

## MEMORANDUM

April 2, 2008

**TO:** MEMBERS, PORT COMMISSION  
Hon. Kimberly Brandon, President  
Hon. Rodney Fong, Vice President  
Hon. Michael Hardeman  
Hon. Ann Lazarus  
Hon. Stephanie Shakofsky

**FROM:** Monique Moyer  
Executive Director

**SUBJECT:** Informational Presentation of the Seawall Lot (SWL) 337 Advisory Panel Review and Deliberations Regarding RFQ Submittals for Development of SWL 337

**DIRECTOR'S RECOMMENDATION:** NO ACTION, PUBLIC COMMENT ITEM

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### **Overview**

In October 2007, the San Francisco Port Commission initiated a two-phase developer solicitation process for Seawall Lot (SWL) 337, a 16 acre Port waterfront site located along the south side of China Basin Channel, generally bounded by Third and Mission Rock Streets, and Terry Francois Boulevard. This development opportunity also allowed for the inclusion of Pier 48 as an option; Pier 48 is adjacent to the northeast side of SWL 337. The Port Commission directed the creation of the SWL 337 Advisory Panel, to review the developer submittals and make recommendations for consideration and action by the Commission. The members of the SWL 337 Advisory Panel, listed below, represent City and community stakeholders, with knowledge and expertise in economic development, environmental protection, urban and architectural design, neighborhood and citywide policy and community interests. Their professional biographies are contained in Exhibit 4, Attachment A, hereto.

Ruth Gravanis, Chair  
Rod Henmi  
Tony Kelly  
John Rahaim

Paula Collins, Vice Chair  
Sarah Karlinsky  
Amy Neches

On February 14, 2008, four development teams responded to the first-phase Request for Qualifications (RFQ), which included a request for draft development concepts for the SWL 337 site; all four teams also included Pier 48 in their submittals. The four respondents presented their

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development qualifications and development concepts at the February 26, 2008 Port Commission meeting, and at an all-day public workshop on March 1, 2008. Both of these meetings were widely noticed and structured to engage a high level of public review and comment, and direct dialog with the development teams. In addition to these public meetings, the Port received comments from the public via the Port's website, letters, and the Port's Central Waterfront Advisory Group. All public comments have been shared with the SWL 337 Advisory Panel and considered in their deliberations. See **Exhibit 1** for a summary of the comments received.

The RFQ submittals included information to document each team's financial qualifications and development experience, in addition to the RFQ development concepts. The financial qualifications assessment was conducted exclusively by Port staff. Port staff took the lead for evaluating the development team qualifications, and the Advisory Panel was responsible for evaluating the development concepts. The objectives and criteria used for each of these evaluations were contained within the RFQ offering.

This staff memorandum reports the findings and scores of the Port staff and SWL 337 Advisory Panel evaluations of the RFQ submittals for public review and comment at the April 8, 2008 Port Commission meeting. It is anticipated that recommendations to the Port Commission regarding the development teams to be invited to participate in the RFP phase will be presented at the April 22, 2008 Port Commission meeting.

At the suggestion of the Advisory Panel, the development teams are referred to in the Panel's evaluation and in this report by the entity within each team that has the majority investment interest, which appears first in each team listing:

- Boston Properties, Kenwood Investments & Wilson Meany Sullivan
- Cherokee Company, Build Inc., UrbanGreen Devco
- Cordish Company, Farallon Capital Management & San Francisco Giants
- Federal Development, Lehman Brothers & Construction, Management and Development

### **Development Team Financial Qualifications**

The review of the financial documents and qualifications submitted by the respondents was conducted by Lawrence Brown, Port Financial Analyst. Mr. Brown was in contact with each of the development teams to review records and documents and ask questions regarding the scope and investment associated with the development concepts. In those discussions, it became apparent that all teams contemplated a development project that would cost approximately \$1 billion. Based on that project cost, it is Mr. Brown's belief that each team should provide an equity contribution of at least \$300 – 400 million, with the balance of the funding coming from debt financing. Mr. Brown thus conducted his evaluation within this framework. He has prepared a memorandum summarizing this review, attached as **Exhibit 2**, which concludes that all four teams have secured or have adequate access to the financial resources necessary to carry the type of development project for SWL 337 that the Port has requested in the RFQ.

### **Development Team Qualifications and Experience**

Port Planning & Development staff carried out the review and research to evaluate the development experience and qualifications of each of the four respondents. Staff shared a preliminary draft of its development qualifications assessment and discussed it with the SWL

337 Advisory Panel, prior to finalizing our review. Table 1 below provides a summary of that assessment, measured against the development qualifications criteria presented in the RFQ. An accompanying staff memo, dated March 18, 2008, provides additional narrative analysis in **Exhibit 3**.

In summary, staff found that the Boston and Cordish teams are the two strongest teams. The Cherokee team score came in third, reflecting their relatively limited experience with large-scale development projects. The Federal team was found to be the weakest of the four because none of the large scale or waterfront projects they cited to substantiate their development experience have been completed or entitled. See Table 1 below for more explanation presented by qualification criteria.

### **Seawall Lot 337 Advisory Panel RFQ Development Concept Review**

The Advisory Panel was responsible for evaluating the RFQ development concepts received from each respondent, measured against the SWL 337 Vision Statement and Objectives and Criteria as presented on pp. 23-30 in the RFQ. Together the Advisory Panel members represent a broad cross-section of expertise and interests, as was intended by the Port to ensure that development ideas for SWL 337 were reviewed from many different perspectives reflective of the Port's community stakeholders. In light of their own backgrounds, the Advisory Panel reviewed all public comments received by the Port prior to their deliberations on March 12, 2008. The Advisory Panel also asked follow-up questions of all the development teams, and received responses which were reviewed and considered in its deliberations.

The Advisory Panel's review and deliberations were detailed and extensive; the resulting report is attached in **Exhibit 4**. In summary, the Panel found that the Cordish and Boston development concepts were the two highest scoring proposals, and that both should be invited to participate in the RFP process. The point scores for the two teams are very close, but they reflect different strengths and attributes.

In the Boston proposal, the Advisory Panel responded positively to the neighborhood-scaled site plan, which the Advisory Panel believes is conducive to creating a vital, active pedestrian-friendly urban neighborhood. In addition, the Advisory Panel expressed strong positive support for Boston's proposed reuse of Pier 48, using the arts theme as a foundation for exhibits, performance events, galleries and commercial activities within the shed, to create a unique new way to attract people to enjoy the waterfront. The Advisory Panel did flag a number of concerns regarding shortcomings of the public open space component, and many questions regarding how housing for working artists could be effectively implemented and managed over the long-term.

In the Cordish proposal, the Advisory Panel embraced the "Great Lawn" and Waterfront Park at the north end of SWL 337 as the strongest major public open space element of the four team submittals. This open space was found to be highly responsive to the open space objectives and criteria in the RFQ, including the incorporation of water recreation activities, active and passive recreation and native vegetation and habitat area. The Advisory Panel also liked the juxtaposition of this park with the rehabilitated Pier 48. A main issue of concern to the Advisory Panel was that the amount, nature and intensity of the retail and entertainment uses in the development program could result in an environment oriented more toward regional and tourist

audiences, and less to local and neighborhood-oriented activities that are conducive to creating successful mixed use neighborhood districts.

The Advisory Panel found many weaknesses in the Federal team proposal. The Advisory Panel unanimously disagreed with Federal's concept of building several floors of parking, topped with open space and concentrated development in the proposed four towers. Despite the generous amount of open space acreage created by this approach, the Advisory Panel found shortcomings that outweighed the intended public benefits proposed by Federal. The elevated platform over the entirety of the SWL 337 site creates a disconnect from the waterfront that precludes the ability to optimize waterfront open space enjoyment, and blocks waterfront views from Third Street and other points west of SWL 337 within the Mission Bay area. Additionally, the Advisory Panel did not see in the arrangement of the towers and podium open space any clear design or programming that would create a sense of place that would attract people from outside of the development to come up to the open space from below. In general, the Advisory Panel did not believe that Federal's design concept was an appropriate development response for San Francisco, or for the SWL 337 site, and did not recommend that this team be invited to participate in the RFP.

The Cherokee team's philosophy and approach to development generated as much discussion amongst the Advisory Panel members as the development concept itself. The Advisory Panel understood and appreciated the import of Cherokee's approach to work with the community to collaboratively shape the development of SWL 337. However, this raised many questions about how serious Cherokee was about the development concept submitted for the RFQ. Of all four teams, Cherokee's proposal was the most conceptual and undeveloped. Some Advisory Panel members strongly disagreed with the merit of Cherokee's proposed division of the site into three large triangular blocks, and did not believe it created a desirable arrangement or scale of neighborhood development. There were other questions about the feasibility of creating one, and possibly two floors of underground parking beneath the entirety of the site. And yet, several Advisory Panel members also recognized and appreciated the imaginative and collaborative energy within the Cherokee team, and its "organic" approach to similarly work with the community to arrive at development that garners public support. Given the high level of public participation in San Francisco development projects, the Advisory Panel recognized that these skills are an important attribute for a developer, that factors into successful projects. Ultimately, four Panel members felt that Cherokee should be invited to participate in the RFP, and three did not. In light of this close vote, the Advisory Panel agreed that it should remain neutral and forward its findings to the Port Commission for its consideration and action as part of the Port Commission's decision-making process.

The total point score of the development team responses, based on the Port staff and Advisory Panel evaluation of financial capability, development qualifications, and development concepts is presented in the Table 2 below.

The Port Commission, staff, and Advisory Panel members wish to express their appreciation and thanks to all the development teams for participating in this RFQ/P process, and for their support and active participation in the public meetings and reviews. The level of information presented and exchanged, and the investment of time and resources has been extraordinary. It has fostered a high level of public understanding of this complex development opportunity at a very early

stage which the Port believes is essential to achieving successful development that is publicly supported.

