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San Diego Unified Port District
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San Diego Port Master Plan Update Assessment Report Vision Statement and Guiding Principles

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Unified Port of San Diego
Board of Commissioners

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EXECUTIVE SUMMARY

After months of intense review, extensive public outreach and over 50 stakeholder interviews, HKS is pleased to present our assessment of the Port Master Plan for the Unified Port of San Diego.

At the request of the Board of Commissioners and the leadership of Chair Ann Moore, this high level overview of strengths and weakness, opportunities and constraints (as of 2013), and a variety of ideas posited by the public and private sectors, will be the basis for a series of Master Planning principles that will define the efforts needed for an update of the current Port Master Plan. This assessment combines the views of the community, the experience of the design team and input from the Port.

Just about everyone agrees that the current Port Master Plan needs to be updated. Over the past decades there has been concern that the Master Plan process has morphed into a "piecemeal planning process" where each proposed project became a mini-master plan requiring a Port Master Plan Amendment (PMPA). These concerns arose from a process wherein amendments became the rule and not the exception. The current Master Plan has become reactive rather than a forward-looking proactive document.

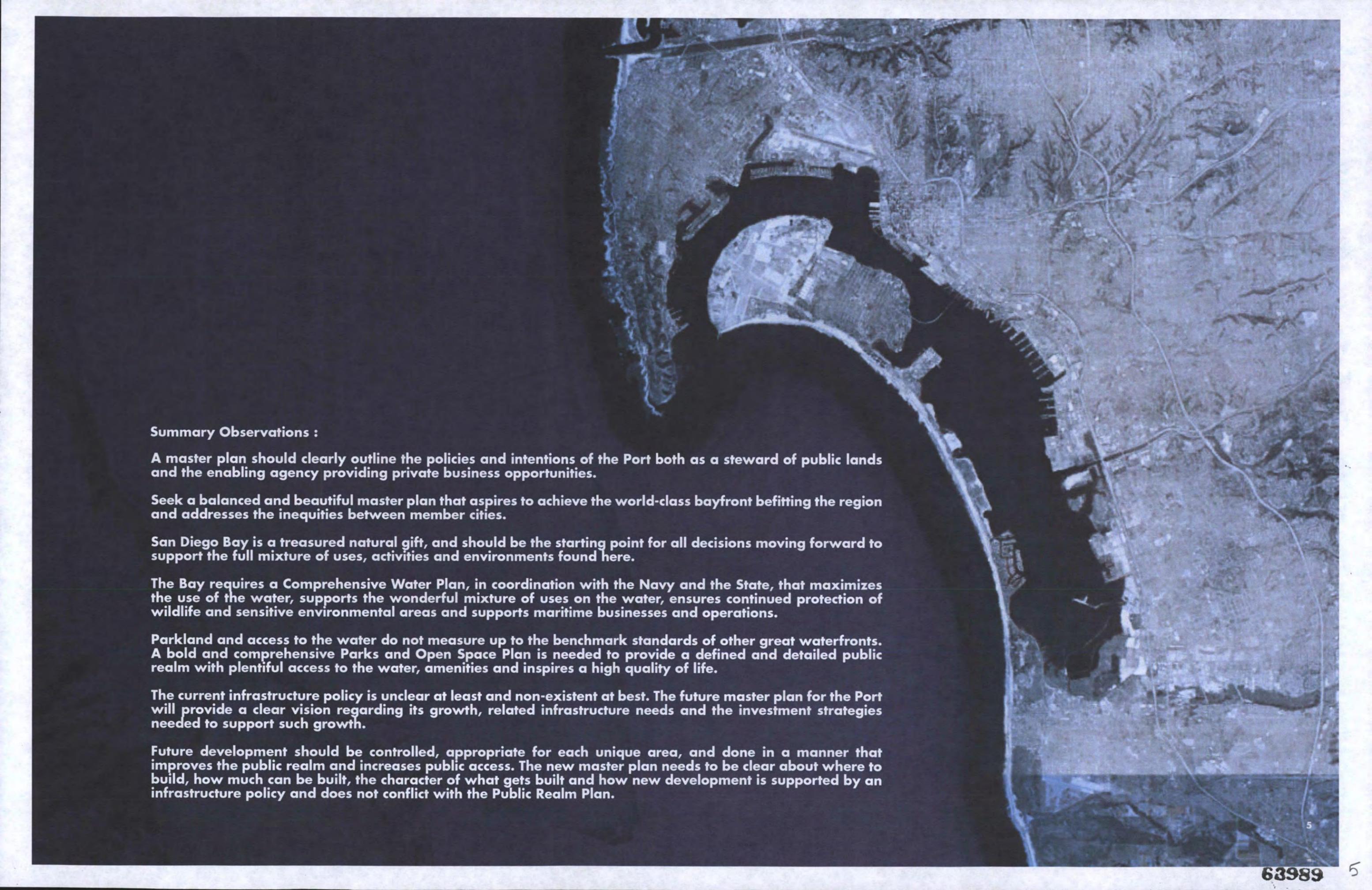
Just about everyone also agrees that the Port's key asset, and the region's; is San Diego Bay. This stunning geographic resource is as beautiful a body of water to be found anywhere on the planet.

Together, the Port and the Navy capture almost all of the land facing the Bay. For their part the Port has had to balance development of these lands under strict regulations from the California Coastal Act and

the Port Act with the building of the public realm. These are the places where the public has access to the water and engagement with the Bay. These two needs are not mutually exclusive but rather interdependent. This delicate balance is lost when a "piecemeal planning process" renders projects on a case by case basis rather than meeting larger ideals and agreed-upon goals.

This assessment studies the Port's holdings in four categories – parks, water, infrastructure, and leasable land. Not all of the pieces fit neatly into one group. The intent is to examine and assess overall performance rather than create a catalogue of disconnected elements.

What does the path to success look like? We have found that the Port, acting as an enabling institution, along with an updated Master Plan and a streamlined approval process together is the answer. Moving forward, a Master Plan alone will not produce success. The Port has to study itself and the way it will conduct the baseline of enforcing and enabling the Master Plan. Furthermore, the approval process today is unpredictable, time consuming and has created uncertainty in the business community. We see the Port becoming a regional leader, an institution that provides leadership, including certainty and confidence to the public and business community.



Summary Observations :

A master plan should clearly outline the policies and intentions of the Port both as a steward of public lands and the enabling agency providing private business opportunities.

Seek a balanced and beautiful master plan that aspires to achieve the world-class bayfront befitting the region and addresses the inequities between member cities.

San Diego Bay is a treasured natural gift, and should be the starting point for all decisions moving forward to support the full mixture of uses, activities and environments found here.

The Bay requires a Comprehensive Water Plan, in coordination with the Navy and the State, that maximizes the use of the water, supports the wonderful mixture of uses on the water, ensures continued protection of wildlife and sensitive environmental areas and supports maritime businesses and operations.

Parkland and access to the water do not measure up to the benchmark standards of other great waterfronts. A bold and comprehensive Parks and Open Space Plan is needed to provide a defined and detailed public realm with plentiful access to the water, amenities and inspires a high quality of life.

The current infrastructure policy is unclear at least and non-existent at best. The future master plan for the Port will provide a clear vision regarding its growth, related infrastructure needs and the investment strategies needed to support such growth.

Future development should be controlled, appropriate for each unique area, and done in a manner that improves the public realm and increases public access. The new master plan needs to be clear about where to build, how much can be built, the character of what gets built and how new development is supported by an infrastructure policy and does not conflict with the Public Realm Plan.

INFLUENCE OF SAN DIEGO BAY AND THE PORT

The Region

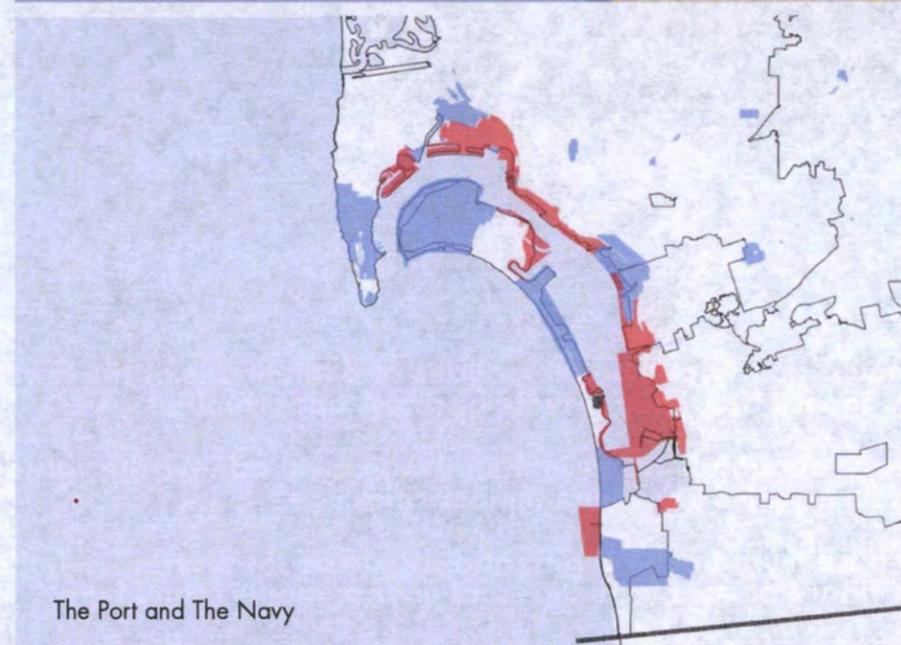
The influence of the Port extends to the south well into Mexico, into the eastern communities and desert, beyond Mission Bay and North County and well out into the Pacific Ocean to the west. The back and forth between the Port and the larger region includes commerce, recreation, transportation and the protected environment.

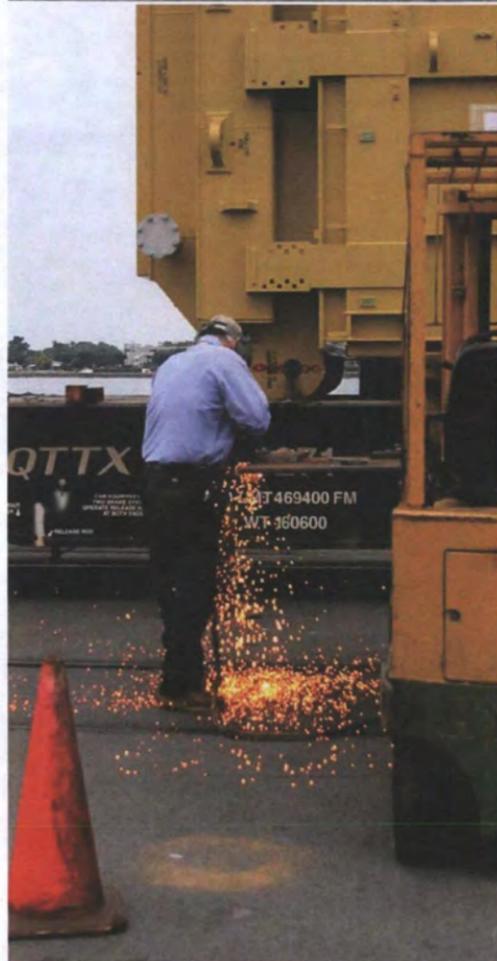
Multiple Entities

The Port's jurisdiction includes portions of five cities around San Diego Bay and shared water and land resources with the airport, the United States Navy and The State of California.

Distribution of Port Controlled Land and Water

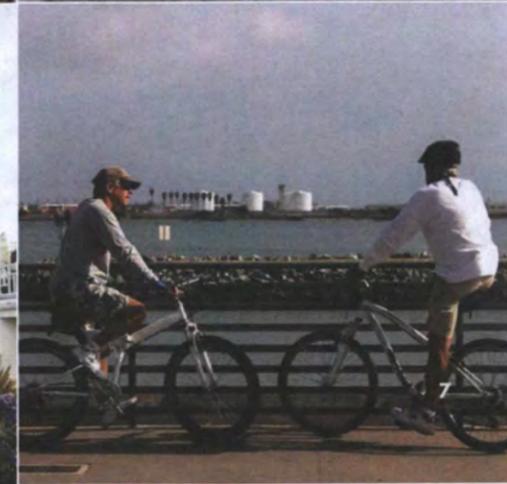
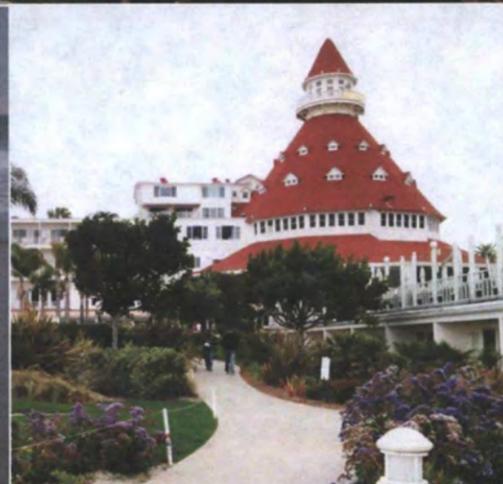
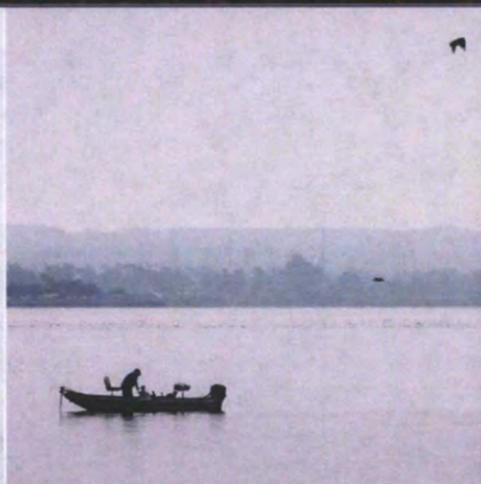
The distribution of the Port controlled lands and water varies from city to city. It is agreed that the airport lands are to be excluded from this assessment. Despite that, the focus of the port is San Diego-centric, both by the numbers and the perception within the community.





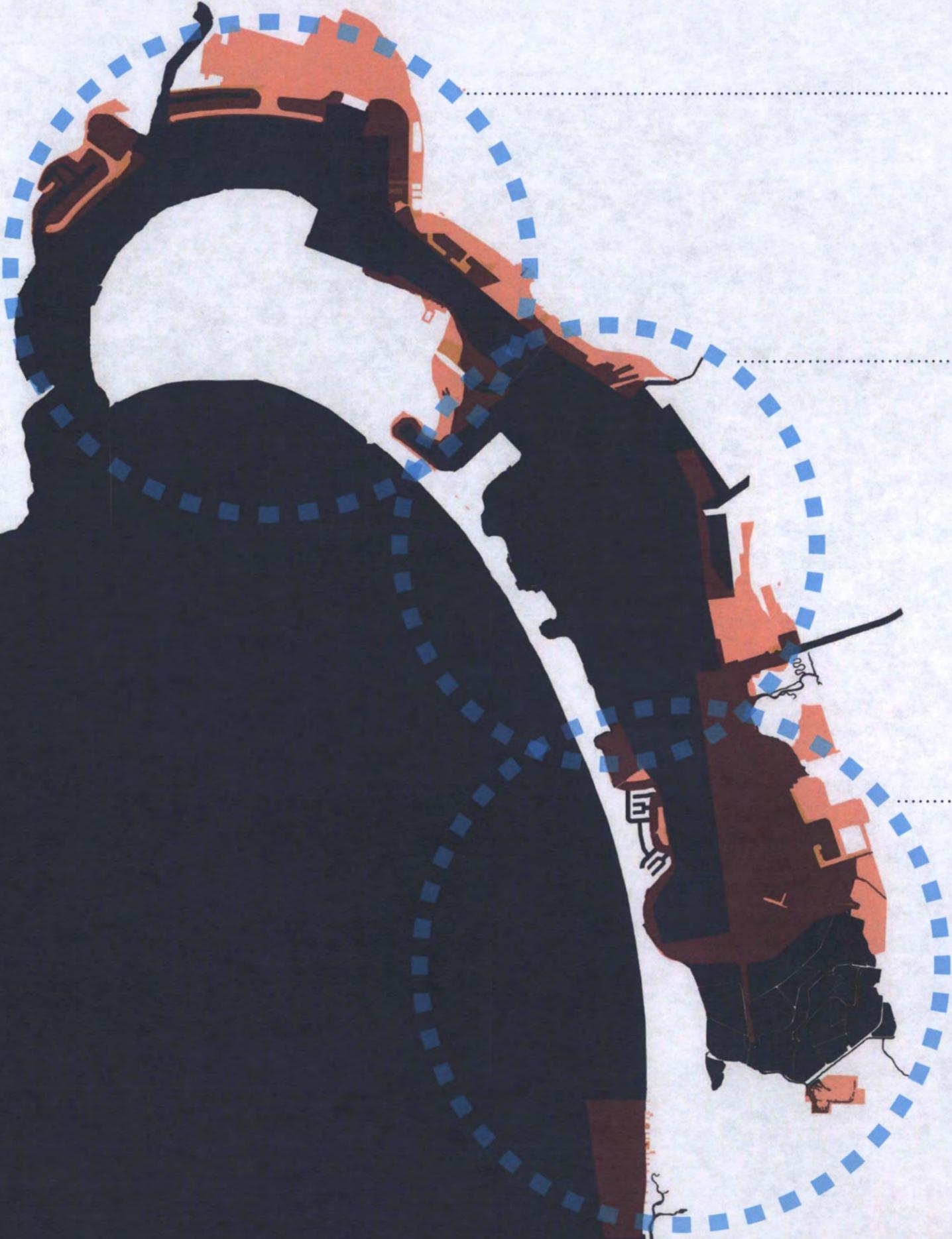
The Opportunity

There is significant overlap between the Port and other jurisdictions, interest groups, agencies and communities both on the land and in the water. The opportunity is clear, to create one of the finest waterfront destinations to be found anywhere. This can be done with open and continuous collaboration with pertinent agencies and cities as well as an open and transparent process that allows public input every step of the way. San Diego Bay is a treasured natural gift, and should continue to be the starting point for all decisions moving forward.



THE THREE PARTS OF THE BAY

A cursory view of San Diego Bay would include an overview of geography, natural and man-made conditions that define this place. Geography provides clues such as shape and dimension of the water, the form of the water as it changes from North to South and the fragile relationship between the uplands and the larger Pacific Ocean. Natural conditions reveal depth and flow of water, the impact of the tides, both now and in the future and a variety of natural wildlife and marine and estuarine habitat. The man-made elements include water edge construction, dredging, buildings and other construction at small, medium and large scales and the Coronado Bridge. From a high level view, these all combine to describe a Bay that is composed of three parts; The North Bay, The Central Bay and The South Bay. A large part of the charm of the Bay is the mix of uses found in these waters. The Bay supports cruise ships, the Navy, a working waterfront, commercial vessels, a water taxi, numerous pleasure boats, private fisherman, and other recreational users. With almost full unanimity, this unique mix of uses and activities should be promoted and supported by any vision moving forward.



..... North Bay

Today the North Bay is home to downtown San Diego, Point Loma and Coronado, framing three sides of the water. North Bay has the most activity, the most intense development, commercial boating, the highest land values and is regarded as the marquee image for the Bay. The North Bay enjoys deep water, access to the ocean, dramatic natural conditions with curving cliffs and more park, upland and maritime infrastructure investment to date than the Central and South areas. The Coronado Bridge defines a boundary, and most agree the bay and the environment are different to the south of the bridge than to the north.



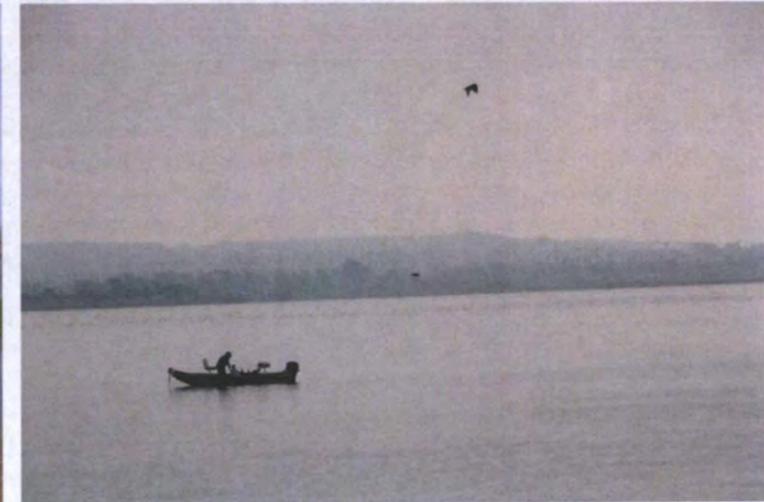
..... Central Bay

The Central Bay is defined by the Sweetwater River and The Coronado Bridge. The water is considered to be intermediate depth, good for pleasure boating but not large vessels. This area gains considerable value from the dredged shipping channel that hugs the eastern shore. A portion of this edge borders the Barrio Logan neighborhood but most of this edge lies within National City which has limited access to the Bayfront. Over time this shore has become the heart of the working waterfront and many of the large berth Navy vessels. The scene is visually impressive, especially when contrasted with the western shore and the Silver Strand, a delicate sliver of land where nature dominates. Back to the eastern side, there are a number of issues to be addressed between the working waterfront and the adjacent neighborhoods. The shipyards need for heavy truck and rail support has conflicted with the environmental concerns of residents and has limited the growth capability for the neighborhoods and the shipyards. These two needs are not exclusive however and the new master plan should address these issues frontally and directly.



..... South Bay

The South Bay is comprised of the shallow waters south of the Sweetwater River. There is a navigation channel that provides access for small vessels to Coronado Cays and Chula Vista. Local boaters know the tides and when they can wander out of the channel safely. The whole South Bay is a "No Wake Zone" so boats move quietly and slowly and the area is perceived as being very remote and distant from the other waters of the Bay. Additionally most of the natural protected habitats, wildlife refuges and protected underwater environments are in this southern area. While most agree that the natural landscape and serenity of the place are cherished, many members of the public also feel that the South Bay has unfairly become a mitigation dump, where devalued assets are assigned with little or no economic strategy to promote appropriate growth in the area. A clear bright spot is the recently approved Chula Vista Bayfront Master Plan that will transform the South Bay into a more desirable and appropriately scaled destination.



4 KEY ELEMENTS

The Port's holdings can be objectively assessed with a high level analysis of four key elements; the water, the parks, the infrastructure and leasable land. Rather than a data driven exercise, this approach combines the views of the community, the experience of the design team and input from the Port. The Port's jurisdiction totals 6,008 acres. The airport's 675 acres are excluded from this analysis, leaving 5,333 acres. Of that amount 3,520 acres are water and 1,813 acres are land. The sentiment is that with an outdated master plan, there is no sense of policy, and as a result, the focus has been on individual small pieces rather than on the implementation of a comprehensive, systematic plan.

Water

The Port controls more land under water than dry land. Furthermore, the Port shares the shoreline with the US Navy and these two large agencies form the opportunity to water access. The water provides the opportunity to coordinate maritime uses (which greatly influence upland uses) with deferred and future maintenance and construction needs and environmental policies and enforcement. Most importantly, a policy that outlines the future of the water will have a large impact on the value proposition for uplands. A well considered water plan will add to the investment possibilities for entrepreneurs in the Blue Economy and other maritime ventures.

Parks

The Port operates 20 parks that total 147 acres. This represents 8% of the Port-controlled land and is well below the amount of public, recreational parkland we expect to find at the best of class waterfronts. While photogenic, the parks are underutilized, which is odd since there are so few parks. How can they be so underused? The opportunity here is clear, more parkland is needed and that new parkland should be guided by a comprehensive park vision. The Port today does not have a Parks Department and does not have a comprehensive park master plan. A comprehensive plan, in coordination with a water plan and a development plan, would guarantee more valuable parks, more waterfront access, better usage through park programming and begin to spread the wealth throughout the North, Central and South Bay areas.

Infrastructure

Infrastructure represents the public or institutional investment beyond parks needed to support the city, or in this case the Port. Regarding the Port this inventory includes streets, public parking, rail corridors,

and certain promenades, sidewalks or open land within leaseholds and other open spaces like wetlands, refuges and protected habitat. Infrastructure is often shared between jurisdictions such as freeways that provide access for port visitors and vehicles. A key improvement is underway, the reconstruction of Harbor Drive and the increase of public space along the North Embarcadero. This underscores the relationship between all four elements studied here. It is fair to say that the Port is well served but the quality of that service could be better. Many working ports have controlled truck and rail routes to lessen the impact on neighborhoods. San Diego used to have a street network that led directly to the waterfront; very few streets go through today. A simple waterfront access plan, parking strategy and industrial truck route would be a good beginning to an infrastructure plan.

Leasable Land

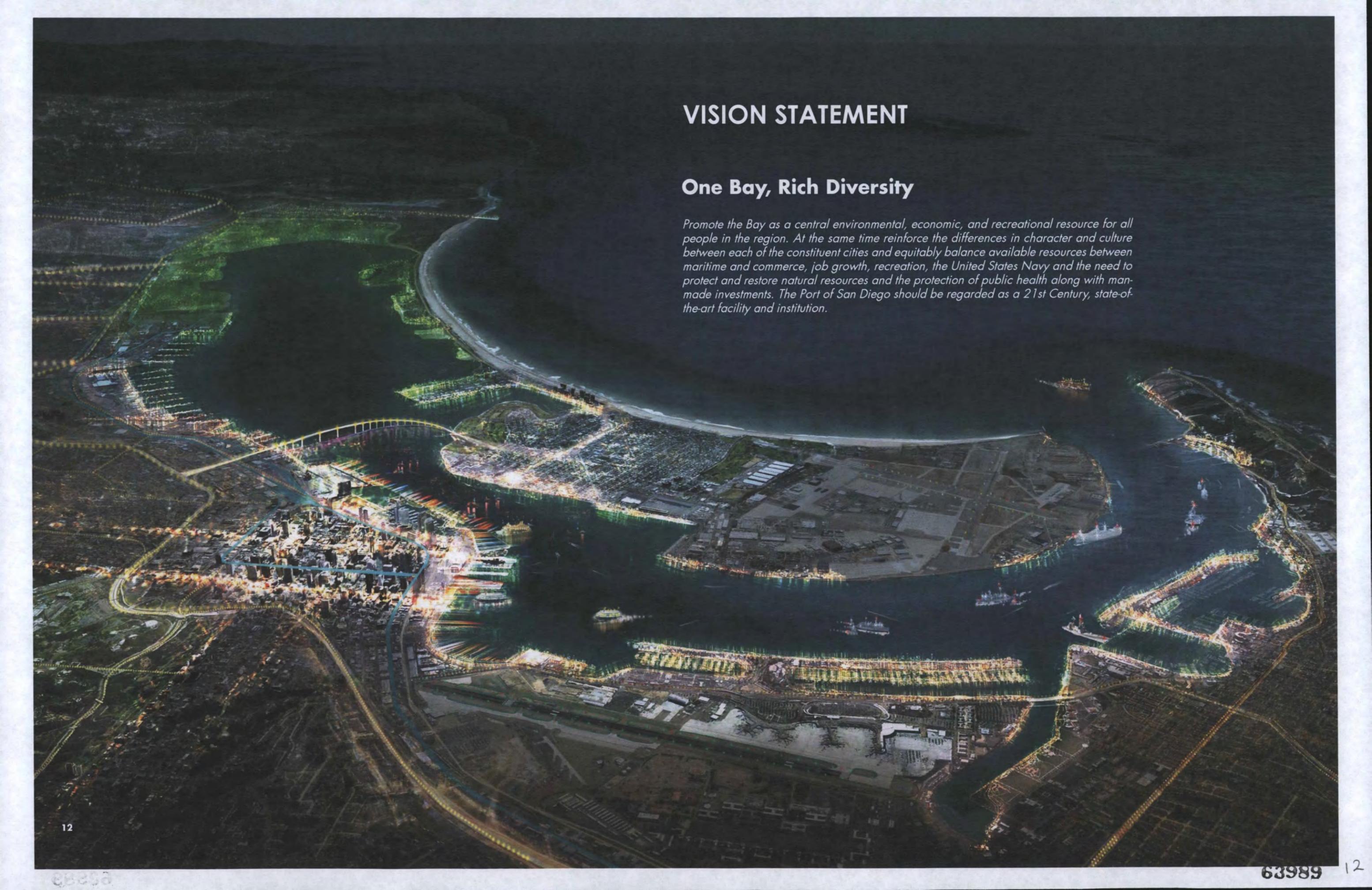
The Port makes money three major ways; cruise ships, cargo, and real estate. Each needs a place to do business, and the Port has provided these lands. The Port Act limits land uses permitted on tidelands (all of the Port's property by definition) and the Port uses these revenues to pay for parks, infrastructure and all other operating costs. It makes sense that waterfront property is valuable and property fronting on parks is worth more. So a comprehensive park plan, a water plan and an infrastructure plan are the vehicles to create greater access, increase recreation, buffer neighborhoods and at the same time increase value to the leasable property for the Port and thus the region. Everyone rises with the tide. This is not happening today because of the "piecemeal planning process" that is occurring which prevents a larger vision from being implemented and often results in litigation. In addition, the approval agencies right up to the California Coastal Commission have little evaluation criteria to make timely decisions.

The Public Realm

Together parks, streets and infrastructure and the water constitute the public realm. Rather than focus on land uses or trendy ideas out there today, the time-tested and best strategy is for the updated master plan to guarantee the public realm. Let the plan define access to the water, improved infrastructure and create a grand park vision. Create a plan that controls the scale and character of development on leasable land but allow the investors, institutions and developers to use their ingenuity and produce the new construction at the waterfront.





An aerial night-time photograph of San Diego Bay, showing the city lights of San Diego on the left and the harbor area on the right. The bay is illuminated with various colors, including green, yellow, and blue, highlighting different zones and infrastructure. The sky is dark, and the water reflects the lights from the city and the harbor.

VISION STATEMENT

One Bay, Rich Diversity

Promote the Bay as a central environmental, economic, and recreational resource for all people in the region. At the same time reinforce the differences in character and culture between each of the constituent cities and equitably balance available resources between maritime and commerce, job growth, recreation, the United States Navy and the need to protect and restore natural resources and the protection of public health along with man-made investments. The Port of San Diego should be regarded as a 21st Century, state-of-the-art facility and institution.

GUIDING PRINCIPLES

VALUES AND STANDARDS & PLANNING PRINCIPLES

VALUES AND STANDARDS

A. Achieve synergy among partnering agencies and stakeholders

Establish a long-range Vision and Master Plan consistent with the Port Act, California Coastal Act and California State Lands Public Trust Doctrine with implementation strategies that represent the interest of all Californians, all five member jurisdictions, California State Lands Commission, California Coastal Commission, and United States Navy in a balanced, proactive, and deliberate way, which is essential to achieve long term success. As a trustee, the Port has an opportunity and an obligation to meet the needs of the public in the State of California, while protecting the Tideland resources of San Diego Bay. The role of the Port goes beyond serving as an agent to manage existing assets and extends to a leadership function on behalf of all Californians both current and future.

D. Preserve the working Port as a dynamic and thriving element of the region's economy and cultural history

The Port's working waterfront serves an essential role in the region as an economic engine and a job generator. San Diego Bay is designated as a Strategic Port. The United States Navy is a major factor in the San Diego region both economically and for the defense of the United States. It is essential to maintain and enhance maritime capabilities for national defense and logistics support objectives. The Bay's history as a commercial center and cultural exchange, facilitated by commerce, are historically important and are reflected in the modern industrial facilities located on the Bay's working waterfront. Protecting the Bay as a shared waterway to promote commerce, navigation, fisheries, national defense, and recreation were foundational to the creation of the Port and will continue to underscore future investment in water-dependent industrial facilities.

B. Promote clean air, healthy communities, and environmental justice

Seek to achieve environmental justice which shall be defined as: working to reduce the cumulative health burdens on neighboring communities and ensure fair treatment of people of all races, cultures, and incomes in developing, adopting, implementing, and enforcing environmental laws, regulations, and policies.

E. Incorporate state of the art sustainability practices

Consider the long-term impacts of sea level rise and climate change to both land and water resources. Implement principles of resiliency and seek to become a national leader in thought and implementation of these practices. Implement energy conservation and sustainability practices and reduce dependency on carbon-based energy. Promote the health and sustainability of natural resources growth and proliferation of natural ecosystems. Create a sustainable fiscal budget and update it regularly.

C. Ensure job creation, prudent economic policies, and financial sustainability

Balance economics, available resources and the public good. As the shepherd of public lands and water within the Tidelands, the Port shall require a strategy that acknowledges its role as a regional economic driver and outlines investment and costs that consider economic feasibility, long-term financial sustainability and viability for the Port District broader State and community needs and impacts, while promoting public access, use, and enjoyment of the Bay. Utilize balanced and equitable investments in the tidelands and public realm in infrastructure improvements to create a value proposition for existing and future economic development, business attraction, growth, and public enjoyment of the Bay. Continue to increase revenues and support existing and future entrepreneurial opportunities in concert with Port operations such as, Cruise, Cargo, Ship Building and Repair, and Real Estate opportunities considering a progressive economic and business growth strategy.



1. Honor the water

Future decisions shall consider the health of the entire Bay ecosystem as a single, multi-faceted entity. Create a water use plan comparable to a land use plan recognizing the value of land assets as a function of their adjacency to different types of water. Use this plan to maximize deep water and dredged resources, recreational opportunities, and natural resource protection. Encourage a variety of activities and entrepreneurial opportunities. Optimize infrastructure for water-dependent uses, including sustaining and growing current commercial activities, organize water transportation routes, guide future decisions regarding infrastructure needs and upland uses adjacent to the Working Port, and integrate natural resources, climate change and water quality policies.



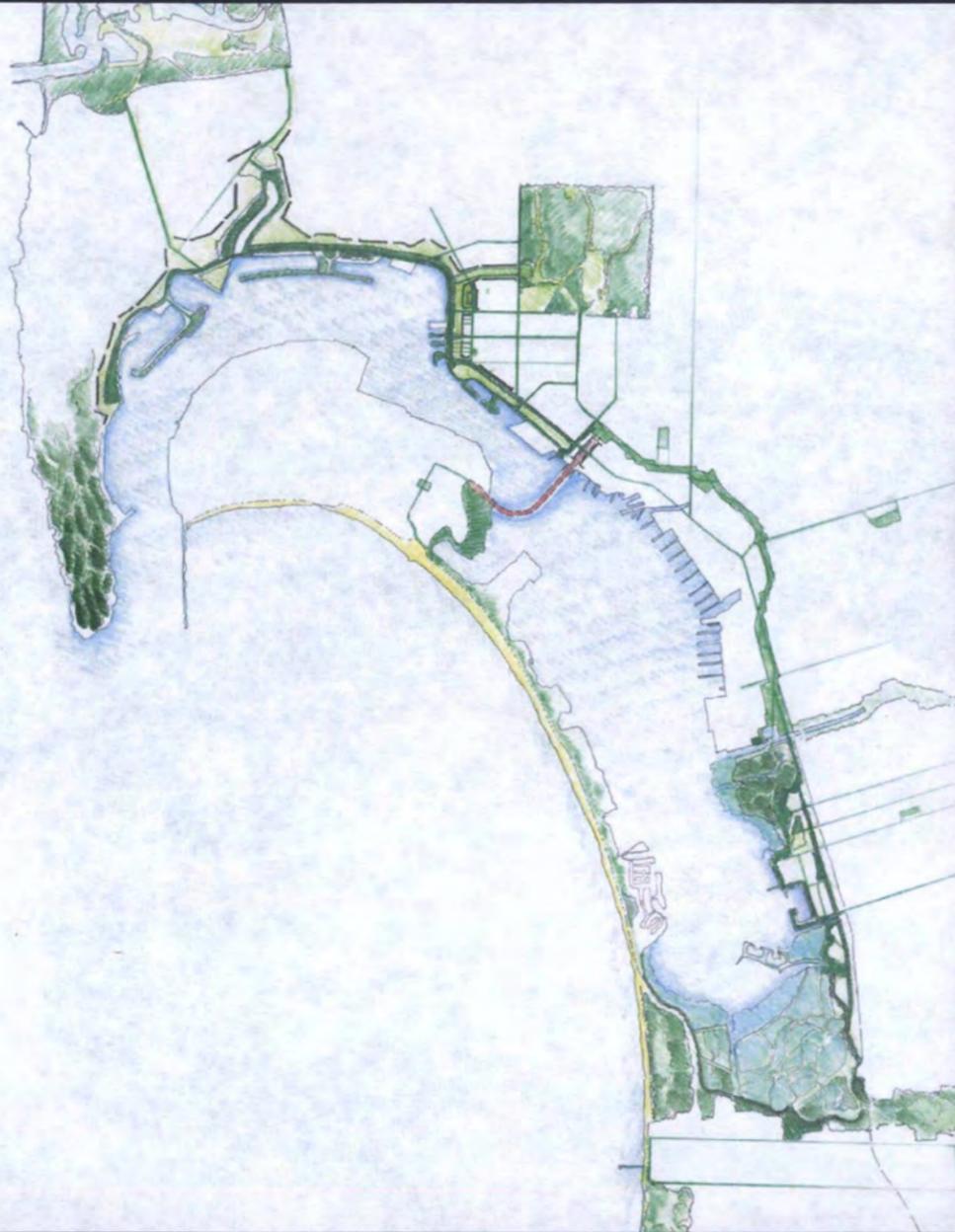
2. Guarantee the public realm

Maximize Waterfront Access. The waters of San Diego Bay are the region's precious and shared asset. The design of places along the waters' edge should respond to multiple and different upland conditions and provide access to the public throughout the Bay in a manner that is meaningful and compatible with adjacent uses. These differences range from the full potential of the North Embarcadero as a major destination, to neighborhood places like Shelter Island and the Chula Vista Bayfront, to the working waterfront and the United States Navy, the United States Coast Guard, and to quiet natural edges along the Silver Strand, Grand Caribe Island and South Bay National Wildlife Refuge.

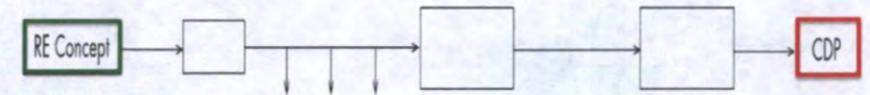


3. Celebrate nature and ecology

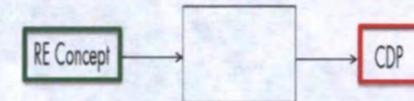
Establish an Environmental Stewardship Strategy. Celebrate the whole Bay as an inter-related marine, estuarine, and bay ecosystem that is valued, managed, protected, and enhanced for its overall impact on biology, economic prosperity, public use, and enjoyment. Promote the careful integration of water, natural resources, open space, and buildings and connectivity of both terrestrial and aquatic habitats.



Amendment Development Process



As of Right Development Process



4. Create a comprehensive open space plan

Establish a plan for a continuous network that connects existing and new waterfront parks, streets, and other open spaces. Integrate this network with the Bayshore Bikeway, existing waterfront streets, and any existing and future ferry routes. Consider planning, programming, maintenance, and enforcement of new parks and water access provisions when making decisions related to open space.

5. Provide easy mobility on land and water

Develop a mobility plan that addresses both land and water transportation in a manner consistent with public health and clean air. Work with appropriate agencies to avoid redundant policies and facilities to create maximum efficiency. Protecting the Bay as a shared navigational waterway is fundamental to the Port and will continue to guide future investments in water transportation. Together, water and land-based transportation infrastructure will help meet the region's mobility needs as part of a single, coordinated, transportation plan that reduces air pollution and promotes access to the Bay in order to facilitate the region's commerce, navigation, fisheries, recreation, and environmental preservation needs. Water transportation should address a range from individual swimmers, kayakers, pleasure boaters, fishing vessels, commercial vessels, ferries, water taxis, cargo, cruise, and naval and public safety vessels. Land transport should address a range from pedestrians, bicyclists, shuttles, autos, buses, light rail, and passenger and freight rail.

6. Streamline the approval process

Create certainty throughout the approval process by improving efficiency and reducing redundancy and time required for action. Create regulations that clearly define what can be achieved without an amendment process. Use the amendment process when hardship and other conditions apply when conformance cannot be achieved. A land use plan should clearly distinguish public land uses from private land use opportunities. Public land uses include streets, parks, waterfront access corridors, easements, and rights-of-way. Private land uses support leasable land opportunities, define acceptable uses, build-out capacities, development requirements, and required mitigation and environmental compliance policies. The project review and approval process should require conformance to the Master Plan. The project review process should fully coordinate with local, state and regional land and water approval agencies to minimize duplication and redundancy. The purpose of implementing a progressive Port Master Plan is to clarify requirements that are flexible, agile, and adaptive to respond to changing economic conditions and needs overtime. Implement and adopt a Port Master Plan that is consistent with the Port Act, State Lands Commission requirements, and the California Coastal Act.



An aerial photograph of a waterfront area. A large, dark blue body of water occupies the left and bottom portions of the frame. On the right side, there is a light-colored, paved area, possibly a road or parking lot, with a red line running through it. Several green, rectangular structures are visible, some of which appear to be floating or partially submerged in the water. The overall scene suggests a developed waterfront area with various uses.

THE WATER : A BLUE NETWORK

The key to a Water Plan is to reinforce the appropriate use of the water, to create sense of place upland, to enhance neighborhoods, to increase the number of visitors, to allow better access along and into the water, to guide the growth of water-oriented businesses, and to protect, enhance, and improve environments and resources. There are by some counts over 20 different neighborhoods and waterfront places. Each needs a unique set of guidelines that reinforce the use of the water.

Key Findings

Water Depth

The channel depth will require deeper dredging over time as cargo vessels become larger. This in turn will require faster and more efficient throughput at the shipyards, an instance again where infrastructure and water plans integrate. There continues to be public discussion about a South Cut through the Silver Strand. Water depth, continuous access and environmental issues come together, yet a long term plan should allow this discourse.

Water Transportation

There is almost no public transportation on the bay today except the Coronado Ferry. A long-term plan would certainly posit a water network of some variety with corresponding park, infrastructure and development plans.

The Water's Edge

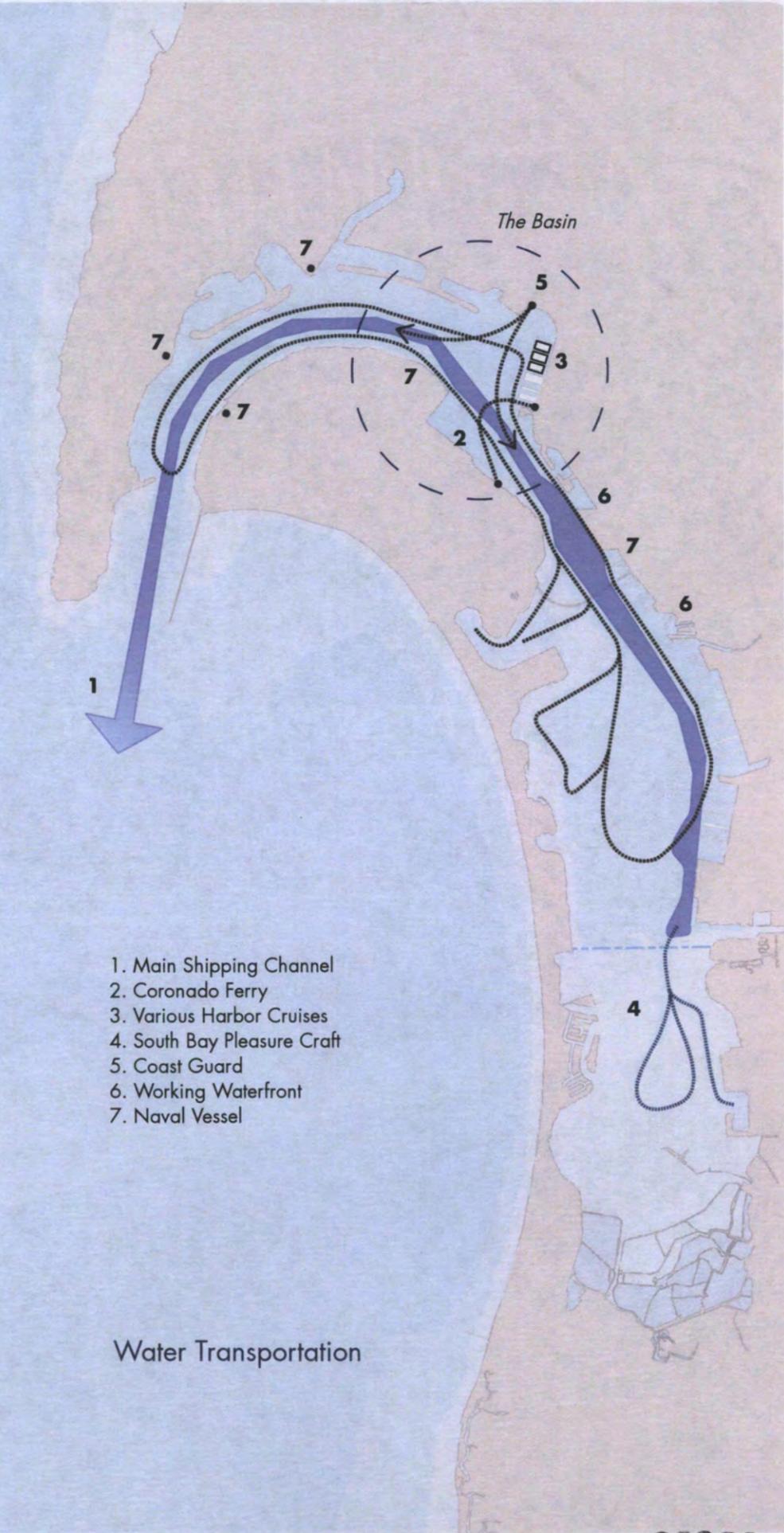
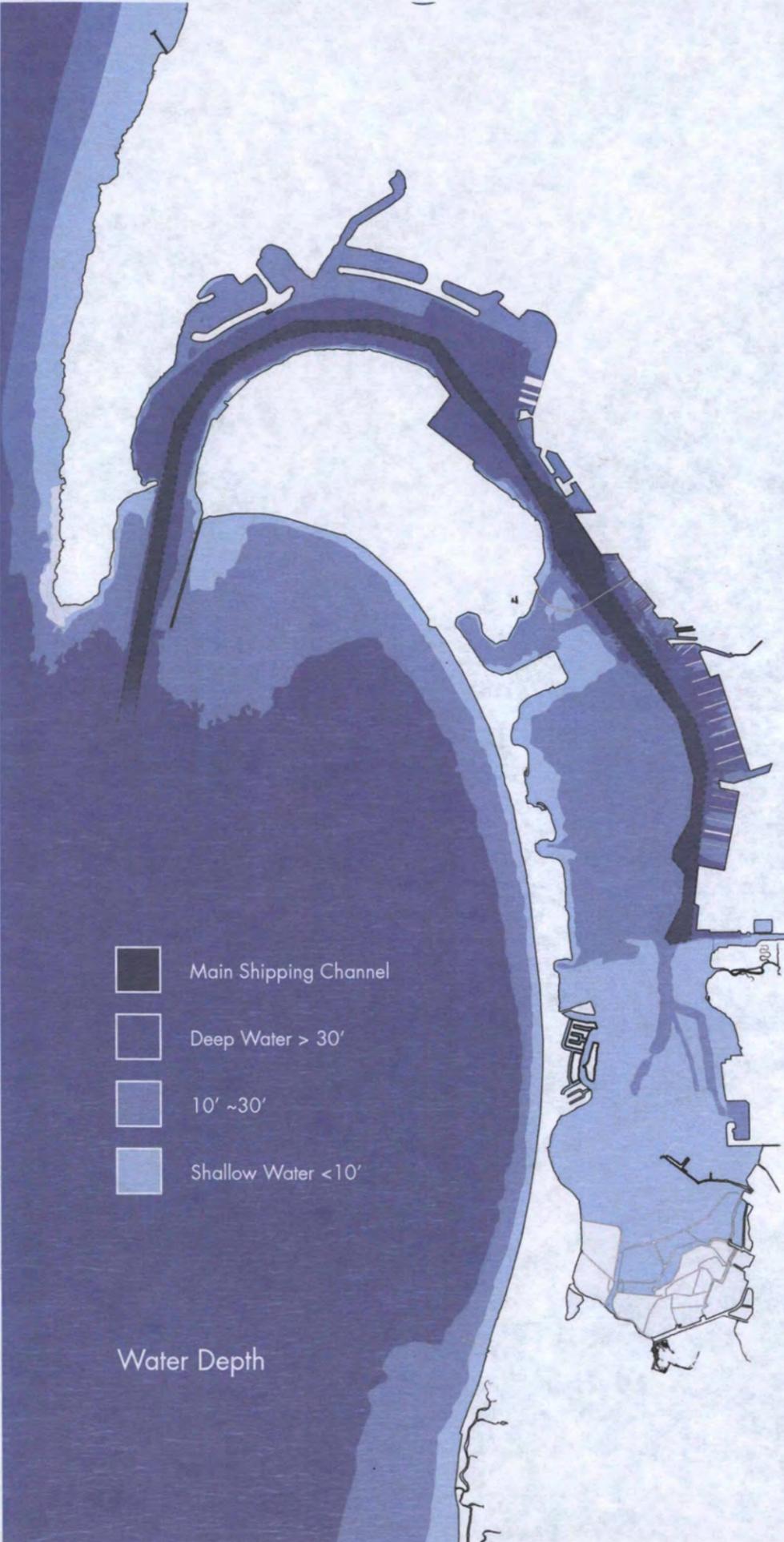
The Bay has over 54 miles of shoreline but with pier, bulkhead and revetment investments the Port has created over 89 miles of water frontage. Very little of this valuable frontage has been capitalized on today.

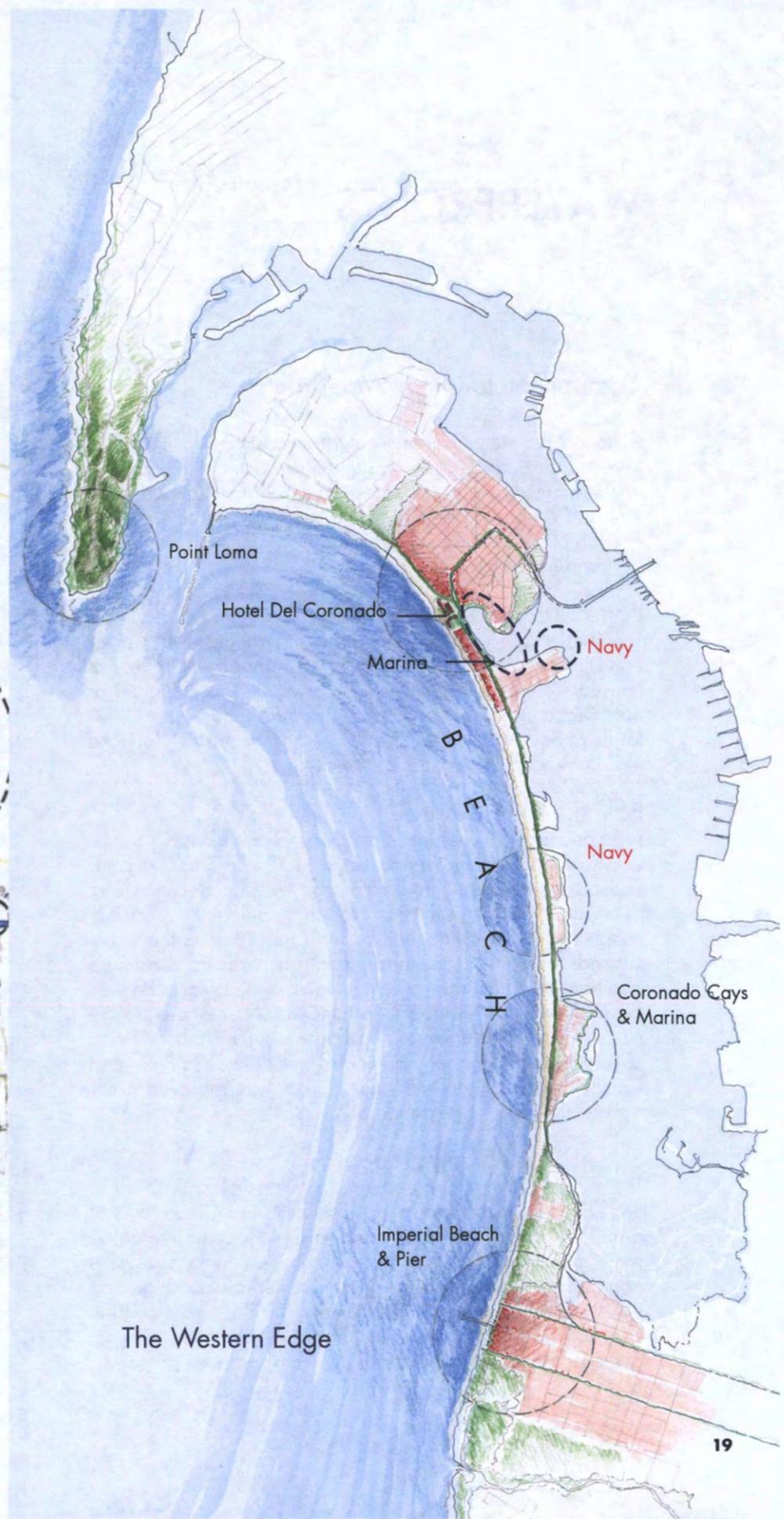
The Eastern Edge

Most Port land is on the eastern side of the bay. A great variety of water uses are on the east ranging from marinas, to dinner cruises, to cruise ships, the Navy and cargo vessels, to the Sweetwater River and Wildlife Refuge, to the Chula Vista Bayfront.

The Western Edge

The western edge of the Bay shares attention with the Beach and the Pacific Ocean. With the exception of Coronado Cays and Coronado, the western edge is a special recreational and natural resource.





WATERFRONTS

Comparison to Other Waterfronts

Although we studied many waterfronts, three are illustrated here that summarize our teams findings. Each of the diagrams you see are drawn at the same scale, the first comparison is size and shape. The second is a comparison of the character of each place. And third is a comparison of the layout of each port and use of the water.

Port of Long Beach/Los Angeles

The Port of Long Beach/Los Angeles is roughly the size of San Diego Bay but noticeably different in shape with industrial corridors of water versus bodies of water. The character of San Diego Bay is remarkably mixed-use and nestled next to neighborhoods while Long Beach is a straightforward industrial port separated from the city.

Baltimore Inner Harbor

Everyone is always surprised at how small the Inner Harbor is. See how small when overlaid near the Cruise Ship Terminal. Importantly, the vessels flow from large water to medium water to the small water of the Inner Harbor. A different but equally compelling journey happens in San Diego Bay as the water unwinds from the ocean and the city is revealed. Baltimore also has use restrictions along the water, and their success was to establish a continuous park around the water where the city placed all of its attractions. Baltimore's Inner Harbor is part of a larger series of neighborhoods including Fell's Point and Camden. The value of the Inner Harbor has improved every adjacent waterfront neighborhood.

San Francisco Embarcadero

The length of this Embarcadero is similar in length to all of San Diego Bay. The character is similar to San Diego, by that a real city on the water. Although a slightly larger region by some measures, the Port region can follow many successes from San Francisco, especially the use of transportation and greatly improved access. San Diego Bay has two sides/the east and west shores, while San Francisco has one shoreline. San Diego Bay has protected waters and twice the frontage.

WATERFRONT USE

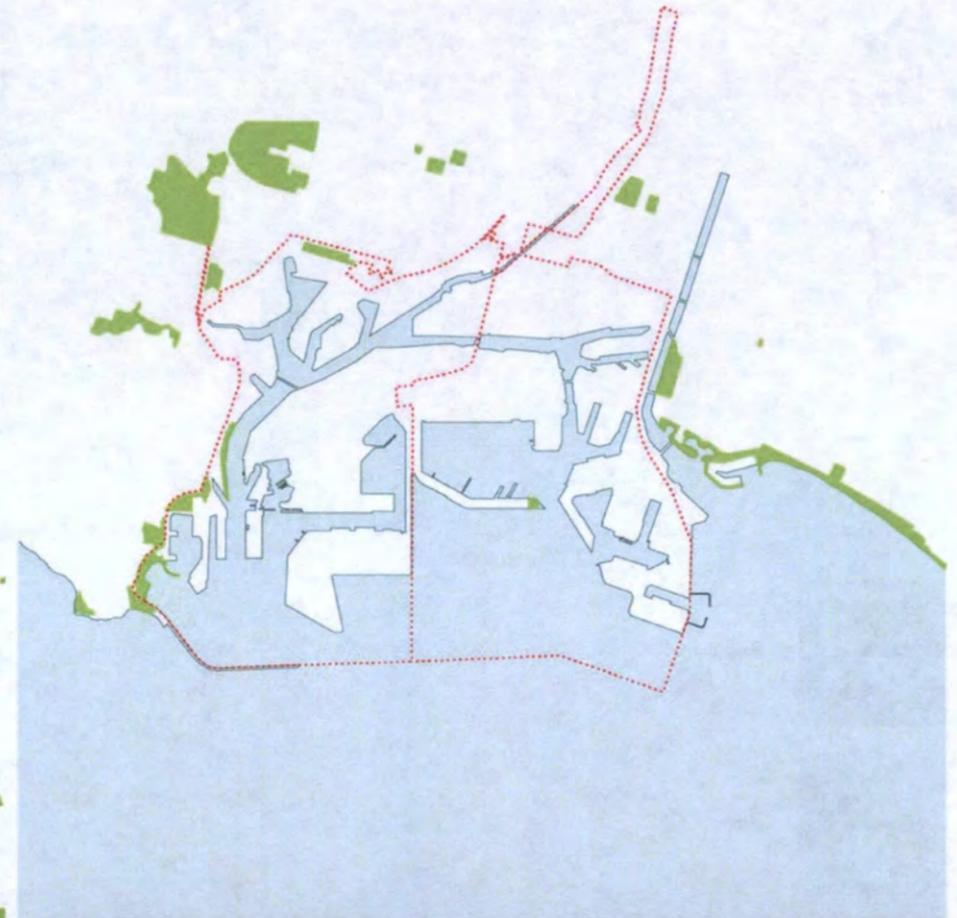
MIXED USE

San Diego Port Jurisdiction



SINGLE USE

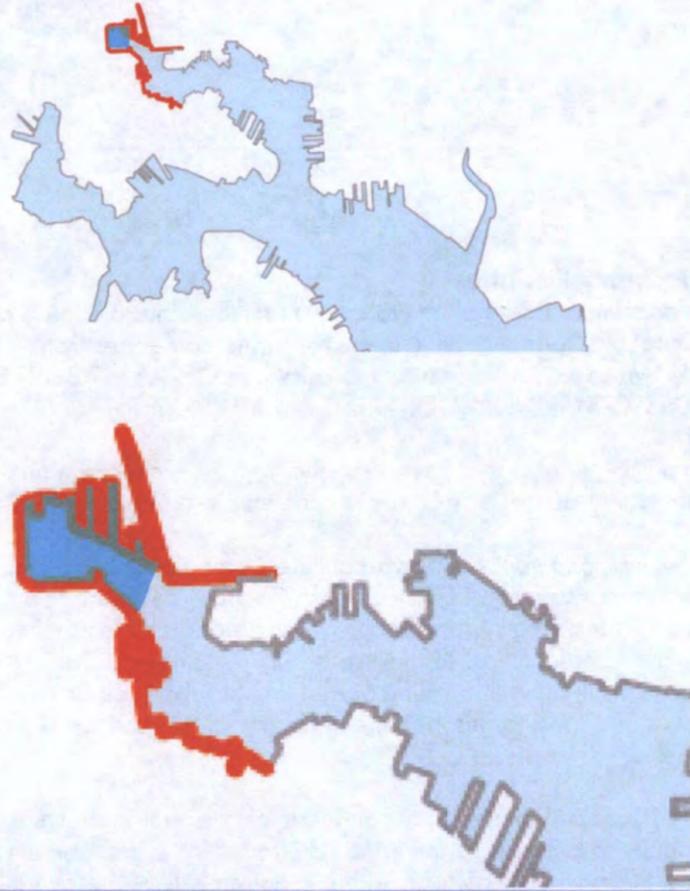
Port of Long Beach/ Los Angeles



SHORELINE COMPOSITION

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Baltimore Inner Harbor



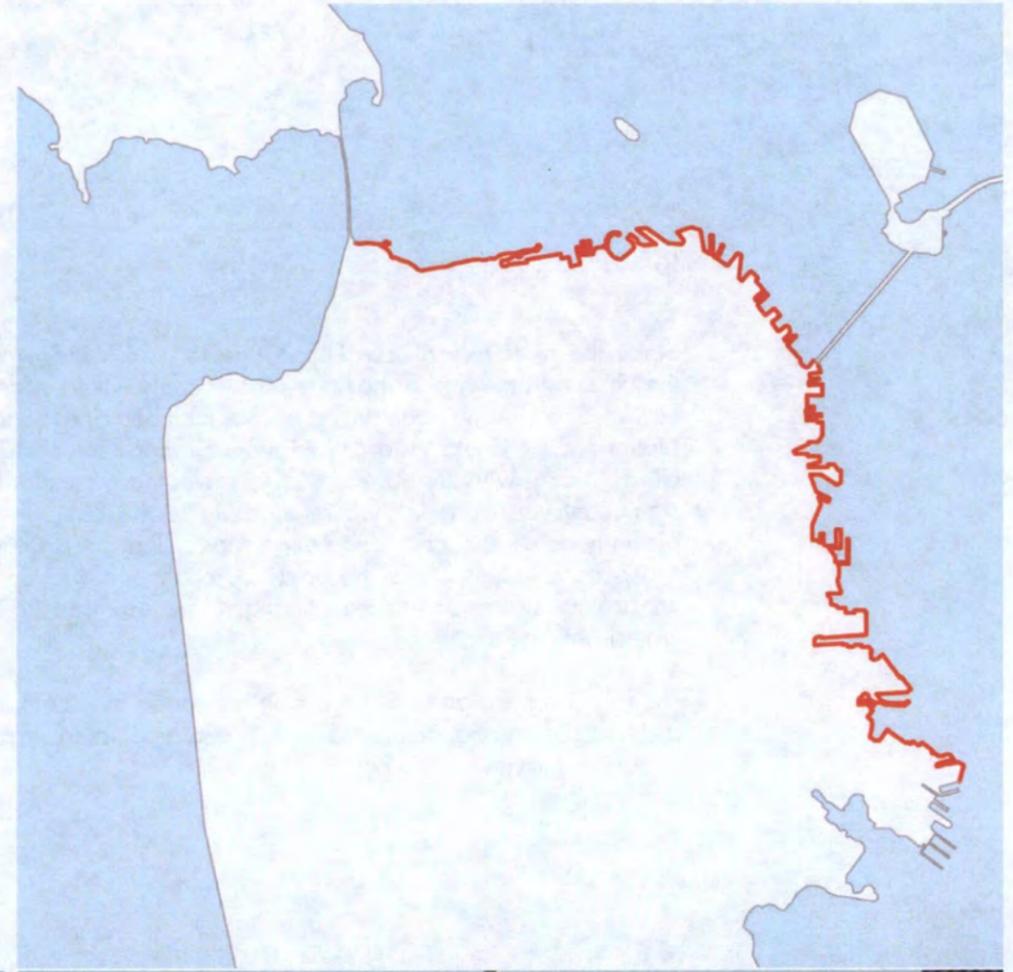
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San Diego Port Jurisdiction

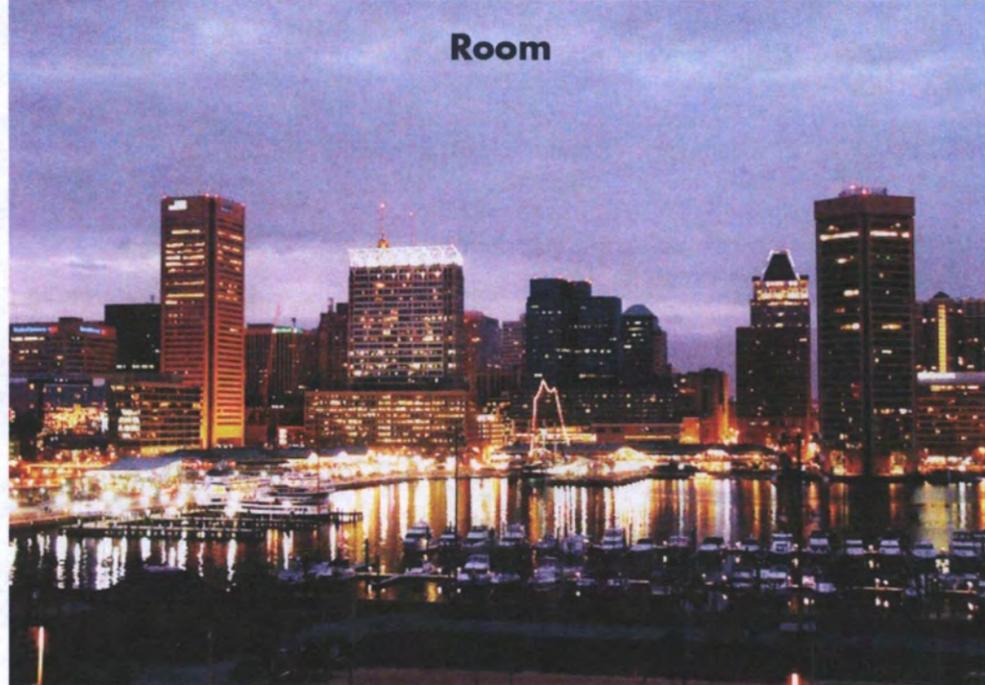


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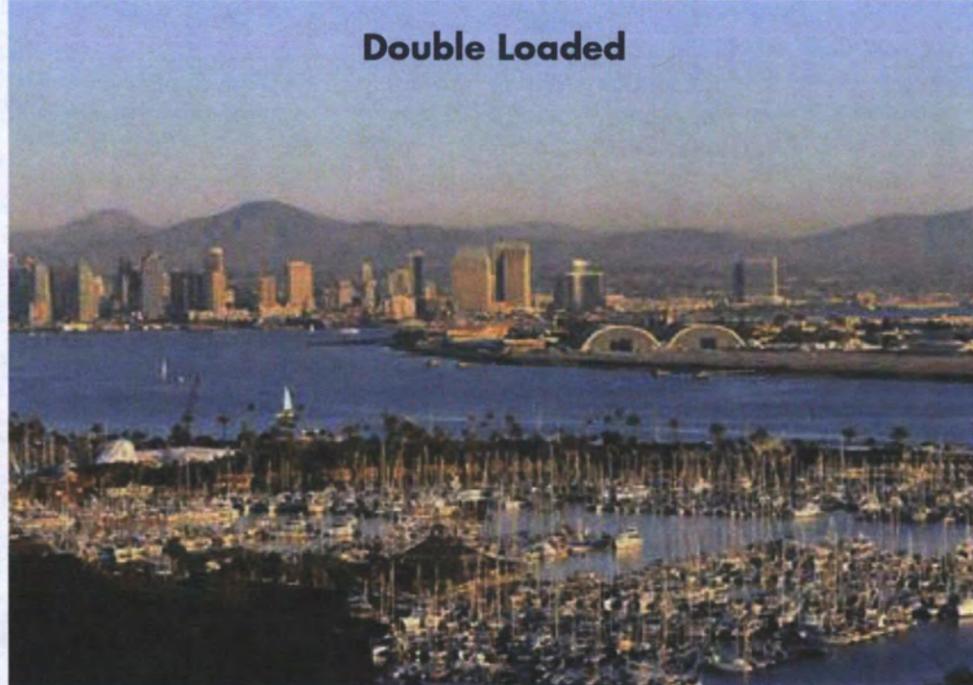
San Francisco Port Jurisdiction



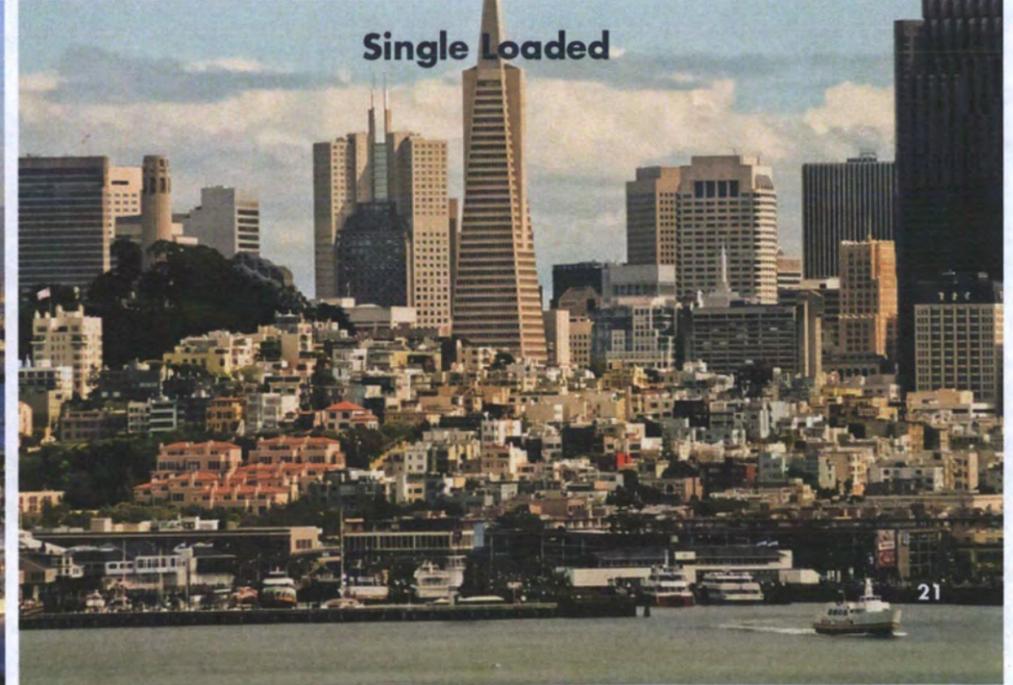
Room



Double Loaded



Single Loaded



Introduction

Since the discovery of San Diego Bay in 1542, the evolution of the cities and the harbor has been inextricably linked. The Unified Port of San Diego is comprised of five member cities (San Diego, National City, Chula Vista, Imperial Beach, and Coronado). These cities, along with the U. S. Navy, have many similarities and significant variations in their relationship to the Bay. In order to properly develop a Port Long-Range Master Plan, it is important to grasp basic issues about the physical, economic and operational constraints and opportunities relating to the Bay and Port marine waterfront assets.

The following is a general discussion supported by a compilation of facts and information related to the Bay and associated infrastructure under the purview of the Port.

