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**Title:** PRESENTATION AND DIRECTION TO STAFF ON THE PORT MASTER PLAN UPDATE - DRAFT POLICY CONCEPTS REGARDING THE FOLLOWING TOPICS:  
 A) MOBILITY ELEMENT  
 B) ECONOMIC DEVELOPMENT ELEMENT  
 C) RESILIENCY AND SAFETY ELEMENT  
 D) NATURAL RESOURCES ELEMENT

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**Attachments:** 1. 16. 2017-0358 Attachment A

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**DATE:** August 8, 2017

**SUBJECT:**

**PRESENTATION AND DIRECTION TO STAFF ON THE PORT MASTER PLAN UPDATE - DRAFT POLICY CONCEPTS REGARDING THE FOLLOWING TOPICS:**  
 A) MOBILITY ELEMENT  
 B) ECONOMIC DEVELOPMENT ELEMENT  
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 D) NATURAL RESOURCES ELEMENT

**EXECUTIVE SUMMARY:**

Since 2013, the District has been evolving and improving a process, which we have all come to know as Integrated Planning. In short, Integrated Planning is a multi-faceted and comprehensive approach for managing and planning the uses and business of the District in a balanced way. Although Integrated Planning is an approach and philosophy that will permeate numerous plans and processes at the District, one critical and current focus area is an update to the District’s Port Master Plan. The first comprehensive revision in the District’s history, the Port Master Plan Update (PMPU) is a comprehensive, integrated, baywide approach that will modernize our method for land and water planning and serve as a guide for future uses and development of District tidelands. The PMPU will connect the tidelands through a series of networks and Planning Districts. It will control the allowable land and water uses, including the type and characteristics of development, recreation, and environmental conservation throughout the District’s jurisdiction.

At the July 11, 2017 Board meeting, staff presented a 2017 PMPU Public Engagement Timeline

(Attachment A), which included anticipated topics for focused policy discussions with the Board and additional public engagement events.

Based on the Integrated Planning Vision, including the Guiding Principles and Framework Report, and the draft PMPU Goals endorsed by the Board at this year's PMPU workshops, staff will present concepts to illustrate strategies and priorities that may take the form of draft policy language to be contained within the following PMPU elements:

- Mobility
- Economic Development
- Resiliency and Safety
- Natural Resources

Each of the above topics will be presented and discussed individually to allow for clarifying questions and interactive dialogue with the Board for each element. Although this PMPU item will take place during a regular Board meeting, staff's intent is for the structure of the discussion to follow those of the Board workshops held earlier this year. This approach will allow the Board to receive staff's presentations, hear from the public and stakeholders, and provide feedback to staff as the drafting of the PMPU progresses.

**RECOMMENDATION:**

Receive staff's presentation and provide direction regarding draft policy concepts for the:

- A) Mobility Element
- B) Economic Development Element
- C) Resiliency and Safety Element
- D) Natural Resources Element

**FISCAL IMPACT:**

Funds for work associated with the Port Master Plan Update effort are budgeted in Planning's FY18 Professional Services expense account (#620100).

**COMPASS STRATEGIC GOALS:**

This agenda item supports the Strategic Goals adopted by the Board in 2012. The Integrated Planning efforts, including the PMPU, will bring the District's current practices into conformance with best management practices with considerations of sustainable fiscal growth for the District and environmental stewardship while proactively enhancing assets on tidelands and benefits to the public.

This agenda item supports the following Strategic Goal(s).

- A Port that the public understands and trusts.
- A thriving and modern maritime seaport.
- A vibrant waterfront destination where residents and visitors converge.
- A Port with a healthy and sustainable bay and its environment.
- A Port with a comprehensive vision for Port land and water uses integrated to regional plans.
- A Port that is a safe place to visit, work and play.

- A financially sustainable Port that drives job creation and regional economic vitality.

## **DISCUSSION:**

### **Holistic Planning Through Public Engagement**

The PMPU process is in the third phase of a five-phase, five-year work plan. The five-phased work plan began with laying the foundation of the PMPU with acceptance of the Integrated Planning Vision Statement and Guiding Principles in the first phase, followed by acceptance of the Integrated Planning Framework in the second phase (collectively referred to as the “Integrated Planning Vision”). The phased work plan has allowed the PMPU team to continue to build a comprehensive update to the Port Master Plan from the ground up in a transparent and inclusive way that has included a balance of Board and public engagement throughout the planning process. This approach will continue with the 2017 public engagement plan, for the draft PMPU.