**Table 1: SWL 337 RFQ Developer Qualification Scoring Summary**

		<b>Cherokee Company Build Inc. UrbanGreen Devco</b>	<b>Federal Development Lehman Brothers</b>	<b>Boston Properties Kenwood Investment Wilson Meany Sullivan</b>	<b>Cordish Company SF Giants Farallon Capital Management</b>
<i>Phase 1 Evaluation Criteria</i>					
<b>CATEGORY</b>					
<b>Entity and Team Experience</b>					
	Experience successfully developing a project of the type and scale envisioned in this RFQ and proposed by the developer.	<b>MODERATE</b> - Build does not have experience in development of mixed use projects of this scale. Cherokee has developed mixed use projects of comparable scale	<b>WEAK</b> - None of Federal's list of comparable mixed use projects has been completed.	<b>STRONG</b>	<b>STRONG</b>
	Ability of the development team to implement complex development projects effectively, as demonstrated by comparable projects	<b>MODERATE</b> -Build's projects do not have the scale of or complexity of their proposed project	<b>WEAK</b> - Federal has not yet shown the ability to implement comparable projects.	<b>MODERATE</b> - Has not clearly demonstrated expertise in implementation of arts centered project	<b>STRONG</b>
	Demonstrated understanding of local market and community issues, including local presence of development team, including major consultants.	<b>STRONG</b>	<b>WEAK</b> - Federal does not have experience implementing projects in the local area nor demonstrated an understanding of community issues.	<b>MODERATE</b> - Has not clearly demonstrated expertise in identifying the needs of the local arts community.	<b>MODERATE</b> - Cordish as the lead in entertainment development does not have local experience
	Understanding of the approval process and ability of developer and development team to obtain key approvals in a complex regulatory environment, as demonstrated by comparable projects.	<b>MODERATE</b> - Local projects have not completed their entitlements	<b>WEAK</b> - Federal has embarked on complex development projects but has not reached significant milestones comparable to the expected approvals for SWL 337.	<b>STRONG</b>	<b>STRONG</b>
	Prior success of developer with respect to architectural and urban design quality, quality of public amenities and historic preservation.	<b>STRONG</b>	<b>MODERATE</b> - Team development projects to date haven't yet demonstrated urban design/architectural quality; team's quality of public amenities and historical preservation is unknown.	<b>STRONG</b>	<b>STRONG</b>
	Clear lines of responsibility within the developer's organization on which the Port can rely during negotiations and implementation of the project.	<b>STRONG</b>	<b>WEAK</b> - Federal's principal is not local to the west coast and the assigned project manager's experience with projects of this scale appears limited.	<b>STRONG</b>	<b>STRONG</b>
	Experience of the developer to operate a project of the type and scale envisioned in this RFQ and proposed by the developer.	<b>WEAK</b> - The project team has demonstrated little operations experience.	<b>WEAK</b> - Federal's success in the long term operation and maintenance of properties is unknown.	<b>STRONG</b>	<b>STRONG</b>
	Prior success of projects developed and/or managed by developer with respect to economic performance.	<b>STRONG</b>	<b>WEAK</b> - Federal's financial success in projects of this scale is unknown.	<b>STRONG</b>	<b>STRONG</b>
	Clarity, comprehensiveness and completeness of responses to this RFQ/P and to any subsequent Port requests for information, and the generation of community support.	<b>MODERATE</b> - Cherokee's proposal lacks clarity in the economic framework especially with regard to the proposed sale of a portion of the site.	<b>WEAK</b> - Submittal lacks clarity in open space, land use and parking concepts.	<b>WEAK</b> - Submittal lacks clarity in open space and economic concepts.	<b>STRONG</b>
<b>Financial Capacity and Capability</b>					
	The financial capacity of the developer (including joint venture partners) to successfully undertake the proposed project.	<b>MODERATE</b> - Cherokee is team's only financial strength and appears to have access to adequate credit for SWL 337 concept; No financial information available for UrbanGreen Devco; Build's financial strength questionable for scope of SWL 337 project.	<b>MODERATE</b> - Lehman is team's financial strength and should be able to fund team's concept despite current market uncertainties; Federal's access to debt and other financing sources questionable.	<b>STRONG</b>	<b>STRONG</b>

**Table 2: SWL 337 RFQ Evaluation Score Sheet**

		<b>Boston Properties Kenwood Investment Wilson Meany Sullivan</b>	<b>Cherokee Company Build Inc. UrbanGreen Devco</b>	<b>Cordish Company SF Giants Farallon Capital Management</b>	<b>Federal Development Lehman Brothers</b>
<i>Phase 1 Evaluation Criteria</i>					
<b>CATEGORY</b>	<b>Max.</b>				
	<b>Weight</b>				
<i>Development Concept</i>					
Land Use	10	8.3	5.9	7.9	2.7
Open Space	10	7.1	5.3	9.1	2.3
Transportation	10	7.6	5.6	6.7	4.1
Character/Form	10	8.8	5.3	7.0	1.3
Economic	5	3.3	2.4	3.5	2.4
Sustainability	5	4.0	3.2	3.8	1.6
<b>Subtotal Development Concept</b>	<b>50</b>	<b>39.1</b>	<b>27.6</b>	<b>38.0</b>	<b>14.4</b>
<i>Development Qualifications</i>	<b>35</b>	<b>32.0</b>	<b>23.5</b>	<b>30.5</b>	<b>7.0</b>
<i>Financial Capacity and Capability</i>	<b>15</b>	<b>12.0</b>	<b>8.0</b>	<b>13.0</b>	<b>10.0</b>
<b>Total</b>	<b>100</b>	<b>83.1</b>	<b>59.1</b>	<b>81.5</b>	<b>31.4</b>

Prepared by: Diane Oshima, Asst. Deputy Director, Waterfront Planning  
Jonathan Stern, Asst. Deputy Director, Waterfront Development  
Phil Williamson, Development Project Manager

**EXHIBIT 1**  
**APRIL 8, 2008 PORT COMMISSION AGENDA ITEM NO. 9A**

**SEAWALL LOT 337 PUBLIC COMMENTS**

***Summary of Developer Presentations & Public Comments***

February 26, 2008 Commission meeting; March 1, 2008 public workshop; March 5, 2008 CWAG meeting; on-line/other public comments received

Updated: March 31, 2008

**KENWOOD DEVELOPMENT CONCEPT**

- Create a community designed to attract and retain artists, who are increasingly priced out of San Francisco
- Design new development that embodies a neighborhood scale reflective of established San Francisco neighborhoods
- Create a place for creative enterprise (studios, galleries, performance space and installation venues, recognizing that art can create a destination for locals, attracts visitors
- Neighborhood character thus derives from local roots, creative culture in San Francisco & Bay Area, and local-based businesses
- Major open space in the center of the development oriented to create a park extending east to between Piers 48 and 50, enabling art studios to activate and have direct relationship with open space, possible recreational activities in the water; however, our open space ideas are still evolving
- Pier 48 is ideal for artist studios, exhibits, art markets, special events
- Smaller block/grid plan allows flexibility in development phasing, different architectural styles but still maintains a coherent layout

**Public Comments:**

- Several comments supportive of creating a place for artists, arts
- Some question as to whether there is an expressed need for artists in this area
- Arts/artists as a major use would not give adequate income to the Port, but art should be included in the project.
- Questions about whether arts theme is too narrow a focus for a site this large
- Several comments supportive of smaller block sizes to create more intimate neighborhood scale, though questions about how it can interface positively with rest of Mission Bay
- More detail needed to know how development can be managed to actually be available to a variety of artists; who decides who is an artist? (Kenwood: Acknowledged that these are important details, which have not been defined yet)
- The live/work “artist” lofts developed in the 90’s did not get used for that purpose; how does the developer enforce eligibility requirements for artists to secure artist studio or housing?
- Question as to whether there will be 20% inclusionary affordable housing PLUS affordable artist housing? How much? Will it house blue collar workers?
- Can you assure that artist production processes will be compatible other developed uses
- Need stronger connections between the waterfront and development
- Some question whether above-grade courtyards/mid-block open spaces are desirable; successful (Daniel Solomon argued they are, in context of fined grain residential block size).
- Comments commending Kenwood/Meany for successful track record working with organized labor; Kenwood has committed to employ union labor in SWL 337 development
- Request for more information about auto circulation (Kenwood cautioned against over-building parking, and pointed out that development relies on/integrates T-line stop at Third/Mission Rock. At the same time, acknowledged Giants parking needs and stated ability to create up to 1500 more spaces if needed to meet ballgame demand)
- Question about Kenwood’s rationale for “iconic” green tower (Kenwood: to generate economic return and to incorporate green building and sustainability technologies in building design)
- How tall is the tower? (Kenwood: about 300 feet, with 10,000 sq. ft. floor plate). Should be located in southwest portion of site, to protect public views of Bay)
- The urban design and development strategy allows flexibility for development phasing, which is good.

- Explore further: a larger waterfront park that also serves adjacent neighborhoods; parking facilities to meet Giants needs; increased density and income-producing uses (e.g. offices, life sciences) to increase revenues to the Port.

### **GIANTS/CORDISH CONCEPT**

- Focal point is major public park/open space at north end of site, closing north leg of Terry Francois Blvd. Provides variety of features to reach down to the water/water recreation activities; promenade along the Bay edge; passive recreation on grassy area which is big enough to also be programmed for special events; integration of natural vegetations and some created wetlands
- Major, well-designed open spaces attract high use and appreciation of bay, like Crissy Field
- Performance and special event theatre/center for 5000 people; City needs venue of this size, away from more formal Civic Center (e.g. Herbst, Bill Graham Center)
- 400,000 sq. ft commercial/retail along a central street, linking parking garages at south end with open space; 790,000 sq. ft. office, 875 residential and hotel; take advantage of business/opportunity created with adjacent UCSF, Mission Bay; to create a mix of uses for 24/7 activity.
- 2600 parking spaces at south end of site, wrapped with retail/commercial, highly managed to shared use and availability to meet ballgame parking needs
- Pier 48 animated with indoor/outdoor events, opens out to plaza portion of the park
- Theater and entertainment uses mostly located at upper floors, reserving ground floors for commercial, neighborhood character

