq. ft.)
- <sup>4</sup> The Landside Pier area is reduced from the existing area to account for construction work at the east end of the pier.

### Design Criteria

The gangway and ramp slopes and other accessibility features were designed using the U.S. Access Board "Proposed Accessibility Guidelines for Passenger Vessels," and the Port of San Francisco "Access Design of Floating Structures." The gangway was designed in accordance with the American Association of State Highway Officials (AASHTO) Bridge Design Specifications. A coastal analysis was completed to define the environmental characteristics (wind, wave, current) at the site which were then used to design the float and guide piles. The access pier was design using the 2013 California Building Code (CBC). All work done satisfies the CBC.

Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project

## ***Approval Status***

### ***Environmental Review***

**CEQA:** As lead agency under the California Environmental Quality Act (CEQA), the Golden Gate Bridge, Highway and Transportation District prepared an Initial Study and Mitigated Negative Declaration (IS/MND) for the proposed project. The District found that the project will not result in significant effects to the environment, with incorporated mitigation measures adopted as conditions of approval. The District filed the Notice of Determination with the Marin County Clerk on December 18, 2012.

**NEPA:** The project was found to qualify for a categorical exclusion under 23 CFR Section 771.118(d)(6) "Facility modernization through construction or replacement of existing components." The District prepared a documented Categorical Exclusion (CE(d)) and found that the project will not induce significant environmental impacts. The U.S Department of Transportation Federal Transit Administration (FTA), as lead agency under the National Environmental Policy Act, concurred with these findings on February 13, 2014.

### ***Resource Agency Consultations***

**USFWS:** In July 2012, FTA submitted a request for concurrence from the U.S. Fish and Wildlife Service (USFWS) under Section 7 of the Endangered Species Act (ESA) that the project will have "no effect" on the California least tern and the southern sea otter, and that the project "may affect, but is not likely to adversely affect" delta smelt. In November 2012, USFWS did not object to the FTA's determination that the project will have "no effect" to the southern sea otter, and concurred that the project will have no effect on the California least tern and that delta smelt will not be adversely affected by the project. In August 2014, the USFWS provided additional clarification that they also concur the project will have no effect on the southern sea otter.

**NMFS:** Similarly, the FTA submitted a request for concurrence from the National Marine Fisheries Service (NMFS) under the ESA that the project "may affect, but is not likely to adversely affect" the following ESA-listed fish species: green sturgeon, steelhead (Central California Coast DPS), steelhead (California Central Valley DPS), Chinook salmon (Sacramento River winter-run ESU), Chinook salmon (Central Valley spring-run ESU), as well as the humpback whale, and ESA-designated critical habitat. The FTA also requested concurrence under the Magnuson-Stevens Fishery Conservation and Management Act that the project "may affect, but is not likely to adversely affect" essential fish habitat (EFH) including eelgrass beds, in the form of minimal short-term (construction-related) impacts. Lastly, the FTA concluded the project will have "no effect" on Pacific harbor seal, California sea lion, and harbor porpoise under the Marine Mammal Protection Act (MMPA).

Over the course of approximately 10 months following the consultation request, NMFS and the FTA corresponded about project design details, and the FTA provided additional information and clarification (including additional avoidance and minimization measures) as requested by NMFS, to support its review of the consultation request. In November 2013, NMFS concurred with the FTA's determination that, with the District's incorporation of the proposed avoidance, minimization, and mitigation measures, the proposed project is not likely to adversely affect ESA-listed fish species and designated critical habitat.

Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project

With respect to EFH for various fish species and including eelgrass beds, NMFS determined that, while the project could adversely affect EFH and eelgrass beds due to temporary construction-related impacts, as well as due to the project's permanent increase in over-water shading, the project does include measures to avoid, minimize, and otherwise offset these adverse effects to EFH. These measures include the project's proposed compensatory mitigation for permanent overwater shading impacts, which includes incorporating the use of light-penetrable materials and a structural orientation to minimize shading effects, as well as contributing funds towards on-site in-kind mitigation efforts focused on eelgrass habitat creation and restoration, to be undertaken by the State Coastal Conservancy. Based on the above project measures to avoid, minimize, and otherwise offset adverse effects to EFH, NMFS had no additional EFH conservation measures to request or provide. Lastly, with respect to the MMPA, NMFS confirmed that there are no major haul-outs or rookeries in the project vicinity, that the ESA-listed humpback whale and Steller sea lion are not expected to occur in the project area, and NMFS determined that the implementation of the proposed avoidance measures for marine mammals (such as the establishment of a 500-meter safety zone for pile driving activities, with a biological monitor empowered to cease work if a marine mammal is observed within the zone), are expected to avoid the take of all non-ESA listed marine mammals.

**CDFW:** The District requested a consistency determination from the California Department of Fish and Wildlife (CDFW; formerly CDFG) between the federal consultation process under Section 7(a)(2) of the Endangered Species Act (ESA) and Section 2080.1 of Fish and Game Code, for species that are both State and federal-listed. The co-listed species include California least tern, southern sea otter, delta smelt, Chinook salmon (winter-run Sacramento ESU), Chinook salmon (central valley spring-run ESU), humpback whale, and essential fish habitat (EFH) including eelgrass beds. Additionally, the District requested that CDFW concur that the project will have no adverse effect on longfin smelt, which is only listed at the state level. In February 2013, CDFW responded with specific recommendations for the project to reduce environmental effects. The District responded indicating how the recommendations will be addressed. In April 2013, CDFW indicated appreciation for the District's responses and noted that CDFW does not issue concurrence for "no adverse effect" determinations.

**SHPO:** Pursuant to Section 106 of the National Historic Preservation Act, FTA consulted with the California State Historic Preservation Office (SHPO) in July 2012. FTA requested that SHPO concur with the Area of Potential Effects and a determination of "No Historic Properties Affected." SHPO issued a concurrence with this determination in September 2012.

### **Permitting**

**USACE:** The District submitted an application which included a Preconstruction Notification (PCN) for a Section 10 Rivers and Harbors Act permit from the U.S. Army Corps of Engineers (USACE) in October 2013. In December 2013, USACE indicated it will consider issuance of a Letter of Permission, upon issuance of a Coastal Zone Management Act (CZMA) Consistency Determination from BCDC and a 401 Water Quality Certification from the San Francisco Bay Regional Water Quality Control Board (RWQCB).

**RWQCB:** The District submitted an application for 401 Water Quality Certification to the RWQCB in October 2013. In November 2013, the RWQCB indicated that, to complete the application, the District must provide a mitigation proposal for the increased over-water coverage of the project. Based on FTA

**Golden Gate Bridge, Highway and Transportation District  
Sausalito Ferry Terminal Improvements Project**

coordination with NMFS as described above, the District developed and submitted to the RWQCB a proposal for compensatory mitigation that consists of the contribution of funds towards on-site in-kind mitigation efforts focused on eelgrass habitat creation and restoration, to be undertaken by the State Coastal Conservancy. The District has entered into a Cooperative Agreement with the State Coastal Conservancy to fund these activities. On September 12, 2014, the RWQCB concurred with the mitigation proposal and provided the 401 certification.

**BCDC:** In April 2013, the District had an early coordination meeting with BCDC regarding the project and the permit application process. The District submitted an application to BCDC for an amendment to Permit No. M94-70 in January 2014. In February 2014, BCDC responded with comments and requests for clarification on the application. The District provided responses to these comments to BCDC in May 2014, and the two agencies met for a site visit in July 2014. The BCDC informed the District that a presentation to the BCDC Design Review Board (DRB) would be required. The District presented the project to the DRB in October 2014. Subsequent to the October 2014 DRB meeting, the District presented to the BCDC Commission for a public meeting in December 2014. The BCDC requested additional information from the District prior to the Commission voting on the permit. The District is working with BCDC to schedule this meeting.

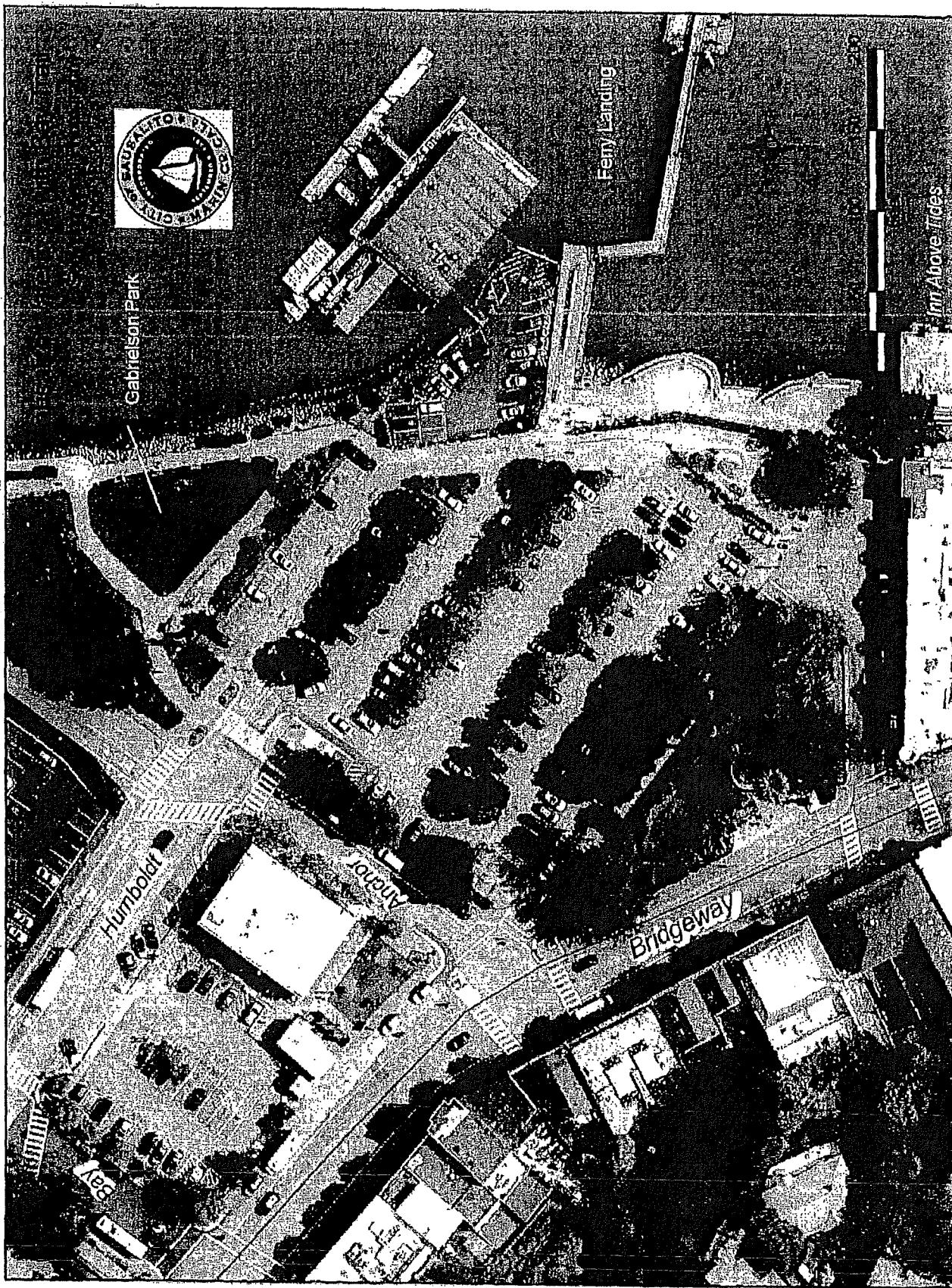
**City of Sausalito:** The District made several presentations to the City Council between 2010 and 2012. The District briefed the City Council on the project in December 2014. In February 2015, the City Council requested and the District agreed to present the project at a number of public meetings between February and April 2015, after which the Council will decide whether to provide its concurrence with the project. The District has executed a Right of Entry (ROE) permit with the City of Sausalito for the construction of the temporary ferry terminal. The ROE permit will be provided for the construction of the temporary facilities and one piling that is slightly outside the existing lease area. It provides for the temporary facility to be removed once the permanent facilities are constructed and opened for use.

