

To: Jesse Blout, Principal, Strada Group

Jennifer Matz, Director of Waterfront Development, OEWD

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From: SPUR Task Force on Piers 30-32 Arena Proposal

Date: October 4, 2013

Re: SPUR Position on the Piers 30-32/SWL 330 Arena Proposal

SPUR has formed a Task Force to evaluate the proposal of the Piers 30-32/SWL 330 Arena Project, its intent to contribute and enhance the vitality of city life in San Francisco and its potential for creating impacts that may have significant city policy and fiscal implications. The goal of the SPUR Arena Task Force is to evaluate this project according to criteria related to land use, public realm interface, building design, environmental impacts, community benefits and fiscal matters. We are seeking a combination of excellent planning, design solutions and an overall viable project so that the project can become a net positive contribution to San Francisco, while being a successful venture for its sponsors.

The SPUR Warrior's Arena Task Force will review and provide comments on the project as it continues to evolve and more information becomes available. To date we have reviewed the preliminary designs provided by the project sponsors on May 2013. The Term Sheet, operational characteristics and other project information, such as community benefits, are not yet available for evaluation and will provide critical information important to this task force as it further considers the merits of the proposed project.

SPUR believes the EIR project description should include planning, design, operational features, as well as fiscal and financial characteristics as they affect project viability and consideration of project alternatives. That way, the EIR process could examine the best potential project for this location and could thoroughly review alternatives so that City decision-makers can conclude whether this project in this location is beneficial to San Francisco.

SPUR's comments below are limited and conditional since important aspects of the project are still to be resolved. As a result of our review and discussion to date, we believe that the project should achieve the following objectives:

1. Contribute to the vitality of the waterfront;
2. Contribute to the public realm and open space network along the waterfront;
3. Exemplify high quality architecture and urban design;
4. Appropriately respond to existing plans and regulations or provide reasonable rationale for changes;
5. Include a community benefits packages that addresses pressing social needs such as local employment while also addressing mitigations for potential adverse effects (if any) on the community;
6. Maximize the use of sustainable transportation modes, including public transit, bicycling and walking while minimizing conflicts between those modes and automobile transportation, and
7. Provide a net fiscal benefit to the Port and the City.

Land Use

The Task Force found three contexts for evaluating the land use suitability of the project: the Port of San Francisco Waterfront Land Use Plan (Waterfront Plan), the Bay Conservation and Development Commission's Special Area Plan for San Francisco and the San Francisco General Plan.

Formerly intended for maritime uses, the site was assigned a new array of uses when the Waterfront Plan was adopted in 1997. In the Waterfront Plan, for the rehabilitation of aging Port structures, Piers 30-32 and SWL 330 are identified as a “Waterfront Mixed Use Opportunity Area”. Other such Opportunity Areas include the AT&T Ballpark at the former Pier 46 location, the new Exploratorium at Piers 15-17 and the new James R. Herman Cruise terminal at Piers 27-29. According to the Waterfront Plan, acceptable pier uses in the Plan are maritime, open space/public access, commercial uses (including assembly and entertainment, museums, parking, retail, recreational enterprises, visitor services and wholesale trade). The Waterfront Plan includes provisions for Sports Facilities for up to 22,000 capacity, although does not designate Pier 30-32 for this use. (Waterfront Plan, pp.140-141, 146 Footnote) Acceptable SWL 330 uses are residential, assembly and entertainment, hotels, parking and retail. (Same source)

Since the Waterfront Plan, a development proposal was enabled by the State Legislature and approved in 2003 by the Port, the City and the Bay Conservation and Development Commission for the Bryant Street Pier Cruise Terminal Mixed Use Project, which included approximately 100,000SF cruise terminal, 325,000 SF offices, 190,000 SF retail and 243,000 SF of public access and open space, of which the ground floor public access covered about 33% of the site. Only one component, a residential tower housing 140 units was built on one-half acre of the approximately three acre SWL 330, although a full SWL 330 residential development program of 350 units was analyzed in the project EIR. By comparison, on the piers, the proposed arena and retail uses would amount to less building square footage and the amount of planned open space would be greatly increased. On SWL 330, new development

would be comparable to the entitled development program under the cruise terminal plan.