### **Public Comments:**

- Comments from Fisherman’s Wharf and Pier 39 that the amount of retail and entertainment uses would siphon business away from Fisherman’s Wharf (Giants pointed out this use program is a different offering than in Fisherman’s Wharf and could be complementary)
- What is the look and feel of this amount of retail and entertainment? What kind of retail tenants? Can Cordish conform to City preferences for local retail businesses? Is this model feasible? Yerba Buena Gardens retail/entertainment has been a struggle. Is this a 24 hour environment? How does that balance with new residential uses?
- Giants/Cordish proposal seems to have best responded to the RFQ.
- Several comments in support of creating music and performance venue
- Several comments supportive of northern location of public open space and its large size, and removal of northern leg of Terry Francois Blvd.
- Several comments supportive of park features that create water recreation opportunities, and wetlands/wildlife habitat
- Comment in support of including a dog park area
- Some concerns as to whether open space will be active, safe, and well-utilized (Giants indicated their intent to program uses frequently)
- Conference facility and event space in Pier 48 seems consistent with public trust objectives.
- Does the apparent emphasis on a mall/with destination entertainment consistent with creating a City neighborhood?
- Concern about overall density of proposed development being too high
- Does additional density translate in more revenue to the Port?
- How high are the towers: (about 300 foot residential tower with 10,000 square feet floor plate, 200 feet tall residential and office buildings)
- Incorporation of SOMA/Mission Bay block layout is good.
- Support for Cordish/Giants parking management plan
- Question as to whether the parking program does mesh with rich transit infrastructure in the area; in what way is Giant’s proposal more transit-first friendly than the other proposals?
- What is equity share among development partners?
- Concerns about poor relations between Cordish/Giants and building and construction trade councils
- Concerns about noise and impacts of outdoor concerts/entertainment on Potrero neighborhood

### **FEDERAL CONCEPT**

- Federal has lots of waterfront development experience, working with communities

- Development design oriented to creating major amounts of open space in response to public comments, but still also responsive to Port financial/economic requirements, and Giants parking needs.
- Resulting design creates up to four levels of podium parking (up to 28 feet above grade), overlaid with 11 acres of park and open space, and four towers of residential and office space. Ground floor includes theatre/performance space. Overall height is 16-22 floors including parking levels. Park area creates pedestrian space, which is separated from traffic/circulation at the ground floor. If Giants parking needs are reduced, less parking can result in lower parking podium. Open space along China Basin steps down to the water while the podium park features a great lawn with outdoor performance venues
- Pier 48 is included in the proposal. Use program while facility is subject to BCDC Seaport Plan is berthing, kayak/recreational water use; if freed from the Seaport Plan, event and meeting space uses, art studios

**Public Comments:**

- Will you work with union labor? (Federal: Yes)
- Supportive comments for separating pedestrian circulation from auto/parking circulation
- Concerns expressed about transition at the edge of development site up to podium levels; how does that affect usability and use of the open space? Will people go up there to use the park space?
- Podium height: won't it block public views of water area between Piers 48 and 50?
- Is it possible to create more at-grade public open space, and create some "hills" of more concentrated stacked parking?
- Doesn't appear that the project/open space interacts with the shoreline/water. (Federal: the greenspace created expands the necklace of open spaces along the waterfront)
- How does this open space provide features that "bring back real nature"? How does it relate with the bay ecosystem?

**BUILD CONCEPT**

- Build took a "bottom up approach to analyzing the site; the development concept is a set of initial ideas that are still evolving, requires community dialog (which Build embraces) which may lead to potentially major changes in the site plan.
- Build worked with a large group of architects to develop a site plan, development of specific buildings and blocks is intended to be created by different architects, to create variety of styles
- The diagonal axis derives from desire to create a public view corridor from Third Street Bridge to the Bay, and from south end to the center of the new district
- Guiding principles: be an authentic San Francisco neighborhood; attract and retain families; be attractive to tourists too; engage a mix of uses for 24/7 hour activity
- Densest development concentrated in the southern half of site.
- Major open space oriented in mid-site, extending east to the bay edge between Pier 48 and 50, possibly ended at a beachfront
- Design actively incorporates ideas regarding sustainability and green technologies, such as wind power
- Proposal puts one level of parking (1,900 spaces) underground, and they're willing to go down another level if more parking is needed
- Proposal includes two residential towers, units are mixed income, including workforce housing, not subsidized, 900 units for sale, 700 rental. Build's proposal proposes that Port sell land for the condo units
- Pier 48 is included as incubator business space/PDR, similar to American Can building in Dogpatch

**Public Comments:**

- Supportive comments on Build's approach and commitment to work with the community to define site and development plan
- Support for including business incubator/ "green collar" jobs, which reflect awareness of local City workforce needs.
- Support for creation of place that is in the interest of locals rather than just newcomers and visitors.
- Open space is divided from the shoreline open space by roads
- Question as to whether open space is usable; can there really be a beach between Pier 48 & 50? (Build: This will become more defined and evolved in further work with community; acknowledged that "beach" feature may have to be constructed due to heavy tides that could erode any placement of beachfront). Does

proposal include activities that require contact with water? More opportunities created for water recreation enthusiasts?

- Can park incorporate facility for skate boarders?
- Questions about placement of two towers in center of site, block views of water between Pier 48 and 50; question about degree of separation between the two towers, their wind impacts on open space, and blockage of views to water from Channel Street.
- How does Build view the relationship of its development concept with the rest of Mission Bay?
- What are the heights of the two towers? (Build: 425 feet, 325 feet, Build has studied shadows)
- Many questions on whether underground parking is financially feasible
- Does Build/Cherokee have capability to finance development at this site? (Build: Cherokee has recently raised \$1.2 billion)

## **GENERAL COMMENTS/COMMENTS TO ALL FOUR TEAMS**

### **Open Space**

- How will open space and new infrastructure be managed and maintained? (Cordish: We will manage needs of development, including programming of major park. Cherokee, Boston: possible funding sources – HOA, Mello Roos district, consider establishing assessments for new tenants/businesses.
- Like to have large open space, with a mix of smaller open spaces also integrated into development
- Waterfront park at the northern edge should be at least five acres, and should eliminate Terry Francois Blvd.
- “Public space” is more important than “Open Space”, must be active, relevant to the new developed uses
- The inclusion of a skate park would be very desirable, targeted towards this popular recreation activity of kids and youth
- Provide definition of Blue Greenway for general public to be able to understand.

### **Urban Design/Density**

- There is a recognition that SWL 337 development should be allowed to be differentiated from Mission Bay in terms of block size, building heights, site-layout, but at the same time not be cut off from Mission Bay
- Support to make the site as “porous” as possible, to provide many and varied ways to access into the site
- Vehicular, pedestrian and transit movement and circulation is very important; be realistic in accommodating the number of people using the site, which should be actively designed to be pedestrian friendly
- There is support for allowing taller building heights than the 160 ft. Mission Bay height limit, however, taller buildings need to take a tall, slender profile, be few in number, and be architecturally beautiful, as a focal point of SWL 337
- Move tall buildings away from shoreline, be protective of sunshine in open space

### **Sustainability**

- Many positive comments on how developers are incorporating early thinking about how sustainability objectives affect site and development design concepts
- Don’t limit sustainability ideas to those currently known; anticipate/provide for further advances in sustainability design

### **Housing Program**

- Each development team should explain how it proposes to finance housing development on Port ground lease property
- What percentage of housing will be affordable?
- Will housing be affordable to blue collar workers?
- Will housing for families with children be included?
- Will housing be marketed for full-time residents who create neighborhood, vs. vacation/ pied a terre units?
- Too much residential will compete for parking with the ballpark, and conflict with Pier 50 maritime use.

### **Parking & Transportation**

- Need to define the response to ballgame parking EARLY ON
- Developers should exploit “Car Share” to reduce number of privately owned vehicles being stored on-site

- Too much residential and its parking demands may challenge ability to create adequate shared parking resources.
- Will parking structures be designed so they can be converted to other uses if phased out of parking use?
- Underground parking is not feasible
- Third Street light rail is hampered by insufficient service

**Developer Financial Qualifications/Development Revenue Potential**

- What is equity stake within each development team?
- Who are the major decisions makers for each team, and will they be available to make quick decisions, and we they be in San Francisco if their team is selected to move forward?
- There is recognition of the Port's need to generate revenue to meet Capital Plan needs, and relationship to development density

**Development Program/Development Character**

- How do the projects assure activation of streets and public spaces? Many projects do not always fulfill expectations
- Need to ensure public amenities are delivered as early as possible, not deferred
- What are the full range of uses and square footages contemplated for each?
- Is Pier 50 included in the development opportunity? (Port: No)
- Are there plans for water taxi dock? How is water contact included in each proposal?
- Admired features: park and water access, Treatment of NW corner as gateway to SWL 337
- Developers must respect public trust use restrictions that apply to Pier 48
- Find a way to still retain some of the grittiness of the working waterfront.
- Mission Bay has a need for more neighborhood retail and commercial businesses; a lot of chain and large retail already has been developed along King & Third Streets.

**EXHIBIT 2**  
**APRIL 8, 2008 PORT COMMISSION AGENDA ITEM NO. 9A**

**PORT OF SAN FRANCISCO**  
**M E M O R A N D U M**

**To:** Phillip Williamson  
Jonathan Stern

**cc:** Tina Olson

**From:** Lawrence Brown, Financial Analyst

**Date:** March 11, 2008 and updated March 18, 2008

**Re:** Financial Review of the Respondents to the SWL 337 RFQ

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Pursuant to your request, I have reviewed the financial information provided by the respondents to the Request for Qualifications (RFQ) for the Sea Wall Lot (SWL) 337 mixed use development project. In talking to the respondents to this RFQ, it became apparent that they all envision a project that will cost approximately \$1 billion when fully completed. A project of this size will necessitate, in my opinion, an equity contribution of at least \$300M- \$400M, with the balance of the funding coming from debt financing. Thus, I analyzed the financial ability of the respondents to provide approximately \$300M-\$400M in equity financing toward the development of this project., and their ability to obtain debt financing for the remainder. It should be noted that the entire equity and debt financial would probably not be needed at the start of the project, as it would take several years for the improvements to be completely built-out. However, since the project plans of the respondents are conceptual in nature, it is not possible, at this stage, to determine the amount and timing of the project funding.

**Cherokee Investment Partners/Build Inc./UrbanGreen Devco**

This development team consists of the firms Cherokee Investment Partners, Build Inc, and UrbanGreen Devco. The financial strength of this team is dependent on the financial strength of the Cherokee. No financial information on UrbanGreen Devco was available for review; and the financial strength of Build Inc. is, in my opinion, substantially less than one would expect of a company embarking on a project of this size.

*Build Inc.* — Highlights of Build Inc. financials are as follows: For the year ended December 2007 the company reported total income in the high six figures, and net income in the low six figures. Total Assets at 12/31/07 were in the low seven figures. Liquid assets at year-end were only in the low five figures.