***Design Drawings***

Selected design drawings are included after the Exhibits.

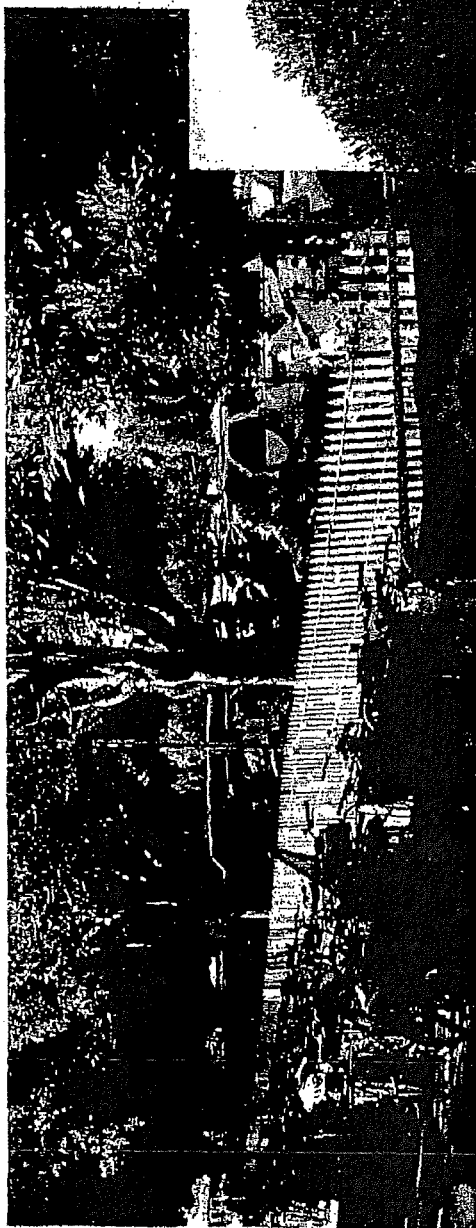


## EXHIBIT 4



## EXHIBIT 5

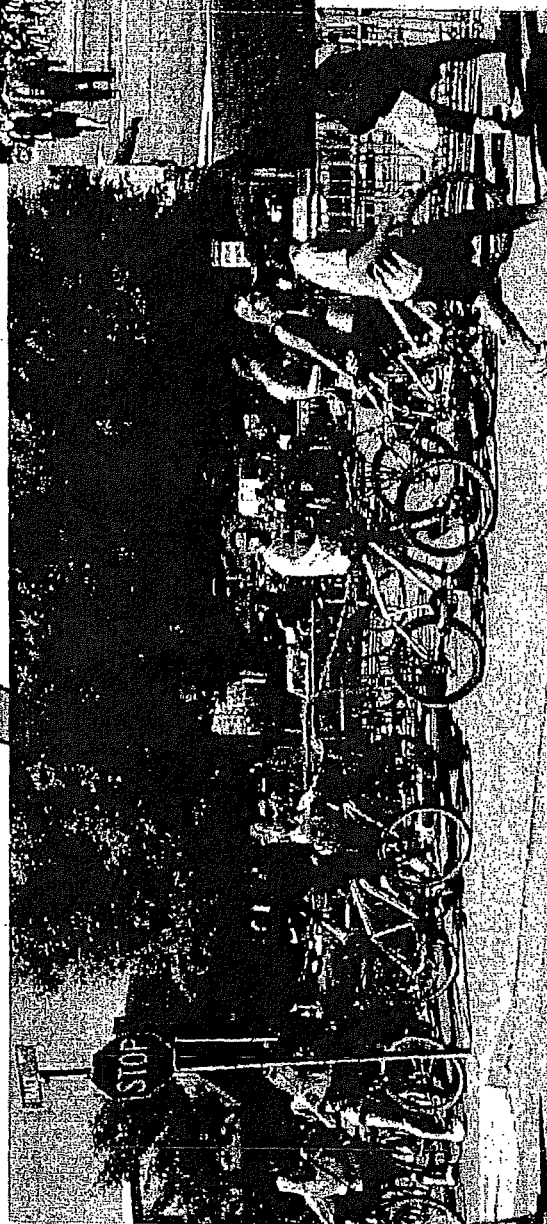
# Queuing



Ferry Bike Line goes  
up Tracy Way

Around  
the Corner

And down to  
Spinaker





Anchor Street  
Sidewalk "closed"

Tracy Way Sidewalk  
"closed"

# Queuing



# EXHIBIT 6

## **Sausalito Plus**

### **Update on Crowd Management Challenges Related to Tourist Bikes and the Ferry Queue**

1. Crowd Management Days
  - a. Late March – Mid-April: School break weeks/weekends
  - b. July & August: Friday-Monday, July 4<sup>th</sup>
  - c. September: Saturday & Sunday, Labor Day
  - d. October: a few scattered weekend days
2. Tourist Bike Numbers – on Crowd Management Days
  - a. 1,700 – 3,500 (as counted from 11-4; numbers can be higher every day)
3. Bike Arrivals
  - a. Early arrivers begin showing up at 11:00 am
  - b. Largest number of bikes arrive in downtown Sausalito between 1 & 4
4. Queuing Issues
  - a. Insufficient help handling queuing
  - b. Early arrivers often take ferries back to San Francisco beginning at 1:00 PM
  - c. The vast array of bikes (90%) begin gathering in the queuing area at ~ 2:00 – 2:30
  - d. Lines going down the sidewalk adjacent to Tracy Way and down Anchor Street begin forming at ~2:00-3:00 PM, continuing often until 6:00 PM
  - e. At this point, there are a vast array of bikes in and around the center of El Portal as well
  - f. Many bikes interfere with Inn Above Tide access in and out
5. Implications (Safety Issues That Occur)
  - a. Loss of the sidewalk adjacent to Tracy Way
    - i. Leads to:
      1. Walking in Anchor Street rather than the sidewalk
      2. Walking through the car parking area
  - b. Loss of access through the ADA area adjacent to Tracy Way (north and south)
    - i. Disables access – especially for those handicapped, but for all
  - c. Inability for car parkers to access kiosks to pay
    - i. Limits kiosk availability - very frustrating
  - d. Tourist bikers in lines for long times – sometimes 1.5 – 2 hours – many with children
  - e. Pedestrians forced to walk "IN" Anchor Street – as the adjacent sidewalk is usually full of bikes
  - f. Forcing pedestrians coming off a ferry to walk through the Lot 1 car parking area
  - g. Bikes going through Lot 1 on a regular basis – to get to the ferry ticket area or go around Lot 1 to get free parking

## EXHIBIT 7





# SAUSALITO POLICE DEPARTMENT

**John Rohrbacher**  
Chief of Police

Date: September 25, 2017  
To: Adam Politzer, City Manager  
From: John Rohrbacher, Chief of Police  
Subject: Discussion Items Related to Congestion Management at the Ferry Landing

Historically the Ferry Division of the Golden Gate Bridge Highway & Transportation District has been a very active participant as a partner in the Sausalito Police Department's efforts at congestion management and safety in the downtown area and the ferry landing. Under the leadership of Ferry Division Deputy General Manager Jim Swindler, they have been consistently using the lessons learned from previous years to make improvements going forward. Most notably of these is the addition of a crew member on each vessel to assist with the loading and unloading of passengers with bicycles, the addition of a second vessel to service the Sausalito run, and taking tickets from passengers before they reach the vessel doors.

However, there are still a few issues that require attention toward a longer term solution. It is my opinion that queue management, a better reservation system, and the location of the District's ticket machine are the most important. The problems associated with these were present three years ago, remain present now, and are foreseeably going to be problems in the future unless some changes are made going forward and more so during construction of a new float and ferry landing.