Waterfront Infrastructure

The Port operates and maintains a wide variety of piers, wharves, seawalls, rock-revetment slopes and natural shoreline in the Bay. Reference Map 3-6 "San Diego Bay marinas, docks, and public recreational areas", and Map 4-4 "Shoreline habitats and existing structures of San Diego Bay as mapped in 1998" on the following page. These maps were extracted from the March 2013 Port Integrated Natural Resources Management Plan (INRMP). Most of the structures were designed and constructed between 1913 and the 1980s. As would be expected, the condition and remaining service life of these assets varies significantly.

Facilities at three sites comprise the primary marine waterfront infrastructure operated by the Port. Photos of these facilities are provided on pages 26 to 29.

- Embarcadero Facilities (Map 3-6 Facility No. 1 and Photo 1)
Navy Pier (Photo 2)
Broadway Pier (Photo 3)
B St. Pier (Photo 4)
Embarcadero Wharf (Photo 5)
- Tenth Avenue Marine Terminal (TAMT) (Map 3-6 Facility No. 2 and Photos 6 - 8)
Berths 10-1 through 10-6
- National City Marine Terminal (NCMT) (Map 3-6 Facility No. 3 and Photos 9 - 10)
Berths 24-1 to 24-5
Berths 24-10 to 24-11

In order to develop a "satellite perspective", it is necessary to make generalizations as relates to overall condition, capacity, etc., so that the information will be useful for master planning purposes. When making these overall evaluations, wherever possible, source documents are referenced. These references will allow the reader to obtain more specific information, if desired.

Primary Facilities

For primary Port marine waterfront facilities, information is provided in tabular format relative to the following categories (ref. Appendix: 2_Water pg.93 Table No. 1-OVERVIEW OF MAJOR PORT OF SAN DIEGO MARINE WATERFRONT FACILITY ASSETS) .

Facility Age. The year that the facility was placed in-service, including date(s) of substantial renovation/rehabilitation) if-known.

Facility condition. The Naval Facilities Engineering and Expeditionary Warfare Center (NAVFAC EXWC) has developed an overall condition rating system that provides a standard classification for all waterfront facilities. In the use of this system, each facility is given an overall condition rating based on the observed conditions. The six terms used to describe the condition of a structure are described below.

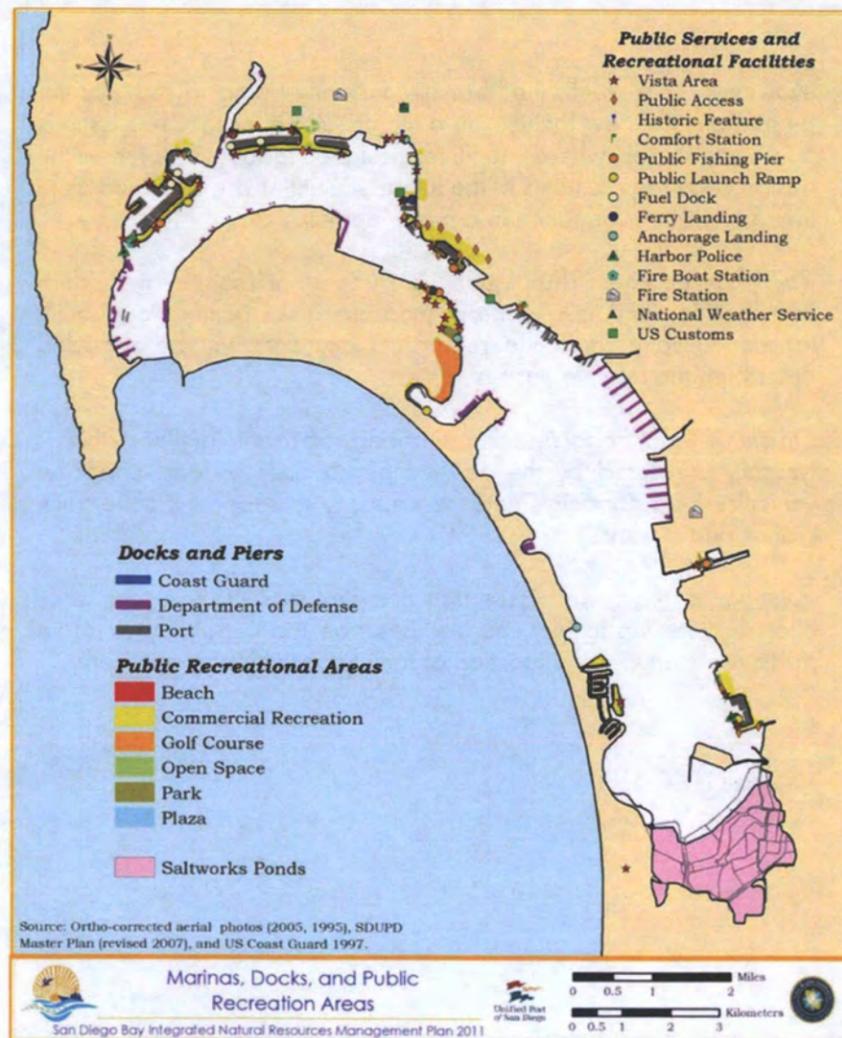
The rating indicates the condition of the entire structure and its ability to perform its intended function. Not every element making up the structure has to meet the requirements of the overall rating. In addition, load restrictions may be recommended for areas where isolated deterioration has locally reduced the load carrying capacity of the structure.

"Good" – No problems or only minor problems noted. Structural elements may show some very minor deterioration, but no over stressing observed.

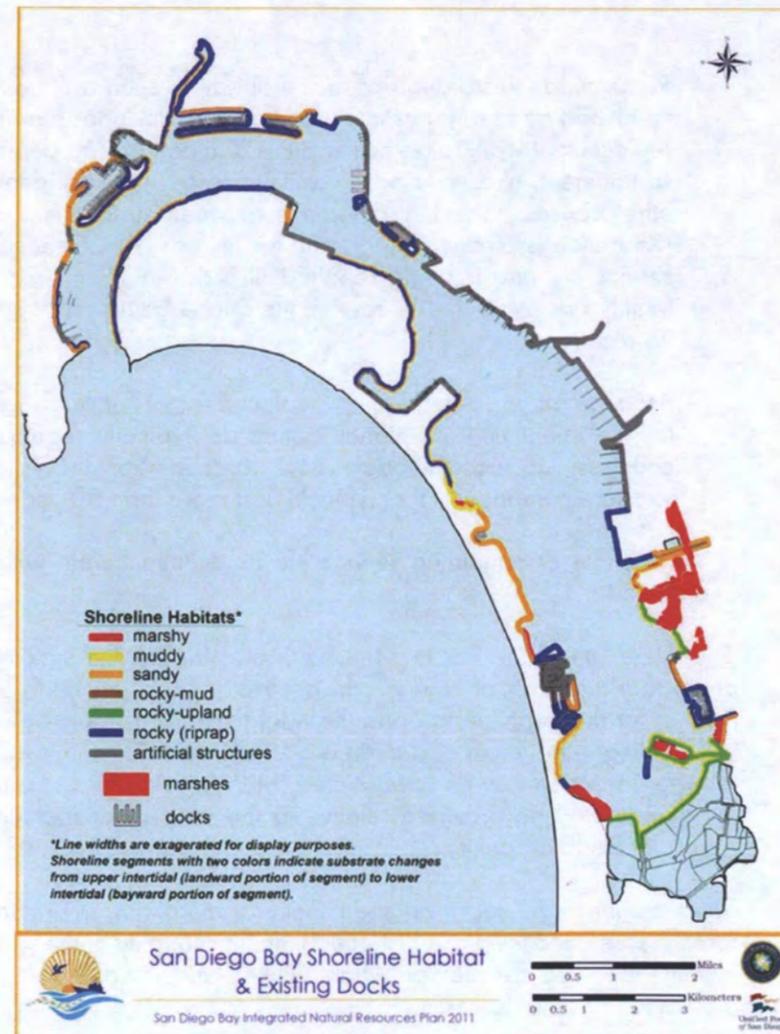
"Satisfactory" – Minor to moderate defects and deterioration observed, but no over stressing observed.

"Fair" – All primary structural elements are sound, but minor to moderate defects and deterioration observed. Localized areas of moderate to advanced deterioration may be present but do not significantly reduce the load bearing capacity of the structure.

"Poor" – Advanced deterioration or over stressing observed on



Map 3-6 San Diego Bay marinas, docks, and public recreational areas



Map 4-4 Shoreline habitats and existing structures of San Diego Bay as mapped in 1998

widespread portions of the structure.
 "Serious" – Advanced deterioration, overstressing, or breakage may have significantly affected the load bearing capacity of primary structural components. Local failures are possible.
 "Critical" – Very advanced deterioration, overstressing, or breakage has resulted in localized failure(s) of primary structural components. More widespread failures are possible or likely to occur.

Remaining service life. The concept of remaining service life pertaining to existing marine waterfront infrastructure is often misunderstood. The common definition used in reference to engineering structures is - "Service life – the length of time during which a structure, or facility, can be used economically before emergent damage causes increasing interruptions in facility operations or becomes a threat to public health and safety."

The damage affecting most individual components does not typically degrade in a manner that causes sudden "catastrophic failure". Typically these components continue to decay until a series of less dramatic occurrences makes service limitations obvious. There are several considerations that are important to consider when making a service life evaluation:

Economics. Service life can be prolonged for a facility by increasingly frequent repairs. At some point, this continued investment in repairs necessary to maintain operational viability does not "pencil out" from a return-on-investment perspective. This is especially true when the cost for the repairs is linked with the "operational downtime" (loss of revenue) that occurs during the repair process, or the opportunities lost by virtue of not having

a modern facility. Many times this increasingly frequent repair scenario is the default position when an owner does not have sufficient funds and/or the operational flexibility to allow for construction of a new facility.

Changes in operational use. Given the long-term use of a facility, ongoing operations will expose limitations that effect "service life". Examples of this concept are as follows:

1. Need for increased load capacity. This includes the use of high-capacity mobile truck cranes and forklifts
2. Construction of modern topside facilities. The introduction of a new facility, such as a cruise ship terminal, emphasizes the disparity in service life between the proposed facility and the existing structure serving as a platform for the new construction.

Changes in design criteria. Engineering and building codes develop over time. Analytical techniques are continuously being developed which allow for more sophisticated engineering analysis. Environmental regulations continue to become more stringent and complex. These considerations may affect change in operational use and the manner in which "service life" is perceived. It is appropriate to consider the following definitions developed by the U.S. Navy and currently being used in regards to marine waterfront facilities repair:

Sustainment - Maintenance and repair activities necessary to keep a typical inventory of facilities in good working order. Sustainment includes regularly scheduled maintenance as well as cyclical major repairs or replacement of components that occur periodically over the expected service life of the facility. Due to obsolescence, sustainment alone does not keep facilities "like new" indefinitely, nor does it extend their service lives. A lack of full sustainment results in a reduction in service life that is not recoverable in the absence of recapitalization funding.

Restoration - Restoration of real property to such a condition that it can be used for its intended purpose. Includes repair or replacement work to restore facilities damaged by inadequate sustainment, excessive age, natural disaster, fire, accident or other causes. The key difference between sustainment and restoration is "service life". If the facility has not exceeded its service life and is being repaired; it is "sustainment." If the facility has exceeded its service life and is being repaired; it is "restoration".

Modernization - Alteration or replacement of facilities solely to implement new or higher standards (typically regulatory changes), to accommodate new functions, or to replace structure components that typically last more than 50 years.

An estimate of remaining service life as defined herein will be provided.

Ship Draft limitations. For a given berth at a facility, the maximum depth that the draft of a ship can have alongside the berth is a function of the berth design and the tidal fluctuation. For facilities in San Diego, the depth of a berth is typically given as an elevation relative to Mean Lower Low Water (MLLW). Where possible, information will be provided relative to the ease of deepening a particular berth or facility.

Vulnerability to the sea level rise. General discussion is provided for this issue. Sea level rise first affects the functionality of the fender system, followed by pier or wharf utilities and issues related to inundation or uplift forces.

Seismic performance (vulnerability to earthquakes). The ability to analyze, design and construct facilities to resist lateral and vertical forces and displacements resulting from earthquakes is constantly

evolving. As a result, the "bar is constantly being raised" for the performance of new facilities in a major seismic event. This issue is a "moving target" wherein facilities designed today will not meet the design code requirements of the future. Facilities are classified as to their general performance in a major earthquake.

Rail/truck access. This issue is an important feature of modern Port facilities and is a general measure of a facility's capability to economically serve the region. Comments will be provided describing the relative ease of access.

Structural load capacity. For marine waterfront facilities, this is typically measured by the general per-square-foot load capacity; vehicular load capacity; and the capacity to support mobile truck cranes and forklifts.

Potential markets. This issue is a complex subject; however some effort will be made to generally describe the capability to serve particular markets as a function of facility operational limitations.

Secondary Facilities

The Port maintains a number of secondary facilities throughout the Bay in support of sport fishing; commercial fisheries and commercial operations. In addition, there are numerous facilities that are leased and maintained by Port tenants, such as commercial shipyards, marinas, ferries and miscellaneous facilities. Port tenant facilities are beyond the scope of this document. A partial list of secondary facilities operated and maintained by the Port are as follows:

- Shelter Island Fishing Pier (Map 3-6 Facility A and Photo 11)
- Grape St. Piers (Map 3-6 Facility B and Photos 12-14)
 - Grape St. Piers Nos. 1 and 2
 - Grape St. Piers No. 3 (Chevron Pier)
- G St. Mole Facilities (Map 3-6 Facility C and Photos 15-18)
 - Tuna Boat Pier
 - Fish Harbor Pier
 - Fish Market Wharf
- Embarcadero Marina Park Fishing Pier (Map 3-6 Facility C and Photos 19-20)
- Crosby St. Pier (Map 3-6 Facility D and Photo 21)
- Public Pier (Map 3-6 Facility D and Photo 21)
- Chula Vista Marina Pier (Map 3-6 Facility E and Photos 22-23)
- Imperial Beach Pier (Map 3-6 Facility F and Photos 24-25)

The issues related to the general condition and assessments of the secondary facilities are similar to those considered for the primary facilities. Certain aspects may not be applicable depending on the size and function of a specific facility. For secondary Port marine waterfront facilities, information is provided in tabular format (ref. Appendix Table No. 2-OVERVIEW OF SECONDARY PORT OF SAN DIEGO MARINE WATERFRONT FACILITY ASSETS) relative to : facility age, facility condition, remaining service life, draft limitations, vulnerability to sea level rise, seismic performance (vulnerability to

earthquakes), truck access (considerations for rail service are not applicable to these facilities), structural load capacity, and potential markets.

Primary Facilities



Photo 1. Embarcadero Facilities (looking south). The Embarcadero Wharf is seen on the left. The B St. Pier, Broadway Pier, and Navy Pier (with USS Midway) are visible in the right foreground.



Photo 2. Embarcadero Facilities. Navy Pier as seen looking east with Harbor Dr. and The Navy Broadway complex in the background. The USS Midway Aircraft Carrier Museum is seen on the left.

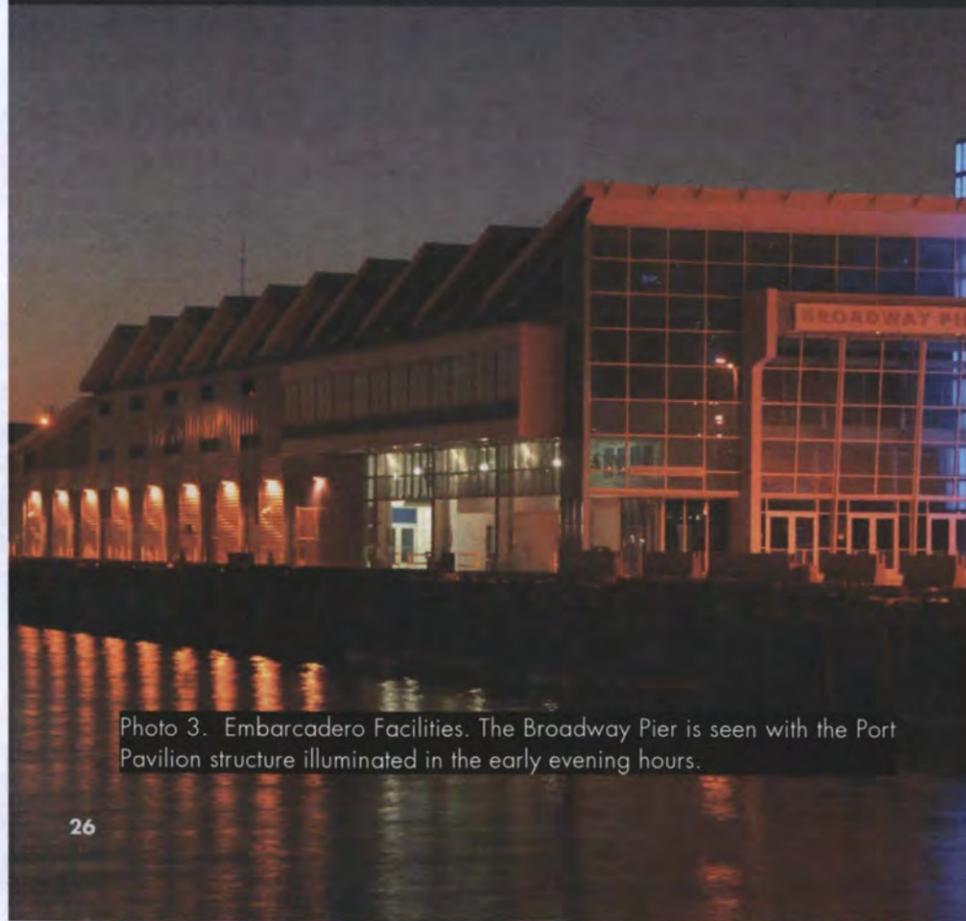


Photo 3. Embarcadero Facilities. The Broadway Pier is seen with the Port Pavilion structure illuminated in the early evening hours.



Photo 4. Embarcadero Facilities. B St. Pier as seen looking west. The transit shed/Cruise Ship Terminal is seen on the right.



Photo 5. Embarcadero Facilities. The Embarcadero Wharf (looking north) is seen on the right with the B St. Pier on the left. The Embarcadero Crescent area and San Diego International Airport are in the background.

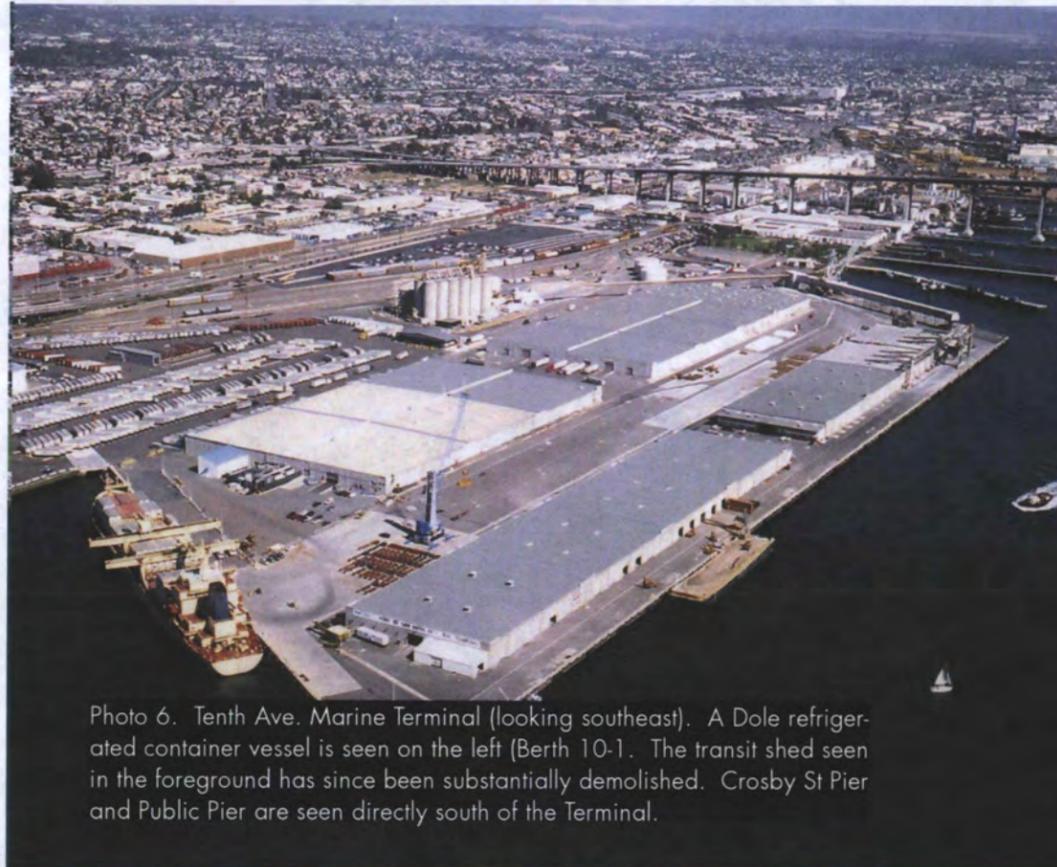


Photo 6. Tenth Ave. Marine Terminal (looking southeast). A Dole refrigerated container vessel is seen on the left (Berth 10-1). The transit shed seen in the foreground has since been substantially demolished. Crosby St Pier and Public Pier are seen directly south of the Terminal.

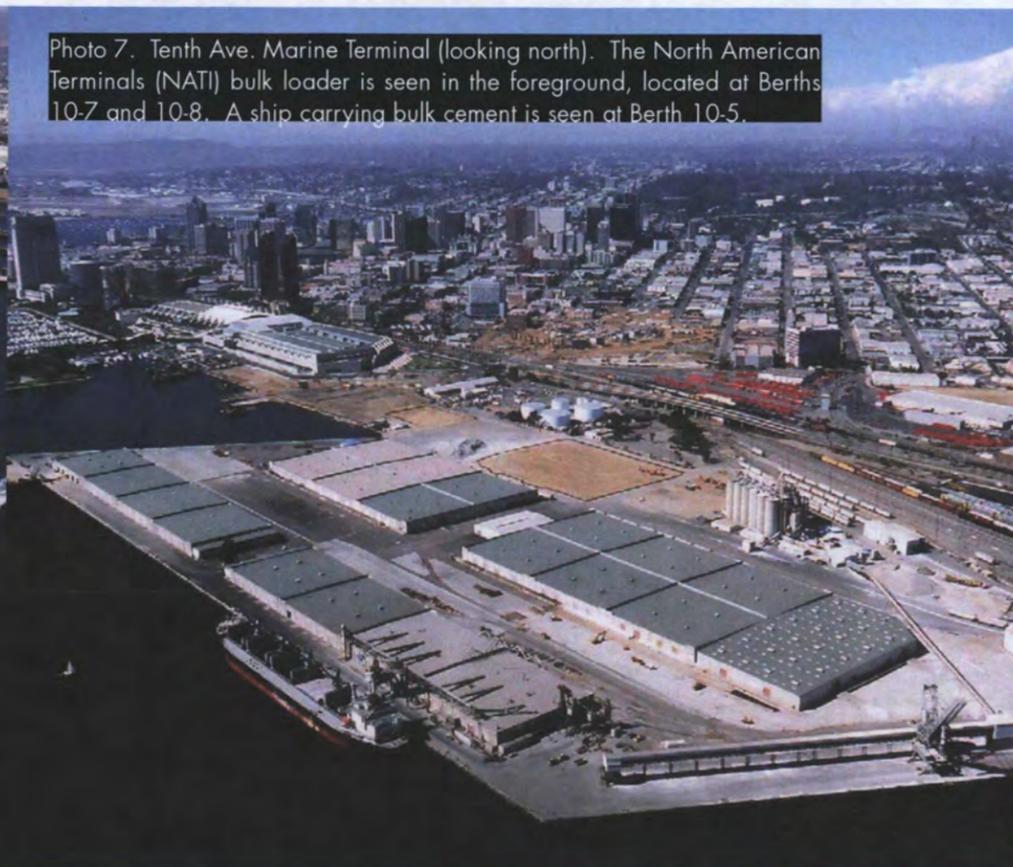


Photo 7. Tenth Ave. Marine Terminal (looking north). The North American Terminals (NATI) bulk loader is seen in the foreground, located at Berths 10-7 and 10-8. A ship carrying bulk cement is seen at Berth 10-5.



Photo 8. Tenth Ave. Marine Terminal. Refrigerated containers are being unloaded onto a flatbed truck for storage at the adjacent refrigerated container yard. This is typical of the Dole operations at Berth 10-1. Dole is a long-term tenant.

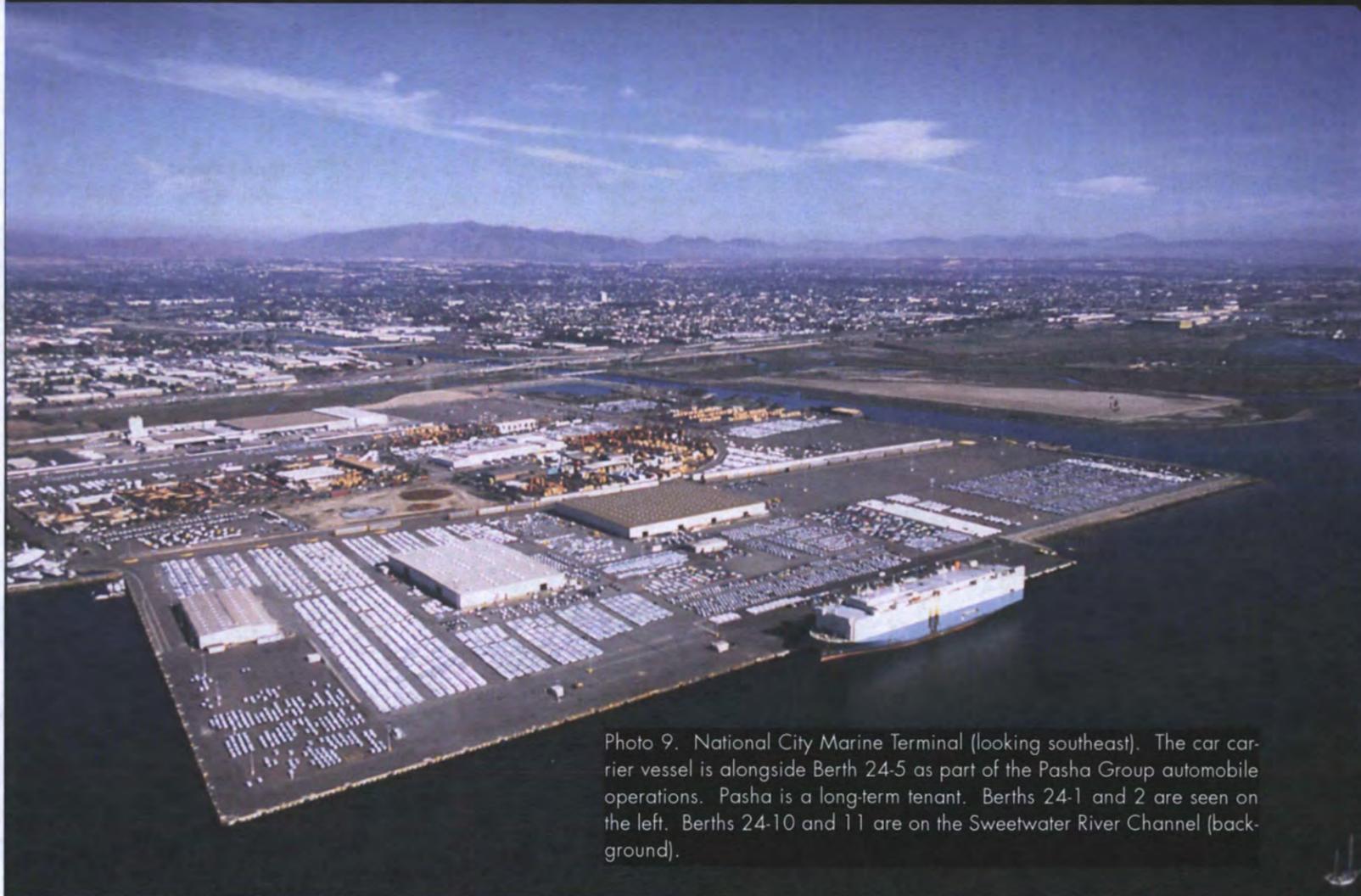


Photo 9. National City Marine Terminal (looking southeast). The car carrier vessel is alongside Berth 24-5 as part of the Pasha Group automobile operations. Pasha is a long-term tenant. Berths 24-1 and 2 are seen on the left. Berths 24-10 and 11 are on the Sweetwater River Channel (background).

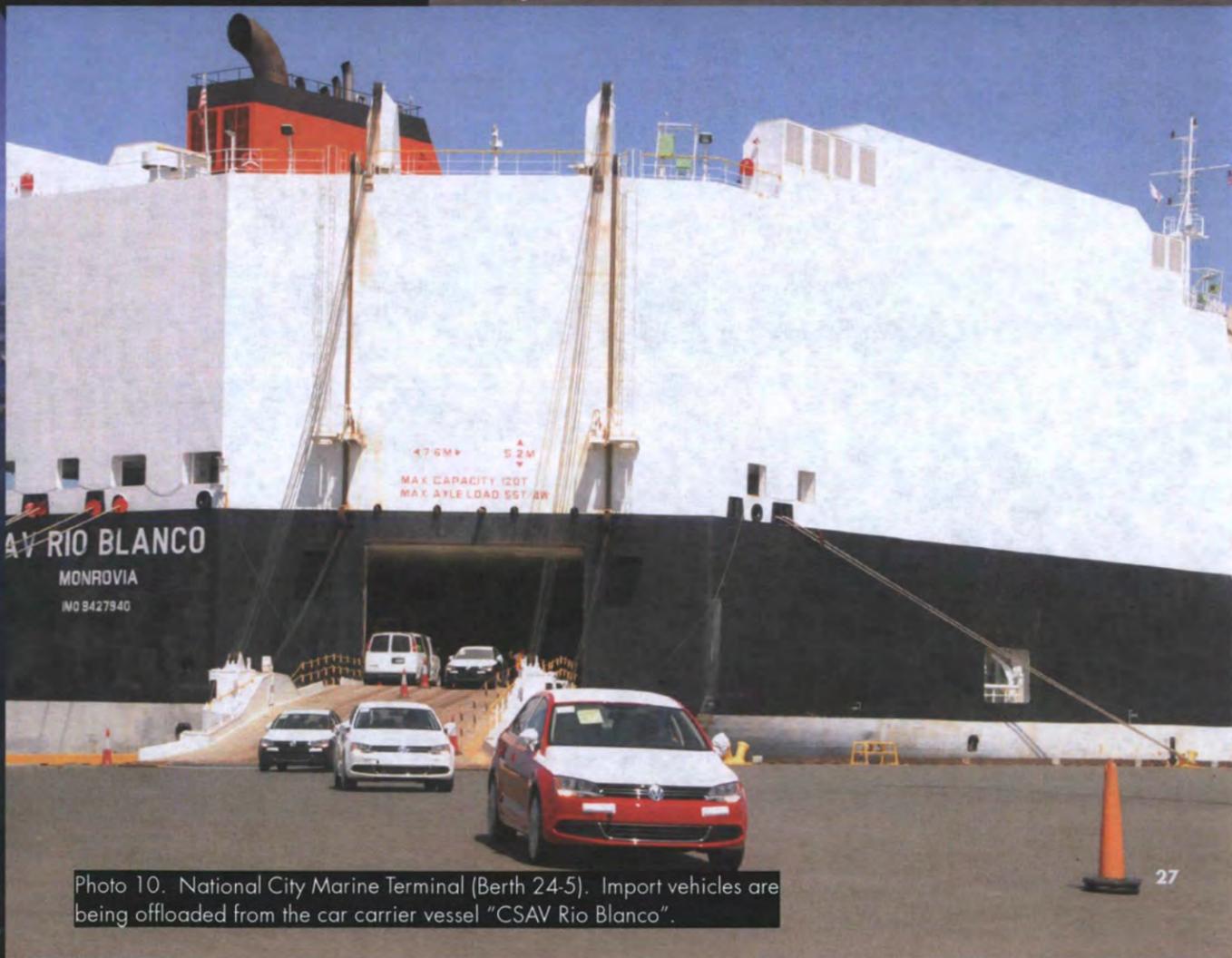


Photo 10. National City Marine Terminal (Berth 24-5). Import vehicles are being offloaded from the car carrier vessel "CSAV Rio Blanco".

Secondary Facilities

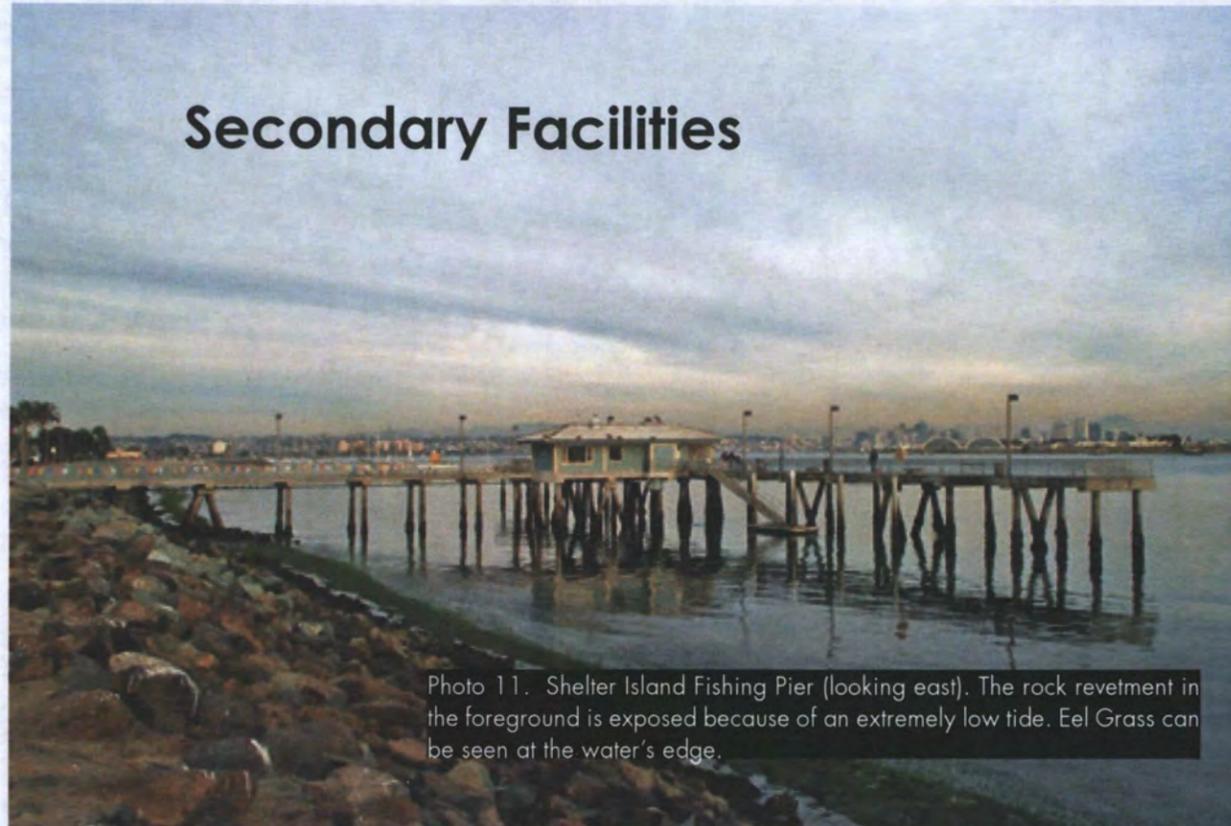


Photo 11. Shelter Island Fishing Pier (looking east). The rock revetment in the foreground is exposed because of an extremely low tide. Eel Grass can be seen at the water's edge.

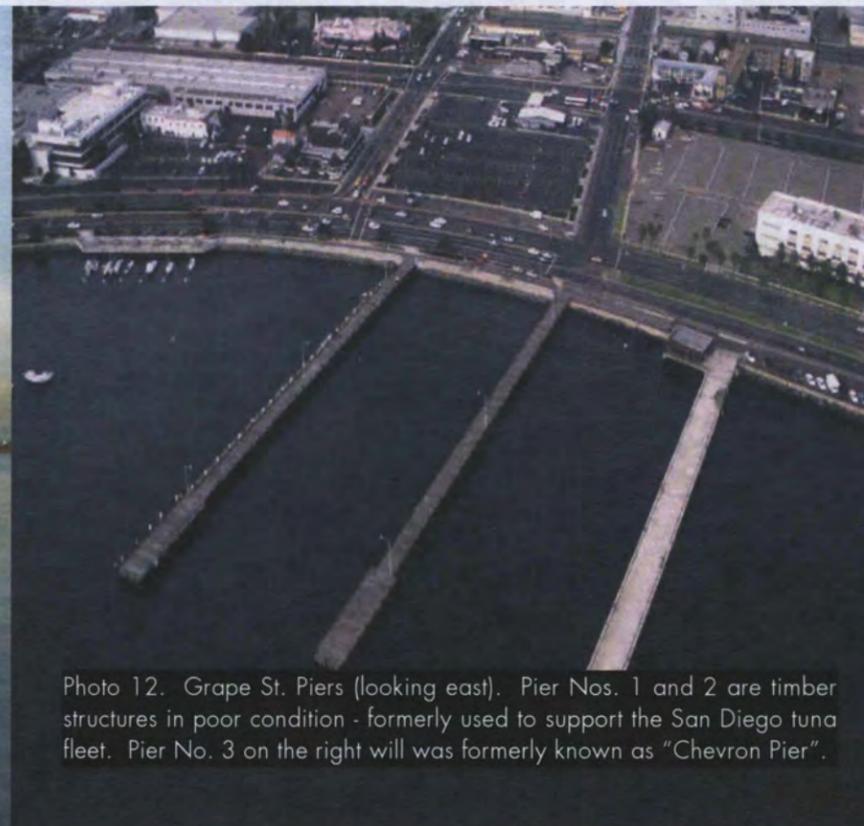


Photo 12. Grape St. Piers (looking east). Pier Nos. 1 and 2 are timber structures in poor condition - formerly used to support the San Diego tuna fleet. Pier No. 3 on the right will be formerly known as "Chevron Pier".

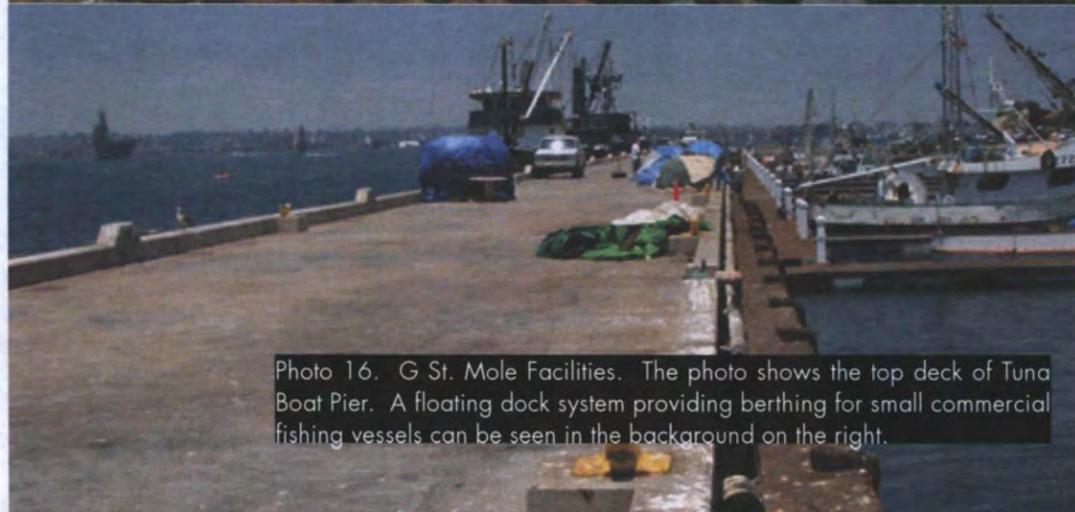


Photo 16. G St. Mole Facilities. The photo shows the top deck of Tuna Boat Pier. A floating dock system providing berthing for small commercial fishing vessels can be seen in the background on the right.

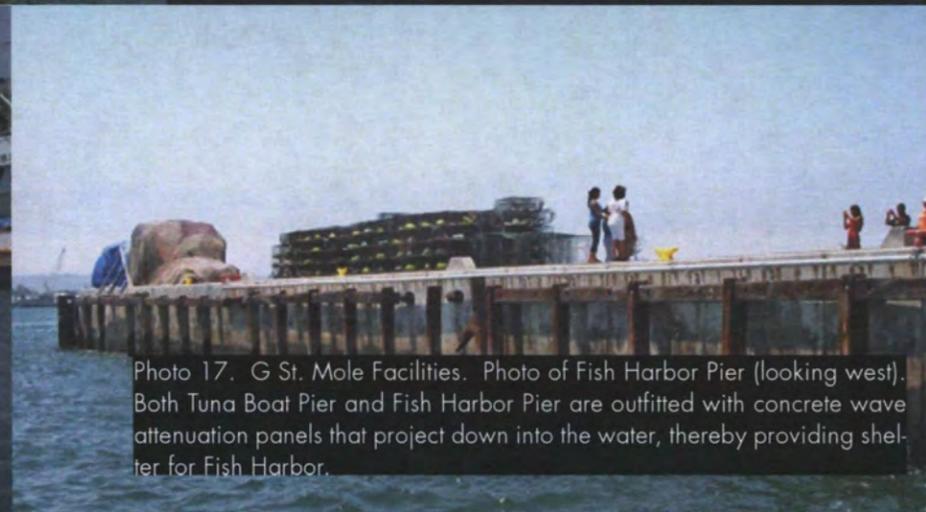


Photo 17. G St. Mole Facilities. Photo of Fish Harbor Pier (looking west). Both Tuna Boat Pier and Fish Harbor Pier are outfitted with concrete wave attenuation panels that project down into the water, thereby providing shelter for Fish Harbor.

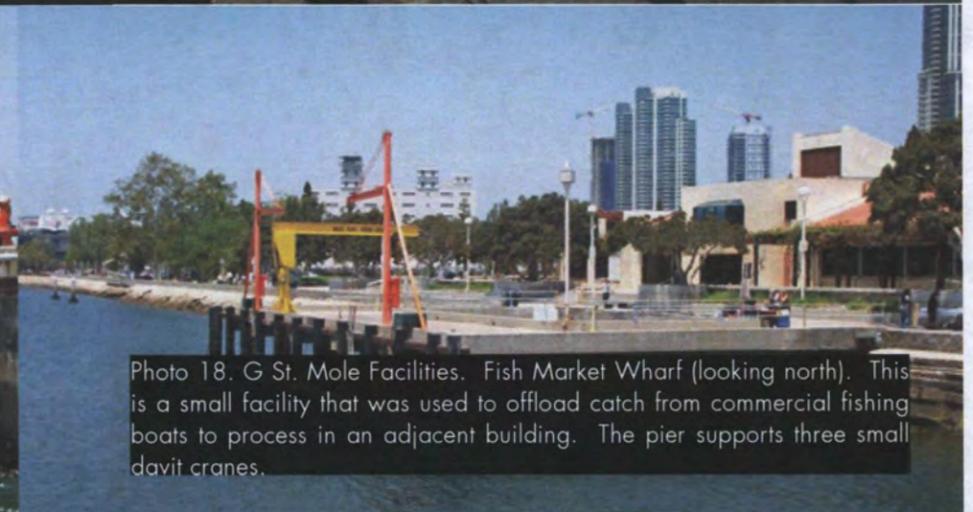


Photo 18. G St. Mole Facilities. Fish Market Wharf (looking north). This is a small facility that was used to offload catch from commercial fishing boats to process in an adjacent building. The pier supports three small davit cranes.

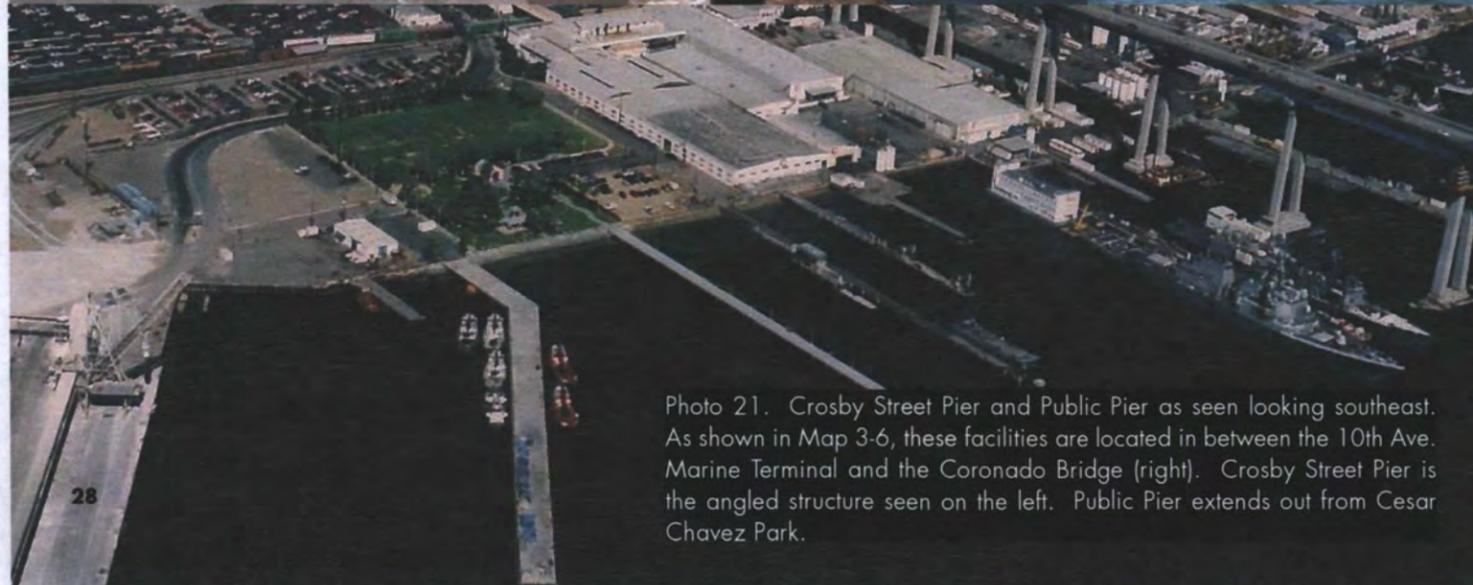


Photo 21. Crosby Street Pier and Public Pier as seen looking southeast. As shown in Map 3-6, these facilities are located in between the 10th Ave. Marine Terminal and the Coronado Bridge (right). Crosby Street Pier is the angled structure seen on the left. Public Pier extends out from Cesar Chavez Park.

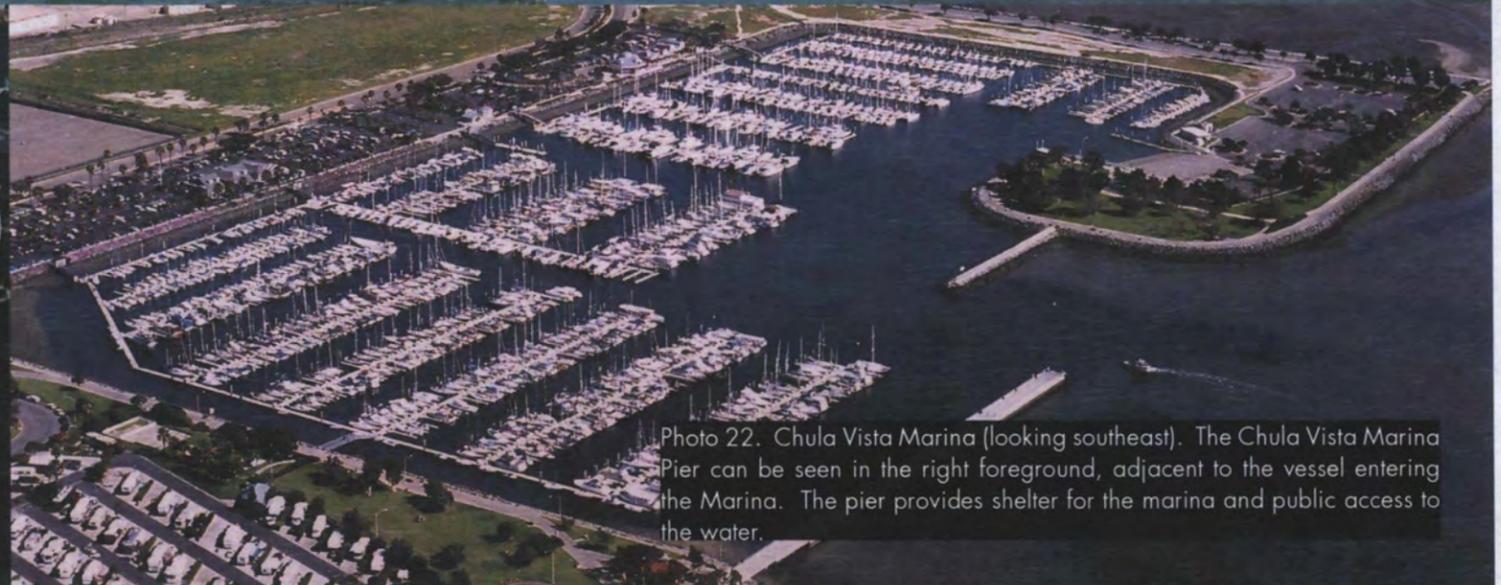


Photo 22. Chula Vista Marina (looking southeast). The Chula Vista Marina Pier can be seen in the right foreground, adjacent to the vessel entering the Marina. The pier provides shelter for the marina and public access to the water.

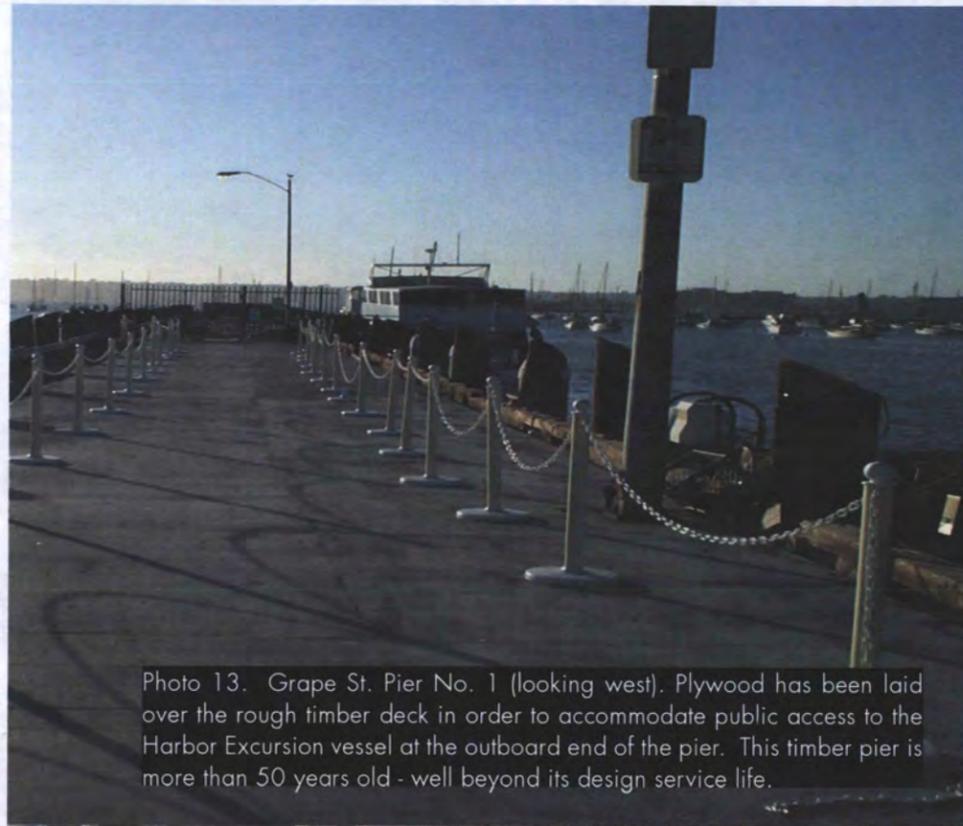


Photo 13. Grape St. Pier No. 1 (looking west). Plywood has been laid over the rough timber deck in order to accommodate public access to the Harbor Excursion vessel at the outboard end of the pier. This timber pier is more than 50 years old - well beyond its design service life.

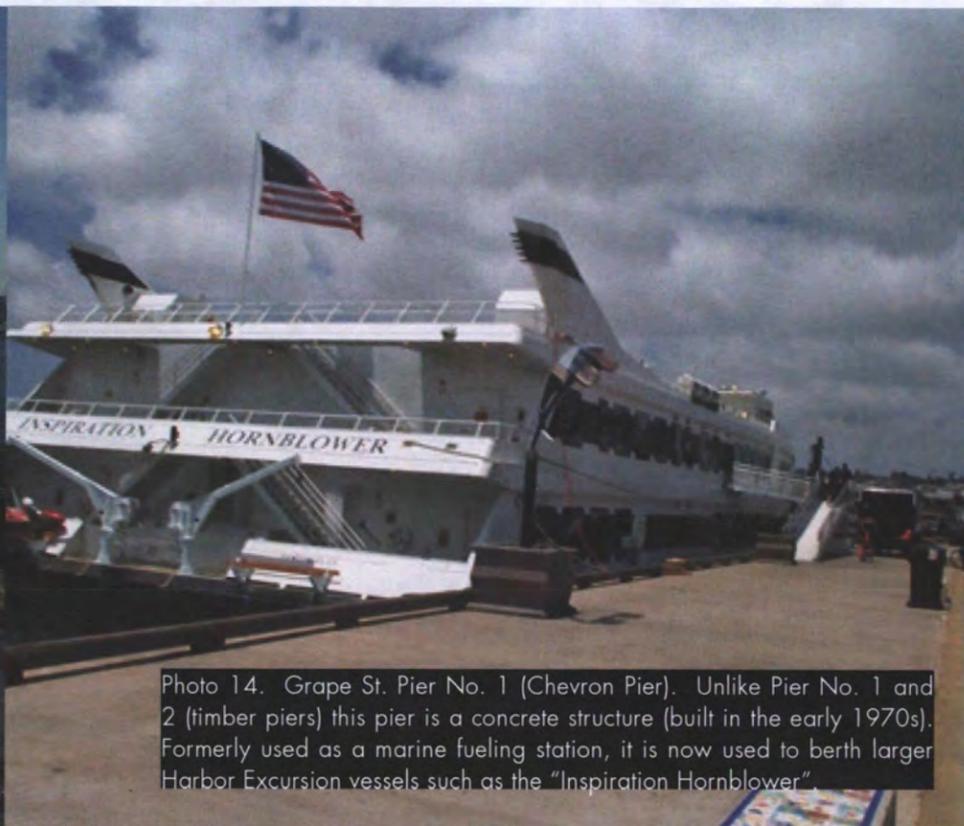


Photo 14. Grape St. Pier No. 1 (Chevron Pier). Unlike Pier No. 1 and 2 (timber piers) this pier is a concrete structure (built in the early 1970s). Formerly used as a marine fueling station, it is now used to berth larger Harbor Excursion vessels such as the "Inspiration Hornblower".

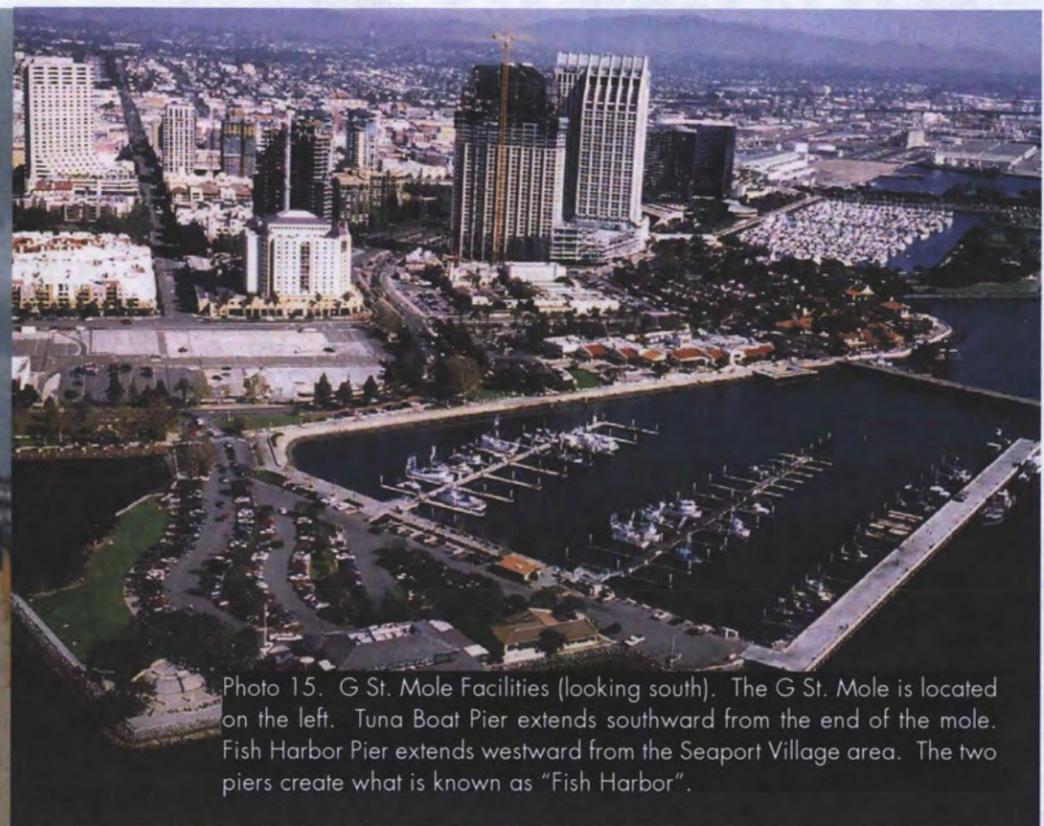


Photo 15. G St. Mole Facilities (looking south). The G St. Mole is located on the left. Tuna Boat Pier extends southward from the end of the mole. Fish Harbor Pier extends westward from the Seaport Village area. The two piers create what is known as "Fish Harbor".



Photo 19. Embarcadero Marina Park Fishing Pier (looking east). This pier is open to the public for sport fishing.

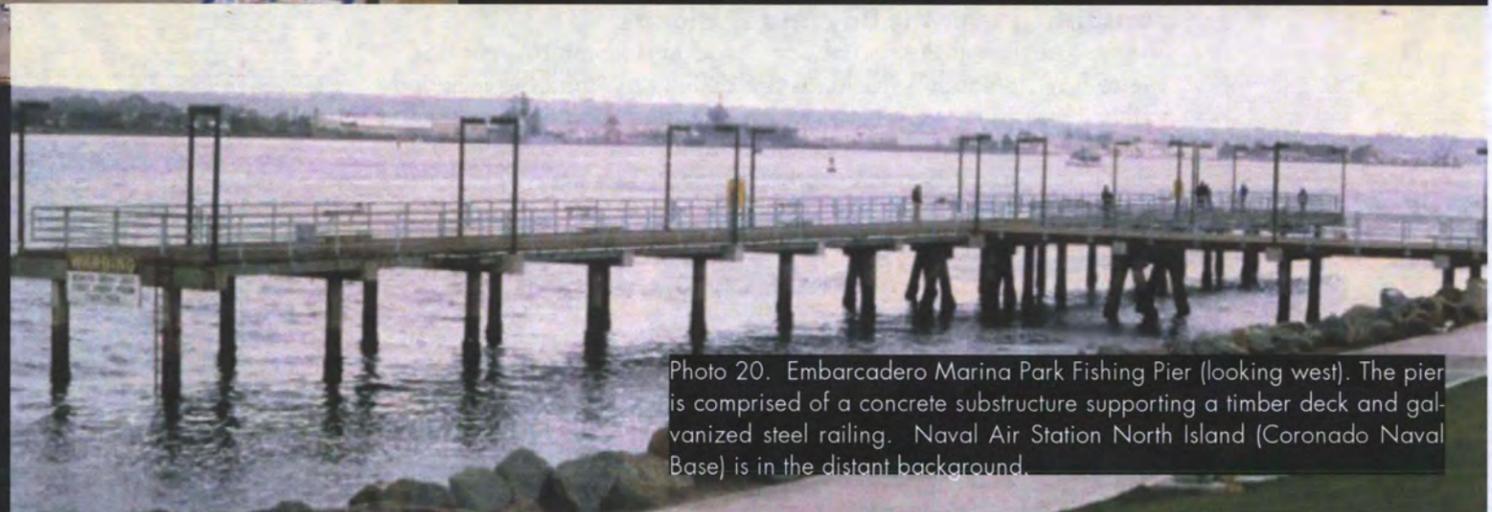


Photo 20. Embarcadero Marina Park Fishing Pier (looking west). The pier is comprised of a concrete substructure supporting a timber deck and galvanized steel railing. Naval Air Station North Island (Coronado Naval Base) is in the distant background.

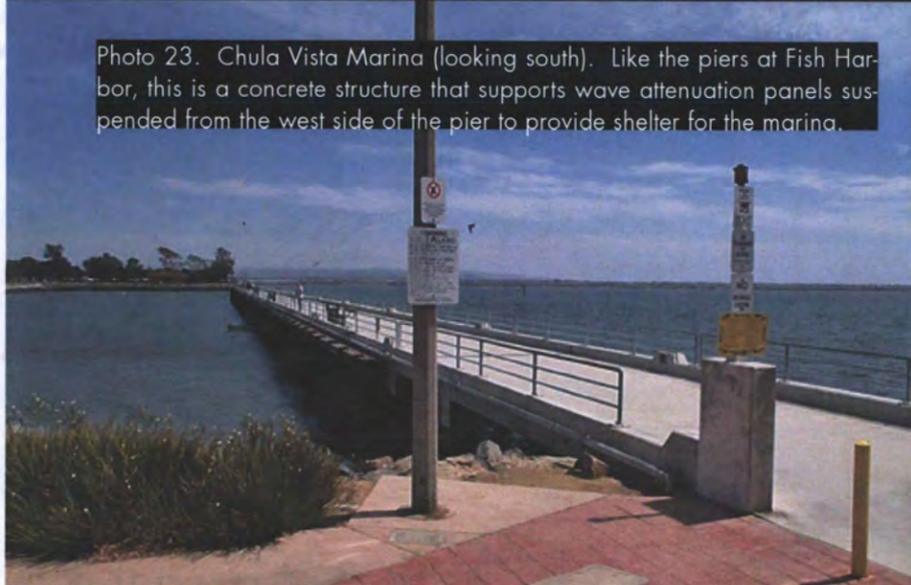


Photo 23. Chula Vista Marina (looking south). Like the piers at Fish Harbor, this is a concrete structure that supports wave attenuation panels suspended from the west side of the pier to provide shelter for the marina.

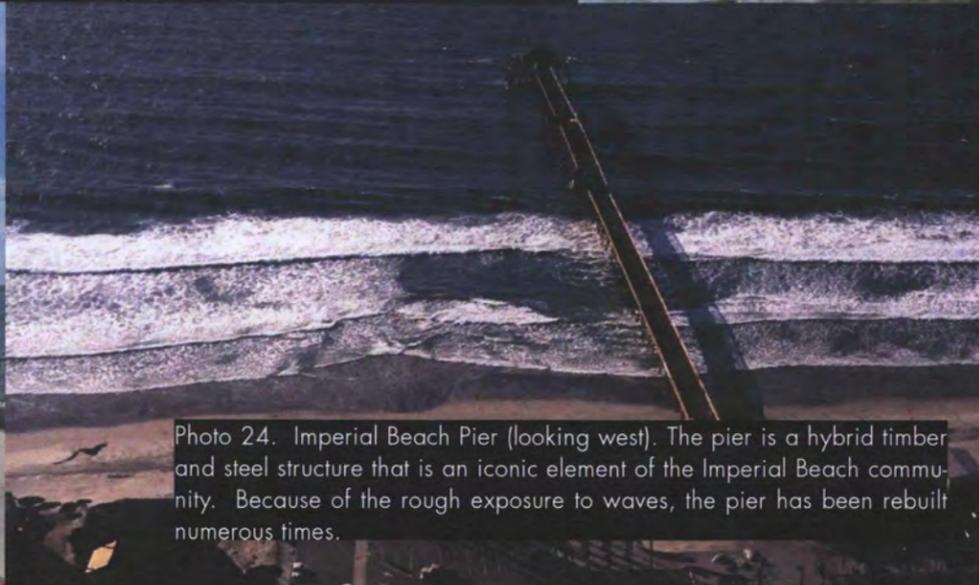


Photo 24. Imperial Beach Pier (looking west). The pier is a hybrid timber and steel structure that is an iconic element of the Imperial Beach community. Because of the rough exposure to waves, the pier has been rebuilt numerous times.

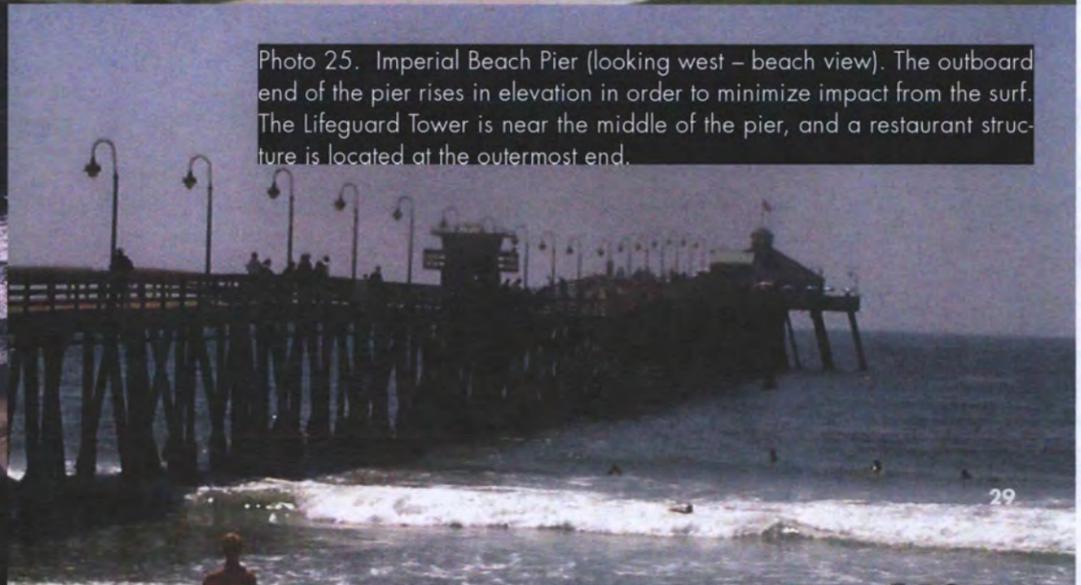


Photo 25. Imperial Beach Pier (looking west - beach view). The outboard end of the pier rises in elevation in order to minimize impact from the surf. The Lifeguard Tower is near the middle of the pier, and a restaurant structure is located at the outermost end.

San Diego Bay

The following information is presented as an assessment of San Diego Bay and support of development of a 50-year vision plan. Factors to be considered in such an assessment are diverse and have varying degrees of complexity. Factors which pertain to long-term planning in relation to waterfront infrastructure and use of the Bay waters are identified.

Jurisdiction over the Bay and Tidelands

The Port Act grants the Port of San Diego Jurisdiction over the "San Diego Bay Tidelands". Tidelands are defined as "the area included within the historic mean high tide line of San Diego Bay, including underwater lands". The "Tidelands" area can be considered as roughly that area around the harbor delineated by the purple dotted line "1850 Mean High Tide Line" shown on Map 3-4, and by the goldenrod-colored areas depicted on Map 2-3.

Other entities that own tidelands around the Bay include the U.S. Navy; the U.S. Fish and Wildlife National Wildlife Refuge System; the State of California; the County of San Diego, and the cities of San Diego and Coronado, as shown in Table 3-1 (from Port of San Diego Master Plan 2010).

Table 3-1. San Diego Bay tidelands by ownership.^a The Port's Master Plan deals primarily with land that the State Legislature has conveyed to the Port District to act as trustee and administration, and upon which the Port has regulatory duties and proprietary responsibilities.

Owner	LAND		WATER ^b		TOTAL	
	acres	%	acres	%	acres	%
Federal	1,882	43	1,050	10	2,932	19.8
State of California ^c	12	0.3	6,490	61	6,502	43
Port of San Diego	2,491	56	2,992	29	5,483	37
County and City	34	0.7	0	0	34	0.2
Totals	4,419	100	10,532	100	14,951	100

When only the perimeter of the shoreline is considered, Table 3-2 is shown the relative percentage of ownership for the entities. A comparison of ownership percentages on the basis of area (table

3-1) versus the percentage of ownership based on shoreline (table 3-2) illustrates the difference, which is a function of the unit of measurement considered. For example, the Navy holds deeds to approximately 20% of the total tideland area, but 37% when considering total shoreline.