*Cherokee Investment Partners* — Cherokee is a private equity firm investing, primarily, in Brownfield redevelopment. According to the company's 2006 sustainability report, it has more that \$2 billion under management. The company has identified one of its funds as the source of funding for its SWL 337 investment. The fund was formed in 2005, and has total investor commitments in the low ten figures, almost all of which has yet to be funded. According to the company the investors are very large entities. Two of the investors are sizable pensions funds. According to a Cherokee spokesman, these two entities together accounted for almost half of the fund's commitments. The company's 2006 sustainability report indicated that the company has public pension plans, foundations and university endowments among its investors. Further, the fund making Cherokee's SWL 337 investment does have at its disposal a credit line in the mid nine figures to fund its operations until the investors fund their commitments. This line of credit is in place until at least May 2010, and is secured by the investor commitments. As of 12/31/06 (the latest for which information was provided), total fund assets were in the high eight figures, with liquid assets in the low eight figures. As of 12/31/06, a majority of the fund's line of credit was unused and available.

### **Federal Development/Lehman Brothers/Construction Management and Development, Inc.**

This development team consists of the firms Federal Development, Lehman Brothers, and Construction Management & Development, Inc. The financial strength of this team is largely dependent on the financial strength of Lehman Brothers. The financial capacity of Federal Development was difficult to evaluate from the information provided, and no Construction Management and Development, Inc. financial information was available for review.

*Federal Development* — Federal Development is a firm specializing in the development of publicly owned real estate. The company presented its Balance Sheet information on both a cost and market value basis. As of 9/30/06 (the latest date for which information was provided), the company and its affiliates reported total assets in the low eight figures, most of which consisted of development costs and the value of the firm's property, plant and equipment. Liquid assets were in the low seven figures. The firm's total liabilities were fairly low. As a result, the overriding bulk of the firm's assets were financed with equity. The firm's equity was in the low eight figures as of 9/30/06.

On a market value basis, the firm reported total assets in the very high eight figures, with equity only slightly less. The increase in the value of firm's assets when viewed on this basis was due to the following: i) a capital lease that the firm valued in the low six figures, and ii) an increase in the firm's property, plant and equipment (P,P&E) when valued at market. There was no information provided on the nature of the firm's P,P&E so it was not possible to determine the reasonableness of management's estimate. However, I believe that these assets are primarily used in the firm's business operations; and, therefore, would not be available to generate cash in order to meet the firm's investment requirement for the SW L337 project. The firm may have access to debt or other financing to meet its commitment, but no information concerning these potential sources were provided. The company did provide some income and expense, but the statement was prepared on an estimated value basis, and no time frame was indicated (i.e., year, quarter, month, etc.). As a result it was not possible to meaningfully evaluate the information provided.

*Lehman Brothers* — Lehman Brothers is an institutional securities firm that provides a wide range of financial, investment banking, and other related services to clients worldwide. The firm has been solidly profitable for at least the past three years. For the year ended 11/30/06 (the latest date for which information was provided) Lehman reported total revenues of \$46.7 Billion, and net income of \$4.0 billion. Assets as of 11/30/06 totaled \$50.5 billion, \$6.0 billion of which consisted of cash and cash equivalents. Shareholder's equity totaled \$19.2 billion. The firm's long term debt is currently rated A1, A+, and AA- by Moody's Standard & Poor's and Fitch Ratings; respectively. Short term debt is rated P1, A1, and F1 by Moody's Standard & Poor's and Fitch Ratings; respectively. These are investment grade credit ratings, indicating strong underlying financials and good access to the debt markets. Lehman Brothers should have no problem in obtaining the funding needed for this team's SWL 337 development concept.

Update With the recent problems at Bear Stearns, and arranged sale of the company to J.P. Morgan Chase over the weekend, the credit and investment markets have focused their attention on the nation's other large investment banks including, in particular, Lehman Brothers. The price of Lehman Brothers' common stock declined significantly on Monday, March 17<sup>th</sup>, on fears that the company would suffer liquidity crises similar to that of Bear Stearns because of the company's exposure to the sub-prime mortgage market. Several analysts, however, noted that Lehman Brothers is: i) less exposed to the sub-prime mortgage market than Bear Stearns; ii) has higher reserves against credit losses than Bear Stearns; iii) has good liquidity; and iv) its portfolio is better diversified than that of Bear Stearns.

We noted that Moody's Investor Services reaffirmed its rating of Lehman Brothers on Monday, March 17<sup>th</sup> stating that company "has navigated quite well the current credit crises". Moody's did, however, lower its ratings outlook on the firm from positive to stable, citing the company's real estate holdings, and broader worries, including the collapse of Bear Stearns as causes for concern going forward.

In summary, while there may be some slowdown in the business operations of Lehman Brothers in the short term; given the long term nature of the SWL 337 development, I do believe that the company will be able to finance their team's funding commitments for the SWL 337 development project.

### **Boston Properties/Wilson Meany Sullivan/Kenwood Investments**

This development team consists of the firms Boston Properties, Wilson Meany Sullivan, and Kenwood Investments.

The majority of the financial strength of this team is represented by Boston Properties and Wilson Meany Sullivan.

*Kenwood Investments* — As of 12/31/07, Kenwood investments had total assets in the low seven figures, with the majority of its assets represented by its investment in the Aquarium of the Bay. Liquid assets were in the low six figures at year end. Total liabilities were very low, indicating that overriding majority of the assets were financed with equity. As of 12/31/07 equity was also in the low seven figures. For the year ended 12/31/07, the company reported revenues in the low-mid seven figures, and net income in the low seven figures.

*Wilson Meany Sullivan (WMS)* — WMS has indicated that it plans to use an investment fund managed by its affiliate Stockbridge Real Estate Fund, to finance its investment in the SWL 337 project. The specific fund selected is a relatively new fund that is still in the process of fund raising. When fund raising is completed later this year, Stockbridge expects to have total commitments in the low ten figures. Currently, the fund has total commitments in place in the high nine figures. The investors to date are all very large pension funds located in the Eastern and Southern regions of the United States. The fund also has at its disposal a credit line in the mid nine figures to finance its operations until the investors fund their commitments. This credit facility is secured by the investor's commitments. Currently availability under the line is in the low nine figures. Given the nature of the investors, I am confident that the funding commitments will be met.

*Boston Properties* — Boston Properties is a large real estate investment trust (REIT) with a portfolio of 139 properties, most of which are Class A office buildings. For the year ended 11/31/07, Boston Properties reported total revenues of \$1.5Billion, and net income of \$1.3 billion (\$309M before gains on sales of real estate). The company has reported net profits in each of the past 7 years. Assets as of 12/31/07 totaled \$11.2 billion, \$1.5 billion of which consisted of cash and cash equivalents. Shareholder's equity totaled \$3.7 billion. The company has access to a \$605M unsecured line of credit. This credit facility matures in August of 2010. As of 12/31/07 the entire \$605M was available for borrowing.

Boston Properties long term debt is rated Baa2, A-, and BBB by Moody's Standard & Poor's and Fitch Ratings; respectively. These are investment grade credit ratings, indicating strong underlying financials and good access to the debt market. Boston Properties should have no problem in obtaining the funding needed for its investment in the SWL 337 development.

### **The Cordish Company/Farallon Capital Management/ San Francisco Giants**

This development team consists of the Cordish Company, Farallon Investments, and the San Francisco Giants. The majority of the financial strength of this team is represented by the Cordish Company, and Farallon Investments. The SF Giants, however, do have some significant financial resources.

Farallon has identified three of its investment funds to provide funding for its investment in the SWL 337 project, while Cordish family interests will be responsible for funding the Cordish investment. Due to the preference of the companies making up this team, the following financial information relates to the team as a whole.

The total assets of the entities providing funding for this project are in the low eleven figures. Liquid assets are in the mid nine figures. For the year ended 12/31/07, net income for just two of Farallon's funds was in

the low ten figures. The team, as a whole, does have some significant funding commitments, and guarantees, outstanding. However, the size of these commitments do not, in my opinion, impair the team's ability to meet its funding commitments for the SWL 337 project.

**EXHIBIT 3**  
**APRIL 8, 2008 PORT COMMISSION AGENDA ITEM NO. 9A**



**MEMORANDUM**

**Date:** March 31, 2008

**From:** Jonathan Stern  
Phil Williamson

**To:** Seawall Lot 337 Advisory Panel

**Subject:** SWL 337 Developer Qualification Evaluation

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On February 14, 2008, the Port received RFQ submittals from the following four developer teams:

- **Boston:** Kenwood Investments, LLC; Boston Properties Inc.; Wilson Meany Sullivan, LLC
- **Cherokee:** Build Inc.; Cherokee Investment Partners; UrbanGreen Devco, LLC
- **Cordish:** San Francisco Giants; The Cordish Company; Farallon Capital Management, LLC
- **Federal:** Federal Development, LLC; Lehman Brothers; Construction Management and Development, Inc.

Port staff has tabulated the main points of the submittals as shown on the attached Exhibit A. At the February 26, 2008 Port Commission meeting, each of the SWL 337 respondents presented their development concepts. Additionally, the four development teams made presentations at a public workshop on Saturday, March 1, 2008. Port staff has reviewed the qualifications submitted by each team with a summary of this analysis shown below.

Please note, this memo refers to the four teams not necessarily as they refer to themselves but names them based on the team member most critical to execute the their concept development as proposed (*i.e.* the team member with the most expertise and/or assets pledged to implement the proposed development).

## **Developer Qualifications Criteria**

The October 30, 2007 SWL 337 Request for Qualifications document identifies the following criteria to determine whether the development teams have the experience and expertise required to successfully develop SWL 337:

1. Experience successfully developing a project of the type and scale envisioned in this RFQ and proposed by the developer.
2. Ability of the development team to implement complex development projects effectively, as demonstrated by comparable projects.
3. Demonstrated understanding of local market and community issues, including local presence of development team, including major consultants.
4. Understanding of the approval process and ability of developer and development team to obtain key approvals in a complex regulatory environment, as demonstrated by comparable projects.
5. Prior success of developer with respect to architectural and urban design quality, quality of public amenities and historic preservation.
6. Clear lines of responsibility within the developer's organization on which the Port can rely during negotiations and implementation of the project.
7. Experience of the developer to operate a project of the type and scale envisioned in this RFQ and proposed by the developer.
8. Prior success of projects developed and/or managed by developer with respect to economic performance.
9. Clarity, comprehensiveness and completeness of responses to this RFQ/P and to any subsequent Port requests for information, and the generation of community support.