The District's ticket vending machine is in the worst possible location as it is right next to the path of travel for vehicles circulating to the exit of Municipal Lot #1. As people line up to purchase a ferry ticket, the line spills into the parking lot and blocks traffic, increases congestion, and places pedestrians in danger. This dangerous situation manifests itself primarily during the months of April through October which is our busiest season for visitors. The ticket machine location is much less of a problem during the remaining months as the ferry passengers are generally regular commuters that do not require the daily use of the ticket machine. To assist the District with solving this seasonal problem, we offered to co-locate a separate ticket vending machine alongside the seasonal ticket vending machines we install for the payment of bicycle parking. We also offered the use of our multi-space ticket machines located in several places in Municipal Lot #1. To date, the District has not taken advantage of either offer. Going forward, both offers still stand.

The issues of queue management and a working reservation system could, and should, be considered jointly. With the goal of better queue management, the District has experimented with several different reservations systems over that last few years. It stands to reason that if an effective and properly managed reservation system were in place, far less ferry passengers with bicycles would need to be in line to board a ferry for the trip back to San Francisco. From my observation, the reservation system from two years ago using boarding numbers issued in groups of 100 seemed to work the best. This year, the District implemented an online ticket purchase option and an online reservation option that was clearly explained in their Summer 2017 *How To Take A Bike On The Ferry* tri-fold brochure for this season. I do not know how



# SAUSALITO POLICE DEPARTMENT

---

**John Rohrbacher**  
*Chief of Police*

many passengers with bicycles used this online reservation system but from seeing the long passenger queue, it seems not enough to make a difference to reduce the line to board a ferry. The District is once again working in partnership with the Sausalito Chamber of Commerce this year to assist with congestion management related to ferry passengers with bicycles. The online reservation system was included in the Chamber's 2017-2018 Sausalito Visitor Map. With savvy visitors that are comfortable with using their phones for this type of technology, it should have worked better.

Regardless of which reservation system the District puts in place, the supervision of the queue workers is vital to its success. This year, for the first time, it was observed and reported that there was little or no supervision of the few workers on duty and, as a result, the workers were not doing their job but instead were chatting with friends or glued to their phones. If it is accurate to say that the District's union workers are not permitted to supervise non-union workers, then that must be addressed likely with the addition of a non-union supervisor. There were also days with no workers at all. A far more robust work crew is required for a queuing management effort.

I foresee these issues will be significant during the construction phase of the new ferry landing and I expect and hope that the District will make focus on making the changes needed to improve safety and congestion management during this critical and potentially dangerous 18 month period. Improvements that are successful during this time could then be used going forward with a goal of not having to keep trying something new each year.

# EXHIBIT 8

### Additional Information per City of Sausalito 7-22-16 Request

On July 22, 2016, the City of Sausalito, via email from Adam Politzer, requested the District provide information on four additional items related to the District's design. The requested information and the District's response to each is as follows:

1. Please provide to COWI and the City the calculated delay impacts from a more narrow pathway if the gangway and/or boarding platform was reduced from 16' to 14' and from 16' to 12'.

A: The District has previously provided information substantiating the 16 foot clear width for the gangway and boarding platform. Refer to the following information that the District submitted to the City for the City's peer reviewer:

- May 16, 2016 float discussion submittal
- June 8, 2016 email answering peer reviewer's questions
- June 16, 2016 submittal answering reviewer's questions
- June 30, 2016 submittal answering peer reviewer's questions
- July 15, 2016 email answering peer reviewer's questions

The District has consistently stated that a 16 foot clear width is the minimum width required for the District to address its operational needs. The District's ferry vessels are being modified to accommodate boarding and unloading from two 8 foot doors. Two 8 foot wide gangplanks will span between the vessels and the boarding platform, necessitating the boarding platform to be 16 feet wide. Reducing the boarding platform and gangway widths to less than 16 feet will cause passenger flow congestion which in turn will increase the ferry turnaround time and result in passengers being left behind as they are today in order to maintain the ferry schedule. The existing facility has varying passenger walkway widths which cause congestion and slowdowns as passengers navigate through the facility. The District's design is intended to eliminate these operational inefficiencies.

The District notes that compared to other recently completed and proposed ferry terminals on the San Francisco Bay which use vessels with smaller passenger capacities, the 16 foot gangway width for the Sausalito Ferry Terminal Improvements project is reasonable.

Ferry Terminal Location	Lead Agency	Status	Gangway Width	Maximum Ferry Capacity
Sausalito	GGBHTD	CEQA complete – Filed NOD in 2012	16 feet	750 passengers
San Francisco - Ferry Building	WETA	CEQA complete – Filed NOD in 2014	10 feet 1 inch	395 passengers <sup>1</sup>
South San Francisco	WETA	Construction complete in 2012	10 feet 1 inch	199 passengers <sup>2</sup>

<sup>1</sup> 395 passengers is the largest passenger capacity ferry vessel in the San Francisco Bay Ferry fleet (operated by WETA). Two ferry vessels with an expected 400 passenger capacity are under construction now and are projected to be completed by late 2016.

<sup>2</sup> The maximum ferry vessel capacity currently operating out of South San Francisco ferry terminal

The District has performed an analysis as requested by the City, and the calculated delays associated with increased ferry turnaround times due to reducing the gangway and boarding platform clear width are listed in the table below. As shown, reducing the width results in an increased turnaround time of up to nearly 5 minutes.

Minimum Passenger Clear Width	Project Goal Turnaround Times		Calculated Typical Turnaround Times		Difference Between Project Goals and Calculated Turnaround Times <sup>1</sup>	
	Target	Max	Typ. Min	Typ. Max	Typ. Min <sup>2</sup>	Typ. Max <sup>3</sup>
16 feet	10 min	15 min	12.6 min	14.6 min	+ 2.6 min	- 0.4 min
14 feet	10 min	15 min	13.5 min	15.5 min	+ 3.5 min	+ 0.5 min
12 feet	10 min	15 min	14.6 min	16.6 min	+ 4.6 min	+ 1.6 min

<sup>1</sup> A positive value indicates there will be a delay in turnaround times due to calculated time greater than project goals

<sup>2</sup> Calculated typical minimum turnaround time – Project target goal turnaround time

<sup>3</sup> Calculated typical maximum turnaround time – Project maximum goal turnaround time

Note that these times assume ideal ferry operational conditions and do not account for slowdowns caused by intentional varying walkway widths (i.e. bottlenecks/choke points). The calculations and assumptions are provided in Attachment A. Recall that the District's previous information to the City's peer reviewer stated that the turnaround time calculations were based on aggressive, ideal situations that do not account for ferry docking delays due to poor weather conditions, passengers not queued and ready to disembark upon ferry landing, safety hazards encountered during the security sweep that require immediate attention, boarding passengers that are not familiar with the boarding procedure, and passengers with limited mobility.

Also, recall that the design of the replacement boarding facilities is based on the projected year 2029 maximum volume of passengers per trip using the 85-percentile volume (the 85-percentile means that from 100% of trips sorted in the order from the highest to the lowest volume, the passenger volume representing the 85% spot on the list is used for the design). This means that 15% of the time, the number of passengers will be greater than those used in the calculations.

As previously stated, the District will not build a defective ferry terminal that does not address the District's operational needs. The District's mission is to encourage ferry ridership to reduce traffic along the 101 corridor. To encourage the use of public transportation, the ferries must provide a reliable, safe, and cost effective alternative to driving.

2. *In order to complete our due diligence on this project the City needs to get the District's passenger counts from 2014, 2015 and 2016 (year to date). Please include the breakdown for bikes and pedestrians per trip for both inbound and outbound passengers.*

A: The District previously submitted March 2014 – March 2015 data to the City in April 2015 in response to requests made during the joint Planning Commission and Historic Landmarks Board April 1, 2015 meeting. For completeness, the passenger counts from January 1, 2014 to July 9, 2016 per ferry trip are attached in Attachment B.

Please note that the District provided additional ferry trips that were not scheduled in order to alleviate some of the crowds at the Sausalito Ferry Landing. These extra trips (denoted with an "E" under the "Source" data column in Attachment B) are significant additional operational costs for the District and cannot be sustained. As stated in previous submittals to the City, the District does not profit from ferry services as they are subsidized with bridge tolls and other revenue means to reduce traffic congestion on the Golden Gate Bridge and reduce vehicle use. Currently, disembarking and boarding at the existing facility is slow, due to a narrow passage way and single door access to the vessel. In order to stay on schedule, boarding must cease at a specified time, often leaving passengers behind while a less-than-full vessel departs. The proposed ferry terminal replacement will allow for full utilization of the ferry vessel capacity due to faster disembarking and boarding of passengers, therefore generally eliminating the need for extra ferry trips.

Additional Information per City of Sausalito 7-22-16 Request

## EXHIBIT 9

### Responses to Questions from the City of Sausalito Received June 9, 2016

This serves to respond to the questions sent June 9, 2016 by the City of Sausalito to the District. The questions and answers are intended to facilitate in City of Sausalito's Peer Review of the proposed float dimensions.

1. *Q: The 16.0' clear width of the gangway, fixed landing, boarding apron and boarding platform is based on the ferries having two 8.0' wide doors being used simultaneously (Ref. A: page 3 of 7 second paragraph, Float-Dimension Discussion-Width). Also the 16' central walkway was sized "to accommodate passenger flow from each of the two ferry doors (coming out of the ferry, going into the ferry) being used simultaneously (operational consideration)" (Ref. C: page 5 of 14 first paragraph, Float Width). Please provide quantitative information to support the conclusion that the 16.0' width is needed to accommodate the desired boarding operations. For reference, minimum clear widths for some of the subject elements are: 36" gangway (Ref. B chapter V410.5), 36" fixed landing (Ref. B chapter V410.7.2) and 36" Boarding Apron (Ref. B chapter V405.5).*

A: The proposed width of the gangway is not driven by ADA access concerns, but by operational needs. Currently, disembarking and boarding at the existing facility is slow, due to a narrow passage way and single door access to the vessel. In order to stay on schedule, boarding must cease at a specified time, often leaving passengers behind while a less-than-full vessel departs. The new facility is designed to increase speed of disembarking and boarding to achieve full utilization of the vessel capacity.

