

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

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February 14, 2014

TO: All Commissioners and Alternates

FROM: Lawrence J. Goldzband, Executive Director (415/352-3653 lgoldzband@bcdc.ca.gov)
Sharon Louie, Director, Administrative & Technology Services (415/352-3638 slouie@bcdc.ca.gov)

SUBJECT: Draft Minutes of February 6, 2014 Commission Meeting

1. **Call to Order.** The meeting was called to order by Chair Wasserman at the Ferry Building, Port of San Francisco Board Room, Second Floor, San Francisco, California at 1:09 p.m.

2. **Roll Call.** Present were: Chair Wasserman, Vice Chair Halsted, Commissioners Addiego, Apodaca, Bates, Chan (represented by Alternate Gilmore), Chiu, Gibbs, Jordan Hallinan, Lucchesi (represented by Alternate Pemberton), McGrath, Nelson, Sartipi (represented by Alternate McElhinney), Sears, Techel, Vierra (represented by Alternate Doherty), Wagenknecht, Ziegler (represented by Alternate Brush) and Zwissler. Assembly representative Nadia Conrad-Huayta was also present.

Chair Wasserman announced that a quorum was present and that Wi-Fi was available for Commissioners. He asked that when not used to access materials that Wireless devices be set on airplane mode or turned off as they might interfere with the audio system.

Not present were: Santa Clara County (Cortese), Department of Finance (Finn), Contra Costa County (Gioia), Sonoma County (Gorin), U.S. Army Corps of Engineers (Hicks), San Mateo County (Pine), Governors Appointee (Randolph) and Solano County (Spring).

3. **Public Comment Period.** Chair Wasserman called for public comment on subjects that were not on the agenda. Comments would be restricted to three minutes per speaker.

Chair Wasserman recognized a card from John Coleman for public comment.

Mr. Coleman addressed the Commission: I wanted to thank Adrienne Klein for bringing to our attention the issue of abandoned vessels. We recently held a briefing on that with the Coast Guard and the various other agencies involved with it. As a result of this we are going to do a follow-up in April with enforcement of abandoned vessels, which is within your purview and an issue with many of you as well. And had she not come to us with that as an issue we wouldn't have done it and we found out it was an extremely popular subject.

We do have a half-day workshop at Pier 39 on ocean planning next week. It will deal with the regulatory issues with the maritime traffic and trade through the Marine Sanctuary. This could also have an impact from a dredging standpoint insofar as the disposal of dredged materials.



Making San Francisco Bay Better

**BCDC MINUTES
February 6, 2014**

4. **Approval of Minutes of the January 16, 2014 Meeting.** Chair Wasserman entertained a motion and a second to adopt the minutes of January 16, 2014.

MOTION: Commissioner Gilmore moved, seconded by Commissioner McGrath, to approve the January 16, 2014 Minutes. The motion carried by voice vote with no objections or abstentions.

5. **Report of the Chair.** Chair Wasserman reported on the following:

a. **New Business.** Does anyone have any new business to propose? The Chair received no comments on this from the Commission.

b. **Next BCDC Meeting.** Our next regularly scheduled meeting will be held on February 20th, here at the Ferry building, where we expect to take up the following matters:

(1) We will consider approval of a contract with NOAA for a Project of Special Merit Grant.

(2) We will have a briefing on the Bay Delta Conservation Plan or "BDCP."

(3) We will have a briefing on the state's Safeguarding California Strategy for adapting to climate change.

(4) We also expect to have a briefing on the cleanup of the Oakland Estuary.

Next Tuesday will be a kickoff meeting of a new Climate Readiness Institute which is being formed as a joint venture of University of California, Berkeley and University of California, Davis and Stanford. This is a great opportunity for these institutions to start to coordinate efforts on climate readiness. The focus is going to be on what can be done and not simply studying what the problem is.

Bruce Riordan and I will speak on some of the panels and we will report to you on that meeting and on their future actions.

John Englander will be here next week speaking in a number of locations and he is one of the leading spokesmen on rising sea level, the author of, High Tide on Main Street.

One of the things he has started advocating is that we talk about a sea level rise of at least three feet between now and the end of the century because we know that's going to happen.

I do have a late card for public comment from John Coleman of the Bay Planning Coalition. Chair Wasserman allowed Mr. Coleman to speak and when he was finished the Chair announced the conclusion of public comment as well as his report for the day.

c. **Ex-Parte Communications.** The Chair asked for any ex-parte communications from the Commissioners on matters that are before the Commission as a matter of application or hearing and not simply policy matters.

Commissioner Pemberton stated: I think I've had discussions related to the AB 1273 and the Warriors Arena.

The Chair moved on to the Executive Director's Report.

6. **Report of the Executive Director.** Executive Director Goldzband reported:

Well, BCDC has been in the news recently. We'll get to that in a minute. But there are a few things of note that we should cover first.

First – by now you should have received the current Form 700 Statement of Economic Interests issued by the California Fair Political Practices Commission. Your completed Form 700 is due back to BCDC no later than Tuesday, April 1st. Despite its due date that is no April fool's joke. Please let me know if you have not received yours yet.

On the budget front, we need to tell you that BCDC has been summoned to the State Senate Budget Committee's pre-hearing conference. BCDC staff has provided Senator Loni Hancock with proposed statutory language that would direct BCDC to lead a collaborative of state and regional agencies and local governments to prepare, with the Joint Policy Committee, a regional shoreline resilience strategy. Of course, that is what BCDC staff is doing now; this language would ensure that the regional strategy addresses a host of environmental, economic and public safety goals to ensure the wellbeing of Bay Area communities. The language that we have developed is almost identical to that which we proposed to the Administration last year.

We are pleased to announce that BCDC will be visited next Friday by Margaret A. Davidson, the Acting Director of Coastal and Ocean Programs for the National Oceanic and Atmospheric Administration – NOAA. You will remember that NOAA is our major funding partner for our ART program and the federal government's link to coastal zone management programs. Ms. Davidson was very impressed by the collaborative that is lobbying for changes to the WRDA legislation and wants to further those discussions. In addition, Ms. Davidson will participate in a learning session about ART and help us plan for its future.

You will remember that we have slated for a meeting during the next month an update on how we can ensure greater public access at the site of the former Napa salt ponds. Senior representatives of the California Department of Fish and Wildlife (formerly Fish and Game) and BCDC met last week and are working with all of our stakeholders on a plan that has, now, four separate options to gain such greater access. I want to commend Fish and Wildlife for its forthcoming, creative and collaborative work during the past couple of weeks. Our staff has also done some tremendous work in working with them. We are processing a permit extension to allow for the implementation of this plan and we hope that we shall have good news for you in the near future.

Of course, we can't let this report go any further without mentioning the Google Barge. I constantly remind myself of Arthur C. Clarke's admonition that newspapers in a utopia would be dreadfully dull. Sometimes, I wish that they were here as well. In front of you are two letters that merit your attention. The first is addressed to the Treasure Island Development Authority, a San Francisco city and county agency commonly known as TIDA, which operates Treasure Island through an agreement with the U.S. Navy, which has not yet transferred title to San Francisco. It states clearly that BCDC has not issued a permit for Pier 1 or its adjacent shoreline since 1987 when the Navy was in control of the property and that was a consistency determination. Hence, the activities at that site need to be permitted. BCDC has offered TIDA a number of ways to ameliorate the violation, including the removal of the barge and any associated construction materials to a fully permitted site.