## **Developer Team Evaluations**

Based on the above criteria Port staff analyzed the experience and expertise of each development team.

### **Lot 337 Community Developers LLC: Boston Properties – Kenwood Investment LLC – Wilson Meany Sullivan**

The Lot 337 Community Developers LLC team includes three development entities with extensive local and national development experience. Boston Properties is a public real estate investment trust (REIT) based in Boston, Massachusetts. Its primary focus is "Class A" office space which it acquires, develops, and manages with significant presence in major markets including Boston, New York City, Washington, D.C., and San Francisco. Kenwood Investments, LLC is a private equity real estate development firm specializing in residential and mixed use urban infill projects in the San Francisco Bay Area and California. Wilson Meany Sullivan is a privately owned real estate investment and development firm focused on urban infill locations in the with more than 35 years of experience with mixed-use, residential, retail and office developments.

The team has demonstrated extensive experience developing large scale urban projects with completed projects of note including the Ferry Building, 111 Huntington Center, and 5 Times Square. However, the team has not demonstrated expertise addressing the additional challenges in implementation of an arts-centered development. Their projects have demonstrated a good understanding of the local market and community issues through implementation of complex development projects in similar regulatory environments including the Ferry Building and Treasure Island. Their projects have demonstrated a dedication to architectural and urban design quality, quality of public amenities and historic preservation. The project design team includes WRT/Solomon, land use designer and landscape and open spaces architects CMG and Walter Hood Architects.

Boston Properties has shown success in the long term operation and maintenance of properties of similar scope and scale such as the Embarcadero Center. Other team members operate smaller projects such as the Flood Building and the Aquarium of the Bay.

The development qualifications and concept submittal clearly identifies the executive committee guiding the team though it does not identify a project manager or primary point of contact. The submittal is clear in identifying the overall concept and many elements such as parking but lacks clarity in the arts, open space and economic framework.

#### **Cherokee Company – Build Inc. – UrbanGreen Devco LLC**

The Cherokee team includes three development entities: Build Inc., Cherokee Company, and UrbanGreen Devco LLC. Cherokee Investment Partners is a private equity firm investing capital and expertise in brownfield redevelopment. Cherokee has invested in more than 525 properties worldwide and has more than \$2 billion under management. Build Inc. is a real estate development partnership focusing exclusively on infill development in San Francisco. Cherokee's local land use partner is UrbanGreen Devco, LLC, with 25 year of mixed-use development experience developing or overseeing the development of numerous transit oriented, infill urban developments throughout the Bay Area.

The team, represented by BUILD Inc. and UrbanGreen Devco, has demonstrated extensive local experience developing small and medium scale urban projects with completed projects of note including 140 South Van Ness a building with 212 condominiums and 6 retail spaces. Cherokee has significant experience entitling and developing medium and large scale urban projects including a 24 acre mixed use redevelopment projects with historic rehab in Providence, Rhode Island and 56 acre residential/retail mixed-use oceanfront revitalization in Asbury Park, New Jersey. Cherokee has extensive national and international experience in site remediation and re-zoning but has relatively limited expertise in local large-scale development projects. Though Cherokee lacks significant local experience, the team's San Francisco projects have demonstrated a good understanding of the local real estate market, community issues and the local regulatory environment as evidenced by infill housing development projects at Esprit Park (a 2-acre site that includes 142 residential condominiums, commercial space, and a restaurant) and Hayes Valley. Their projects have demonstrated a dedication to architectural and urban design quality, quality of public amenities and historic preservation. The project design team includes John Kriken, urban design and architects including Jon Worden, Jim Jennings, Stanley Saitowitz, Peter Pfau and David Meckel. The team has demonstrated little experience in the long term operation and maintenance of properties of similar scope and scale.

The development qualifications and concept submittal clearly identifies the executive committee guiding the team though it does not identify a project manager or primary point of contact. The submittal is clear in identifying the overall concept and many elements such as parking but lack clarity in the economic framework especially with regard to the proposed sale of a portion of the site.

### **Seawall Lot 337 Associates LLC: The Cordish Company – San Francisco Giants –Farallon Capital Management LLC**

The Seawall Lot 337 Associates LLC team includes the Cordish Company, Farallon Capital Management LLC and the San Francisco Giants. The Cordish Company is a multi-billion dollar conglomerate including one of the leading real estate development companies in the United States with diverse development expertise in entertainment & mixed-use, gaming & lodging, sports anchored districts, shopping & lifestyle retail, office and residential. Farallon Capital Management, LLC manages equity capital for institutions and high net-worth individuals. Farallon's real estate strategy is to pursue investments where entitlement, development, leasing, and management expertise can add value. Farallon often partners with experienced developers who are involved in the day-to-day management and oversight of specific real estate projects. The San Francisco Giants baseball team acted as the developer of AT&T Park. AT&T Park and the Giants' current leasehold at Seawall Lot 337 host a variety of entertainment events including concerts, football, soccer, ski jumping, ice skating and the circus.

The Cordish team experience includes the San Francisco Giants development of AT&T Ballpark and China Basin Park, Farallon's role in the development of Mission Bay since 2004 and Cordish development of entertainment/retail complexes throughout the country. Though the Giants are not primarily a development entity, each member of the team has development experience relevant to their proposed development concept. The team has demonstrated extensive experience developing large scale urban projects with completed (or partial completed) projects of note including AT&T Ballpark, Mission Bay, and the Power Plant Live a 8 acres 250,000 square foot retail/entertainment and office project in Baltimore Maryland. The Giants and Farallon have implemented projects demonstrating a good understanding of the local market and community issues through implementation of complex development projects in similar regulatory environments. However, Cordish as the entertainment/retail lead has not demonstrated local expertise addressing the additional challenges in implementation of a San Francisco entertainment focused development.

The team's projects have demonstrated a dedication to architectural and urban design quality, quality of public amenities and historic preservation including AT&T Ballpark, the renovation of One Market and the Power Plant a 180,000 square foot urban entertainment project reusing a former power plant in Baltimore. The Giants have had success in the long term operation and maintenance of properties as has Cordish at Power Plant Live, Charleston Place (a 550,000 square foot urban infill mixed use project in Charleston South Carolina) and others. The project design team includes SMWM, Beyer Blinder Belle Architects & Planners as lead architects and Hargreaves Associates as landscape architect. SMWM and Hargreaves in particular are well respected local firms with projects including the Ferry Building and Crissy Field.

The development qualifications and concept submittal clearly identifies the principals leading the team though it does not identify a project manager or primary point of contact. The submittal is clear in identifying the overall concept as well as the open space, parking and other elements of their development concept.

### **Seawall Partners LLC: Federal Development LLC – Lehman Brothers**

The Seawall Partners LLC team includes Federal Development LLC and Lehman Brothers as a financial partner. Federal Development is an international real estate development company specializing in the development of public lands using public/private partnerships. Lehman Brothers' Real Estate group is a full-service provider of capital and advisory services to the commercial real estate, lodging and gaming industries.

Federal Development has pointed to development experience including large scale urban and waterfront projects the most relevant include the Port of San Diego's North Embarcadero 3 million square foot mixed use cruise terminal, Resort at Del Rey Oaks a 2.3 million commercial residential golf resort in Monterey County, and Castle Aviation Center a 800 acre 1 million square foot distribution center in Merced County. Federal's involvement in these projects represent experience only in the early stages of development; none of these projects represent completed or entitled projects. Though Port staff has not interviewed every public entity listed as a partner in Federal's submittal, Federal's role in the most relevant projects does not demonstrate the expertise needed to successfully implement development at SWL 337. It should be noted, Federal has not played any role in the North Embarcadero project since very early in the development process.

Federal does not have experience implementing projects in the local San Francisco market nor has it demonstrated an understanding of community issues. As noted above, Federal has embarked on implementation of complex development projects; however it has not reached significant milestones on these projects (completed CEQA or reached comprehensive disposition/purchase-sale agreements).

The team's development projects have not reached a stage to demonstrate architectural and urban design quality, and quality of their public amenities and historic preservation is unknown. The team includes Patri Marker, a local urban design firm, and C.Y. Lee Architects & Planners a Taiwan based firm known primarily for its work in Asia.

Federal's success in the long term operation and maintenance of properties and their financial success is unknown. The development qualifications and concept submittal clearly identifies the principal as John Infantino and the project manager as Barry Freeland. Mr. Freeland's experience appears to be limited for the lead on a project of this scope and scale. The submittal and Federal's characterization of their concept in public meetings have been unclear especially in identifying the open space programming, land use (especially at pier 48) program, parking and other elements of their development concept.

**EXHIBIT 4**  
**APRIL 8, 2008 PORT COMMISSION AGENDA ITEM NO. 9A**



**SEAWALL LOT 337 ADVISORY PANEL REPORT**  
**RFQ SUBMITTALS - REVIEW & DELIBERATIONS**

March 28, 2008

**Introduction**

In October 2007, the San Francisco Port Commission initiated a two-phase developer solicitation process for Seawall Lot (SWL) 337, a 16 acre Port waterfront site located along the south side of China Basin Channel, generally bounded by Third Street and Mission Rock Streets, and Terry Francois Boulevard. This development opportunity also allowed for the inclusion of Pier 48 as an option; Pier 48 is adjacent to the northeast side of SWL 337. The Port Commission directed the creation of the SWL 337 Advisory Panel, to review the developer submittals and make recommendations for consideration and action by the Commission. The members of the SWL 337 Advisory Panel, listed below, represent City and community stakeholders, with knowledge and expertise in economic development, environmental protection, urban and architectural design, neighborhood and citywide policy and community interests. The background and expertise of each of the Panel members is provided in Attachment A.

Ruth Gravanis, Chair  
Rod Henmi  
Tony Kelly  
John Rahaim

Paula Collins, Vice Chair  
Sarah Karlinsky  
Amy Neches

On February 14, 2008, four development teams responded to the first-phase Request for Qualifications (RFQ), which included a request for draft development concepts for the SWL 337 site; all four teams also included Pier 48 in their submittals. The Advisory Panel reviewed these submittals, attended public meetings on February 26 and March 1, 2008, and/or received public comments from those meetings. In addition, the Advisory Panel received all other public comments received by the Port on the SWL 337 submittals. The Advisory Panel members asked follow-up questions to all the development teams, and received responses which were reviewed. The Advisory Panel review and evaluation was based on the SWL 337 Vision Statement, Objectives and Criteria published in the RFQ. In its deliberations, the Panel also received Port staff findings of its review and analysis of the financial qualifications and development qualifications information submitted by each of the development teams.