To determine the appropriate width of the gangway and boarding ramps, the District estimated the volume of passenger growth through year 2029. Using a moderate 4% escalation factor of ferry passenger growth per year (note that in the recent years the growth was 7% on average), the maximum demand in the peak summer season in year 2029 is projected to exceed 700 passengers per trip. However, the design of the replacement boarding facilities is on the projected year 2029 maximum volume of passengers per trip using the 85-percentile volume (the 85-percentile means that from 100% of trips sorted in the order from the highest to the lowest volume, the passenger volume representing the 85% spot on the list is used for the design). Based on this, the ferry passenger count used for the design of the proposed facility is:

- 408 total passengers disembark from ferry vessel onto facility
- 512 total passengers board from facility onto ferry vessel (200 out of the 512 total passengers board with bicycles)

Based on these estimates, designers used "Pedestrian Planning and Design", revised edition, by John J. Fruin, to verify that the proposed facility is able to meet the projected passenger counts, within the current ferry schedule and without leaving queued passengers behind. This document is considered to be standard for ferry facility design. This document presents different level-of-service (LOS) descriptions for walkways and queuing areas. The LOS ranges from A (pedestrians freely chose their own walking speed and have no space restrictions) to F (close and unavoidable contact with others causing physical and psychological discomfort). The information provided for each LOS does not account for passengers with bicycles, so assumptions were made based on observations to determine the applicable LOS criteria for passengers with bicycles. The following LOS requirements for the proposed design were chosen to be consistent with the currently observed conditions at the existing facility:

- Passengers walking while disembarking: LOS D/E = 10 sf/pax , 20 pfm
  - Passengers walking while boarding: LOS E = 8 sf/pax , 23 pfm
  - Passengers walking with bicycles while boarding: LOS E = 36 sf / pax (4' x 9') , 12 pfm
  - Passengers while queuing (waiting in line): LOS C/D = 7 sf/pax
  - Passengers with bicycle while queuing (waiting in line): LOS C/D = 32 sf/pax (4' x 8')
- Note: sf = square feet; pax = passenger; pfm = passengers per foot width per minute

Applying the LOS requirements, it was determined that a 16' wide clear path for passengers is the minimum width required to keep the current ferry schedule with the projected passenger counts. This also helps with passenger flow from the two 8' wide ferry doors by not introducing intentional choke points on the float design.

In addition to disembarking and boarding of passengers, the following is taken into consideration when verifying the replacement facility will maintain the current ferry schedule: securing the vessel to the dock, verifying that the doors are securely positioned to be opened, opening the doors, verifying that all passengers are off the vessel and conducting a security sweep of the vessel, and, after the boarding, closing the doors, and tying off the vessel.

The current ferry schedules for the Sausalito Ferry and the District's ferry vessel passenger capacities are found in the document titled "Proposed Float Size Discussion – For City of Sausalito Peer Review" sent to the City of Sausalito from the District in a May 16, 2016 email. As noted in this document, the Spaulding class vessels are the most frequently used vessel by the District at the Sausalito Ferry Landing.

The District does not have the resources to increase the number of trips to and from Sausalito during the peak weekday commute times. When the demand is high in Sausalito on weekends, the District runs additional trips when possible. As described above, the narrowness of the existing facility impedes the use of the ferry vessels at their capacity. The replacement facility will enable this currently unused capacity to be utilized without adding trips.

2. *11.0' feet is provided under the float end of the gangway for: the gangway support frame, maintenance access and the guide pile collars (Ref. A: page 3 of 7 last paragraph, Figure 5, Drawing S1.2). Please clarify if this distance can be optimized.*

A: This distance has been re-evaluated and optimized to the extent possible. There must be space on the float around the gangway support for safe maintenance access (5.5'). This distance remains 11'.

3. *The fixed landing is 10.0' long (Ref. A: page 3 of 7 last paragraph, Figure 5) whereas the minimum length is 5.0' (Ref. B chapter V410.7.3). Please provide sketches and/or calculations showing that the combination of the tides and transition plates require the fixed landing to be 10' long.*

A: Please see Attachment 1 for the plan view of the proposed transition plates on the fixed landing. The walking surface of the fixed landing is 8'-8". The gangway transition plate at low water is approximately 2'-3" beyond the fixed landing. The Boarding Apron transition plate is approximately 1'-1" beyond the fixed landing. This results in 3'-4" of required length on the fixed landing. 3'-4" of transition plate length + 5'-4" fixed landing length = 8'-8". The overall dimension of the fixed landing (outside to outside distance of the base plate of the column-deck connection) is approximately 10'.

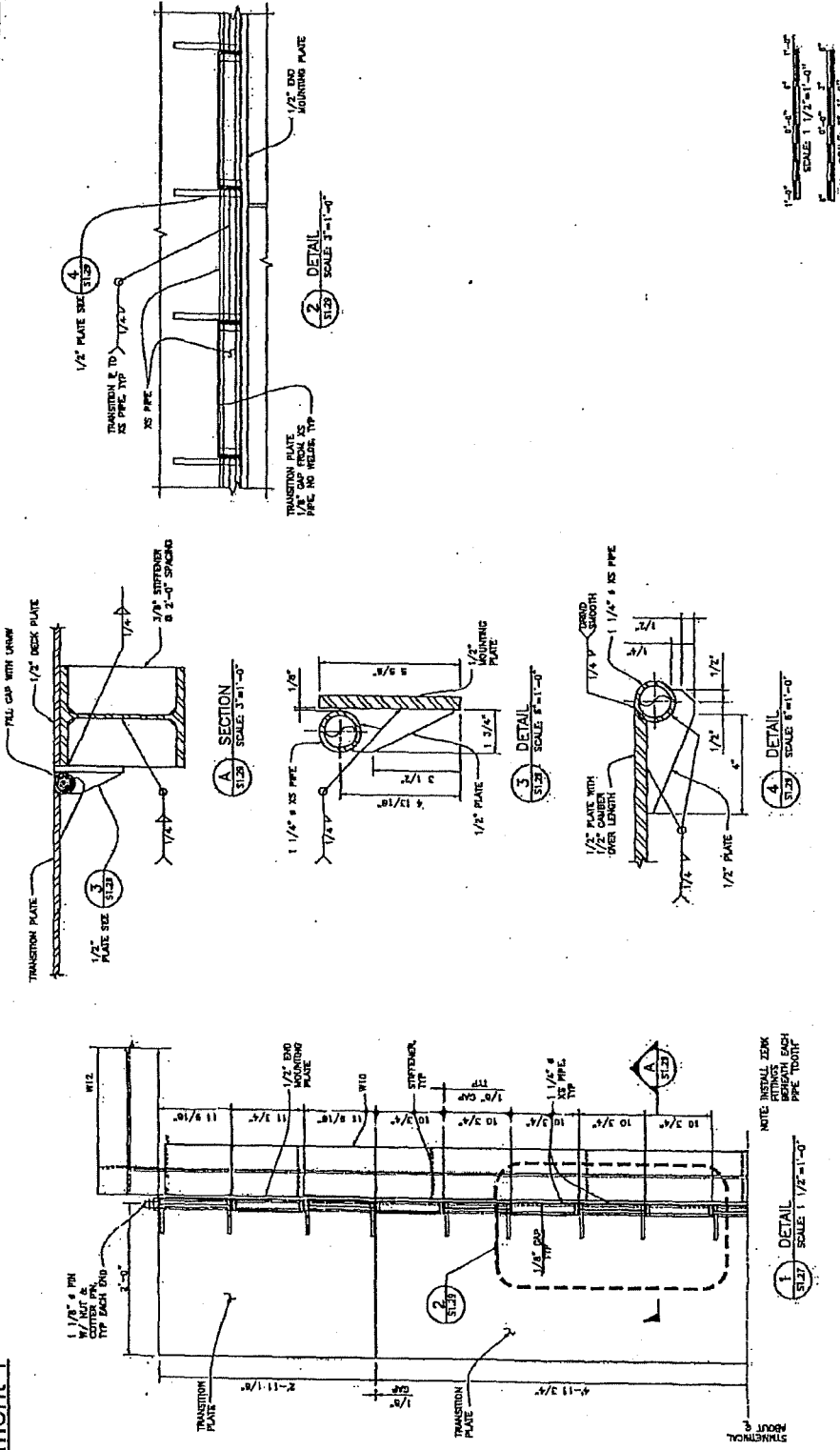
4. *The boarding platform is 79.5' long (Ref. A: page 4 of 7 last paragraph, Figure 6, Drawing S1.2, Float-Dimensions Discussion-Length) whereas the outside-to-outside distance of the vessel doors is 56.0'. Please clarify if the boarding platform length can be optimized.*



A: This distance has been re-evaluated and optimized to the extent possible. The center to center spacing between ferry doors is 48' and the clear width door opening is 8' per door, therefore the distance between the clear door opening of both doors is 56'. The remaining 23.5' of the boarding platform length accounts for the sliding gates for the gangplanks, hydraulic lift cylinders, and an employee-only access ramp required to access the aft end of the float for maintenance. Please see page 6, Figure 6 on page 7, Figure 8 on page 8, Figure 9 on page 9 and page 12 of the "Proposed Float Size Discussion – For City of Sausalito Peer Review" document dated 5-16-16 for more information.