The second letter is addressed to Google's outside counsel, Pamela Duffy, which describes staff's analysis of BCDC's laws and policies governing the possible functions of the barge. Suffice it to say that BCDC staff believes that the Commission will need to issue permits to Google and any other responsible parties should Google want to moor the barge at any location within our jurisdiction for an extended period of time, per the McAteer-Petris Act. And staff will work with the applicants to define what that period of time would be.

Upon further reflection, because we don't live in a utopia, maybe we should remember what Jerry Seinfeld observed about newspapers – that it's remarkable that on any single day the amount of news in the world can fit into the local newspaper. I want to assure you that TIDA has been a tremendous partner of BCDC and we look forward to working together. We will keep you informed on the process of this permit and of the enforcement action.

Let me end with some good news. Silvia McLaughlin, one of the three founders of Save the Bay and one of the leading forces behind the creation of BCDC, will receive a national award for public service, known as the "Jefferson Award." Ms. McLaughlin will travel to Washington, D.C.

early this summer to receive the award in a nationally broadcast dinner. That award is supported by KPIX, Channel 5. I would urge you all to go the Channel 5 website which has a marvelous interview and description of the award with Ms. McLaughlin.

That completes my report Mr. Chairman. I am happy to answer any questions anyone may have.

Chair Wasserman asked if there were any questions for the Executive Director. He received none and moved on to Administrative Matters of which there were none.

7. **Commission Consideration of Administrative Matters.** Chair Wasserman stated that there were no listings on administrative matters and he moved on to Item 8.

8. **Consideration of Authorization to Enter Into a Contract with the University of San Diego for a 2014 Sea Grant Fellowship.** Chair Wasserman announced that Item #8 was consideration of authorization to enter into a contract with the University of San Diego for a Sea Grant Fellow. Brenda Goeden will make the staff presentation.

Ms. Goeden presented the following: I am here to request your authorization to enter into a contract with U.C. San Diego to provide BCDC with a one year Sea Grant Fellowship. The Sea Grant Fellow Program provides a number of different types of agencies, 17 this year, throughout the state, with fellows who are recent graduates either with a Master's degree or a PhD with a fellowship program for one year so that they can learn about marine and estuary issues, how we translate science into policy and then into management decisions.

The fellows that we've had have provided invaluable benefits to the agency and provided us with expertise that we might not normally have.

The contract is for \$35,022.00 which is three-quarters of the fellow's pay for the year.

The staff recommends that the Commission authorize the Executive Director to enter into a contract with the U.C. San Diego under which the Commission will provide up to \$35,022.00 to U.C.S.D. to support a Sea Grant Fellow working with the Commission staff on continued efforts to develop a San Francisco Bay Regional Sediment Management Plan to address sediment supply, demand transport and process issues in San Francisco Bay.

The staff further recommends that the Commission authorize the Executive Director to enter into similar contracts for the Sea Grant Fellows in the future subject to available funding and to amend the contract, if it proves necessary, as long as the amendment doesn't require any substantial changes in the scope or the amount of the contract.

Chair Wasserman stated: Do I have a motion?

MOTION: Commissioner McGrath moved this item.

Commissioner McGrath made the following commentary: The current and former Executive Directors know that I have very high expectations of staff work. I work a lot on sediment issues and there's been very good work going on. I strongly support this proposal.

Chair Wasserman clarified: We need to make clear that the motion is for an agreement with the University of California, San Diego as opposed to the University of San Diego.

Chair Wasserman asked for a voice vote on this matter. He stated that the item passed unanimously and moved on to Item 9.

9. **Briefing on the Design Review Board and the Engineering Criteria Review Board.** Now we will take up Item 9, which is a briefing on the function of the Commission's Design Review Board and Engineering Criteria Review Board. Ellen Miramontes will present on the DRB and Rafael Montes will present on the ECRB.

Ms. Miramontes presented the following: I serve as your Bay Design Analyst. I am a landscape architect and an urban planner. One of my roles is to serve as Secretary to our Design Review Board which is one of the Commission's advisory boards.

Today I'm going to provide you with a briefing regarding the Design Review Board. I will walk you through the policies and regulations which provide guidance for the Board and I'll share a few of the basics of how the Board works.

I'll show you some recent projects and some upcoming as well as some past projects.

First off, our Bay Plan states in the summary that the recommendations of the Board are advisory only and are not of themselves grounds for denying a permit.

The Public Access findings and policies further state the Board was formed in 1970 and its role is to advise the Commission regarding the adequacy of public access proposed.

Our Appearance, Design and Scenic Views Policy Number 12 further states that the Board should review, evaluate and advise the Commission on the proposed design of developments that affect the appearance of the Bay.

Our regulations specify that the Board should consist of seven members and include at least one architect, one landscape architect and one engineer and further states its function and purpose.

The Board meets monthly as needed. They generally review all major permit applications. Exhibits and summaries are sent ahead for their review. Some projects receive multiple reviews.

The Board does not vote but they provide a series of recommendations. Meeting minutes are prepared. And for projects that lie within the Port of San Francisco, these are reviewed jointly with the Port's equivalent, their Waterfront Design Advisory Committee (WDAC).

Here are our current Board members and alternates. John Kriken serves as our Chair.

The Board reviewed the following projects recently: The Cruise Terminal and the Northeast Wharf Plaza at Piers 27-29, was reviewed several times by the DRB and the WDAC. For this project, the Board recommended removing proposed commercial buildings near Pier 23. They also recommended re-evaluating the provisioning so that a portion of the Pier tip would be available to the public at all times and they provided feedback regarding the fence along the apron in order to make it as transparent as possible.

A smaller project that the Board reviewed recently was the Bay Ship and Yacht proposed dry dock. The Board recommended widening and realigning the path and also gave some advice regarding the landscaping, the seating and some interpretive elements.

This Monday, February 10th, the Board will review two projects: one is Scott's Pavilion in Jack London Square where some changes are being proposed to the Pavilion and the second project is a residential project in Richmond at the Bottoms Property, a 60-unit project. On March 10th the Board will take a look at the Water Emergency Transportation Authority (WETA) Maintenance Facility in Vallejo as well as the Bay Trail alternatives that are proposed at the San Francisco Marina between Scott and Baker Streets.

Here is a list of past projects around the Bay that the Board has reviewed. You may recognize a couple of these.

If you have questions for me I'll answer them now.

Chair Wasserman inquired of the Commission: Are there any questions about this Board?

Vice Chair Halsted commented: I would like to let people know how important I think this function is and how effective it's been. We've had some of the best people in their fields working as volunteers for us providing guidance on how make many of these projects much better and to accomplish our goals.

I'd like to thank the members of the Board who work so diligently and thoughtfully.

Chair Wasserman added: I'm sure I speak for the whole Commission in echoing Anne and thanking the service of those of you who serve on the Board.

We will now move on to the Engineering Criteria Review Board known as the ECRB.

Mr. Rafael Montes addressed the Commission: I am the staff engineer for BCDC. I have two roles within the Commission. One of my roles is that I review engineering material for the staff. My second role is as Secretary for the ECRB.