Table 3-2. San Diego Bay shoreline by ownership.^a

Owner	MILES	PERCENTAGES
Federal Military (deeded)	19.98	36.9
State of California Department Parks & Recreation	00.45	00.8
Port of San Diego (granted tidelands)	33.10	61.3
City of Coronado (granted tidelands)	00.48	00.9
Totals	54.01	100.0

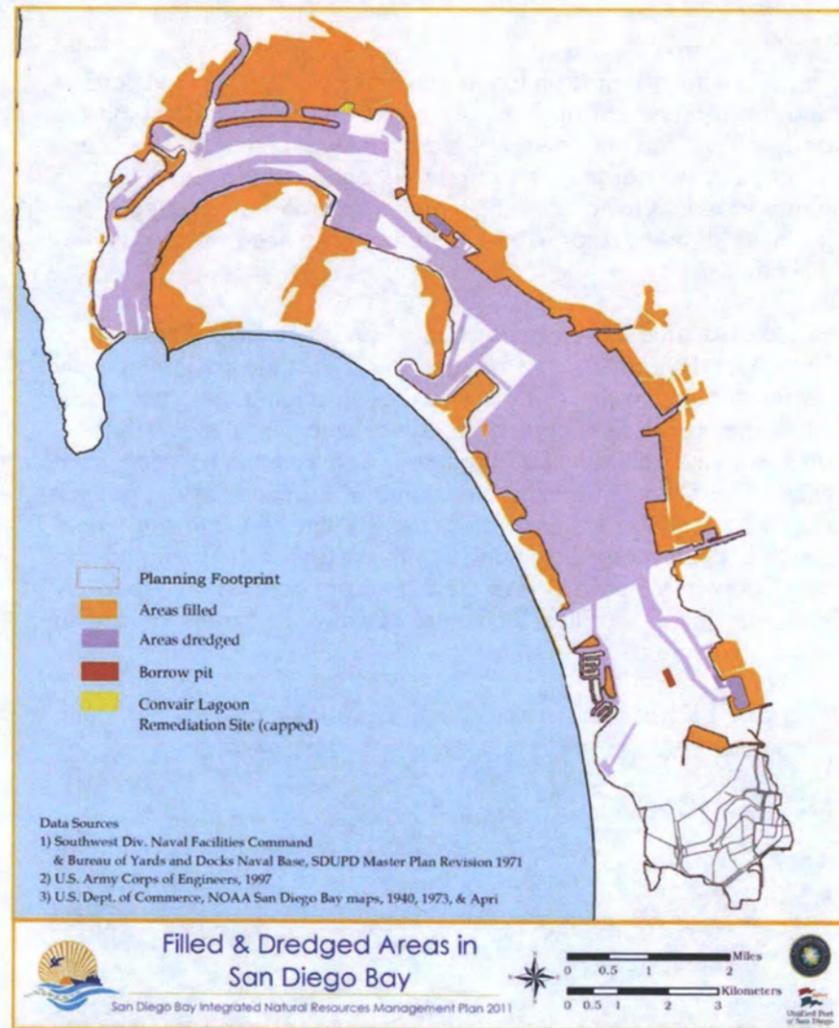
^a Port of San Diego Master Plan 2010

In 1962, the state legislature granted sovereign land in trust to the Port for the purpose of operating and maintaining Port facilities for statewide benefit. About 33% of the total tidelands and almost 67% of the bay's shoreline were granted to the Port by the state. Over 50% of the filled tidelands are under Port jurisdiction. The California State Lands Commission (SLC) retains ownership of the majority of submerged lands in the bay, with the exception of the Main Ship Channel Navigation Corridor (Federal Navigable Waterway), the salmon-colored area shown in map 3-5. **To recap, the federal government owns the main ship channel, the Port and other entities own various portions of the Tidelands, and the SLC retains ownership of the submerged bay land in between.**

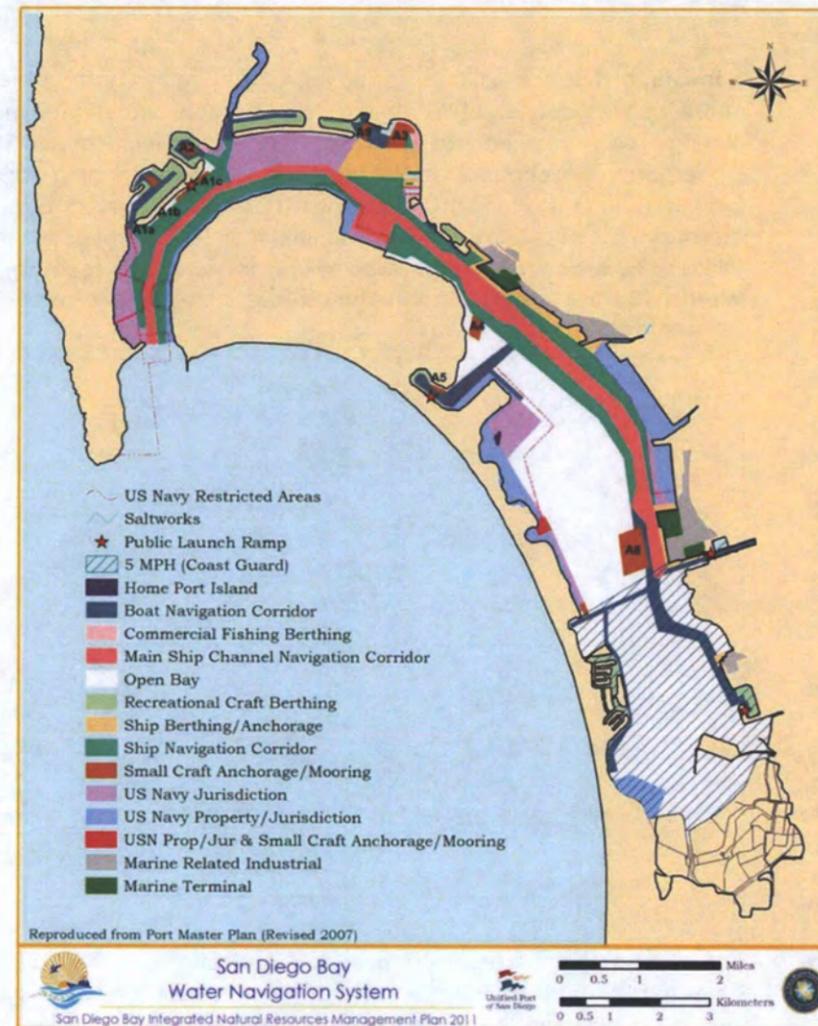
When taking into consideration a 50-year vision plan for San Diego Bay, it is necessary to understand these areas of jurisdiction and the potential limitations they impose on planning for the bay for Port of San Diego purposes. It is a "mythical truth" to contend that these delineations of jurisdiction cannot be changed, but it is true that they cannot be changed easily without going through certain legal and legislative processes.



Map 3-4 San Diego Bay Port jurisdiction Master Plan water use designations



Map 2-3 Cumulative history of dredge and fill activity in San Diego Bay



Map 3-5 San Diego Bay water navigation systems and restricted areas

Federal Navigable Waterway (Main Ship Channel Navigation Corridor)

For planning purposes, it is necessary to understand the purpose of the Federal Navigation Waterway in San Diego Bay. This channel is maintained by the U. S. Army Corps of Engineers. It is the Corps' responsibility to maintain channel depths necessary to allow passage of U.S. Navy vessels critical to the nation's defense. The Federal Navigable Waterway ensures deep water access to Naval Base Point Loma (Map 3-5 location "A"); Naval Air Station North Island (Map 3-5 location "B"); Naval Base San Diego (Map 3-5 location "C"); and Naval Amphibious Base (Map 3-5 location "D").

Currently, the Federal Navigable Waterway is maintained at a depth of -50.0 ft MLLW south of the harbor entrance (Map 3-5 location "1"). The depth is reduced to -47.0 ft between the harbor entrance and Naval Air Station North Island (Map 3-5 location "2"). In the area of the Aircraft Carrier Turning Basin at Naval Air Station North Island (Map 3-5 location "3") the depth is increased to -50.0 ft MLLW. Between the Aircraft Carrier Turning Basin and the 10th Ave. Marine Terminal (Map 3-5 location "4"), the channel depth is maintained at -42.0 ft MLLW. South of the Coronado Bridge, in the region of Map 3-5 location "5", the channel depth is maintained at -35.0 ft MLLW. This depth allows access to Naval base San Diego and south to the National City Marine Terminal - designated as "Strategic Port Facility" for use by the U.S. Navy in a national emergency. Fig. 1-2 is taken from a 1998 Port document that defines the navigable waterway and associated depths.

The Port enjoys the deep water access provided by the Army Corps and does not have to contribute to the cost of the channels maintenance. In considering a 50-year vision plan, the following

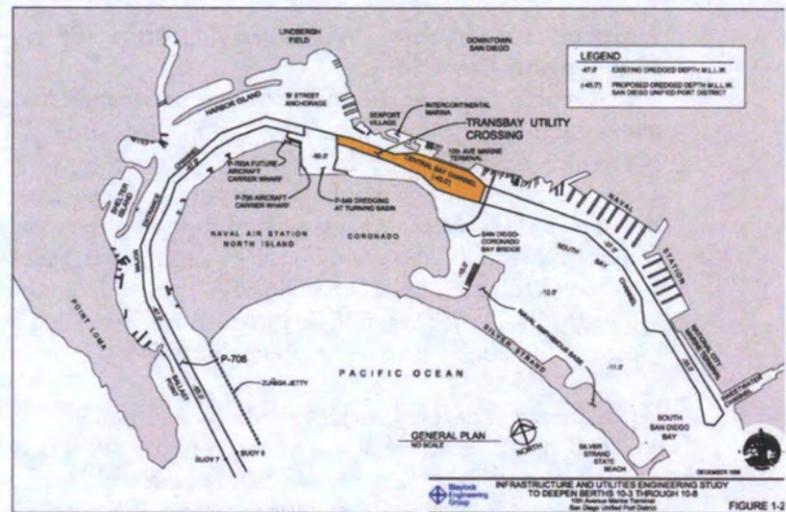


Figure 1-2 Infrastructure and Utilities Engineering Study concepts should be considered:

1. Ship Draft. The trend for containerized cargo and bulk cargo vessels is heading towards larger and deeper draft vessels. While it would be advantageous for the Port to have deep draft capability, the costs associated with deepening the navigable waterway are significant. **It has been established (ref. Appendix Table No. 1-OVERVIEW OF MAJOR PORT OF SAN DIEGO MARINE WATERFRONT FACILITY ASSETS) that improving existing Port waterfront assets (Embarcadero Facilities, 10th. Ave. Marine Terminal and National City Marine Terminal) to accommodate deep water berthing is a difficult and uneconomical proposition.**
2. Trans-bay utilities. Figure 2-1 shows the trans-bay location of concentrated utilities shown in Figure 1-2. This area extends from

San Diego (Seaport Village) to the Coronado Ferry Landing area. These utilities consist of large diameter potable water pipelines; sewage pipelines; natural gas pipelines; and electrical utilities. Underneath the channel, these pipelines are located at a range between -50.0 ft and -58.0 ft MLLW. These utilities are at a fixed elevation. It is necessary to keep a minimum of 10 ft of cover over the utilities. **In order to extend deep water beyond this location, it would be necessary to lower the utilities accordingly - a costly proposition.**

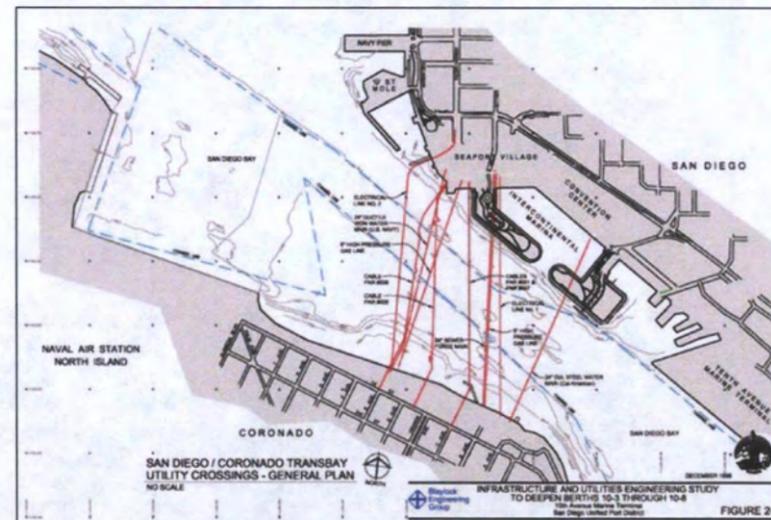


Figure 2-1 Infrastructure and Utilities Engineering Study

3. San Diego-Coronado Bridge Air Draft. Another critical consideration that affects the Federal Navigable Waterway is the clearance between the water and the underside of the bridge (air draft). The elevation of the underside of the bridge is +195 ft MLLW.

This is insufficient air draft for certain types of ships (aircraft carriers and large cruise ships) that prevent their passing underneath the bridge into the South Bay area - particularly at high tide. This is one of the reasons that the aircraft carriers berth at Naval Air Station North Island. Obviously, long-term considerations for deep water berthing for mega-ships in the South Bay area need to consider this limitation.

Protected and Environmentally Sensitive Bay Areas

Map A and Maps 2-13, 2-14, and 2-22 illustrate environmentally sensitive areas within San Diego Bay including Eelgrass beds; California Least Tern nesting/foraging areas; salt marsh habitat and shoreline habitat. The Maps are taken from the Port document titled "San Diego Bay Integrated Natural Resources Management Plan", March 2013, jointly prepared by the Port and the Naval Facilities Engineering Command Southwest Division. This figure and maps generally portray those areas that are considered especially environmentally sensitive locations. Briefly the issues regarding these areas are as follows:

Eelgrass. Eelgrass (*Zostera marina*) is a marine plant typically found



in soft bottom bays and estuaries.

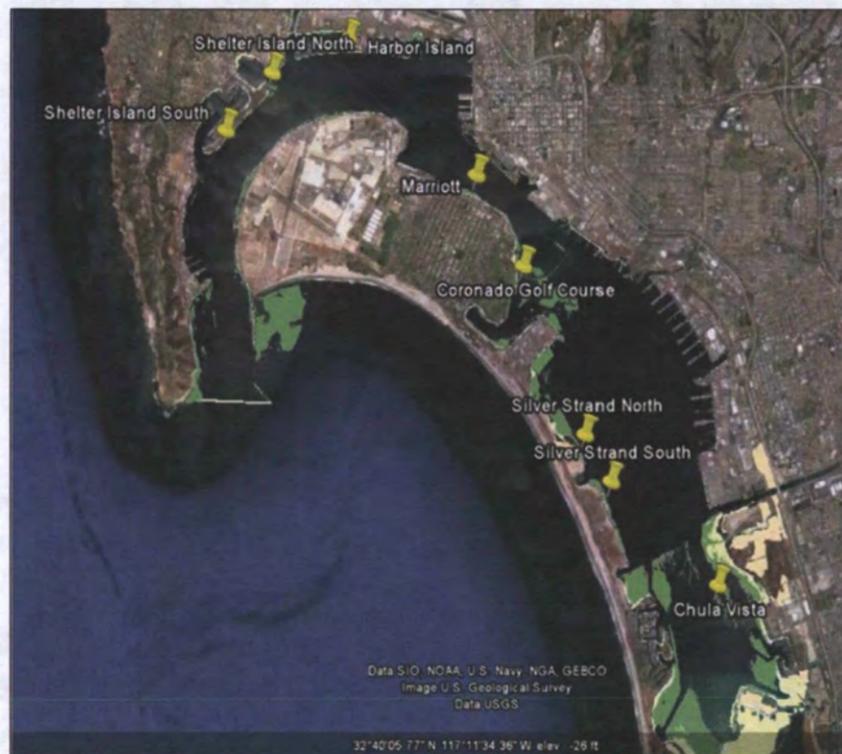
- Eelgrass provides nursery habitat for commercial and recreational fish that use it for predation refuge and as a food source.
- Eelgrass traps sediment and improves water visibility.
- Eelgrass beds are feeding locations for birds, fish and invertebrates.

Eelgrass flourishes in up to 15 ft of water depth, and is a valuable resource for examining long-term trends in ecosystem health due to its location in shallow water and at the waterline and adaptability to a wide range of stressors.

Saltmarsh and other habitats. Map 2-13 illustrates the variety of habitats present within San Diego Bay. The habitats vary from wetlands, intertidal habitat, coastal sage, scrub, sandy beach, salt ponds and many other types. Considering a 50-year vision plan, environmental restrictions will become increasingly prohibitive to protect the sensitive areas. This will limit the ability to develop new infrastructure and facilities along the waterfront. Map 2-14 provides a variation on the habitat theme indicating different types of shorelines that support environmentally sensitive areas.

The California Least Tern (Sterna antillarum browni)

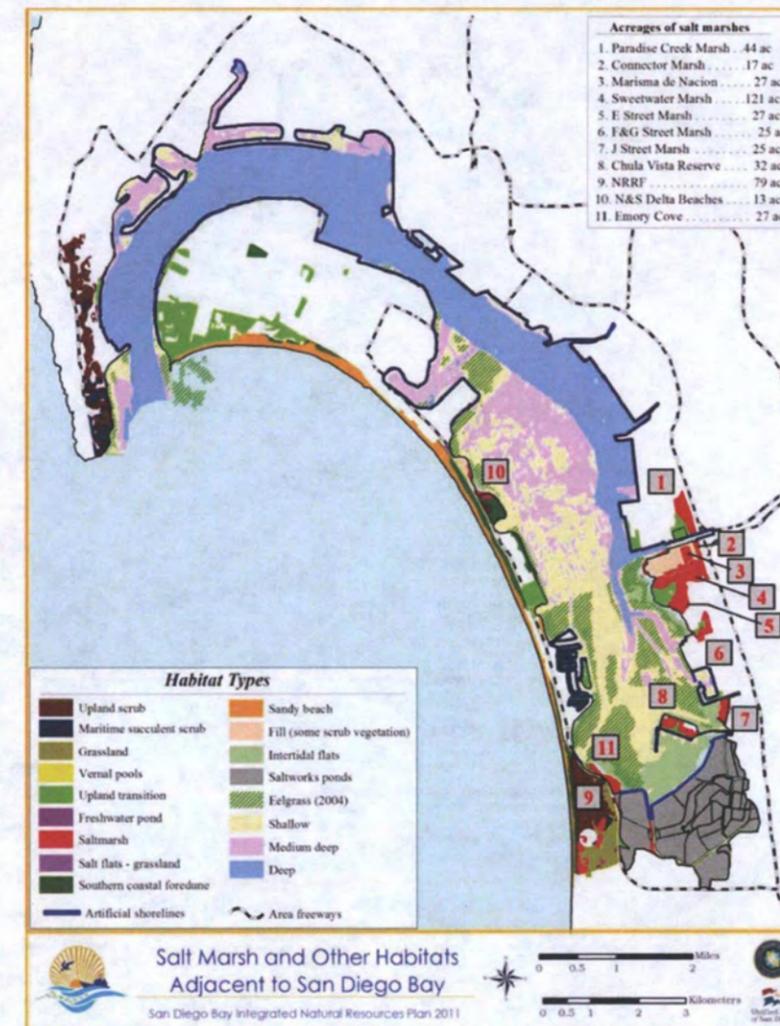
This bird is a subspecies of Least Tern that breeds primarily in bays of the Pacific Ocean within a very limited range of Southern California, in San Francisco Bay and in and extreme northern Mexico. This migratory bird is a U.S. federally listed endangered subspecies. The total population of the subspecies amounted to 582 breeding pairs in 1974, when census work on this bird began. While numbers have gradually increased with its protected status, with over 5,000 pairs statewide, the species is still vulnerable to natural disasters or further disturbance by man.



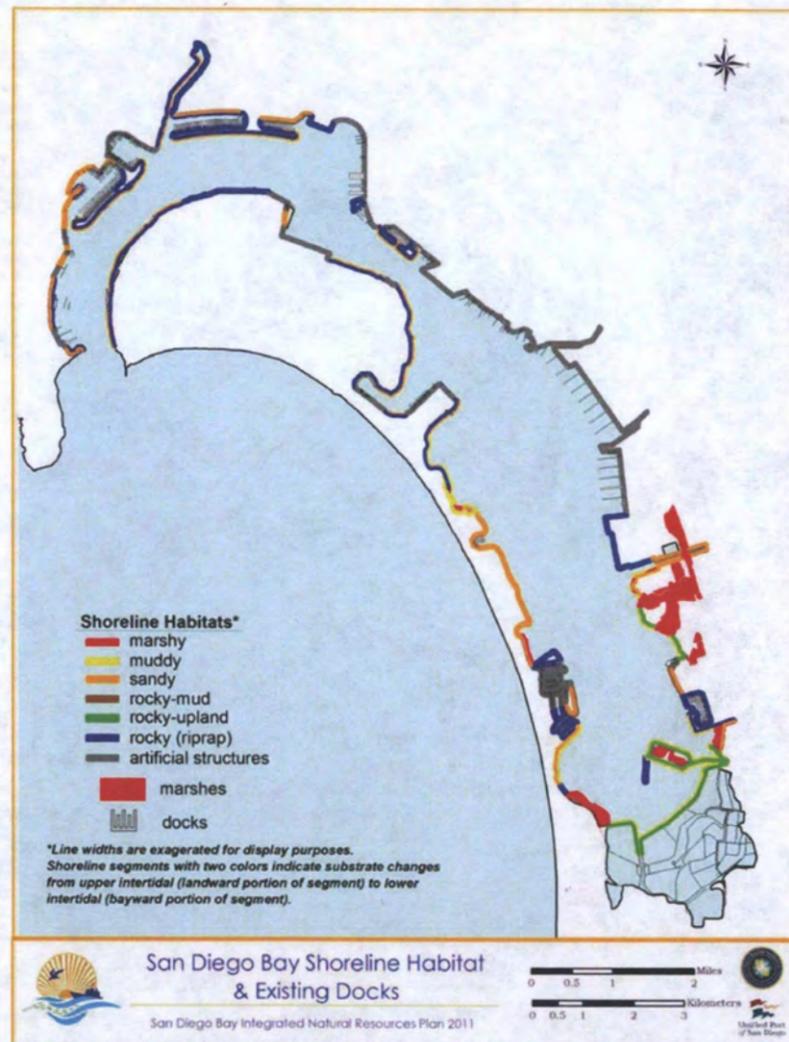
Map A. Map of eight sites surveyed in San Diego Bay

Map 2-22 identifies Least Tern nesting areas in San Diego Bay. Because of their protected status, development or waterfront construction work significantly impacting these areas (particularly during nesting season) is prohibited, making infrastructure expansion into these areas difficult.

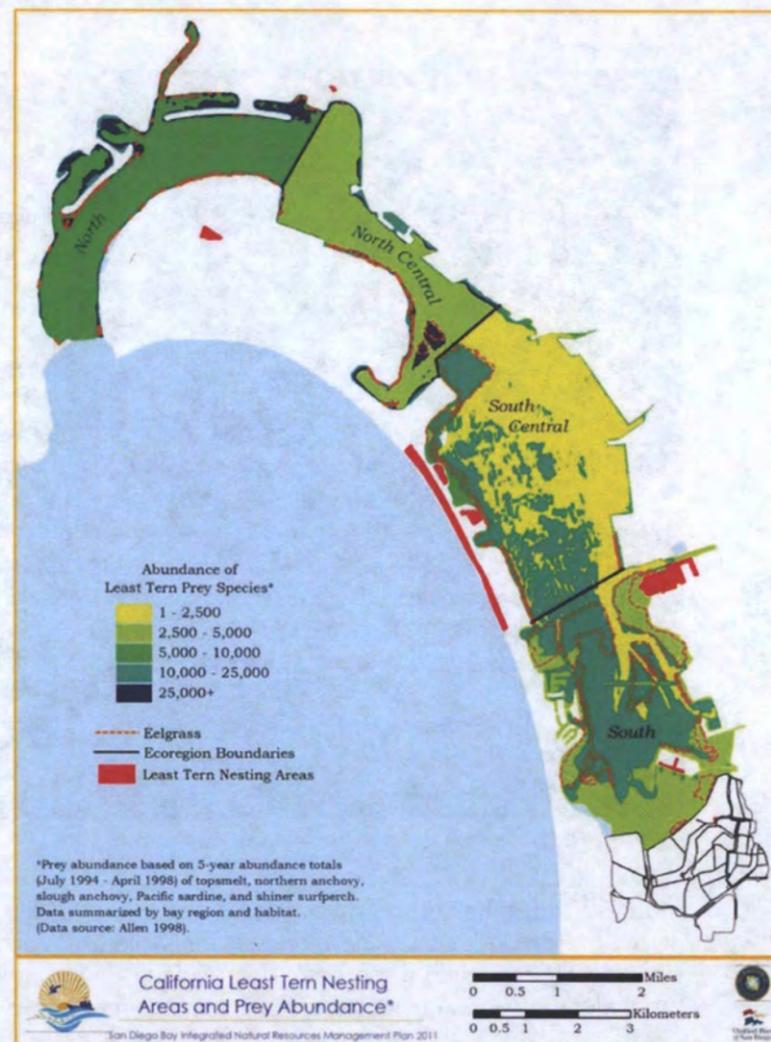
Long-term plans for development of the waterfront and San Diego Bay must take into account the limitations introduced by these environmentally sensitive areas, and related permitting issues associated with construction.



Map 2-13 Saltmarsh and upland transition adjacent to San Diego Bay



Map 2-4 Shoreline habitats and existing structures of San Diego as mapped in 1998



Map 2-22 Approximate California least term prey locations, based on fish abundance estimates, and nesting areas in San Diego Bay

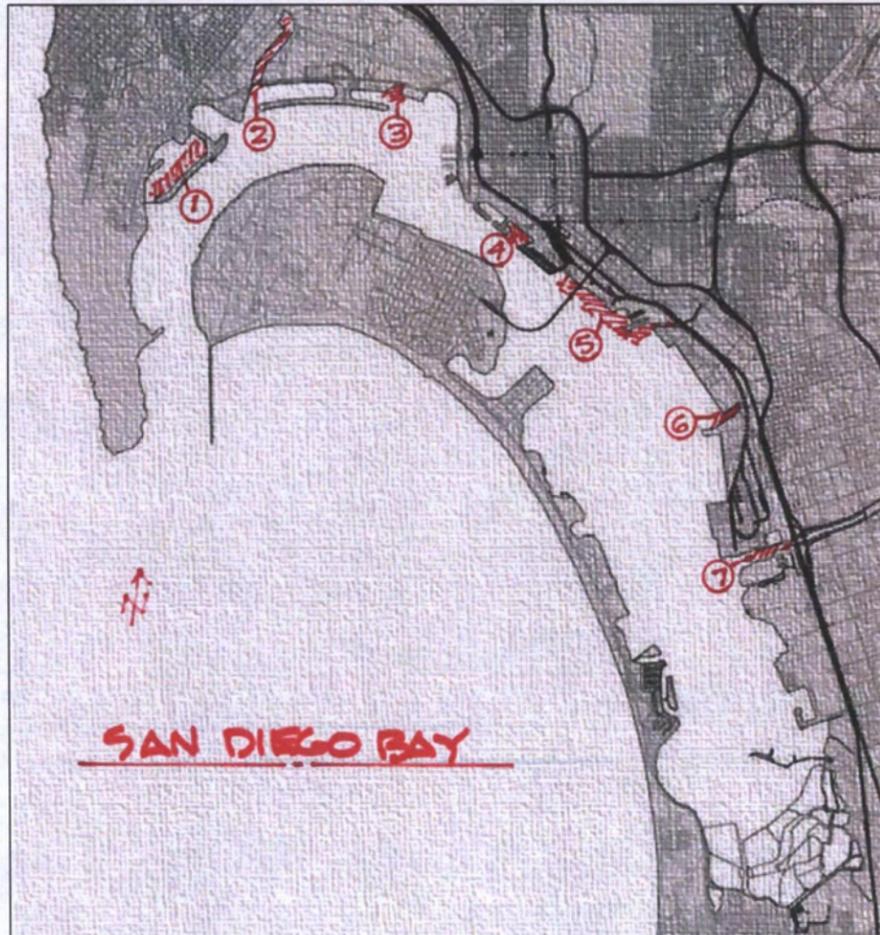
Areas of Concentrated Contaminants

Significant environmental-related improvements in San Diego Bay have been made over the last 25 years. Water quality is markedly improved and locations of contaminated sediments have been identified and continue to be removed. Many of these contaminated locations center on historic locations of shipyards, marinas, and locations where creeks enter the Bay. Map B shows examples of commonly known historic locations of concentrated contaminants. **Future development must take into account the location of these contaminants and include plans for removal or remediation.**

Potential locations for future pier/wharf development

The previous discussion has identified and number of parameters that seemingly prevent significant future pier and wharf development at new locations within the Bay. There are increasing demands upon available shoreline and water space coming from such diverse interests as environmental concerns, industrial interests, U.S. Navy security, large vessel ship traffic, and a myriad of other factors. To briefly recap, the following items should be considered as key planning principles for future facility development.

1. Jurisdiction over the Tidelands and San Diego Bay. There are a variety of competing interests that prevent the Port from having absolute autonomy to make planning decisions.
2. Federal navigable waterway. Federal interests concerned with maintenance of this waterway and access of naval vessels to naval installations will take priority and likely trump local interests. Costs associated with deepening trans-bay utilities and extending deep water to the National City Marine Terminal will need to be justified.
3. Air draft limitations imposed by the San Diego - Coronado Bridge. This limits the ability to use the South Bay region for large vessels.



Map B. Examples of historic locations of concentrate contaminants in sediment

4. Protected and environmentally sensitive areas. Maintenance of these areas and environmental permitting relative to future construction tend to be impediments to new waterfront development.
5. Areas of concentrated contaminants. Costs associated with remediation of these areas need to be factored in to any future plan to maximize available space.
6. Recreational interests. There are constant increasing pressures to maximize recreational opportunities.

WATER TRANSPORTATION

Recreational boating on San Diego Bay

San Diego Bay is heavily used for pleasure craft activities related to sailboats, powerboats, paddle boarding, kayaking, fishing and other similar activities. There are numerous marinas, public boat launching ramps, and businesses that are configured to support the recreational mariner. The following two figures are excerpts from the Port of San Diego "San Diego Bay Boater's Guide", and provide a detailed description of facilities that support these pastimes.

One factor that particularly affects the recreational boater is the distance to the open ocean. Because San Diego Bay has a long crescent-shaped configuration, locations that are further south in the Bay are less desirable than northern areas because of the transit time required to get to the open ocean.

As population continues to increase in San Diego County there will be increasing pressure to provide more facilities and infrastructure related to recreational boating activities. These activities are sometimes in conflict with other Bay activities related to large vessel navigation, military and commercial/industrial activities.

Cruise ship activities

The Port has been successful in attracting cruise ship business on both a home-port and port-of-call basis. This business tends to be seasonal, favoring the winter months when the Alaska cruise circuit is not viable. Cruise ship business peaked at a high of calls in 2010, and has been sensitive to a number of external factors that have caused the recent downtrend. These factors include a slow economy, crime in Mexico, and recent difficulties in the cruise ship industry related to ship-borne illness and ship vessel malfunction. Considerations that influence the use of a particular facility to

support cruise operations include the following:

1. Berth length. Berths ranging between 700 to 1000 feet in length are typically required, with cruise ships getting increasingly larger.
2. Sufficient operational area. Cruise terminals require sufficient area for security, baggage handling, parking, vehicular and pedestrian access. Piers having a width less than 200 ft make operations difficult.
3. Proximity to downtown and recreational areas. Cruise visitors are attracted to entertainment and retail venues that are within close proximity to the ship berth.
4. San Diego-Coronado Bridge Air Draft. The larger cruise ships will not be able to navigate south of the bridge.

Boating Directory

Anchorages

- 2200 Shelter Island Drive - 24 hours
- Foot of Tidelands Avenue - Sunrise - 5:00 p.m.
- Foot of Marina Parkway - Sunrise - Sunset
- Shelter Bay - 24 hours

Boat Yards

- Shelter Island Boat Yard (S)
- Royal Corona Boat
- Eckstein Marine
- Kelly Berg Marine
- Marine Knot Co.
- Marine Boatworks, Inc.
- Shelter Island Boat Yard
- Marine City Boat Yard (C)
- Knight & Carter Yacht
- Center and Paper Yard
- City & Afton Sandblasting and Painting
- South Bay Boat Yard

Military Vessels

San Diego Bay is the homeport of the U.S. Navy Pacific Fleet. The bay's perimeter around Navy vessels are off limits to non-military personnel. Please avoid these areas and keep your distance from military vessels underway. Contact the U.S. Coast Guard at 619-278-7262 for additional information.

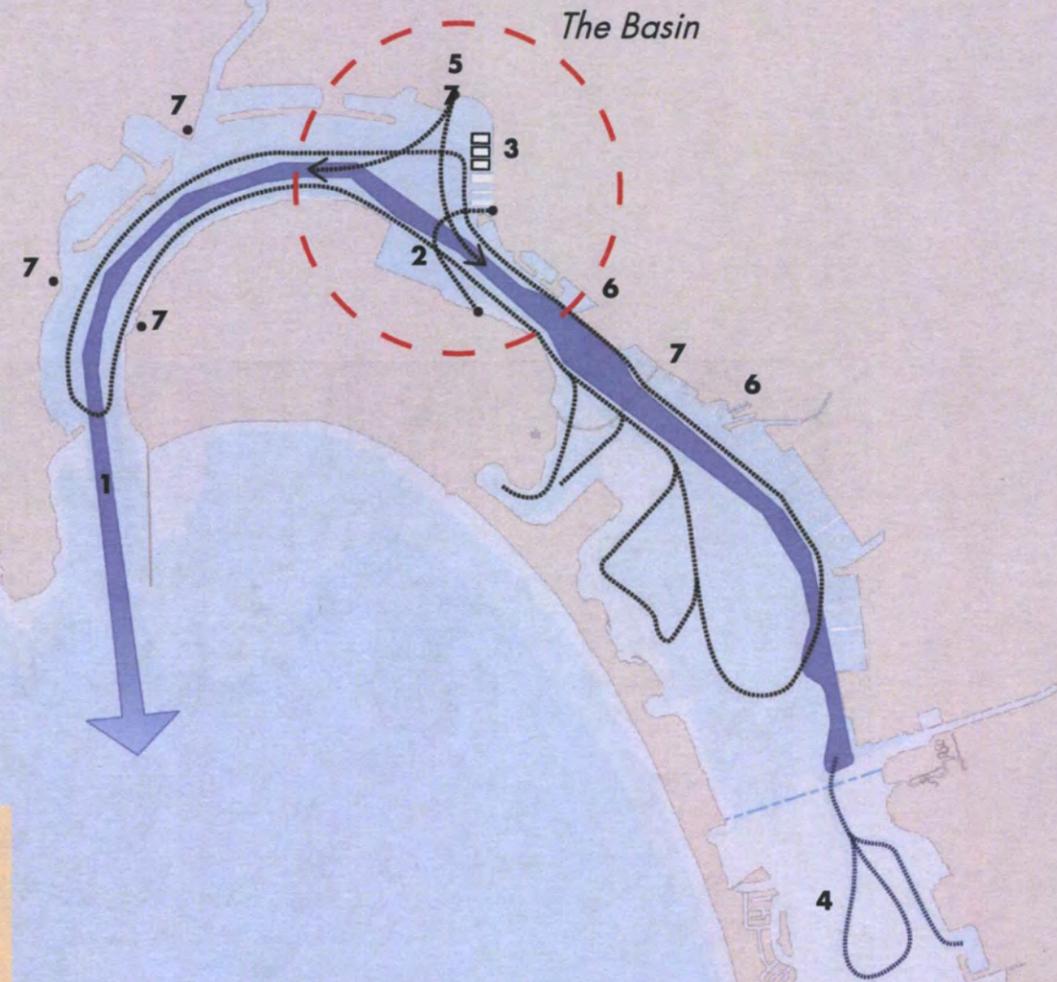
Harbor Police Monitoring / Enforcement Office / Customs

1421 Shelter Island Drive 619-598-6272 www.sdbp.org

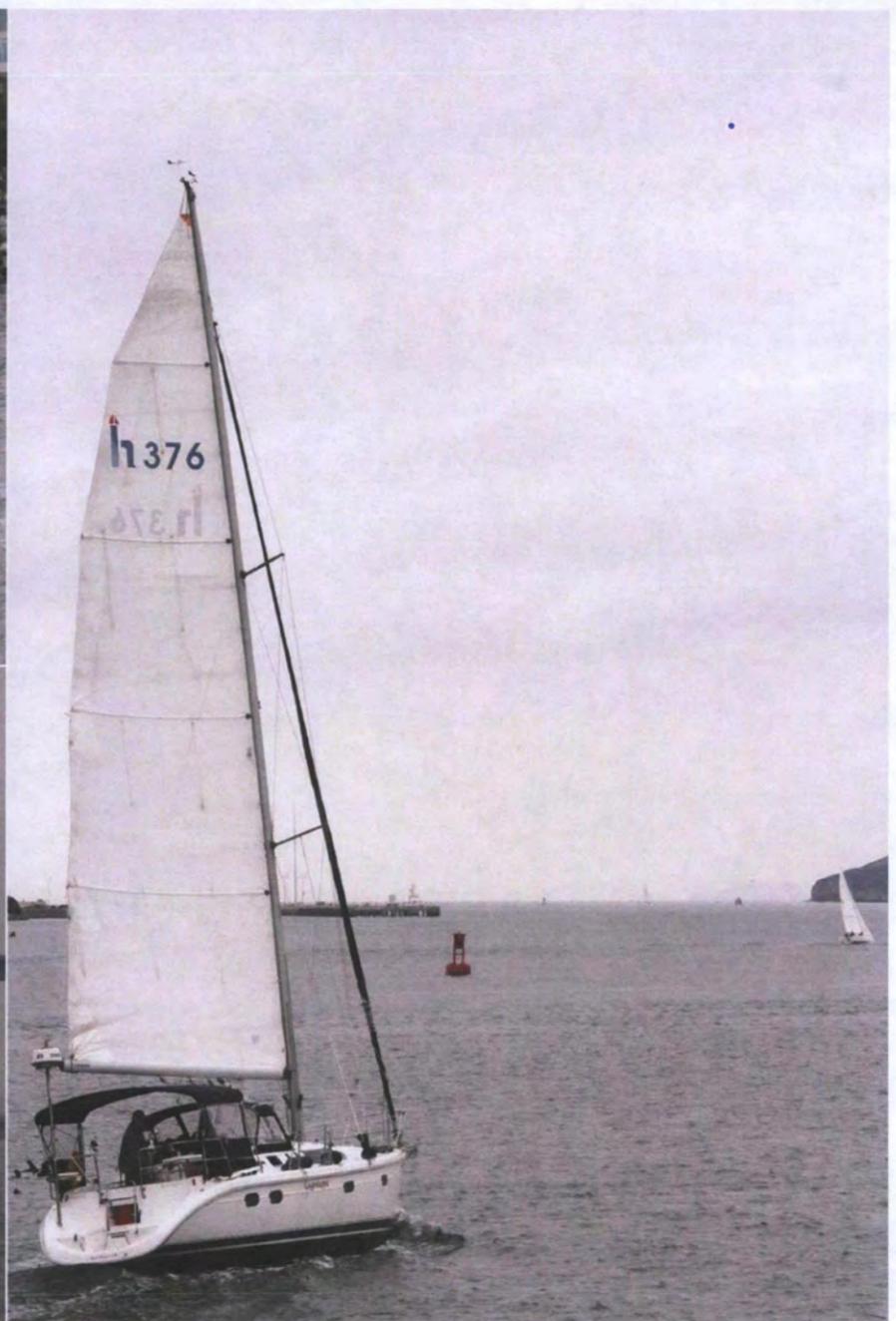
Waste Disposal

All waste entering San Diego Bay as its first point of call from an international voyage must report to U.S. Customs. Recreational vessels, including corporate yachts less than 130 feet in length may clear U.S. Customs at the Shelter Island Harbor Police Dock.

San Diego Bay Boater's Guide



1. Main Shipping Channel
2. Coronado Ferry
3. Various Harbor Cruises
4. South Bay Pleasure Craft
5. Coast Guard
6. Working Waterfront
7. Naval Vessel



PARKS : OPEN SPACE AND THE PUBLIC REALM

While there are parks and various open spaces, there is no coordinated park plan, parks department or park master plan. The Port operates 20 parks that total about 147 acres, just over 8% of the total land located within the Port's jurisdiction. The purpose of a comprehensive park plan is to guide the current and future decision-making process, to provide surety regarding access to the water and the size and location of important public realm investments that would influence investors, entrepreneurs and environmentalists that the future is secure. The public realm leads to a wider discussion about promenades, sidewalks, wildlife refuges, shortcuts through parking lots and residual patches of grass next to hotels. We focus on parks because they bring the guarantee of the public realm and short of a comprehensive plan these places will not be woven together. There is the issue of quality. Many times we have strolled across a parking lot to get to our hotel or the water, this would not constitute waterfront access in most people's minds but is the best choice today.

There are at least two initiatives worth mentioning, the North Embarcadero Visionary Plan and the Chula Vista Bayfront Master Plan. These two long term projects will add significant quality park and open space to the Port's inventory, just about doubling the current park inventory today. In fact a comprehensive plan should include Balboa Park and the Beach. A comprehensive park plan should extend beyond boundaries to take into consideration existing resources and promote collaboration between agencies and governing bodies.

Port Parks Today : 147 acres
 NEVP and CVBMP
Port Parks Planned : 308 acres

San Diego	95.0 ac	(31%)
Chula Vista	173.7 ac	(56%)
Coronado	32.4 ac	(10%)
National City	4.8 ac	(2%)
Imperial Beach	2.4 ac	(1%)



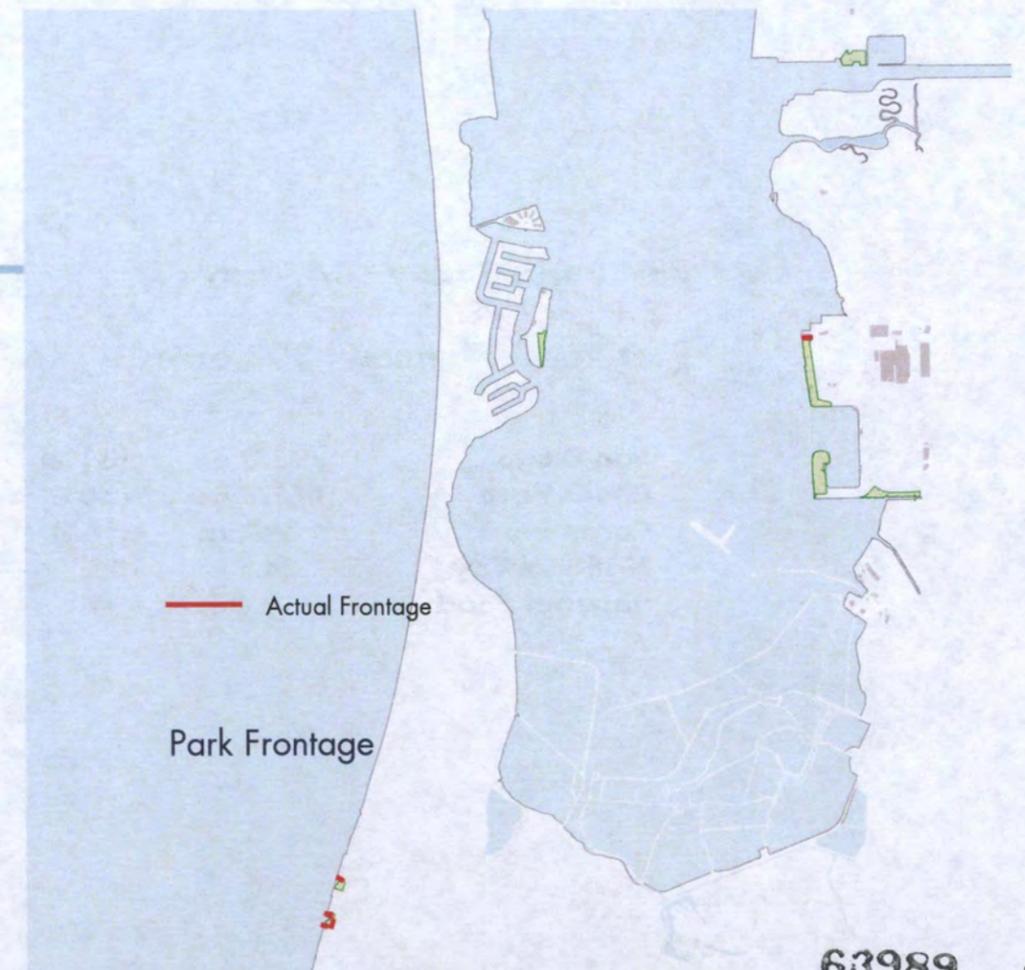
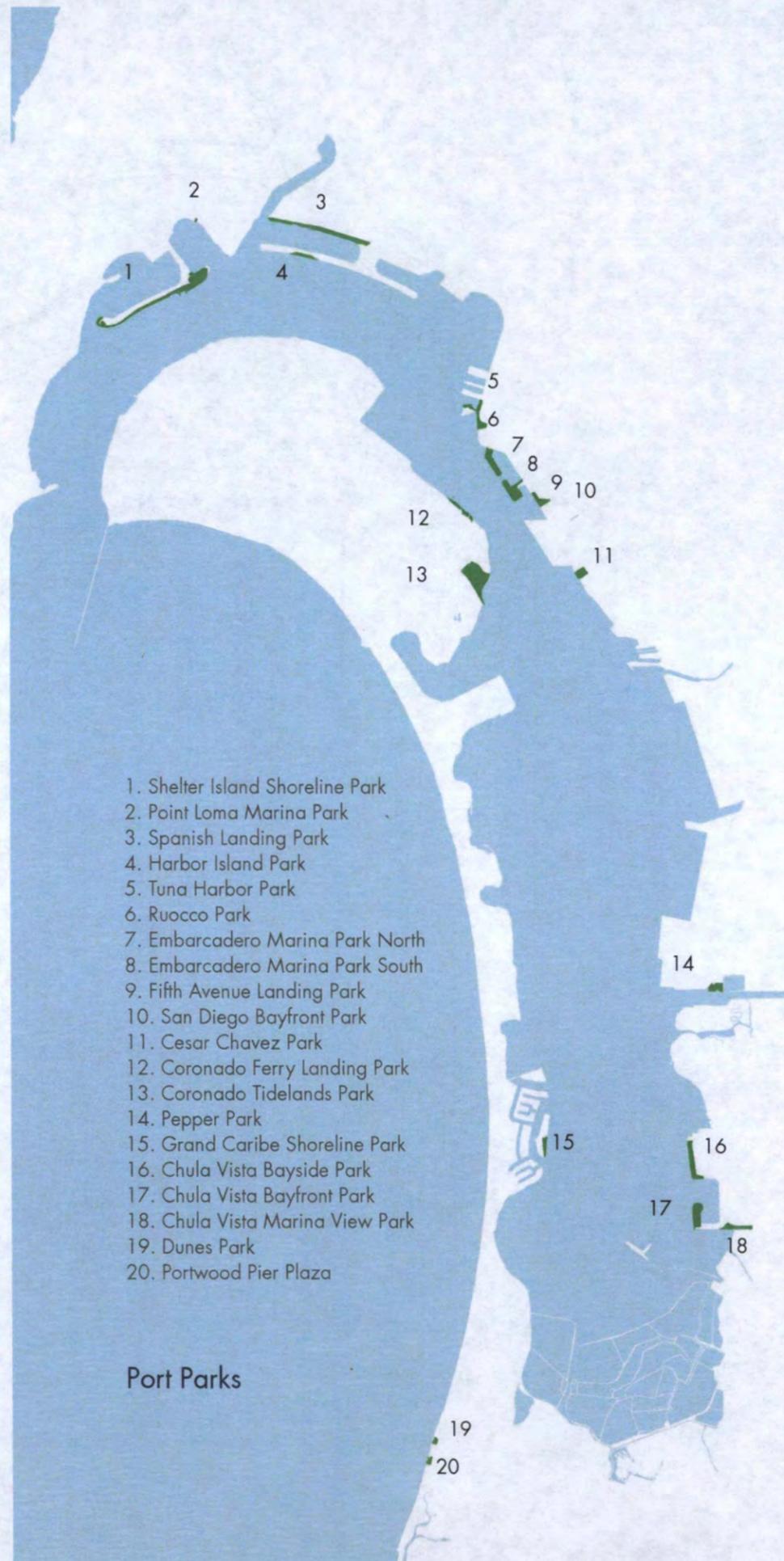
Key Findings

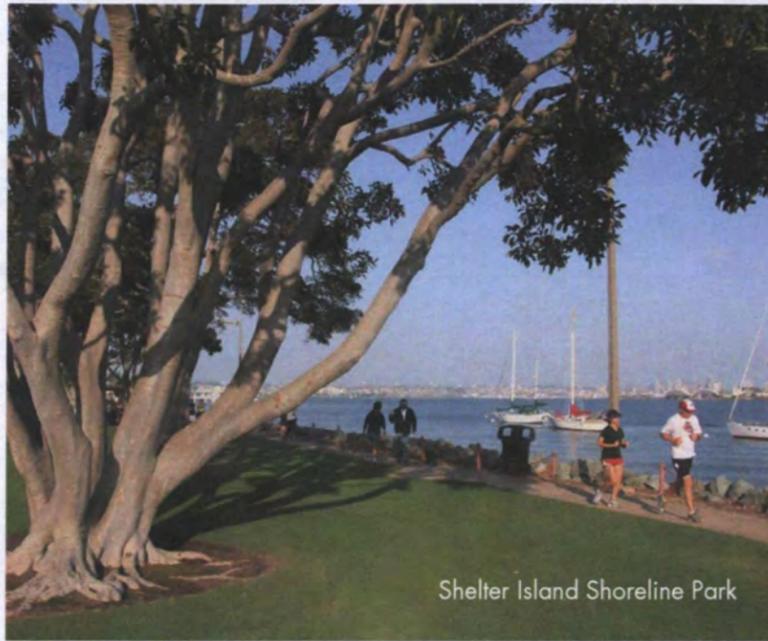
Park Frontage and Layout

Most of the Port parks are on the water, providing wonderful views and a pleasant experience. What concerns us is that the parks are underutilized and deemed to be “money sinks” by many, all maintenance and cost with little revenue to balance out. Our second observation is that most parks are not front doors or addresses for buildings or projects. Our third observation is that most of the parks are parallel to the water and not perpendicular. These parks rarely bring a sense of the waterfront further upland, which is the primary challenge of all waterfront cities. Our fourth observation is that most of these parks do not tie in directly to key streets, bikeways or paths and do not add to the public’s ability to easily access the water’s edge, unless you drive there.

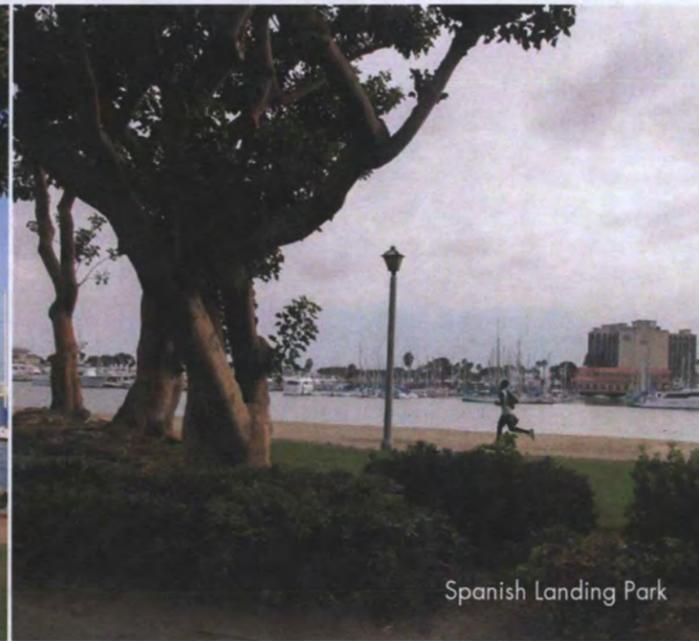
Mitigation

We have heard a number of disappointing stories about the result of mitigation negotiations. Mitigation could take the form of open space, infrastructure or an economic solution. We understand the political nature of these decisions and have also heard about the physical result. Pond 20 was a negotiation but sits there unchanged because there is no agreement on what it should be. That decision was not part of a larger mitigation strategy where the benefits were clear beforehand. The next master plan should address a mitigation policy whether part of an economic transfer pricing policy, part of an infrastructure plan or an open space strategy.





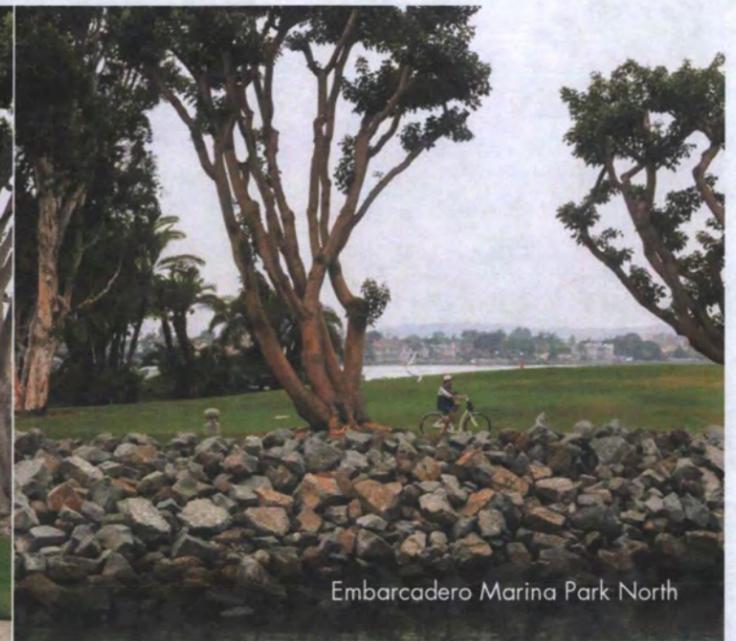
Shelter Island Shoreline Park



Spanish Landing Park



Harbor Island Park



Embarcadero Marina Park North



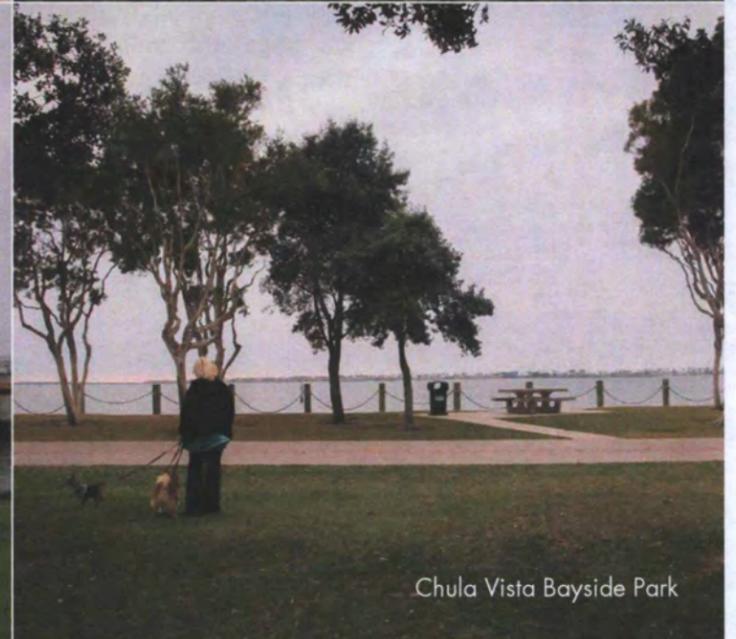
Embarcadero Marina Park South



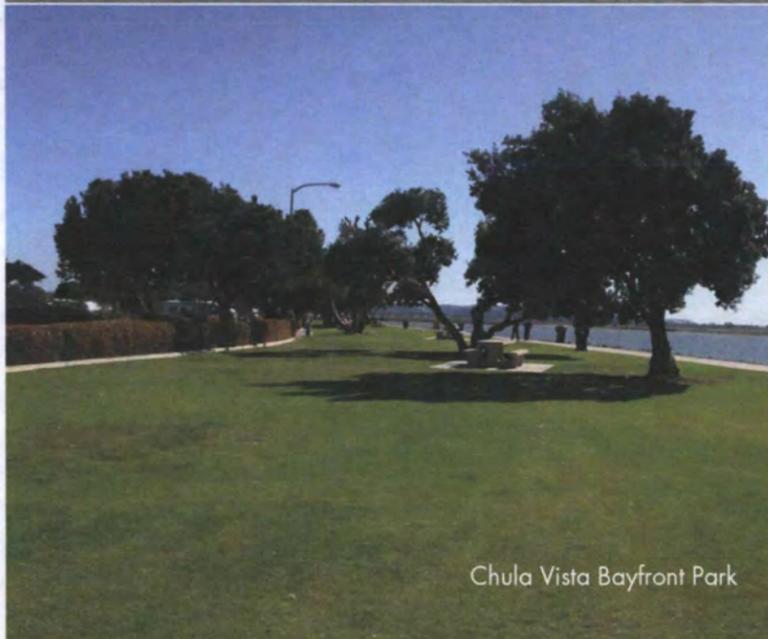
Cesar Chavez Park



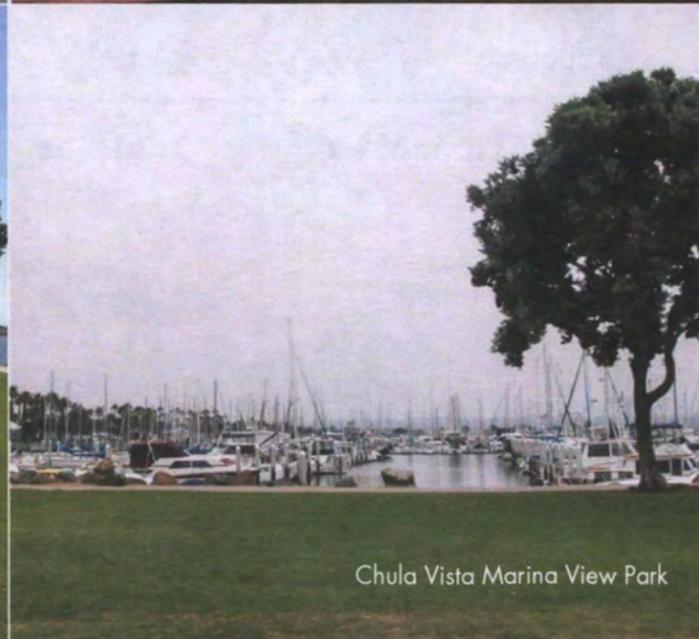
Pepper Park



Chula Vista Bayside Park



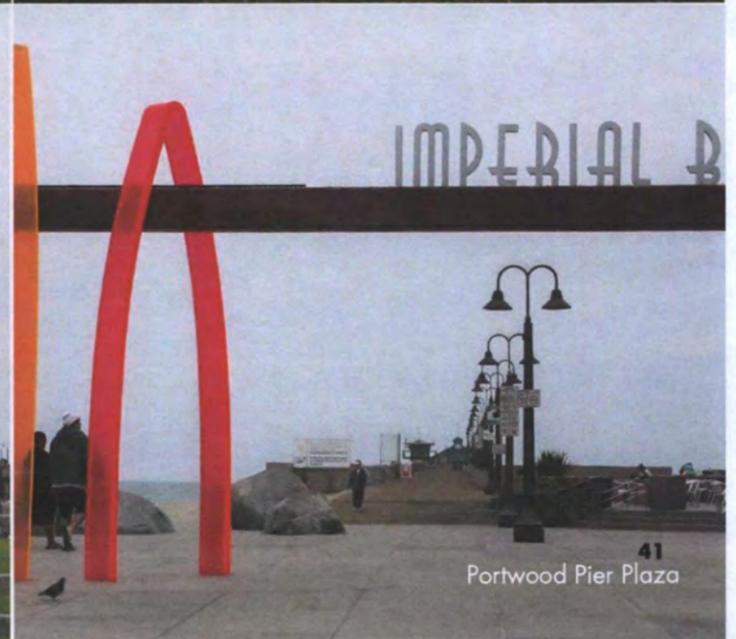
Chula Vista Bayfront Park



Chula Vista Marina View Park



Dunes Park



Portwood Pier Plaza

OPEN SPACE SUMMARY

The Port's "open spaces" go well beyond its parks. In fact when one considers streets, sidewalks, residual lawns, parking lots, service areas, golf courses and the car rental lot, a different view emerges. While the amount of parkland (8%) is low, the overall amount of "open space" is very high (74%). Too much open space is an endemic problem at underperforming properties and leads to a simple conclusion: the Port needs to build more buildings and promote appropriate development.

Total Port Land : 1,813 ac

8.1%	Parks :	147 ac	
	Other Port Open Space :	54 ac	(127 ac)
15.1%	Other Natural Resources :	73 ac	
	Surface Parking :	151 ac	
	Service Areas :	250 ac	
	Golf Course :	100 ac	
	Car Rental :	20 ac	
	Streets :	300 ac	
	Residual :	195 ac	(1,070 ac)
74.1%	Total Open Space :	1,344 ac	



Streets are part of the public realm 43

COMPREHENSIVE PARK SYSTEMS

The Green Necklace : A Comprehensive Park Vision

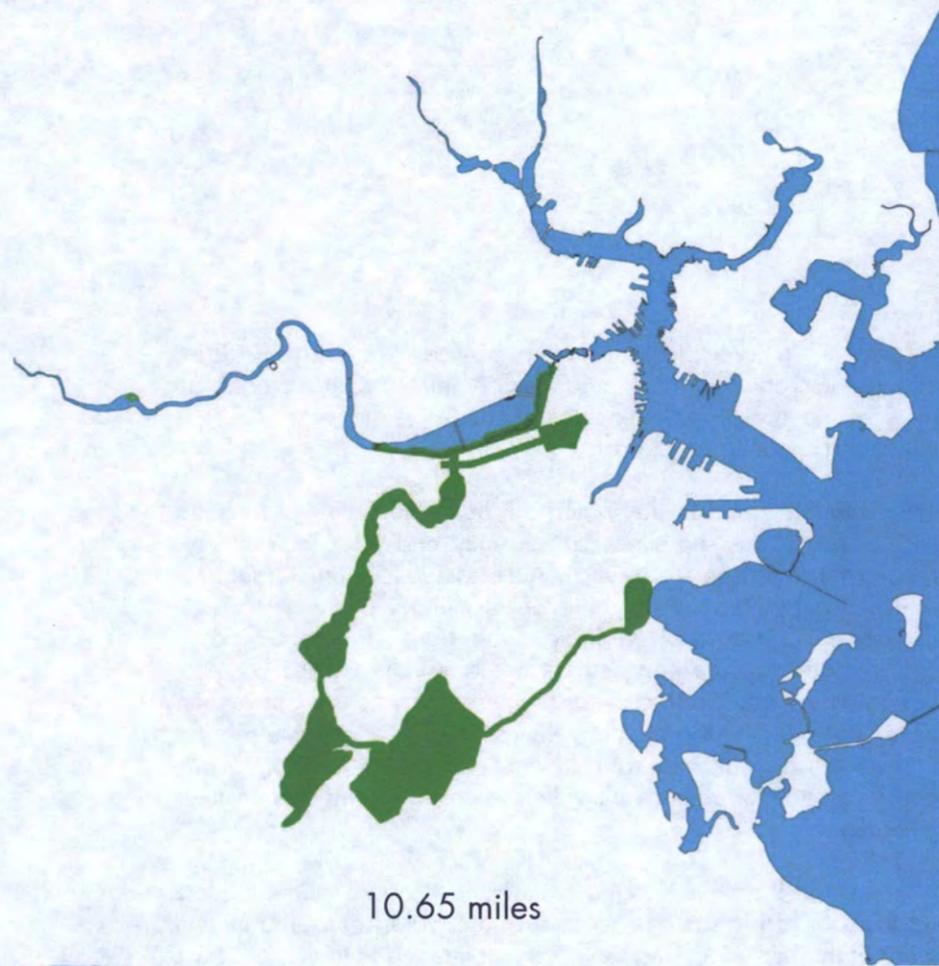
The three drawings compare Boston's Emerald Necklace Park System, San Francisco's Golden Gate Park Loop with San Diego Bay and parks in the nearby geographic area. For San Diego, this vision is just a policy away, most of the components are already in place. There is a network of local streets and from those emerge what could be the Next Great Waterfront Street that would loop around the bay. There is the Bayshore Bikeway that works alongside this new street to reinforce the loop. The last part is the connective and coordinated tissue of parks and streets that would be the equivalent to Boston. And the next level is to create in this vision connections to key streets and upland amenities that would greatly increase the number of access points to the water.



Park Connectivity

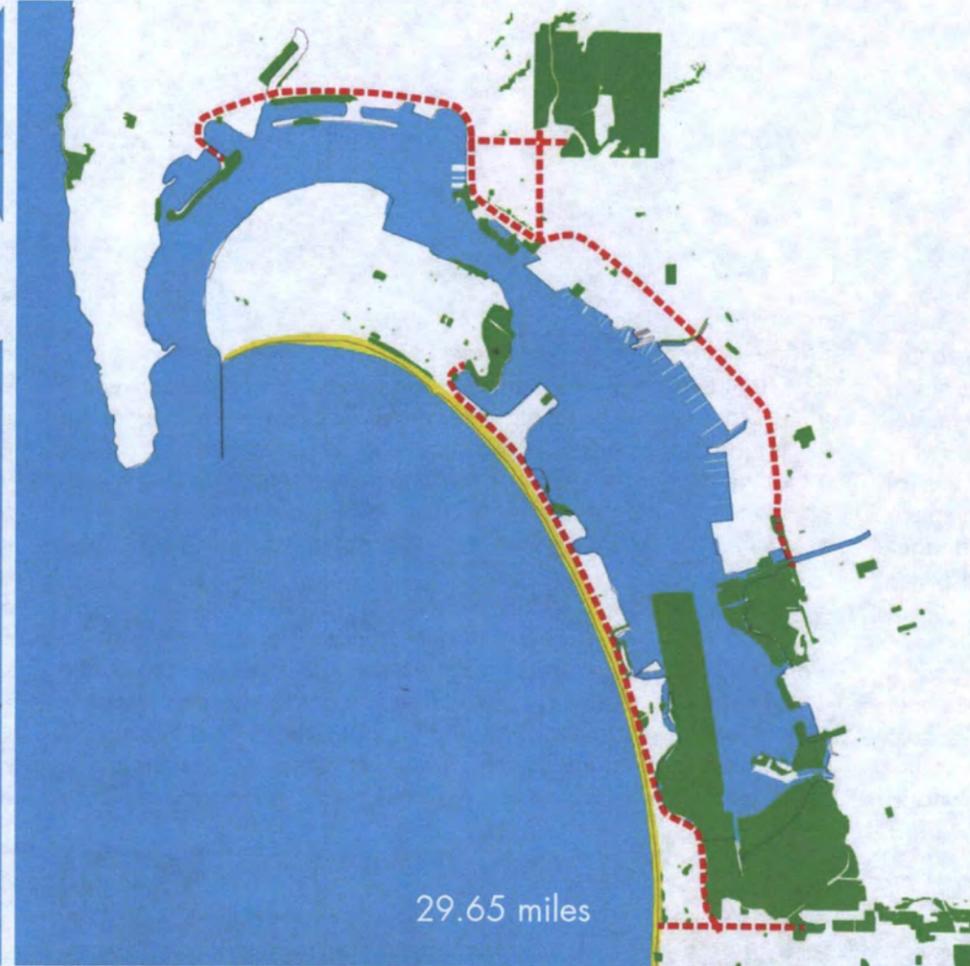
Emerald Necklace

Boston



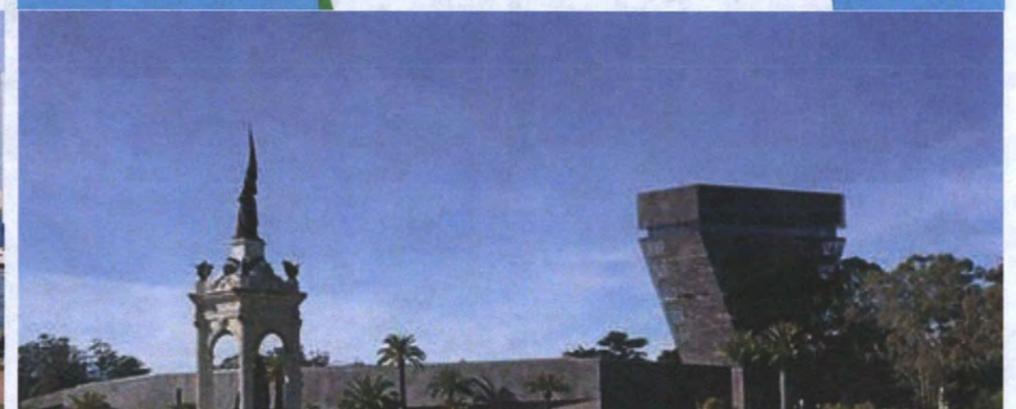
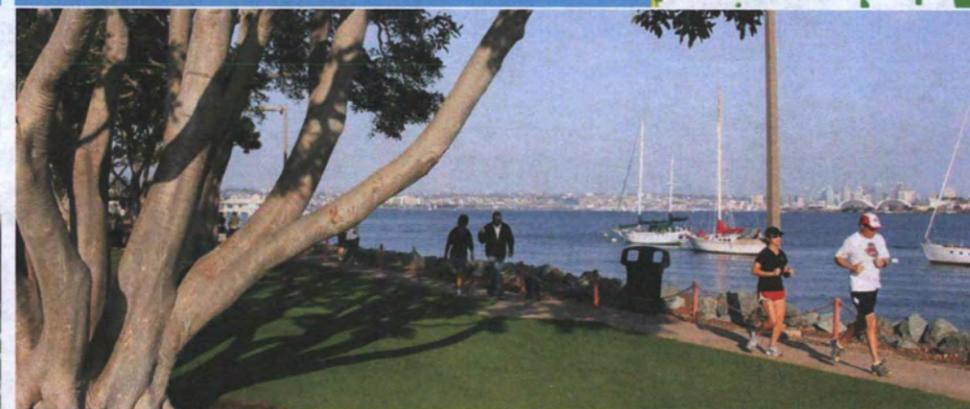
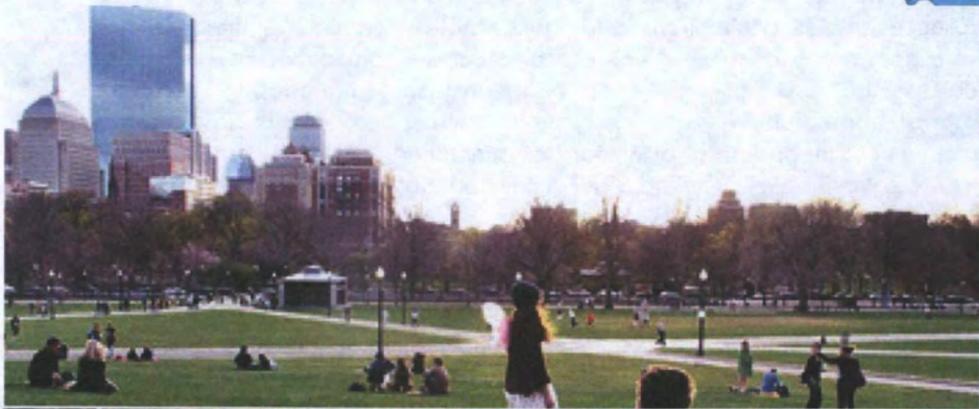
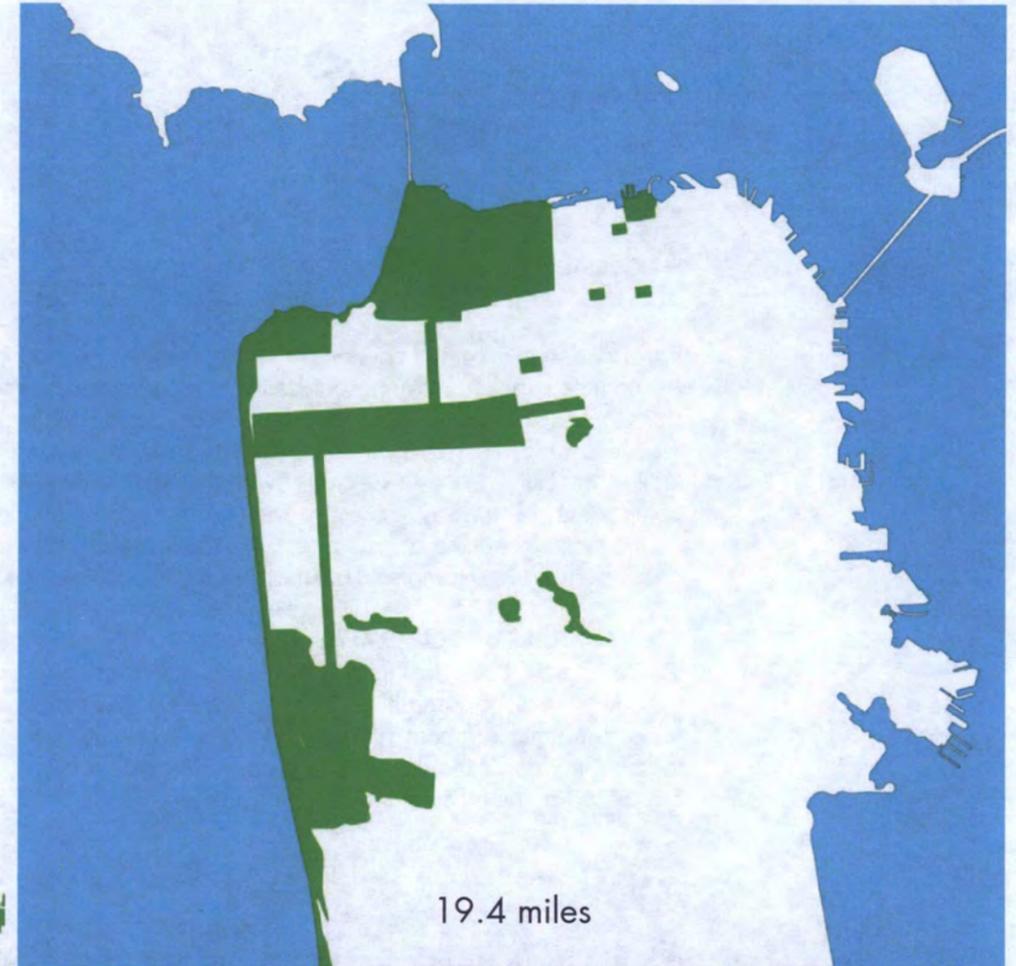
"Green Necklace"

San Diego



Golden Gate Park Loop

San Francisco



WATERFRONT ACCESS

Accessibility & Walkability

Parallel with the issue of connectivity is the discussion of accessibility. As connectivity improves throughout the open space network, so does accessibility. A dominant theme coming out of stakeholder meetings and interviews, verified through field observations, is the limited access currently associated with the Bay; access to views of components of the Bay, access to individual parks and open space on the waterfront and access directly to the water itself (ref. images at the bottom, of examples of waterfront access around the Bay).