5. *15.0' is provided at the end of the float for the guide pile collars, utility boxes and a 6.0' access path (Ref. A: page 5 of 7 first paragraph, Figure 7, Drawing S1.2). Please clarify if this length can be optimized.*

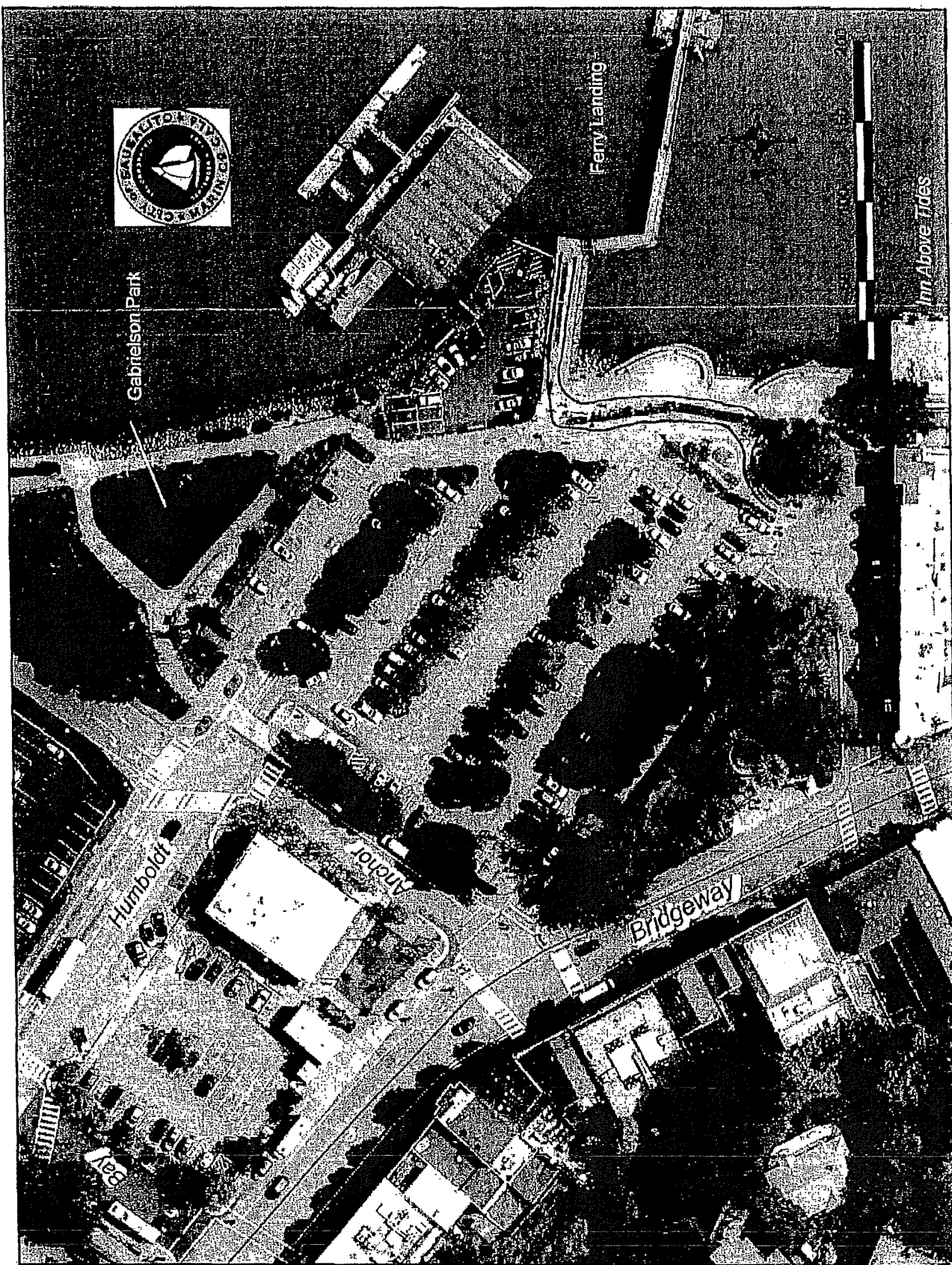


A: This distance has been re-evaluated and optimized to the extent possible. This distance remains 15'.



 <b>GOLDEN GATE BRIDGE</b> <small>CITY AND COUNTY OF SAN FRANCISCO</small>		<b>PROJECT NAME</b> GOLDEN GATE SAUBALITO FERRY TERMINAL IMPROVEMENTS		<b>PROJECT NO.</b> _____	
<b>APPROVED BY</b> 		<b>PROJECT ENGINEER</b> _____		<b>DATE</b> _____	
<b>ISS. INSTRUCTIONS</b> _____		<b>ISS. NO.</b> _____		<b>ISS. DATE</b> _____	
<b>CONTRACT NO.</b> _____		<b>CONTRACT NO.</b> _____		<b>CONTRACT NO.</b> _____	
<b>SIZE</b> _____		<b>SIZE</b> _____		<b>SIZE</b> _____	
<b>REGISTERED CIVIL ENGINEER</b> _____		<b>REGISTERED CIVIL ENGINEER</b> _____		<b>REGISTERED CIVIL ENGINEER</b> _____	
<b>STATION/PIVOT</b> _____		<b>STATION/PIVOT</b> _____		<b>STATION/PIVOT</b> _____	
<b>PLANT APPROVAL DATE</b> _____		<b>PLANT APPROVAL DATE</b> _____		<b>PLANT APPROVAL DATE</b> _____	
<b>PRICE</b> _____		<b>PRICE</b> _____		<b>PRICE</b> _____	
<b>QUANTITIES</b> _____		<b>QUANTITIES</b> _____		<b>QUANTITIES</b> _____	
<b>REMARKS</b> _____		<b>REMARKS</b> _____		<b>REMARKS</b> _____	
<b>BY</b> _____		<b>BY</b> _____		<b>BY</b> _____	
<b>DATE</b> _____		<b>DATE</b> _____		<b>DATE</b> _____	
<b>APPROVED BY</b> _____		<b>APPROVED BY</b> _____		<b>APPROVED BY</b> _____	
<b>DATE</b> _____		<b>DATE</b> _____		<b>DATE</b> _____	

## EXHIBIT 10



## EXHIBIT 11

**Table 1: Mitigation Monitoring and Reporting Program**

Environmental Impacts	Mitigation Measures	Responsibility for Compliance	Method of Compliance and Oversight of Implementation	Timing of Compliance
<b>A. AESTHETICS AND VISUAL RESOURCES</b>				
The Project in light of changed circumstances has the potential to significantly impact the visual character, scenic vistas and viewpoints at the Project site because of the lengthy queue and related crowd control issues.	Mitigation Measure AES- 1: Commencing with permanent operations and continually thereafter, the District shall manage the queue for the Ferry Landing, which may span from the Ferry Landing Pier Southward along the side of the existing hedge towards El Portal Street, terminating at El Portal (Queue Area). The District shall implement all reasonable and necessary measures to prevent any queue for the Project from extending beyond or outside the Queue Area.	District	City Oversight for compliance	Commencement of permanent operations
[Less than Significant with Mitigation]				
<b>B. LAND USE AND PLANNING</b>				
The Project in light of changed circumstances has the potential to significantly impact existing City uses and facilities because of the lengthy queue and related crowd control issues, including Municipal Parking Lot 1, City streets, sidewalks and public parks.	Mitigation Measure AES-1	District	City oversight for compliance	Commencement of permanent operations
[Less than Significant with Mitigation]				
<b>C. PUBLIC SERVICES</b>				
The Project in light of changed circumstances has the potential to significantly impact City public services related to maintenance of acceptable service ratios and response	Mitigation Measure AES-1	District	City oversight for compliance	Commencement of permanent operations

Table 1: Mitigation Monitoring and Reporting Program

Environmental Impacts	Mitigation Measures	Responsibility for Compliance	Method of Compliance and Oversight of Implementation	Timing of Compliance
times to other areas of the City during peak times, as police personnel are needed to be on hand to manage crowd congestion, traffic circulation and safety issues.				
[Less than Significant with Mitigation]				
<b>D. RECREATION</b>				
The Project in light of changed circumstances has the potential to significantly impact recreational facilities on public parks and open spaces along Gabrielson Park as well as the City's historic downtown waterfront because of lengthy queues and crowd control issue that impede use and enjoyment of these facilities and spaces.	Mitigation Measure AES-1	District	City oversight for compliance	Commencement of permanent operations
[Less than Significant with Mitigation]				
<b>E. TRANSPORTATION AND TRAFFIC</b>				
The Project in light of changed circumstances has the potential to significantly impact traffic and circulation as the lengthy queue and crowd congestion interfere with all modes of traffic circulation and parking in the Project site area.	Mitigation Measure AES-1	District	City oversight for compliance	Commencement of permanent operations
[Less than Significant with Mitigation]				



# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

**DATE:** March 28, 2018  
**TO:** Angela Calvillo, Clerk of the Board of Supervisors  
**FROM:** Lisa Gibson, Environmental Review Officer *LG*  
**RE:** Appeal Timeliness Determination – Alcatraz Ferry Embarkation Project Final Mitigated Negative Declaration

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

An appeal of the Final Mitigated Negative Declaration (FMND) for the proposed Alcatraz Ferry Embarkation Project was filed with the Office of the Clerk of the Board on March 21, 2018, by Arthur J. Friedman of Sheppard, Mullin, Richter & Hampton LLP, on behalf of the City of Sausalito. As explained below, the appeal is not ripe.

Date of Approval Action	30 Days after Project Approval	First Business Day after Appeal Deadline	Date of Appeal Filing	Timely?
Not yet occurred	To be determined	To be determined	March 21, 2018	Not ripe

**Approval Action:** On December 6, 2017, the Planning Department issued a preliminary mitigated negative declaration (PMND) for the proposed Alcatraz Ferry Embarkation Project. An appeal was filed by Arthur J. Friedman of Sheppard, Mullin, Richter & Hampton LLP, on behalf of the City of Sausalito on December 27, 2017. On February 22, 2018 the Planning Commission affirmed the PMND on appeal. On February 23, 2018, the Planning Department issued the Final MND (FMND). Neither the Planning Department nor the Port Commission has taken any subsequent action that is subject to appeal under San Francisco Administrative Code Section 31.16(d).

**Appeal Deadline:** San Francisco Administrative Code Chapter 31, Section 31.16(d) states that any person or entity that has filed an appeal of the preliminary negative declaration with the Planning Commission during the public comment period provided in Chapter 31 may appeal the Planning Commission's approval of the final negative declaration. The code further provides that the appellant shall submit a letter of appeal to the Clerk of the Board within 30 days after the Date of Approval Action for the project taken in reliance of the negative declaration. The Approval Action has not yet occurred; therefore the deadline for an appeal is to be determined.