The summary below shows the five major phases of the work plan:

- **Vision Process: Guiding Principles (Completed).** The initial phase included a high-level assessment of District-wide assets and extensive public engagement resulting in a foundational Vision Statement and Guiding Principles for the entire Integrated Planning framework.
- **Framework Report (Completed).** The Vision Process was further refined through consideration of a core set of comprehensive ideas, memorialized in a Framework Report, that is informing the development of the Draft PMPU document.
- **Draft the Port Master Plan Update (In Progress).** The current phase involves drafting the “Draft PMPU” document, which will ultimately be comprised of goals, policies and maps.
- **California Environmental Quality Act (CEQA) Environmental Review (In Progress).** Creation of the draft PMPU will be followed by conducting the requisite “CEQA Environmental Review.” Preliminary environmental review work has begun.
- **California Coastal Commission Certification.** If the Board certifies the Programmatic Environmental Impact Report (PEIR) and adopts the PMPU, it will be processed for “California Coastal Commission Certification,” with minor approvals thereafter, including the Board’s approval of the PMPU as certified by the California Coastal Commission and lastly, the Coastal Commission’s approval of the final PMPU after the Board’s approval of the PMPU as certified by the California Coastal Commission.

All of these steps have or will require public input, stakeholder outreach, and agency coordination throughout.

### **Recap on the Draft PMPU Contents**

As a refresher, the draft PMPU is proposed to include six topical sections, or elements, that provide baywide guidance related to Land and Water Use, Mobility, Coastal Access and Recreation, Natural Resources, Resiliency and Safety, and Economic Development. Within each element, there are goals and policies being drafted consistent with the proposed draft table of contents endorsed by the Board at the July 22, 2015 Integrated Planning Study Session. The elements will also contain and address cross-connecting themes like environmental justice, climate change, and the Green Necklace. The PMPU team has utilized the robust public feedback obtained during the Integrated Planning process

as the basis for drafting the goals and policy language to be contained within the draft PMPU elements.

The PMPU is also proposed to contain ten Planning Districts, and application of the baywide goals and policies established by the six baywide elements will vary Planning District by Planning District, as appropriate. Each of the ten Planning Districts will contain more geographic-specific goals, policies, and land and water use maps intended to: 1) implement applicable baywide policies and 2) implement the land and water use designations within those geographic areas. The draft policies for each Planning District will build on the corresponding goals and will be more granular in nature than the baywide element policies. The draft policies, both baywide- and Planning District-level will be available for the Board and public's review during the 30-day Discussion Draft PMPU review period.

### **2017 PMPU Board Workshops and Completed Milestones**

The first of three Board workshops on the draft PMPU was held on March 9, 2017. Workshop No. 1 focused on the proposed organizational structure of the updated Port Master Plan, the proposed consolidated land and water use designations, and the draft goals for the Land and Water Use Element.

Board Workshop No. 2 on the PMPU was held on April 27, 2017, and concentrated on draft goals for the Mobility Element, draft goals for the Economic Development Element, and draft goals and draft land and water use maps for the ten Planning Districts.

On May 25, 2017, during Workshop No. 3 draft goals for the Resiliency and Safety Element, draft goals for the Natural Resources Element, and draft goals for the Coastal Access and Recreation Element, were discussed. Staff also presented preliminary draft PMPU baywide recreation open space acreage allocations.

Staff received considerable feedback from the public, stakeholders, and Board during these workshops, which is being taken into account as the drafting of the PMPU continues. Notably, completion of these three workshops resulted in clear direction to staff on all the draft PMPU element goals, which set the stage and context for upcoming policy discussions. Furthermore, as mentioned often during these workshops, drafting of PMPU materials discussed is iterative and the document will continue to be revised as staff receives public, stakeholder, and Board feedback.

### **PMPU Policy Concepts**

Based on the Integrated Planning Vision, including the Guiding Principles and Framework Report, and the draft PMPU Goals endorsed by the Board at this year's PMPU workshops, staff will present concepts to illustrate strategies and priorities that may take the form of draft policy language to be contained within the following PMPU elements:

- Mobility
- Economic Development
- Resiliency and Safety
- Natural Resources

As a part of the presentation, staff will be addressing the first set of PMPU elements, which are described below:

#### Mobility Element

The Mobility Element supports the District's land and water use strategy. The Element will establish goals and policies for goods and people movement within the District's jurisdiction, including land- and water-based systems, modes and locations supporting roadways, transit service, bicycle and pedestrian facilities, navigation, and shipping.