The Advisory Panel recognized that development concepts submitted in the RFQ phase represent initial ideas that are expected to be modified and refined in the second phase Request for Proposals (RFP). The Panel recognized that neither the Port nor the RFQ provided specific direction about how respondents should express their development concepts, and thus accepted that there are differences in the level of detail, style and definition presented in the submittals. The Panel review and evaluation thus was based on each member's interpretation of the concepts as presented in the RFQ documents, the public comments received, and Panel deliberations.

The Panel considered the strengths and weaknesses of the physical forms, ideas and philosophies described in each proposal. The Panel's findings and recommendations are based on its evaluation of how well the submittals responded to the vision, objectives and criteria stated in the RFQ. As an outgrowth of those deliberations, the Panel flagged issues, principles, and requirements that it believes should be given specific consideration as part of the RFP phase, which also are provided to the Port Commission for its review and consideration.

The Panel believed that the name of each development team should reflect the company that proposes the highest percent investment in the project. Thus, the key partners for each development team are identified and thereafter referred to by the partner with the majority investment interest: Boston Properties, Cherokee Company, The Cordish Company, and Federal Development.

## **Evaluation of RFQ Submittals**

### ***Boston Properties (Kenwood Investments, Wilson Meany Sullivan)***

The Advisory Panel responded positively to the neighborhood character and program of this proposal as reflected in the scale and block pattern. The size and layout of the development blocks evoked a familiar feel with other San Francisco neighborhoods that conveyed a pedestrian scale and orientation that was seen as responsive to the SWL 337 land use and neighborhood character objectives and criteria. This neighborhood scale and character also was seen by some members as conducive to creating diversity in the mix of housing, because it created an attractive environment for families with children. The block layout also created regular and frequent street view corridors that connected to streets to the west; the mews (interconnected courtyards within development blocks) also were seen as a good way to provide high quality public space.

At the same time, the Panel also felt that this concept did not take maximum advantage of SWL 337's spectacular waterfront location, and lacked excitement that would give this development a distinctive character and identity. Most notably, the open space program seemed to be a missed opportunity. While some panel members pointed out that the Boston concept possesses a pleasant and understandable open space network well-suited to creating an urban pedestrian-oriented character, the Panel felt that siting the major public open space between Piers 48 and 50 did not take full advantage of the site's waterfront setting and public view opportunities, nor related strongly with the Bay Trail and Blue-Greenway. This location also created the potential for conflicts with maritime-related uses on the south side of Pier 48 and at Pier 50. While the plan promotes an "eyes on the park" relationship between development and open space that appears to encourage safe enjoyment of the open space, Boston's original RFQ concept did not expand China Basin Park as called for in the RFQ open space objectives and criteria. The Panel acknowledged that Boston released alternate open space ideas subsequent to submittal of the

RFQ. One of the options presented an expanded park along China Basin and tower at 3<sup>rd</sup> Street, to which some panel members responded positively, while others felt that the location of a 300 foot tower near the northwest corner of the site did not seem consistent with RFQ Objective 5, calling for building heights to step down closer to the Bay (including China Basin Channel). The Panel did not favor mid-block open spaces on podiums because, even if only one-half story above grade, there was a concern that these spaces will be perceived as private and therefore not truly accessible and utilized by the public.

The Panel understood and recognized the merit of Boston's approach to creating a site plan that allowed the flexibility for development blocks to be developed modularly to accommodate different development phasing choices. However, the regularity of the blocks as presented in the RFQ also triggered the discussion of how this concept could be programmed and designed to convey more excitement and character that derives from its waterfront setting. Panel felt that the Boston team would be strengthened by collaborating with additional designers to expand the palette of architectural and urban design interpretations and treatments to imbue the traditional block pattern in this site plan with its own neighborhood identity, uniqueness and vitality. Such design collaboration also would help address the Panel's design concerns associated with the major public open spaces.

Panel members appreciated the idea of focusing on the artist community, but raised many serious questions about the lack of an art development partner, what type of artists are being targeted for this development, and whether it is realistically possible to accommodate working artists who are now priced out of San Francisco to work and reside at SWL337. How would "artists" be defined? What would be the basis for defining the rents and prices of housing units for working artists? How could such occupancies be enforced over the term of the development? Boston's proposal to secure \$28 million from the Mayor's Office of Housing to reduce housing costs to artists did not seem realistic to the Panel. And, some Panel members were wary of the failures when live-work space for artists were allowed in South of Market, which did not yield the intended benefits for working artists. There was substantial question as to whether it was feasible to create the critical mass of artist uses and resident artists, as expressed in the Boston submittal --and still respond to the Port's revenue objectives.

The idea of creating working artist and exhibit/arts events activities in Pier 48 generated broad appeal. Boston's proposal for Pier 48 was regarded as the strongest of the four teams. If designed and oriented to invite and attract the public, use of the arts as a theme for Pier 48 would create a stimulating new way for people to recreate and enjoy the waterfront. Some Panel members also applauded the concept of harnessing the creative energy of the arts to foster new ideas and applications in sustainable design. The Panel could see how this arts-based focus could be very responsive to the public trust requirements for Pier 48. However, that also highlighted a question about how Boston approached the public trust considerations for SWL 337, per Senate Bill 815. As expressed in the RFQ objectives and criteria: What kind of first consideration was given to public trust uses before producing the development program concept in Boston's RFQ concept?

As was case for all the teams, the Panel will expect clearer, more detailed description of the parking and transportation program for all the development proposals, more specifically addressing how it is responsive to the transit-first requirements of the RFQ. The Boston concept included the incorrect assumption of a future T-Line stop at Third and Channel Streets. Out of

its total parking program, Boston defines 1500 parking spaces for shared use with the Giants; in combination with acknowledging the recent parking studies which identify off-site parking facilities, Boston provides the most definitive starting point to begin to craft a sustainable parking program consistent with the City and Port's transit-first objective.

The Boston concept received the most points in the Panel's scoring and a recommendation that the team be invited to participate in the RFP process. While acknowledging the above development program and waterfront open space questions, the Panel's reaction reflects its overall positive response to Boston's concept for Pier 48 and its basic approach to creating a neighborhood-scaled site plan which incorporates convincing ideas for creating a vital, active pedestrian-friendly urban neighborhood. The Panel felt that the experience that Wilson Meany Sullivan brings to the Boston team is particularly strong, to address the issues raised by the Panel.

### ***Cherokee Company (Build Inc., UrbanGreen Devco)***

Cherokee's stated philosophy, to create a development program and strategy that is shaped by the local community, generated much discussion by the Panel members. That approach to development was seen as a strength and yet at the same time also raised many questions about their development concept. The Cherokee submittal is the most conceptual and undeveloped of the four. It does include a site plan and specified development program. But Cherokee's emphasis of the need to work with the community in order to define the form of new development generated many questions as to how the Panel should regard and evaluate a concept that Cherokee itself seems to actively anticipate will undergo significant change. The Panel recognizes that any development concept will undergo several iterations and revisions as it progresses through the public review, negotiation and entitlement process. However, Cherokee so emphasized the possibility of change in response to public comment, that it appeared to the Panel that the other three teams seem to have a stronger sense of where they're starting from than Cherokee. On the other hand, given the high level of public and neighborhood involvement in San Francisco development projects, several Panel members strongly felt that Cherokee's collaborative and "organic" approach within its own team as well as with the community was worthy of consideration as a means to more readily secure the support necessary to get a development project approved. Other Panel members pointed out, however, that there already was a substantial amount of community input that went into the creation of the RFQ's objectives and criteria.

The Panel appreciated the imagination and energy of Cherokee's collaborative approach to develop its design concept, agreeing with the notion that the SWL 337 site plan should be a distinctive yet complementary enclave within the Mission Bay area given its size and waterfront location. Panel members also embraced the idea that development should possess a local flavor that is authentic and reflective of San Francisco. However, the site plan and development concept generated many questions and concerns about feasibility.

It is clear that the site plan, with its diagonal streets corridors dividing the site into the three main triangular blocks, differentiates itself from the rest of Mission Bay. The Panel heard Cherokee's argument to create a pedestrian and view access extending from Lefty O'Doul Bridge to the water between Pier 48 and 50. Some panel members also liked the idea of providing a generously-designed pedestrian public space corridor from the Muni T-line stop at Mission Rock

Street to the central open space. But, some panel members did not agree with the merit of organizing the entire site according to this triangular concept. Some felt that it actively turned away from Mission Bay through its lack of connections to the surrounding streets. While Cherokee stated that the diagonal streets were intended to evoke the diagonal street canyons and flatiron buildings found north of Market Street, some panel members found the proposed development blocks and building footprint shapes to be somewhat random and confusing. And, in their submitted text, while Cherokee criticizes large block developments with long street walls, some panel members pointed out that there are essentially three super-blocks in their proposal and long stretches of uninterrupted street walls, which run counter to the desire of creating permeability and fine-grained scale conducive to a pedestrian environment.

Notwithstanding those observations, other panel members liked the effort to try out different street angles and recognized that Cherokee's approach was a bold way to test out unique ideas, even if they were not fully fleshed out. The mix of uses, with the inclusion of green tech commercial/office and local icon Teatro Zinzanni resonated well and reflected a genuine effort to incorporate the creativity, innovation and entrepreneurial spirit of San Francisco's business community.

As with the Boston proposal, the Panel was curious as to why the public park extending out to the area between Pier 48 and 50 received more emphasis than the northern end of the site, given the RFQ criteria calling for developers to "Expand China Basin Park." In fact, in its responses to Advisory Panel questions, Cherokee made a reference to China Basin Park as being "off site", which was puzzling. In making the water area between Pier 48 and 50 a primary focal point of the open space plan, including the notion of a created beach edge providing access to the water, question was raised about compatibility with maritime uses, as well as whether it was realistically feasible to create and maintain such a beach feature.