**Appeal Filing and Timeliness:** There has yet to be an Approval Action that would provide a basis for an appeal of the FMND to the Board of Supervisors. Therefore, the appeal is not ripe.

**Appellant Standing:** The appellant appealed the PMND to the Planning Commission, which held an appeal hearing on February 22, 2018. Therefore, the appellant has standing to appeal the FMND.





# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

**DATE:** June 26, 2018  
**TO:** Angela Calvillo, Clerk of the Board of Supervisors  
**FROM:** Lisa Gibson, Environmental Review Officer *LG*  
**RE:** Appeal Timeliness Determination – Alcatraz Ferry Embarkation  
Project Final Mitigated Negative Declaration

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

An appeal of the Final Mitigated Negative Declaration (FMND) for the proposed Alcatraz Ferry Embarkation Project was filed with the Office of the Clerk of the Board on March 21, 2018, by Arthur J. Friedman of Sheppard, Mullin, Richter & Hampton LLP, on behalf of the City of Sausalito. As explained below, the appeal is timely.

Date of Approval Action	30 Days after Project Approval	First Business Day after Appeal Deadline	Date of Appeal Filing	Timely?
June 25, 2018	Wednesday, July 25, 2018	N/A	March 21, 2018	Yes

**Approval Action:** On December 6, 2017, the Planning Department issued a preliminary mitigated negative declaration (PMND) for the proposed Alcatraz Ferry Embarkation Project. An appeal was filed by Arthur J. Friedman of Sheppard, Mullin, Richter & Hampton LLP, on behalf of the City of Sausalito on December 27, 2017. On February 22, 2018 the Planning Commission affirmed the PMND on appeal. On February 23, 2018, the Planning Department issued the Final MND (FMND). The Approval Action for the project was the approval of three transaction documents including: (1) a General Agreement between the Port and the National Park Service; (2) a form lease with a ferry concessioner; and (3) a lease with the Golden Gate National Parks Conservancy by the San Francisco Port Commission on June 25, 2018 (Date of the Approval Action).

**Appeal Deadline:** San Francisco Administrative Code Chapter 31, Section 31.16(d) states that any person or entity that has filed an appeal of the preliminary negative declaration with the Planning Commission during the public comment period provided in Chapter 31 may appeal the Planning Commission's approval of the final negative declaration. The code further provides that the appellant shall submit a letter of appeal to the Clerk of the Board within 30 days after the Date of Approval Action for the project taken in reliance of the negative declaration. The Approval Action occurred on June 25, 2018 and the 30th day after the Date of the Approval Action is July 25, 2018 (Appeal Deadline).

**Appeal Filing and Timeliness:** The Appellant filed the appeal of the FMND on March 21, 2018, prior to the end of the Appeal Deadline on July 25, 2018. Although the appeal was not timely when filed, because the Approval Action has now occurred, the appeal is considered timely.

**Appellant Standing:** The appellant appealed the PMND to the Planning Commission, which held an appeal hearing on February 22, 2018. Therefore, the appellant has standing to appeal the FMND.

**BOARD of SUPERVISORS**



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

June 28, 2018

Arthur J. Friedman  
Sheppard, Mullin, Richter & Hampton LLP  
Four Embarcadero Center, 17th Floor  
San Francisco, CA 94111-4109

**Subject: File No. 180294 - Appeal of California Environmental Quality Act (CEQA)  
Issuance of Mitigated Negative Declaration - Alcatraz Ferry Embankment  
Project**

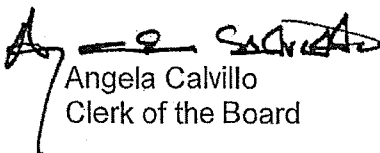
Dear Mr. Friedman:

The Office of the Clerk of the Board of Supervisors is in receipt of a memorandum from the Planning Department, dated June 26, 2018, regarding the timely filing of your appeal of the California Environmental Quality Act (CEQA) Issuance of Mitigated Negative Declaration issued for the Alcatraz Ferry Embankment project.

The Planning Department has determined that the appeal was filed in a timely manner. The Office of the Clerk of the Board will schedule your appeal hearing after the appeal filing period closes on July 25, 2018.

If you have any questions, please feel free to contact Legislative Clerks Brent Jalipa at (415) 554-7712, Lisa Lew at (415) 554-7718, or Jocelyn Wong at (415) 554-7702.

Sincerely,

  
Angela Calvillo  
Clerk of the Board

c: Jon Givner, Deputy City Attorney  
Kate Stacy, Deputy City Attorney  
Kristen Jensen, Deputy City Attorney  
John Rahaim, Planning Director  
Scott Sanchez, Zoning Administrator, Planning Department  
Lisa Gibson, Environmental Review Officer, Planning Department  
Devyani Jain, Deputy Environmental Review Officer, Planning Department  
Joy Navarette, Environmental Planning, Planning Department  
Laura Lynch, Environmental Planning, Planning Department  
Dan Sider, Policy Advisor, Planning Department  
Aaron Starr, Manager of Legislative Affairs, Planning Department  
Julie Moore, Staff Contact, Planning Department  
Jonas Ionin, Planning Commission Secretary  
Diane Oshima, Deputy Director - Planning and Environment, Port

**Introduction Form**

By a Member of the Board of Supervisors or Mayor

RECEIVED  
7/31/2018 @ 5:45 pm  
ASTime stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- ☒ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- ☐ 2. Request for next printed agenda Without Reference to Committee.
- ☐ 3. Request for hearing on a subject matter at Committee.
- ☐ 4. Request for letter beginning : "Supervisor [ ] inquiries"
- ☐ 5. City Attorney Request.
- ☐ 6. Call File No. [ ] from Committee.
- ☐ 7. Budget Analyst request (attached written motion).
- ☐ 8. Substitute Legislation File No. [ ]
- ☐ 9. Reactivate File No. [ ]
- ☐ 10. Topic submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- ☐ Small Business Commission      ☐ Youth Commission      ☐ Ethics Commission
- ☐ Planning Commission      ☐ Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Supervisor Peskin

Subject:

[Port Agreement with the National Park Service and Lease with the Golden Gate National Parks Conservancy - Alcatraz Island Embarkation at Piers 31-33]

The text is listed:

Resolution approving a General Agreement between the Port and the National Park Service (NPS) for a thirty-year term with two ten-year options allowing ferry concessioners to use Port Piers 31-33 on The Embarcadero at Bay Street (Site) under lease from the Port as the embarkation to Alcatraz Island and other GGNRA sites, and a lease with the Golden Gate National Parks Conservancy to develop and operate visitor amenities at the Site for a thirty-year term with two ten-year options; affirming the Port Commission's Public Trust findings; making findings under the California Environmental Quality Act and adopting the Mitigation Monitoring and Reporting Program for the Alcatraz Ferry Embarkation Project located at Piers 31-33 on The Embarcadero at Bay Street.

Signature of Sponsoring Supervisor: [ ]

For Clerk's Use Only

## Wong, Linda (BOS)

---

**From:** Allison Arnold <allison@gfpublicaffairs.com>  
**Sent:** Thursday, September 06, 2018 4:10 PM  
**To:** Wong, Linda (BOS)  
**Subject:** Submission to Committee Members  
**Attachments:** Angel Island.jpeg; BayviewSrServices.jpg; BlueandGold.jpg; Chamber.jpg; Coastal Concervancy.jpg; Ferry Building.jpg; Pier 39.jpg; SPUR.jpg; Port Commission Hearing Speaker List.docx; SF Travel.jpg; HotelCouncil.docx; Pier 39 2.pdf; bayecotarium.pdf

Linda,

Hope you are well! Wanted to follow up on my call and submit the following letters of support for File #180809, which I believe will be discussed in the Budget and Finance Committee next Thursday the 13th. Please let me know if there is anything else you need.

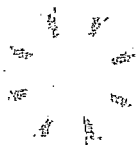
The file # is 180809

Thank you very much.

Allison

--

**Allison Arnold**, Account Executive  
**Ground Floor Public Affairs**  
[Facebook](#) | [LinkedIn](#)  
58 2nd St. 4th Floor | SF, CA 94105  
(415) 291-9501



# Angel Island

Immigration Station Foundation

## **Board of Directors**

June 21, 2018

Dear San Francisco Port Commissioners:

*Buck Gee  
President*

*Rosemarie Nahm  
Vice President*

*Anne Chen  
Treasurer*

*John Cu  
Treasurer*

*Darlene Chiu Bryant  
Paul Chin  
Nobuko Saito Cleary  
Henry Der  
Heather Fong  
Larry Low  
Sonny Lulla  
Katherine Toy  
Gerrye Wong*

On behalf of the Angel Island Immigration Station Foundation (AIISF), I am writing with our support of the proposed improvements to the Alcatraz Embarkation (Piers 31-33) – a visionary project that has been developed by the Port of San Francisco, the National Park Service, and the Golden Gate National Parks Conservancy. Most know that this project will result in a substantial public/private investment on the waterfront that will give visitors to the city and this national park site a permanent gateway to Alcatraz; however it will also serve as an embarkation site to Angel Island State Park through the Island Hop service, allowing visitors to experience both islands on one day.

Angel Island is home to the historic U.S. Immigration Station at Angel Island, a National Historic Landmark telling the stories of more than a million immigrants from 80 countries who crossed the Pacific Ocean between 1910-1940. Over the last 20 years, more than \$40 million in public and private investment have brought the site from "most endangered" to one that is now thriving. Next year, AIISF and Angel Island State Park will open the Pacific Coast Immigration Center at Angel Island, expanding the interpretation of our American immigrant story.

