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**Title:** PRESENTATION ON THE PORT MASTER PLAN UPDATE (PMPU), INCLUDING UPDATES REFLECTING CURRENT STATUS PRIOR TO THE UPCOMING FOUR-WEEK PUBLIC REVIEW PERIOD FOR THE REVISED DRAFT PMPU

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**DATE:** October 6, 2020

**SUBJECT:**

**PRESENTATION ON THE PORT MASTER PLAN UPDATE (PMPU), INCLUDING UPDATES REFLECTING CURRENT STATUS PRIOR TO THE UPCOMING FOUR-WEEK PUBLIC REVIEW PERIOD FOR THE REVISED DRAFT PMPU**

**EXECUTIVE SUMMARY:**

Since 2013, the District has been evolving and improving a process, which we have come to know as Integrated Planning. In short, Integrated Planning is a multi-faceted and comprehensive approach for managing and planning the uses 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 certified 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 water and land 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 water and land uses, as well as the type and characteristics of development, recreation, and environmental conservation throughout the District’s jurisdiction.

Development of the PMPU has followed a phased approach, first starting with a visioning process and followed by establishing a framework that would inform drafting of the PMPU. Beginning in 2017 and continuing into 2020, the Board of Port Commissioners (Board) conducted a series of workshops focusing on goals, policy concepts and draft water and land use maps for the baywide elements and planning districts. These discussions were intended to continue the District’s effort to front load development of Draft PMPU by proactively soliciting Board and public input to better inform

completion of a Draft PMPU. In turn, development of a publicly informed Draft PMPU would serve as the project description for a future Programmatic Environmental Impact Report (PEIR) in accordance with the California Environmental Quality Act and coastal consistency review in accordance with the California Coastal Act. The environmental and coastal review process pursuant to these California laws include opportunities for public input, including without limitation a public comment period, Board hearings and California Coastal Commission (Coastal Commission) hearings.

The PMPU Discussion Draft represented the first written draft of the PMPU and it was made available for a 90-day review period from April 30 through July 31, 2019. Additionally, both during and after the PMPU Discussion Draft review period the District held public outreach and stakeholder meetings to proactively solicit comments on the PMPU Discussion Draft. The PMPU Discussion Draft review period and companion public engagement events resulted in robust feedback on a broad suite of perspectives, opinions, and requests. The District received almost 4,000 pages of public comments from agencies, organizations, and individuals, as well as additional feedback during numerous meetings.

This informational presentation will focus on providing an update on the current status of the PMPU, as staff prepares to release the Revised Draft PMPU for a four-week public review period. The Revised Draft PMPU will be the second version of the Draft PMPU that will be publicly available for comment. Although providing advanced review of the Draft PMPU is not a legal requirement, it does afford the District the ability to receive input prior to the more standardized environmental and coastal review processes. With this agenda item, staff will provide updates on the current status Revised Draft PMPU to be summarized in the presentation, including updates on the phased conversion of Navy Pier to a park and the Central Embarcadero Subdistrict.

As a reminder, the development of the Draft PMPU is a work in progress and public input has and will continue to be an important part of the PMPU process. Input received to date has and will be used to help inform the scope and extent of revisions in the next version of the Revised Draft PMPU. The Revised Draft PMPU is anticipated to be available for public review in later this month.

### **RECOMMENDATION:**

Receive staff's presentation on the PMPU, including updates reflecting current status prior to the upcoming four-week public review period for the Revised Draft PMPU.

### **FISCAL IMPACT:**

Funds for work associated with the Port Master Plan Update effort are budgeted in the Planning Department's FY 2021 budget within the Professional Services expense account (#620100). Funds required for future fiscal years will be budgeted for in the appropriate year subject to Board approval upon adoption of each fiscal year's budget.

### **COMPASS STRATEGIC GOALS:**

This agenda item supports the Strategic Goals adopted by the Board. 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 while proactively enhancing assets on tidelands and benefits to the public. This agenda item supports the following Strategic Goals.

- 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:**

This agenda item focuses on providing an update on the current status of the PMPU, as staff prepares to release the Revised Draft PMPU for a four-week public review period. The Revised Draft PMPU will be the second version of the Draft PMPU that will be publicly available for comment. Although providing advanced review of the Draft PMPU is not a legal requirement, it does afford the District the ability to receive input prior to the more standardized environmental and coastal review processes. With this agenda item, staff will provide updates on the current status Revised Draft PMPU to be summarized in the presentation.