I will explain to you today what the roles of the ECRB are and what the benefits are as well.

The ECRB is empowered by the section on the safety of fills in the Bay Plan. Basically, the ECRB was formed to advise the Commission on the safety of fills in engineering projects.

Also, the State Code of Regulations calls for the creation of the ECRB that includes civil engineers, one architect, one geologist and within the civil engineering field we have seismologists, structural engineers, coastal engineers and geotechnical engineers.

The safety of Bay fills addresses the physical hazards in the Bay. We know that there are very present physical hazards such as the earthquake of 1989 and the current floodings from king tides and whatnot that are impacting our structures.

One of the projects that we worked on was the San Francisco/Oakland Bay Bridge in 1989 needing repairs because of the collapse of one of the span sections. This prompted the creation of a new structure.

The second project was the Dumbarton Bridge on the south end of the Bay.

We have some of the best experts and minds in the field. Their volunteer work to the Commission is invaluable. Their review of projects helps minimize damage to property and it also serves to protect lives.

The ECRB process is very similar to the DRB except for the fact that they don't meet as frequently as there are fewer projects that require the review of the ECRB.

The ECRB reviews major fill projects. The Board meets as needed prior to issuance of a permit. Some projects come to the ECRB several times.

The minutes are voted on at the ECRB meetings. I give the ECRB at least two weeks for their review and comments before a meeting.

The Board votes to recommend approval of engineering criteria and this is very important to BCDC because they are the ones that analyze the physical hazards in relation to the engineering criteria that any applicant can show to the ECRB for review.

Dr. Roger Borchardt, the current Chair of the ECRB addressed the Commission: As Chair of the ECRB it's my pleasure to have this opportunity to say a few additional words about the Engineering Criteria Review Board.

The ECRB provides advice to the Commission according to the policies set up in the San Francisco Bay Plan and the Safety of Fills. It's strictly an advisory board that provides suggestions to improve the safety of major fill projects along the margins of San Francisco Bay.

The ECRB attempts to provide comprehensive reviews of these projects. We attempt to provide very comprehensive multi-disciplinary reviews based on a broad ranging set of experiences that the Board members have. The members bring a tremendous insight and knowledge on the development of safe structures to resist earthquakes and flooding. Having served on the Board now for about 22 years, basically, I've had the opportunity to be involved in the review of a number of projects including most of the bridges in the San Francisco Bay Area. I really feel that the Board has a very positive impact in the sense that it provides advice to the Commission but the other aspect of it is, it's very helpful to the applicants in that many of these projects are reviewed early on and help provide the applicant guidelines that early on in the project help avoid costly mistakes or redesigns later on in the project.

The Board has a positive impact from the point of view of public safety and is very helpful to the applicant. One of the policies in the Safety of Fills has to do with instrumentation and we try to make sure that there's appropriate instrumentation incorporated on the projects where it is appropriate and this is especially critical because it provides measurements of how the structure responds during a large earthquake event and as such provides information that is not available prior to the project and is available for improvement of future projects worldwide.

Chair Wasserman called for any questions or comments from the Commission.

Vice Chair Halsted commented: My prior comments pertain equally to this important function. I value your service and we thank you for your contributions.

Executive Director Goldzband stated: On behalf of the staff I'd like to say that it's amazing to really understand the qualifications of our volunteers. To say that they are outstanding is really an understatement.

They are volunteers and they do this because they believe in public service. They have a spirit about the Bay. They belong to this community and they want to improve it.

We think about that as staffers all the time because we want to make sure that the work that they do is meaningful, which it is, and we want to make sure that they enjoy the experience and think that they are contributing, and they certainly do.

They volunteer their time to do this important work and we really need to be grateful for that.

Chair Wasserman continued: And that brings us to the next item and I will turn the gavel to Ms. Halsted.

10. Briefing on Legislation AB 1273 (Ting). Vice Chair Halsted continued: The next item on our agenda is Item 10, a briefing on legislation AB 1273. Steve Goldbeck will present the information:

Chief Deputy Director Steve Goldbeck presented the following: Thank you Acting Chair Halsted. You have before you the language of Assembly Bill 1273 that is regarding a multi-purpose venue and arena proposed by the Golden Gate State Warriors to be constructed on Piers 30/32 along the San Francisco Waterfront.

AB 1273 was carried last year by Assembly Member Phil Ting. It was quite controversial and at a certain point the Commission opposed the bill unless it was turned into a two year bill to address the concerns you had. You also asked staff to work closely with the applicants to try to address the concerns and issues with the bill. The staff worked very closely with the Golden State Warriors' representatives, the Port of San Francisco and the State Lands Commission to try to work through the Commission's issues and try to get amendments that would address those concerns.

At the end of the day, the bill was amended fairly significantly and the Commission did not take a position on the final version of the bill.

We thought it would be important to walk you through what was in the final bill because it did become law January 1st of this year.

I'm going to go over the main provisions in the bill that are of interest to the Commission. The first part of this is in Section 6 where it authorizes the State Lands Commission to approve the development.

The original legislation made a legislative public trust determination. What the legislation ended up doing is directing State Lands Commission to be able to make that determination if it finds that it meets a series of conditions.

These conditions are definitely of interest to the Commission. The first is about the public trust. The project must be designed to attract people to the waterfront, to enjoy the waterfront and public trust uses of the Bay and the shoreline.

A big part of this is views. There are provisions in the bill providing for significant Bay views from various locations on the project, including from inside the concourse of the project and from portions of the venue itself.

It also requires that people be able look into the venue from certain locations.

It also provides that the project needs to minimize impacts of the project itself on views of San Francisco Bay and the shoreline.

There are multiple requirements regarding public access. Fundamentally, it has to be the maximum feasible public access consistent with the project as determined by BCDC.

It requires the inclusion of significant public plazas.

The project has to encourage public use, provide Bay views and also provide continuous public access around the perimeter of the project.

Commissioner McGrath enquired: I noticed the term, "substantially permanent basis." Was that part of the original legislation? Has it been used in any other legislative or legal determinations so we know what kind of a qualification, "substantially" has been interpreted to be?

Chief Deputy Director Goldbeck replied: I am not certain if the reference has been in other bills. I believe the point of it is that some of these areas may need to be closed down some of the time. There will be a cruise berth terminal at the end that might need to be closed down for security purposes or during events they may need to close down plazas.

The thrust of it is that it should be open for the majority of the time. You want most of the time for these plazas to be open.

Commissioner McGrath continued: So in respect to that you think we retain a fair amount of discretion in determining what, "substantially" might be? Chief Deputy Director Goldbeck answered: I think we do.

There is also a requirement for a maritime program. This also has to be consistent with your San Francisco Waterfront Special Area Plan.

There also can be a fireboat station on the north side of the pier, cruise ship or deep draft berthing on the Bayward side (or the east) side and also access for human-powered vessels or swimming on the south side.

It should also provide for water transit, ferries and water taxis and the like.

On the pier itself and interior to it, the non-maritime office space is limited to 70,000 square feet which in a large venue like this is not a lot.

The retail space is limited to trust retail except for “venue supporting retail” as defined in the bill, you can think Warriors apparel and those kinds of knickknacks, limited to 10,000 square foot per store and a total of 20,000 square feet on the entire project.