The proposed Alcatraz Embarkation will significantly enhance the sense of welcome, visitor amenities and interpretation, not only for Alcatraz, but also for Angel Island. For years, AIISF has desired a place on the San Francisco shoreline for interpretation of the Immigration Station. The Alcatraz Embarkation project will allow for that, bringing the story of Angel Island Immigration to 1.8 million visitors who would not otherwise know this important Bay Area and national landmark.

We encourage the Commission to approve this significant project for all its many public benefits.

Sincerely,

Buck Gee  
President



# Bayview Senior Services

June 25, 2018

Dear San Francisco Port Commissioners:

I support the proposed Alcatraz Embarkation improvements.

For more than five years, I have partnered with the Golden Gate National Parks Conservancy to bring Bayview community members – children, families and seniors – to experience our local national parks for fun, health and wellness.

We began working together when I was at the Bayview YMCA and now continue in my role at the Bayview Hunters Point Multi-Purpose Senior Services. We are pleased to be an ongoing partner with the National Park Service, Presidio Trust, and the Parks Conservancy.

Together we are bringing communities historically underserved by these parks to sites like Presidio, Lands End, Crissy Field, and Alcatraz. These trips are free, and we work to make them welcoming and safe experiences.

The proposed Alcatraz Embarkation will significantly improve visitor amenities and access -- important features for first-time visitors and vulnerable populations.

We encourage the Commission to approve this significant project for all its many public benefits.

Sincerely yours,

/s/ Michael Bennett

Michael Bennett  
Special Events Coordinator  
Dignity Fund  
Bayview Senior Services



## BLUE GOLD FLEET

June 25, 2018

Ms. Elaine Forbes  
Executive Director, Port of San Francisco  
Pier 1  
San Francisco, CA 94111

Re: Alcatraz Landing Lease

Dear Elaine,

We are writing to express Blue & Gold Fleet's support to approve the lease between the Port and the National Park Service for the Pier 33 embarkation site to Alcatraz Island.

We had previously expressed concern about the negative impact the Park's Cruises will have on the local Bay Cruise market. We now understand that there is tentative agreement between the Port and NPS to limit the Park's Cruises during the first five years of the lease. During the initial 5-year term, we understand that the Park Cruises will be capped at the level the current Alcatraz concessioner is carrying, and the cap would be increased annually by two-and-one-half percent (2.5%). In year 6 the cap would step-up to a maximum 90,000 passengers per year for the duration of the initial 15-year term of the lease.

We believe this temporary limitation is both reasonable and appropriate and gives time for the existing Bay Cruise operators to adjust their marketing strategies to mitigate the additional passenger capacity beginning in year 6 of the lease.

With these changes, we can now fully support the approval of the new embarkation site for Alcatraz Island.

Sincerely,

Taylor Safford  
CEO

Patrick Murphy  
President





235 Montgomery St., Ste. 760, San Francisco, CA 94104  
tel: 415.352.4520 • fax: 415.392.0485  
sfchamber.com • twitter: @sf\_chamber

June 21, 2018

San Francisco Port Commissioners  
Port of San Francisco  
Pier 1, The Embarcadero, San Francisco, CA 94111

Re: Support for the Alcatraz Embarkation Project

Members of the San Francisco Port Commission,

The San Francisco Chamber of Commerce, representing the interests of thousands of local businesses, wholeheartedly supports the proposed improvements to the Alcatraz Embarkation (Piers 31-33) – a visionary project that has been developed by the Port of San Francisco, National Park Service, and Golden Gate National Parks Conservancy. This project will result in a substantial public/private investment on the waterfront that will give visitors to the city and this national park site a permanent gateway to Alcatraz – one that matches the caliber of our country's most historic and scenic places.

Attracting more than 1.7 million visitors annually with \$175 million in total annual spending power, Alcatraz Island is an economic boon to our city and immensely important to San Francisco's tourism and travel industries. The improvements included within the Alcatraz Embarkation project are critical in continuing to drive this engagement, and creating a long-term home for embarkation with updated amenities will encourage public access to the shoreline, continued maritime use, and increase accessibility to this historic landmark for all walks of life.

The project has been designed by award-winning architecture and landscape architecture firms, and will offer new public amenities including a shoreline plaza, seating areas, a welcome center, interpretive exhibits and signage, weather-sheltered queuing areas, and a café. Combined, these features improve public access to San Francisco Bay, preserve and rehabilitate waterfront buildings, and enhance the pedestrian experience along the waterfront.

San Francisco's knowledge and visitor based economy employs over 800,000 people, attracts over 25 million visitors a year and generates over \$1.5 billion a year in general fund taxes. The Port of San Francisco is a key part of this economic success story and your support for the Pier 31 – 33 project will help continue this growth. We commend the National Parks Service, National Parks Conservancy, and the Port of San Francisco for putting together such a robust plan for improvement to the Alcatraz Embarkation site, a project we have no doubt will be beneficial to our many members and the city as a whole. Thus, the San Francisco Chamber of Commerce respectfully encourages the Commission to approve this significant project so that the public may soon begin to enjoy its many public benefits.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Lazarus", written over a horizontal line.

Jim Lazarus  
Senior Vice President, Public Policy  
San Francisco Chamber of Commerce



June 22, 2018

Dear San Francisco Port Commissioners:

I am writing to express staff's support of the proposed site improvements to the Alcatraz Embarkation (Piers 31-33) – a visionary project that has been developed by the Port of San Francisco, the National Park Service, and the Golden Gate National Parks Conservancy. This project will result in a substantial public/private investment on the waterfront that will give visitors to the city and this national park site a permanent gateway to Alcatraz – one that matches the caliber of our country's most historic and scenic places.

The project will cement Alcatraz's status as one of the most extraordinary and enduring landmarks in America, and will ensure its ability to provide benefits for decades to come. The island, which attracts 1.8 million visitors annually, is an important force of economic vitality for the region's travel and tourism industry. We commend the partnership on its vision for an enhanced visitor experience getting to the famed site - significantly enhancing the site's sense of welcome, interpretation and visitor amenities, as well as expanding public access to the shoreline. This will make an important contribution to a seamless and high-quality visitor experience on San Francisco's historic waterfront between Fisherman's Wharf and the Ferry Building – and maintain an active maritime use on the city's shoreline.

The project has been designed by award-winning architecture and landscape architecture firms. The Alcatraz Embarkation project offers new public amenities including a shoreline plaza, visitor seating areas, a visitor welcome center, interpretive exhibits and signage, weather-sheltered queuing areas for visitors, and a café. Combined, these features improve public access to San Francisco Bay, preserve and rehabilitate waterfront buildings, and enhance the pedestrian experience along the waterfront.

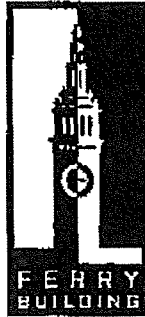
We encourage the Commission to approve this significant project for all its many public benefits.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Gerhart", written over a horizontal line.

Matt Gerhart

Bay Area Program Manager



June 21, 2018

San Francisco Port Commissioners  
Port of San Francisco  
Pier 1, The Embarcadero, San Francisco, CA 94111

**Re: Support for the Alcatraz Embarkation Project**

As the General Manager of the Ferry Building, I am writing to you today to register my full support for the proposed improvements to the Alcatraz Embarkation (Piers 31-33) – a visionary project that has been developed by the Port of San Francisco, National Park Service, and Golden Gate National Parks Conservancy for more than five years. This project will result in a substantial public/private investment on the waterfront that will give visitors to the city and this national park site a permanent gateway to Alcatraz – one that matches the caliber of our country's most historic and scenic places.

Attracting more than 1.7 million visitors annually with \$175 million in total annual spending power, the island is an important economic force for our city's travel and tourism industries. Creating a long-term home for embarkation with updated visitor amenities will encourage public access to the shoreline, continued maritime use, and ensure the site becomes the newest addition to the many premier attractions along the Embarcadero and into Fisherman's Wharf – from the Ferry Building to the Exploratorium to the Aquarium by the Bay to the San Francisco Maritime National Historical Park and more. The Alcatraz Embarkation project has been thoughtfully designed by award winning architecture and landscape architecture firms and will foster continued public use through a new shoreline plaza, seating areas, a welcome center, interpretive exhibits and signage, weather-sheltered queuing areas, and a café. Combined, these features improve public access to San Francisco Bay, preserve and rehabilitate waterfront buildings, and enhance the pedestrian experience along the waterfront.

As this facility's future neighbor, we at the Ferry Building humbly requests the Port Commission's full endorsement of this state-of-the-art project so that the public may soon begin to enjoy its many public benefits.

Sincerely,

Jane Connors  
General Manager  
Ferry Building



June 25, 2018

Ms. Elaine Forbes  
Executive Director, Port of San Francisco  
Pier 1  
San Francisco, CA 94111

Re: Alcatraz Ferry Concession Lease

Dear Elaine,

I am writing to express my support to approve the lease between the Port and the National Park Service for the Pier 33 embarkation site to Alcatraz Island.

I am relieved that questions involving the Park's Cruises have been resolved with the National Park Service. The importance of the 1.7 million Alcatraz visitors per year to the economy of the northern waterfront cannot be overstated. As importantly, the site at Pier 33 provides an opportunity to make significant improvements to Alcatraz Landing and to finally create a well-designed and themed experience for visitors to the Island.

It is important to PIER 39 that the Port retain the embarkation site for the Alcatraz Ferry on Port property.

Sincerely,

A handwritten signature in black ink, appearing to read "Taylor Safford", written over a horizontal line.

Taylor Safford  
President & CEO

**SPUR**

San Francisco | San Jose | Oakland

June 20, 2018

Dear San Francisco Port Commissioners:

We are writing with our support of the proposed improvements to the Alcatraz Embarkation (Piers 31-33) – a visionary project that has been developed by the Port of San Francisco, the National Park Service, and the Golden Gate National Parks Conservancy. This project will result in a substantial public/private investment on the waterfront that will give visitors to the city and this national park site a permanent gateway to Alcatraz – and one that matches the caliber of our country's most historic and scenic places. With its partnership approach and significant public benefits, this project reflects SPUR's commitment to "Ideas + Action for a Better City."