View Corridors and Other Influences:

While direct access to the waterfront is important for a successful Port, there are opportunities to bring the element of the waterfront further into the adjacent city. Similar to connectivity inland, access to some notion of the Bay inland becomes valuable. A view to the Star of India, the massive shipbuilding of NASSCO or the Coronado

Bridge, for example, can create awareness and sense of place beyond the immediate waterfront. In a similar manner, attentiveness of the Bay's proximity, health and significance can be created inland through any number of different routes of interpretation. To garner a healthy relationship with the Bay and its users, this visibility should extend deep into surrounding communities to create a sense of accessibility to the Bay where physical access may not be possible.

Access to Port Parks and Waterfront:

Successful ports emphasize the importance of easy access to the waterfront: access via walkable streets, bike-able paths, public transit and vehicular use. This pertains to commerce and industry, as well as the recreational pedestrian Bay user. An efficient and memorable route to the Bay, for whatever reason or destination, is better for everyone – commerce, retail, industry, maritime, military

and people. In contrast to this, large stairways, expansive bridges, walled off properties and auto centric infrastructure create an unwelcoming public experience. San Diego's waterfront access is limited and challenging at best.

Many streets aligned to the waterfront have the potential to bring users closer to the shoreline but currently end with impediments severing the waterfront experience. Access issues abound throughout the Bay resulting from a combination of military presence, private developments, industrial working waterfront and ecologically sensitive habitats. The Navy's presence along the Central Bay, the physical and visual obstruction of structures such as the Convention Center, NASSCO's ship building enterprise and the wildlife refuges of the South Bay all generate, in one manner or another, public access constraints, yet are all valuable assets to the Bay in their current condition.

In the Central Bay, the working waterfront demands public buffers and limits or restricts access to most of the waterfront. The typical nature of the Port's working waterfront combined with the military's presence creates obstructions and inaccessible areas along the shoreline. Many of these areas are blocked off from public use due to security issues (military) or safety hazards (shipping industry). Untapped opportunities exist where public open space abuts these lands; where the industrial or military presence can be highlighted as an asset to the Bay. The industrial vistas and Navy shipyards are proud images of the working history of the Bay and deserve to be made a more integral part of the overall experience.

Park frontage is an existing challenge for the Port but has the ability to become a tremendous asset. Approximately half of the total park frontage within the Port's jurisdiction faces the Bay in some manner. A considerably lower percentage of that park frontage is



Easy Access to the Water



Challenging Access to the Water

currently accessible, with industrial, military and a number of other obstacles hindering access. The opportunity, however, lies in the potential land frontage that these parks have. Acknowledging this land frontage in future development and land use decisions, and integrating connectivity and accessibility into and between these parks, the Port can significantly improve the value of each space. (ref. slide 38 in Port of San Diego meeting PPT in Appendix). There is a need in some areas of the Bay for balance between accessible public spaces and those open spaces that should be left as habitat with limited to no public access. Areas such as the salt ponds in the South Bay play a critical role in the seasonal distribution of migratory birds, as well as valuable habitat for local species. Limiting public use, both terrestrial and marine, allows for natural processes to occur unimpeded. Appropriate master planning and park space design, however, can allow for natural habitat to coexist with public use. A core feature of the future Chula Vista Bayfront Master Plan is a transitional space between a wildlife refuge to the north and an active park, marina and waterfront to the south. With careful planning, balance can be attained.

Many of the Port's existing parks highlight the Bay from a public use standpoint. Recreation, boating and tourism demands drive design thinking. To increase the strength of the open space network, some of these parks can be re-envisioned as opportunities to enhance the natural assets of the Bay. Parks such as Pepper Park begin to form a relationship with the habitat components of the Bay through vistas and educational signage rather than direct access.

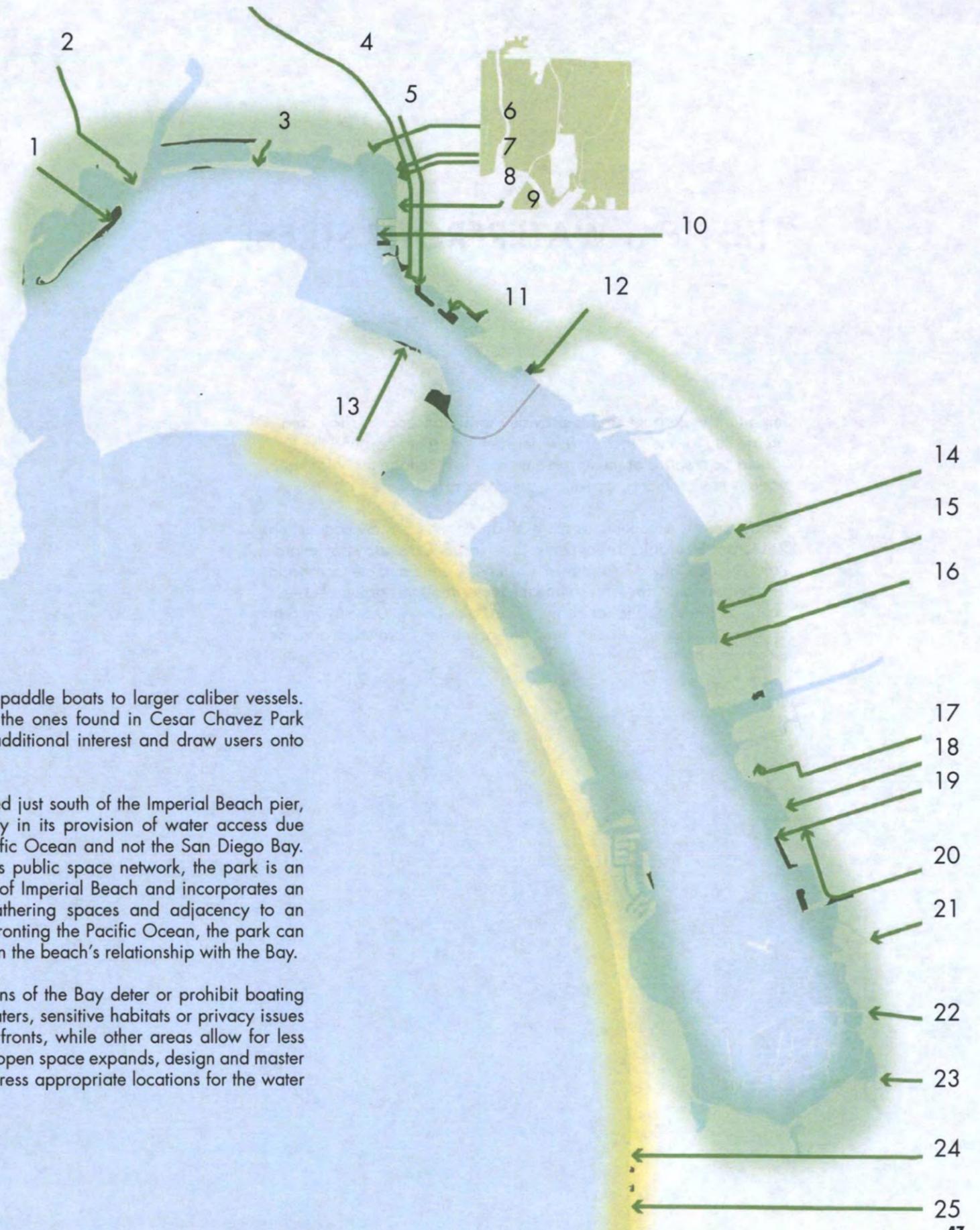
Access Directly to Water:

Further connecting the public's relationship with the Bay, some public spaces offer direct access into the water via four free public boat launch ramps and natural beach edges. Recreational boating and fishing ventures occur in and beyond the Bay's waters and range

from individual kayak and paddle boats to larger caliber vessels. Recreational piers such as the ones found in Cesar Chavez Park and Pepper Park provide additional interest and draw users onto the water, if not into it.

Portwood Pier Plaza, located just south of the Imperial Beach pier, is something of an anomaly in its provision of water access due to its adjacency to the Pacific Ocean and not the San Diego Bay. An equal value to the Port's public space network, the park is an important asset to the City of Imperial Beach and incorporates an activated public plaza, gathering spaces and adjacency to an existing bicycle network. Fronting the Pacific Ocean, the park can use its location to build upon the beach's relationship with the Bay.

Current limitations in portions of the Bay deter or prohibit boating in response to shallower waters, sensitive habitats or privacy issues pertaining to military waterfronts, while other areas allow for less restricted use. As the Bay's open space expands, design and master planning measures will address appropriate locations for the water activities.



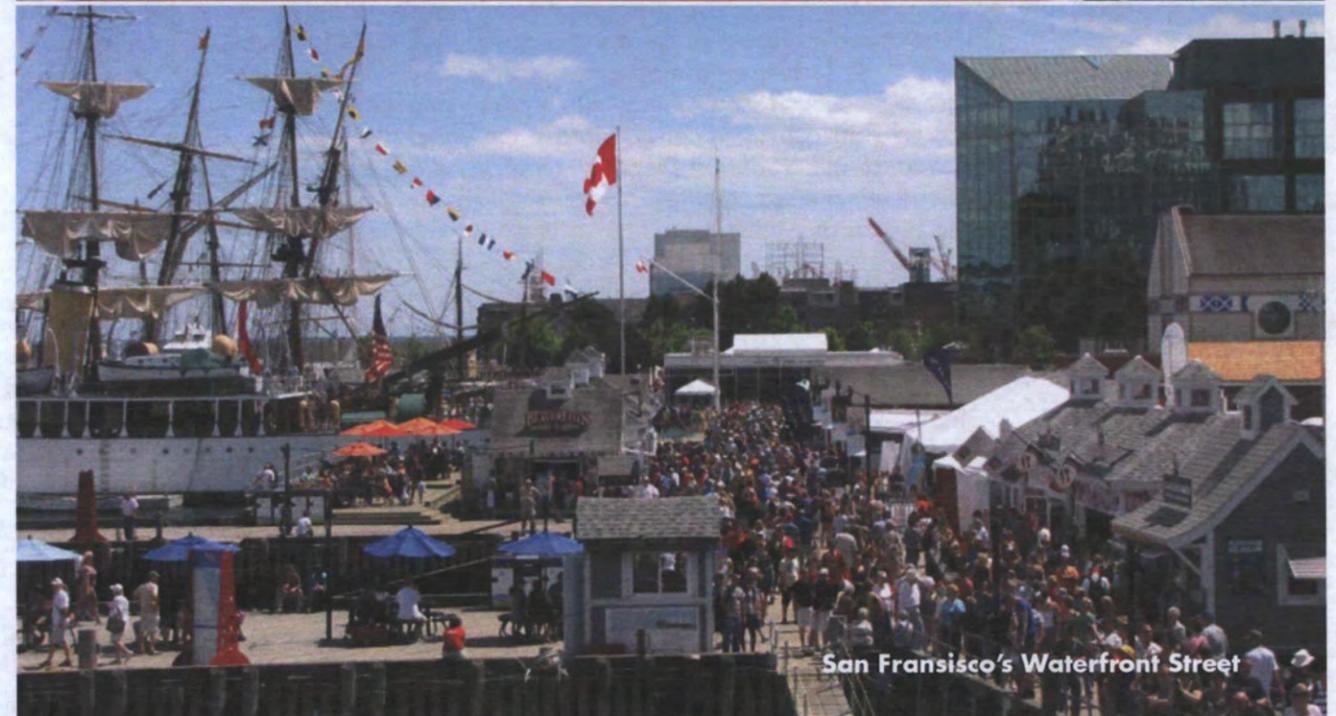
THE NEXT WATERFRONT STREET

Important waterfront streets provide more than access, they create an identity for the place. The waterfront experience around the Bay should be a series of memorable moments, a collage that highlights various environments, activities, cultures and vistas.

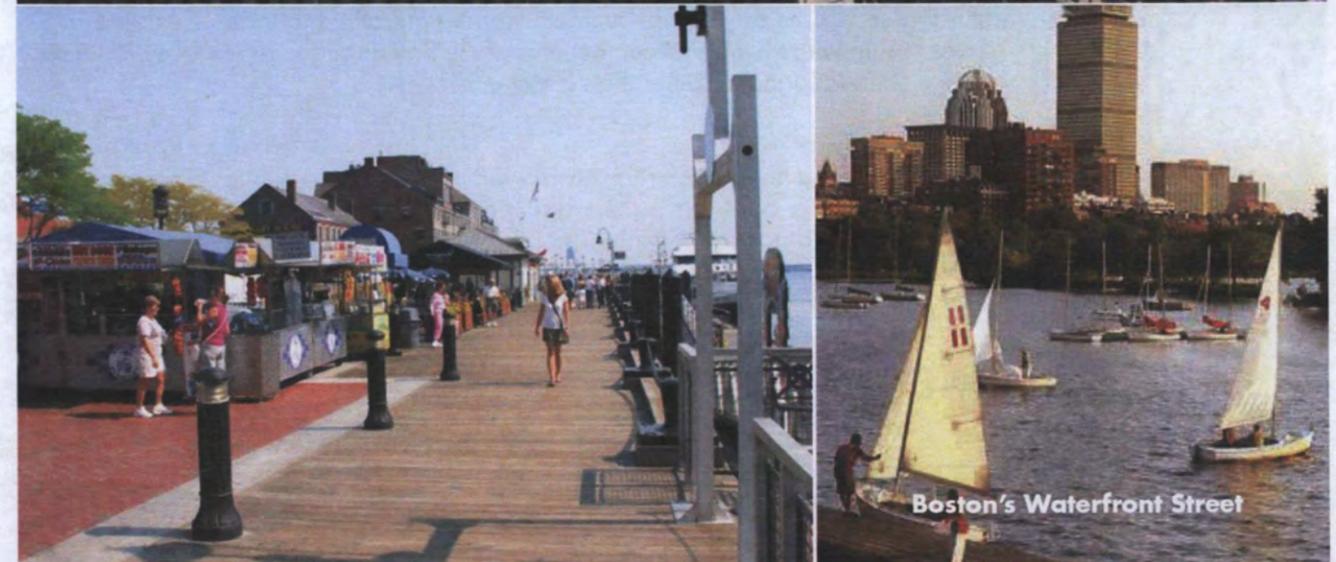
Today there is a continuous route all around the Bay by connecting Rosecrans St, North Harbor Drive, East Harbor Drive, Bay Boulevard, Palm Avenue, Silver Strand Blvd, Orange Avenue and the Coronado Bridge. Not only does this define the waterfront, this group of streets connects the major icons of the Bay: Point Loma, Downtown San Diego, the Imperial Beach Pier, the Hotel del Coronado and the Coronado Bridge.



Baltimore's Waterfront Street



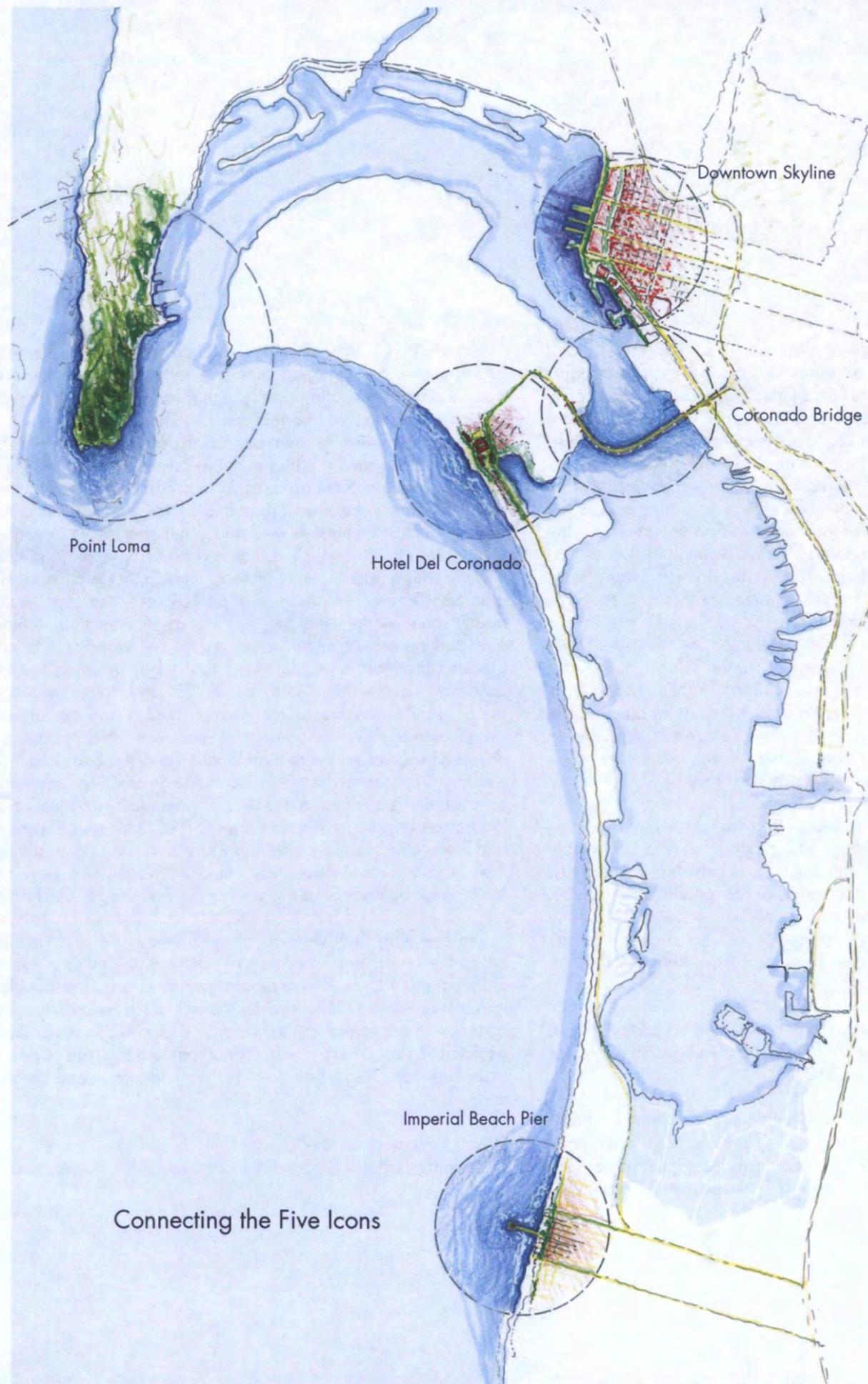
San Francisco's Waterfront Street



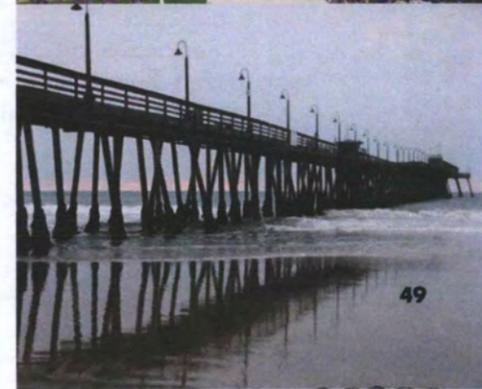
Boston's Waterfront Street



The Next Waterfront Street



Connecting the Five Icons



Overview

Distributed among five cities and at just over 147 acres, land categorized as park/plaza accounts for about 8% of the roughly 1,813 acres of land within the Port's jurisdiction. This is significantly lower than benchmark waterfront cities across the nation, where Port-adjacent parks and open space in New York and San Francisco account for nearly 30% of the total land use (ref. slides 11 & 12 in 121213 Commissioners Workshop PPT in Appendix). What can be confusing about this low percentage in San Diego is the presence of the 2,620 acres of land and water associated with the San Diego National Wildlife Refuge yet not within the Port of San Diego's jurisdiction. The Refuge, in a sense, has a similar role to that of Navy property. It is waterfront acreage that is a separate entity outside of the Port's jurisdiction. Limitations or restrictions on public access and use, for better or worse, are associated with each. Given the fragility of the ecosystem of the Refuge, human use is restricted or severely limited in critical areas. While the Refuge is a priceless asset for the health of the Bay, it cannot be categorized as a 'park' in the spirit of public use. The Refuge's contribution to the future of the Bay must be re-imagined – much like we embrace the restrictions enforced on the public by the Navy.

This returns us to the seemingly daunting task of tripling existing parkland around San Diego Bay, where attainability is achievable through effective master planning solutions addressing connectivity, accessibility and land use directed towards public open space. Providing solutions to these issues in a holistic manner catalyzes the notion of one comprehensive open space network around the Bay that balances the value of each individual park between the five residing cities.

This assessment report discusses the broad commonalities of the existing park and open space condition and uses specific examples to highlight and illustrate our findings.

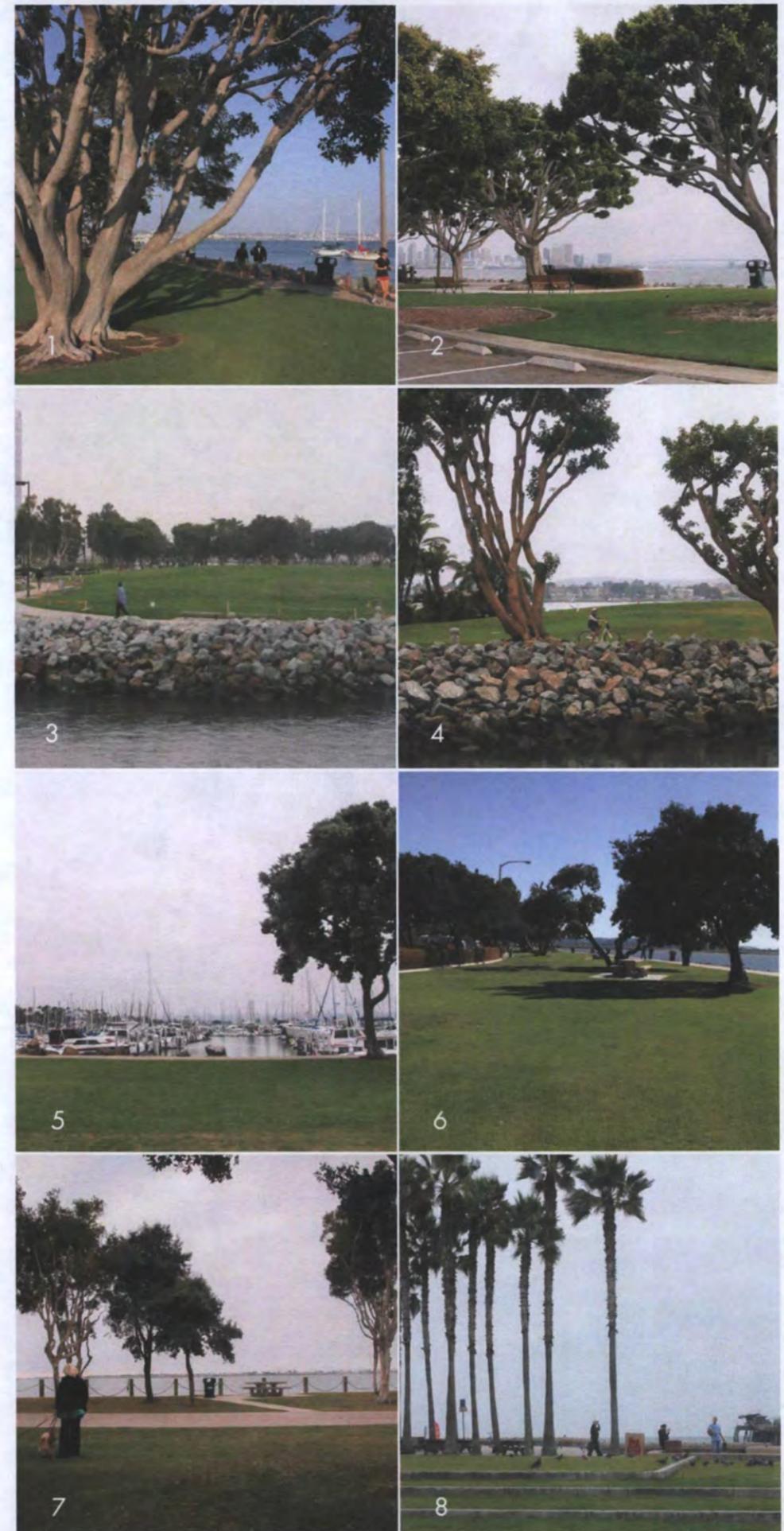
There are currently 20 designated public parks within the Port's jurisdiction, varying from high use urban park spaces to sensitive naturalized shorelines. They range in size from less than an acre, such as Dunes Park in Imperial Beach, to the 22-acre stretch of Coronado's

Tidelands Park. Where some parks provide a programmed park experience catering to large events, others provide exposure to natural ecosystems, offer boat launches for direct water recreational use, or accommodate informal sports games.

Many parks, owing to their period of development in the 1970's and 80's, have similar visual qualities and represent the style of the time (ref. images to the right, of various Port parks 1~8). Parks are dominated by large lawn areas and trees. A very limited number of ornamental, non-native tree and plant species were used. The cumulative effect of which is that Port parks have more in common visually with a park in New Zealand, the Canary Islands, or Hawaii than San Diego. Architecture in parks is practical and functional, mostly nondescript, inexpensive stucco construction. Buildings and parking lots often dominate the arrival experience at a park, blocking the most important views to the bay in doing so. Newer bay front development such as Pier 32 and Point Loma Marina, are of significantly higher construction quality and express a more strong aesthetic and environmental sensibility. Architecture in these developments reflect the marine location and the San Diego climate with more indoor-outdoor public spaces, daylighting, and what can be characterized as an authentic, marine/industrial style. Site and landscape designs celebrate views to the water and feature native and low water use plant materials that contribute to grounding these new places in the environment. In other words, new development looks like it belongs on the waterfront in San Diego, California.

Complementing this new era of built landscape and architecture along the bay is the expansion of nature and wildlife preservation of lands and waters. These places give an undisputed local identity to our bay. Remarkable bird migrations attract international tourist attention to our region in the same way Comic-Con is personalized as San Diegan. These unique conditions are the rare opportunities to imbue San Diego Bay with its own distinct – and attractive – character.

What becomes evident is that many parks currently are not functioning at their full potential to imprint the full majesty of our Bay.





Pepper Park

Pepper Park, in National City, is an example of the broader conditions and opportunities in the Port open space system. At just over 5.5 acres, the park integrates traditional uses like picnicking, social gatherings and informal sports into its programming, while a public access boat launch and a burgeoning aquatics center support recreational water use. The park is located at a dynamic intersection between industry and open space, as the Sweetwater Marsh National Wildlife Refuge lies to the south and active cargo vessels load and unload products nearby. In one panoramic view, the user can experience the natural, recreational, and industrial splendor of the Bay. The gargantuan scale of automobile transport ships moored in front of the park is juxtaposed against the vast, flatness of the Refuge and the Bay. This a place like no other on the Bay – a place where wildlife and industry co-exist – and your children can play.

However, like many open space opportunities along the waterfront, Pepper Park is victim to a location disconnected from a greater public space network and any strong visual identity or sense of place. Site features almost get in the way of the remarkable setting. Design, accessibility and connectivity issues result in a space capable of - but currently unable to - fully capitalize on the multiple facets of the Bay. Similar isolated, disconnected or obstructed land use examples exist along the Bay's shoreline, each sitting as an untapped resource to further highlight and create awareness of the many exceptional personalities of the Port.





Bayshore Bikeway - San Diego to National City



Bayshore Bikeway - In City of San Diego



Bayshore Bikeway - National City to Chula Vista



Bayshore Bikeway - South Bay



Bayshore Bikeway - Silver Strand

Connectivity

Circumscribing the Bay

The Bay shoreline defines San Diego; it shapes an image of maritime industry, commercial core, recreational value, military and industrial strength and natural beauty. It is the largest natural harbor south of San Francisco and north of Bahia Vizcaino in the Baja Peninsula. The extent of shoreline surrounding the San Diego Bay is immense at over 50 measurable miles. What becomes apparent at ground level, however, is the discontinuity of the waterfront from Point Loma to downtown San Diego to Imperial Beach and Coronado as natural shoreline transitions to engineered piers, revetments and bulkheads and back to natural shoreline. Existing conditions along the Bay perimeter often separate or obstruct physical and visual connections between public open spaces, adjacent communities and waterfront land along the Bay, adversely impacting the overall waterfront experience (ref. slides 22,23,25 in "121213 Commissioners Workshop PPT" in Appendix).

Many parks within the Port's jurisdiction are separated from the Port's industrial working waterfront through fences, walls and diverted visual cues. Military presence within the Bay adds an additional barrier to the waterline, often isolating public use areas and disconnecting possible corridors between open spaces. Structures within the parks often block rather than enhance views. Pepper Park, noted earlier as a place with an opportunity to highlight the Bay's industrial, recreational and natural character in one setting, is currently isolated along the waterfront by surrounding automobile storage lots. One has to know the park is there and use a map to find it. An inviting, intuitive path to the park from upland for pedestrians, bicyclists, and cars is non-existent. Where there is opportunity to use the Port's working waterfront as a character defining element and possible linkage, the park currently is an auto-centric destination disconnected from the overall Bay experience.

This condition is symptomatic for many of the Port parks. There is no one, clear, recognizable, connected path around the Bay. The current configuration of streets and boulevards that circumscribe the Bay is a weakly defined assemblage of six streets: Rosecrans, North Harbor Drive, East Harbor Drive, Bay Boulevard, Palm Avenue,

Silver Strand Boulevard, Orange Avenue, and the Coronado Bridge – not to mention the various streets around the western bay in Point Loma. What could be a powerful, singular experience alongside the Bay becomes diluted and at times detached from the Bay itself. The lack of one cohesive, memorable street linkage results from current land uses, expansive parking lots, obstructive infrastructure, physical land challenges, and jurisdictional control (ref "The Next Waterfront Street" below).

Similarly, bicycle connectivity along the Bay waterfront is lacking in many areas. While the Bayshore Bikeway provides seamless connectivity and striking views along portions of the South Bay, and the inclusion of the ferry from Coronado to Downtown San Diego provides a unique connection to the Bay, it appears lacking in many portions of the Central Bay. In general, bicycle connectivity

becomes less apparent or all-together missing along portions of the North and Central Bay waterfront. Many bike "connections" around the Bay exist only as shared roadways with daunting traffic conditions and unwelcoming edges resulting from a combination of industrial, military and walled off residential land uses (ref. images at the bottom, of Bayshore Bikeway).

In some instances along the Bay, bicycle routes have tremendous potential but currently appear under-performing from a user perspective. Pedestrian and bicycle activity along the waterfront edge west of the airport, for example, becomes overwhelmed by its direct proximity to the traffic noise along Harbor Drive. Appropriately designed buffers could provide respite for the users while creating interesting revealing moments for the traffic; a potential addition to what could become an iconic waterfront street.

Demonstrating the conundrum of access to the Wildlife Refuge is the interface with the Otay River Valley Park bike trail, where cyclists leave the open landscape of the river valley to be funneled into a narrow corridor between tall security fences restricting human access to the Refuge, keeping in mind the restrictions that result from proximity to the wildlife. Additional design features could be applied to make a space that immerses people into a piece of the marsh habitat as they traverse the South Bay (ref. image at the bottom, of Otay River Valley Park Bike Trail).



The Next Waterfront Street



Tall security fences at Otay River Valley Park Bike Trail

Lateral Upland Connectivity

In addition to an absence of connectivity along the waterfront, there is a similar absence of connectivity inland beyond the Bay. Connections to San Diego open space resources such as Balboa Park and the many smaller parks in close proximity to the Bay are limited and often do not relate to the waterfront. A repeating comment heard during stakeholder meetings was the need for a pedestrian link between these spaces.

While the Bay is obstructed or severed from many inland areas, there are examples in place that successfully highlight the value of inland connectivity to the Bay. The Otay Valley Regional Park, for example, provides an excellent physical link between the Bay and inland areas through connected trails, parks and open space within the Otay River watershed. People know that water flows downhill. Currently, the simple placement of storm drain inlet markings in the Bay begin to connect the inland communities with the Bay; but this can be improved upon. The Otay River is a very intact natural waterway, yet all of the watersheds that feed into San Diego Bay represent a connectivity resource. Whether a concrete channel or pipe, the routes the water takes are part of the infrastructure and often the right-of-way is prime for re-purposing as a combined water way and human trail. Seen in this way, the Bay can now be a presence 10 miles inland. This awareness becomes increasingly significant in areas where physical connectivity is impractical. Through view corridors, re-vegetation, way finding and signage programs, the Bay can be perceived as an asset to the area rather than a detached destination. This connectivity needs to be addressed for people, bicyclists and automobiles in varying ways to make the experience of visiting the Bay a rich and rewarding one.

The watershed network that drains into San Diego Bay is the most direct and meaningful link that can be made between all of the upland communities and the Bay. It is so obvious that it is often overlooked, especially after a century of hiding water in pipes. The Bay is Water and it is fed by the inland watershed. Opportunity abounds (ref. Bay Watershed Diagram at the bottom).



Balance & Equity

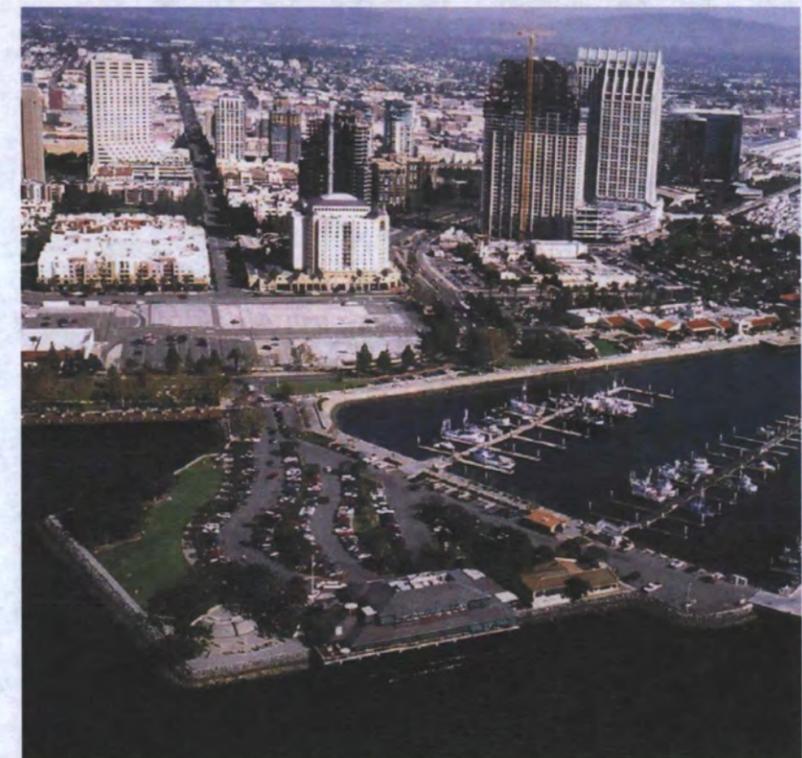
Between the five municipalities within the Port of San Diego's jurisdiction, the City of San Diego accounts for just over half of the Port's park land followed by Chula Vista, Coronado, National City and Imperial Beach, respectively. The character and defined value of this land, however, differs along the entirety of the Bay. Active park space within the City of San Diego's limits provides a much needed value to the urban user experience. Similarly, large swaths of natural shoreline along the Chula Vista and Imperial Beach edges offer a tremendous habitat and passive recreational use value considered a critical component to the Bay's long term environmental and human health – yet these values are often disregarded in the marketplace of property taxation and land prices. This is the balance and equity challenge for the next 50 years.

The diversity of public open space along the waterfront, and how each space is then used, has an impact on the perceived value of public space between the five cities adjacent to the Bay. Park equivalency may be approached in a broad context, where a perceived value is understood to be site specific and not necessarily applicable throughout the Bay. It is important to consider the value of a space in its immediate location as well as how it fits into the open space system for the Bay as a whole. Enhancing connectivity and accessibility to public land throughout the Bay creates one holistic network with assets that equally benefit each city within the Port's jurisdiction. The economic structure and viability of varying public spaces per city is analyzed elsewhere in this report.

Tuna Harbor Park, a nearly 3/4-acre public space located in the City of San Diego directly south of the docked U.S.S. Midway, is a great existing example of a Port park that provides a flexible open space area connected into the urban fabric of downtown San

Diego through bike and pedestrian paths. The park references San Diego's fishing history and offers traditional park amenities in addition to terrific vantage points for observing boat activity. Additionally, the immediate adjacency to the U.S.S. Midway connects the Bay's military presence with parks and open space. Tuna Harbor Park is an existing value to the City of San Diego that provides local and visitor appeal. Contrasting in character, the Grand Caribe Shoreline Park, adjacent to the Coronado Cays within the City of Coronado, highlights the natural character of the Bay. Native planting and a naturalized meandering trail provide views of habitat and undeveloped shorelines. Though differing in program and use, both parks possess a distinct identity tied to their immediate municipality and can provide unique value to a larger open space network.

Grand Caribe Shoreline Park connects into the Bayshore Bikeway, providing an asset beyond the limits of the city it resides in. Similarly Tuna Harbor Park has a linkage into the City and along portions of the waterfront via a pedestrian path. However, this linear connection comes to an abrupt stop at the industrial frontage south of the Embarcadero and misses the opportunity to connect with Cesar Chavez Park, located just south of the industrial property. Similar disconnects around the Bay extend past city boundaries and begin to adversely impact balance and equity of open space among cities by insulating the park's perceived value to its immediate community. Linking the diverse range of park spaces into a comprehensive public space system throughout the Bay works to provide value beyond city boundaries and balances the value of public space across the Port's jurisdiction.



Tuna Harbor Park

Analysis of individual park character throughout the Bay must acknowledge the diverse community identities of the Bay's five cities; currently this opportunity is missing in many of the Port's parks. Public space throughout the Bay provides opportunities to express and celebrate local neighborhood personality while simultaneously strengthening the character of the Bay's park network. Through public art, events, design aesthetics and park programming, independent public spaces can provide a needed function or value to the local user while concurrently attracting regional appeal. Existing parks do not entirely represent or celebrate their identities in relation to their local community or as a space connected to a greater whole. More often than not, they appear somewhat generic or characterless with bland design solutions.

The Port currently has a Public Art Program that aims to promote local community identity and improve the quality of public spaces throughout the Bay. The collection of projects throughout the Bay highlights cultural diversity and the unique relationship of military, industry and nature that define the waterfront. Continuing to improve upon the public open space network through additional land designations, connectivity and accessibility to these spaces will allow for increased public art opportunities and further enhance the existing asset (ref. images to the right, of public art in parks throughout the Bay)



Examples of public art in local neighborhoods

Park and Public Places Legislation Assessment

The Port, its member cities, the State, and Federal government all have codes and regulations that both serve and thwart public enjoyment of the Bay. The following is a cursory overview of the key legislation and issues at play.

The Port

The San Diego Unified Port District Act of 1962 declared to be a policy of the State of California to develop the harbors and ports of this State for the multiple purpose use for the benefit of the people. The Act allows improvements for the promotion and accommodation of commerce, navigation, fisheries, and recreation and places certain restrictions on the types of park and recreation uses allowed within the District lands. Of particular interest are the restrictions on housing and community serving recreation uses within the District.

- Section 53 of the Act describes the various ways in which land may be annexed to the District.
- Section 87 describes the types of public places allowed within the District to include public assembly and meeting places, convention centers, parks, playgrounds, bathhouses and bathing facilities, recreation and fishing piers, public recreation facilities, including but not limited to public golf courses...marinas, aquatic playgrounds and similar recreation facilities. Snack bars, cafes, restaurants, and restrooms are also allowed. Of note regarding accessibility, item 6(f) states – “There is hereby reserved to the people of the State of California the right to fish in the waters on said lands with the right of convenient access to said water over said lands for said purpose.” Much could be made of the definition of ‘convenient’ vis-à-vis stakeholder input about the lack of such access for other purposes. Regarding restrictions and prohibitions on certain types of park use, the Act’s mandate to serve for the benefit of the people should be the guide for developing a park and public spaces

strategy to serve the needs of both the global and local 21st century population.

- The District Reorganization Act of 1965, revised the process for annexing and detaching lands from a District.
- Of note, per Section 53.a, there may be annexed to the District “Any territory, any point of which touches the District”. This is most relevant to the assessment that the County-wide watershed that feeds into the Bay is territory that touches the District. Much like the efforts surrounding the Chula Vista Bayfront Plan, Pacifica, and South Bay Power Plant land exchanges, upland communities could exchange degraded watershed area, such as Paradise Creek, to the Port for existing Tidelands properties that would be unencumbered by the Tidelands land use restrictions.

Coastal Commission

Charged with the mission to “Protect, conserve, restore, and enhance environmental and human-based resources of the California coast and ocean for environmentally sustainable and prudent use by current and future generations”, the Commission has numerous regulations and guidelines. Many stakeholders view the Port as having an economic mandate while the Coastal Commission has an environmental mandate. In fact, both have similar missions and it can be argued that if the true economic cost of human interventions or environmental benefits of habitat preservation are considered, one would see more balance than disparity.

Sometimes Coastal Commission regulations to address shoreline public access and recreation and lower cost visitor accommodations can be at odds with policies to preserve visual resources and habitat protection. A small example – parking lots and quantities of parking spaces become positive access features in the mind of the Coastal

Commission. As we advance Smart Growth, walkable communities around the Bay, the member cities can find their policies for reducing parking requirements need more comprehensive review by the Commission. The 50 year Port Vision needs to strike a stronger, cooperative working arrangement between these two not-dissimilar State agencies. The 35 Amendments to the Port Master Plan argue for the Commission’s position that the Port has worked in a piecemeal manner. The assessment of the ‘Balance and Equity’ of Port parks and public places resources points to the need for a Master Plan that clarifies and codifies a strong level of certainty on the behalf of environmental, business development, maritime, commerce, and human needs on and around the Bay.

Federal Government | Navy and Wildlife Refuge

Security measures in place following the events of September 11, 2001 have significantly restricted public access to Navy properties and cruise ship terminals. In prior times, pedestrians and cyclists could make their way out onto the pier heads of the 32nd Street Naval Base and take in the dramatic majesty of Navy ships and facilities. Recreation boaters could float up alongside an aircraft carrier for a close look. Cruise ship facilities at the Broadway Pier were designed well after the 9/11 tragedy and benefited from experience in balancing security with access so that on most days, the pier is open to the public who can walk to the end - and marvel at the sweeping grandeur of the Bay. As we move forward in our understanding of appropriate security measures, there could be opportunities for re-engaging the public with their Navy.

The ‘Security’ of the Bay from a different perspective emerges when we consider the Environmental Protection Act and the San Diego Wildlife Refuge. As San Diego led the nation with the most

Maintenance and Management

comprehensive policy for habitat protection with the landmark "Multiple Species Habitat Conservation Plan" of 1997, the Port, Federal Agencies, Coastal Commission, and member cities can fashion a comprehensive plan that ensures the security of bio-diversity along with secure commercial, military, and maritime needs.

The Port has managed and maintained its parks effectively. Generally, park building infrastructure, hardscape, lighting, and utilities are aging and in need of major upgrade, repair, and refurbishment. This need to reinvest in existing parks, combined with increased demands for more high functioning parks in a linked network, points to significant emerging costs. To ensure permanent viability a comprehensive sustainability, energy and water management, program management, and maintenance strategy must address revenue generation in a much more robust manner than exists. Private and public partnerships, benefit assessment districts, special and recurring revenue generating events, and mitigation funds, can all be sources of offsetting revenue.

INFRASTRUCTURE : GETTING THERE, GETTING AROUND SERVICES

Whether the Port was here before the city of San Diego or the reverse, both downtown and the Port share important infrastructure to the benefit of each. The region at large also benefits from the services that the Port and the city need in order to succeed. There is good freeway access; passenger rail and light rail, freight rail and a solid network of local streets and bridges that make the northern bay feel truly urban.

While the infrastructure is adequate, the impact of certain elements needs to be addressed in the master plan.

It has been pointed out that collaboration between the Port and other agencies could be better. As part of the Port's future strategy, there should be an infrastructure group whose aim is to liaise with all pertinent groups (planning, transport, environmental, et al.) and coordinate progress between open space and development initiatives the Port is pursuing.



Freeways



Local Streets



Heavy Rail



Light Rail



Key Findings

Street Connections to the water

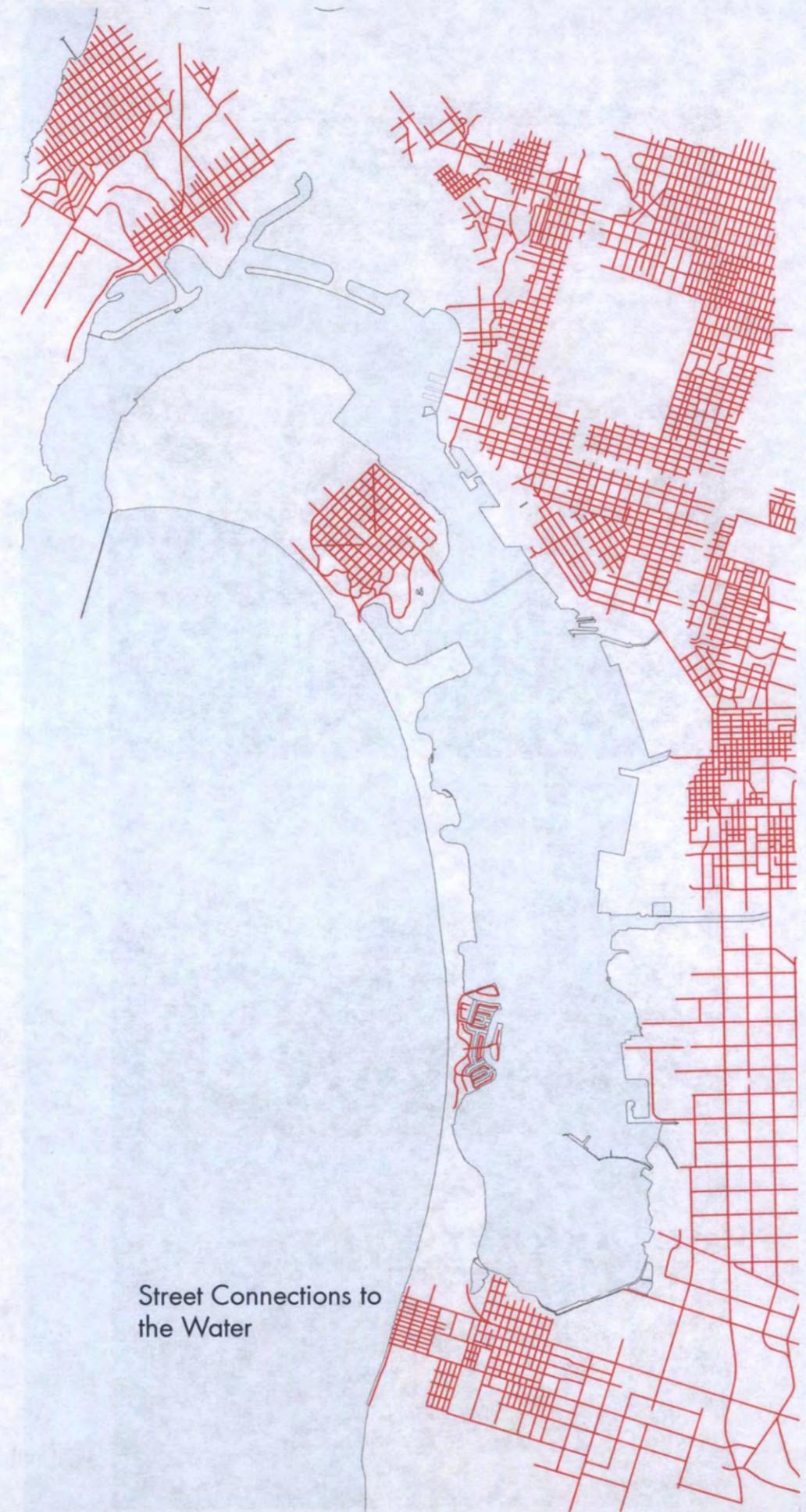
Too many streets fall short or are cut off well before they reach the waterfront. This concept was fundamental to each of the Bay cities when they were laid out, but have been compromised over time to make way for larger traffic solutions. A choice has to be made about the priority for pedestrians moving forward versus the way cars dominate the environment today.

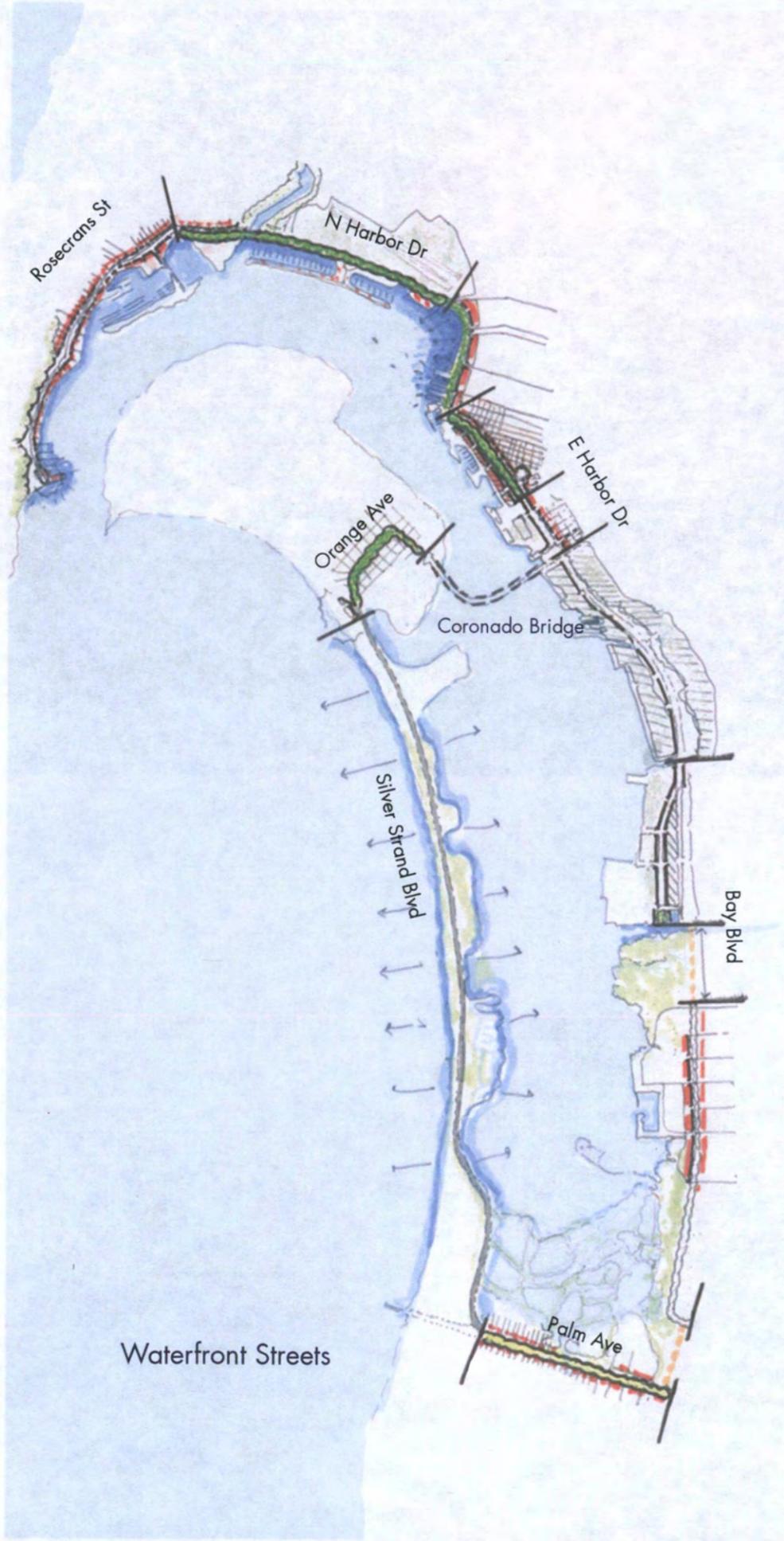
In addition to streets going toward the water, there are a number of streets that run along the water. A waterfront access plan should prorate connections between as many of these streets as possible.

The Bayshore Bikeway reinforces mobility around the Bay and should be promoted for growth in the future. The Light Rail system is becoming more and more popular and should also be promoted for growth in the future. All planning experts would cite the need for expanded use of public transit in the future and the master plan should support this as well.

The Working Waterfront

To succeed and grow there are a number of improvements to contemplate. There are maritime decisions to increase shipping access. There are crane infrastructure and other support items. Parking for employees is a big problem. The trucks are problematic with noise and air quality issues. A dedicated "Haul Road" therefore should be studied. There have been many mentions of a rail spur to the east and how that would support the shipyards. There are many issues but not a clear policy or future vision, but there should be as part of the future master plan scope.

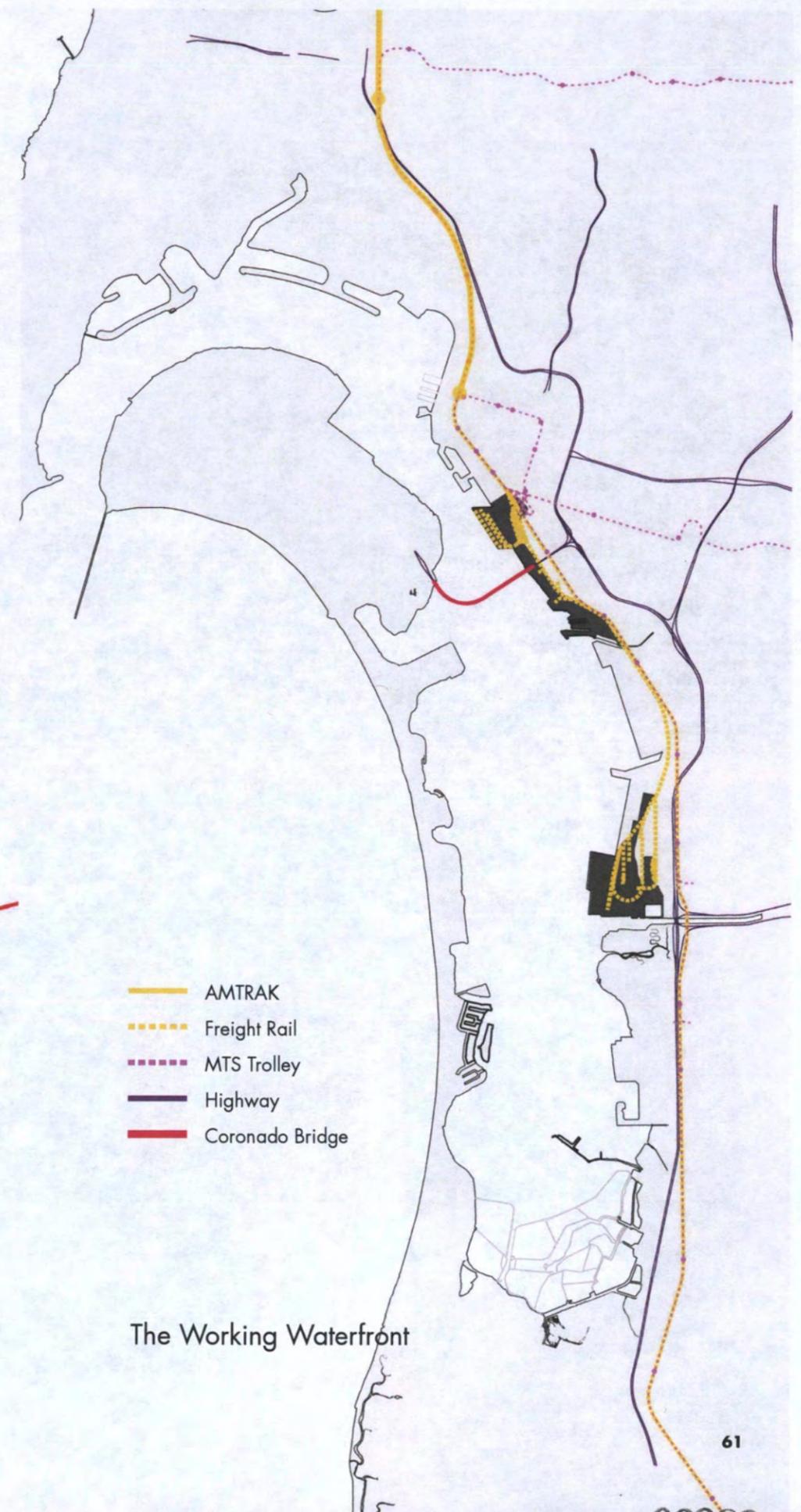




Waterfront Streets



Bayshore Bikeway

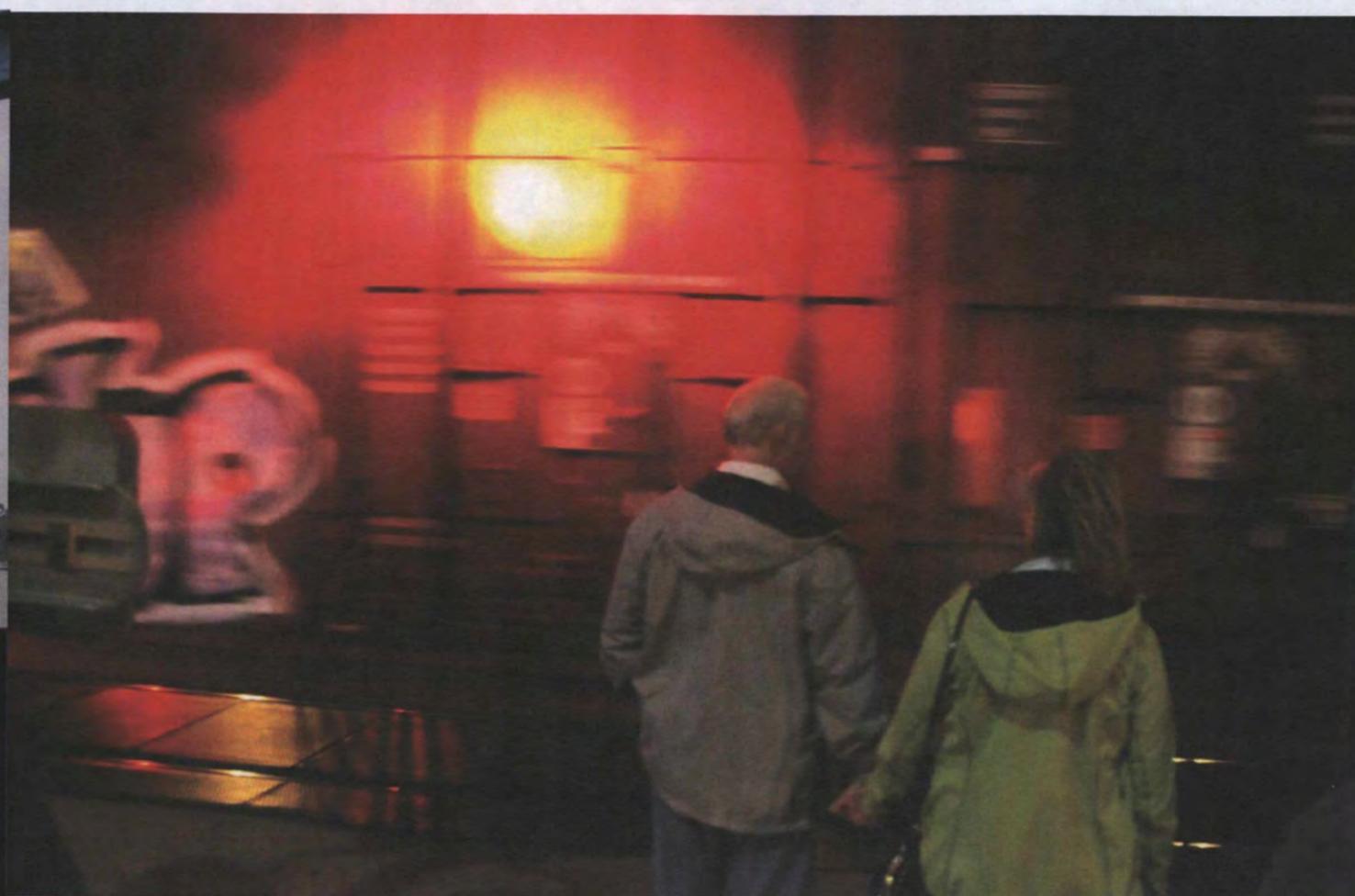


The Working Waterfront



Infrastructure (North vs. South of the Bridge)

Infrastructure north of the Bridge forms 49% of the total infrastructure area, while the South forms 51%. The majority of the infrastructure at the South lies at National City while the majority at the North lies in San Diego. This is a reflection that most of this infrastructure has a direct relationship with the industrial usage in these cities.



Bayshore Bikeway

While the Bayshore Bikeway provides seamless connectivity and striking views along portions of the South Bay, and the inclusion of the ferry from Coronado to Downtown San Diego provides a unique connection to the Bay, it appears lacking in many portions of the Central Bay. In general, bicycle connectivity becomes less apparent or all-together missing along portions of the North and Central Bay waterfront. Many bike "connections" around the Bay exist only as shared roadways with daunting traffic conditions and unwelcoming edges resulting from a combination of industrial, military and walled off residential land uses.

In some instances along the Bay, bicycle routes have tremendous potential but currently appear underperforming from a user perspective. Pedestrian and bicycle activity along the waterfront edge west of the airport, for example, becomes overwhelmed by its direct proximity to the traffic noise along Harbor Drive. Appropriately designed buffers could provide respite for the users while creating interesting revealing moments for the traffic; a potential addition to what could become an iconic waterfront street.



PARKING SUMMARY

A common perception in many communities is that "there is not enough parking." The Port provides over 20,000 parking spaces to serve largely underdeveloped properties. The desire to park next to one's destination fuels the poor parking perception. A shared parking plan, coupled with a new development strategy and transportation plan will result in a new perception, "there is a lot to do down at the waterfront."

Surface Parking on Leasable Land : **125.7 ac**

Surface Parking in Parks : **25.7 ac**

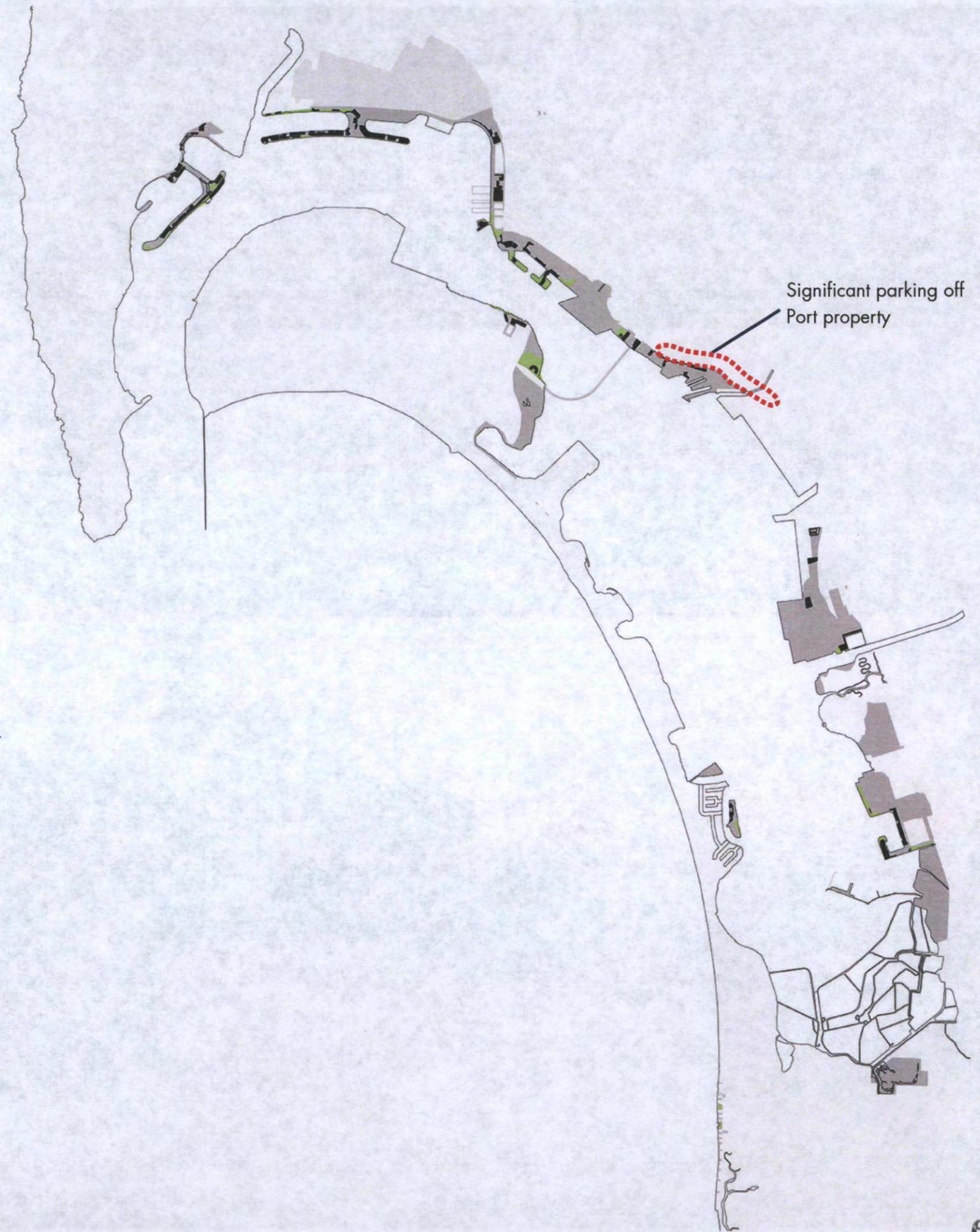
Total Surface Parking : 151.4 ac

Accommodates : 15,141 cars
(100 cars/acre)

Total Structured Parking : 5,680 cars

1. Grand Hyatt : 1,160 cars
2. Marriott : 1,360 cars (1 car/key)
3. Convention Center : 1,959 cars
4. Hilton : 1,210 cars (1 car/key)

Port Parking Spaces : 20,821 cars





LEASABLE LAND : THE BUSINESS SIDE OF THE PORT

The Port has a little over 1200 acres of land listed on its rent roll. This represents about 66% of the Port's land. This is a healthy ratio as a benchmark. Most urban mixed use projects would be closer to 50%. We have made a few discoveries about doing business with the Port and the Port's leasable land.

From our key findings we have summarized the key issues below that the master plan update should address:

The new master plan should address the lack of development and the imbalance between cities.

- Marry development to an open space and infrastructure plan to provide certainty in the marketplace about future parcels, waterfront access and amenities to be provided.
- One overarching development strategy will likely not be appropriate, rather a series of "mini master plans" (like the Chula Vista Bayfront Master Plan) would better address appropriate development for each city and specific neighborhoods.
- Look to long-term strategies that will create more land use possibilities and create more mixed use development that will be competitive in the marketplace.
- More parks are needed, better waterfront access is needed, more environmentally sensitive habitat need to be protected and at the same time the Port should promote more development. These needs can and should be met in the next master plan. Seek a balanced and beautiful master plan that aspires to the world class level this bayfront should become.



Key Findings

The Convention Center Model

First, it is important to state that the San Diego Convention Center is the envy of the industry. This investment has been profitable to the Port, has generated significant investment in Port hotels but also to the city and region, bringing visitors and increased spending. This model, where a significant investment is made to increase land value nearby is what the Port does best. (While many are critical that the Convention Center has walled off the Bayfront, the business model still works.)