Parking was a big issue. The SLC believes it can be a public trust use when it is used to get to the waterfront and enjoy the waterfront. This provision discourages commuter parking just for people to get to their jobs or for residential parking of people living nearby.

It also requires public trust events, at least 15 per year, three of which have to be in the venue and have to be at a low cost or no cost to the public.

Also a community meeting space needs to be included as well.

A big concern of the Commission is sea level rise. The project has to include a plan to address sea level rise through 2050. It also has to have enforceable adaptive management strategies through the duration of the term of the ground lease for the project.

This is somewhat like your climate policies requiring projects to build to 2050 and to have an adaptive management strategy through end of century, or the life of the project.

There are other required actions that State Lands has to find. The project has to completely go through CEQA and have all local approvals and have submission of the major permit proposal to BCDC.

It has a couple of other requirements that were put in regarding the public trust. The project has to be otherwise consistent with the public trust and the development has to be in the best interests of the entire state.

Those are the lists of findings that the State Lands Commission has to do to make a finding of trust approval.

It has other things of interest to the Commission. In Section 6 it has a “good government” provision that says that BCDC and the State Lands Commission will work together closely as this project moves through and coordinate their processing of it and public hearings and the like.

There are also requirements for follow through if the project is approved and constructed to see if these things are being met; a report has to be given to the State Lands Commission and the potential to prepare an implementation plan if needed.

Section 7 removes BCDC’s determination of the consistency of the project with the public trust. It reserves it to the State Lands Commission. It otherwise affirms your ability to consider a permit for this project and all your laws and policies and to approve, deny, condition and enforce according to your laws and policies.

It also ratified and confirmed the 2000 amendments to the Special Area Plan and the Bay Plan concerning the San Francisco Waterfront.

The law has more conditions on parking. It requires that CEQA examine parking alternatives for the project. This addresses concerns about having the parking on the pier and the CEQA document needs to look at alternatives that involve parking or alternatives to parking off the pier itself.

It reaffirmed that you have the ability when you consider a permit to limit the parking to a minimum amount necessary and make sure it’s located under other uses and minimizes the impacts to views and public access and not affect public access along Herb Caen Way.

In addition to this, the project has to include offsite public benefits that would not otherwise be required in your permit process with a major permit.

This bill now requires that in addition to what you might find under your existing laws and policies, additional public benefits must be required outside of the project area.

And it provides for how these are to be developed through a public process by BCDC and the Port. BCDC has the ability to approve or deny the benefits through the major permit or by an amendment of the Special Area Plan to include them.

Commissioner McGrath had a question: Let's say that the Commission believes that the project and its footprint within BCDC jurisdiction is not fully consistent with the McAteer-Petris Act. This would provide that further benefits could be provided at another site either within or not necessarily within BCDC's jurisdiction that when taken as a whole could bring the project into conformance? Is that the intention?

Chief Deputy Director Goldbeck responded: There are two steps. I'm going to get to the second step. The first step is saying that, this project has to provide additional public benefits that when you look at your present law and policies, goes beyond what you would require for offsite benefits.

Even if you found that what was provided through the project was adequate to meet your existing law and policy, they need to provide additional public benefits. That is the first part. These will be developed through this public process jointly with the Port.

BCDC will determine whether those are adequate or whether to accept those either through the major permit consideration for the project or through an amendment of the San Francisco Waterfront Special Area Plan.

The second part is when you consider the permit application you may determine whether with these additional public benefits the project is consistent, on balance, with the Special Area Plan.

If you believe that the project is not consistent with the Special Area Plan as proposed by the project applicant, to bring it into conformity you could consider an amendment to the Special Area Plan. The project could also be amended to address the consistency.

What this new state law provides for is an alternate process where you could say, okay, we have the benefits that are provided through the project site itself, we have these offsite benefits; and when we look at those, and compare them to the Special Area Plan we find that this project is, on balance, consistent with the Special Area Plan.

The "may" is an important word here because the bill doesn't say that is what the Commission will do. It says, you "may" do that or you may decide not to do that. It is at your discretion.

Commissioner Gibbs had a follow-up question: In Section 7 and 8, it relates to the determination of the consistency of the project with the public trust. If I understand what you are saying here, prior to the passage of this legislation if the will of this Commission was to deny the project, we could have done so on the basis that it was not consistent with the public trust. Is that correct?

Chief Deputy Director Goldbeck replied: Correct.

Commissioner Gibbs continued: Now, after the passage of this legislation, your next bullet says, BCDC still retains the power if it is our will to deny the project but it has to be on some other basis other than consistency with the public trust.

Chief Deputy Director Goldbeck responded: That is correct.

Commissioner Gibbs opined: So theoretically BCDC is still a mandatory step in the approval and BCDC by itself, if it so chooses, could deny the project going forward.

Chief Deputy Director Goldbeck answered: Correct.

Commissioner Gilmore asked: There was something about the Special Area Plan. Did I hear you say that BCDC had the choice to amend the Plan to get the project in conformance with the Plan? In other words, there were two avenues for approving the project.

It was, the project plus these additional offsite enhancements could be determined to be sufficient. Or if there was the case where the project plus the enhancements weren't sufficient we could amend the Special Area Plan to achieve consistency.

Chief Deputy Director Goldbeck replied: It is always your ability to consider amendments to your Special Area Plan. This is part of your Bay Plan and you may amend it as you will.

You could determine that you don't want to just look at these public benefits and the Special Area Plan and go through this alternative process. You could say, BCDC believes this project is inconsistent with the Special Area Plan and in order for us to be able to approve it, we need to amend the Special Area Plan or you need to change the project so that it is consistent with the Special Area Plan.

Commissioner Bates joined the conversation: So following up on that point. It is your opinion that this project is subject to being approved under the existing Special Area Plan or does the Special Area Plan need to be amended to allow this project to go forward?

Chief Deputy Director Goldbeck responded: You would have to look at the applicable policies in the Special Area Plan in considering a permit application for this project. You need to find a project consistent with your your law and policies. So if you determine that it is not consistent with the Special Area Plan you couldn't approve it.

Commissioner Bates continued: But the Special Area Plan, as it currently exists, does not require an amendment per se for this project to go forward.

Chief Deputy Director Goldbeck responded: Well, when we have a project application before us we will compare it to the provisions of the Special Area Plan and bring you a recommendation as to whether the staff believes that it is consistent.

Commissioner Bates added: So it's possible that that could be the case.

Chief Deputy Director Goldbeck concurred: It's possible that that could be the case because we don't have an application in front of us. You will hear a project description right after my presentation.

Vice Chair Halsted asked: The timing of that particular determination, that would be made after the project had already been submitted and before other steps are taken?

Chief Deputy Director Goldbeck further clarified: In order to determine whether you believe that it is consistent you would need an application before you.

Commissioner McGrath had a follow-up observation: I'm just trying to think through the process and whether or not an amendment is required because an amendment requires a two-thirds vote. What I'm looking for is whether that hurdle has been lowered in some manner.

If a project is proposed which is not consistent with the Special Area Plan, but nevertheless, has an attractive array of public benefits due to offsite benefits, such that the Commission might desire to approve it; it would still have to go through an amendment to the Special Area Plan because of its inconsistency with the existing Special Area Plan which has already made one kind of balancing between onsite and offsite permits. Is that correct?