The BCDC Special Area Plan permits uses consistent with the Public Trust Doctrine and the Port's Legislative Trust Grant (the Burton Act) at Pier 30-32. In this context, an arena would serve as a major public recreation facility for paying guests and the 6+ acres of new plaza would act as complementary outdoor public open space and assembly use. The use of the eastern edge for ship berthing is also a permitted use. The relocation of the San Francisco Fire Department fireboat station from Pier 22-1/2 to Piers-30-32 is another part of the current proposal; it provides maritime uses. Although the arena's exterior public walkway and views and the planned open spaces are directly bay-oriented and the internal arena is not, the proposed uses appear to be in keeping with the uses allowed in the Special Area Plan.

In the San Francisco General Plan, urban design principles call for building height west of The Embarcadero to step down toward the water's edge. Similarly, the Waterfront Plan Design and Access Element says to step buildings down toward the waterfront. The allowable building height for SWL 330 is 220 feet at the western corner of Bryant and Beale Street, and 105 feet for the rest of the site. SWL 330 currently contains a residential building 220 feet in height. The proposed structures are 105 to 175 feet. The allowable building height for Piers 30-32 is 40 feet, so this project is inconsistent with that standard.

Transportation and Circulation

Viable land use planning should include well-considered plans for associated transportation and transit. The project site has substantial access to regional transit, including BART (six blocks away), Transbay bus service (five blocks away), Caltrain,

(seven blocks away), as well as local transit, including Muni metro (two blocks away). The capacities of this nearby regional transit system to handle additional peak hour demands generated by new projects like this one are not yet understood by SPUR's task force. In addition, the site is accessible by bicycle and walking.

The City is currently developing plans to enhance the transit network around this site, which will also serve other large projects under development along or near the waterfront, including South of Market, the SWL 337 Mission Rock development, Mission Bay and Pier 70. The City's intent is to derive funds for these transit improvements that would benefit the entire southern waterfront from the major developments that would be served, such as through arena event ticket charges. SPUR feels this is an appropriate strategy to address the increased usage on the waterfront. Creating sufficient levels of transit enhancements are critical to ensuring that most visitors access the site using sustainable transportation modes, thereby reducing conflicts between automobiles and pedestrians. The Project should be required to contribute to transit improvement funds.

The Waterfront Plan calls for Piers 30-32 uses that minimize the conflict with peak hour traffic. So far, the proposed project has addressed some of the concerns about traffic by (1) locating near and on public transit lines (as noted above) and (2) seeking to minimize parking spaces provided. The Project Sponsors have reportedly argued NBA officials down from 650 (check) parking spaces to 504 spaces. The EIR should fully examine the underlying rationale. The Task Force is not certain whether 504 represents the absolute minimum number of parking spaces that could be achieved here, and encourages the Arena proponents to evaluate whether fewer spaces would suffice, particularly given the site location. Other arenas nationwide that are richly served by transit have significantly less parking.

Parking being provided in the proposed project is enclosed below a major public plaza that also supports the main entry to the arena facility. There is one large curb-cut providing access to the below-grade truck docks and up to 504 parking spaces. Since each of the remaining bulkhead buildings along the waterfront has a huge vehicular entry, this proposed entry is not inconsistent in scale but, operationally, the arena would require far greater traffic volumes and greater frequency of truck and vehicular traffic. The garage entry is set back from The Embarcadero sidewalk to eliminate queuing that would conflict with Embarcadero sidewalk use or traffic circulation. The EIR should verify the project queuing assumptions.

Public Realm Interface and Promotion of a Pedestrian-Oriented Environment

Since the proposed project includes redevelopment of Piers 30-32 and most of Seawall Lot 330, it impacts both the public realm of The Embarcadero and the Rincon-South Beach neighborhood. On Piers 30-32, the project's proposed two-story retail components would be set back slightly from the broad Embarcadero sidewalk. We believe that the design of these buildings should create an animated streetscape edge for pedestrians and vehicular passers-by, and identifying appropriate retail uses that are year-round, day and evening serving is important for the public realm interface of this area. Buildings of this height echo the bulkheads buildings and, despite their proposed contemporary design, the Task Force believes it is important to create continuity in building scale along edge of the Embarcadero.