Under-performing Land

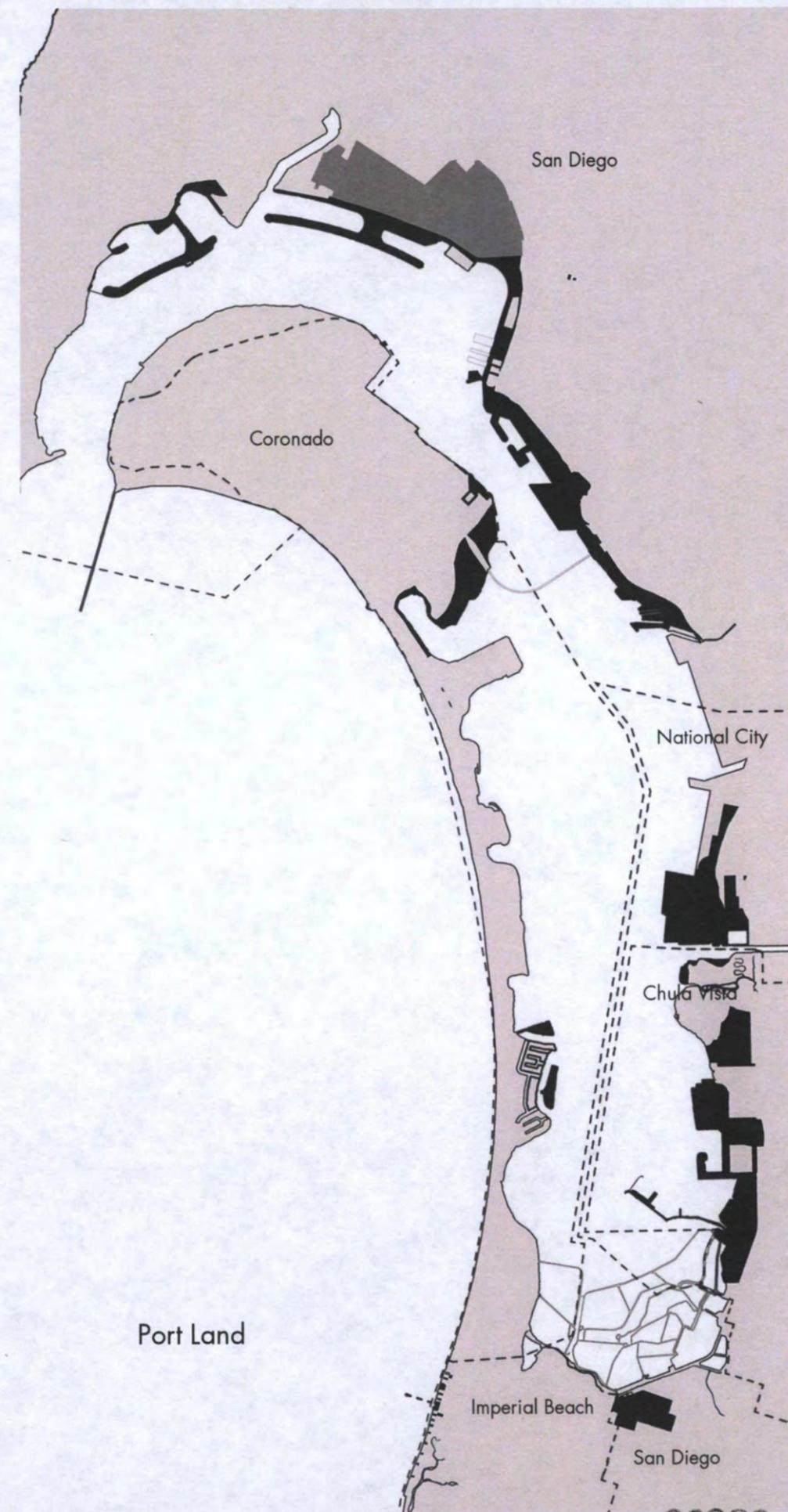
Second is that acre for acre the Port's properties are under-performing or undeveloped. When we walked the North Embarcadero it is difficult to understand why we were seeing parking lots and not the finest destination in America here. Literally, nothing has been built on some of the finest property in the Port's portfolio and even in the entire region. Many members of the public regard the Port as a difficult place to do business because of too much uncertainty, long time frames and too many legal hurdles.

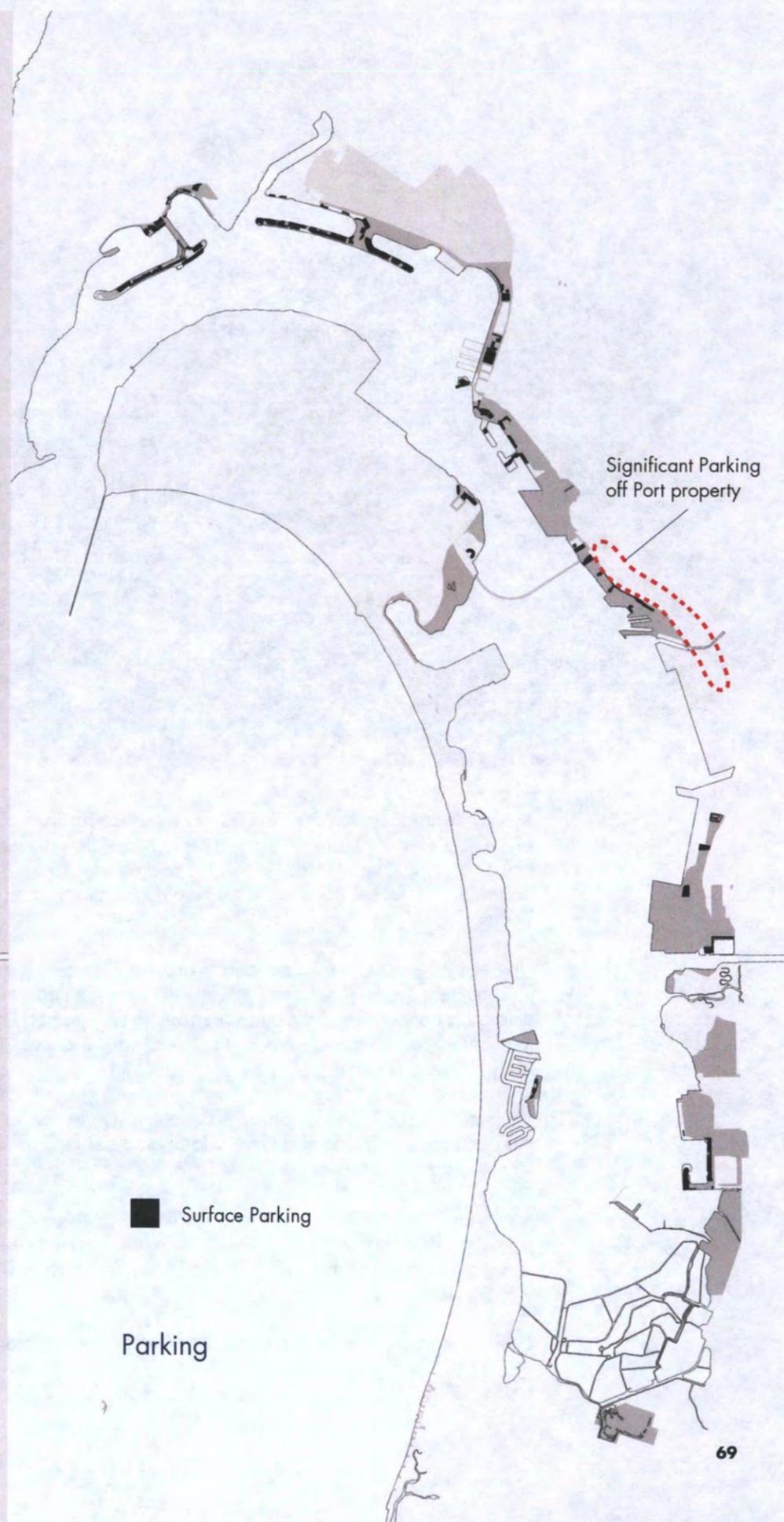
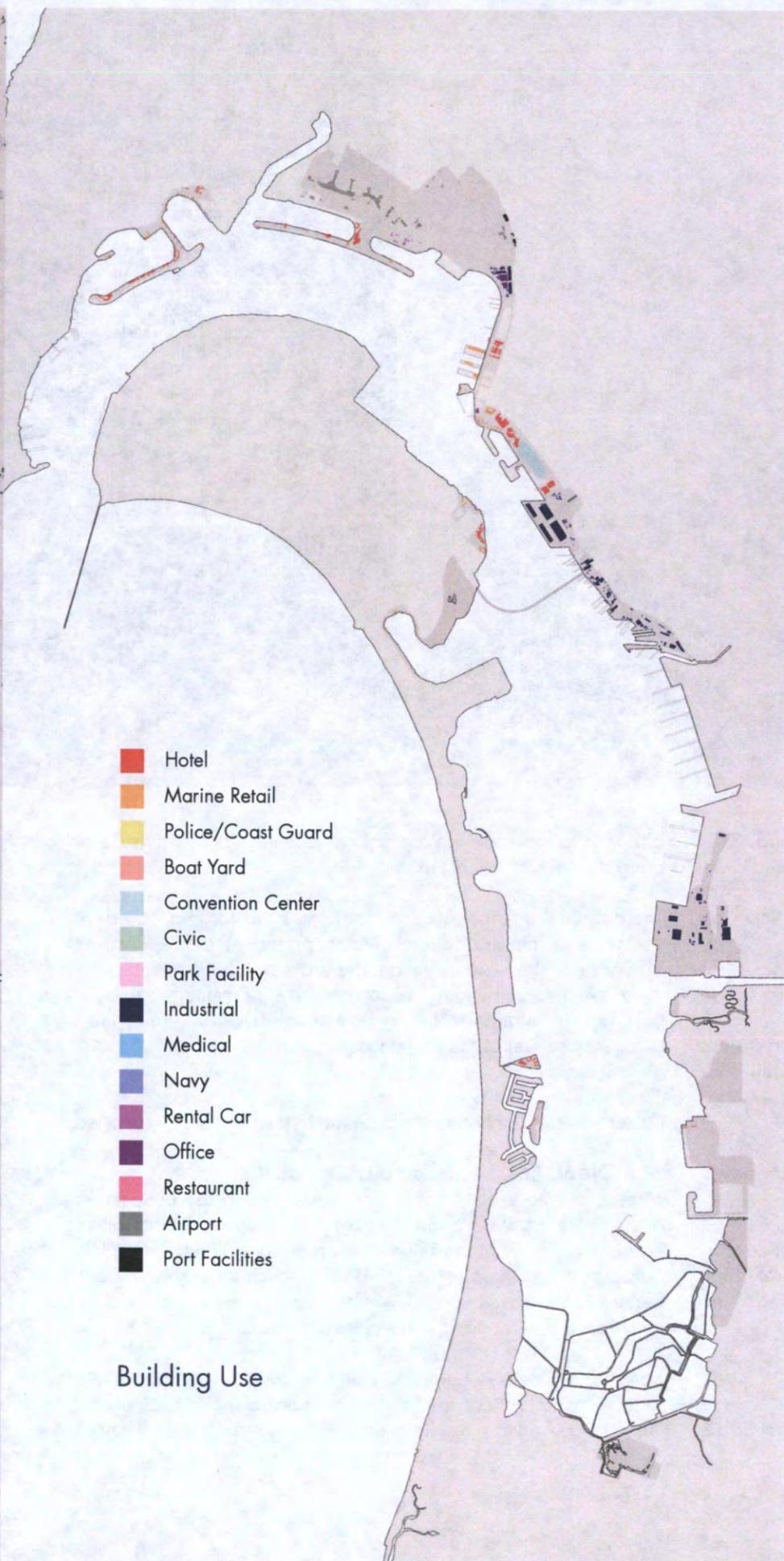
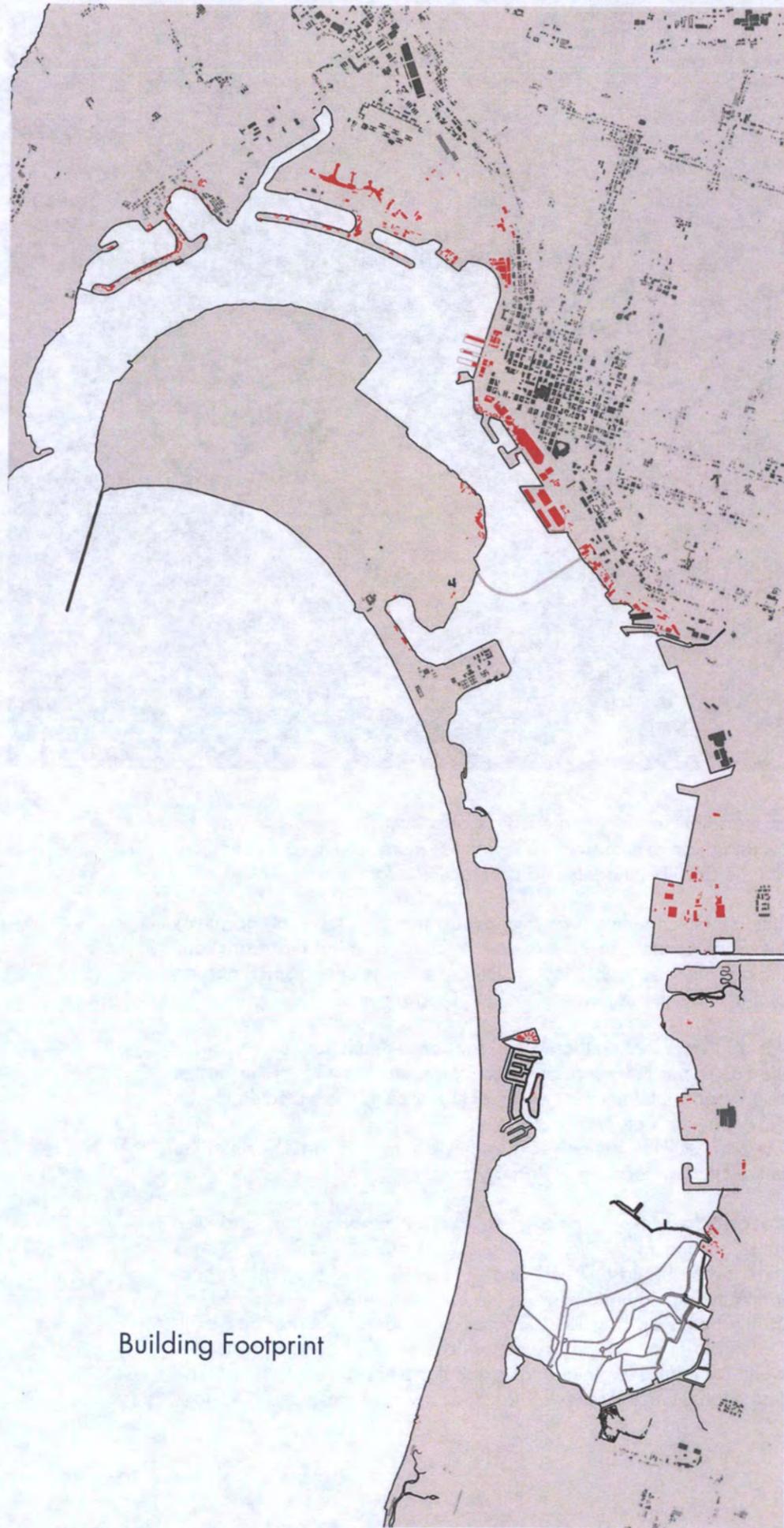
Vast Amount of Uncovered Land

Third is that although the Port has about 570 buildings on its lands, the roofs only cover 200 acres, leaving 1000 acres of land uncovered as sidewalks and promenades, parking lots, service ways, and residual open spaces. This valuable land is not achieving its highest and best use. Three quarters of the Port's leasable properties are in San Diego or Chula Vista, this has led to mitigation as the strategy to provide equity to National City and Imperial Beach, which has not worked. Coronado enjoys very high land values because of its prominent location. Almost 90% of the Port's development is in San Diego, although the Chula Vista Bayfront project will spread this imbalance out somewhat.

Unbalanced Use

Fourth is that most of the Port's land uses are concentrated in two areas; Hotels and the Convention Center (66%) and Industrial Uses (20%). Where does this take us, how is it that so much prime waterfront land has gone underdeveloped for so long?







The Port's lands stretch over 2,400 acres, which forms around 40% of the Port's jurisdiction with the rest being water. It is dispersed over five cities. San Diego holds the largest portion with Chula Vista and National City following. The rest is held by Coronado and Imperial Beach.

However, the actual leasable land is around 70% of the total land. This percentage is spread out differently over the aforementioned cities. It is noticed that if the cities are ranked in a descending order, that being San Diego, Chula Vista, Coronado, National City and lastly Imperial Beach.

With the aforementioned data, it becomes interesting to analyze the percentages of leasable land to total land per city, which shows Chula Vista at the top of the list.

Almost 90% of Chula Vista's Land within the ports jurisdiction has potential for development, and as such this justifies the current direction of the City of Chula Vista, and the Port of San Diego's in working toward developing the Chula Vista Bayfront.

Coronado ranks second in the list while San Diego itself ranks third.

Out of all the Cities, Imperial Beach is ranking last. This should be

a trigger to look at development opportunities at this jurisdiction to bring it closer to the rest of the cities.

The data in the Appendix shall form the basis for making educated decisions in the subsequent guiding principles as the Port moves forward into the Visionary Planning process. The data tables unveil the current total building count per city, percentage of building coverage in relation to the total available leasable land, the and gross square feet of the buildings.

Statistical Analysis

Observing the analyzed statistics, the following can be reported:

San Diego has the highest building count. It also has the largest current inventory of leasable and developed gross building area, and has the highest building coverage in relation to available land, and of course the highest floor area ratio for buildings. In addition, San Diego has the most building uses which ultimately gives it the highest competitive advantage in comparison to its sister cities when it comes to diversity and investment attraction.

San Diego is heavy on hotel keys in the downtown area, as the area forms around 50% of the total uses. There is more hotel area than there is convention center area which approximately forms 20%

of the total developed area. It is also interesting to note that the industrial usage is around 15% which is more than the uses of office, marine retail restaurants and port facilities combined.

This is quite significant as this reveals that development incentives for office usage can be explored keeping in mind the restrictions imposed by applicable laws. Office use forms only a small portion of the entire developed area in San Diego.

It is also worth noting that while Navy presence is very significant in the San Diego Bay area, office use forms less than 1% of the City of San Diego's total inventory. The actual area that is allocated for the Navy only occupies the water.

The port facilities themselves also only occupy around 1% out of the entire city developed gross area.

Coronado ranks second in the total developed area, and also ranks second in the diversity of building uses. However, it does rank second to last when it comes to building coverage, but ranks in the middle when looking at the floor area ratio. Coronado has mostly hotels on Port land. The other major use is Marine Retail. Coronado has zero office use, which seems to be a delinquency when compared to other locations that are not subject to similar use restrictions. If not for these restrictions it would make sense to have



such use in Coronado and also the rest of the cities within the port jurisdiction.

National City is almost all industrial uses, with a small percentage of restaurant uses supporting the industrial usage. The total industrial use area forms a third of the total industrial usage in the entire port jurisdiction with the other two thirds residing in the City of San Diego. The city ranks second in total building count, second in building coverage, but third in gross developed buildings. It also has the second highest floor area ratio. With that said, it is further observed that the amount of Hotel development in Coronado is quite close to the amount of industrial buildings in National City.

As a general observation after the hotels, which form approximately 50% of the total developed area in the Port, the Industrial uses come second at approximately 20% and then the Convention Center at approximately 15%. This makes these three uses the bulk of all the Port's uses.

Imperial Beach has the smallest area, the least amount of development, and literally three buildings of marine retail and security. It almost appears to be lost and forgotten among the rest of the cities, with water access on the Pacific Ocean rather than the San Diego Bay. The portion of the city which falls under the

Port's jurisdiction is merely the area by its Pier. Such city would only benefit by the Port's visionary plan if such plan seriously adopts the intention of developing the cities at the south of the Bay.

Chula Vista is arguably the largest opportunity south of the bay. With National City being the industrial hub, and Imperial Beach being the smallest, Chula Vista would be the natural selection for uplifting the Port's development opportunities. The city ranks second in available Land, available leasable area, and ranks first in its percentage of leasable land from the total Land.

As it currently stands, it ranks fourth in total buildings. It even has less building coverage than Imperial Beach. Its floor area ratio is also by far the lowest.

It also lacks on the building usage. There is no hotel, office, retail, or convention center. The usage is limited to boat yards, marinas, restaurants, security and park facilities.

Balance and Equity between Cities (North vs. South of the Bridge)

From the aforementioned observations it was noted that most of the developed building area lies north of the Coronado Bridge while the rest lies to its south. Although in terms of available land for development, there is approximately 60% leasable land to the north while there is approximately 40% leasable land to the south of the bridge.

More than three quarters of the developed building area south of the bridge is industrial use, which only lies in National City. This is solid data that forms the foundations of gentrification south of the bridge. Therefore, such findings should urge the Port into seriously looking at developing south of the Bay with more uses. There is significant land available south of the bridge. Chula Vista forms the future opportunity since it has the largest leasable land area.

Hence the proposed Chula Vista Bayfront Master Plan is a step in the right direction that should fill the void in development at the South Bay. A convention center is definitely a balancing point with the north of the Bay which leads us to the holistic observation on the need to balance between the cities north of the Coronado Bridge and the cities south of the Coronado Bridge.



CHULA VISTA BAYFRONT MASTER PLAN

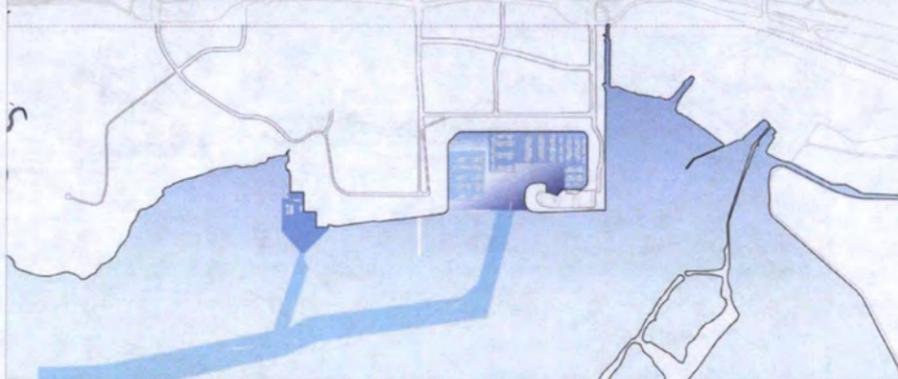
Vision

The overall objective of the Chula Vista Bayfront Master Plan (CVBMP) is to create a very special contiguous waterfront and to extend the City of Chula Vista to the Bayfront. This to ensure the public right of access to the shoreline while at the same time protecting the sensitive natural habitat which is part of the National Wildlife Refuge. The master plan aims to enhance the wide variety of the protected rich, natural shore line systems as well as the existing public water uses without compromising either and allowing them to co-exist and thrive in order to make a very special and desirable destination. Identifying the major roads and planned public transit and their potential to extend the city to the waterfront and to integrate these access streets into the waterfront circulation form the framework from which the vision emerges.

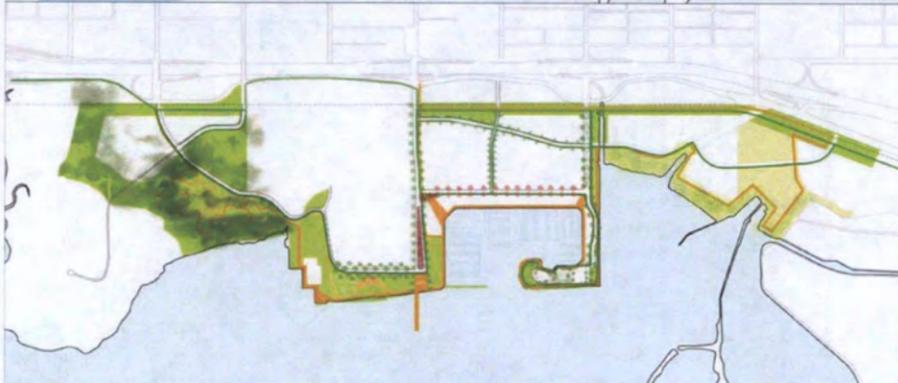
The approximately 535 acres which make up the CVBMP area face onto San Diego Bay and are bordered by natural systems along the water edge on the western edge while the city's traditional commercial center is inland to the east. The site edges consist of Sweetwater Marsh and river mouth to the north, Interstate 5 and commercial development along Bay Boulevard to the east and the San Diego National Wildlife Refuge and the salt evaporation ponds at the southern end of San Diego Bay. The context makes clear that the great assets of the natural systems associated with the ecology of the Bay and the opportunities for the City to extend to the Bayfront are the components which together give the CVBMP its character.



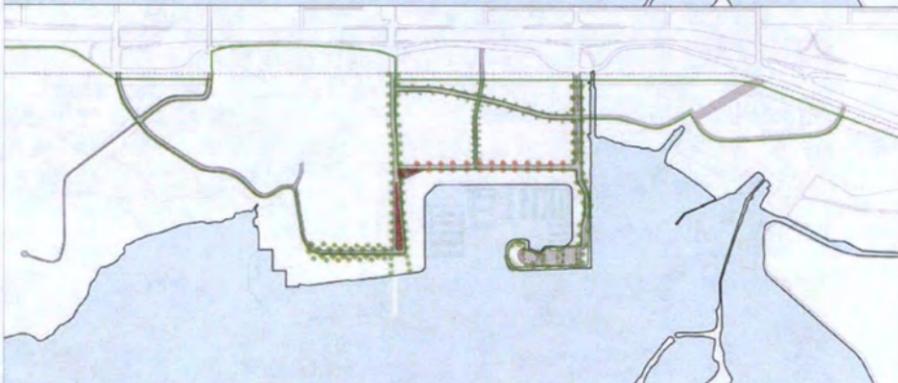
THE ILLUSTRATIVE PLAN



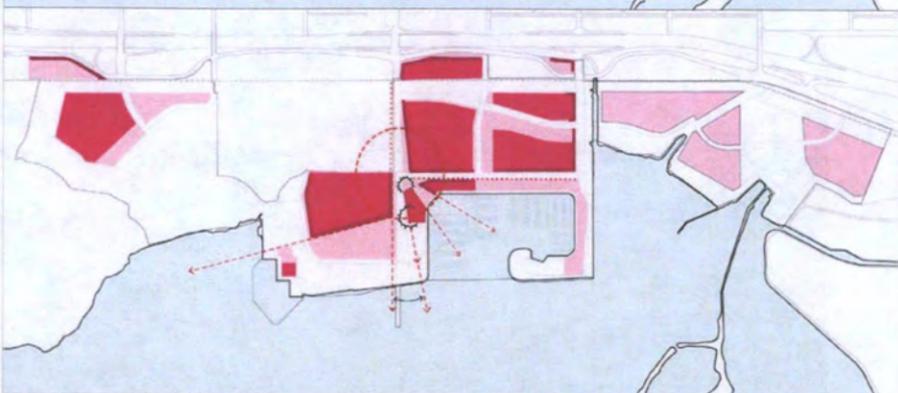
WATER



OPEN SPACE



INFRASTRUCTURE



LEASABLE LAND



Aerial View

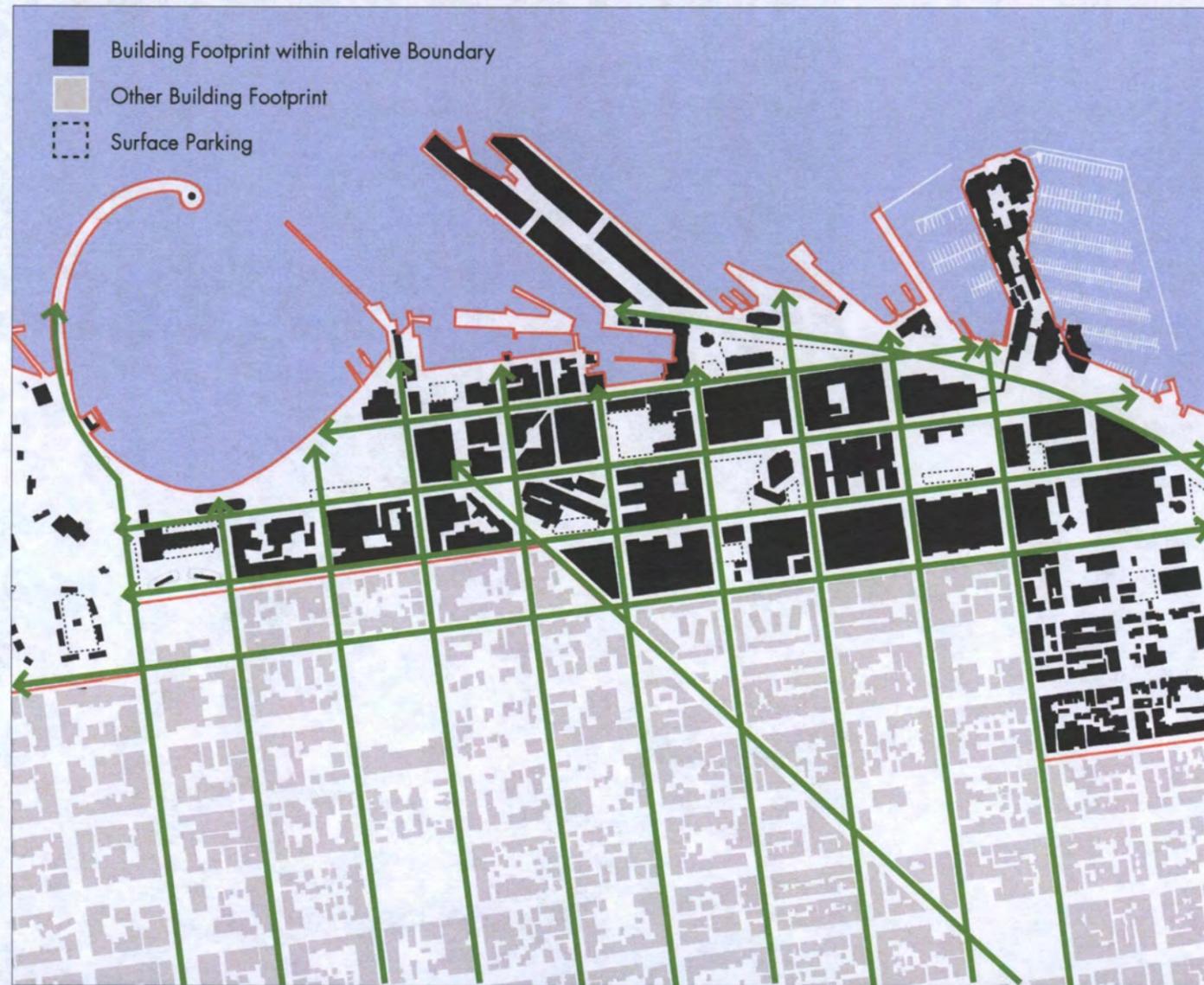


H Street

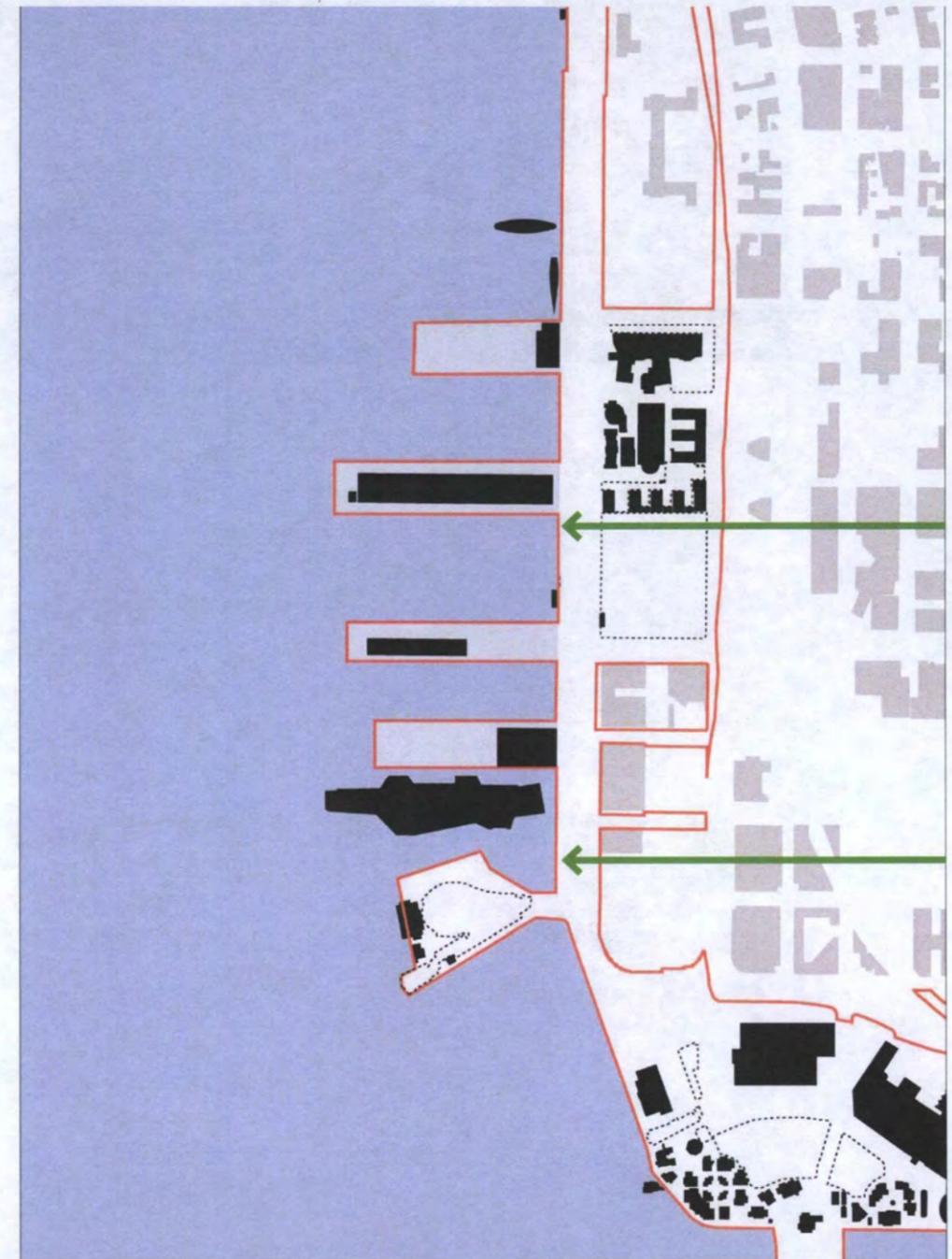


73
Sweetwater Park

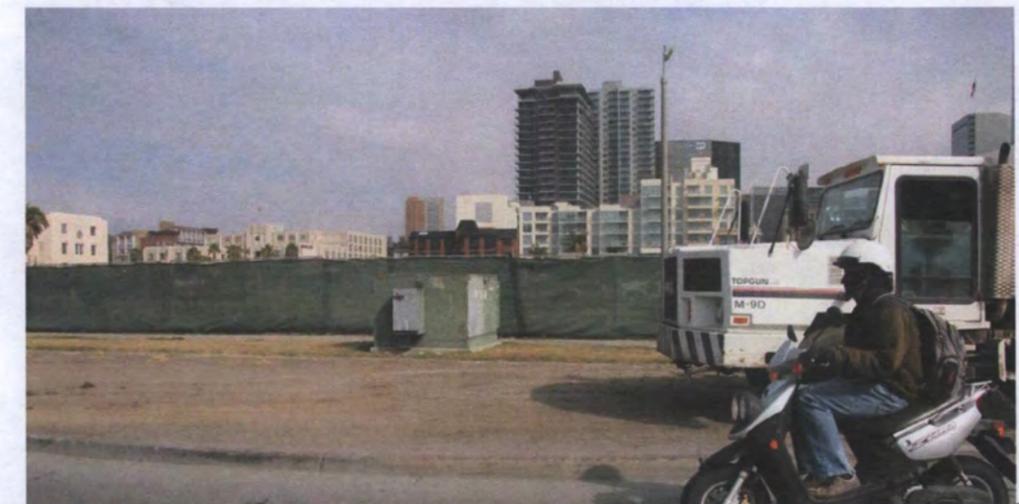
DEVELOPMENT PATTERNS



San Francisco's Embarcadero **35% ~ 40%**

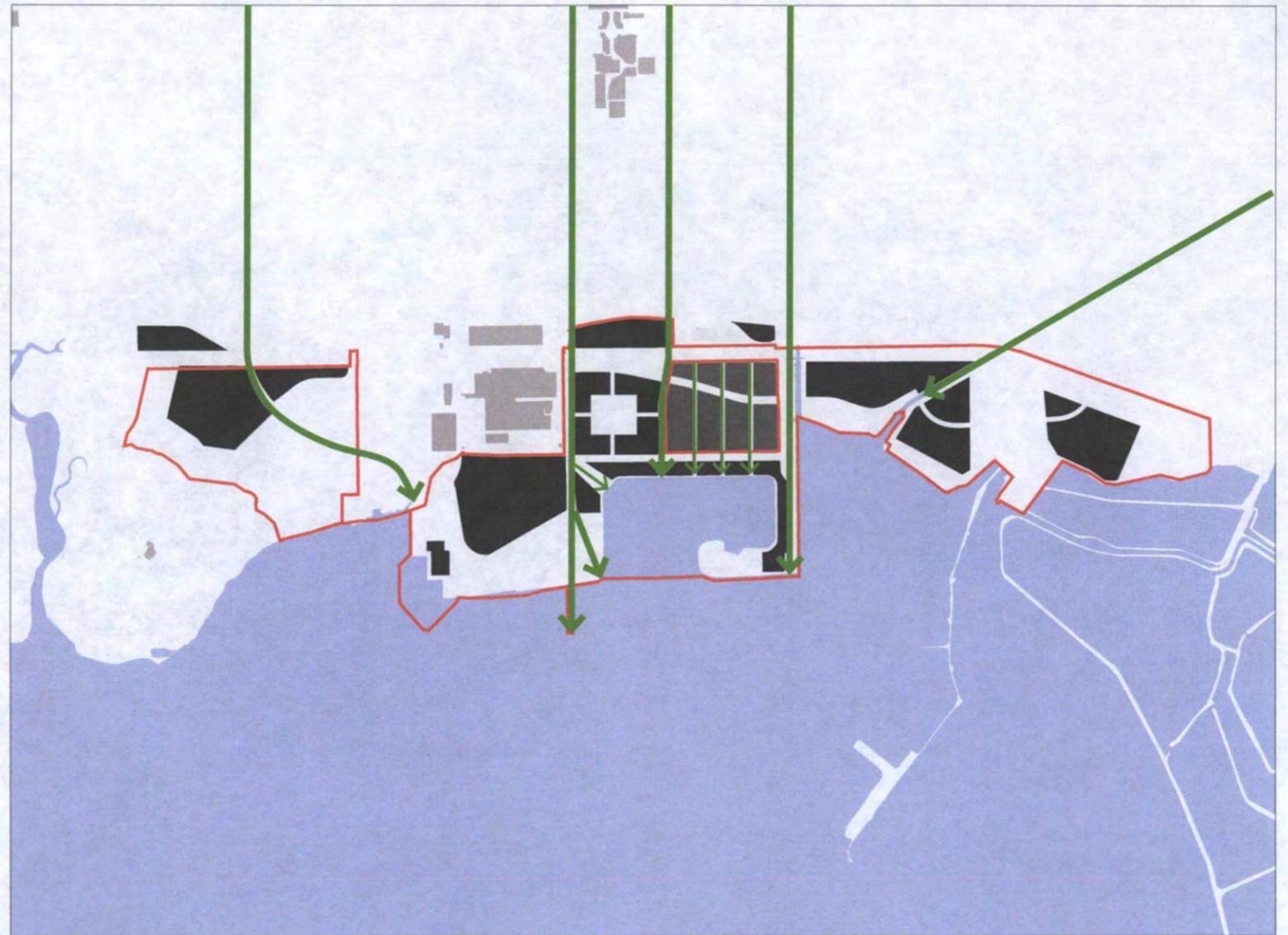


North Embarcadero **13%**



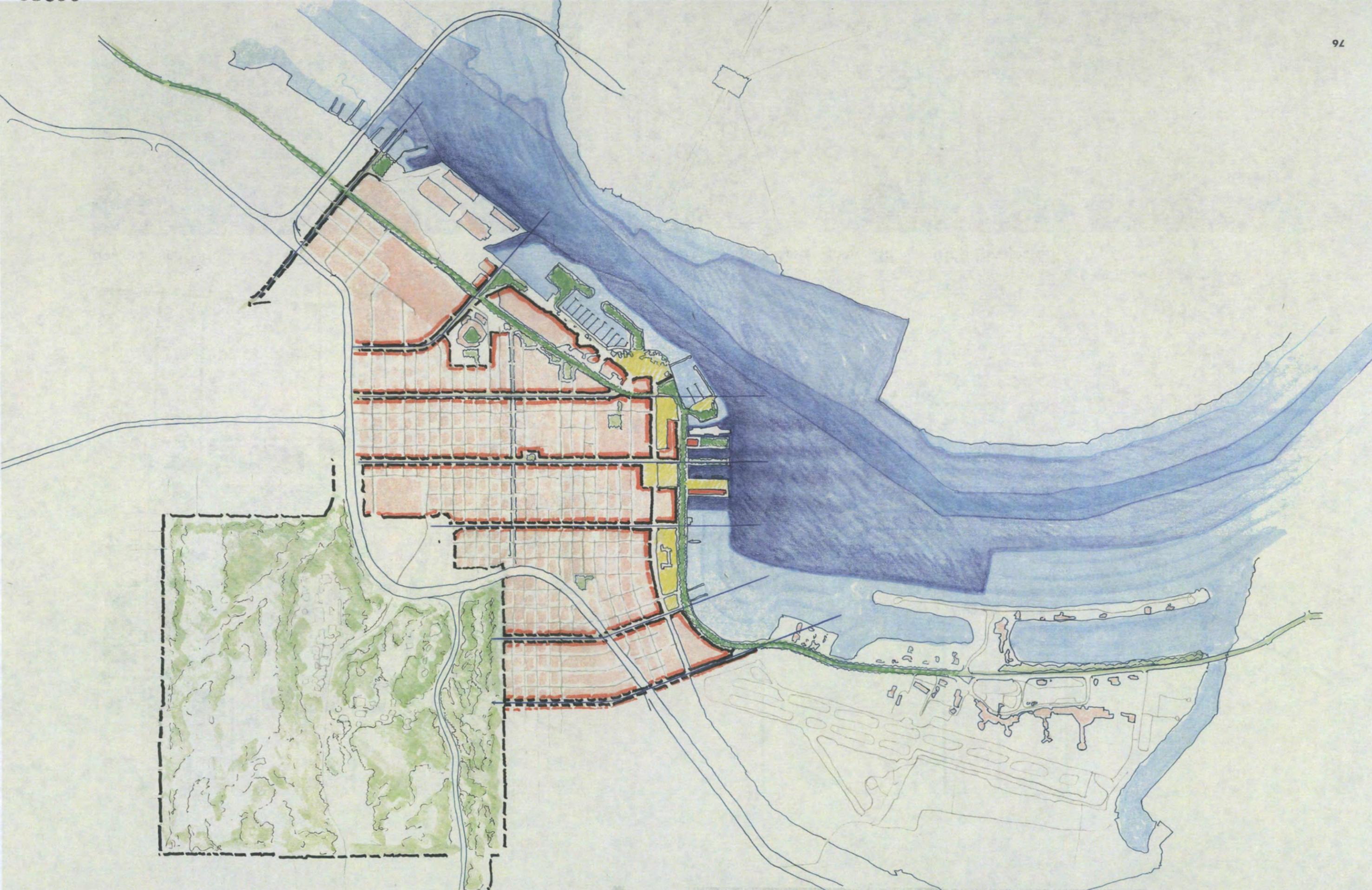


Baltimore Inner Harbor **35% ~ 40%**



Chula Vista Bayfront Master Plan **35% ~ 40% (projected)**



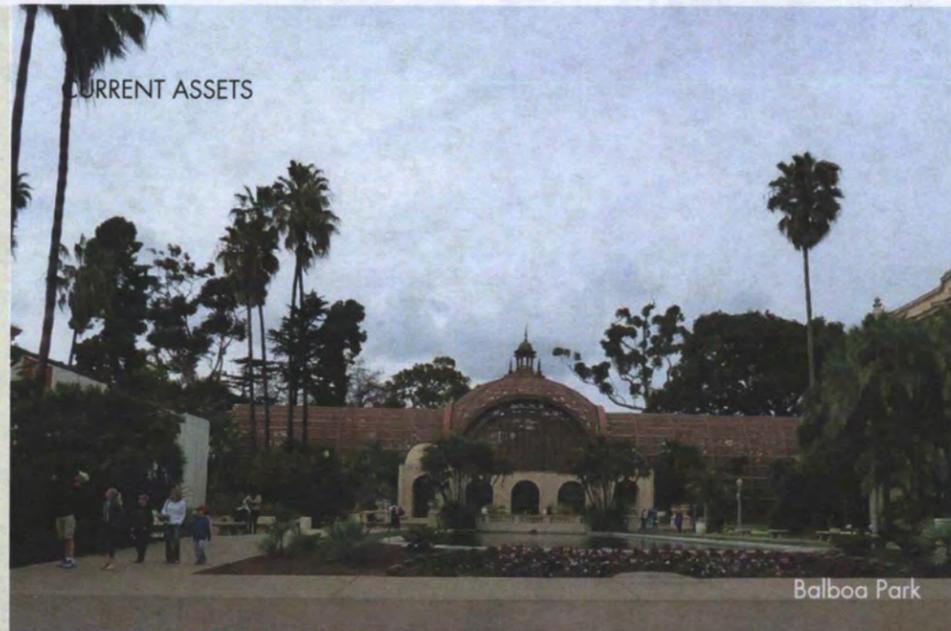


100% CORNER

In real estate terms, all cities and regions have what is called their 100% corner. For San Diego Bay that address currently is where the Convention Center and North Embarcadero meet (generally at Seaport Village). These areas are critical because, if successfully done, they become one of the key images that define a place.

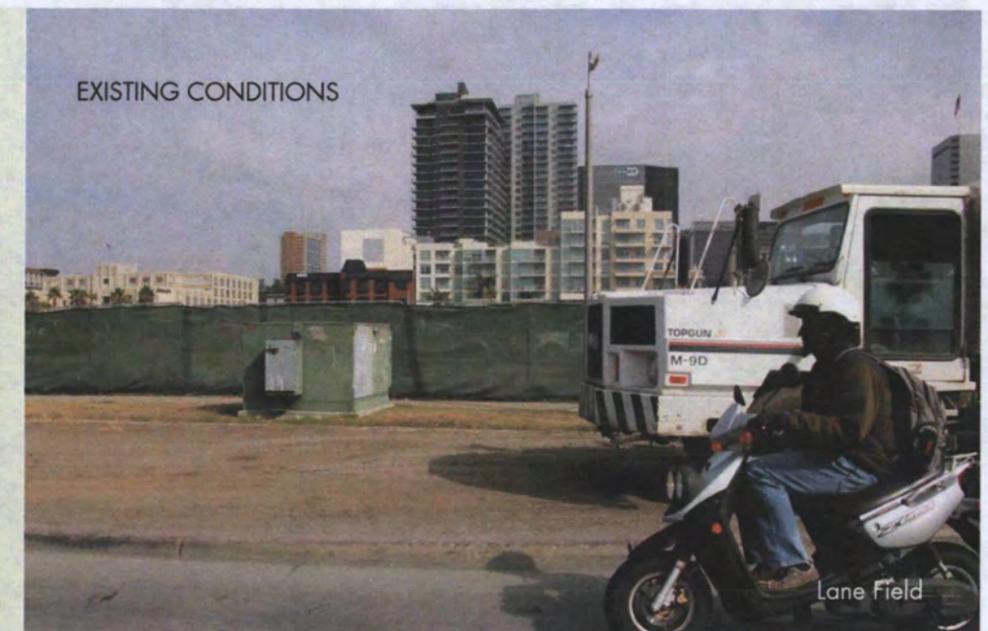
This corner should not be thought about in isolation but rather as part of the Bay's Water Plan, the Comprehensive Open Space Plan, an extension of downtown, continuous and integrated with Broadway Navy complex, North Embarcadero and the Convention Center.

CURRENT ASSETS



Balboa Park

EXISTING CONDITIONS



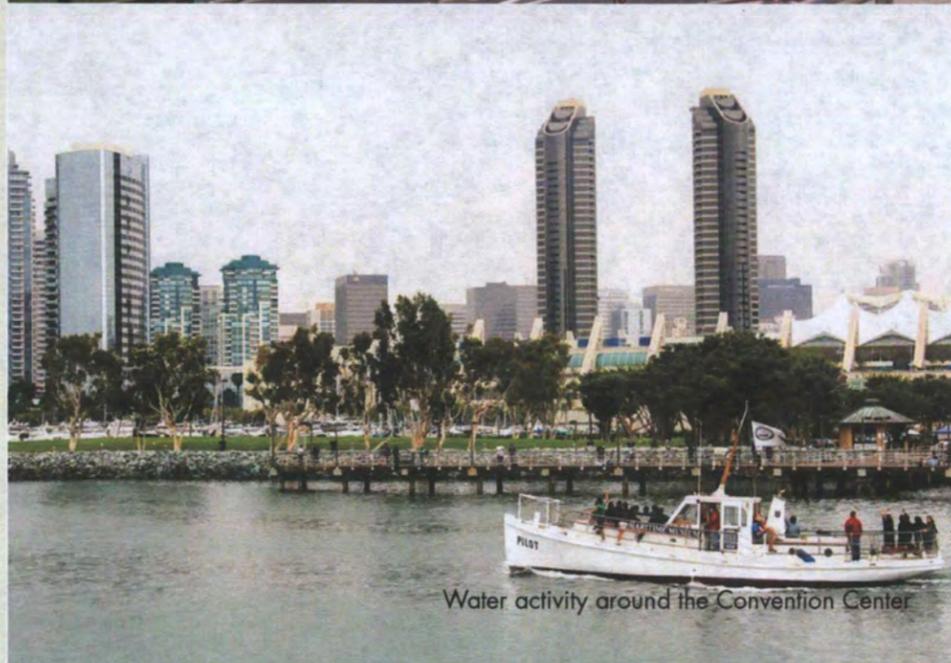
Lane Field



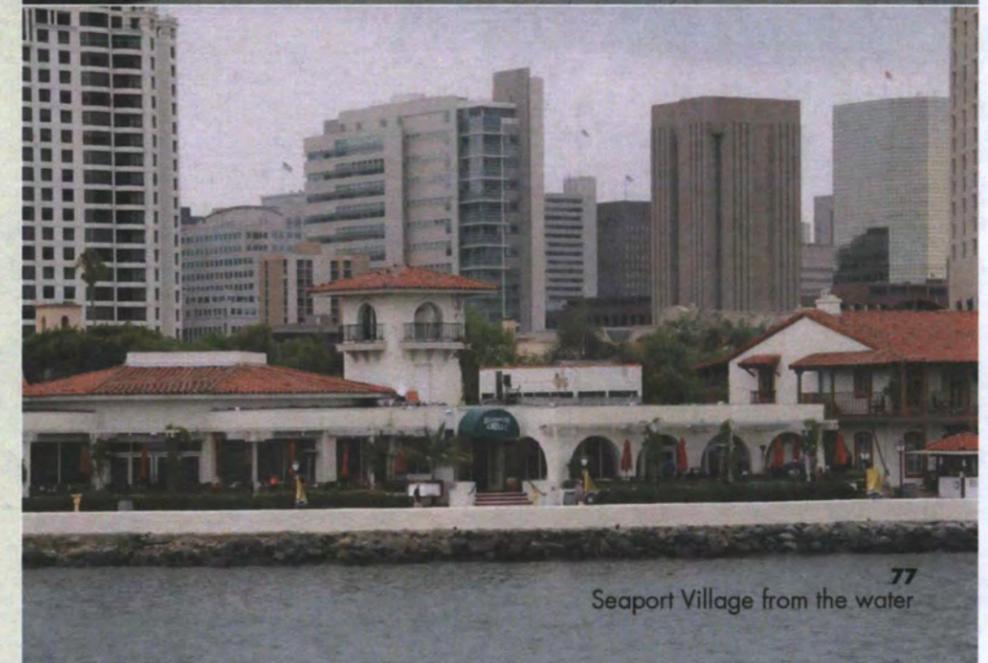
Downtown near the waterfront



Seaport Village



Water activity around the Convention Center



Seaport Village from the water

ECONOMICS

The Port of San Diego has been mandated to protect and manage its land and water usage as set forth under the Tidelands Act of 1962. In addition to the specified uses under The Act, the Port is also responsible to multiple jurisdictions including the five Member Cities of (i) San Diego, (ii) Coronado, (iii) National City, (iv) Chula Vista, and (v) Imperial Beach as well as the U.S. Navy, California State Lands and the California Coastal Commission.

Therefore, the natural advantages of the bayfront and water uses are embedded into a constrained environment with a complex matrix of requirements and a diverse set of users. Mandated to support (i) maritime operations and maritime related uses, (ii) visitor serving, and (iii) public access and leisure uses, the Port has a fundamental asset base that enables a specific and unique set of users. The Port's holdings and economic activities and infrastructure can be analyzed under three primary categories of (i) land and water usage, (ii) user mix, and (iii) development zones.

Operating Assets

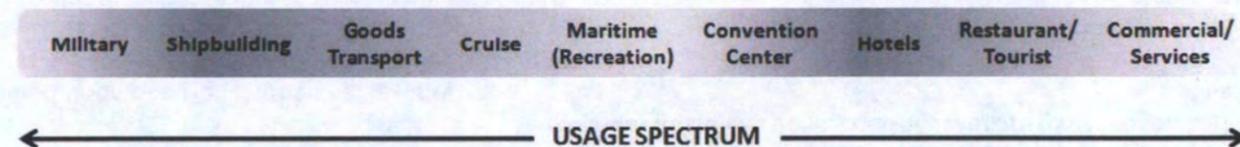
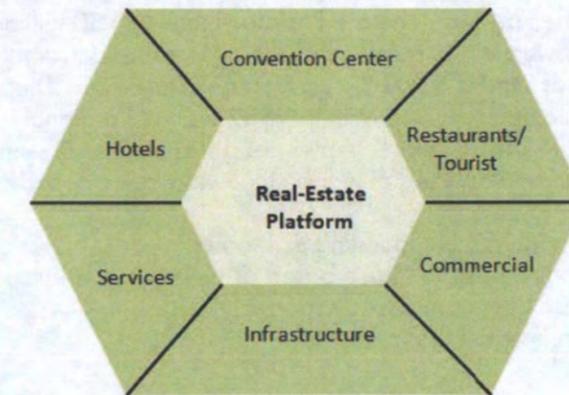
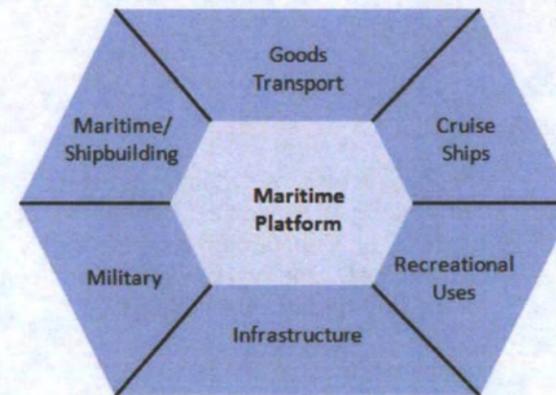
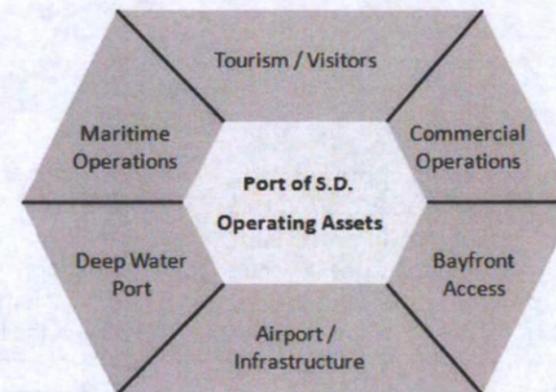
The Port manages a highly unique asset that provides the basis for its operations. The primary Operating Assets are comprised of the Port's natural advantages (deep water protected port) along with its position as a transportation hub (airport, shipping terminals, rail) and its location relative to the major population centers and visitor destinations.

Maritime

As a deep water port, the Port is designated as a strategic asset capable of supporting a diverse range of uses from a major military installation, with the associated shipbuilding and repair that has developed in conjunction with the long-standing presence of the U.S. Navy, to a variety of maritime operations, goods transport and cruise ship operations. The maritime operations are supported by substantial land-based infrastructure including rail, truck/transport, cold storage, etc.

Real Estate

The Port's real estate operations are almost exclusively visitor serving per the Port Act centered around hotels, restaurants, the San Diego Convention Center, various tourist attractions associated visitor services, boat yards and marinas. In addition to the visitor serving assets, the Port hosts significant infrastructure installations as well as government uses and a mix of commercial activity.



Economic Mix

The economic mix of the Port is centered around its approved uses, most notably the "Working Waterfront" (which includes the Military and all maritime related activity) and visitor serving activities. Historically the airport comprised a significant source of revenue and continues to occupy a very large portion of the total square footage under lease (approximately 23% of the total land under lease). The Port's annual operating revenues from its primary use categories of Maritime and Real Estate (excluding Harbor Police and Other Income) for the previous two fiscal years (year-end June 30) were \$130.7 million in 2012 and \$131.3 in 2011 respectively. While the Port has generated approximately \$130 million in usage-based revenue, its assets and activities support a total economic impact of almost \$50B by supporting two of San Diego's largest economic engines – the Military (\$32B annual regional impact) and Tourism (\$18B). Land & Water Usage as well as Revenue by User Type can be analyzed along the following key categories:

1. U.S. Navy / Shipbuilding & Repair
2. Goods Transport (lease based as well as fee/service based)
3. Cruise Ships (analyzed separately)
4. Maritime (Recreational Use)
5. Hotels
6. Restaurants / Tourist
7. Commercial
8. Infrastructure
9. Government Uses

Key Findings:

- Asset utilization relative to revenue generation reveals information on profitability and the risk/return profile for certain land use characteristics.

- Government use includes the Downtown Convention Center (24% of total) and the Coronado Golf Course (34%).
- Small footprint users such as restaurants occupy only 0.4% of the total Rent Roll, but generate 3.2% of total revenue.
- Asset intensive business uses in maritime utilize approximately 35% of the total land and water area and generate approximately 20% of total revenue.
- Hotels represent the largest Return on Assets with almost 70% of the revenue while utilizing just over 10% of the Total Land Use. This analysis however does not reflect the investment in the Convention Center.

Usage Mix

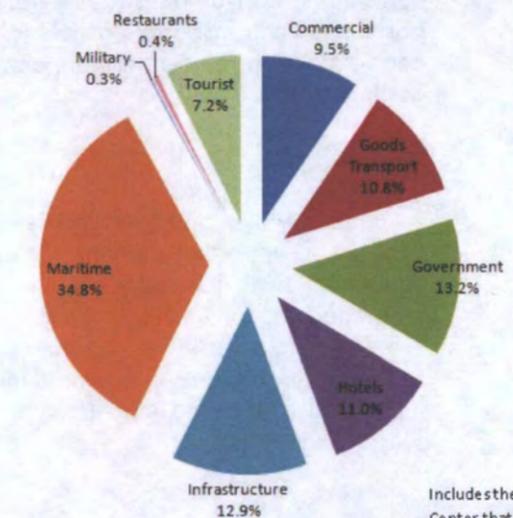
The Port serves a dynamic group of users, physical assets and surrounding communities. This balance is reflected in a diverse portfolio of tenants that includes highly demanding requirements (such as the U.S. Navy) as well as significant supporting infrastructure for the Port and its surroundings.

Key Findings:

- Diverse user groups provide diversity but also creates the potential for conflicts regarding usage and management;
- Infrastructure (and related capital cost) and maintenance requirements can vary significantly by primary user groups;
- Timing, certainty, contract flexibility and risk should be tailored to meet the needs of agreed upon primary use categories.

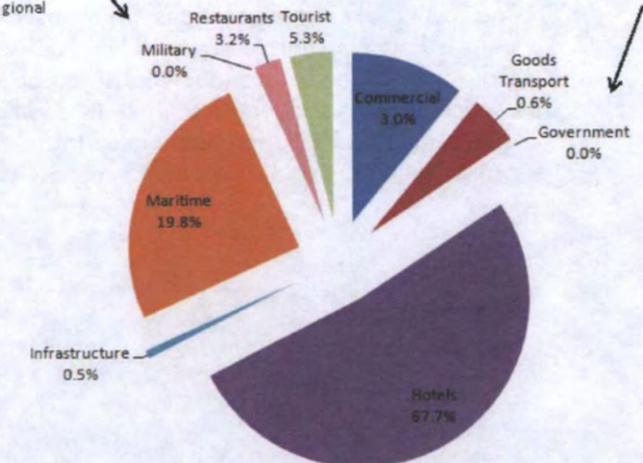
INITIAL ASSESSMENT
(Based on Rent Roll Only)

LAND & WATER BY USE TYPE



While Navy use does not generate revenue within the Tidelands, the Navy installation provides the basis for a major regional economic driver.

REVENUE BY USER TYPE



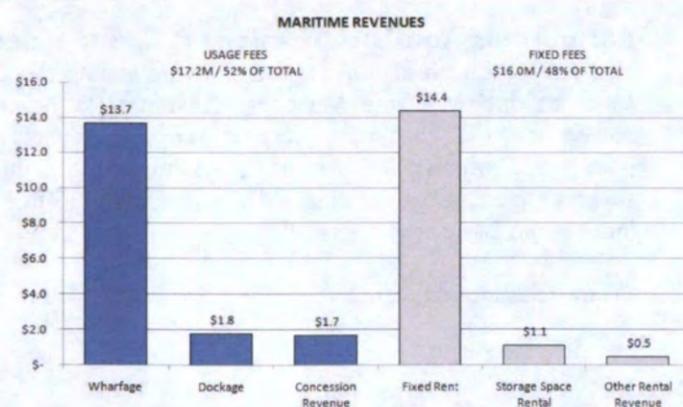
Includes the Convention Center that serves as a primary driver for total hotel revenues/

Maritime Operations

The Port's Maritime related uses can be divided up into four categories (i) Cruise, (ii) Goods Transport, (iii) Defense, Shipbuilding, Repair and Service (iv) Commercial. Maritime revenues are based on a mix of fixed fees and usage fees. Usage Fees are primarily derived through Dockage (cargo delivery), Wharfage (primarily related to long-term on-shore goods transfer operations), and Concession Revenue (bay tour and crane operations). Fixed fees are comprised of Fixed Rents (long-term lease agreements), Storage Space Rental and Other Rental Revenue (short-term rental agreements).

Key Findings:

- Maritime Operations generated just over \$33 million in revenue in FY 12/13 which was an almost 8% increase over the previous year driven largely by an improving economy resulting in more Usage Fees (Wharfage increased almost 10%) and increased Fixed Rents (just under a \$500k increase).
- Revenues are almost equally split between usage based and fixed fees, making results highly susceptible to changes in economic conditions particularly as it relates to the majority of imports being related to consumer cyclical products tied to autos and construction.

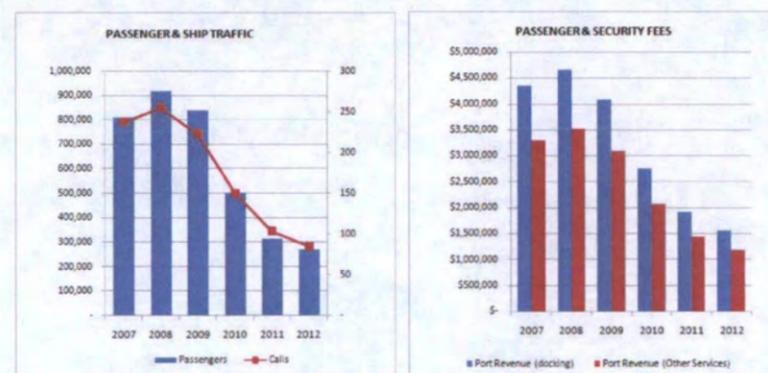


Cruise Operations

San Diego's cruise industry was significantly impacted by the global economic downturn as well as concerns over health risks and destination safety (Mexico). San Diego went from over 250 calls in 2008 to well under 100 in 2012. Recent trends have shown an improvement, but revenues remain significantly off peak in 2008 (down ~65%).

Key Findings:

- San Diego overall attractiveness in combination with its logistics (accessibility via air, rail and autos) rate very favorably.
- Lack of destination diversity (Mexico vs Caribbean) creates long-term challenge.
- General improvements underway as part of the NEVP will bring greater activation and upgrade to the Cruise passenger experience as well as general improvement in the economy on both sides of the border.



Goods Transport

Goods are handled at the Port's two active marine cargo terminals: the Tenth Avenue Marine Terminal (TAMT) and the National City Marine Terminal (NCMT). The terminals handle containers, dry and liquid bulk cargo's, refrigerated products, automobiles, breakbulk, project and other cargo's for the Southwestern United States and Northern portion of Mexico.

Automobile imports and perishable foods (TAMT has one of two cold storage facilities on the US West Coast) destined for the greater Southern California and Arizona areas are currently two of the primary imports. Construction materials (Dixieline and Cemex) as well as large bulk shipments (wind turbines) constitute the other primary users.

Key Findings:

- Expansion of the Panama Canal will bring new trading routes and bring opportunities for a "Network of Ports" on the West Coast to remain competitive.
- Short Sea Shipping from continued growth of the manufacturing sector in the greater San Diego / Baja California MEGA-region.
- Seafood processing via Aquafarming – 90% of all seafood is imported and San Diego's position to the Pacific Ocean provides opportunity for import/export.
- Infrastructure investments may be required to expand the uses and services at each of the terminals to help maintain and attract users in the long-term.

U.S. Navy / Ship Building, Repair & Support

The Port is one of the 17 Strategic Commercial Seaports designated to support Department of Defense (DoD) cargo shipments. As such, the Port is home to one of the largest major shipbuilding and repair

Maritime Operations (continued)

sectors on the West Coast. Over 100 San Diego-area companies are active in shipbuilding, ship repair, conversion, overhaul and modernization. United States Navy and Defense contracts constitute approximately 70% of the work done by these firms.

In addition to the crucial services provided for the Navy fleet and commercial vessels, these firms provide more than 10,000 jobs to the San Diego economy, both directly and through subcontractors and suppliers. These jobs represent a cross section of the region's population and contribute hundreds of millions of dollars in revenue to the San Diego Regional economy each year.

Key Findings:

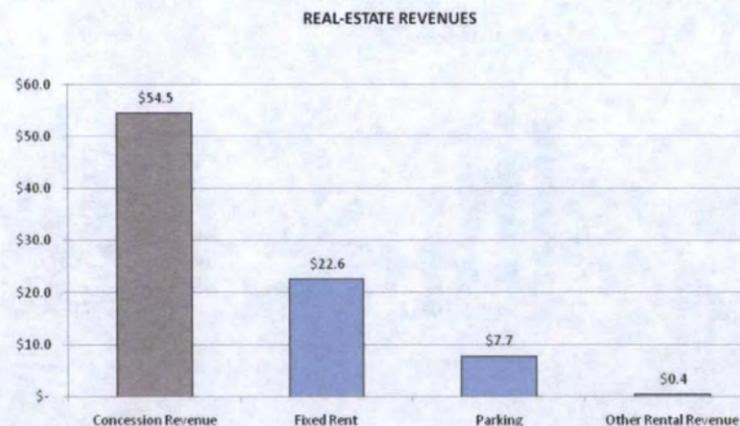
- U.S. Navy spending represents a \$32B annual economic impact on the region of which over \$20B is directly spent in the region. The Navy's commitment to the region will bring further investment in technology, infrastructure and people to meet the future demand.
- The depth of water from TAMT to NCMT is vital to the core build and repair operations and land scarcity will require firms to find better operating efficiencies.
- Infrastructure improvements for transportation and parking are in demand to increase overall cohesiveness with the local neighborhoods.

Real-Estate Operations

The Port's Real-Estate uses can be defined under five categories (i) Hotels, (ii) Restaurants, (iii) Tourist Attractions, (iv) Commercial, and (v) Government/Infrastructure. Real-Estate generates revenue through Fixed Rents, Concession Revenue (hotels and restaurants), Parking and Other Revenues.

Key Findings:

- Real Estate revenues make up over 70% of the Port's primary business activities (real-estate and maritime). Of that total, Concession Revenue makes up 64% of total real-estate revenue. The result is that almost half (44%) of the Port's primary operating revenue is tied to tourist traffic to hotels in the Port's jurisdiction.
- Parking provides a significant source of revenue and also grew by 20% year-over-year due to rate increases. This is largely due to the continuing residential growth in Downtown San Diego. While this is an important revenue source, it utilizes significant amounts of land (especially surface parking)



Hotels

The San Diego tourist industry is the third largest in the county, and is a main contributor to the region's economy. With nearly 8,000 rooms, the 16 Hotels on Port land represent just under 15% of the total rooms in San Diego and generate over 60% of the Port's rental income. Facilities on Shelter Island, Silver Strand and Harbor Island are strong contributors to the Port's total revenue, but the three Convention Center hotels make up almost 65% of the total hotel revenue.

Key Findings:

- The Convention Center expansion will continue to support strong occupancy and revenue generation from the South Embarcadero.
- The Chula Vista Bayfront development is projected to add over 2,800 rooms to the Port's bayside inventory over the next 10-20 years and bring needed economic development to the South Bay.
- Recent approvals for the Hilton Convention Center Expansion (500 rooms), Lane Field (400 rooms) and Sunroad Harbor Island (175 rooms) will add an additional 1,175 rooms to Port room inventory.

Restaurants, Tourist Attractions & Commercial Use

The Bay as an attraction continues to grow with the USS Midway Museum and Maritime Museums combined to reach over 1.25 million visitors. Strong visitorship supports several stand alone restaurants, which generate over \$2M in revenue to the Port. With seven restaurants generating 94% of the revenue from that sector, there could be room for growth.

Visitor destinations such as the Old Police Headquarters and

Seaport Village, as well as water tours and attractions, are important aspects of the Port's mandate for access and visitor serving uses. At approximately 5% of rental income, however, there should be opportunities for activation and expansion.

Key Findings:

- Board of Port Commissioners Policy 355 allowed the Port to raise minimum rents and provided more certainty for tenants which resulted in millions of dollars in private investment in leasehold improvements and upgrades.
- Stakeholders, the Public and Tenants have all stated a desire to have more attractions on the water and at the water's edge to provide more activation.
- Floating infrastructure can be developed to provide additional connectivity to the water.