Chief Deputy Director Goldbeck answered: The alternative pathway that's laid out in the legislation says that, if you can find, when you look at these additional public benefits and the project, including its benefits and its impacts; if you can find that when you look at them all together, you believe that the project is consistent with the Special Area Plan, then you would not need to amend the Special Area Plan.

Commissioner McGrath added: So the standard remains, the Special Area Plan.

Vice Chair Halsted added: I think it would be 18 votes that would be required rather than two-thirds.

Chief Deputy Director Goldbeck continued his presentation: The bill lays out what some of these benefits might include, rehabilitating a Port historic structure, enhancement of Bay views by removing pier sheds, enhancing public pedestrian and bicycle access in the vicinity of the pier and obviously the benefits are not limited to those, but are examples of what the public process is supposed to address.

BCDC and the Port just happen to be currently engaged in a public process regarding public benefits under the Special Area Plan for the San Francisco Waterfront. This process was started before AB 1273. It isn't specifically about AB 1273.

We are attempting to honor the process that it had gone through and say, we're going to look at this again and see if we have the right mix of people and that they want to work with us on this and look specifically at potential benefits along the waterfront pursuant to AB 1273.

They're not completely different but we're kind of reconstituting the process.

Commissioner Zwissler had a question: Does a Port historic structure include properties that would be within the GGNRA, federal properties?

Chief Deputy Director Goldbeck responded: No. It would be within the area of the Special Area Plan. The GGNRA is north of that. There could be benefits that could be brought forward by the applicant to the project. But in terms of the Special Area Plan, that's what we're looking at.

I am going to conclude by saying that there are a lot of moving parts to this law and there's a lot of project features that are required. At the end of the day the bill did reserve the trust determination to the State Lands Commission subject to all the bill's conditions and it does require these additional offsite public benefits that you would not have without this legislation. It allows for this alternative process; whether you want to use it or whether you just want to set that aside.

I am happy to answer any other questions you might have and you are now going to have a briefing on the project itself.

Vice Chair Halsted stated: This is not intended to be a public hearing nor are we taking any position, it is a briefing. We have three people who have asked to speak on this matter but if they are really talking about the project their remarks should be made under Item 11. If they are talking about this bill, AB 1273, they could address them now. And then we'll have more time for Commissioner comments before we move on to Item 11.

First let me ask you Mr. Browne, if you're here to discuss the bill or the project? The project, okay. And Ms. Nadia Conrad? You're here to address the project, okay. Mr. Brad Benson from the Port?

Mr. Benson addressed the Commission: I am Brad Benson representing the city team working on the project. We have with us today, Ken Rich, who is the Acting Waterfront Projects Director for Mayor Lee.

I wanted to acknowledge that the debate over AB 1273 was, at times, very difficult. We really appreciated the level of effort by staff, by the Executive Director and by the Commission in terms of looking at it.

We do feel the Natural Resources Committees on both sides of the Legislature did a good job balancing the competing sides of the debate. We do believe that there's a clear roadmap to examine the project on a going-forward basis. We do look forward to engaging with BCDC staff over that public benefit discussion.

Vice Chair Halsted continued: Now back to the Commission. Are there further questions or comments? On Section 8 on parking, particularly, BCDC can limit parking to the minimum necessary. How is that determination of "necessary" proposed to be made?

Chief Deputy Director Goldbeck fielded the question: We would propose to do that through the major permit process. The staff has talked with and is working with the project sponsors, the Port, the State Lands Commission and others on this project and has been sharing concerns about parking all along and continue to work with them.

We will try to work with them as they continue to craft the project. It's through your major permit process where you'll determine what you believe is the, "minimum necessary."

Vice Chair Halsted clarified a point: So in the end we do have the opportunity to determine what we believe is, "the minimum necessary."

Chief Deputy Director Goldbeck answered: Yes.

Vice Chair Halsted called for further questions or comments. She mentioned that this was a complicated matter and would not get simpler. She moved on to Item 11.

11. Briefing on Proposed Golden State Warriors' Sport and Event Center. Vice Chair Halsted stated: We will now take up Item 11, which is a briefing on the design of the sport and event center proposed. Jaime Michaels will make the presentation and after that we will have some more discussion.

After Jaime's presentation we've asked the Warriors to confine their remarks to 25 minutes.

Ms. Michaels presented the following: On May 2nd of last year you received a preliminary briefing by the Port of San Francisco on the proposed Warriors Project. This briefing focused on an earlier design of the arena, retail and maritime uses and different public spaces of the site.

Since that time, the design has been refined and today you will receive a briefing on the current proposal known as Version 3.0.

To be clear, a permit application for the project has not been submitted. The Commission staff has provided comments to the City on the Notice of Preparation for its EIR for the project and is working with the Port staff and the project proponents to review design details and provide guidance related to your laws and policies.

Before bringing an application to you it is very likely that you will receive additional briefings on this project. We will keep you apprised of the project's status in the coming months.

I'd like to introduce Mr. Craig Dykers of Snohetta. He is the project architect.

Mr. Dykers presented the following: This is a very large and dedicated team and I feel privileged to represent the efforts that have been going on now for about two years.

During this time we have been working very hard with City and stakeholder groups as well as community groups, CAC, et cetera to align the project with many of the guidelines that you represented today.

The first thing I would like to point out is that the staff has asked us to focus on the current iteration of the design. The BCDC staff has gone through several iterations of the design with us.

We're happy to meet with the Design Review Board or any other Commissioners as necessary to discuss the project.

I do want to represent to you the part of the effort of our group has been focused on: remediation of the site, providing stabilization to the pier to ensure the life of the waterfront here in the Bay Area. We're very much focused on trying to create a useful place for the City and for those that visit San Francisco in such a way that it can be accessed by a wide and diverse group of people.

This is done in the context of understanding that there is no current or foreseeable way of managing the deterioration of this pier. Our efforts have been focused on addressing this particular issue as well as providing public access and providing a venue that will be widely enjoyed by the public alongside the water's edge.

One of the things that we do recognize is that despite the decay that occurs on the pier today, this particular spot in the City is real important because it allows wonderful views along the Embarcadero.

Very early on we decided to maintain these views. Our design in this very early conceptual sketch proposed to push the arena aside from the Embarcadero and frame this view so that there would be a new way of understanding the bridge in its context. This would also step down the mass of the Bay Bridge pylons themselves which currently are quite tall.

With an increased use by the public of this area we want to create a variation of scales of architecture. This is the core idea and we've stuck with it for quite some time.

In the final renderings of the Version 3.0 that same idea is strengthened. The arena is placed towards the east. As you're coming from north to south there is also an element of architectural scale that relates the buildings to the nearby historical pier structures.

One of the things that we have been doing is focusing on working with BCDC staff in preparation for this very important meeting today. We've had several sit-downs and several sketching approaches of conceptual developments of the project along with members of the Port and the City.

This sketch that I'm showing you now is one of the drawings directly from BCDC staff proposing ways in which we could adjust the initial iterations of the design to provide greater maritime access, greater access to the water's edge and remove mass from the project.