Alcatraz was recently awarded Trip Advisor's Travelers' Choice award as the Number 1 Landmark in America – demonstrating its extraordinary and enduring appeal. The island, which attracts 1.8 million visitors annually, is also an important force of economic vitality for our city's travel and tourism industry. Importantly, this project continues these civic benefits by establishing a long-term gateway to this world-renowned national park site and national historic landmark.

The proposed Alcatraz Embarkation will significantly enhance the site's sense of welcome, interpretation and visitor amenities, as well as expand public access to the shoreline. It will make an important contribution to a seamless and high-quality visitor experience on San Francisco's historic waterfront between Fisherman's Wharf and the Ferry Building – and maintain an active maritime use on the city's shoreline.

The project has been designed by award-winning architecture and landscape architecture firms. The Alcatraz Embarkation project will offer new public amenities including a shoreline plaza, visitor seating areas, a visitor welcome center, interpretive exhibits and signage, weather-sheltered queuing areas for visitors, and a cafe. Combined, these features improve public access to San Francisco Bay, preserve and rehabilitate waterfront buildings, and enhance the pedestrian experience along the waterfront.

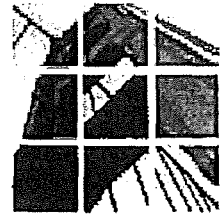
We encourage the Commission to approve this significant project for all its many public benefits.

Sincerely,

  
Adhi Nagraj  
San Francisco Director

Port Commission Hearing Speaker List  
June 25, 2018

1. Mayor of Sausalito
2. Carol P., Barbary Coast Neighborhood Association
3. Staci Slaughter
4. Mark Buell
5. Fei Tsen, SPUR
6. Alex Mitra, SF Chamber of Commerce
7. Martin Rock, Exploratorium
8. Captain Sly Hunter, Master Mates and Pilots
9. Robert Eringer, Inlandboatman's Union
10. Michel Bennet, Bayview Senior Services
11. Pat Murphy, President Blue and Gold, and also speaking for Pier 39
12. Rudy Gonzalez, Teamsters 856
13. Tom Escher, Red and White Fleet



June 25, 2018

Dear San Francisco Port Commissioners:

On behalf of the San Francisco Travel Association, which represents over 1,300 businesses, I am urging you to support the proposed improvements to the Alcatraz Embarkation (Piers 31-33). This project will result in a substantial public/private investment on the waterfront that will give visitors to our world-class city and this national park site a permanent gateway to Alcatraz.

The Alcatraz experience is a great example of a successful public/private partnership and remains one of the most visited attractions in San Francisco. The island, which attracts 1.8 million visitors annually, is also an important force of economic vitality for our city's number one industry, tourism. Tourism supports over 80,000 jobs in San Francisco and visitors spend over \$9 billion per year in our beautiful City.

The proposed Alcatraz Embarkation will significantly enhance the site's sense of welcome, interpretation and visitor amenities, as well as expand public access to the shoreline. It will make an important contribution to a seamless and high-quality visitor experience on San Francisco's historic waterfront between Fisherman's Wharf and the Ferry Building – and maintain an active maritime use on the city's shoreline.

The Alcatraz Embarkation project will offer new public and visitor amenities including a shoreline plaza, visitor seating areas, a visitor welcome center, interpretive exhibits and signage, weather-sheltered queuing areas for visitors, and a café. Combined, these features improve public access to San Francisco Bay, preserve and rehabilitate waterfront buildings, and enhance the pedestrian experience along the waterfront.



June 22, 2018

San Francisco Port Commissioners  
Port of San Francisco  
Pier 1, The Embarcadero, San Francisco, CA 94111

**Re: Support for the Alcatraz Embarkation Project**

Members of the San Francisco Port Commission,

As the voice of hospitality industry, the Hotel Council of San Francisco expresses its wholehearted support for the proposed improvements to the Alcatraz Embarkation (Piers 31-33) – a visionary project that has been developed by the Port of San Francisco, National Park Service, and Golden Gate National Parks Conservancy for more than five years. This project will result in a substantial public/private investment on the waterfront that will give visitors to the city and this national park site a permanent gateway to Alcatraz – one that matches the caliber of our country's most historic and scenic places.

Attracting more than 1.7 million visitors annually with \$175 million in total annual spending power, Alcatraz Island is an economic boon to our city and immensely important to San Francisco's tourism and travel industries. The improvements included within the Alcatraz Embarkation project are critical in continuing to drive this engagement, and creating a long-term home for embarkation fit with updated amenities will encourage public access to the shoreline, continued maritime use, and increase accessibility to this historic landmark for all walks of life.

The project has been designed by award-winning architecture and landscape architecture firms, and will offer new public amenities including a shoreline plaza, seating areas, a welcome center, interpretive exhibits and signage, weather-sheltered queuing areas, and a café. Combined, these features improve public access to San Francisco Bay, and enhance the pedestrian experience along the waterfront.

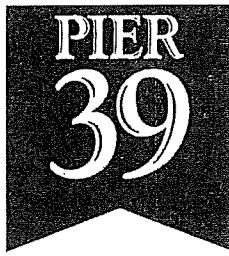
The Hotel Council represents the hotels in our city, and has been a constant advocate for San Francisco's robust tourism industry since 1987. We commend the National Parks Service, National Parks Conservancy, and the Port of San Francisco for putting together such a robust plan for improvement to the Alcatraz Embarkation site, a project we have no doubt will be beneficial to our many members and the city as a whole. Thus, we respectfully encourage the Commission to approve this significant project so that the public may soon begin to enjoy its many public benefits.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Carroll".

Kevin Carroll  
Executive Director  
Hotel Council of San Francisco





September 5, 2018

Members of the Board of Supervisors  
Budget and Finance Committee  
1 Dr. Carlton B. Goodlett Place  
City Hall, Room 244  
San Francisco, Ca. 94102-4689

Re: Alcatraz Ferry Concession Lease

Dear Committee Members,

I am writing to express my support to approve the lease between the Port and the National Park Service for the Pier 33 embarkation site to Alcatraz Island.

The importance of the 1.7 million Alcatraz visitors per year to the economy of the northern waterfront cannot be overstated. As importantly, the site at Pier 33 provides an opportunity to make significant improvements to Alcatraz Landing and to finally create a well-designed and themed experience for visitors to the Island.

It is important to PIER 39 that the Port retain the embarkation site for the Alcatraz Ferry on Port property.

Sincerely,

A handwritten signature in black ink, appearing to read "Taylor Safford", with a long, sweeping horizontal line extending to the right.

Taylor Safford  
President & CEO



August 31, 2018

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

**Re: Support for the Alcatraz Embarkation Project**

Honorable Members of the Board of Supervisors,

Bay.Org/Aquarium of the Bay is in favor of the proposed Alcatraz Embarkation Project for several reasons:

It will bring Enhanced Public Access to San Francisco Bay and Maintaining a Maritime Use, with a new one-acre public plaza with open views to San Francisco Bay.

- Increased visitor access to the shoreline on the plaza and adjacent walkways, extending the Embarcadero promenade.
- The retention of the maritime use of ferry service and greater access to travel on the SF Bay Enhancing the Appeal of the SF Waterfront to Visitors and Local Residents.
- Furnishings and site elements designed to align with Port of San Francisco guidelines.
- Retail and interpretive spaces designed with the same standard of excellence at other National Park sites, such as the Alcatraz Museum Store, the Lands End Lookout, and the Golden Gate Bridge Welcome Center Providing Economic Benefits to the Park Partners, the City, and the Travel and Tourism Industry.

Alcatraz Island, a top destination in San Francisco, according to SF Travel, U.S. News & World Report, TripAdvisor, TimeOut guides, Conde Nast Traveler, and more, is also ranked the #1 Landmark in the United States by TripAdvisor's 2018 Travelers' Choice Awards. Based on a 2014 economic analysis:

- The 1.7 million visitors to Alcatraz represent more than \$175M in total annual spending power - On the day of their cruise.
- Alcatraz visitors spend between \$43 and \$82 million annual in the vicinity of the Embarkation Site on meals, shopping and attractions.
- Visitor spending generates approximately 462 to 528 jobs in San Francisco and 534 to 1,075 jobs in the Bay Area region. For every dollar of spending, \$1.61 in total economic activity is generated in San Francisco and \$1.85 in economic output is generated in the region.



The Trustees of the Bay Area Conservancy  
1000 California Street, Suite 1000  
San Francisco, CA 94109-1000  
415.774.2000

Bay.Org/Aquarium of the bay full supports the Golden Gate Parks Conservancy  
and the Port of San Francisco's Proposed Alcatraz Embarkation Project.

Regards,

A handwritten signature in black ink, appearing to read "George Jacob", with a long, sweeping horizontal line extending to the right.

George Jacob  
President & CEO



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

September 6, 2018

Dear San Francisco Port Commissioners:

On behalf of the Exploratorium, I ask you to support the proposed improvements to the Alcatraz Embarkation (Piers 31-33). This project will result in a substantial public/private investment on the waterfront that will give the 1.8 million annual visitors to Alcatraz Island, as well as visitors to the Embarcadero, a high-quality, educational experience.

At the Exploratorium, our mission is to create inquiry-based experiences that transform learning worldwide and we look forward to having a site nearby that offers educational exhibits and a more engaging environment for visitors to the water-front. The proposed changes will significantly enhance the site's sense of welcome and bring more education opportunities to the area – offering visitors insight into the history of Alcatraz and San Francisco's waterfront, as well as the Bay Area's ecology.

The project offers many new public and visitor amenities that improve public access to San Francisco Bay, preserve and rehabilitate waterfront buildings, and enhance the pedestrian experience along the waterfront.

We encourage the Port Commission to approve this significant project for all its many public benefits and improvements that will enhance this highly visited area.

Thank you,

A handwritten signature in black ink, appearing to read "Chris Flink". The signature is fluid and cursive, with the first name "Chris" and last name "Flink" clearly distinguishable.

Chris Flink  
Executive Director