## **PMPU Background**

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

The PMPU process is in the third phase of a five-phase 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, stakeholder and public engagement throughout the planning process.

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

- **Vision Process: Guiding Principles (*Completed in 2014*)**. 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 in 2015*)**. 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.
- **Drafting the Port Master Plan Update**. The current phase involves direction from the Board for drafting of the “Draft PMPU” document, to be used as the project description in the PEIR and which will ultimately be comprised of goals, policies and maps.
  - Baywide Elements and Planning District Goals (***Completed in 2017***)
  - Policy Concepts and Water and Land Use Maps (***Completed in 2019***)
  - Additional Policy Discussion Topics (***Completed in 2019***)
  - Public review of PMPU Discussion Draft (***Completed in 2019***)

- Public review of Revised Draft PMPU (***Scheduled October 2020***)
- **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 PEIR and adopts the PMPU, it will be processed for “California Coastal Commission Certification,” with approvals during public meetings thereafter, including the Board’s approval of the PMPU as certified by the 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 Coastal Commission.

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

### **PMPU Discussion Draft**

The Port Master Plan (PMP) is the primary tool that designates water and land uses and guides development on District lands, tidelands and submerged lands. The PMP controls and regulates the allowable water and land uses, as well as the type and characteristics of development, recreation, and environmental stewardship throughout the District’s jurisdiction. The District’s existing PMP was certified as a whole in 1981 by the Coastal Commission and since then there have been many location-specific amendments, but never a comprehensive update.

The PMPU Discussion Draft was the first opportunity for the Board and the public to review the draft document in its entirety, including draft goals and policies as part of baywide elements and within planning districts.

### **Review Period for PMPU Discussion Draft**

At the April 30, 2019 Board Workshop, staff received direction from the Board to circulate the PMPU Discussion Draft for a 90-day review period.

During the 90-day review period, the District received nearly 3,000 comment letters, almost 4,000 pages of comments, from agencies, organizations, and individuals. More specifically, comment letters were received from 11 agencies, 42 organizations, and the remainder were from individuals. The comments were presented in general baywide themes and general planning district themes (with the exception of those related to the Embarcadero Planning District) and were discussed at the September 16, 2019 PMPU Board Workshop.

On August 4, 2020, a PMPU Board Workshop focusing on the North Embarcadero Subdistrict was held to seek Board direction on specific topics within that subdistrict, including development intensity between Ash Street to B Street, a regional mobility hub at the Grape Street Parcel, and the conversion of Navy Pier to a park.

### **Revised Draft PMPU**

The Revised Draft PMPU will address clarifications and comments received during and after the 90-day review period of the PMPU Discussion Draft, as well as incorporate specific direction received

from the Board at both the September 16, 2019 and August 4, 2020 PMPU Board Workshops.

The Revised Draft PMPU will be available for public review later this month and will be accessible on the District website.

Throughout the entire Integrated Planning effort, the importance of public outreach and stakeholder engagement has been a primary emphasis to help the District ensure the PMPU reflects the needs and desires of visitors to the waterfront and the community. Continuing the award-winning outreach and engagement approach for Integrated Planning, the Revised Draft PMPU will be available for a four-week review period. This review period is intended to support the District's transparent and proactive approach to planning that has been consistent throughout the Integrated Planning process, as well as provide 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.

### **Status Updates**

As part of staff's presentation for this item, updates will be provided on the status of two key topics and how they will be addressed in the Revised Draft PMPU.

Conversion of Navy Pier to a Park - At the August 4, 2020 PMPU Board Workshop focusing on the North Embarcadero Subdistrict, the Board formed a Navy Pier Ad Hoc Committee (Ad Hoc Committee) comprised of Chair Moore and Commissioner Merrifield. Since then six Ad Hoc Committee meetings have been held, which included representatives of the U.S.S. Midway (Midway) and/or District staff. Most recently, the Ad Hoc Committee attended a meeting with Coastal Commission staff to discuss policy concepts for a phased conversion of Navy Pier to a park, while allowing reduced public parking in the interim with public park improvements. Under the guidance of the Ad Hoc Committee, along with the participation of the Midway, substantial progress has been made on advancing a resolution to this complex issue. However, additional time is needed to arrive at a solution. The Ad Hoc Committee, with the support of District staff, will continue to work expeditiously towards finding an acceptable policy solution for Navy Pier and will keep the Board and the public apprised of this progress. The draft policy language for Navy Pier to be included in the Revised Draft PMPU will be determined as efforts continue.