This drawing is the final iteration of the project as it is represented today. There is a desire to lower the central portion of the plaza areas at the center of the site, provide more access, widen them out of the northwest corner, reduce the girth of the building, lower the height of the arena, pull back as much as possible away from the edge of the pier so that there would be wider public access zones all alongside any locations of architectural structures. And so that is the sketch as we have it today.

We have more-or-less met many of the criteria that have been presented to us. We've also developed the landscape in more detail.

All-in-all, our main focus has been improving access to the site, creating a more inviting and useful place for different types of people for diverse groups and creating more park-like space which means, softer structures, places where people can lay and relax surrounded by vegetation in addition to the arena itself.

The retail has been rescaled in this latest version of the project. There are different types of park arrangements and more open space provided all alongside the arena and a reducing of the actual diameter of the building.

We reduced the program of the arena facility by 33,000 gross square feet. We've reduced pier structure as well. We've also reduced the scale and feel of the retail elements alongside the Embarcadero.

The Pavilion size has been reduced by about 33,000 square feet. The height of the arena has come down considerably from 135 feet to about 125 feet. This has been very difficult and costly work to reduce to these levels. It is a very efficient design in this regard.

We've increased the total amount of open space. It's about 60 percent of the site. We've increased the open space at pier level to about four acres.

We've minimized the retail areas and created more small-scale modules of retail.

We have lowered the plaza heights to make them more readily accessible from those that are at the street alongside the Embarcadero or walking along the pier's edge.

We've limited the amount of parking from 630 down to about 500 spaces. This represents about two percent of the capacity of the site. It is actually only 10 percent of the parking that's provided at the Oracle Stadium currently. It's a considerable reduction and we feel this is about the limit of what we think can create an efficient and operating environment for the site.

We've removed about 15,000 square feet of pier deck exposing that much space of water. We feel this will be helpful to you in your considerations for this project.

We've improved pedestrian and cyclist safety based on concerns presented to us by the City and BCDC staff. We've provided more pedestrian and bicycle access around the site as well as bicycle locations. We have about 1,000 spaces for bicycles.

Bicycle traffic has been directed in its traditional route along the Embarcadero and we've segregated pedestrian flow, vehicular flow and bicycles at this very important site in the South Beach area.

The northwest corner is a very valuable place on the site and we've been asked to make it more graceful and inviting. By moving vehicular access to the center we free up that northwest corner for people primarily.

We also reduced the entrance in the event plaza areas which are at the center of the site. Our goal was to create a design that didn't make the cars a primary feature of your experience. We wanted the cars to disappear and provide the priority of access to pedestrians and cyclists. So they're built into the design below these terraces. Those terraces are reached by a series of steps and ramps as well as access through the retail that lead you up to the event center.

At one time we were about 37 feet high at the low point and that's been brought down to 28 feet. That allows people quicker and more direct access to these raised terraces.

We deliberately created these raised terraces because this pier is really big. It's extremely wide, 900 feet by 600 feet. When you're standing in the middle of it it's very hard to see the water.

We've reduced the practice court height. This has been reduced from about 55 - 56 feet in height to about 37 feet. It is a significant amount of mass that has been reduced in this area to bring visitors closer to the water and also providing them an elevated viewpoint.

Overall, we've reduced the mass of the building by about 1.3 million cubic feet. That's roughly equivalent to the entire ground floor of the building that we're in right now.

The south stairs are more accommodating for public use. At one time we had more hardscape there. We've vegetated it and placed more lawns and softer space for people to enjoy this particularly sunny place on the waterfront.

We've also created a more interesting design for the southeast corner. We've removed the pier so that there's more water exposed to the sky. We've created a more family-friendly environment. This provides a wonderful little promontory that looks out towards Treasure Island.

The retail spaces have been redesigned to be more intimate. You can pass through these areas in a number of different ways. There are many ways to see the surroundings.

We've provided about 15 different methods of seeing the surroundings which is unique in this kind of environment.

One of the things, that is important here is to create and maintain sightlines to the Bay Bridge in the South Bay. One of the key features of the design has always been to allow for more ways to see the waterfront than currently exist.

We came under tremendous criticism by BCDC staff and others for the original design in terms of its view corridors. We worked quite hard to promote them and we found some very good points and we were able to open up significant views across the sight.

We placed a community room at pier level that looks to the most beautiful part of the site, to the south so it has access to daylight and it's not buried in the building.

There have been a lot of discussions about sightlines from the Embarcadero. This has been a key issue for us from day one and this is why we moved the event center towards the east and placed these low-level retail facilities alongside the road itself. The retail buildings define your frame of view. We are trying to maintain the lower buildings as the defining features of the site.

We've created this plaza to the south that opens up views all the way to the South Bay. It is possible between the existing pier structure and the arena to have a reasonable good view of those geological features as well as topographical features quite some distance away.

There is a considerable amount of focus placed on the activities inside being connected to the outside.

We're creating ease of access along the edge of the pier, newer ways of moving across the terraces, fewer retail and an open-air walkway.

At 88 feet over the water's edge you are able to have a dramatic view of all of the San Francisco Bay and the Financial District.

We suspect that for visitors to the City this will be a great place to orient themselves. There are a number of parking spaces as well as ADA access.

There are shortcuts through the area so you don't have to take the ramps if you are in a hurry. There are a number of crosscut stairs that are more efficient as you move in and out of the site.

We have increased the amount of open space and it is important to recognize that in addition to just increasing the amount of open space we have dedicated something like two miles of pedestrian bike routes in and around the site. So there are a lot of ways to move in and around this site that is free of vehicular traffic of any kind.

We've increased the amount of open space to 60 percent which is up by nearly 10 percent from our original design. A large percentage of this is at pier level.

I would like to say on behalf of the team that these are our feature areas. We've improved overall pedestrian movement and safety. We have limited the amount of support parking to the smallest amount we feel is workable. We've increased pedestrian and bike activity for the site quite dramatically. We've increased the total open space by about 40,000 square feet up to around seven acres of open space to the sky.

The amount of open space at pier level has been increased to a little over 25,000 square feet. We've worked really hard to decrease the program by five percent. It is perhaps one of the most efficient layouts for such a facility anywhere in the world.

We've decreased the event plaza height by 24 percent and the practice court height by 33 percent and that's the 1.3 million cubic feet of mass that has been removed from the site. We've also generated about 16,000 sq. ft., net pier removal which is opening more water to the sky.

We've increased dramatically the green areas on the site. We are proposing to stabilize the pier decay.

We've designed the facility in consideration to public transport needs as much as possible working with city officials so that the site is connected to MUNI, BART, Caltrans, TransBay and additional maritime transport facilities along the pier edge.

And most importantly, we're promoting pedestrian and bicycle traffic and access to this pier for the first time in many years so that people can enjoy an important part of the City and an important part of the waterfront.

Vice Chair commented: Your presentation was very respectful, quick and thorough. We'd like to listen to the public comment on this item. We have five people who've asked to address us.

Ms. Nadia Conrad-Huayta representing Assemblyman Ammiano spoke: I made a statement in May of 2013 expressing Assembly Member Ammiano's concerns about a number of unanswered questions and concerns about the proposed Warrior Arena Project.

Most of those questions and concerns still remain unanswered and we are now hearing that the project will attempt to circumvent requirements under the California Environmental Quality Act in an effort to speed up the timeline.