The financial feasibility of the proposed underground parking was highly questionable to several panel members. While the Panel agrees that ground level (vs. podium level) open space is important, it was difficult for several Panel members to accept that underground parking for the entirety of a filled site in this location was likely to be achievable. Furthermore, the suggestion that any additional parking needed to accommodate the Giants could be created as a second underground floor seemed even more unrealistic. This raised overall questions and concerns that the team may not have the development experience required for a project of this complexity.

The concerns about the site plan, coupled with the underground parking concept raised questions about the development experience of the team, which led to a split vote, where four panel members felt Cherokee should be considered in the RFP phase, and three did not. This outcome reflected the Panel giving credit to Cherokee's "thinking outside the box", to come up with something that truly is uniquely crafted for the site despite the Panel's significant questions and concerns about the site plan and development feasibility. It also reflects that Cherokee's approach and sensitivity to working with and involving the community resonated strongly with the Panel, as a very important ingredient to succeed through the complex entitlement process for SWL 337. Because the vote was close, the Panel agreed that it should remain neutral on whether or not to recommend inviting Cherokee to participate in the RFP, and instead ask the Port Commission to consider the Panel's review and remarks as part of its decision-making process.

## ***Cordish Company (Farallon Capital Management, San Francisco Giants)***

The Panel was very positive regarding the Great Lawn/Waterfront Park at the north end of SWL 337, including the removal of the northern leg of Terry Francois Blvd. The park design elements reflect a careful and thoughtful assessment of the site opportunities and community values expressed in the RFQ, and in prior community planning meetings. The Panel really appreciated the clarity of the graphic information presented in the submittal. This concept for a major public open space is the strongest of the four proposals for integrating provisions for active water recreational activities, and public views and appreciation of the Bay. It also appears that their open space program is most responsive to public trust objectives for Port waterfront lands (expansive and oriented to waterfront setting; moves baseball field away from the shoreline; designed for broad public use and passive recreational enjoyment). Some panel members questioned whether it was advisable to propose alterations to the China Basin Channel shoreline, as reflected in their development concept. Notwithstanding the panel's support of the Great Lawn/ Waterfront Park, one panel member also noted a preference for adjusting the balance and distribution of open space, in order to provide more open space elsewhere within the project.

As a counterpoint to the Panel's embrace of the Great Lawn/Waterfront Park, there were many questions regarding the character and intensity of Cordish's development use program. The Panel discussed the relationship between development density, intensity and mix of uses. Strong urban neighborhoods and districts need a balance of all these attributes to create attractive, interesting and vital neighborhoods. And, to respond to its revenue needs as expressed in the RFQ process, the Panel acknowledged that the Port seeks a development density at SWL 337 that is reflective of what has been approved in the Mission Bay Redevelopment Plan area.

The density of Cordish's development program is the highest of the four teams. There were questions about the overall intensity of development, and in particular the amount and type of retail uses that could or should be included in the program. Cordish's proposal for 400,000 square feet of retail uses is substantially higher than the other development team submittals. Cordish is the majority equity investor in the project. Recognizing its sports entertainment and retail mixed use development experience, some panel members expressed concern over whether Cordish would be able and willing to create a different formula and retail mix to incorporate a local and neighborhood character unique to San Francisco and the Mission Bay area rather than replicating its developments in other major cities. Those developments orient more to regional and tourist audiences and the nature of these developments troubled several Panel members. How open is Cordish to incorporating a substantial number/amount of local-based businesses vs. national brands? Can the retail program serve commercial needs of the Mission Bay and nearby neighborhoods as well as visitors from the region and beyond? Also, with the large amount of entertainment uses proposed, questions were raised as to whether the intensity of activity would be compatible with introducing new residential development on adjacent blocks. Finally, the Panel noted that Cordish's relatively higher development density proposed does not appear to translate into a base rent in the preliminary lease proposal that is commensurately higher than the financial proposals from the other respondents.

The Panel responded positively to the juxtaposition of Pier 48 and the Great Lawn park because of the potential to provide adjacency between indoor and outdoor activities to help activate the public open space and highlight the Pier 48 historic structure. Similarly, the Panel saw the opportunity for the 6000-seat Music Hall to enliven and activate the park. However, Panel

members had several questions regarding the frequency and demand for events at these two complexes, and whether the park as large as proposed would be well-utilized when there were no scheduled events. Some Panel members wondered whether there was sufficient business demand to justify dedicating Pier 48 in its entirety for exhibits, events and conference use, and whether it would generate sufficient revenue. It was evident that management of the events and performances along with the Giants ballgame season events would be central to the success of this development, to maintain a regular and lively mix of activities, and to manage the shared use of parking facilities to avoid major traffic and circulation problems.

The Panel found that the Cordish proposal reflects thoughtful attention to integrating its particular development program into a site plan that is generally complementary to the surrounding Mission Bay neighborhood. The location of major parking facilities at the south end of the site helps to create a pedestrian-oriented environment which is fundamental to creating the foot traffic necessary for the proposed retail program. The parking facility located on Block D at 3<sup>rd</sup> and Mission Rock Streets is extremely large, although the Cordish team has wrapped this block with retail and residential uses to break down the mass and preserve street character. However, it was noted that the size of this parking block prevented the new East Street from aligning with the neighborhood street to the west, an exception to the general attempt to link new streets to the surroundings. The Panel observed that this parking structure also is located adjacent to the Muni T-Line stop at Mission Rock Street; unfortunately, neither the design of the garage nor this street corner includes discernible pedestrian features or site improvements to equally emphasize use of public transit.

Like the other submittals, the Cordish proposal reflects good early thinking about how to integrate sustainable technologies and practices into the site plan design and development. However, some Panel members were concerned about the fireworks, searchlights, and light pollution associated with events and entertainment uses at this location, which were seen as challenges to sustainability objectives. Other Panel members acknowledged the separate concern about light and noise impacts on adjacent and nearby residents.

The Panel scored the Cordish concept as a close second to the Boston Properties proposal, a reflection of the compelling design strength of the Great Lawn/Waterfront Park concept. The Panel understood the Cordish team's rationale and thoughtful approach to producing the site plan, and recognized the team for its attention to detail in responding to the RFQ. The Panel recommended that the Cordish team be invited to participate in the RFP process, with further address of the use program and management issues identified above.

### ***Federal Development (Lehman Brothers, Construction Management and Development)***

The Panel appreciated Federal's effort to address in a significant way the desire to create public open space at SWL 337 while proposing development that could respond to the Port's economic and financial needs. However, the Panel did not believe that the approach is a strong response given the site's waterfront setting, and the desire to create a vital urban San Francisco neighborhood.

The podium-level open space provides generous acreage for creation of open space that is grade-separated from traffic and access to the parking garage below. However, that vertical separation

from the ground and the waterfront was seen by the Panel as a major drawback to broad public use and enjoyment, and severely compromises physical access between the developed uses and the waterfront. The topographical changes afforded by the podium would create wonderful waterfront views. However, the Panel did not believe that the proposed development program would create a sense of place or strong identity to attract outsiders up from below, except for residents, workers or hotel guests of the proposed towers.

The change in grade, and retention of Terry Francois Blvd. limits the extent of at-grade waterfront open space, despite the gesture to bridge over the roadway and transition up to the podium open space. Furthermore, the elevated podium blocks views to the waterfront from inland Mission Bay sites and from Third Street. The large elevated podium creates a literal and figurative sense of closure and removal from the surroundings. Combined with the four towers placed on top there is an overwhelming sense of scale and lack of a fine-grained, neighborhood character. The Panel felt that the nature of this proposal was not appropriate for this site and neighborhood.

There does not appear to be any recognition of design or functional differences between the proposed office, residential or hotel uses. The towers all appear to have the same size footprint and follow a uniform style of architectural design. The lack of variety and design creativity conveys that there has not been much thought as to the type of neighborhood character that is envisioned for the project, or the design, purpose and character of the open space proposed.

Federal is credited for recognizing the current Seaport Plan maritime use restrictions that pertain to Pier 48. However, if the Seaport Plan were amended, they do not have a well-articulated idea or vision for Pier 48, or how it would be integrated with the rest of the development.

San Francisco is notorious for the active participation of its stakeholders. Thus, the public presentation and participation requirements set forth in the SWL 337 solicitation process are reflective of rigorous community involvement and engagement that the selected developer must manage effectively throughout the entitlement process. Federal's presentation at the March 1, 2008 workshop conveyed an apparent lack of experience and preparation that raised questions about how well the team can manage a project of this scale and complexity through a process that will involve a high level of public scrutiny and participation.

The Federal RFQ concept received the lowest score. In general, the Panel did not believe that Federal's design concept was an appropriate development response for San Francisco, or for the SWL 337 site. In a City that is recognized for its array of distinctive, fine grained neighborhoods, Federal's proposal reflected a monumental approach that the Panel felt was contextually inappropriate. It was not apparent how the proposal responded to the development or design context of Mission Bay, the opportunity afforded by the site to bring people to the water, or to create its own sense of place or identity as a new development. The Panel was likewise concerned that the "superblock" nature of the development is evocative of LeCorbusian "towers in the park" –an urban form that has widely been critiqued for being unfriendly to those experiencing the urban form at the pedestrian level. This is counter to the Port's expressed intent, to seek urban forms that enhance the pedestrian experience and create inviting public spaces that attract people to come and stay. The Advisory Panel therefore did not recommend that Federal be invited to participate in the RFP phase.

## **SWL 337 Advisory Panel Comments by Topic**

### ***Land Uses - Public Trust***

As discussed in the SWL 337 RFQ Objectives and Criteria 1b, the Port and selected developer will have to review and give first consideration to public trust-consistent uses in the development program for SWL 337, even though Governor Arnold Schwarzenegger signed Senate Bill 815 into law in October 2007. SB815 provides for the CA State Lands Commission to allow non-trust uses to be developed on SWL 337 for up to 75 years. However, the Port and developer must make a good faith effort to still consider and incorporate public trust uses into the development program. Of the four respondents, the Cordish team was the only one to start to describe its approach to this issue in the RFQ. The design and character of the Cordish Waterfront Park and Great Lawn, and inclusion of visitor-oriented retail and restaurants were recognized as features that would address public trust objectives. Any developer selected for SWL 337 should anticipate that State Lands will conduct a thorough review of the development program to satisfy this condition. Additionally, State Lands will thoroughly review any proposed development program for Pier 48 which, in its entirety, State Lands must be able to find is consistent with the Burton Act public trust.