The SF Waterfront Plan, the BCDC Special Area Plan, as created by the state McAteer-Petris Act, define other the desirable qualities of the public realm along the waterfront. The Waterfront Plan and its Design and Access Element contain many guidelines for public realm interface. Based on our preliminary comparison of these

standards against the Arena Project, our primary concern is where vehicular access onto Piers 30-32 crosses the sidewalk along the Embarcadero. While limiting vehicular access to one location for trucks and cars and recessing the actual entry to allow queuing on the piers, the driveway is very wide and would pose conflicts for pedestrians daily and when crowds are coming or going to events. SPUR strongly suggests that parking departures after large events are delayed to allow most pedestrians to depart before the automobiles conflict with crowds leaving the venue. A Parking Management Plan is clearly called for and clear visual clues such as distinctive paving and/or a sound that alerts pedestrians are needed.

The McAteer-Petris Act requires that projects within BCDC's jurisdiction provide the maximum public access, consistent with the project. That objective is reiterated in the Waterfront Plan and the Special Area Plan. There is no public access at this time within the existing pier 30-32. The public access created in the project can provide a "PortWalk", as called for in the Waterfront Plan, that expands a continuous walkway through the Pier 30-32, that connects with the Embarcadero Promenade and other pier public access areas. There would also be varied public access opportunities, at grade and at various elevations, which would be open to the public 24/7 (except when a ship uses part of the open space for embarkation or arrivals). The Task Force believes that open space and access improvements for bay viewing and enjoyment proposed with the Arena Project would transform this site into a truly public asset.

As currently entitled and in this Arena Project, 105-175-foot buildings are planned for SWL 330. Given the existing 220-foot residential tower, the proposed new towers step down, at the allowable height, toward the water, as called for in the General Plan. It is important to note that the new buildings on SWL 330 and the Arena structure would diminish views from the residences and workplaces nearby to some degree. It should

also be noted that the General Plan as a rule does not protect private views and that actual plan approvals are subject to conditional use permits following public hearings. The Task Force is of the opinion that the distance of the Arena from nearby housing diminishes view blockage to the greatest extent feasible if a large public assembly structure is planned in this location. The proposed buildings on SWL 330 will need further evaluation, as more information becomes known.

The General Plan does seek to protect views from public open space and vantage points, including street corridors. The large scale of the Arena itself will diminish current bay views from The Embarcadero in this segment of the waterfront but not from the other local streets nearby. This is somewhat akin to the Ballpark which blocks views of the bay from The Embarcadero, Second and King Streets. A notable difference is that the Ballpark is placed at the edge of the roadway whereas the Arena is several hundred feet away. The result would be less bay-view blockage than if the Arena were at the edge of The Embarcadero.

The project has devised a response to the desire for a view down Main Street to the Bay, but it is only a clear view from street level up to twenty feet. Above that, a nine-story bridge connecting two structures is proposed. The Task Force believes that this violates the intent of maintaining open view corridors along streets and encourages the Project Proponent to find a way to make the uses in those two buildings work without building across the Main Street view corridor. No Bryant Street views would be affected.

Building Design

The overall design of the Arena is a departure from surrounding waterfront architecture. The arena structure could be an iconic structure much like the Sydney

Opera House on that city's waterfront. Its height and bulk do not blend in with its surroundings but rather create a clear building identity, in a high quality design idiom. The Task Force believes that such an unusual and attractive building is additive to the character of the San Francisco waterfront, so long as design excellence is ensured and quality materials are used.

One notable building feature is a wide, spiral outdoor public walkway on the building's exterior that ascends from the west side counter-clockwise around to the northeast side overlooking the bay and the city. This walkway breaks up and enhances the monolith dome shape and provides public access 24/7 to panoramic views of the city, its waterfront, the Bay Bridge and the Bay Area. The Task Force regards this as a unique and valuable public amenity.