Development Zones

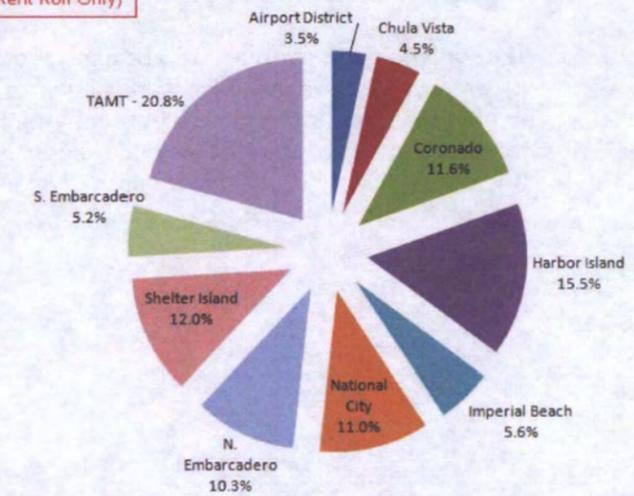
The Port currently operates under ten discrete Planning Districts in order to logically assess and develop supporting infrastructure and usage mix. The adjusted ten development zones include the Chula Vista Bayfront, Coronado, Harbor Island, Imperial Beach, National City, North and South Embarcadero, Shelter Island, 10th Avenue Marine Terminal (TAMT) and the Airport District. These areas can each be analyzed for asset utilization/ intensity, infrastructure requirements, sustainability and economic contribution.

Key Findings:

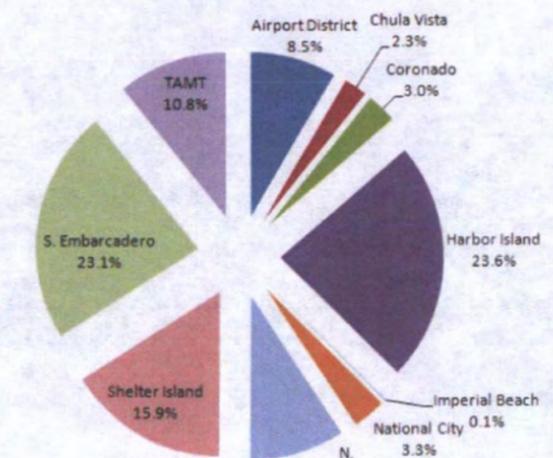
- Areas with established hotel operations provide revenues in excess of their asset footprint. Maritime and Industrial operations in National City and TAMT are resource and space intensive and therefore generate a lower Return on Assets.
- The Airport District provides rental car and associated services for airport and tourist traffic and includes Solar Turbines, a manufacturing company, which creates a significant source of total revenue on a relatively small asset base with limited infrastructure and maintenance requirements.
- Coronado is space constrained and has limited growth and revenue generation opportunities while the Chula Vista Bayfront and Imperial Beach represent underutilized assets.

INITIAL ASSESSMENT
(Based on Rent Roll Only)

LAND & WATER USE BY LOCATION



REVENUE BY LOCATION



Future Development

Several planning districts have reached maturity and are operating on a stabilized basis while other areas have new development opportunities for both maritime operations and real estate. Mature areas should be analyzed for in-fill opportunities and enhanced use to support increasing rents and concession revenues. New development will require comprehensive planning regarding stakeholder demands as well as innovative financing structures.

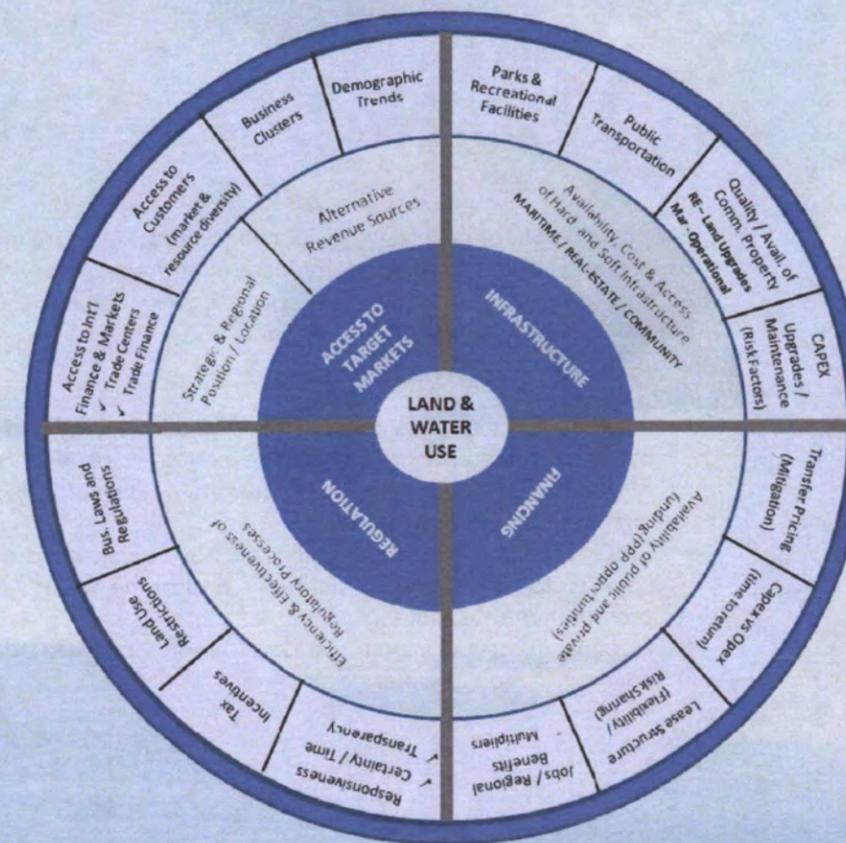
The Port's holdings can effectively be analyzed under three categories, (i) areas that have hit critical mass with mature operations, (ii) maritime and industrial areas that require infrastructure investment for future growth, and (iii) new development areas (Chula Vista Bayfront) that hold significant promise and long-term value but need support to become activated.

Decision Matrix

The complex nature of the Port's assets, users and constituent base creates a highly integrated decision making matrix as it relates to asset utilization and economic returns. Land & Water Use is at the heart of the matrix with Market Access, Infrastructure, Financing and Regulation impacting subsequent decisions. Each component has natural strengths and weaknesses.

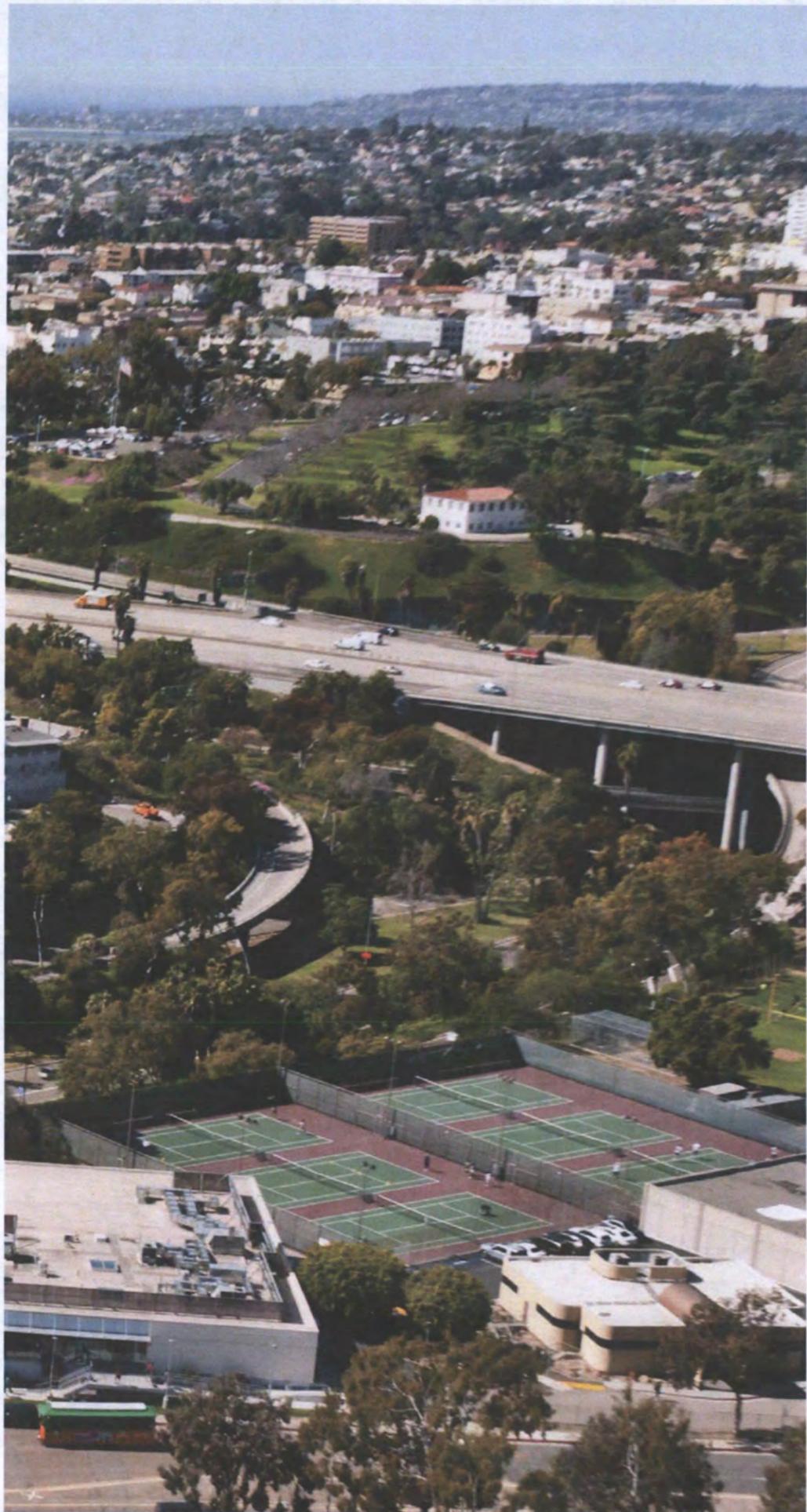
Key Concepts that should have fully developed strategic plans and be integrated into a comprehensive decision matrix include:

- Asset Utilization / Intensity
- Revenue Velocity
- Public-Private Partnerships
- Cyclical Nature of Operations – Capital Risk & Operational Risk
- Capital Cost versus Operating Cost
- Sustainability
- Financial and Operating Leverage
- Constituent Conflicts
- Evolving Trends – Demographics, Industry, Region
- Transfer Pricing / Mitigation
- Time Value / Certainty (Process)
- Risk Management
- Global Network of Ports
- Long-Term Assets versus Short-Term Assets









ENERGY

With both Port owned and operated facilities and multiple tenant owned and operated facilities located across ten unique Planning Districts, the Port has a matrix of existing energy issues, policies, and guidelines. The majority of active efforts are focused on the Port owned and operated facilities since those are the ones that can be most readily impacted by positive sustainable programs. However, with more than five times as many tenant facilities residing within the Port jurisdiction, tenant sustainable energy policies are being developed and encouraged. These tenant related policies have to be evaluated as to their impact on the competitiveness of Port property as compared to adjacent non-Port properties.

Port Facilities

Green Port of San Diego

The Port of San Diego's Green Port Program "integrates environmental sustainability principles into business decisions, development and operations". With respect to energy, it is the umbrella Port policy that is mostly focused on Port facilities and has yielded direct savings to the Port's cost of energy.

Sustainable Development

The Port's current Sustainable Development activities include pursuing LEED certification for Port facilities and installation of renewable energy systems.

Energy Efficiency Projects

The Port is pursuing energy efficiency projects such as lighting and HVAC upgrades at Port facilities. They are also replacing street lights with energy efficient LED lamps and fixtures. These type of projects are available across virtually all existing Port facilities.

SDG&E/Port of SD Energy Efficiency Partnership

This partnership program is currently in place to increase the Port's role in the region as an environmental steward and to build on successive SDG&E funding cycles. The program includes energy

efficiency education and outreach, implementation of strategies that will contribute to Climate Action Planning and energy efficiency upgrades to Port operations.

Tenant Facilities

Green Business Network

The Network is a voluntary program that provides free tools, training, and resources for Port businesses to reduce their environmental impact and save money. In 2013, 78 waterfront businesses participated in the program. These businesses account for 78% of energy consumed on Port Tidelands.

Shipyards Energy consumption and Efficiency

These large users of electrical energy have been identified as a major opportunity for tenant energy conservation.

Navy Pier- Use of Shore Power

"Cold Iron" processes have been used by the Navy for many years to allow ships to shut down their on-board oil based power sources and rely entirely on shore power. This solution needs to be encouraged more and to be considered as a balanced load for clean energy sources such as co-generation.

Master Plan Guidelines for Tenant Developments

Integrating sustainable energy policies into lease agreements is a method currently being evaluated to ensure future Port tenants meet the Port's goals.

PUBLIC OUTREACH

As part of the process of developing a vision and guiding principles for the Integrated Port Master Plan update, HKS engaged with and informed elected officials, stakeholders and residents through a program intended to educate, capture input, and respond to feedback. The team will also hold public events to inform all parties of the resulting vision and guiding principles, as well as how their participation was incorporated into the resulting documents.

To date, HKS and Port staff have conducted the following outreach:

- Boat tour with stakeholders
- Bus tour with stakeholders
- Interviews with Port Commissioners
- Interviews with Port staff
- Launched website with opportunity for submitting comments
- Interviews with more than 90 stakeholders, including mayors and planners of the five member cities
- Interviews with county supervisors
- Presentations to more than 30 community organizations
- Stakeholder gatherings in San Diego and National City
- Community workshops (2/18-2/19)
- Online survey (pending)

The goal of the community outreach was to engage the widest possible spectrum of regional.

Given the vast range of input, the data derived from the outreach efforts naturally revealed some areas of consensus and highlighted areas where there were strong differences of opinion. The sometimes contradictory comments reflect the Port's difficult role in satisfying the myriad interests regarding San Diego Bay.

Generally, the individuals we have engaged appreciated the mixed-use aspect of the bay and have been open to viewpoints beyond their own. There was also a general consensus that San Diego Bay

is an extremely valuable and beautiful asset with few equals around the world.

There was the expected divergence in responses amongst those with different priorities. However, the various groups and individuals have shown a great deal of respect for alternative viewpoints and acknowledged that, in the big picture, each of the components was important in creating a balanced Bay and a prosperous, attractive and healthy region.

The engagement also revealed that there is a long and often controversial history between the Port and many of those who have dealt with the Port over the last several decades.

Input to date has yielded the following information:

Water

Most conversations about the Bay didn't focus on the water itself and while not verified, it appears that most residents rarely spend time on the waters of the Bay, instead interacting at the shoreline.

Some organizations would like to see additional facilities for getting more individuals, particularly young people, onto the Bay and to become educated on the local culture and job opportunities and training to prepare the next generation of workers and innovators. In addition, alternative uses for the waters of the bay were discussed, including aquaculture, fish farming, and floating infrastructure, such as restaurants.

Most expressed the desire for a clean Bay and green operations by Port industries, including ships and ship repair. They said they wanted to feel safe swimming in the Bay and to be able to eat the fish they catch in the Bay.

The Navy was identified as an important presence on the Bay and one that should be supported, both for the economic contribution to the region and for national security.

Open Space

Residents want more ways to interact with the waterfront and the bay in the form of launch ramps for boats and kayaks, piers, docks, public gathering places, amenities, shopping, etc. Public access was also emphasized in the form of bikable, walkable access to the waterfront. Many mentioned the Bayshore Bikeway as a positive element that addresses this issue but also voiced frustration with the failure to complete sections of it.

Many felt that parks on Port property were insufficient in number or did not serve their interests well in terms of accessibility or what is offered. Along those lines, many said the downtown waterfront doesn't have amenities to attract residents and is largely focused on tourists. This has created a lack of connection with the waterfront for residents, particularly those living in inland neighborhoods. This refers both to physical connections (walkways, access, etc.) and the feeling that the waterfront doesn't reflect the culture of adjacent neighborhoods. The waterfront itself lacks continuity around its perimeter, meaning that the communities along the waterfront do not feel linked to each other. Some expressed the goal of thinking of the Bay as a single unit with different neighborhoods along the shore and perhaps linked by parks and open space.

Many noted that the Port should consider the Bay as a single unit for conservation purposes – think beyond just South Bay, since wildlife doesn't recognize these boundaries. Related to this, some asked if it was possible to regain some of the natural habitat that has been lost over time in other parts of the Bay.

A divergence of opinion emerged when some called for more

recreational boating use in the South Bay (which might require dredging) while others pointed out that boating would disrupt migratory birds in the area, some of which are in a fragile state of health after flying great distances.

The importance of the South Bay natural preserves for wildlife was emphasized by some, while others felt that economic development should take precedence over natural preserves. Those who emphasized preserves felt the region's natural heritage in the form of living shoreline and celebration of native species should be emphasized and valued highly.

Infrastructure

Another point of divergence was the observation by some that much of the waterfront, even parks, are dominated by parking lots while others indicated that parking availability is still a problem. Some said using a car down at the waterfront was often cumbersome or difficult at best.

The interface between trains, trolleys, cars and Port property and residential neighborhoods was identified as something that was making access difficult or disruptive of neighborhoods. Improving infrastructure to support commercial shipping and shipyards, if done correctly, was identified as a strategy that could increase capacity for those operations while at the same time reducing the disruption in residential neighborhoods.

An opening from the Pacific to the South Bay was the focus of several comments. Some advocated strongly for this, citing the development benefits for the South Bay cities and also indicating it would help cleanse the Bay. Others were opposed and indicated it would change the existing ecosystems that are considered extremely valuable for certain species of birds and other wildlife. A few others also took the time to note that the environmental impact report would

be too daunting to even begin to consider a second opening to the Bay.

Water taxis and an increased use of ferries, incorporated into the local transportation infrastructure, was discussed by several. It was also observed that a smart transportation plan and infrastructure could connect the cities with the bay and create a greater feeling of integration.

Leasable Land

Jobs and the Port serving as an economic engine was a strongly expressed topic. Support for the maritime industries, including shipyards and commercial docks, was practically universal. However, the balance between economic development, where it happens, how much of it, and maintaining open space is where a divergence of opinions occurs.

South Bay residents expressed frustration regarding economic inequality vis-à-vis development on the North Bay and unequal distribution of the revenue from the Port. Even if development on the scale of the North Embarcadero isn't possible in the South Bay, they suggested that revenue be distributed to all cities for enabling the development through environmental mitigation. Further frustration was expressed regarding the slow pace of progress on developments, even those that have been approved, in the South Bay. The Chula Vista Bayfront Master plan was universally regarded as a success and a model for the process and end result. Public input was considered critical to the project's success.

Some wondered if the Port Act should be changed regarding restrictions on uses while others warned that trying to alter the legislation could irrevocably change the composition of the Bay for the worse and hurt commercial/industrial uses. Those commercial and industrial interests described the feeling of constantly being

under siege and having to fight off other types of uses.

Another point of contention was the preference for low density development vs. others who noted that higher density projects could combine with parks, parking and other amenities to create a pleasant and accessible space.

While not necessarily opposing commercial uses, some of those interviewed wished for a better interface/transition between industrial/commercial uses and residential neighborhoods. Several people said developments, including parks, should reflect the neighboring communities and celebrate the local history and culture.

The San Diego region was also recognized by some as a hub for technology companies operating in the marine sphere (blue tech). The Port could support these industries by providing access to the waterfront. These companies require a skilled workforce and provide high paying jobs, which are good for the region. If planned correctly, the bay could be part of a larger, economic infrastructure that supports industry region-wide, even extending into Mexico.

Frustration with the approval process for development projects was a theme of the interviews. Uncertainty about what can and cannot be accomplished as well as the length of time associated with approval was expressed, not just by developers, but also by environmentalists and community groups as well.

Building a better relationship and working more closely with regulating agencies and government to create a more coordinated approach to the Bayfront was cited as a goal. These include local municipalities, environmental, wildlife and water agencies, Coastal Commission, and transportation and economic development agencies. If done correctly, the Port could become a unifier for the region.





RESOLUTION 2014-167**RESOLUTION ACCEPTING INTEGRATED PLANNING PHASE I VISION STATEMENT, GUIDING PRINCIPLES, AND ASSESSMENT REPORT AND DIRECTING STAFF TO APPLY THE INTEGRATED PLANNING VISION TO PHASE IA OF THE INTEGRATED PLANNING EFFORT**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

WHEREAS, pursuant to the Port Act, the District holds certain tidelands and submerged lands of the San Diego Bay in trust for the people of California and is responsible for the conservation, planning, and development of those lands; and

WHEREAS, Section 19 of the Port Act requires that the District adopt a Port Master Plan (Master Plan) for improvements to and the use of the public trust lands held by the District; and

WHEREAS, the District has engaged in an Integrated Planning process, which is a multi-faceted and comprehensive approach to the District's future and includes various potential components, including, but not limited to, a fiscal growth and sustainability framework, environmental initiatives, leasing policies, and land and water use planning in the form of an update to the Master Plan; and

WHEREAS, the Phase I of Integrated Planning was officially initiated in September 2013, and included conducting a "50-year Visioning Process," which involved a high-level assessment of District-wide assets and extensive public engagement, resulting in a Vision Statement, Guiding Principles, and Assessment Report (Integrated Planning Vision) for the entire Integrated Planning Process; and

WHEREAS, during Phase I, the District with the consultant team conducted: (a) over 100 individual and group interviews with appointed and elected officials, special interest groups and community members; (b) four separate stakeholder and community workshops; (c) three open house events; (d) three Board workshops (December 12, 2013, March 19, 2014, June 24, 2014); and (e) on-line, web-based survey with over 3,000 responses engaging all who have an interest in the San Diego Bay, waterfront area, and District tidelands; and

WHEREAS, there have been nearly 7,000 views on the District's Integrated Planning project website (www.portforall.org) this year and more than 650 contacts have registered for email notices regarding Integrated Planning; these people have received status updates and invitations to meetings or events; and

WHEREAS, over 180 individual comments, including several letters from interested stakeholder groups, were received providing recommendations and suggestions on the draft Vision Statement and Guiding Principles; and

WHEREAS, based on expert, stakeholder, public and Board input, the District has created the Integrated Planning Vision, which is intended to guide, but not bind, the District in the various components of Integrated Planning and may be subject to change as the Integrated Planning effort continues; and

WHEREAS, the Board desires to accept the Integrated Planning Vision and direct staff to apply the Integrated Planning Vision to the next phase of Integrated Planning, which will consist of, among other things, identification and assessment of preliminary concept plans for each planning district, as well as an overview of the regulatory and economic impacts of potential land and water uses from the concept plans (collectively Phase IA); and

WHEREAS, such Board acceptance is not an approval of the Integrated Planning Vision and will not limit the District's consideration of any alternatives for the updated Master Plan or its content; and

WHEREAS, while the Integrated Planning Vision will inform the Integrated Planning effort, including the updated Master Plan, the acceptance of the Integrated Planning Vision will not result in any direct or indirect physical change to the environment.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

1. The Board finds the facts recited above are true and further finds that this Board has jurisdiction to consider, approve and adopt the subject of this Resolution.

2. The Board finds and determines that the applicable provisions of the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the Port District Guidelines have been duly observed in conjunction with said hearing and the considerations of this matter and all of the previous proceedings related thereto.

3. The Board finds and determines that the acceptance of the Integrated Planning Vision will inform the Integrated Planning Process, including an updated Master Plan, but will not result in any direct or indirect physical change to the environment.

4. The Board finds and determines that the acceptance of the Integrated Planning Vision is not binding and may change as the Integrated Planning efforts evolve.

5. The Board finds and determines that a "project description" of the proposed Master Plan update (or other Integrated Planning items) has not yet been prepared and would be speculative at this time to conduct CEQA review; however, the District is committed to preparing CEQA review to analyze the potential environmental effects of the draft Master Plan update and other Integrated Planning projects with independent utility.

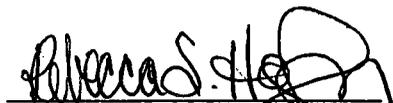
6. The Board finds and determines that acceptance of the Integrated Planning Vision shall not limit the District's consideration of any alternatives or mitigation measures in connection with Integrated Planning, including without limitation, the draft Master Plan update, and the District strictly reserves its discretion to adopt any mitigation measures, alternatives, including the "No Project" alternative, or a Statement of Overriding Consideration, if applicable.

7. Based on the entire record, including the proceedings, the Board finds and determines that the acceptance of the Integrated Planning Vision and direction to District staff does not constitute "approval" of a project under CEQA.

BE IT FURTHER RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That, on behalf of the San Diego Unified Port District, the Integrated Planning Phase I Vision Statement, Guiding Principles, and Assessment Report (Integrated Planning Vision) are hereby accepted and District staff is hereby directed to apply said Integrated Planning Vision to Phase IA of Integrated Planning.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL


By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 12th day of August 2014, by the following vote:

AYES: Bonelli, Castellanos, Moore, Nelson, and Valderrama.

NAYS: None.

EXCUSED: Malcolm, Merrifield.

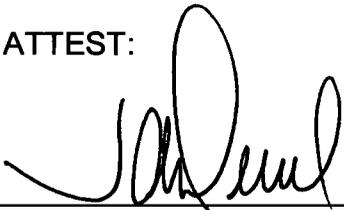
ABSENT: None.

ABSTAIN: None.



Robert E. Nelson, Chairman
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

(Seal)

63989



San Diego Unified Port District

3165 Pacific Hwy.
San Diego, CA 92101

Item No. 19

File #:2014-205**DATE:** August 12, 2014**SUBJECT:****RESOLUTION ACCEPTING INTEGRATED PLANNING PHASE I VISION STATEMENT, GUIDING PRINCIPLES, AND ASSESSMENT REPORT AND DIRECTING STAFF TO APPLY THE INTEGRATED PLANNING VISION TO PHASE IA OF THE INTEGRATED PLANNING EFFORT****EXECUTIVE SUMMARY:**

Pursuant to the San Diego Unified Port District Act of 1962 (Port Act), the District holds certain tidelands and submerged lands of the San Diego Bay in trust for the people of California and is responsible for the conservation, planning, and development of those lands. As such, it is the duty of the District to oversee public and private investment on the tidelands in a manner that best serves the public trust. To assist in this mission, Section 19 of the Port Act requires that the District adopt a Port Master Plan (Master Plan) for improvements and the use of the public trust lands held by the District. The Port Master Plan serves as a planning blueprint to assess development proposals and conserve important natural resources in and around San Diego Bay.

The District has engaged in an Integrated Planning process, which is a multi-faceted and comprehensive approach to the District's future. Integrated Planning includes various potential components, including, but not limited to, a fiscal growth and sustainability framework, environmental initiatives, leasing policies, and land and water use planning. One component of Integrated Planning is an update to the Master Plan. The update is being accomplished through a comprehensive, integrated, bay-wide approach that eventually, when and if an updated Master Plan is adopted by the Board, will control the type and characteristics of development, recreation, and conservation throughout the District's tidelands and submerged lands well into the second half of the 21st century. Because of the legislation that created the District, the common law Public Trust Doctrine, and the geographic location of the District, the updated Master Plan must be consistent with the Port Act, the California Coastal Act (for the portion of the District in the coastal zone), and the Public Trust Doctrine. Hence the updated Master Plan, if adopted, shall ensure the continued protection and advancement of commerce, navigation, and fisheries, as well as environmental conservation, coastal access, and recreation for all of the public.

Phase I of Integrated Planning was officially initiated in September 2013 and included a detailed scope for a 9-month-long vision process. Staff, in consultation with the Board Ad Hoc Committee for Integrated Planning (Ad Hoc Committee), believes the final draft of the Integrated Planning Phase I Vision Statement, Guiding Principles, and Assessment Report (Integrated Planning Vision) represents the balance of interests for the District, as well as maintaining consistency with the Port Strategic Goal: *"A Port with a comprehensive vision for Port land and water uses integrated into*

ACTION TAKEN: 08-12-14 - Resolution 2014-167
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regional plans.” A visioning study process of this magnitude and importance to the District and the region requires careful consideration. As proposed, the Integrated Planning Vision uses an approach that is more holistic and comprehensive, that includes a business model, and that considers adjacent jurisdictions, the environment and input from stakeholders. The Board’s acceptance of the Integrated Planning Vision will mark a significant achievement for the District and will serve as a milestone that will be remembered throughout the region over the next 50 years.

RECOMMENDATION:

Adopt a Resolution accepting the Integrated Planning Phase I Vision Statement, Guiding Principles, and Assessment Report (Integrated Planning Vision) and directing staff to apply the Integrated Planning Vision to Phase IA of the Integrated Planning effort.

FISCAL IMPACT:

This agenda item is programmed as part of Phase I of the Integrated Planning process. As such, there are no additional direct fiscal impacts associated with Board item beyond that approved in the contract scope of work.

COMPASS STRATEGIC GOALS:

This agenda item supports the Strategic Goals adopted by the Board in 2012. The Integrated Planning efforts, including the Port Master Plan Update will bring the District’s current practices into conformance with best management practices with considerations of sustainable fiscal growth for the District and environmental stewardship while proactively addressing future impacts to assets on tidelands.

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

- A Port that the public understands and trusts.
- A thriving and modern maritime seaport.
- A vibrant waterfront destination where residents and visitors converge.
- A Port with a healthy and sustainable bay and its environment.
- A Port with a comprehensive vision for Port land and water uses integrated to regional plans.
- A financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

Background

When the Board adopted its Compass Strategic Plan and the goal for “ *A Port with a comprehensive vision for Port land and water uses integrated to regional plans* ,” the Board recognized the need to move away from project-specific planning to a more holistic long-range view that is integrated with other regional planning efforts.

At the Board’s February 4, 2013, Special Meeting, District staff gave a presentation entitled “Long-Range/Integrated Planning,” which included a definition for the term Integrated Planning: “*The link of vision, priorities, people and the physical institution in a flexible system of evaluation, decision-*

making, and action.” The working definition continues to be applied as the Integrated Planning process evolves. At February 4, 2013 meeting, the Board articulated specific goals for a coherent overall vision for the future development and uses of tidelands. The Board initially highlighted the following key elements as a primary focus of the entire Integrated Planning work effort:

1. Conduct an inventory/analysis of current assets (going beyond real estate) as a first step, including land/water uses and capacities (developed, undeveloped, underperforming and underutilized), habitat and potential mitigation areas, public access, revenue-generating opportunities, spheres of influence, deep berthing potential, infrastructure needs, etc.
2. Use a holistic approach linking uses that comprise what is being done today together with what could/should be done in the future to reach a 50-year vision (i.e., look at the big picture for the District and the region).
3. Balance revenue generation with the cost of public amenities to ensure sustainability.
4. Link infrastructure to the overall plan.
5. Identify the steward role of the District, including partnership and financial opportunities, and understand the value of non-revenue-generating habitat and sensitive resource lands (i.e., value of the “beautiful bay”).
6. Understand the local, regional, state and federal focus, issues, and applicable regulations (i.e., address regional climate change, sea level rise, and water quality issues).
7. Understand the private sector’s focus.
8. Be accountable to planning objectives in order to evaluate planning success and correct course, as needed.
9. Incorporate the business model and business operations (of revenue generation and stewardship) with the planning process.
10. Make the planning process an inclusive one, internally and externally, drawing on public outreach and input from key stakeholders.

In addition to elements listed above, the consensus was that a comprehensive update to the Master Plan would be one of the mechanisms for achieving a coherent overall vision for the tidelands. The Board acknowledged that the Integrated Planning process, including, but not limited to, a Master Plan update, would require a multi-disciplinary, multi-phased work effort in order to complete the entire process.

To date, as the scope of Integrated Planning has evolved, there are various components included as part of the effort. These components include, without limitation, a fiscal growth and financial sustainability framework, environmental initiatives, leasing policies, and land and water use planning.

Through a comprehensive update to the Master Plan, the District has an opportunity to engage in a

planning process that will ultimately serve to balance the many interests and demands within the tidelands. The Master Plan update would reinforce a sense of place for the District's waterfront while continuing to enhance the District's fiscal sustainability, commerce, navigation and fisheries, public access, and environmental stewardship, as well as create integrated land and water uses within and adjacent to tidelands, resulting in a synergistic relationship between development and natural resources while strengthening the District's financial future.

The Master Plan update is intended to proactively and constructively address land use compatibility issues within the District, as well as with adjacent jurisdictions; and be based on a set of long-range, planning principles that form a framework for implementing a 50-year plan.

As presented by staff at the Board's Special Meeting on June 24, 2014, the Integrated Planning process currently consists of following phases:

- Phase I : Define and conduct a "50-year Visioning Process" involving a high-level assessment of District-wide assets and extensive public engagement resulting in principles for the entire Integrated Planning framework.¹

Milestone: Board accepts Integrated Planning principles and framework and directs staff to apply the Integrated Planning Vision to Phase IA of the Integrated Planning effort.

- Phase IA: Build upon the Vision to create preliminary concept plans (i.e., concept maps) and a regulatory, financial, and economic framework that will help inform the drafting of Master Plan update in Phase II.

Milestone: Board accepts concept plans and framework and directs staff initiate work on Phase II.

- Phase II: Build upon framework principles and draft preliminary Master Plan update.

Milestone: Present preliminary draft Master Plan to Board for feedback.

- Phase III: Conduct California Environmental Quality Act (CEQA) Process.

Milestone: Board certifies Environmental Impact Report and approves Master Plan update.

- Phase IV: Coastal Commission certification process for Master Plan update.

Attachment A represents an initial anticipated timeline for the Integrated Planning Port Master Plan update process. The process will include a multi-phase, multi-year approach through final completion of the Master Plan update. Phase I will be complete upon acceptance by the Board of the Integrated Planning Vision and directing staff to apply it to Phase 1A. This acceptance will trigger initiation of Phase IA (Part 1 and 2). Part 1 and 2 are both scheduled take approximately four months to complete in sequence and will build upon the Integrated Planning Vision to create preliminary concept plans (i.e., concept maps) and a regulatory, financial, and economic framework that will help inform the drafting of Master Plan update in Phase II .

At this stage of the process, it is difficult to determine detailed time frames and associated costs for the subsequent next phases, including Phase II - Draft Master Plan update, Phase III - CEQA Process, through Phase IV - Coastal Commission certification process. The duration of these phases will be driven by the outcomes of Phases I and IA and will require careful consideration of public input as detailed efforts are planned for drafting of the Master Plan update. In addition, the time frame for the CEQA process will be dependent upon the extent and complexity of public comments requiring preparation of responses². Similarly, the time frame for the Coastal Commission certification process may be contingent upon the issues raised by Coastal staff and the public.

Phase I: Vision Process

At the February 12, 2013, Board meeting, staff was directed to initiate a Request for Qualifications (RFQ) process to advance the Integrated Planning effort. Using the key elements noted above as a foundation, staff prepared a draft scope of work to solicit a consultant team to complete Phase I. In April 2013, the District issued RFQ 13-15 seeking consultant teams to initiate the work effort. After an extensive RFQ and consultant interview process, at the August 13, 2013 Board meeting, HKS Urban Design Group (HKS) was selected to advance Phase I.

Phase I was officially initiated in September 2013, and included a detailed scope for a 9-month-long vision process. The primary deliverables include:

- a high-level assessment of current District assets considering all existing land and water uses;
- a set of Guiding Principles consistent with a long-range 50-year vision for the entire Integrated Planning effort; and
- a Vision Statement reflective of the District's future values, mission and purpose vision for the entire Integrated Planning effort.

Over the course of the 9-month visioning process, the HKS team developed a draft Vision Statement and a set of draft Guiding Principles based on Board input and extensive public engagement. During Phase I, the team completed:

- Over 100 individual and group interviews with appointed and elected officials, special interest groups and community members;
- Four separate stakeholder and community workshops;
- Three open house events;
- Three Board workshops (December 12, 2013, March 19, 2014, June 24, 2014);
- An on-line, web-based survey with over 3,000 responses engaging all who have an interest in the San Diego Bay, waterfront area, and District tidelands; and,

There have been nearly 7,000 views on the Integrated Planning project website (www.portforall.org) this year, with the most popular page being the "Get Involved" page. More than 650 contacts have registered for email notices regarding Integrated Planning; these people have received status updates and invitations to meetings or events. Over 180 individual comments, including several letters from interested stakeholder groups, were received providing recommendations and suggestions on the draft Vision Statement and Guiding Principles.

The public engagement process involved a broad spectrum of stakeholders including government agencies, organizations, long-serving waterfront stakeholders, and many first-time participants. Many participants in this effort have commended the District and the consultant team for carrying out an engaging and robust public involvement process. Anecdotally, staff received extensive appreciation for the District's outreach efforts. Additionally, gratitude has been expressed via comment letters and from public speakers at Board meetings on Integrated Planning.

The HKS team methodically digested all public and stakeholder input, which was considerable in volume and in variety, and produced a draft of the Vision Statement and Guiding Principles that staff and the HKS team believe represents a culmination of an open and meaningful civic engagement process and a balance of all bay-wide interests.

Integrated Planning Vision

The proposed Integrated Planning Vision includes the Vision Statement and Guiding Principles, along with an assessment report for existing conditions. The Integrated Planning Vision is intended to be applied to the future phases of the Integrated Planning effort, ultimately resulting, among other things, in a Draft Port Master Plan update for the Board's future consideration. The Integrated Planning Vision is not, however, binding and may change as the planning efforts continue.

On June 24, 2014, the Board held a third Board workshop which focused on the draft Vision Statement and Guiding Principles. At this workshop, direction was given to HKS and staff to further refine the Vision Statement and Guiding Principles, as part of a consensus-driven approach.

Subsequent to the workshop, Board members received requests to consider an alternative to Guiding Principle B, under the Values and Standards section. In response to these requests, a follow up Board discussion on Guiding Principle B was held at the July 8, 2014 Board meeting. At that meeting, the Board directed staff to incorporate a revised version of Guiding Principle B into the final draft of the Integrated Planning Vision.

As a result of this input, the consultant team developed the final draft Integrated Planning Vision for the Board's consideration and acceptance (Attachment B).

Additional Public Comment

Subsequent to the July 8, 2014 Board meeting, stakeholder comment letters were received requesting additional refinements to the draft Guiding Principles. These letters are compiled in Attachment C and are listed below.

- South County Economic Development Council, dated July 7, 2014
- San Diego Port Tenants Association, dated July 16, 2014
- Port of San Diego Ship Repair Association, dated July 16, 2014
- South Bay Wildlife Advisory Group, dated July 20, 2014

Common themes within the letters include requests to incorporate references to the Port Act, highlight the District's partnership with the United States Navy, and emphasize San Diego Bay's

designation as a Strategic Port. Comments also suggest the addition of language acknowledging the District's role as a regional economic driver and job generator, as well as the importance of the ship building and repair industry. In addition, a comment requested a statement be inserted that addresses habitat connectivity of both terrestrial and aquatic habitats. Other comments suggest language that is narrowly focused on a particular industry or business sector.

As to the latter comments described above, the Guiding Principles are intended to be broad-based themes for use in the future phases. Those future Integrated Planning phases will include more narrowly focused efforts that will examine the different existing and potential future business sectors in the District's jurisdiction. Therefore, those comments will be noted and addressed in the next Phase IA when the conceptual plans are created. It should also be noted that not every portion of the concept plans or Draft Master Plan update will be consistent with all of the Vision Statement or Guiding Principles. Rather, the Vision Statement and the Guiding Principles are meant to be viewed holistically and considered collectively when moving the Integrated Planning effort and individual projects forward.

Staff and the Ad Hoc Committee considered all of the comments and suggested edits received and are advancing a revised version of the Vision Statement and Guiding Principles to the Board for consideration and acceptance (Attachment D). The edits indicated in track changes reflect those requests the Ad Hoc Committee felt addressed the comments received and were appropriate for inclusion in the final Vision Statement and Guiding Principles. If accepted by the Board, staff will direct HKS to incorporate the edits resulting from the Board meeting into the final print version of the Integrated Planning Vision document.

Next Steps

If the Board takes the recommended action (acceptance of the Integrated Planning Vision and direct to staff to apply it to Phase IA), the next step will be to identify and assess the preliminary concept plans for each planning district, as well as perform an overview of the regulatory and economic impacts of potential land and water uses. As approved at the June 10, 2014 Board meeting, the HKS scope of work for Phase IA will include two parts:

- Part 1: Options and Preliminary Concept Plans
- Part 2: Regulatory and Economic Framework

Part 1 will identify and assess a series of preliminary concept plan options for each study area in District tidelands. The assessment will maintain an appropriate level of analysis to identify and evaluate proposed uses, possible economic impacts, mobility and circulation, natural resource-based and recreational issues. Each planning district will be included to define potential physical land and water uses, infrastructure needs and economic (cost/benefit) implications in order to sufficiently test each scenario. Staff anticipates bringing these preliminary concepts to the Board for consideration and acceptance by the end of the year. In addition to requesting the Board's acceptance of the preliminary concept plans, staff also anticipates requesting that the Board direct staff and the consultant team to apply the preferred preliminary concept plan to Part 2 of Phase IA.

Part 2 will focus on an initial regulatory framework needed to implement the individual concept plans and a preliminary District-wide economic and fiscal assessment. The regulatory framework will include an assessment of different types of codes and standards that would yield a predictable path forward. Each planning district location will be analyzed to define development standards required to advance the overall intent of the preferred scenario.

The economic assessment will include an analysis of the economic framework and District fiscal sustainability element taking into account District business operations, future infrastructure costs and potential return on investments for land and water and infrastructure needs to support the preferred preliminary concept plan identified in Part 1. Staff anticipates presenting the results of Phase IA Part 2 to the Board mid-2015.

Conclusion

The final draft of the Integrated Planning Vision represents a high-level assessment and comprehensive public engagement effort required to help define a long-range vision for the District. The objective of the Master Plan update is to create a fully modernized planning document that will facilitate the type of development and redevelopment efforts that are acceptable and desirable for the entire tidelands region. The Integrated Planning Vision represents a conscientious and well-crafted planning effort for the District and the region. In order to ensure a balanced approach to this undertaking, staff, in consultation with the Ad Hoc Committee, believes the final draft of the Integrated Planning Vision articulates the broad desires and input from various interest groups in the region, including stakeholders, tenants, business groups, environmental conservationists, the military and the member jurisdictions of District tidelands. Staff recommends the Board accept the final draft of the Integrated Planning Vision and direct staff to apply it to Phase IA of the Integrated Planning effort.

General Counsel's Comments:

The General Counsel's Office has reviewed the issues set forth in this agenda sheet, as presented, and approves it as to form and legality.

Environmental Review:

The Integrated Planning Vision would not result in any direct or indirect change in the environment. The Integrated Planning Vision is intended to be used in preparing the draft Master Plan and future phases of Integrated Planning. However, "acceptance" of the Integrated Planning Vision and direction to staff are not a binding actions committing to the implementation of the Integrated Planning Vision. Moreover, the Integrated Planning Vision, itself, is not a binding document and may change as the Integrated Planning efforts evolve. Although it is premature to perform environmental review now because a "project description" of the proposed Master Plan update (or other Integrated Planning items) has not yet been prepared, the District is committed to preparing California Environmental Quality Act (CEQA) review to analyze the potential environmental effects of the draft Master Plan update and other Integrated Planning projects with independent utility. Acceptance of the Integrated Planning Vision shall not limit the District's consideration of any alternatives or mitigation measures in connection with Integrated Planning, including without limitation, the draft

File #:2014-205

Master Plan update, and the District strictly reserves its discretion to adopt any mitigation measures, alternatives, including the "No Project" alternative, or a Statement of Overriding Consideration, if applicable. Therefore, the proposed Board action does not constitute "approval" of a project under CEQA. No further action under CEQA is required.

The proposed Board action does not allow for "development," as defined in Section 30106 of the California Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit (CDP) Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required for the proposed Board action.

Equal Opportunity Program:

Not applicable.

PREPARED BY: Jason H. Giffen
Director, Environmental and Land Use Management

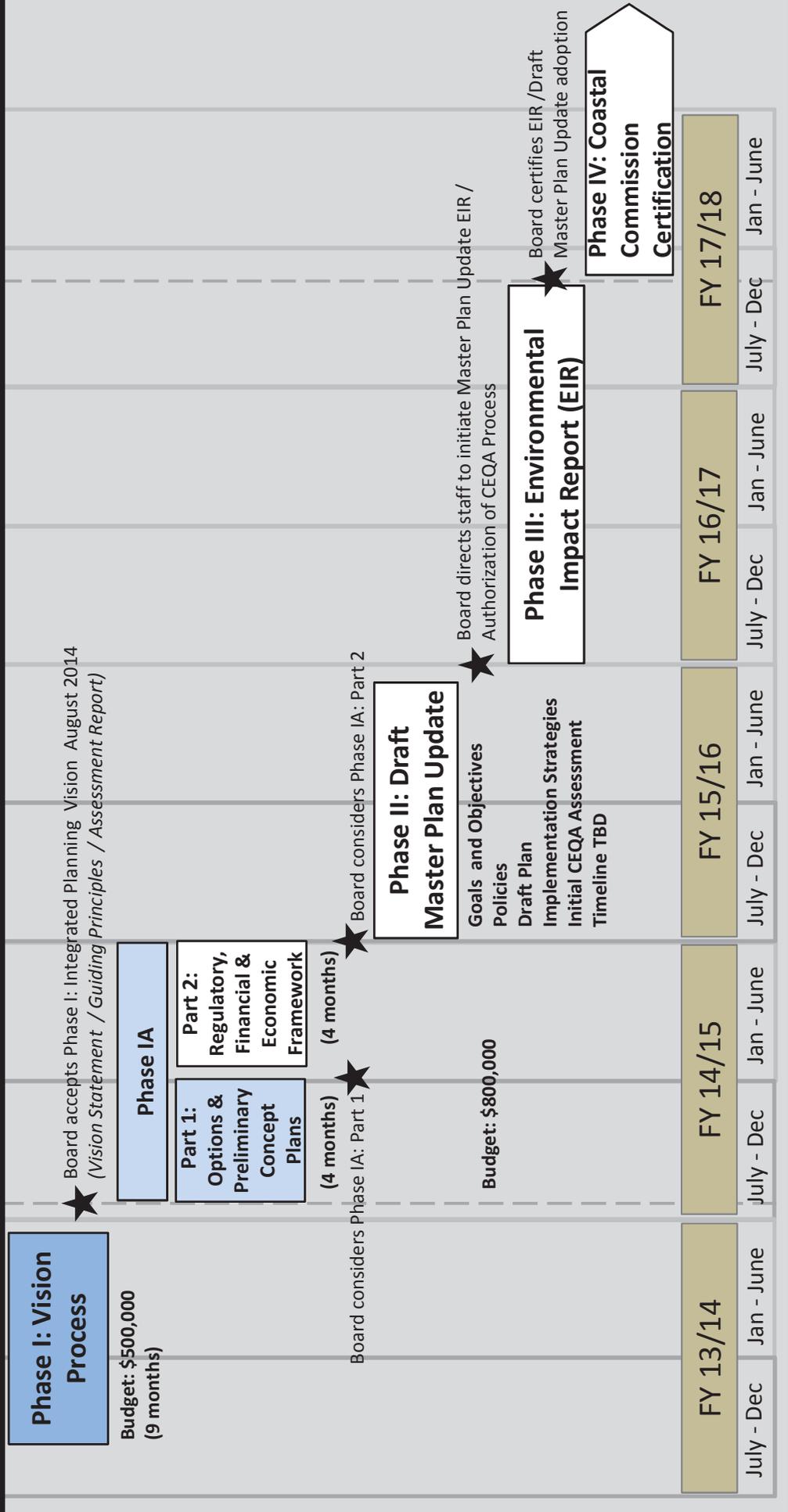
Lesley M. Nishihira
Department Manager, Environmental and Land Use Management

Attachment(s):
Attachment A: Integrated Planning Port Master Plan Update Timeline
Attachment B: Final Draft Integrated Planning Vision
Attachment C: Comment letters received since July 8, 2014 Board meeting
Attachment D: Proposed Ad Hoc Committee Revisions to the Vision Statement and Guiding Principles

¹ Note that this Phase establishes Guiding Principles and a Vision Statement for the entire Integrated Planning effort - not only the Master Plan update. These Guiding Principles and a Vision Statement are intended to guide, but not bind, the District in the various components of Integrated Planning. However, the Vision, while not binding, is intended to be used in preparing future phases of the Port Master Plan update, including the draft plan.

² Note that until the process is completed none of the phases are binding and acceptance of the Integrated Planning Vision, as well as any preliminary concept plans (i.e., maps) and a regulatory and economic framework will not limit the District's consideration of any alternatives for the Master Plan or its content.

Integrated Planning Port Master Plan Update



Milestones

Phase I: 50-Year Vision Process

Phase IA:

Part 1: Preliminary Concept Plans

Part 2: Regulatory & Economic Framework

Phase II: Draft Master Plan Update

Phase III: Environmental Impact Report (EIR)

Phase IV: Port Master Plan Update Certification

BPC accepts Vision Process outcomes (August 2014)

BPC considers Part 1 Findings (Dec 2014)

Board considers Technical Report (April/May 2015)

BPC directs staff to initiate CEQA process

BPC 'certifies' EIR/ Draft Master Plan Update adoption

Coastal Commission Certification process

San Diego Port Master Plan Update Assessment Report Vision Statement and Guiding Principles

August 2014

DRAFT

HKS | Urban Design Studio
Carrier Johnson
CCI
Cook and Schmid
Moffatt & Nichol
Randall Lamb Associates
Spurlock Poirier Landscape Architects

Unified Port of San Diego
Board of Commissioners

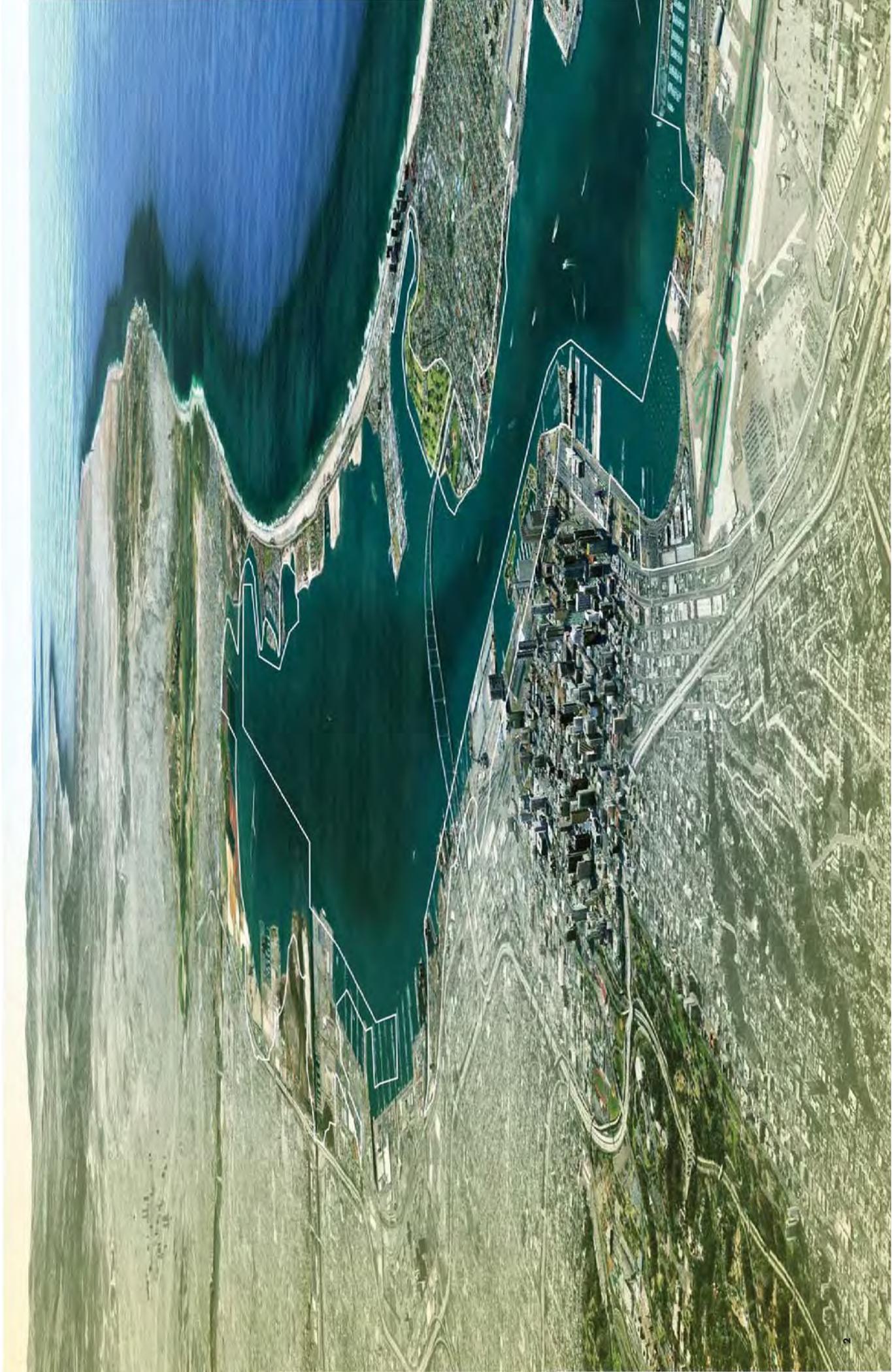
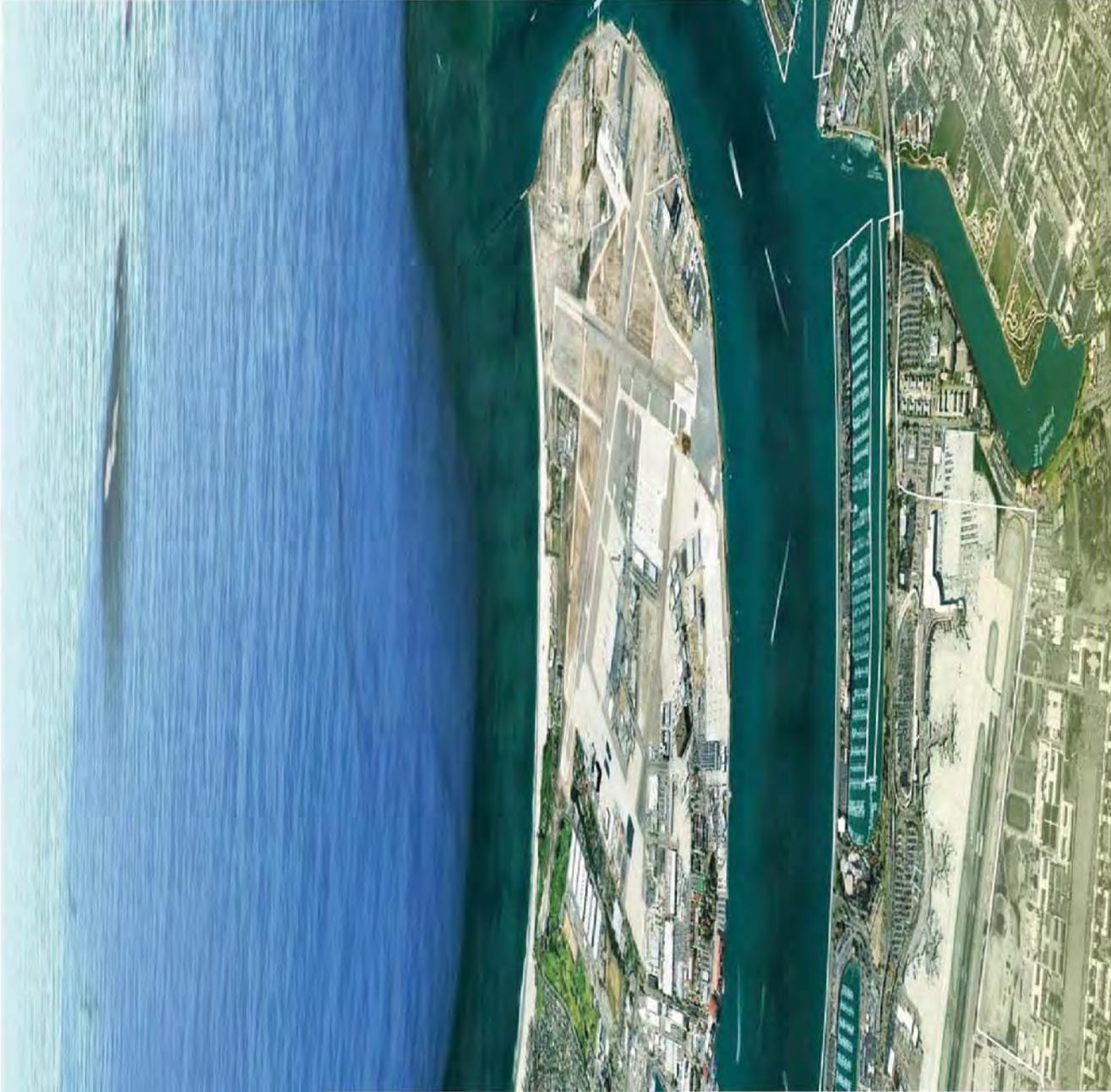


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EXECUTIVE SUMMARY

After months of intense review, extensive public outreach and over 50 stakeholder interviews, HKS is pleased to present our assessment of the Port Master Plan for the Unified Port of San Diego.

At the request of the Board of Commissioners and the leadership of Chair Ann Moore, this high level overview of strengths and weakness, opportunities and constraints (as of 2013), and a variety of ideas posited by the public and private sectors, will be the basis for a series of Master Planning principles that will define the efforts needed for an update of the current Port Master Plan. This assessment combines the views of the community, the experience of the design team and input from the Port.

Just about everyone agrees that the current Port Master Plan needs to be updated. Over the past decades there has been concern that the Master Plan process has morphed into a "piecemeal planning process" where each proposed project became a mini-master plan requiring a Port Master Plan Amendment (PMPA). These concerns arose from a process wherein amendments became the rule and not the exception. The current Master Plan has become reactive rather than a forward-looking proactive document.

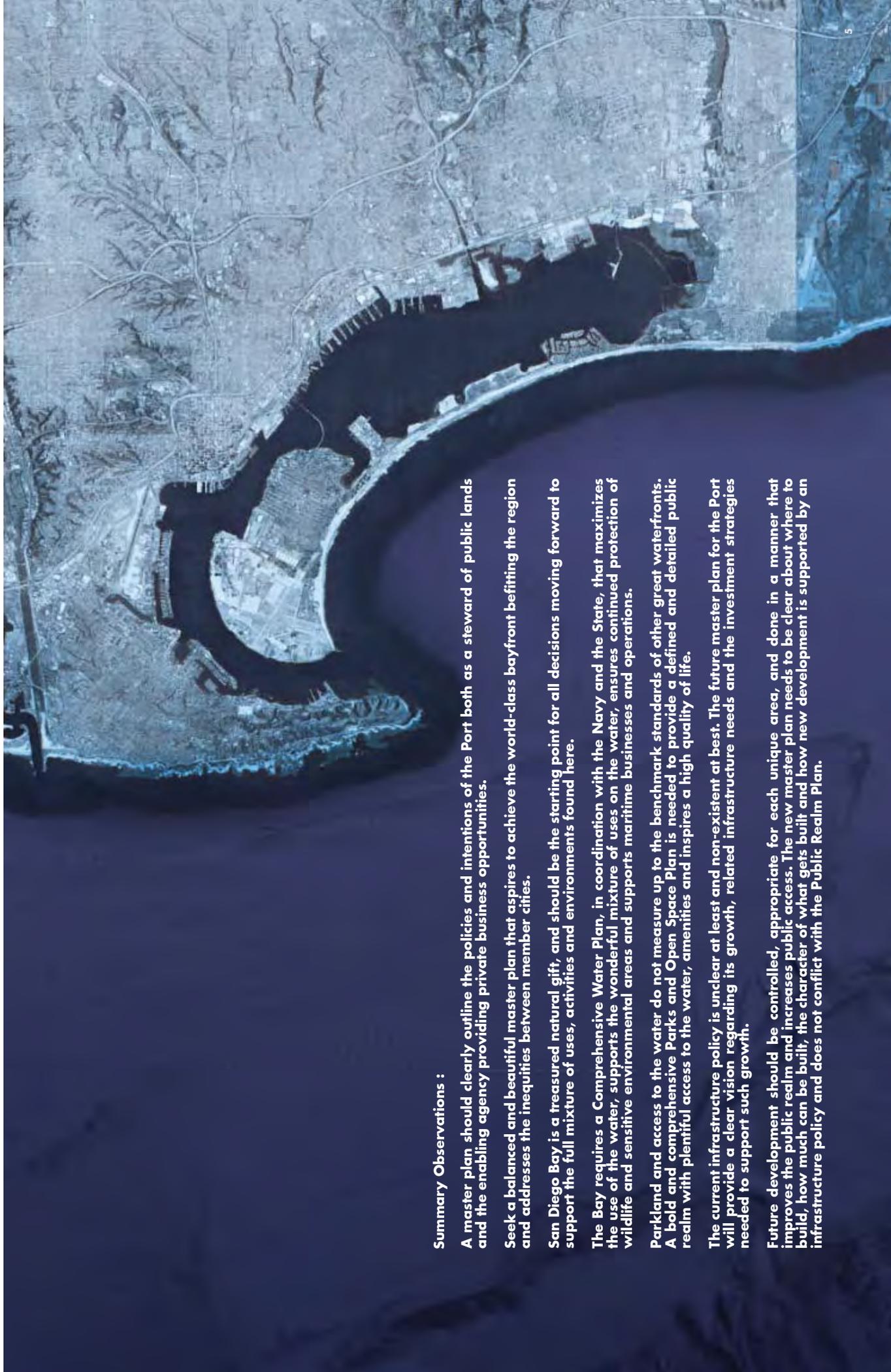
Just about everyone also agrees that the Port's key asset, and the region's, is San Diego Bay. This stunning geographic resource is as beautiful a body of water to be found anywhere on the planet.

Together, the Port and the Navy capture almost all of the land facing the Bay. For their part the Port has had to balance development of these lands under strict regulations from the California Coastal Act and

the Port Act with the building of the public realm. These are the places where the public has access to the water and engagement with the Bay. These two needs are not mutually exclusive but rather interdependent. This delicate balance is lost when a "piecemeal planning process" renders projects on a case by case basis rather than meeting larger ideals and agreed-upon goals.

This assessment studies the Port's holdings in four categories — parks, water, infrastructure, and leasable land. Not all of the pieces fit neatly into one group. The intent is to examine and assess overall performance rather than create a catalogue of disconnected elements.

What does the path to success look like? We have found that the Port, acting as an enabling institution, along with an updated Master Plan and a streamlined approval process together is the answer. Moving forward, a Master Plan alone will not produce success. The Port has to study itself and the way it will conduct the baseline of enforcing and enabling the Master Plan. Furthermore, the approval process today is unpredictable, time consuming and has created uncertainty in the business community. We see the Port becoming a regional leader, an institution that provides leadership, including certainty and confidence to the public and business community.



Summary Observations :

A master plan should clearly outline the policies and intentions of the Port both as a steward of public lands and the enabling agency providing private business opportunities.

Seek a balanced and beautiful master plan that aspires to achieve the world-class bayfront befitting the region and addresses the inequities between member cities.

San Diego Bay is a treasured natural gift, and should be the starting point for all decisions moving forward to support the full mixture of uses, activities and environments found here.

The Bay requires a Comprehensive Water Plan, in coordination with the Navy and the State, that maximizes the use of the water, supports the wonderful mixture of uses on the water, ensures continued protection of wildlife and sensitive environmental areas and supports maritime businesses and operations.

Parkland and access to the water do not measure up to the benchmark standards of other great waterfronts. A bold and comprehensive Parks and Open Space Plan is needed to provide a defined and detailed public realm with plentiful access to the water, amenities and inspires a high quality of life.

The current infrastructure policy is unclear at least and non-existent at best. The future master plan for the Port will provide a clear vision regarding its growth, related infrastructure needs and the investment strategies needed to support such growth.

Future development should be controlled, appropriate for each unique area, and done in a manner that improves the public realm and increases public access. The new master plan needs to be clear about where to build, how much can be built, the character of what gets built and how new development is supported by an infrastructure policy and does not conflict with the Public Realm Plan.

INFLUENCE OF SAN DIEGO BAY AND THE PORT

The Region

The influence of the Port extends to the south well into Mexico, into the eastern communities and desert, beyond Mission Bay and North County and well out into the Pacific Ocean to the west. The back and forth between the Port and the larger region includes commerce, recreation, transportation and the protected environment.

Multiple Entities

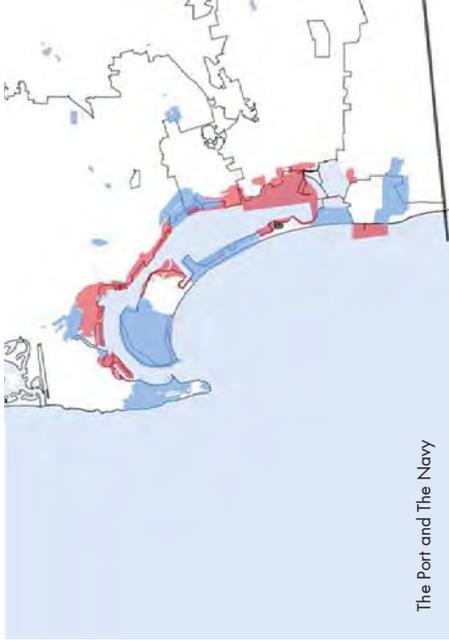
The Port's jurisdiction includes portions of five cities around San Diego Bay and shared water and land resources with the airport, the United States Navy and The State of California.

Distribution of Port Controlled Land and Water

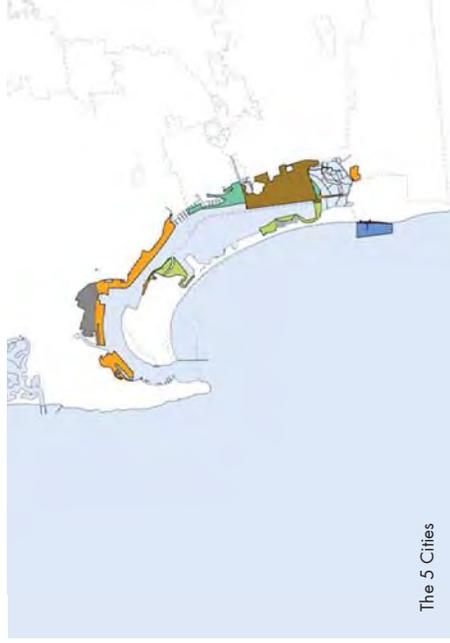
The distribution of the Port controlled lands and water varies from city to city. It is agreed that the airport lands are to be excluded from this assessment. Despite that, the focus of the port is San Diego-centric, both by the numbers and the perception within the community.



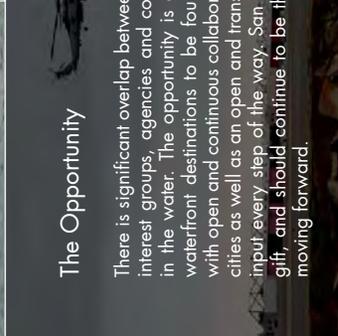
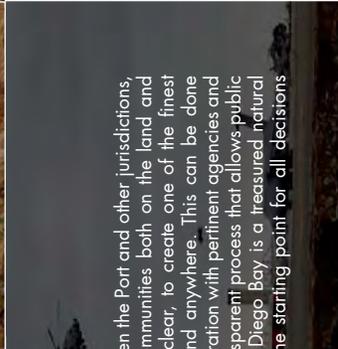
The Region



The Port and The Navy



The 5 Cities

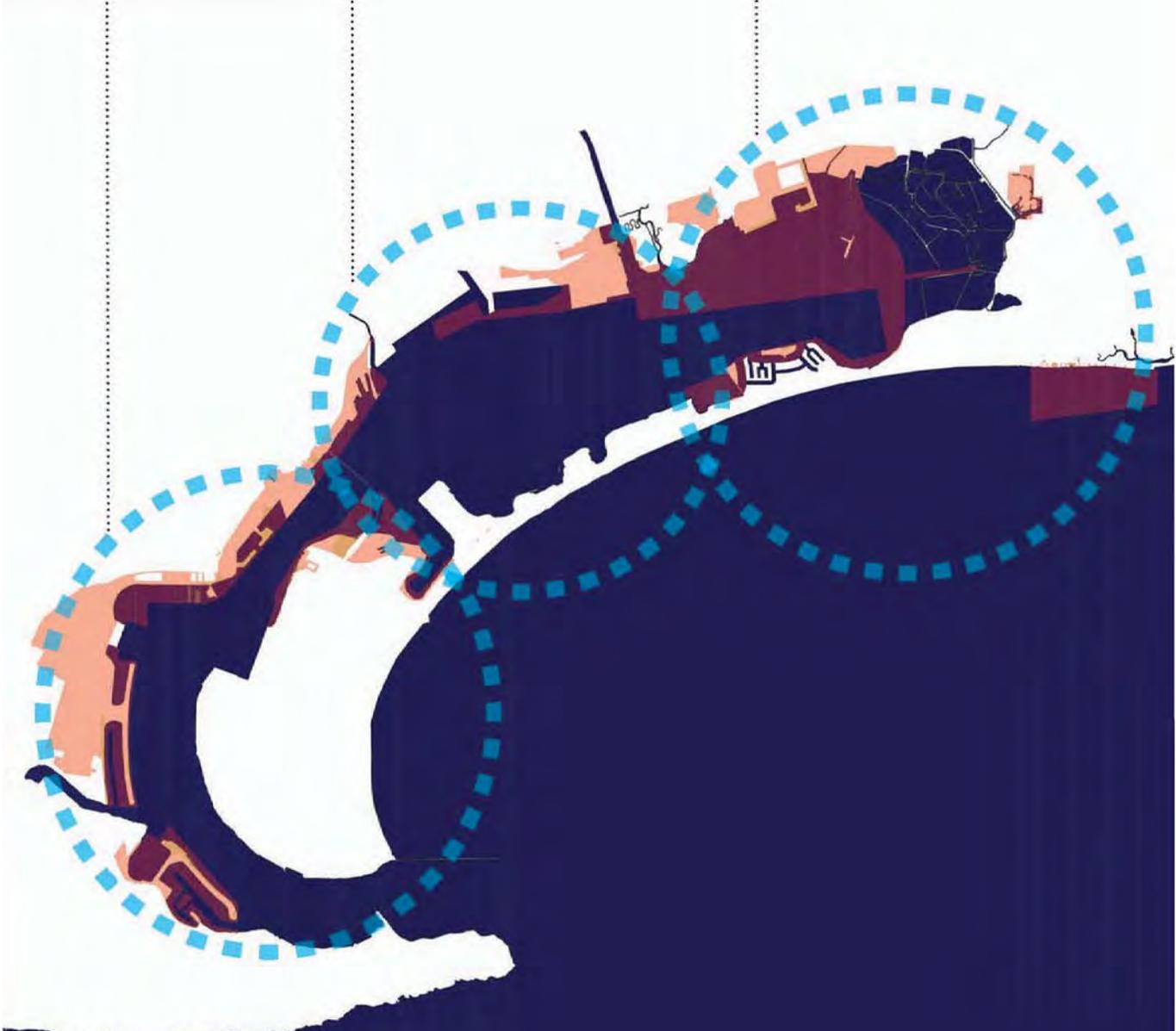


The Opportunity

There is significant overlap between the Port and other jurisdictions, interest groups, agencies and communities both on the land and in the water. The opportunity is clear, to create one of the finest waterfront destinations to be found anywhere. This can be done with open and continuous collaboration with pertinent agencies and cities as well as an open and transparent process that allows public input every step of the way. San Diego Bay is a treasured natural gift, and should continue to be the starting point for all decisions moving forward.