### ***Open Space***

The RFQ Objectives and Criteria for Open Space include a call to expand China Basin Park, provide a mix of visitor-serving and neighborhood-oriented open spaces, and an open space network that ties into and expands the Blue Greenway and/or Bay Trail. The development team submittals each had strengths and weaknesses. For the Cordish proposal, the Panel recognized significant public benefits that could be delivered in the Great Lawn/Waterfront Park, and also appreciated how the Bay Trail and Blue Greenway would be enhanced by this design. On the other hand, there appeared to be a lack of balance with providing neighborhood-oriented open spaces that were oriented to the substantial number of proposed residents.

For the Boston proposal, the issues were opposite. The site plan conveyed a lot of attention given to the design of a local and neighborhood-oriented open space network and courtyards to serve the developments within each block, but too little address of major public park/open space oriented around China Basin Channel and the waterfront public views afforded here, and enhancements to the Bay Trail and Blue Greenway.

The Cherokee submittal does increase the park area at China Basin, but places more emphasis on the design and function of the public open space created in the middle of the SWL 337 site. The RFQ response is not clear about the design approach or proposed function for the China Basin park area, despite its prime location for public open space enjoyment.

The Federal submittal devotes major acreage to open space, but the conceptual design lacks sufficient information to understand how this space is intended to function, as relates to neighborhood vs. major public open space. The significant grade separation created by the podium challenges the ability for this open space program to create a true relationship with the water, and the Bay Trail and Blue Greenway as well.

## *Economics*

Throughout its review and deliberations, the Panel was sensitive to the relationships between development density, neighborhood vitality and the Port's need for revenue from SWL 337 development. This included an awareness that a development program for SWL 337 ultimately would have to strike a balance between defining the form and amount of public benefits provided on-site, versus generating revenue to provide off-site public benefits on other Port properties. The Panel knows that the Port faces a 10-Year Capital Plan need of almost \$2 billion, and that SWL 337 offers one of the Port's most significant revenue opportunities to address those needs. It also recognizes that the Port places a priority on public benefits that meet public trust objectives versus other City objectives. This was addressed in the context of the RFQ discussion regarding Senate Bill 815, which was approved to allow greater development flexibility for SWL 337 (and other specified sites) to generate increased revenues for specified public trust benefits. Thus, certain types of public benefits such as affordable housing which are recognized in San Francisco but are not consistent with the public trust, compete with maritime, shoreline public open space, and National Register-eligible historic preservation improvements, which are recognized as public benefits under the public trust.

In evaluating the RFQ submittals, measured against the RFQ economic objective, the Panel recognized that the conceptual nature of the responses at this early stage makes it difficult to provide clearly stated financial proposals, or to analyze the credibility of the rent and economic terms proposed in each submittal. And, differing types and levels of on-site public benefits will affect the financial proposals. However, the Panel did consider the general relationship between the density of development and economic terms proposed.

The Cherokee proposal, with about 2.9 million sq. ft. of development, was the only team to propose one-time payments for title to some parcels and pre-paid ground leases of \$125 million. The Panel and Port staff acknowledged that the regulatory pathway to fee title transfer and the market acceptance of pre-paid ground leases has not been demonstrated. For Federal, staff analysis identified about 2.2 million sq. ft. of development, generating \$5-8 million in revenues plus participation rent. In this regard, the Panel and Port staff expressed a concern regarding the Cordish proposal which includes the most development at almost 3.2 million sq. ft. of development, and relatively less annual revenue of \$4 – 8 million. On the other hand, Boston's proposal, which includes about 2.6 million sq. ft, did not include a clear financial proposal, which appears to propose annual lease payments of about \$3 million, the lowest offering.



## Seawall Lot 337 Advisory Panel

*In October 2007, the San Francisco Port Commission approved the issuance of a Request for Qualifications (RFQ) from development teams, with accompanying development concepts for Seawall Lot 337, a 16-acre site in Mission Bay, at the mouth of China Basin Channel. The Commission also directed that a SWL 337 Advisory Panel be created to review submittals, and make recommendations to the Port Commission for its review and action. The Port is honored to receive the service of these seven members of the SWL 337 Advisory Panel. For more information regarding the SWL 337 Development Opportunity, check out the Port's website: [www.sfport.com/swl337](http://www.sfport.com/swl337).*

### **Ruth Gravanis** **Chair, SWL 337 Advisory Panel**



Ms. Gravanis currently serves on the San Francisco Commission on the Environment, and is an environmental consultant. Ms. Gravanis' clients have included the Campaign to Save California Wetlands, the Citizens Committee for the Removal of the Embarcadero Elevated Freeway, the Treasure Island Wetlands Project, and the Alliance for a Clean Waterfront, and the Public Trust Group. Prior to consulting, Ms. Gravanis' was previously with Save San Francisco Bay Association and Friends of the Urban Forest. In addition, Ms. Gravanis has 10 years of experience teaching in the public school system.

Ms. Gravanis is also an active member of the following organizations California Native Plant Society, San Francisco Tomorrow, Golden Gate Audubon Society, Sierra Club, Mission Creek Conservancy, Presidio Environmental Council, San Francisco Natural History Series, Sustainable Watersheds Alliance, Living Classroom Steering Committee at Literacy for Environmental Justice, and San Francisco Planning and Urban Research's Sustainable Development Committee, among others. Ms. Gravanis has received numerous awards for activism and environmental consulting work including from San Francisco Tomorrow, the Sierra Club and the Golden Gate Audubon Society. Ms. Gravanis holds a Master Degree in Education.

### **Paula Collins** **Vice Chair, SWL 337 Advisory Panel**

Ms. Collins is the founder and Chief Executive Officer of WDG Ventures Inc, a real estate development and consulting firm. Some of the company's major projects include Sony Metreon and Four Season Residences and Hotel. Ms. Collins is also founder and Director of Presidio Bank, and founder of Portfolio Real Estate Consulting (PRC), which provides development management



services to non-profit and for-profit corporations in support of their commercial and residential real estate projects.

Ms. Collins currently or has served on the boards of numerous organizations, including Special Olympics for Northern California, Yerba Buena Center of the Arts, Grants for the Arts Committee for the City and County of San Francisco, and Bridge Housing Corporation. She also has received many awards, including Entrepreneur of the Year from the National Coalition of 100 Black Women, Inc., 1999 Rudy Bruner Award for Excellence in the Urban Environment, the 2007 Silver Spur award from San Francisco Planning and Urban Research, and has been included in the annual list of the most influential business women in the Bay Area for six consecutive years. Ms. Collins holds a Master Degree in City Planning from Massachusetts Institute for Technology and a BA cum laude from the Mount Holyoke College in Urban Studies.

### **Rod Henmi**



Mr. Henmi is Design Director at Michael Willis Architects. Mr. Henmi's work has won several design awards from the American Institute of Architects, National Organization of Minority Architects and other organizations; local examples include the award-winning Cecil Williams Glide Community House, BAYCAT (the Bayview Center for Arts and Technology), the \$100 million Muni Metro East LRV Maintenance Facility, all in San Francisco, and the transforming rehabilitation of the Acorn housing project in Oakland. In addition to more than 20 years of experience as a project designer in the United States and Japan, Mr. Henmi has an extensive university teaching background, and is the co-author of "Envisioning Architecture: An Analysis of Drawing."

Mr. Henmi joined Michael Willis Architects in 1994. Originally from St. Louis, Mr. Henmi received his Master of Architecture and Urban Design from Washington University in St. Louis in 1982. Mr. Henmi is a registered architect in the states of California and Missouri.

### **Sarah Karlinsky**



Ms. Karlinsky is the Policy Director for the San Francisco Planning and Urban Research Association (SPUR); she is responsible for managing SPUR's housing, community planning, regional planning and disaster planning work and for coordinating SPUR's policy efforts. Prior to joining SPUR, Ms. Karlinsky developed affordable housing throughout the Bay Area with Mid-Peninsula Housing Coalition. Ms. Karlinsky is a board member of the Transportation and Land Use Coalition and has taught urban planning at San Francisco State University and to middle school students as a Teacher for America Corps. Ms. Karlinsky holds Master's Degree in Public Policy and Urban Planning from Harvard's Kennedy School of Government.

### **Tony Kelly**

Tony Kelly is the president of the Potrero Boosters Neighborhood Association, one of the oldest and largest neighborhood associations in the City; he was first elected to the position in 2003. He also serves on the board of the Potrero Hill Association of Merchants and Businesses. He was vice chair of the City of San Francisco Arts Task Force, and now serves on



the Port's Southern Waterfront Advisory Committee and the Mayor's Open Space Task Force. He is a theater director by trade, working with the Thick Description company on Potrero Hill and at other professional theaters in New York, Pittsburgh, San Jose, Sacramento, Lake Tahoe, and San Francisco.

### **Amy Neches**



Ms. Neches is a Senior Project Manager for the San Francisco Redevelopment Agency; overseeing the Mission Bay, Yerba Buena and Rincon Point-South Beach Redevelopment Plan areas. In 1998, Ms. Neches was one of the City's lead negotiators in the entitlement of the 303-acre Master Plan for Mission Bay.

Previous to this position, Ms Neches spent three years in the affordable housing development and finance field, and six years in the investment banking field, with her last title being Vice President at Solomon Smith Barney, concentrating in mortgaged and asset backed securities. Ms. Neches is a member of the Urban Land Institute and the Lambda Alpha International and holds Master Degree in Business Administration from Yale University.

### **John S. Rahaim**

Mr. Rahaim is the newly appointed Director of the San Francisco Planning Department. Mr. Rahaim is responsible for overseeing long range planning, development entitlements and environmental review for physical development projects in the City, as well as directing major initiatives which include several comprehensive neighborhood plan updates, a city-wide historic resource survey and updates to the San Francisco Master Plan.



Prior to this appointment, Mr. Rahaim was Planning Director for the City of Seattle, a position he held for five years. Mr. Rahaim was also the Founding Executive Director of CityDesign, Seattle's office of Urban Design; and the Executive Director of the Seattle Design Commission. Prior to his tenure in Seattle, Mr. Rahaim was with the City of Pittsburgh Department of City Planning. Mr. Rahaim holds a Master Degree in Architecture from the University of Wisconsin-Milwaukee, and BS in Architecture from the University of Michigan.