The objective of this Element is to develop and implement a mobility network of services and infrastructure addressing the needs of the public and the District's business functions. The District's mobility network should be coordinated with neighboring jurisdictions to support existing and future land and water uses and foster the efficient movement of goods and people.

This Element is intended to provide for a balanced network for all modes of travel throughout District Tidelands consistent with the following goals, as endorsed by the Board at the April 27, 2017 PMPU workshop:

- A safe, efficient, convenient, and environmentally sustainable system of multi-modal connections on land and water for the movement of people and goods to and from neighboring jurisdictions and throughout the District
- Flexible and coordinated mobility, parking, and wayfinding that:
  - supports multiple modes of access;
  - enables an economically competitive freight transport system;
  - aligns fees and revenue with infrastructure investments;
  - adapts to market changes and technological advances;
  - provides sustainability co-benefits, such as air quality and greenhouse gas emissions reductions; and
  - encourages stakeholder investment
- Provision and management of vessel berthing and vehicle parking through efficient site planning, strategic partnerships, and technological advances
- Improved multi-modal connections to the San Diego International Airport and attractions, activity, employment, and commerce centers on District Tidelands

#### Economic Development Element

The Economic Development Element's primary purpose is to support the District's growth in a manner that fosters economic vitality. The Element provides guidance to enhance the District's physical and fiscal capacity to: provide public benefits, services, and improvements; operate and maintain its public assets; support environmental stewardship; and contribute to the economic prosperity of the state and region. Policies to be contained within this Element will be consistent with the following goals, as endorsed by the Board at the April 27, 2017 PMPU workshop:

- A financially sustainable District that invests in and maintains the District's built and natural assets, public services, and security
- Thriving, efficient, and modern deep-water marine and cruise terminal operations that optimize the movement of goods and passengers and have local, regional, state, national, and international significance
- Priority land and water uses that contribute to the generation of commerce that supports the District's Mobility Element goals and sustained economic strength

- A diversified and growing economy that creates jobs and is a home for innovation in existing and emerging water-dependent and water-related industries
- A vibrant, internationally acclaimed waterfront that strives for excellence and is a destination for domestic and international tourism and recreational activities for the enjoyment of all people
- A financially prudent District that leverages public and private partnerships to invest in infrastructure and facilities strategically aligned with the District's mission and fiduciary responsibilities

### Resiliency and Safety Element

The purpose of the Resiliency and Safety Element is to provide guidance for the District to be resilient from natural hazards, specifically seismic, flood, or fire events. Resilience means building the ability of the District to “bounce back” after natural hazard events. For the District to be resilient, it requires planning, management, and prevention processes. When referring to safety, the emphasis is on public safety.

As endorsed by the Board at the May 25, 2017 PMPU workshop, policies for this Element will align with the following goals:

- Strong public safety execution, coordination, and communication with applicable local, regional, state and federal jurisdictions
- Integrated adaptive management intended to maintain Public Trust uses while minimizing risks to life and property in areas of potentially high seismic, flood, and fire hazard

### Natural Resources Element

The Natural Resources Element is intended to provide guidance for the protection, conservation, enhancement, and expansion of natural resources and to ensure compatibility with the District's mission on State Tidelands. The following goals endorsed by the Board at the May 25, 2017 PMPU workshop will inform the potential policies for this Element:

- Sustainable, interconnected, and biologically diverse native habitats within the San Diego Bay ecosystem
- Protected, restored, enhanced, or expanded conservation and habitat areas, which include opportunities for mitigation banking and adaptation to sea level rise
- Development and activities that respect, and are compatible with, conservation and habitat areas
- Healthy waters and ecosystems within the District that are swimmable, fishable, and farmable and optimize beneficial water uses
- Conservation and habitat areas that support and encourage ecotourism and compatible commercial activities

## Next Steps

September 12, 2017: Staff anticipates additional policy concept discussions with the Board at the upcoming September Board meeting. Topics intended for discussion include the Land and Water Use Element and Coastal Access and Recreation Element, along with policy concepts and draft land and water use maps for the ten Planning Districts.