THE THREE PARTS OF THE BAY

A cursory view of San Diego Bay would include an overview of geography, natural and man-made conditions that define this place. Geography provides clues such as shape and dimension of the water, the form of the water as it changes from North to South and the fragile relationship between the uplands and the larger Pacific Ocean. Natural conditions reveal depth and flow of water, the impact of the tides, both now and in the future and a variety of natural wildlife and marine and estuarine habitat. The man-made elements include water edge construction, dredging, buildings and other construction at small, medium and large scales and the Coronado Bridge. From a high level view, these all combine to describe a Bay that is composed of three parts; The North Bay, The Central Bay and The South Bay. A large part of the charm of the Bay is the mix of uses found in these waters. The Bay supports cruise ships, the Navy, a working waterfront, commercial vessels, a water taxi, numerous pleasure boats, private fisherman, and other recreational users. With almost full unanimity, this unique mix of uses and activities should be promoted and supported by any vision moving forward.



North Bay

Today the North Bay is home to downtown San Diego, Point Loma and Coronado, framing three sides of the water. North Bay has the most activity, the most intense development, commercial boating, the highest land values and is regarded as the marquee image for the Bay. The North Bay enjoys deep water, access to the ocean, dramatic natural conditions with curving cliffs and more park, upland and maritime infrastructure investment to date than the Central and South areas. The Coronado Bridge defines a boundary, and most agree the bay and the environment are different to the south of the bridge than to the north.



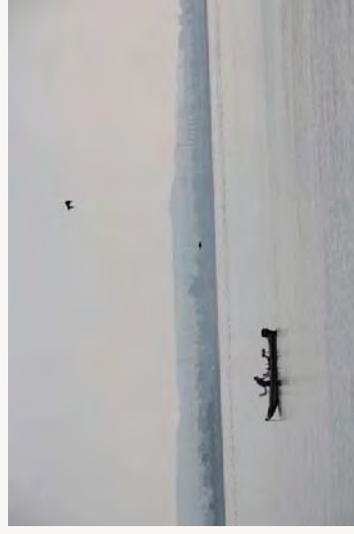
Central Bay

The Central Bay is defined by the Sweetwater River and The Coronado Bridge. The water is considered to be intermediate depth, good for pleasure boating but not large vessels. This area gains considerable value from the dredged shipping channel that hugs the eastern shore. A portion of this edge borders the Barrio Logan neighborhood but most of this edge lies within National City which has limited access to the Bayfront. Over time this shore has become the heart of the working waterfront and many of the large berth Navy vessels. The scene is visually impressive, especially when contrasted with the western shore and the Silver Strand, a delicate sliver of land where nature dominates. Back to the eastern side, there are a number of issues to be addressed between the working waterfront and the adjacent neighborhoods. The shipyards need for heavy truck and rail support has conflicted with the environmental concerns of residents and has limited the growth capability for the neighborhoods and the shipyards. These two needs are not exclusive however and the new master plan should address these issues frontally and directly.



South Bay

The South Bay is comprised of the shallow waters south of the Sweetwater River. There is a navigation channel that provides access for small vessels to Coronado Cays and Chula Vista. Local boaters know the tides and when they can wander out of the channel safely. The whole South Bay is a "No Wake Zone" so boats move quietly and slowly and the area is perceived as being very remote and distant from the other waters of the Bay. Additionally most of the natural protected habitats, wildlife refuges and protected underwater environments are in this southern area. While most agree that the natural landscape and serenity of the place are cherished, many members of the public also feel that the South Bay has unfairly become a mitigation dump, where devalued assets are assigned with little or no economic strategy to promote appropriate growth in the area. A clear bright spot is the recently approved Chula Vista Bayfront Master Plan that will transform the South Bay into a more desirable and appropriately scaled destination.



4 KEY ELEMENTS

The Port's holdings can be objectively assessed with a high level analysis of four key elements: the water, the parks, the infrastructure and leasable land. Rather than a data driven exercise, this approach combines the views of the community, the experience of the design team and input from the Port. The Port's jurisdiction totals 6,008 acres. The airport's 675 acres are excluded from this analysis, leaving 5,333 acres. Of that amount 3,520 acres are water and 1,813 acres are land. The sentiment is that with an outdated master plan, there is no sense of policy, and as a result, the focus has been on individual small pieces rather than on the implementation of a comprehensive, systematic plan.

Water

The Port controls more land under water than dry land. Furthermore, the Port shares the shoreline with the US Navy and these two large agencies form the opportunity to water access. The water provides the opportunity to coordinate maritime uses (which greatly influence upland uses) with deferred and future maintenance and construction needs and environmental policies and enforcement. Most importantly, a policy that outlines the future of the water will have a large impact on the value proposition for uplands. A well considered water plan will add to the investment possibilities for entrepreneurs in the Blue Economy and other maritime ventures.

Parks

The Port operates 20 parks that total 147 acres. This represents 8% of the Port-controlled land and is well below the amount of public, recreational parkland we expect to find at the best of class waterfronts. While photogenic, the parks are underutilized, which is odd since there are so few parks. How can they be so underused? The opportunity here is clear, more parkland is needed and that new parkland should be guided by a comprehensive park vision. The Port today does not have a Parks Department and does not have a comprehensive park master plan. A comprehensive plan, in coordination with a water plan and a development plan, would guarantee more valuable parks, more waterfront access, better usage through park programming and begin to spread the wealth throughout the North, Central and South Bay areas.

Infrastructure

Infrastructure represents the public or institutional investment beyond parks needed to support the city, or in this case the Port. Regarding the Port this inventory includes streets, public parking, rail corridors,

and certain promenades, sidewalks or open land within leaseholds and other open spaces like wetlands, refuges and protected habitat. Infrastructure is often shared between jurisdictions such as freeways that provide access for port visitors and vehicles. A key improvement is underway, the reconstruction of Harbor Drive and the increase of public space along the North Embarcadero. This underscores the relationship between all four elements studied here. It is fair to say that the Port is well served but the quality of that service could be better. Many working ports have controlled truck and rail routes to lessen the impact on neighborhoods. San Diego used to have a street network that led directly to the waterfront; very few streets go through today. A simple waterfront access plan, parking strategy and industrial truck route would be a good beginning to an infrastructure plan.

Leasable Land

The Port makes money three major ways; cruise ships, cargo, and real estate. Each needs a place to do business, and the Port has provided these lands. The Port Act limits land uses permitted on tidelands (all of the Port's property by definition) and the Port uses these revenues to pay for parks, infrastructure and all other operating costs. It makes sense that waterfront property is valuable and property fronting on parks is worth more. So a comprehensive park plan, a water plan and an infrastructure plan are the vehicles to create greater access, increase recreation, buffer neighborhoods and at the same time increase value to the leasable property for the Port and thus the region. Everyone rises with the tide. This is not happening today because of the "piecemeal planning process" that is occurring which prevents a larger vision from being implemented and often results in litigation. In addition, the approval agencies right up to the California Coastal Commission have little evaluation criteria to make timely decisions.

The Public Realm

Together parks, streets and infrastructure and the water constitute the public realm. Rather than focus on land uses or trendy ideas out there today, the time-tested and best strategy is for the updated master plan to guarantee the public realm. Let the plan define access to the water, improved infrastructure and create a grand park vision. Create a plan that controls the scale and character of development on leasable land but allow the investors, institutions and developers to use their ingenuity and produce the new construction at the waterfront.

WATER

3,520 ac



LEASABLE LAND
70%
(1,271 ac)



INFRASTRUCTURE
22%
(395 ac)



PARKS
8%
(147 ac)

1,813 ac

VISION STATEMENT

One Bay with Rich Diversity

Promote the Bay as a central environmental, economic, and recreational resource for all people in the region. At the same time reinforce the differences in character and culture between each of the constituent cities and equitably balance available resources between maritime and commerce, job growth, recreation, the Military and the need to protect and restore natural resources and the protection of public health along with man-made investments. The Port of San Diego should be regarded as a 21st Century, state-of-the-art facility and institution.

GUIDING PRINCIPLES

VALUES AND STANDARDS & MASTER PLAN PRINCIPLES

VALUES AND STANDARDS

A. Achieve solidarity among partnering agencies and stakeholders

Establish a long-range Vision and Master Plan with implementation strategies that represent the interest of all Californians, all five member jurisdictions, California State Lands Commission, and California Coastal Commission in a balanced, proactive, and deliberate way, which is essential to achieve long term success. As a trustee, the Port has an opportunity and an obligation to meet the needs of the public in the State of California, while protecting the Tideland resources of San Diego Bay. The role of the Port goes beyond serving as an agent to manage existing assets and extends to a leadership function on behalf of all Californians both current and future.

D. Preserve the working Port as a dynamic and thriving element of the region's economy and cultural history

The Port's working waterfront serves an essential role in the region as an economic engine and a job generator. The Bay's history as a commercial center and cultural exchange, facilitated by commerce, are historically important and are reflected in the modern industrial facilities located on the Bay's working waterfront. Protecting the Bay as a shared waterway to promote commerce, navigation, fisheries, national defense, and recreation were foundational to the creation of the Port and will continue to underscore future investment in water-dependent industrial facilities.

B. Promote clean air, healthy communities, and environmental justice

Seek to achieve environmental justice which shall be defined as: working to reduce the cumulative health burdens on neighboring communities and ensure fair treatment of people of all races, cultures, and incomes in developing, adopting, implementing, and enforcing environmental laws, regulations, and policies.

E. Incorporate state of the art sustainability practices

Consider the long-term impacts of sea level rise and climate change to both land and water resources. Implement principles of resiliency and seek to become a national leader in thought and implementation of these practices. Implement energy conservation and sustainability practices and reduce dependency on carbon-based energy. Promote the health and sustainability of natural resources, and the growth and proliferation of natural ecosystems. Create a sustainable fiscal budget and update it regularly.

C. Ensure job creation, prudent economic policies, and financial sustainability

Balance economics, available resources and the public good. As the shepherd of public lands and water within the Tidelands, the Port shall require a strategy that outlines investment and costs that consider economic feasibility, long-term financial sustainability and viability for the Port District, broader State and community needs and impacts, while promoting public access, use, and enjoyment of the Bay. Utilize balanced and equitable investments in the tidelands and public realm in infrastructure improvements to create a value proposition for existing and future economic development, business attraction, growth, and public enjoyment of the Bay. Continue to increase revenues and support existing and future entrepreneurial opportunities in concert with Port operations such as, Cruise, Cargo, and Real Estate opportunities considering a progressive economic and business growth strategy.



1. Honor the water

Future decisions shall consider the health of the entire Bay ecosystem as a single, multi-faceted entity. Create a water use plan comparable to a land use plan recognizing the value of land assets as a function of their adjacency to different types of water. Use this plan to maximize deep water and dredged resources, recreational opportunities, and natural resource protection. Encourage a variety of activities and entrepreneurial opportunities. Optimize infrastructure for water-dependent uses, organize water transportation routes, guide future decisions regarding infrastructure needs and upland uses adjacent to the Working Port, and integrate natural resources, climate change and water quality policies.



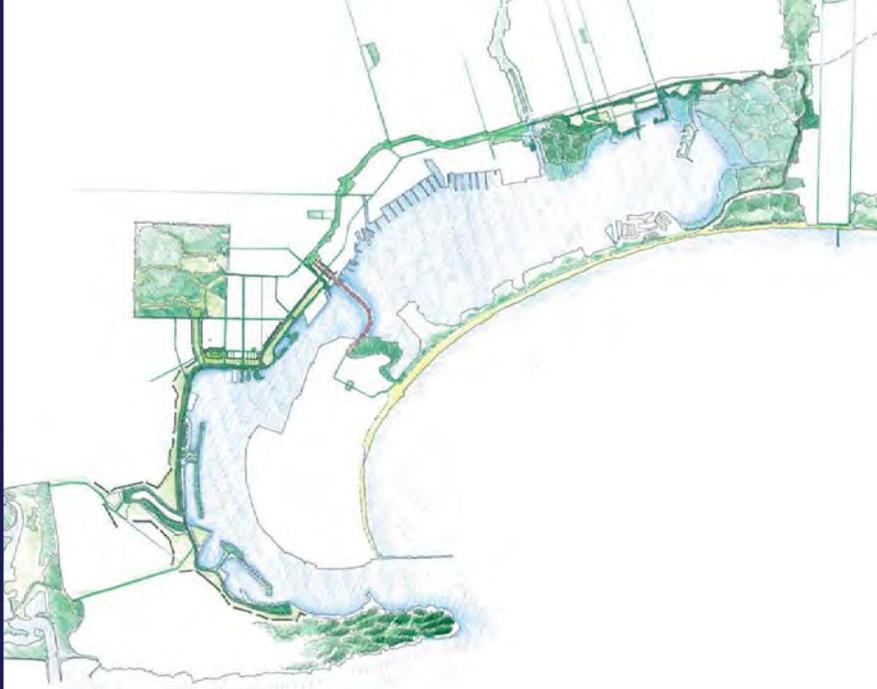
2. Guarantee the public realm

Maximize Waterfront Access. The waters of San Diego Bay are the region's precious and shared asset. The design of places along the waters' edge should respond to multiple and different upland conditions and provide access to the public throughout the Bay in a manner that is meaningful and compatible with adjacent uses. These differences range from the full potential of the North Embarcadero as a major destination, to neighborhood places like Shelter Island and the Chula Vista Bayfront, to the working waterfront and the U.S. Navy, the U.S. Coast Guard, and to quiet natural edges along the Silver Strand, Grand Carribe Island and South Bay National Wildlife Refuge.



3. Celebrate nature and ecology

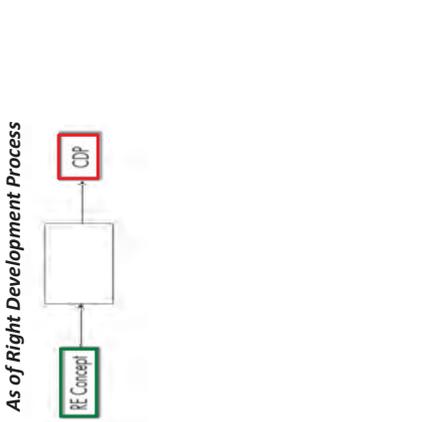
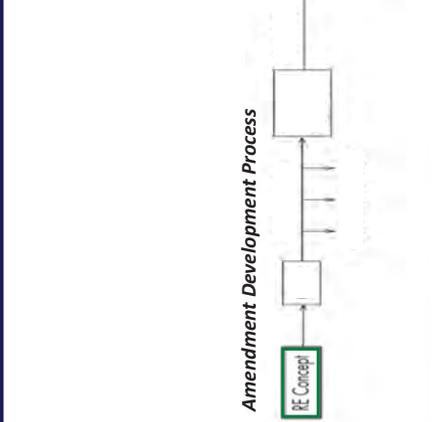
Establish an Environmental Stewardship Strategy. Celebrate the whole Bay as an interrelated marine, estuarine, and bay ecosystem that is valued, managed, protected, and enhanced for its overall impact on biology, economic prosperity, public use, and enjoyment. Promote the careful integration of water, natural resources, open space, and buildings.



LAND



WATER



4. Create a comprehensive open space plan

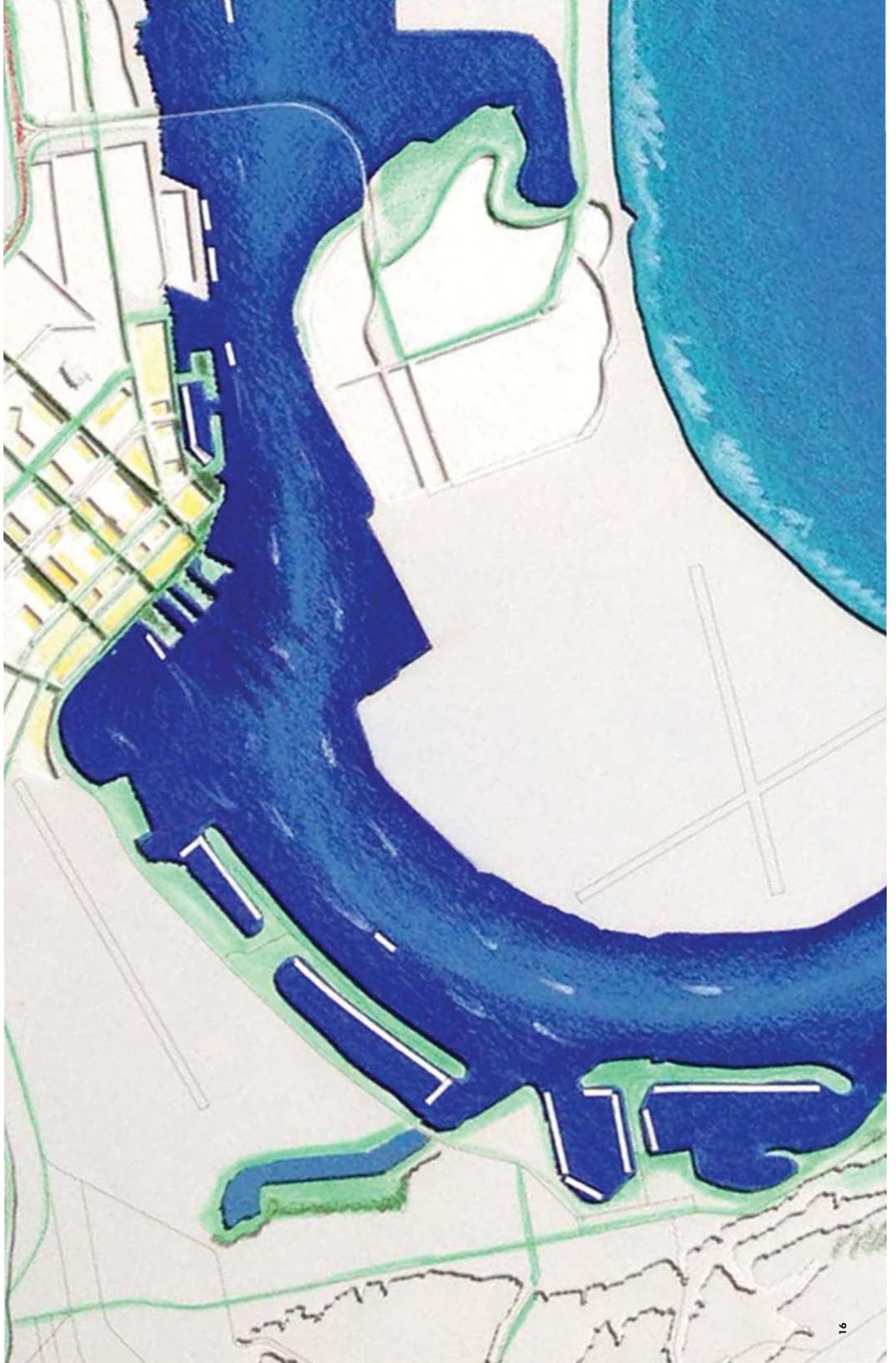
Establish a plan for a continuous network that connects existing and new waterfront parks, streets, and other open spaces. Integrate this network with the Bayshore Bikeway, existing waterfront streets, and any existing and future ferry routes. Consider planning, programming, maintenance, and enforcement of new parks and water access provisions when making decisions related to open space.

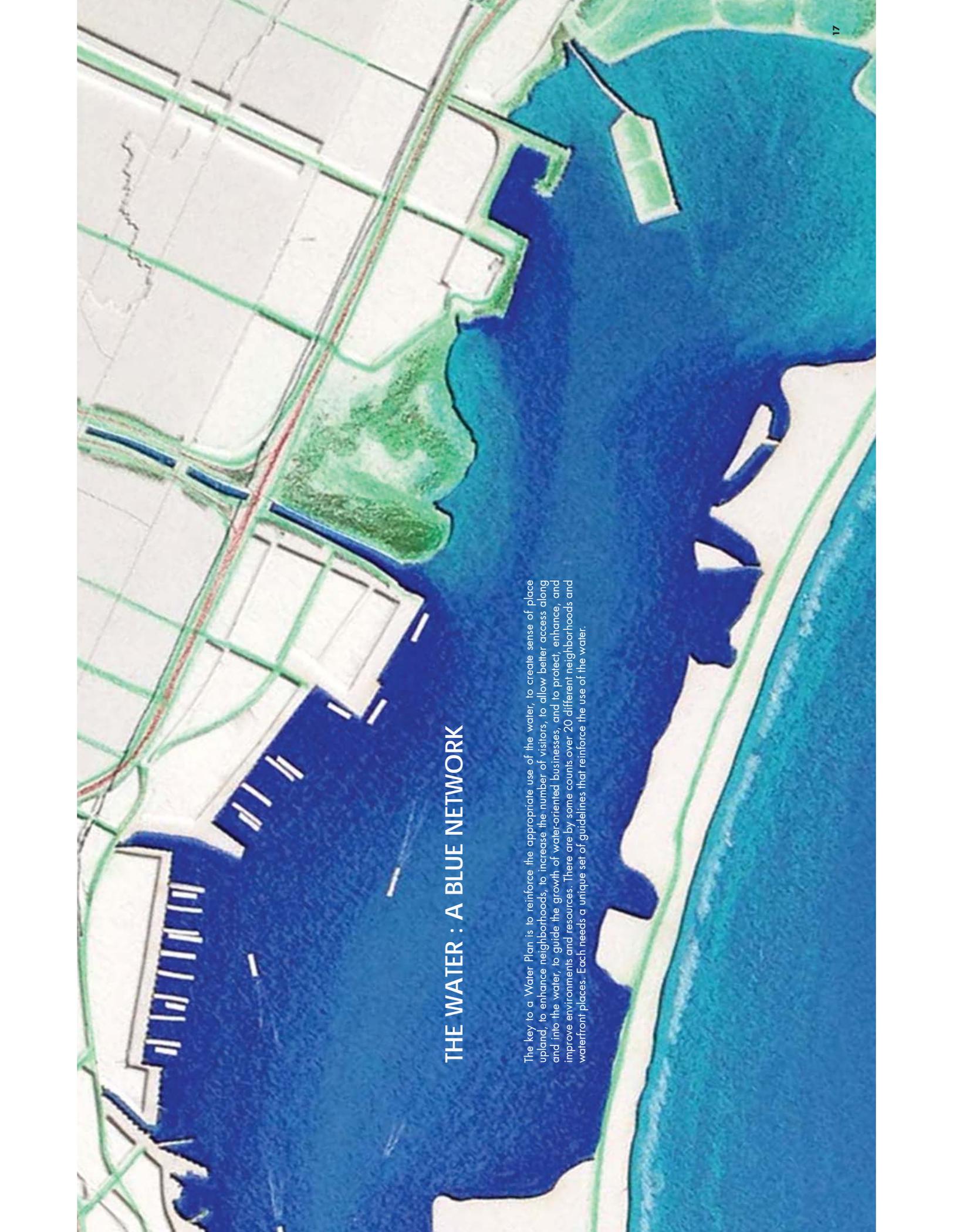
5. Provide easy mobility on land and water

Develop a mobility plan that addresses both land and water transportation in a manner consistent with public health and clean air. Work with appropriate agencies to avoid redundant policies and facilities to create maximum efficiency. Protecting the Bay as a shared navigational waterway is fundamental to the Port and will continue to guide future investments in water transportation. Together, water and land-based transportation infrastructure will help meet the region's mobility needs as part of a single, coordinated, transportation plan that reduces air pollution and promotes access to the Bay in order to facilitate the region's commerce, navigation, fisheries, recreation, and environmental preservation needs. Water transportation should address a range from individual swimmers, kayakers, pleasure boaters, fishing vessels, commercial vessels, ferries, water taxis, cargo, cruise, and naval and public safety vessels. Land transport should address a range from pedestrians, bicyclists, shuttles, autos, buses, light rail, and passenger and freight rail.

6. Streamline the approval process

Create certainty throughout the approval process by improving efficiency and reducing redundancy and time required for action. Create regulations that clearly define what can be achieved without an amendment process. Use the amendment process when hardship and other conditions apply when conformance cannot be achieved. A land use plan should clearly distinguish public land uses from private land use opportunities. Public land uses include streets, parks, waterfront access corridors, easements, and rights-of-way. Private land uses support leaseable land opportunities, define acceptable uses, build-out capacities, development requirements, and required mitigation and environmental compliance policies. The project review and approval process should require conformance to the Master Plan. The project review process should fully coordinate with local, state and regional land and water approval agencies to minimize duplication and redundancy. The purpose of implementing a progressive Port Master Plan is to clarify requirements that are flexible, agile, and adaptive to respond to changing economic conditions and needs over time. Implement and adopt a Port Master Plan that is consistent with the Port Act, State Lands Commission requirements, and the California Coastal Act.



An aerial photograph of a waterfront area, likely a harbor or bay, with a blue network overlay. The network consists of various colored lines (green, red, blue) that trace paths along the water's edge and through the land. The water is a deep blue, and the land is a light tan color. There are several buildings and structures visible along the waterfront, and a large green area in the center. The blue network lines are prominent, showing a complex system of paths that connect different parts of the waterfront and inland areas.

THE WATER : A BLUE NETWORK

The key to a Water Plan is to reinforce the appropriate use of the water, to create sense of place upland, to enhance neighborhoods, to increase the number of visitors, to allow better access along and into the water, to guide the growth of water-oriented businesses, and to protect, enhance, and improve environments and resources. There are by some counts over 20 different neighborhoods and waterfront places. Each needs a unique set of guidelines that reinforce the use of the water.

Key Findings

Water Depth

The channel depth will require deeper dredging over time as cargo vessels become larger. This in turn will require faster and more efficient throughput at the shipyards, an instance again where infrastructure and water plans integrate. There continues to be public discussion about a South Cut through the Silver Strand. Water depth, continuous access and environmental issues come together, yet a long term plan should allow this discourse.

Water Transportation

There is almost no public transportation on the bay today except the Coronado Ferry. A long-term plan would certainly posit a water network of some variety with corresponding park, infrastructure and development plans.

The Water's Edge

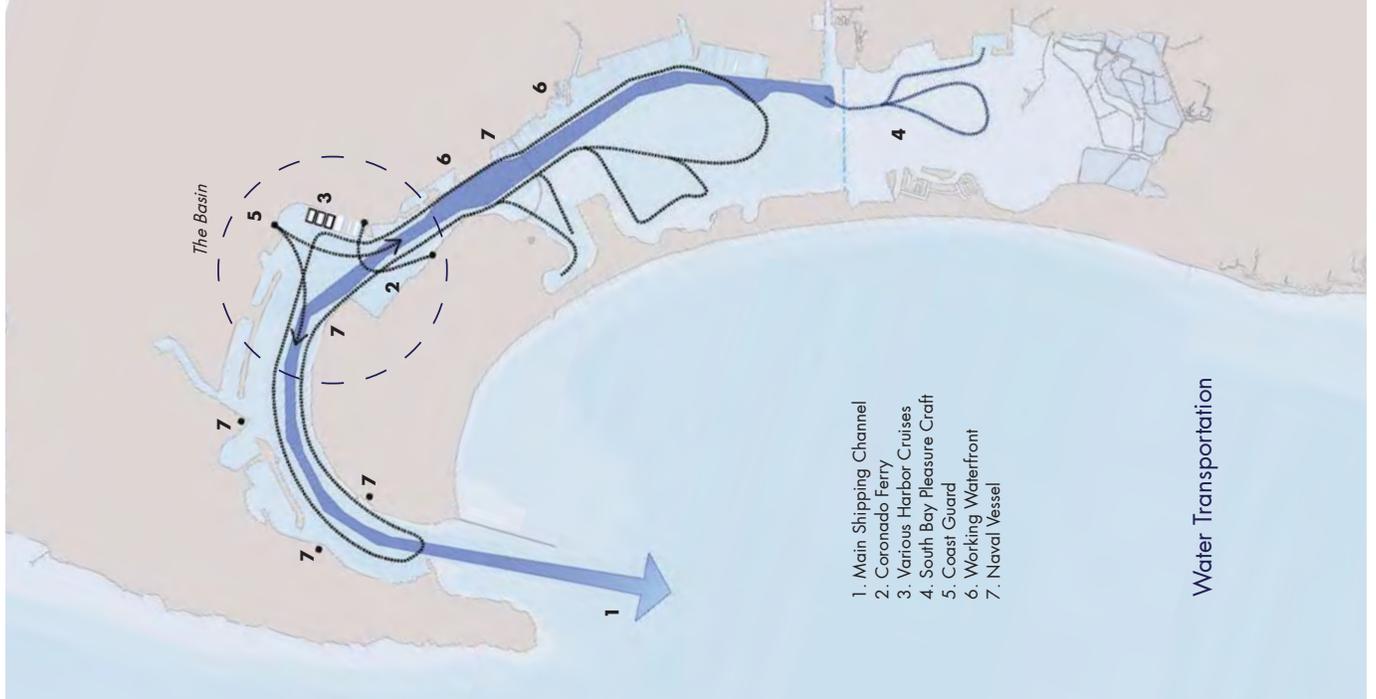
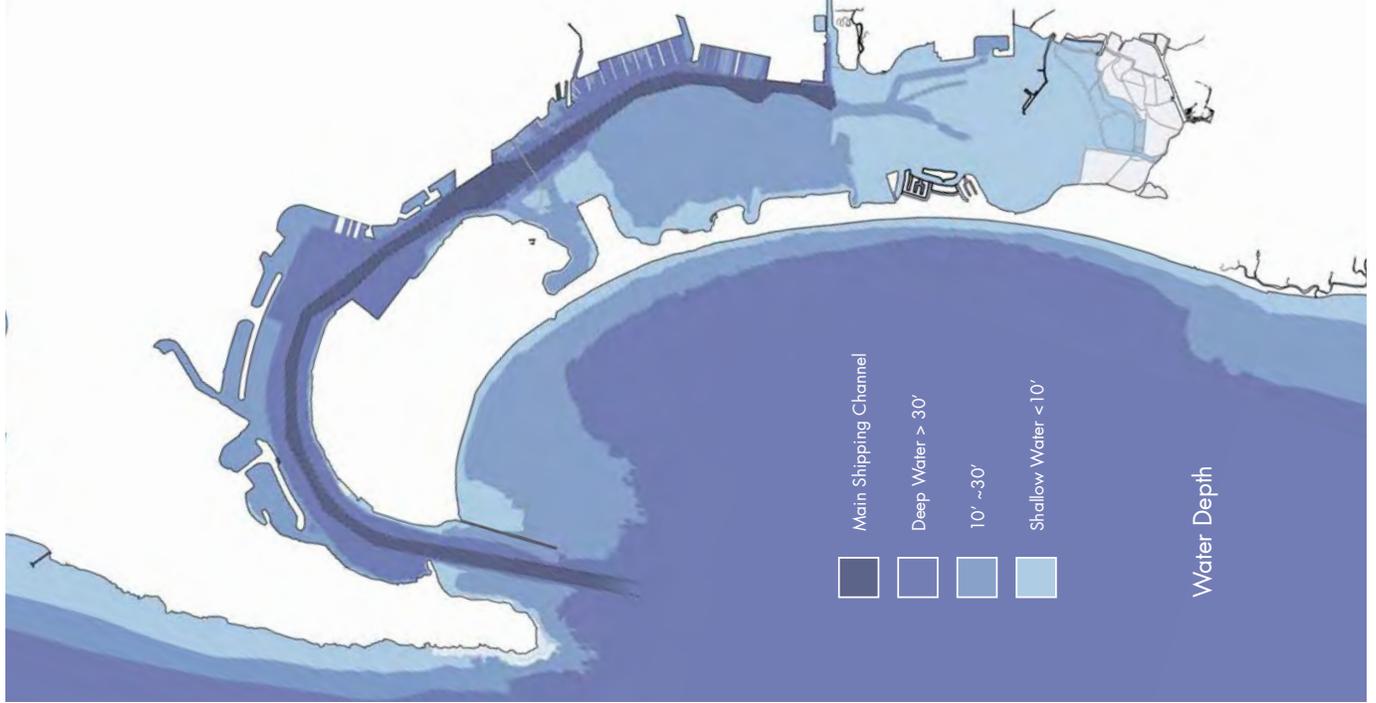
The Bay has over .54 miles of shoreline but with pier, bulkhead and revetment investments the Port has created over 89 miles of water frontage. Very little of this valuable frontage has been capitalized on today.

The Eastern Edge

Most Port land is on the eastern side of the bay. A great variety of water uses are on the east ranging from marinas, to dinner cruises, to cruise ships, the Navy and cargo vessels, to the Sweetwater River and Wildlife Refuge, to the Chula Vista Bayfront.

The Western Edge

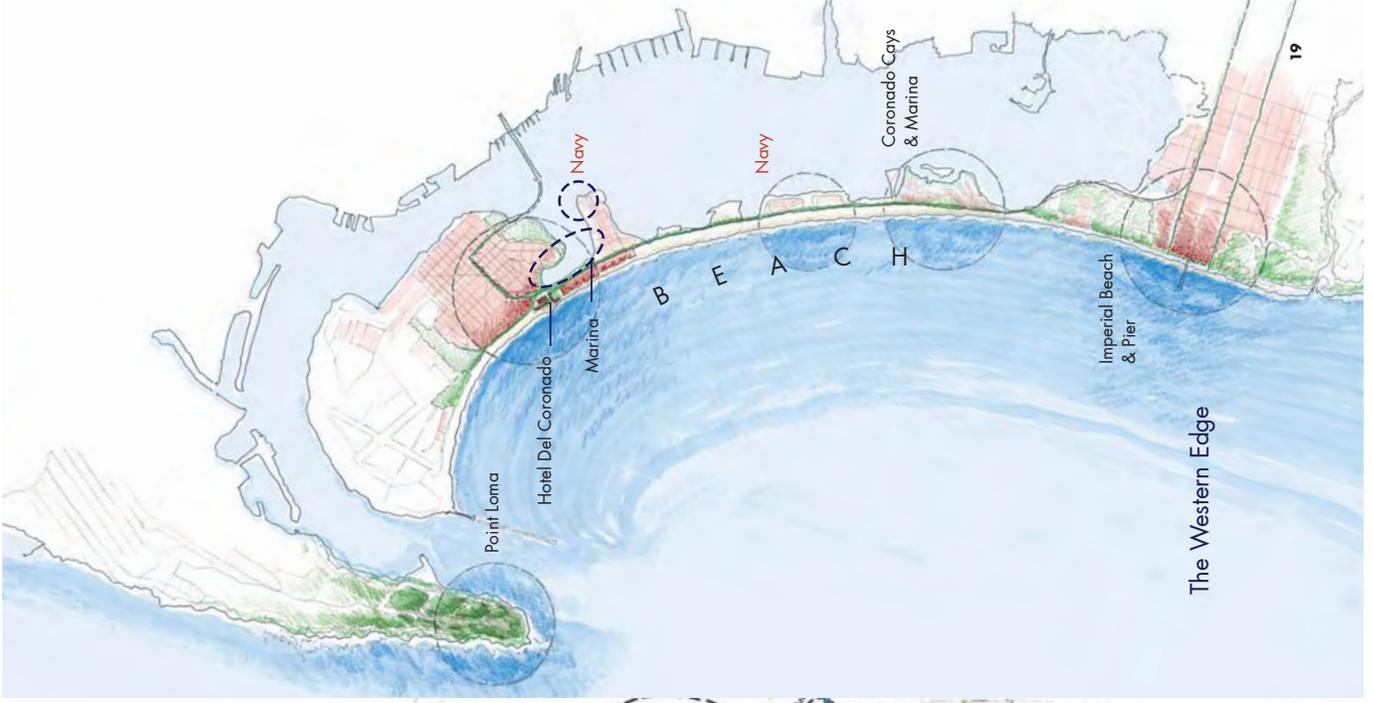
The western edge of the Bay shares attention with the Beach and the Pacific Ocean. With the exception of Coronado Cays and Coronado, the western edge is a special recreational and natural resource.



- 1. Main Shipping Channel
- 2. Coronado Ferry
- 3. Various Harbor Cruises
- 4. South Bay Pleasure Craft
- 5. Coast Guard
- 6. Working Waterfront
- 7. Naval Vessel

Water Transportation

Water Depth



WATERFRONTS

Comparison to Other Waterfronts

Although we studied many waterfronts, three are illustrated here that summarize our teams findings. Each of the diagrams you see are drawn at the same scale, the first comparison is size and shape. The second is a comparison of the character of each place. And third is a comparison of the layout of each port and use of the water.

Port of Long Beach/Los Angeles

The Port of Long Beach/Los Angeles is roughly the size of San Diego Bay but noticeably different in shape with industrial corridors of water versus bodies of water. The character of San Diego Bay is remarkably mixed-use and nestled next to neighborhoods while Long Beach is a straightforward industrial port separated from the city.

Baltimore Inner Harbor

Everyone is always surprised at how small the Inner Harbor is. See how small when overlaid near the Cruise Ship Terminal. Importantly, the vessels flow from large water to medium water to the small water of the Inner Harbor. A different but equally compelling journey happens in San Diego Bay as the water unwinds from the ocean and the city is revealed. Baltimore also has use restrictions along the water, and their success was to establish a continuous park around the water where the city placed all of its attractions. Baltimore's Inner Harbor is part of a larger series of neighborhoods including Fell's Point and Camden. The value of the Inner Harbor has improved every adjacent waterfront neighborhood.

San Francisco Embarcadero

The length of this Embarcadero is similar in length to all of San Diego Bay. The character is similar to San Diego, by that a real city on the water. Although a slightly larger region by some measures, the Port region can follow many successes from San Francisco, especially the use of transportation and greatly improved access. San Diego Bay has two sides/the east and west shores, while San Francisco has one shoreline. San Diego Bay has protected waters and twice the frontage.

WATERFRONT USE

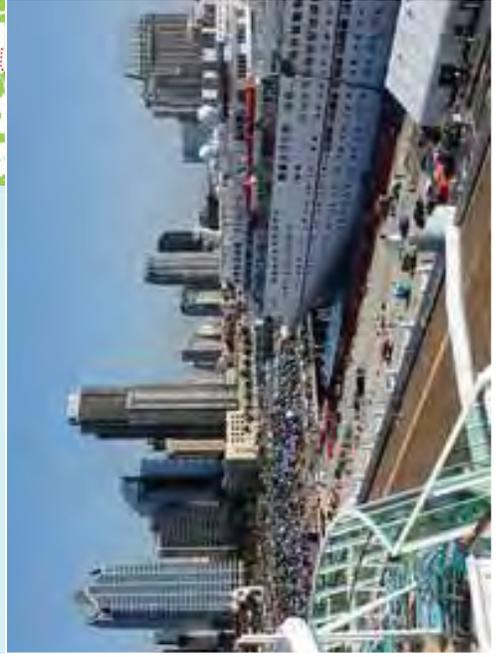
MIXED USE

San Diego Port Jurisdiction



SINGLE USE

Port of Long Beach/ Los Angeles



SHORELINE COMPOSITION

S

Baltimore Inner Harbor



M

San Diego Port Jurisdiction

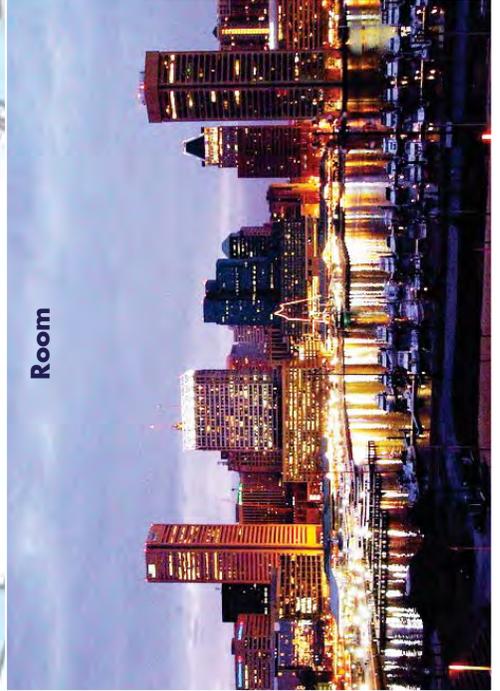


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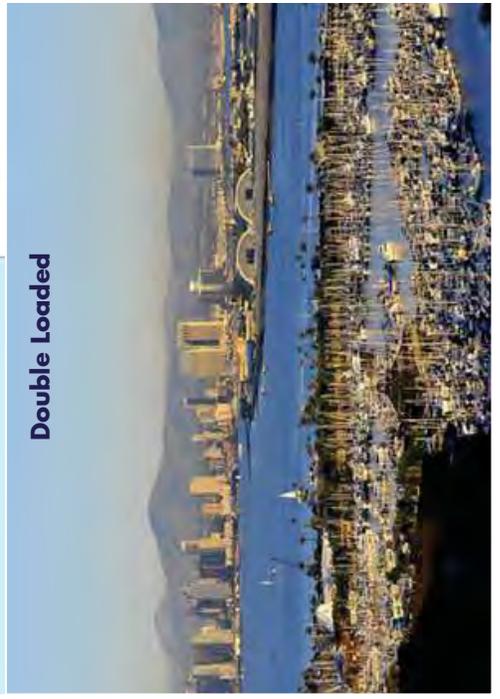
San Francisco Port Jurisdiction



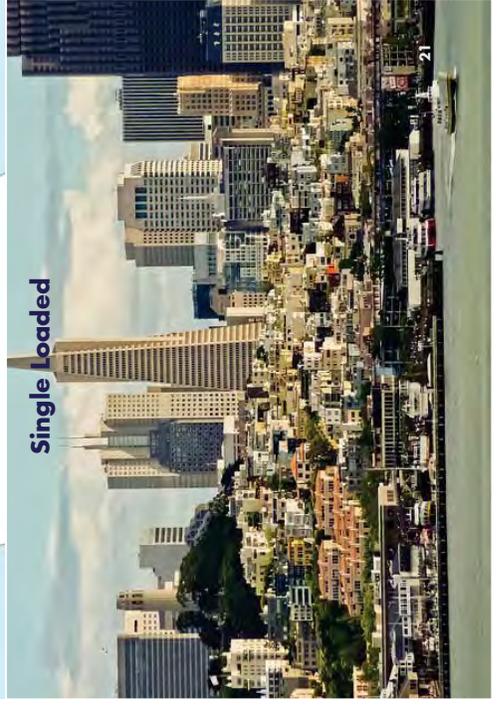
Room



Double Loaded



Single Loaded



Introduction

Since the discovery of San Diego Bay in 1542, the evolution of the cities and the harbor has been inextricably linked. The Unified Port of San Diego is comprised of five member cities (San Diego, National City, Chula Vista, Imperial Beach, and Coronado). These cities, along with the U. S. Navy, have many similarities and significant variations in their relationship to the Bay. In order to properly develop a Port Long-Range Master Plan, it is important to grasp basic issues about the physical, economic and operational constraints and opportunities relating to the Bay and Port marine waterfront assets.

The following is a general discussion supported by a compilation of facts and information related to the Bay and associated infrastructure under the purview of the Port.

Waterfront Infrastructure

The Port operates and maintains a wide variety of piers, wharves, seawalls, rock-revelment slopes and natural shoreline in the Bay. Reference Map 3-6 "San Diego Bay marinas, docks, and public recreational areas", and Map 4-4 "Shoreline habitats and existing structures of San Diego Bay as mapped in 1998" on the following page. These maps were extracted from the March 2013 Port Integrated Natural Resources Management Plan (INRMP). Most of the structures were designed and constructed between 1913 and the 1980s. As would be expected, the condition and remaining service life of these assets varies significantly.

Facilities at three sites comprise the primary marine waterfront infrastructure operated by the Port. Photos of these facilities are provided on pages 26 to 29.

- Embarcadero Facilities (Map 3-6 Facility No. 1 and Photo 1)
 - Navy Pier (Photo 2)
 - Broadway Pier (Photo 3)
 - B St. Pier (Photo 4)
- Embarcadero Wharf (Photo 5)
 - Tenth Avenue Marine Terminal (TAMT) (Map 3-6 Facility No. 2 and Photos 6 - 8)
 - Berths 10-1 through 10-6
- National City Marine Terminal (NCMT) (Map 3-6 Facility No. 3 and Photos 9 - 10)
 - Berths 24-1 to 24-5
 - Berths 24-10 to 24-11

In order to develop a "satellite perspective", it is necessary to make generalizations as relates to overall condition, capacity, etc., so that the information will be useful for master planning purposes. When making these overall evaluations, wherever possible, source documents are referenced. These references will allow the reader to obtain more specific information, if desired.

Primary Facilities

For primary Port marine waterfront facilities, information is provided in tabular format relative to the following categories (ref. Appendix: 2_Water pg.93 Table No. 1-OVERVIEW OF MAJOR PORT OF SAN DIEGO MARINE WATERFRONT FACILITY ASSETS).

Facility Age. The year that the facility was placed in-service, including date(s) of substantial renovation/rehabilitation if known.

Facility condition. The Naval Facilities Engineering and Expeditionary Warfare Center (NAVFAC EXWC) has developed an overall condition rating system that provides a standard classification for all waterfront facilities. In the use of this system, each facility is given an overall condition rating based on the observed conditions. The six terms used to describe the condition of a structure are described below.

The rating indicates the condition of the entire structure and its ability to perform its intended function. Not every element making up the structure has to meet the requirements of the overall rating. In addition, load restrictions may be recommended for areas where isolated deterioration has locally reduced the load carrying capacity of the structure.

"Good" – No problems or only minor problems noted. Structural elements may show some very minor deterioration, but no over stressing observed.

"Satisfactory" – Minor to moderate defects and deterioration observed, but no over stressing observed.

"Fair" – All primary structural elements are sound, but minor to moderate defects and deterioration observed. Localized areas of moderate to advanced deterioration may be present but do not significantly reduce the load bearing capacity of the structure.

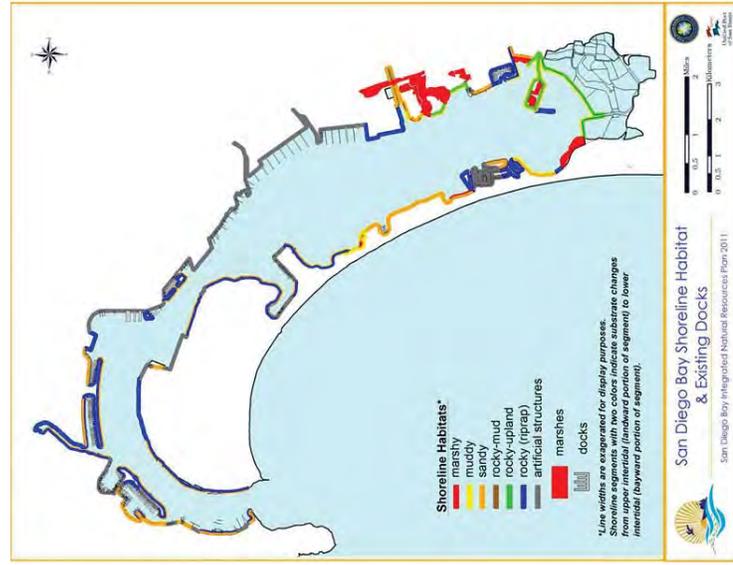
"Poor" – Advanced deterioration or over stressing observed on

widespread portions of the structure.
 "Serious" – Advanced deterioration, overstressing, or breakage may have significantly affected the load bearing capacity of primary structural components. Local failures are possible.
 "Critical" – Very advanced deterioration, overstressing, or breakage has resulted in localized failure(s) of primary structural components. More widespread failures are possible or likely to occur.

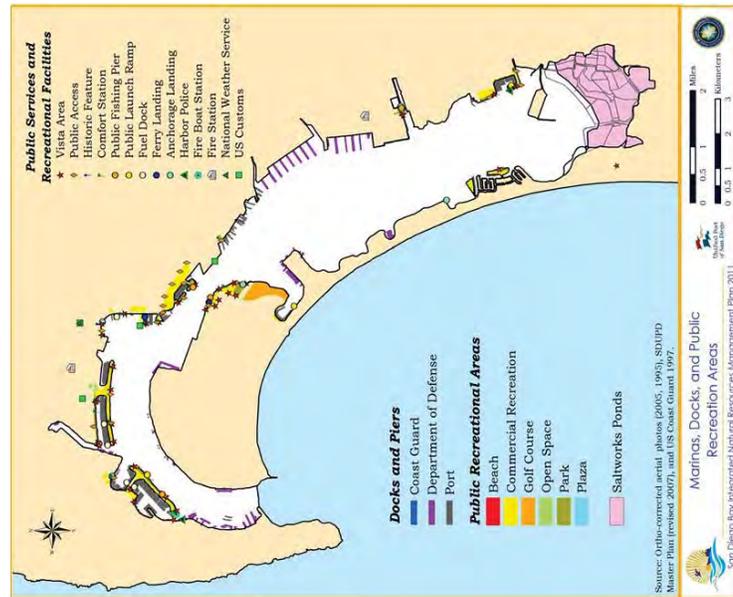
Remaining service life. The concept of remaining service life pertaining to existing marine waterfront infrastructure is often misunderstood. The common definition used in reference to engineering structures is - "Service life – the length of time during which a structure, or facility, can be used economically before emergent damage causes increasing interruptions in facility operations or becomes a threat to public health and safety."

The damage affecting most individual components does not typically degrade in a manner that causes sudden "catastrophic failure". Typically these components continue to decay until a series of less dramatic occurrences makes service limitations obvious. There are several considerations that are important to consider when making a service life evaluation:

Economics. Service life can be prolonged for a facility by increasingly frequent repairs. At some point, this continued investment in repairs necessary to maintain operational viability does not "pencil out" from a return-on-investment perspective. This is especially true when the cost for the repairs is linked with the "operational downtime" (loss of revenue) that occurs during the repair process, or the opportunities lost by virtue of not having



Map 4-4. Shoreline habitats and existing structures of San Diego Bay as mapped in 1998



Map 3-6 San Diego Bay marinas, docks, and public recreational areas

a modern facility. Many times this increasingly frequent repair scenario is the default position when an owner does not have sufficient funds and/or the operational flexibility to allow for construction of a new facility.

Changes in operational use. Given the long-term use of a facility, ongoing operations will expose limitations that effect "service life". Examples of this concept as are as follows:

1. Need for increased load capacity. This includes the use of high-capacity mobile truck cranes and forklifts
2. Construction of modern topside facilities. The introduction of a new facility, such as a cruise ship terminal, emphasizes the disparity in service life between the proposed facility and the existing structure serving as a platform for the new construction.

Changes in design criteria. Engineering and building codes develop over time. Analytical techniques are continuously being developed which allow for more sophisticated engineering analysis. Environmental regulations continue to become more stringent and complex. These considerations may affect change in operational use and the manner in which "service life" is perceived. It is appropriate to consider the following definitions developed by the U.S. Navy and currently being used in regards to marine waterfront facilities repair:

Sustainment - Maintenance and repair activities necessary to keep a typical inventory of facilities in good working order. Sustainment includes regularly scheduled maintenance as well as cyclical major repairs or replacement of components that occur periodically over the expected service life of the facility. Due to obsolescence, sustainment alone does not keep facilities "like new" indefinitely, nor does it extend their service lives. A lack of full sustainment results in a reduction in service life that is not recoverable in the absence of recapitalization funding.

Restoration - Restoration of real property to such a condition that it can be used for its intended purpose. Includes repair or replacement work to restore facilities damaged by inadequate sustainment, excessive age, natural disaster, fire, accident or other causes. The key difference between sustainment and restoration is "service life". If the facility has not exceeded its service life and is being repaired; it is "sustainment." If the facility has exceeded its service life and is being repaired; it is "restoration".

Modernization - Alteration or replacement of facilities solely to implement new or higher standards (typically regulatory changes), to accommodate new functions, or to replace structure components that typically last more than 50 years.

An estimate of remaining service life as defined herein will be provided.

Ship Draft limitations. For a given berth at a facility, the maximum depth that the draft of a ship can have alongside the berth is a function of the berth design and the tidal fluctuation. For facilities in San Diego, the depth of a berth is typically given as an elevation relative to Mean Lower Low Water (MLLW). Where possible, information will be provided relative to the ease of deepening a particular berth or facility.

Vulnerability to the sea level rise. General discussion is provided for this issue. Sea level rise first affects the functionality of the fender system, followed by pier or wharf utilities and issues related to inundation or uplift forces.

Seismic performance [vulnerability to earthquakes]. The ability to analyze, design and construct facilities to resist lateral and vertical forces and displacements resulting from earthquakes is constantly

evolving. As a result, the "bar is constantly being raised" for the performance of new facilities in a major seismic event. This issue is a "moving target", wherein facilities designed today will not meet the design code requirements of the future. Facilities are classified as to their general performance in a major earthquake.

Rail/truck access. This issue is an important feature of modern Port facilities and is a general measure of a facility's capability to economically serve the region. Comments will be provided describing the relative ease of access.

Structural load capacity. For marine waterfront facilities, this is typically measured by the general per-square-foot load capacity; vehicular load capacity; and the capacity to support mobile truck cranes and forklifts.

Potential markets. This issue is a complex subject; however some effort will be made to generally describe the capability to serve particular markets as a function of facility operational limitations.

Secondary Facilities

The Port maintains a number of secondary facilities throughout the Bay in support of sport fishing: commercial fisheries and commercial operations. In addition, there are numerous facilities that are leased and maintained by Port tenants, such as commercial shipyards, marinas, ferries and miscellaneous facilities. Port tenant facilities are beyond the scope of this document. A partial list of secondary facilities operated and maintained by the Port are as follows:

- Shelter Island Fishing Pier (Map 3-6 Facility A and Photo 11)
- Grape St. Piers (Map 3-6 Facility B and Photos 12-14)
Grape St. Piers Nos. 1 and 2
- Grape St. Piers No. 3 (Chevron Pier)
- G St. Mole Facilities (Map 3-6 Facility C and Photos 15-18)
Tuna Boat Pier
Fish Harbor Pier
Fish Market Wharf
- Embarcadero Marina Park Fishing Pier (Map 3-6 Facility C and Photos 19-20)
- Crosby St. Pier (Map 3-6 Facility D and Photo 21)
- Public Pier (Map 3-6 Facility D and Photo 21)
- Chula Vista Marina Pier (Map 3-6 Facility E and Photos 22-23)
- Imperial Beach Pier (Map 3-6 Facility F and Photos 24-25)

The issues related to the general condition and assessments of the secondary facilities are similar to those considered for the primary facilities. Certain aspects may not be applicable depending on the size and function of a specific facility. For secondary Port marine waterfront facilities, information is provided in tabular format (ref. Appendix Table No. 2-OVERVIEW OF SECONDARY PORT OF SAN DIEGO MARINE WATERFRONT FACILITY ASSETS) relative to : facility age, facility condition, remaining service life, draft limitations, vulnerability to sea level rise, seismic performance (vulnerability to

earthquakes), truck access (considerations for rail service are not applicable to these facilities), structural load capacity, and potential markets.

Primary Facilities



Photo 1. Embarcadero Facilities (looking south). The Embarcadero Wharf is seen on the left. The B St. Pier, Broadway Pier, and Navy Pier (with USS Midway) are visible in the right foreground.

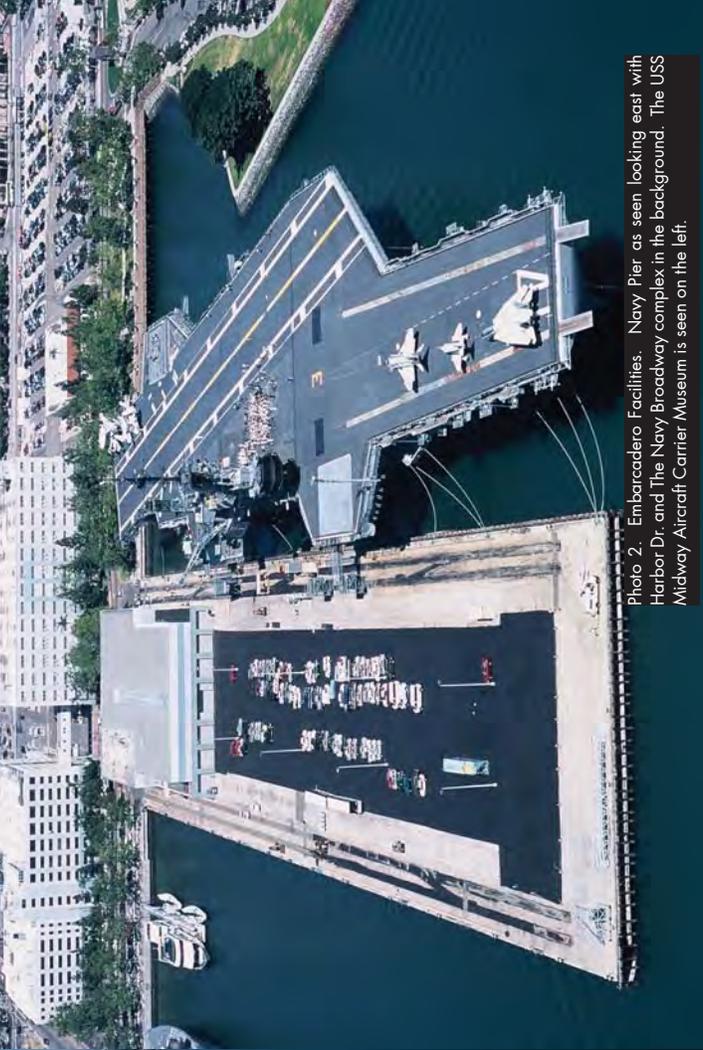


Photo 2. Embarcadero Facilities. Navy Pier as seen looking east with Harbor Dr. and The Navy Broadway complex in the background. The USS Midway Aircraft Carrier Museum is seen on the left.

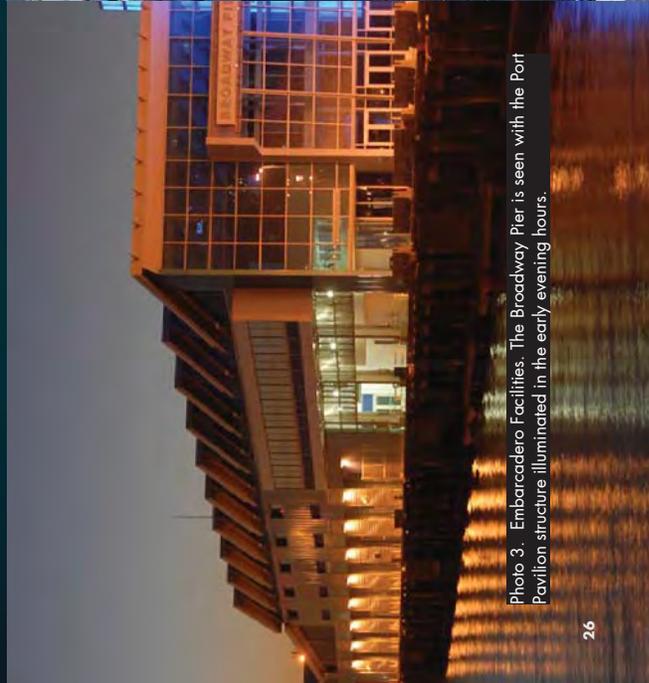


Photo 3. Embarcadero Facilities. The Broadway Pier is seen with the Port Pavilion structure illuminated in the early evening hours.

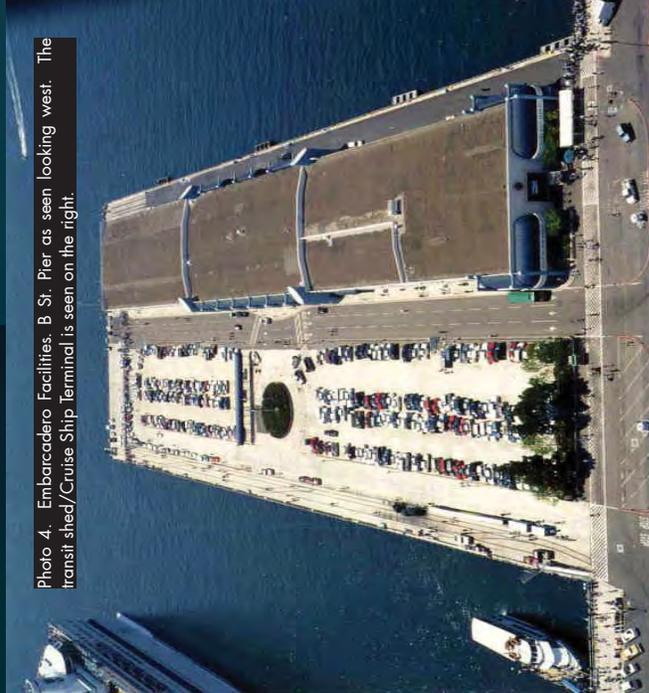


Photo 4. Embarcadero Facilities. B St. Pier as seen looking west. The transit shed/Cruise Ship Terminal is seen on the right.

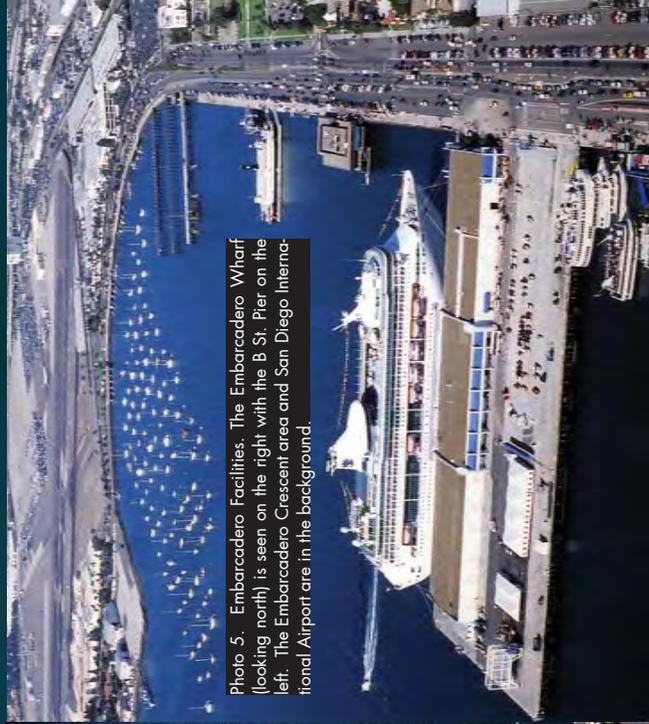


Photo 5. Embarcadero Facilities. The Embarcadero Wharf (looking north) is seen on the right with the B St. Pier on the left. The Embarcadero Crescent area and San Diego International Airport are in the background.



Photo 6. Tenth Ave. Marine Terminal (looking southeast). A Dole refrigerated container vessel is seen on the left (Berth 10-1). The transit shed seen in the foreground has since been substantially demolished. Crosby St Pier and Public Pier are seen directly south of the terminal.

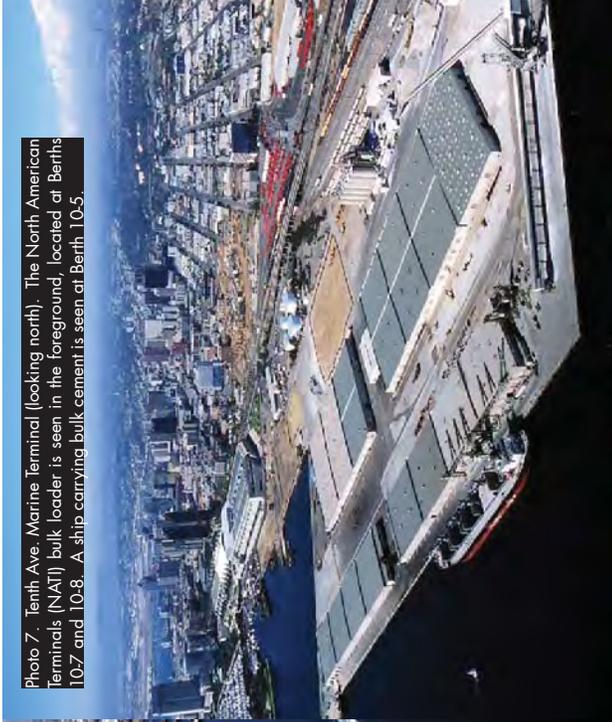


Photo 7. Tenth Ave. Marine Terminal (looking north). The North American Terminals (NAT) bulk loader is seen in the foreground, located at Berths 10-7 and 10-8. A ship carrying bulk cement is seen at Berth 10-5.



Photo 8. Tenth Ave. Marine Terminal. Refrigerated containers are being unloaded onto a flatbed truck for storage at the adjacent refrigerated container yard. This is typical of the Dole operations at Berth 10-1. Dole is a long-term tenant.

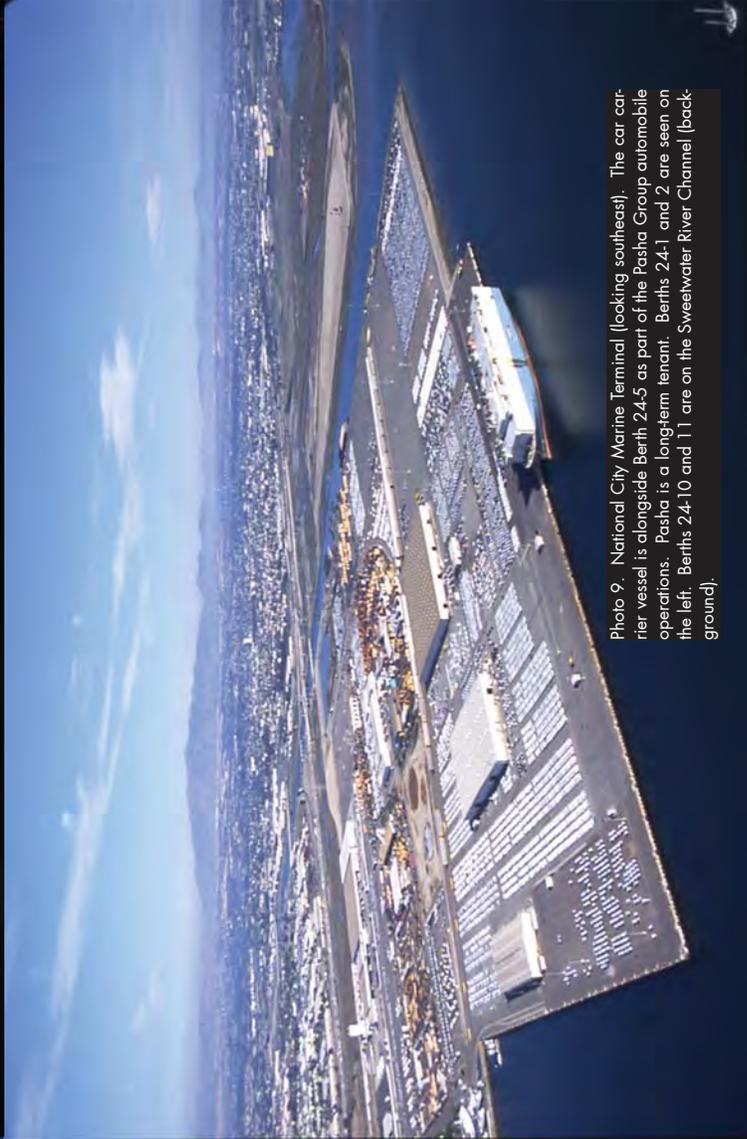


Photo 9. National City Marine Terminal (looking southeast). The car carrier vessel is alongside Berth 24-5 as part of the Pasha Group automobile operations. Pasha is a long-term tenant. Berths 24-1 and 2 are seen on the left. Berths 24-10 and 11 are on the Sweetwater River Channel (background).

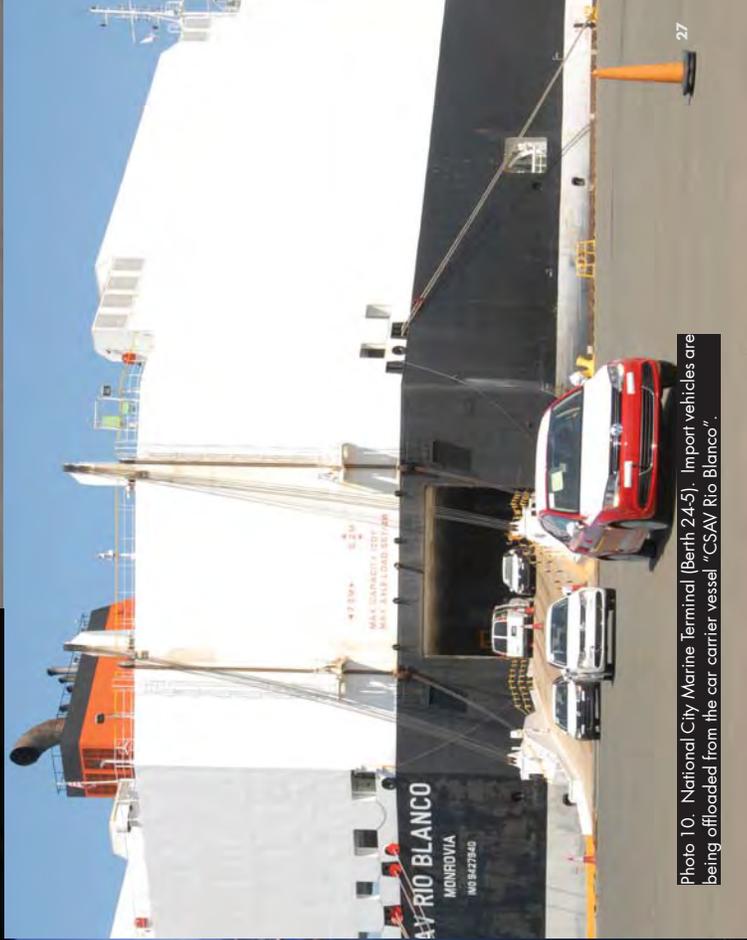


Photo 10. National City Marine Terminal (Berth 24-5). Import vehicles are being offloaded from the car carrier vessel "CSAV Rio Blanco".