The Arena itself does not engage with the street frontage; two retail structures do. Their siting does not interfere with views down Main, Beale or Bryant Streets. The two retail structures are set back slightly from the Embarcadero but hold the Embarcadero edge well enough and are of a height generally consistent with other pier structures. We want to encourage that the design of the retail structures reflect the high quality and character that has been invested in the Arena design. The smaller buildings should also exhibit high quality design and materials. With primarily glass facades on the Embarcadero edge, the Task Force believes these structures could contribute to an animated streetscape.

The three proposed buildings on SWL 330, as currently illustrated, are encased in reflective glass which we would discourage. Also, as stated above, a nine-story bridge blocks the long range view down Main Street and the Task Force believes it should be eliminated in its entirety.

Environmental Effects

The Task Force evaluated the proposed project against several environmental factors: respect for natural resources, open space climate considerations, contributions to our urban forest, as well as sustainable building design and technologies. This review does not attempt to encompass the comprehensive and thorough examination of environmental factors that the EIR will examine. It speaks, in general, about environmental values that are part of good urban design.

Respect for natural resources in this instance translates primarily to respect for the bay and achieving reasonable energy conservation and refuse recycling goals. The governing state Public Trust Doctrine and regional BCDC regulations seek to eliminate or minimize any new bay fill since fill impacts that aquatic ecosystem. Improvements to the piers will require additional piles, which add to bay fill but fill is to be removed from the Pier 22 1/2 area from which the SF Fire Department Fireboat Station is relocating to Piers 30-32. We were told net fill would be 0.1 acres. The Task Force supports the principle of minimizing new fill.

The proposed project includes over six acres of open space in a variety of forms on all sides of the Arena. This will undoubtedly create microclimates where the public can find sun, shade, sea breeze or shelter any given day. Open space areas are incorporated into the build-out of SWL 330. Groves of trees that would contribute to a greener city are planned in three locations on the piers.

The building is proposed to be built at the LEED Gold standard and with energy efficiency design features that exceed the energy code by 15%. Also, whereas stormwater from the piers currently runs directly into the bay, the proposed project

would treat 100% of its stormwater on site. The Task Force supports the achievement of these objectives.

Other Considerations

According to the Port, their financial planning assumes increases in property value and tax generation from the project as part of an Infrastructure Finance District which helps finance pier substructure repairs. This would suggest there are financial and fiscal benefits, but it would be premature to draw any conclusions since the Term Sheet is not public information at this time. SPUR awaits quantified financial estimates before evaluating whether this project is indeed financially and fiscally beneficial, considering all net costs to the City and Port.

There are also considerations pertaining to the amount and kind of proposed non-basketball uses allowable annually at the proposed arena and the effect of these on other sports and entertainment venues in SF. Programming and the associated intensity and frequency of use are other important aspects of project implementation that are not yet understood and are needed by SPUR to complete its evaluation of the project. Nor is the Community Benefits package that is normally part of a project of this scale available.

Summary

The Task Force wants ensure that the EIR analysis examines many of the issues raised above. It is important that the City offers more publicly appealing spaces and activities to San Franciscans and visitors that improve the vitality of key waterfront areas in sustainable ways. While it appears that considerable thought and care have already gone into aspects of the project design, despite the relatively short timeframe for project development, many unanswered questions remain about the project's design,

programming, operations, long term usage, financial/fiscal effects and environmental impacts. This project review letter serves as a review of the information that has been provided to the Task Force by the City, the Port and the Project Sponsor. The Task Force has identified above several components of the proposed project that require further analysis and should be revisited in order to make this a good and viable project for the waterfront. We will continue to monitor the progress of the project's design and entitlement process.

Sincerely,

N. Teresa Rea, Chair, of SPUR Task Force, Piers 30-32 Arena Proposal

Cc. SPUR Board of Directors

SPUR Task Force, Piers 30-32 Arena Proposal