The building of an arena on the San Francisco Bay is a huge project that deserves a thorough and thoughtful environmental impact report to preserve not only the aesthetics of the San Francisco Bay skyline but the impacts on the Bay itself.

The EIR should also address communities around the Bay that will be both positively and adversely affected.

I'd like to reiterate some of the questions and concerns I have already addressed. Although the project is located near some public transportation hubs, there is no question that it will bring extensive auto traffic. How will this key issue be handled?

How in particular, will private and public transportation crises be handled in the perfect storm event where there is a large draw to the arena at the same time as a large event at the nearby stadium not to mention other potential conventions, parades and/or celebration?

What will the impacts be on those who live in the neighborhood? I'm concerned about the design's visual impact on the section of the waterfront that has been carefully opened up to the public.

I'm concerned about waterfront access. Any development should make some dramatic improvements in how San Franciscans and tourists can access a Bay coastal area that belongs to the people of California.

Construction is a big environmental question. Clearly, there will be environmental issues involved in the demolition of this area if left undeveloped. That is not a reason to overlook any potential environmental disruptions per a project as big as this.

Apart from the construction, I think that's imperative that we consider potential ramifications of the environment, that is; not only do we have to consider earthquakes as we always must in San Francisco, but we must also consider potential effects of global climate change of which we are increasingly aware.

If a high tide can lap at the Embarcadero now, what can we expect with the sea level rising due to polar warming and ice cap melting? Will this project accommodate for both of these potential issues?

BCDC is responsible for protecting and overseeing the use of our Bay front. I hope all these questions and concerns will continue to be answered and addressed before this project can proceed.

Mr. Jim Browne spoke before the Commission: I have a question. There are two integral parts of this project that I didn't notice being mentioned. That is the condo project and the hotel project. I would like to have that addressed by the sponsor.

Vice Chair Halsted responded: Mr. Browne, those are outside BCDC's jurisdiction and will be addressed by others.

Mr. Lawrence Stokus spoke: About Thanksgiving I sent each of you a two-part email entitled, The Warriors Project, Footprint on the Bay. I hope you had an opportunity to read it.

I am one of 163 people who live near Pier 30/32 who are organized to save the San Francisco Waterfront who oppose the location of this project.

For us, the issues are crystal clear. Number one, is rezoning. Zoning was put in place on Lot 330 and Pier 30/32 to encourage people to buy into what was just 20 years ago a neighborhood of tin warehouses where Clint Eastwood movies were made.

South Beach residential property is now the highest average cost per square foot of any neighborhood in San Francisco.

People spent five billion dollars to buy into just a few blocks near Pier 30/32. Now the Port, the City, the State Legislature and apparently even the Governor, seem willing to destroy our neighborhood in order to give away public land, the birthright of your grandchildren to private investors to profit on a one billion dollar project, one-fifth the value of our property.

Number two is the public trust. The building of this arena on Pier 30/32 is a clear violation of the public trust. An arena is not a primary maritime use. There are numerous land-based sites available in San Francisco on which to build an arena.

Furthermore, whatever advantages that the project would offer are wholly outweighed by the environmental and economic destruction of our neighborhood.

The BCDC was set up in 1965 to specifically stop Bay fills. This project will fill San Francisco Bay with four city blocks of concrete.

Many of the neighbors are frankly amazed that the BCDC has given this project any consideration at all and just did not dismiss it out of hand as an unjustified Bay fill from the get go.

We will defend our neighborhood. You must defend our Bay. The Legislature and the Governor has stripped you of some of your powers in this case.

We will stand beside you. Our Bay must be protected. Benjamin Franklin said, "You have a republic if you can keep it".

Mr. Dale Riehart addressed the Commission: I am a resident of South Park, part of South Beach. I've been there for quite some time.

For me the BCDC in giving up that final approval, it's like you've abdicated half your duty to protect the Bay. You have given it over to the State Lands Commission. You've worked with them. It's as though you've tried to move this process forward on behalf of the Warriors, on behalf of the Port and on behalf of the City.

The citizens of this City have no other voice except what is here that can protect the Bay for us. I am disappointed to where you've let this go. I hope that somewhere in the back end of this that you take some of those other options that you have and you work to protect the Bay not build the arena.

With regards to rehabilitating the pier, you're not. You're really just filling in the Bay as Larry said. You wouldn't have to spend that much money to do it if you would build something lighter and smaller and more amenable to the neighborhood like a park.

You may have removed 1.3 million cubic feet but you still have an arena that blocks the view. Making access to walk around your arena to see the same view that you can see right on the pier seems to me a little silly. It is also very expensive and unworthwhile for the neighborhood.

The traffic, the pollution, the water, the sewage, everything that goes with this is not going to be answered before anything would ever be built. It is simply a travesty to let this crushed can sit on the waterfront.

I am Jesse Blout with the Warriors Arena Team: I will address some of the comments by the representative from Assemblyman Ammiano's office.

There are four categories of issues that I heard. It was alleged that we are somehow circumventing CEQA. That is not the case. We fully intend to comply with everything that CEQA requires of this project. In fact, I would argue that we are in the middle of one of the most complex CEQA documents the City will see in a long time analyzing over 50 intersections, analyzing a number of variants and analyzing two offsite alternatives. We are going to have a very robust EIR coming out this summer.

As part of the retrofit of this pier we're actually removing more pier fill, Bay fill than we're installing in the way of new piles. There has been some misunderstanding out there that somehow we're pouring tons of concrete in the Bay. Actually, in fact, we're removing more concrete from the Bay than we will be putting in as part of the retrofit of the pier.

In addition to that we're daylighting the Bay in sections by removing some pier deck. On top of that, the current condition on that pier is that storm water runs untreated directly off the pier edge into the Bay.

As part of our project and as a part of that network of seven acres of open space we're going to be proposing to build bio-filtration systems and other sources of onsite treatment so that storm water runoff will be treated before it's either discharged into the city system or into the Bay directly.

I think that from all accounts, when you look at it on the facts we're improving on a net basis the quality of the Bay as part of this project.

On sea level rise which was brought up, we are proposing to retrofit the piers to ensure that the pier deck as it is reconstructed is constructed at a height above the projected worst case 2050 sea level rise projections.

We're also designing the pier structure that goes within the Bay to be able to withstand any additional wave forces associated with increases to sea level rise beyond 2081.

In addition, we're installing adaptive reuse strategies to address sea level rise into the next century including looking at adaptive strategies such as raised floor to ceiling height levels to accommodate future needs to increase floor height levels.

The last issue on transportation, suffice it to say with the Warriors will be making an investment of nearly one billion dollars in this project. The traffic situation is important to the Warriors as it is to everyone else. We're working closely with the neighbors, with our city partners and with BCDC to ensure that adequate investments are being made.

There is an issue with the Embarcadero right now. Our project has launched a very important conversation about the entire waterfront. The Mayor, the San Francisco Transportation Authority (MTA) are in the middle of a comprehensive waterfront transportation assessment. This process has involved numerous community meetings as well. They are going to be issuing recommendations for long-term investments in the waterfront transportation system from Pier 70 to the south all the way up to King Street in the north.

It will involve looking at not just what is already coming in the way of investments but what additional investments can be made to improve the waterfront transportation network. We're supportive of that effort.