Central Embarcadero Subdistrict - To date staff has received significant public and stakeholder input, as well as Board direction, on the drafting of the PMPU. At present and as will be reflected in the Revised Draft PMPU, staff has received sufficient direction on element policies, baywide standards, planning districts and subdistricts - with the exception of the Central Embarcadero Subdistrict.

The redevelopment of the Central Embarcadero Subdistrict is a complex undertaking in both size and scope. In order to ensure this subdistrict is planned in a holistic, integrated, thoughtful and collaborative way, significant planning work still needs to be completed, including additional review in coordination with California State Lands Commission (SLC) staff to confirm unique programmatic components proposed for the site are consistent with the Public Trust Doctrine.

To continue the collaborative and integrated process that has been foundational to the PMPU effort, it is important to advance the PMPU to the next milestone in order to carry forward the valuable and beneficial element policies, baywide standards, planning districts and subdistricts drafted to date in reflection of the public participation and input provided for the plan. Therefore, to keep the PMPU process moving forward, staff believes the best approach is to process a Port Master Plan Amendment for the redevelopment of the Central Embarcadero Subdistrict independent of the PMPU

process. Accordingly, the forthcoming Revised Draft PMPU will generally reflect on-the-ground conditions for the Central Embarcadero Subdistrict. This approach is supported by the California Coastal Act, which allows for a PMP to be partially amended or amended in its entirety. Additionally, 1HWY1, the selected development partner for portions of this subdistrict, is in agreement with this approach.

With respect to the status of 1HWY1's proposed Seaport San Diego Project (Project), the Project has evolved and timelines have shifted due to its complexity. However, 1HWY1 has been actively engaged and invested in making progress towards finalizing its development program for the Project that would allow for it to start environmental review as required under the California Environmental Quality Act. Additionally, the District and 1HWY1 continue to work collaboratively, including with the SLC staff on the Preliminary Public Trust Consistency Review currently underway.

### **Next Steps**

Board direction on this agenda item, as well as continued consideration of comments received on the PMPU Discussion Draft, will help inform staff on the scope and extent of the revisions to be completed in preparation of a Revised Draft PMPU. As noted above, based on the extensive amount of public comments received, especially related to planning districts, staff anticipates the next version of the Draft PMPU will be noticeably different from the PMPU Discussion Draft. In addition, there are other issue areas raised in comment letters that may warrant continued discussions with specific communities, stakeholders and interested parties. The Revised Draft PMPU is anticipated to be available for public review in Fall 2020.

### **CEQA and Coastal Commission Processing**

As a part of the environmental review process, it is anticipated the Draft Programmatic EIR will be circulated for public review in mid-2021 with the Board's targeted consideration of the certification of the Final Programmatic EIR and approval of the PMPU in late-2021. Processing of the PMPU with the Coastal Commission is expected to take place in 2022. As depicted in Attachment A, these anticipated milestones are dependent upon the direction received by the Board and the volume and complexity of comments received on the Draft Programmatic EIR; therefore, the timeline may require adjustment as the PMPU process progresses.

### **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 status update presentation on the PMPU. The item and any Board feedback do 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 policy concepts, uses and other 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 any revisions to the draft PMPU does not constitute a binding commitment to approve the PMPU or its contents prior to consideration of the PEIR. Board direction is needed to create the project description - a Draft

PMPU - to be studied in the PEIR. The PMPU 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 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:**

Jason Giffen  
Vice President of Planning, Environment and Government Relations

Lesley Nishihira  
Director, Planning

### **Attachment(s):**

Attachment A: Port Master Plan Update Timeline

<sup>i</sup> Recent awards for the Integrated Planning initiative include:

- 2018 Gold International MarCom Award, PMPU Public Outreach & Engagement (Category: Strategic Communications, Communications/Public Relations Communications Program) Association of Marketing and Communications Professionals
- 2018 Award of Excellence - Community Education/Outreach (Port Master Plan Update), American Association of Port Authorities
- 2018 (CAPIO) Excellence in Public Information and Communications (EPIC) Award
- 2017 Silver Bernays Award of Excellence for Community Relations
- 2017 National Environmental Excellence Award, National Association of Environmental Professionals
- 2016 National Planning Excellence Award for a Planning Advocate (Commissioner Ann Moore), American Planning

Association

- 2016 Silver Bernays Award of Excellence Public Affairs (Cook and Schmid), Public Relations Society of America
- 2016 Presidents Award (HKS Urban Design Studio/Randy Morton), American Institute of Architects San Diego