October 10, 2017: The initiation of the Discussion Draft PMPU for a 30-day public review period is anticipated to begin after staff's overview presentation of the draft document to the Board at the October regular Board meeting. The release of the Discussion Draft provides the Board and the public an opportunity to review the entire draft PMPU document, including the introduction, element goals and policies, and Planning Districts, in a holistic manner. Note that written comments received on the Discussion Draft will be transmitted to the Board and reviewed by the PMPU team. These public comments and Board feedback may result in revisions to the Draft PMPU.

December 5, 2017: After the completion of the 30-day public review period, staff plans to provide an overview presentation on the updated Draft PMPU based on public review and comment and Board input to date. Staff will also request the Board's direction to use the Draft PMPU as the project description for the PEIR to be prepared for the PMPU pursuant CEQA.

CEQA and Coastal Commission processing: As a part of the environmental review process, it is anticipated the Draft PEIR will be circulated for public review in mid-2018 with the Board's targeted consideration of the certification of the Final PEIR and approval of the PMPU in early 2019. Processing of the PMPU with the California Coastal Commission is expected to take place throughout 2019.

As these anticipated milestones are dependent upon the direction received by the Board and the volume and complexity of comments received, the timeline may require adjustment as the PMPU process progresses.

Upcoming Public Engagement Events: The District will host a public engagement event on August 10, 2017 at the Port Administration Building to allow members of the public to discuss and provide feedback directly with PMPU team members based on the draft PMPU policy concepts presented to the Board. Two additional public engagement opportunities are planned to occur after the September and October 2017 Board meetings.

On-going Stakeholder and Agency Involvement: Throughout the planning process, the PMPU team has held, and will continue to hold, targeted stakeholder and agency meetings to gain feedback on the District's balanced approach to planning and policy development. The PMPU team has met on regular intervals to discuss the draft PMPU with internal District subject matter experts and staff from several local and regional agencies, including adjacent jurisdictions. Staff will continue proactive engagement with the Board, stakeholders, and the public as a way to advance a well-informed plan and to keep the PMPU on track; although, planning processes are not always predictable. As such, staff will keep the Board informed of any new or unanticipated issues as they arise, along with necessary updates or adjustments to the work plan.

### **General Counsel's Comments:**

The General Counsel's Office has reviewed the agenda sheet and attachments as presented to it and approves them as to form and legality.

### **Environmental Review:**

This item provides a presentation on the policy concepts for the Mobility, Natural Resources, Resiliency and Safety, and Economic Development elements of the draft PMPU. This presentation is informational in nature and is intended to give staff initial and preliminary feedback on the topics being presented. The item and any Board feedback does not constitute an "approval" or a "project" under the definitions set forth in CEQA Guidelines Sections 15352 and 15378 because no direct or indirect changes to the physical environment would occur. While the Board may request certain project components be included, alternatives studied or other direction, such direction to staff will not bind the District to a definite course of action prior to CEQA review. Additionally, Board endorsement of the policy concepts presented does not constitute a binding commitment to approve the PMPU or its contents prior to consideration of the PEIR. These components may be altered through the public engagement process, future Board feedback, and the CEQA process. Full CEQA analysis will be completed prior to the District's commitment to the PMPU of components thereof, in whole or in part. Moreover, the Board reserves its discretion to adopt any and all feasible mitigation measures, alternatives to the PMPU, including a no project alternative, a statement of overriding consideration, if applicable, and approve or disapprove the PMPU. Those decisions may be exercised in the sole and absolute discretion of the Board. Based on the totality of the circumstances and the entire record, the Board's direction and action do not commit the District to a definite course of action prior to CEQA review being conducted. Therefore, no further CEQA review is required.

In addition, this informational report allows for the District to implement its obligations under the Port Act and/or other laws. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, this informational report is consistent with the Public Trust Doctrine.

Finally, this informational report to the Board does not allow for "development," as defined in Section 30106 of the Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit (CDP) Regulations because it will not result in, without limitation, a physical change, change in use or increase the intensity of uses. Therefore, issuance of a CDP or exclusion is not required. However, the District's projects require processing under the District's CDP Regulations. If a project is formulated as a result of the informational report, the Board will consider approval of the project and any improvements associated after the appropriate documentation under District's CDP Regulations has been completed and authorized by the Board, if necessary. The Board's direction in no way limits the exercise of the District's discretion under the District's CDP Regulations.

### **Equal Opportunity Program:**

Not applicable.



**PREPARED BY:**

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Attachment(s):

Attachment A: 2017 Port Master Plan Update Public Engagement Timeline