In addition, we'll have our project's specific mitigations that will be identified as part of the EIR.

Finally, we're developing our own transportation management plan that specifically looks at how to get people from the site including how to incentivize transit and other modes, non-car modes of transportation as well as very interesting parking intercept strategies to keep cars as far away from the waterfront as possible.

I am happy to answer any other questions you might have.

Commissioner Bates had a question: It's been reported in the newspapers that the cost of this project has gone up substantially?

Mr. Blout answered: That is correct.

Commissioner Bates continued: How is the financing going to take place?

Mr. Blout responded: When we first came into this we estimated the pier retrofit to be about 80 to 90 million dollars. We have since done a lot of engineering and design work and a lot of due diligence. Our current cost estimates put the pier at about 180 million dollars to retrofit.

The way in which the pier gets paid for is an area where it hasn't been always reported completely accurately. The Warriors are obligated to expend all 180 million dollars to repair the pier. It's the Mayor and the City, subject to approval by the Board of Supervisors, committed to allowing us to recover up to 120 million of that 180 million through three principal sources.

One is the transfer of the sea wall lot across the street, Sea Wall Lot 330 which is estimated at 30 million dollars, appraised at 30 million dollars.

Rent credits which are offsets to the rent. The present value of the future rent credits was estimated at 30 million by an appraiser. So that's 60 together.

And then the final 60 million of that 120 is what we call, infrastructure financing district financing which is a version of a redevelopment financing, where property tax revenues from the development would be available, about two-thirds of the property tax revenues, to be reinvested to pay back for infrastructure, in this case the pier.

A bond could be issued against those future property taxes and allow us to be paid back for a portion of the infrastructure.

Because the pier is costing 180 million and there's only 120 million dollars in these four revenue sources, the Warriors would be subsidizing the pier construction to the tune of 60 million dollars in addition to the 40 million dollars worth of parks that we would be delivering as part of the project.

Commissioner Bates commented: That is quite admirable of the Warriors to spend that kind of money without expecting any sort of return on their money. Is that correct?

Mr. Blout replied: That is absolutely correct. We are going to be writing a check for the balance, which includes the balance for the pier plus the parks, about 100 million dollars just between those two issues.

Commissioner Bates added: Will the financing include the condos and the hotel?

Mr. Blout answered: Yes, that is the proposal. We've encompassed just the sea wall lot across the street and the piers themselves.

Commissioner Bates stated: That means the City of San Francisco would not realize the increase assessed valuation. It would be plowed back into the investment. Right?

Mr. Blout responded: Correct, but it is a, "but for" source, it doesn't exist today.

Commissioner Bates continued: It is a financing mechanism that's worked. The City has to make those decisions.

Mr. Blout clarified the following: This has sometimes been misreported. The owners are not relying on any subsidy or any financing from the City for the arena. It will be 100 percent privately financed.

Commissioner Zwissler commented: I am curious about the parking ratio that you mentioned. You mentioned 500 spaces. It was 10 percent of what's at the Coliseum now. How did you come up with that? Does that include offsite parking?

Mr. Blout responded: We are proposing that 500 parking spaces be provided on the pier underneath the plazas and parks. The reference to the 10 percent is that at Oracle, the Warriors went and counted cars on numerous occasions in the last couple of years to find out how many people park at a sold out Warriors game. The average is about 5,000 for sold out games.

That is the reference point. We'll be reducing our parking specifically for the arena to 500. That is made possible, in part, because we believe this site would make this arena probably the most transit-oriented arena west of the Hudson.

Our proximity to BART, to Caltrain, to the new TransBay Muni right across the street, all of that together plus ferries and water taxis provided as part of the project make it a very transit-rich opportunity and it allows us to be comfortable with 500 parking spaces on the pier.

Commissioner McGrath commented: I have an unusual request of the staff. Providing public recreational areas in intense urban areas is an art not just architecture.

This is a very complicated site and a complicated area and there was a lot of material here today. I'm going to ask for a site visit and this would be helpful to the Commission. It would be useful to walk the site and to look at the views and also to look at two other sites which I think provide prototypes of what's been done in San Francisco both of which I think work pretty well.

One is the Exploratorium where there are free public uses surrounding it and they are attractive and inviting.

And then the area around the Convention Center at Howard and Second Street where there is intense public and commercial use and there are parks.

I think to have a sense of scale of how this compares to those, a site visit where we actually walk would be very useful. I'm going to make this as a suggestion and if you can accommodate it, I'd love to see it.

Executive Director Goldzband replied: We'll accommodate it but I don't know how yet. I don't know when yet, but we'll do it.

Mr. Dykers added: We have additional materials as well and we're happy to share them. I also wanted to point out that we're the architects of The Oslo National Opera in Norway which is a similar kind of design that raises people off the ground.

Commissioner Gibbs commentary: I wanted to follow up with Mr. Blout on the parking. The games at Oracle are basically over at ten o'clock. The other thing that is very clear is that you draw from the entire Bay Area.

It's one thing to take public transportation to a game and get there at 7:30. It's another thing, particularly if you're with your family, to try and take public transportation back to Novato, San Jose, Gilroy, Antioch or Dublin or something at 10:00. Can you just take us through the thought process of how 5,000 goes to 500 and it is still adequate for the purposes.

Mr. Blout responded: One of the things that I didn't mention is that it's not just the 500 on the pier itself, those are sort of, there's a lot of player parking and employee parking as part of that. When we looked at this site at the outset it was one of the biggest considerations when we started looking at this site versus another option.

One of the interesting things about this site is that within a 20 minute walk there are 16,000 publicly available parking spaces. There are actually not that many public available parking spaces within a few blocks.

What we like about that is it provides a resource to people that are driving whether they're from Novato or they have a large family or they're carpooling. It doesn't necessarily lead to the kind of acute impacts that you might see if your parking was right there, if you had 5,000 cars right within the vicinity.

We think that from that perspective it's a very interesting dynamic. A lot of the publicly available spaces are in either public garages or garages that empty out in the evening hours. There's a lot of synergy with the existing parking users there.

In addition to that, the Warriors intend to take it one step further which is that we're really going to innovate in this area in developing a parking intercept strategy that's integrated with our ticket sales process so that if you're a customer and you're going online to buy your ticket you're going to be given the opportunity to put just parking.

As part of that opportunity we're thinking about congestion-management type strategies where you can incentivize people to park further away from the site through price or to even carpool and give discounts based on more than one person being in your car when you show up at that parking lot.

There's a lot of ways to innovate to take advantage of the parking resources knowing that people will drive but also to manage that parking and intercept that parking before it gets close to the Embarcadero.

Vice Chair continued the meeting: I think it's been a very interesting and stimulating presentation and there's a lot more to come. I think we have nothing more to add on this subject at this time. We are at the end of our agenda and I would entertain a motion and a second to adjourn our meeting.

11. **Adjournment.** Upon motion by Commissioner Nelson, seconded by Commissioner Gibbs, the meeting was adjourned at 3:17 p.m.

Respectfully submitted,

LAWRENCE J. GOLDZBAND
Executive Director

Approved, with no corrections, at the
San Francisco Bay Conservation and
Development Commission Meeting
of February 20, 2014

R. ZACHARY WASSERMAN, Chair