Secondary Facilities



Photo 11. Sheller Island Fishing Pier (looking east). The rock revetment in the foreground is exposed because of an extremely low tide. Eel Grass can be seen at the water's edge.



Photo 12. Grape St. Piers (looking east). Pier Nos. 1 and 2 are timber structures in poor condition - formerly used to support the San Diego tuna fleet. Pier No. 3 on the right will be formerly known as "Chevron Pier".



Photo 16. G St. Mole Facilities. The photo shows the top deck of Tuna Boat Pier. A floating dock system providing berthing for small commercial fishing vessels can be seen in the background on the right.



Photo 17. G St. Mole Facilities. Photo of Fish Harbor Pier (looking west). Both Tuna Boat Pier and Fish Harbor Pier are outfitted with concrete wave attenuation panels that project down into the water, thereby providing shelter for Fish Harbor.

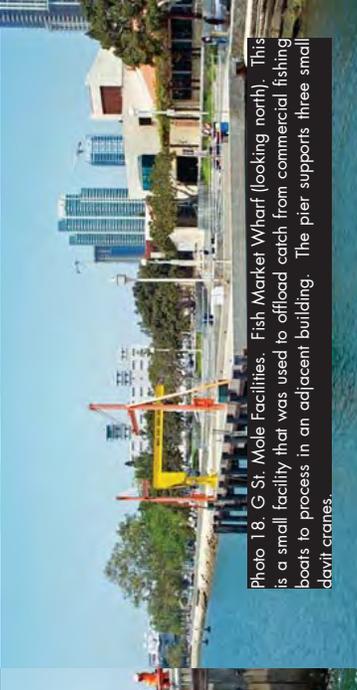


Photo 18. G St. Mole Facilities. Fish Market Wharf (looking north). This is a small facility that was used to offload catch from commercial fishing boats to process in an adjacent building. The pier supports three small davit cranes.

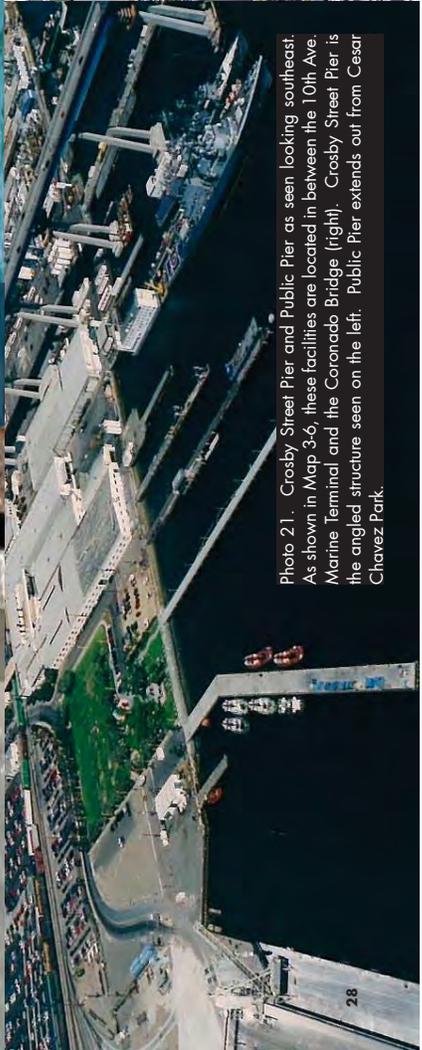


Photo 21. Crosby Street Pier and Public Pier as seen looking southeast. As shown in Map 3-6, these facilities are located in between the 10th Ave. Marine Terminal and the Coronado Bridge (right). Crosby Street Pier is the angled structure seen on the left. Public Pier extends out from Cesar Chavez Park.



Photo 22. Chula Vista Marina (looking southeast). The Chula Vista Marina Pier can be seen in the right foreground, adjacent to the vessel entering the Marina. The pier provides shelter for the marina and public access to the water.



Photo 13. Grape St. Pier No. 1 (looking west). Plywood has been laid over the rough timber deck in order to accommodate public access to the Harbor Excursion vessel at the outboard end of the pier. This timber pier is more than 50 years old - well beyond its design service life.



Photo 14. Grape St. Pier No. 1 (Chevron Pier). Unlike Pier No. 1 and 2 (timber piers) this pier is a concrete structure (built in the early 1970s). Formerly used as a marine fueling station, it is now used to berth larger Harbor Excursion vessels such as the "Inspiration Hornblower."

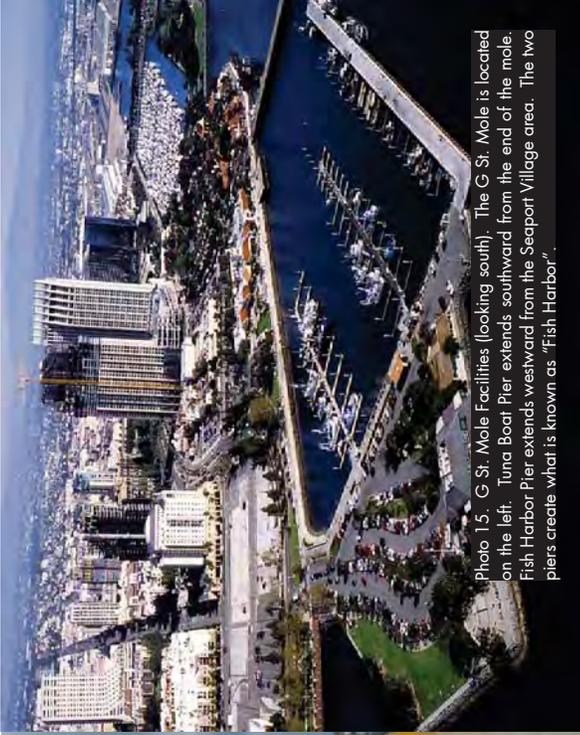


Photo 15. G St. Mole Facilities (looking south). The G St. Mole is located on the left. Tuna Boat Pier extends southward from the end of the mole. Fish Harbor Pier extends westward from the Seaport Village area. The two piers create what is known as "Fish Harbor."

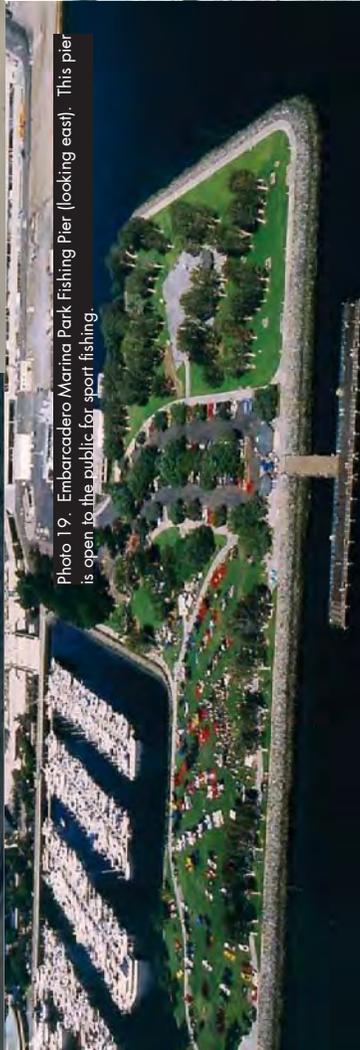


Photo 19. Embarcadero Marina Park Fishing Pier (looking east). This pier is open to the public for sport fishing.

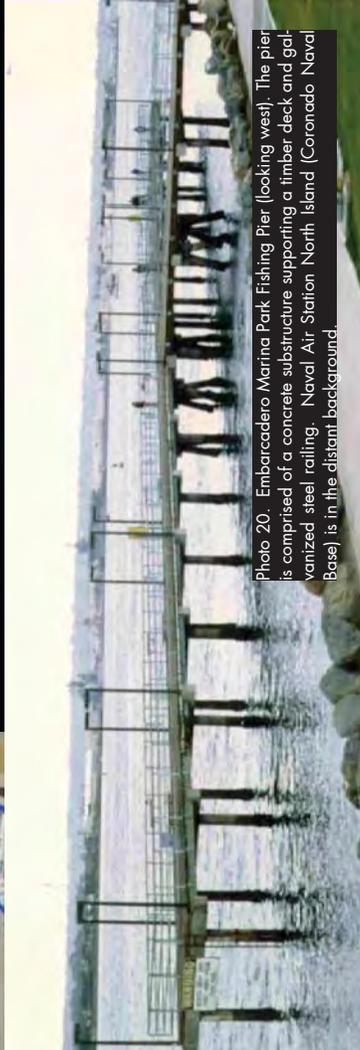


Photo 20. Embarcadero Marina Park Fishing Pier (looking west). The pier is comprised of a concrete substructure supporting a timber deck and galvanized steel railing. Naval Air Station North Island (Coronado Naval Base) is in the distant background.



Photo 23. Chula Vista Marina (looking south). Like the piers at Fish Harbor, this is a concrete structure that supports wave attenuation panels suspended from the west side of the pier to provide shelter for the marina.

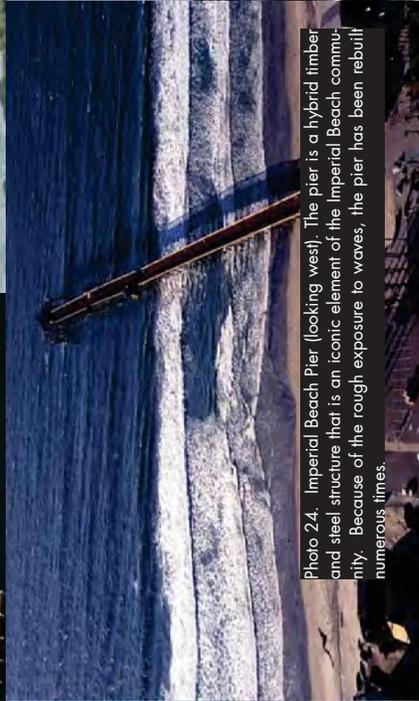


Photo 24. Imperial Beach Pier (looking west). The pier is a hybrid timber and steel structure that is an iconic element of the Imperial Beach community. Because of the rough exposure to waves, the pier has been rebuilt numerous times.

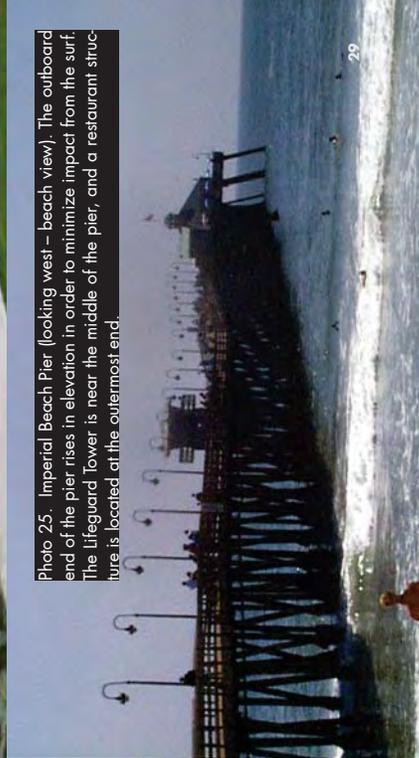


Photo 25. Imperial Beach Pier (looking west - beach view). The outboard end of the pier rises in elevation in order to minimize impact from the surf. The Lifeguard Tower is near the middle of the pier, and a restaurant structure is located at the outermost end.

San Diego Bay

The following information is presented as an assessment of San Diego Bay and support of development of a 50-year vision plan. Factors to be considered in such an assessment are diverse and have varying degrees of complexity. Factors which pertain to long-term planning in relation to waterfront infrastructure and use of the Bay waters are identified.

Jurisdiction over the Bay and Tidelands

The Port Act grants the Port of San Diego Jurisdiction over the "San Diego Bay Tidelands". Tidelands are defined as "the area included within the historic mean high tide line of San Diego Bay, including underwater lands". The "Tidelands" area can be considered as roughly that area around the harbor delineated by the purple dotted line "1850 Mean High Tide Line" shown on Map 3-4, and by the goldenrod-colored areas depicted on Map 2-3.

Other entities that own tidelands around the Bay include the U.S. Navy; the U.S. Fish and Wildlife National Wildlife Refuge System; the State of California; the County of San Diego, and the cities of San Diego and Coronado, as shown in Table 3-1 (from Port of San Diego Master Plan 2010).

Table 3-1. San Diego Bay Tidelands by ownership. ^a The Port's Master Plan deals primarily with land that the State Legislature has conveyed to the Port District to act as trustee and administration, and upon which the Port has regulatory duties and proprietary responsibilities.

Owner	LAND		WATER ^b		TOTAL	
	acres	%	acres	%	acres	%
Federal	1,882	43	1,050	10	2,932	19.8
State of California ^c	12	0.3	6,480	61	6,502	43
Port of San Diego	2,491	55	2,992	29	5,483	37
County and City	34	0.7	0	0	34	0.2
Totals	4,419	100	10,532	100	14,951	100

When only the perimeter of the shoreline is considered, Table 3-2 is shown the relative percentage of ownership for the entities. A comparison of ownership percentages on the basis of area (Table

3-1) versus the percentage of ownership based on shoreline (Table 3-2) illustrates the difference, which is a function of the unit of measurement considered. For example, the Navy holds deeds to approximately 20% of the total tideland area, but 37% when considering total shoreline.

Table 3-2. San Diego Bay shoreline by ownership. ^a

Owner	MILES	PERCENTAGES
Federal Military (deeded)	19.88	38.9
State of California (Department Parks & Recreation)	00.45	00.8
Port of San Diego (granted tidelands)	33.10	61.3
City of Coronado (granted tidelands)	00.48	00.9
Totals	54.01	100.0

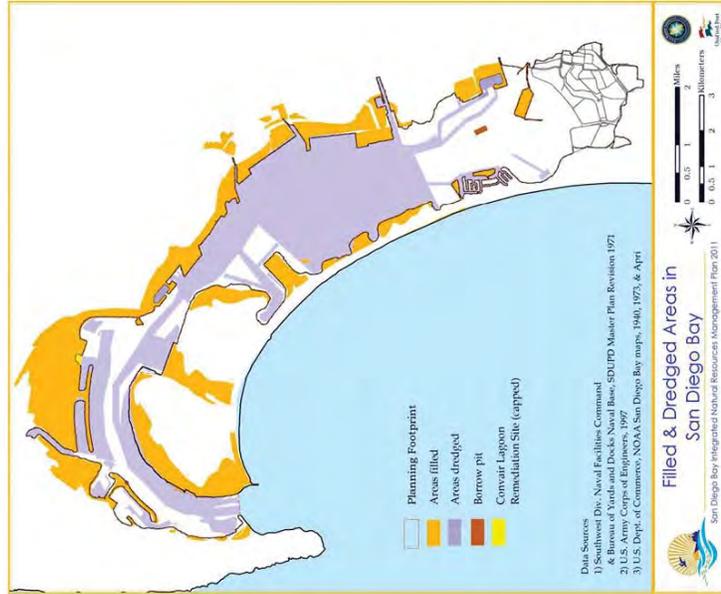
^a Port of San Diego Master Plan 2010

In 1962, the state legislature granted sovereign land in trust to the Port for the purpose of operating and maintaining Port facilities for statewide benefit. About 33% of the total tidelands and almost 67% of the bay's shoreline were granted to the Port by the state. Over 50% of the filled tidelands are under Port jurisdiction. The California State Lands Commission (SLC) retains ownership of the majority of submerged lands in the bay, with the exception of the Main Ship Channel Navigation Corridor (Federal Navigable Waterway), the salmon-colored area shown in map 3-5. **To recap, the federal government owns the main ship channel, the Port and other entities own various portions of the Tidelands, and the SLC retains ownership of the submerged bay land in between.**

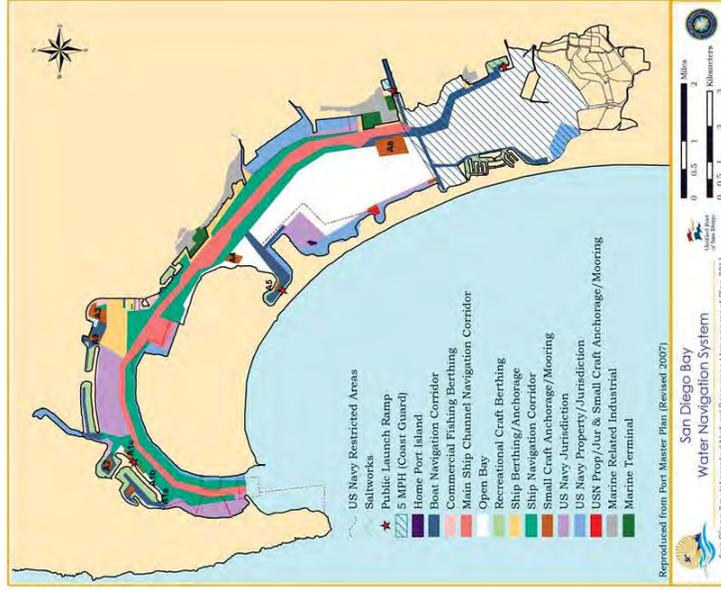
When taking into consideration a 50-year vision plan for San Diego Bay, it is necessary to understand these areas of jurisdiction and the potential limitations they impose on planning for the bay for Port of San Diego purposes. It is a "mythical truth" to contend that these delineations of jurisdiction cannot be changed, but it is true that they cannot be changed easily without going through certain legal and legislative processes.



Map 3-4. San Diego Bay Port Jurisdiction Master Plan water use designations



Map 2.3 Cumulative history of dredge and fill activity in San Diego Bay



Map 3.5 San Diego Bay water navigation systems and restricted areas

Federal Navigable Waterway (Main Ship Channel Navigation Corridor)

For planning purposes, it is necessary to understand the purpose of the Federal Navigation Waterway in San Diego Bay. This channel is maintained by the U. S. Army Corps of Engineers. It is the Corps' responsibility to maintain channel depths necessary to allow passage of U.S. Navy vessels critical to the nation's defense. The Federal Navigable Waterway ensures deep water access to Naval Base Point Loma (Map 3-5 location "A"); Naval Air Station North Island (Map 3-5 location "B"); Naval Base San Diego (Map 3-5 location "C"); and Naval Amphibious Base (Map 3-5 location "D").

Currently, the Federal Navigable Waterway is maintained at a depth of -50.0 ft MLLW south of the harbor entrance (Map 3-5 location "1"). The depth is reduced to -47.0 ft between the harbor entrance and Naval Air Station North Island (Map 3-5 location "2"). In the area of the Aircraft Carrier Turning Basin at Naval Air Station North Island (Map 3-5 location "3") the depth is increased to -50.0 ft MLLW. Between the Aircraft Carrier Turning Basin and the 10th Ave. Marine Terminal (Map 3-5 location "4"), the channel depth is maintained at -42.0 ft MLLW. South of the Coronado Bridge, in the region of Map 3-5 location "5", the channel depth is maintained at -35.0 ft MLLW. This depth allows access to Naval Base San Diego and south to the National City Marine Terminal - designated as "Strategic Port Facility" for use by the U.S. Navy in a national emergency. Fig. 1-2 is taken from a 1998 Port document that defines the navigable waterway and associated depths.

The Port enjoys the deep water access provided by the Army Corps and does not have to contribute to the cost of the channels maintenance. In considering a 50-year vision plan, the following

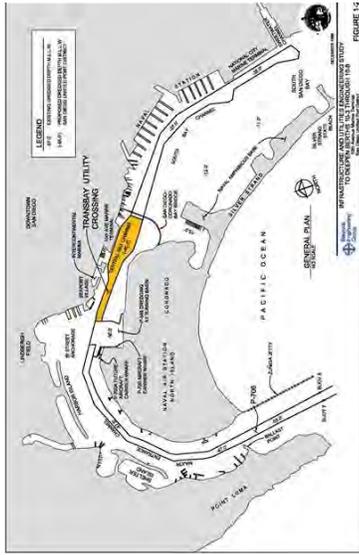


Figure 1-2 Infrastructure and Utilities Engineering Study

concepts should be considered:

1. Ship Draft. The trend for containerized cargo and bulk cargo vessels is heading towards larger and deeper draft vessels. While it would be advantageous for the Port to have deep draft capability, the costs associated with deepening the navigable waterway are significant. **It has been established (ref. Appendix Table No. 1-OVERVIEW OF MAJOR PORT OF SAN DIEGO MARINE WATERFRONT FACILITY ASSETS) that improving existing Port waterfront assets (Embarcadero Facilities, 10th. Ave. Marine Terminal and National City Marine Terminal) to accommodate deep water berthing is a difficult and uneconomical proposition.**
2. Trans-bay utilities. Figure 2-1 shows the trans-bay location of concentrated utilities shown in Figure 1-2. This area extends from

San Diego (Seaport Village) to the Coronado Ferry Landing area. These utilities consist of large diameter potable water pipelines; sewage pipelines; natural gas pipelines; and electrical utilities. Underneath the channel, these pipelines are located at a range between -50.0 ft and -58.0 ft MLLW. These utilities are at a fixed elevation. It is necessary to keep a minimum of 10 ft of cover over the utilities. **In order to extend deep water beyond this location, it would be necessary to lower the utilities accordingly - a costly proposition.**

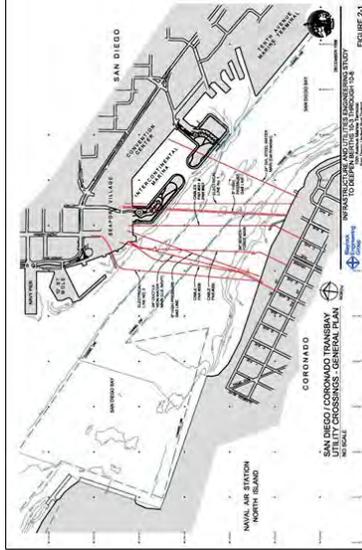


Figure 2-1 Infrastructure and Utilities Engineering Study

3. San Diego-Coronado Bridge Air Draft. Another critical consideration that affects the Federal Navigable Waterway is the clearance between the water and the underside of the bridge (air draft). The elevation of the underside of the bridge is +195 ft MLLW.

This is insufficient air draft for certain types of ships (aircraft carriers and large cruise ships) that prevent their passing underneath the bridge into the South Bay area - particularly at high tide. This is one of the reasons that the aircraft carriers berths at Naval Air Station North Island. Obviously, long-term considerations for deep water berthing for mega-ships in the South Bay area need to consider this limitation.

Protected and Environmentally Sensitive Bay Areas

Map A and Maps 2-13, 2-14, and 2-22 illustrate environmentally sensitive areas within San Diego Bay including Eelgrass beds; California Least Tern nesting/foraging areas; salt marsh habitat and shoreline habitat. The Maps are taken from the Port document titled "San Diego Bay Integrated Natural Resources Management Plan", March 2013, jointly prepared by the Port and the Naval Facilities Engineering Command Southwest Division. This figure and maps generally portray those areas that are considered especially environmentally sensitive locations. Briefly the issues regarding these areas are as follows:

Eelgrass. Eelgrass (*Zostera marina*) is a marine plant typically found



Eelgrass

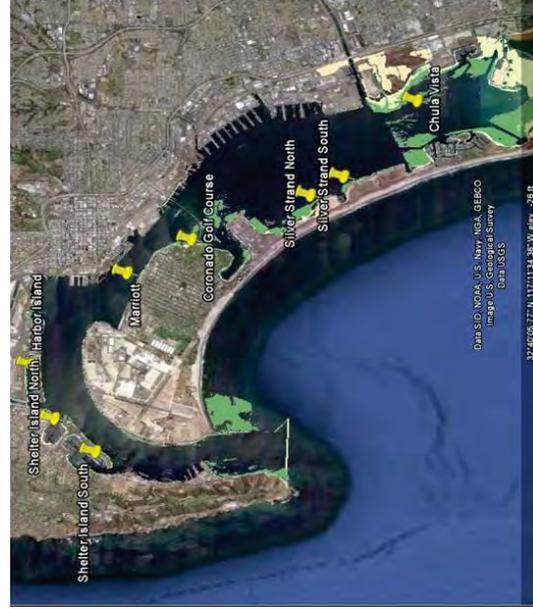
in soft bottom bays and estuaries.

- Eelgrass provides nursery habitat for commercial and recreational fish that use it for predation refuge and as a food source.
- Eelgrass traps sediment and improves water visibility.
- Eelgrass beds are feeding locations for birds, fish and invertebrates.

Eelgrass flourishes in up to 15 ft of water depth, and is a valuable resource for examining long-term trends in ecosystem health due to its location in shallow water and at the waterline and adaptability to a wide range of stressors.

Salmarsh and other habitats Map 2-13 illustrates the variety of habitats present within San Diego Bay. The habitats vary from wetlands, intertidal habitat, coastal sage, scrub, sandy beach, salt ponds and many other types. Considering a 50-year vision plan, environmental restrictions will become increasingly prohibitive to protect the sensitive areas. This will limit the ability to develop new infrastructure and facilities along the waterfront. Map 2-14 provides a variation on the habitat theme indicating different types of shorelines that support environmentally sensitive areas.

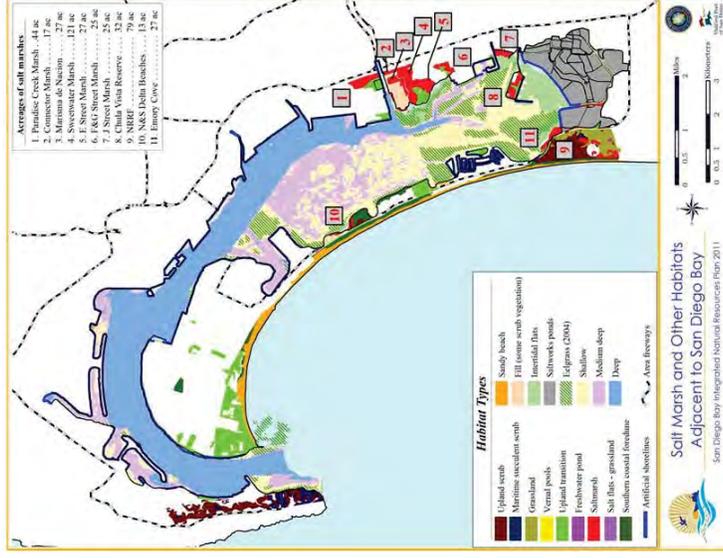
The California Least Tern (*Sterna antillarum brownii*)
 This bird is a subspecies of Least Tern that breeds primarily in bays of the Pacific Ocean within a very limited range of Southern California, in San Francisco Bay and in and extreme northern Mexico. This migratory bird is a U.S. federally listed endangered subspecies. The total population of the subspecies amounted to 582 breeding pairs in 1974, when census work on this bird began. While numbers have gradually increased with its protected status, with over 5,000 pairs statewide, the species is still vulnerable to natural disasters or further disturbance by man.



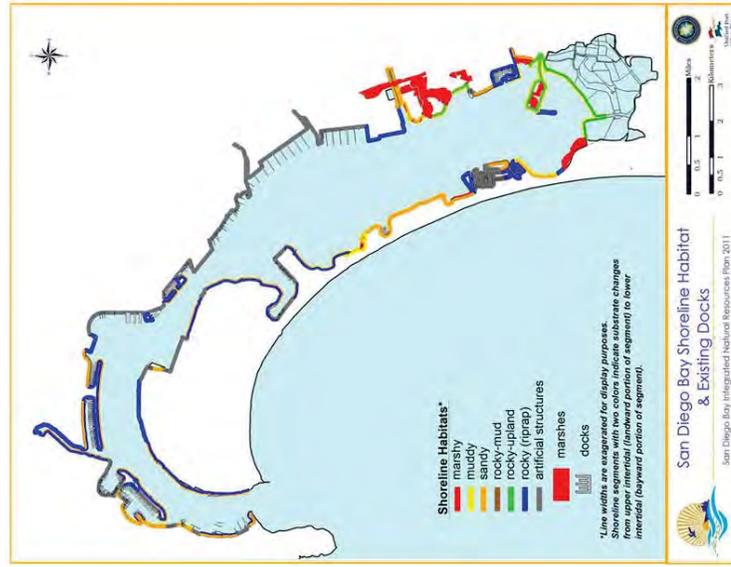
Map A. Map of eight sites surveyed in San Diego Bay

Map 2-22 identifies Least Tern nesting areas in San Diego Bay. Because of their protected status, development or waterfront construction work significantly impacting these areas (particularly during nesting season) is prohibited, making infrastructure expansion into these areas difficult.

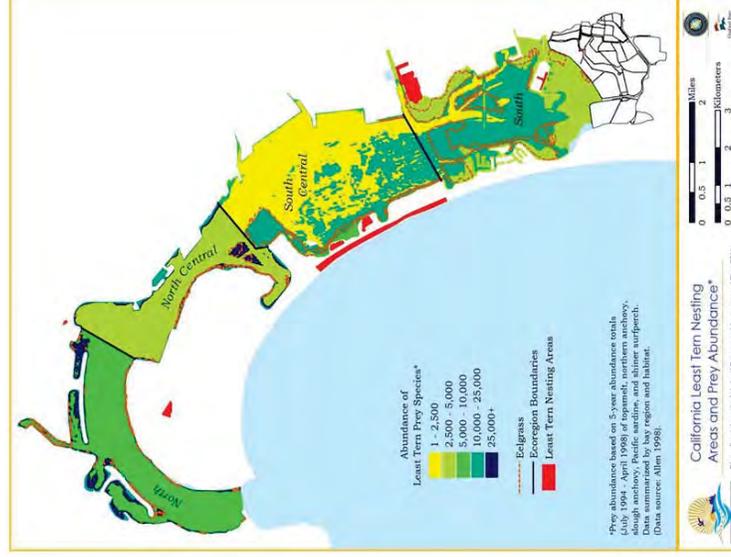
Long-term plans for development of the waterfront and San Diego Bay must take into account the limitations introduced by these environmentally sensitive areas, and related permitting issues associated with construction.



Map 2-13 Saltmarsh and upland transition adjacent to San Diego Bay



Map 2-4 Shoreline habitats and existing structures of San Diego as mapped in 1998



Map 2-22 Approximate California least tern prey locations, based on fish abundance estimates, and nesting areas in San Diego Bay

Areas of Concentrated Contaminants

Significant environmental-related improvements in San Diego Bay have been made over the last 25 years. Water quality is markedly improved and locations of contaminated sediments have been identified and continue to be removed. Many of these contaminated locations center on historic locations of shipyards, marinas, and locations where creeks enter the Bay. Map B shows examples of commonly known historic locations of concentrated contaminants.

Future development must take into account the location of these contaminants and include plans for removal or remediation.

Potential locations for future pier/wharf development

The previous discussion has identified and number of parameters that seemingly prevent significant future pier and wharf development at new locations within the Bay. There are increasing demands upon available shoreline and water space coming from such diverse interests as environmental concerns, industrial interests, U.S. Navy security, large vessel ship traffic, and a myriad of other factors. To briefly recap, the following items should be considered as key planning principles for future facility development.

1. Jurisdiction over the Tidelands and San Diego Bay. There are a variety of competing interests that prevent the Port from having absolute autonomy to make planning decisions.
2. Federal navigable waterway. Federal interests concerned with maintenance of this waterway and access of naval vessels to naval installations will take priority and likely trump local interests. Costs associated with deepening trans-bay utilities and extending deep water to the National City Marine Terminal will need to be justified.
3. Air draft limitations imposed by the San Diego - Coronado Bridge. This limits the ability to use the South Bay region for large vessels.



Map B. Examples of historic locations of concentrate contaminants in sediment

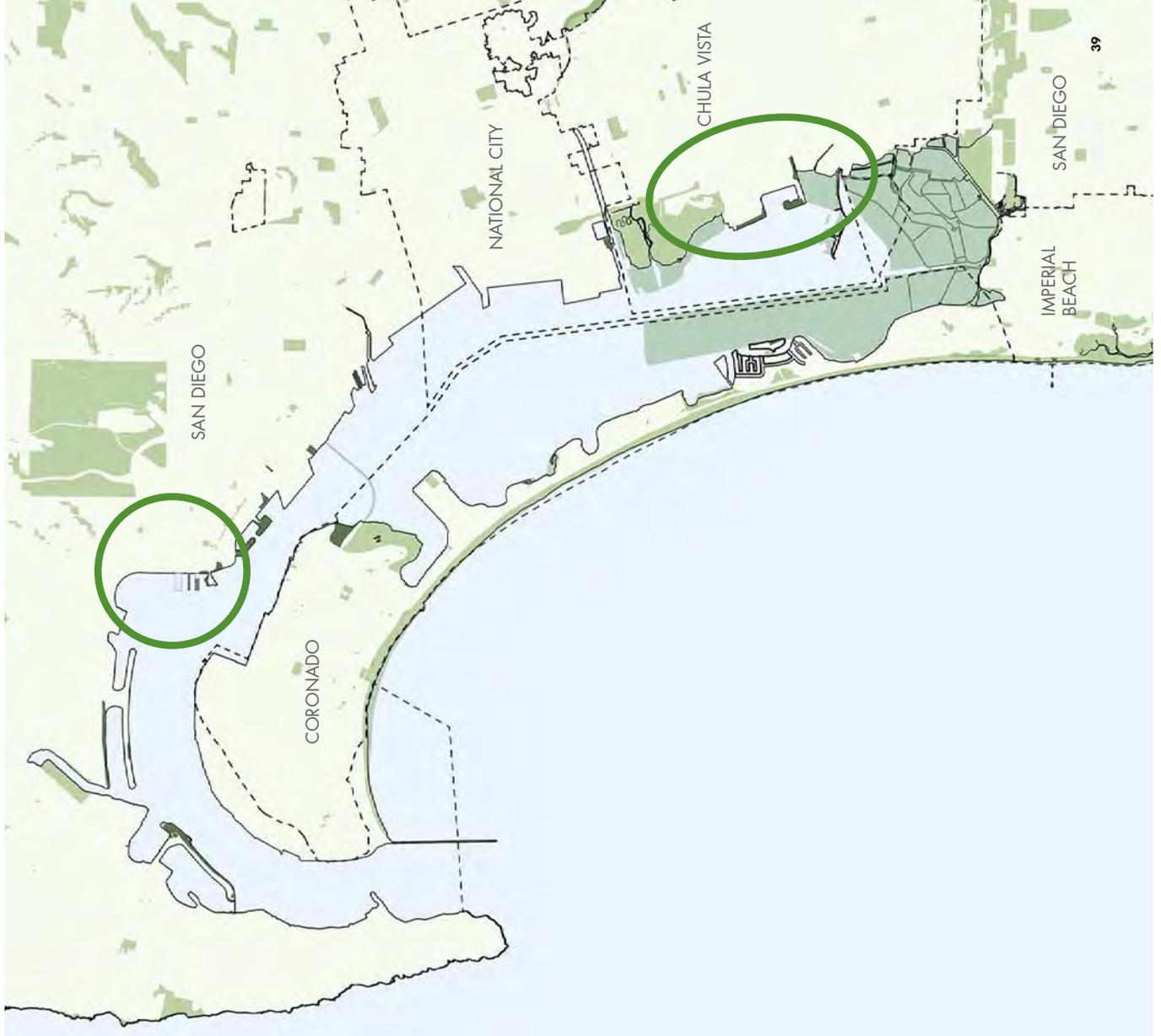
4. Protected and environmentally sensitive areas. Maintenance of these areas and environmental permitting relative to future construction tend to be impediments to new waterfront development.
5. Areas of concentrated contaminants. Costs associated with remediation of these areas need to be factored in to any future plan to maximize available space.
6. Recreational interests. There are constant increasing pressures to maximize recreational opportunities.



PARKS : OPEN SPACE AND THE PUBLIC REALM

While there are parks and various open spaces, there is no coordinated park plan, parks department or park master plan. The Port operates 20 parks that total about 147 acres, just over 8% of the total land located within the Port's jurisdiction. The purpose of a comprehensive park plan is to guide the current and future decision-making process, to provide surety regarding access to the water and the size and location of important public realm investments that would influence investors, entrepreneurs and environmentalists that the future is secure. The public realm leads to a wider discussion about promenades, sidewalks, wildlife refuges, shortcuts through parking lots and residual patches of grass next to hotels. We focus on parks because they bring the guarantee of the public realm and short of a comprehensive plan these places will not be woven together. There is the issue of quality. Many times we have strolled across a parking lot to get to our hotel or the water, this would not constitute waterfront access in most people's minds but is the best choice today.

There are at least two initiatives worth mentioning, the North Embarcadero Visionary Plan and the Chula Vista Bayfront Master Plan. These two long term projects will add significant quality park and open space to the Port's inventory, just about doubling the current park inventory today. In fact a comprehensive plan should include Balboa Park and the Beach. A comprehensive park plan should extend beyond boundaries to take into consideration existing resources and promote collaboration between agencies and governing bodies.



Port Parks Today : 147 acres
NEVP and CVBMP
Port Parks Planned : 308 acres

San Diego	95.0 ac	(31%)
Chula Vista	173.7 ac	(56%)
Coronado	32.4 ac	(10%)
National City	4.8 ac	(2%)
Imperial Beach	2.4 ac	(1%)

Key Findings

Park Frontage and Layout

Most of the Port parks are on the water, providing wonderful views and a pleasant experience. What concerns us is that the parks are underutilized and deemed to be "money sinks" by many, all maintenance and cost with little revenue to balance out. Our second observation is that most parks are not front doors or addresses for buildings or projects. Our third observation is that most of the parks are parallel to the water and not perpendicular. These parks rarely bring a sense of the waterfront further upland, which is the primary challenge of all waterfront cities. Our fourth observation is that most of these parks do not tie in directly to key streets, bikeways or paths and do not add to the public's ability to easily access the water's edge, unless you drive there.

Mitigation

We have heard a number of disappointing stories about the result of mitigation negotiations. Mitigation could take the form of open space, infrastructure or an economic solution. We understand the political nature of these decisions and have also heard about the physical result. Pond 20 was a negotiation but sits there unchanged because there is no agreement on what it should be. That decision was not part of a larger mitigation strategy where the benefits were clear beforehand. The next master plan should address a mitigation policy whether part of an economic transfer pricing policy, part of an infrastructure plan or an open space strategy.



1. Shelter Island Shoreline Park
2. Point Loma Marina Park
3. Spanish Landing Park
4. Harbor Island Park
5. Tuna Harbor Park
6. Ruocco Park
7. Embarcadero Marina Park North
8. Embarcadero Marina Park South
9. Fifth Avenue Landing Park
10. San Diego Bayfront Park
11. Cesar Chavez Park
12. Coronado Ferry Landing Park
13. Coronado Tidelands Park
14. Pepper Park
15. Grand Caribe Shoreline Park
16. Chula Vista Bayside Park
17. Chula Vista Bayfront Park
18. Chula Vista Marina View Park
19. Dunes Park
20. Portwood Pier Plaza

Port Parks



Shelter Island Shoreline Park



Spanish Landing Park



Harbor Island Park



Embarcadero Marina Park North



Embarcadero Marina Park South



Cesar Chavez Park



Pepper Park



Chula Vista Boyside Park



Chula Vista Bayfront Park



Chula Vista Marina View Park



Dunes Park



Portwood Pier Plaza

OPEN SPACE SUMMARY

The Port's "open spaces" go well beyond its parks. In fact when one considers streets, sidewalks, residual lawns, parking lots, service areas, golf courses and the car rental lot, a different view emerges. While the amount of parkland (8%) is low, the overall amount of "open space" is very high (74%). Too much open space is an endemic problem at underperforming properties and leads to a simple conclusion: the Port needs to build more buildings and promote appropriate development.

Total Port Land : 1,813 ac

8.1%	Parks :	147 ac
	Other Port Open Space :	54 ac
15.1%	Other Natural Resources :	73 ac
	Surface Parking :	151 ac
	Service Areas :	250 ac
	Golf Course :	100 ac
	Car Rental :	20 ac
	Streets :	300 ac
	Residual :	195 ac

74.1% **Total Open Space : 1,344 ac**



Streets are part of the public realm 43

COMPREHENSIVE PARK SYSTEMS

The Green Necklace : A Comprehensive Park Vision

The three drawings compare Boston's Emerald Necklace Park System, San Francisco's Golden Gate Park Loop with San Diego Bay and parks in the nearby geographic area. For San Diego, this vision is just a policy away, most of the components are already in place. There is a network of local streets and from those emerge what could be the Next Great Waterfront Street that would loop around the bay. There is the Bayshore Bikeway that works alongside this new street to reinforce the loop. The last part is the connective and coordinated issue of parks and streets that would be the equivalent to Boston. And the next level is to create in this vision connections to key streets and upland amenities that would greatly increase the number of access points to the water.



Emerald Necklace

Boston



10.65 miles



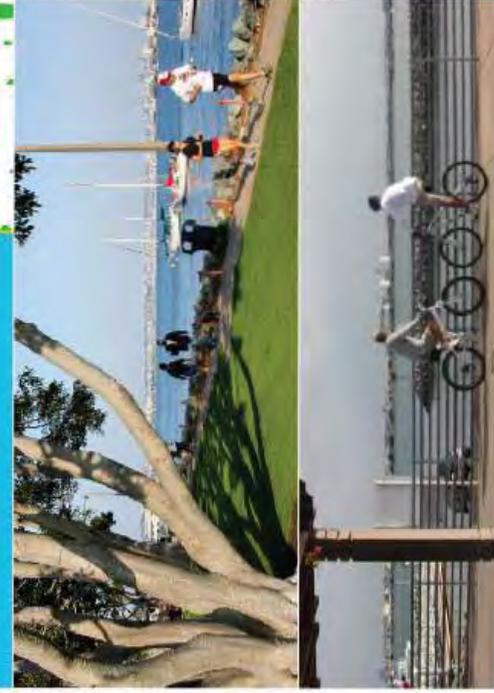
Park Connectivity

"Green Necklace"

San Diego

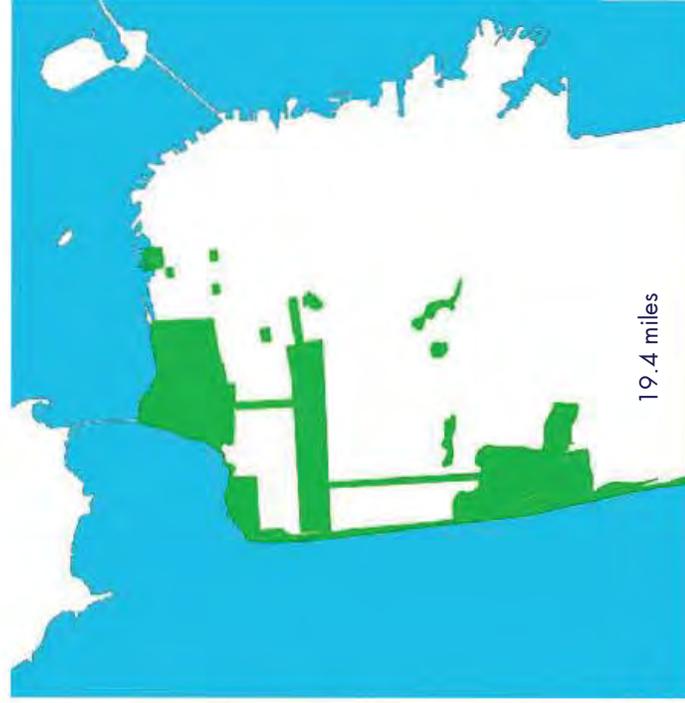


29.65 miles



Golden Gate Park Loop

San Francisco



19.4 miles



WATERFRONT ACCESS

Accessibility & Walkability

Parallel with the issue of connectivity is the discussion of accessibility. As connectivity improves throughout the open space network, so does accessibility. A dominant theme coming out of stakeholder meetings and interviews, verified through field observations, is the limited access currently associated with the Bay; access to views of components of the Bay, access to individual parks and open space on the waterfront and access directly to the water itself (ref. images at the bottom, of examples of waterfront access around the Bay).

View Corridors and Other Influences:

While direct access to the waterfront is important for a successful Port, there are opportunities to bring the element of the waterfront further into the adjacent city. Similar to connectivity inland, access to some notion of the Bay inland becomes valuable. A view to the Star of India, the massive shipbuilding of NASSCO or the Coronado

Bridge, for example, can create awareness and sense of place beyond the immediate waterfront. In a similar manner, attentiveness of the Bay's proximity, health and significance can be created inland through any number of different routes of interpretation. To garner a healthy relationship with the Bay and its users, this visibility should extend deep into surrounding communities to create a sense of accessibility to the Bay where physical access may not be possible.

Access to Port Parks and Waterfront:

Successful ports emphasize the importance of easy access to the waterfront: access via walkable streets, bike-able paths, public transit and vehicular use. This pertains to commerce and industry, as well as the recreational pedestrian Bay user. An efficient and memorable route to the Bay, for whatever reason or destination, is better for everyone – commerce, retail, industry, maritime, military

and people. In contrast to this, large stairways, expansive bridges, walled off properties and auto centric infrastructure create an unwelcoming public experience. San Diego's waterfront access is limited and challenging at best.

Many streets aligned to the waterfront have the potential to bring users closer to the shoreline but currently end with impediments severing the waterfront experience. Access issues abound throughout the Bay resulting from a combination of military presence, private developments, industrial working waterfront and ecologically sensitive habitats. The Navy's presence along the Central Bay, the physical and visual obstruction of structures such as the Convention Center, NASSCO's ship building enterprise and the wildlife refuges of the South Bay all generate, in one manner or another, public access constraints, yet are all valuable assets to the Bay in their current condition.



Easy Access to the Water



Challenging Access to the Water

In the Central Bay, the working waterfront demands public buffers and limits or restricts access to most of the waterfront. The typical nature of the Port's working waterfront combined with the military's presence creates obstructions and inaccessible areas along the shoreline. Many of these areas are blocked off from public use due to security issues (military) or safety hazards (shipping industry). Untapped opportunities exist where public open space abuts these lands; where the industrial or military presence can be highlighted as an asset to the Bay. The industrial vistas and Navy shipyards are proud images of the working history of the Bay and deserve to be made a more integral part of the overall experience.

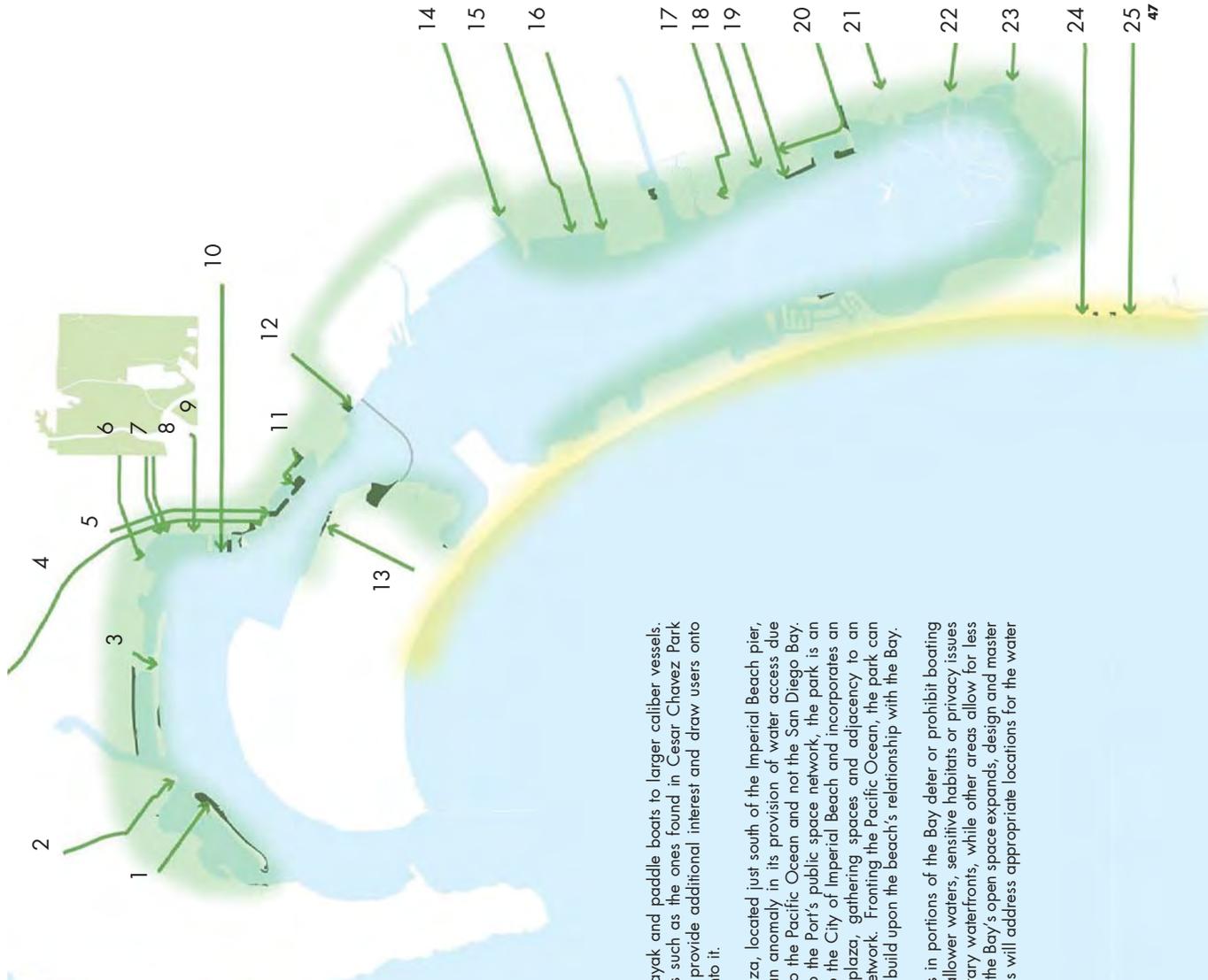
Park frontage is an existing challenge for the Port but has the ability to become a tremendous asset. Approximately half of the total park frontage within the Port's jurisdiction faces the Bay in some manner. A considerably lower percentage of that park frontage is

currently accessible, with industrial, military and a number of other obstacles hindering access. The opportunity, however, lies in the potential land frontage that these parks have. Acknowledging this land frontage in future development and land use decisions, and integrating connectivity and accessibility into and between these parks, the Port can significantly improve the value of each space. (ref. slide 38 in Port of San Diego meeting PPT in Appendix). There is a need in some areas of the Bay for balance between accessible public spaces and those open spaces that should be left as habitat with limited to no public access. Areas such as the salt ponds in the South Bay play a critical role in the seasonal distribution of migratory birds, as well as valuable habitat for local species. Limiting public use, both terrestrial and marine, allows for natural processes to occur unimpeded. Appropriate master planning and park space design, however, can allow for natural habitat to coexist with public use. A core feature of the future Chula Vista Bayfront Master Plan is a transitional space between a wildlife refuge to the north and an active park, marina and waterfront to the south. With careful planning, balance can be attained.

Many of the Port's existing parks highlight the Bay from a public use standpoint. Recreation, boating and tourism demands drive design thinking. To increase the strength of the open space network, some of these parks can be re-envisioned as opportunities to enhance the natural assets of the Bay. Parks such as Pepper Park begin to form a relationship with the habitat components of the Bay through vistas and educational signage rather than direct access.

Access Directly to Water:

Further connecting the public's relationship with the Bay, some public spaces offer direct access into the water via free public boat launch ramps and natural beach edges. Recreational boating and fishing ventures occur in and beyond the Bay's waters and range



from individual kayak and paddle boats to larger caliber vessels. Recreational piers such as the ones found in Cesar Chavez Park and Pepper Park provide additional interest and draw users onto the water, if not into it.

Portwood Pier Plaza, located just south of the Imperial Beach pier, is something of an anomaly in its provision of water access due to its adjacency to the Pacific Ocean and not the San Diego Bay. An equal value to the Port's public space network, the park is an important asset to the City of Imperial Beach and incorporates an activated public plaza, gathering spaces and adjacency to an existing bicycle network. Fronting the Pacific Ocean, the park can use its location to build upon the beach's relationship with the Bay.

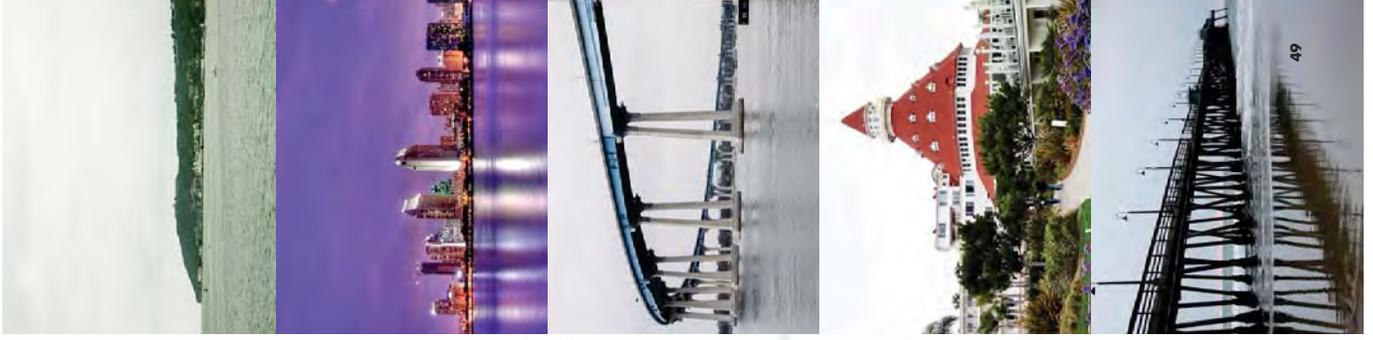
Current limitations in portions of the Bay deter or prohibit boating in response to shallower waters, sensitive habitats or privacy issues pertaining to military waterfronts, while other areas allow for less restricted use. As the Bay's open space expands, design and master planning measures will address appropriate locations for the water activities.

THE NEXT WATERFRONT STREET

Important waterfront streets provide more than access, they create an identity for the place. The waterfront experience around the Bay should be a series of memorable moments, a collage that highlights various environments, activities, cultures and vistas.

Today there is a continuous route all around the Bay by connecting Rosecrans St, North Harbor Drive, East Harbor Drive, Bay Boulevard, Palm Avenue, Silver Strand Blvd, Orange Avenue and the Coronado Bridge. Not only does this define the waterfront, this group of streets connects the major icons of the Bay: Point Loma, Downtown San Diego, the Imperial Beach Pier, the Hotel del Coronado and the Coronado Bridge.





Overview

Distributed among five cities and at just over 147 acres, land categorized as park/plaza accounts for about 8% of the roughly 1,813 acres of land within the Port's jurisdiction. This is significantly lower than benchmark waterfront cities across the nation, where Port-adjacent parks and open space in New York and San Francisco account for nearly 30% of the total land use (ref. slides 11 & 12 in 121213 Commissioners Workshop PPT in Appendix). What can be confusing about this low percentage in San Diego is the presence of the 2,620 acres of land and water associated with the San Diego National Wildlife Refuge yet not within the Port of San Diego's jurisdiction. The Refuge, in a sense, has a similar role to that of Navy property. It is waterfront acreage that is a separate entity outside of the Port's jurisdiction. Limitations or restrictions on public access and use, for better or worse, are associated with each. Given the fragility of the ecosystem of the Refuge, human use is restricted or severely limited in critical areas. While the Refuge is a priceless asset for the health of the Bay, it cannot be categorized as a 'park' in the spirit of public use. The Refuge's contribution to the future of the Bay must be re-imagined – much like we embrace the restrictions enforced on the public by the Navy.

This returns us to the seemingly daunting task of tripling existing parkland around San Diego Bay, where attainability is achievable through effective master planning solutions addressing connectivity, accessibility and land use directed towards public open space. Providing solutions to these issues in a holistic manner catalyzes the notion of one comprehensive open space network around the Bay that balances the value of each individual park between the five residing cities.

This assessment report discusses the broad commonalities of the existing park and open space condition and uses specific examples to highlight and illustrate our findings.

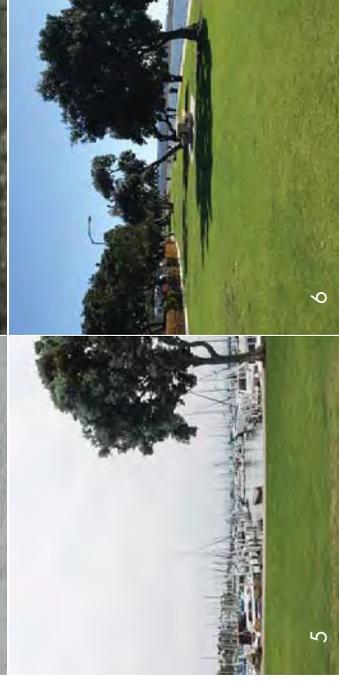
There are currently 20 designated public parks within the Port's jurisdiction, varying from high use urban park spaces to sensitive naturalized shorelines. They range in size from less than an acre, such as Dunes Park in Imperial Beach, to the 22-acre stretch of Coronado's

Tidlands Park. Where some parks provide a programmed park experience catering to large events, others provide exposure to natural ecosystems, offer boat launches for direct water recreational use, or accommodate informal sports games.

Many parks, owing to their period of development in the 1970's and 80's, have similar visual qualities and represent the style of the time (ref. images to the right, of various Port parks 1 ~8). Parks are dominated by large lawn areas and trees. A very limited number of ornamental, non-native tree and plant species were used. The cumulative effect of which is that Port parks have more in common visually with a park in New Zealand, the Canary Islands, or Hawaii than San Diego. Architecture in parks is practical and functional, mostly nondescript, inexpensive stucco construction. Buildings and parking lots often dominate the arrival experience at a park, blocking the most important views to the bay in doing so. Newer bay front development such as Pier 32 and Point Loma Marina, are of significantly higher construction quality and express a more strong aesthetic and environmental sensibility. Architecture in these developments reflect the marine location and the San Diego climate with more indoor-outdoor public spaces, daylighting, and what can be characterized as an authentic, marine/industrial style. Site and landscape designs celebrate views to the water and feature native and low water use plant materials that contribute to grounding these new places in the environment. In other words, new development looks like it belongs on the waterfront in San Diego, California.

Complementing this new era of built landscape and architecture along the bay is the expansion of nature and wildlife preservation of lands and waters. These places give an undisputed local identity to our Bay. Remarkable bird migrations attract international tourist attention to our region in the same way Comic-Con is personalized as San Diegoan. These unique conditions are the rare opportunities to imbue San Diego Bay with its own distinct – and attractive – character.

What becomes evident is that many parks currently are not functioning at their full potential to imprint the full majesty of our Bay.





Pepper Park

Pepper Park, in National City, is an example of the broader conditions and opportunities in the Port open space system. At just over 5.5 acres, the park integrates traditional uses like picnicking, social gatherings and informal sports into its programming, while a public access boat launch and a burgeoning aquatics center support recreational water use. The park is located at a dynamic intersection between industry and open space, as the Sweetwater Marsh National Wildlife Refuge lies to the south and active cargo vessels load and unload products nearby. In one panoramic view, the user can experience the natural, recreational, and industrial splendor of the Bay. The gargantuan scale of automobile transport ships moored in front of the park is juxtaposed against the vast, flatness of the Refuge and the Bay. This a place like no other on the Bay – a place where wildlife and industry co-exist – and your children can play.

However, like many open space opportunities along the waterfront, Pepper Park is victim to a location disconnected from a greater public space network and any strong visual identity or sense of place. Site features almost get in the way of the remarkable setting. Design, accessibility and connectivity issues result in a space capable of - but currently unable to - fully capitalize on the multiple facets of the Bay. Similar isolated, disconnected or obstructed land use examples exist along the Bay's shoreline, each sitting as an untapped resource to further highlight and create awareness of the many exceptional personalities of the Port.





Bayshore Bikeway - San Diego to National City



Bayshore Bikeway - In City of San Diego



Bayshore Bikeway - National City to Chula Vista



Bayshore Bikeway - South Bay



Bayshore Bikeway - Silver Strand

Connectivity

Circumscribing the Bay

The Bay shoreline defines San Diego; it shapes an image of maritime industry, commercial core, recreational value, military and industrial strength and natural beauty. It is the largest natural harbor south of San Francisco and north of Bahia Vizcaino in the Baja Peninsula. The extent of shoreline surrounding the San Diego Bay is immense at over 50 measurable miles. What becomes apparent at ground level, however, is the discontinuity of the waterfront from Point Loma to downtown San Diego to Imperial Beach and Coronado as natural shoreline transitions to engineered piers, revetments and bulkheads and back to natural shoreline. Existing conditions along the Bay perimeter often separate or obstruct physical and visual connections between public open spaces, adjacent communities and waterfront land along the Bay, adversely impacting the overall waterfront experience (ref. slides 22,23,25 in "121213 Commissioners Workshop PPT" in Appendix).

Many parks within the Port's jurisdiction are separated from the Port's industrial working waterfront through fences, walls and diverted visual cues. Military presence within the Bay adds an additional barrier to the waterline, often isolating public use areas and disconnecting possible corridors between open spaces. Structures within the parks often block rather than enhance views. Pepper Park, noted earlier as a place with an opportunity to highlight the Bay's industrial, recreational and natural character in one setting, is currently isolated along the waterfront by surrounding automobile storage lots. One has to know the park is there and use a map to find it. An inviting, intuitive path to the park from upland for pedestrians, bicyclists, and cars is non-existent. Where there is opportunity to use the Port's working waterfront as a character defining element and possible linkage, the park currently is an auto-centric destination disconnected from the overall Bay experience.

This condition is symptomatic for many of the Port parks. There is no one, clear, recognizable, connected path around the Bay. The current configuration of streets and boulevards that circumscribe the Bay is a weakly defined assemblage of six streets: Rosecrans, North Harbor Drive, East Harbor Drive, Bay Boulevard, Palm Avenue,

Silver Strand Boulevard, Orange Avenue, and the Coronado Bridge – not to mention the various streets around the western bay in Point Loma. What could be a powerful, singular experience alongside the Bay becomes diluted and at times detached from the Bay itself. The lack of one cohesive, memorable street linkage results from current land uses, expansive parking lots, obstructive infrastructure, physical land challenges, and jurisdictional control (ref "The Next Waterfront Street" below).

Similarly, bicycle connectivity along the Bay waterfront is lacking in many areas. While the Bayshore Bikeway provides seamless connectivity and striking views along portions of the South Bay, and the inclusion of the ferry from Coronado to Downtown San Diego provides a unique connection to the Bay, it appears lacking in many portions of the Central Bay. In general, bicycle connectivity



The Next Waterfront Street

becomes less apparent or altogether missing along portions of the North and Central Bay waterfront. Many bike "connections" around the Bay exist only as shared roadways with daunting traffic conditions and unwelcoming edges resulting from a combination of industrial, military and walled off residential land uses (ref. images at the bottom, of Bayshore Bikeway).

In some instances along the Bay, bicycle routes have tremendous potential but currently appear under-performing from a user perspective. Pedestrian and bicycle activity along the waterfront edge west of the airport, for example, becomes overwhelmed by its direct proximity to the traffic noise along Harbor Drive. Appropriately designed buffers could provide respite for the users while creating interesting revealing moments for the traffic; a potential addition to what could become an iconic waterfront street.

Demonstrating the conundrum of access to the Wildlife Refuge is the interface with the Otay River Valley Park bike trail, where cyclists leave the open landscape of the river valley to be funneled into a narrow corridor between tall security fences restricting human access to the Refuge, keeping in mind the restrictions that result from proximity to the wildlife. Additional design features could be applied to make a space that immerses people into a piece of the marsh habitat as they traverse the South Bay (ref. image at the bottom, of Otay River Valley Park Bike Trail).



Tall security fences at Otay River Valley Park Bike Trail

Lateral Upland Connectivity

In addition to an absence of connectivity along the waterfront, there is a similar absence of connectivity inland beyond the Bay. Connections to San Diego open space resources such as Balboa Park and the many smaller parks in close proximity to the Bay are limited and often do not relate to the waterfront. A repeating comment heard during stakeholder meetings was the need for a pedestrian link between these spaces.

While the Bay is obstructed or severed from many inland areas, there are examples in place that successfully highlight the value of inland connectivity to the Bay. The Olay Valley Regional Park, for example, provides an excellent physical link between the Bay and inland areas through connected trails, parks and open space within the Olay River watershed. People know that water flows downhill. Currently, the simple placement of storm drain inlet markings creates awareness of water quality in the Bay begin to connect the inland communities with the Bay; but this can be improved upon. The Olay River is a very intact natural waterway, yet all of the watersheds that feed into San Diego Bay represent a connectivity resource. Whether a concrete channel or pipe, the routes the water takes are part of the infrastructure and often the right-of-way is prime for repurposing as a combined water way and human trail. Seen in this way, the Bay can now be a presence 10 miles inland. This awareness becomes increasingly significant in areas where physical connectivity is impractical. Through view corridors, revegetation, way finding and signage programs, the Bay can be perceived as an asset to the area rather than a detached destination. This connectivity needs to be addressed for people, bicyclists and automobiles in varying ways to make the experience of visiting the Bay a rich and rewarding one.

The watershed network that drains into San Diego Bay is the most direct and meaningful link that can be made between all of the upland communities and the Bay. It is so obvious that it is often overlooked, especially after a century of hiding water in pipes. The Bay is Water and it is fed by the inland watershed. Opportunity abounds (ref. Bay Watershed Diagram at the bottom).



Balance & Equity

Between the five municipalities within the Port of San Diego's jurisdiction, the City of San Diego accounts for just over half of the Port's park land followed by Chula Vista, Coronado, National City and Imperial Beach, respectively. The character and defined value of this land, however, differs along the entirety of the Bay. Active park space within the City of San Diego's limits provides a much needed value to the urban user experience. Similarly, large swaths of natural shoreline along the Chula Vista and Imperial Beach edges offer a tremendous habitat and passive recreational use value considered a critical component to the Bay's long term environmental and human health – yet these values are often disregarded in the marketplace of property taxation and land prices. This is the balance and equity challenge for the next 50 years.

The diversity of public open space along the waterfront, and how each space is then used, has an impact on the perceived value of public space between the five cities adjacent to the Bay. Park equivalency may be approached in a broad context, where a perceived value is understood to be site specific and not necessarily applicable throughout the Bay. It is important to consider the value of a space in its immediate location as well as how it fits into the open space system for the Bay as a whole. Enhancing connectivity and accessibility to public land throughout the Bay creates one holistic network with assets that equally benefit each city within the Port's jurisdiction. The economic structure and viability of varying public spaces per city is analyzed elsewhere in this report.

Tuna Harbor Park, a nearly 3/4-acre public space located in the City of San Diego directly south of the docked U.S.S. Midway, is a great existing example of a Port park that provides a flexible open space area connected into the urban fabric of downtown San

Diego through bike and pedestrian paths. The park references San Diego's fishing history and offers traditional park amenities in addition to terrific vantage points for observing boat activity. Additionally, the immediate adjacency to the U.S.S. Midway connects the Bay's military presence with parks and open space. Tuna Harbor Park is an existing value to the City of San Diego that provides local and visitor appeal. Contrasting in character, the Grand Caribe Shoreline Park, adjacent to the Coronado Cays within the City of Coronado, highlights the natural character of the Bay. Native planting and a naturalized meandering trail provide views of habitat and undeveloped shorelines. Though differing in program and use, both parks possess a distinct identity tied to their immediate municipality and can provide unique value to a larger open space network.

Grand Caribe Shoreline Park connects into the Bayshore Bikeway, providing an asset beyond the limits of the city it resides in. Similarly Tuna Harbor Park has a linkage into the City and along portions of the waterfront via a pedestrian path. However, this linear connection comes to an abrupt stop at the industrial frontage south of the Embarcadero and misses the opportunity to connect with Cesar Chavez Park, located just south of the industrial property. Similar disconnects around the Bay extend past city boundaries and begin to adversely impact balance and equity of open space among cities. Linking the diverse range of park spaces into a comprehensive public space system throughout the Bay works to provide value beyond city boundaries and balances the value of public space across the Port's jurisdiction.



Tuna Harbor Park

Analysis of individual park character throughout the Bay must acknowledge the diverse community identities of the Bay's five cities; currently this opportunity is missing in many of the Port's parks. Public space throughout the Bay provides opportunities to express and celebrate local neighborhood personality while simultaneously strengthening the character of the Bay's park network. Through public art, events, design aesthetics and park programming, independent public spaces can provide a needed function or value to the local user while concurrently attracting regional appeal. Existing parks do not entirely represent or celebrate their identities in relation to their local community or as a space connected to a greater whole. More often than not, they appear somewhat generic or characterless with bland design solutions.

The Port currently has a Public Art Program that aims to promote local community identity and improve the quality of public spaces throughout the Bay. The collection of projects throughout the Bay highlights cultural diversity and the unique relationship of military, industry and nature that define the waterfront. Continuing to improve upon the public open space network through additional land designations, connectivity and accessibility to these spaces will allow for increased public art opportunities and further enhance the existing asset (ref: images to the right, of public art in parks throughout the Bay)



Examples of public art in local neighborhoods

Park and Public Places Legislation Assessment

The Port, its member cities, the State, and Federal government all have codes and regulations that both serve and thwart public enjoyment of the Bay. The following is a cursory overview of the key legislation and issues at play.

The Port

The San Diego Unified Port District Act of 1962 declared to be a policy of the State of California to develop the harbors and ports of this State for the multiple purpose use for the benefit of the people. The Act allows improvements for the promotion and accommodation of commerce, navigation, fisheries, and recreation and places certain restrictions on the types of park and recreation uses allowed within the District lands. Of particular interest are the restrictions on housing and community serving recreation uses within the District.

- Section 53 of the Act describes the various ways in which land may be annexed to the District.
- Section 87 describes the types of public places allowed within the District to include public assembly and meeting places, convention centers, parks, playgrounds, bathhouses and bathing facilities, recreation and fishing piers, public recreation facilities, including but not limited to public golf courses...marinas, aquatic playgrounds and similar recreation facilities. Snack bars, cafes, restaurants, and restrooms are also allowed. Of note regarding accessibility, item 6(f) states – "There is hereby reserved to the people of the State of California the right to fish in the waters on said lands with the right of convenient access to said water over said lands for said purpose." Much could be made of the definition of 'convenient' vis-à-vis stakeholder input about the lack of such access for other purposes. Regarding restrictions and prohibitions on certain types of park use, the Act's mandate to serve for the benefit of the people should be the guide for developing a park and public spaces

strategy to serve the needs of both the global and local 21st century population.

- The District Reorganization Act of 1965, revised the process for annexing and detaching lands from a District.
- Of note, per Section 53.a, there may be annexed to the District "Any territory, any point of which touches the District". This is most relevant to the assessment that the County-wide watershed that feeds into the Bay is territory that touches the District. Much like the efforts surrounding the Chula Vista Bayfront Plan, Pacifica, and South Bay Power Plant land exchanges, upland communities could exchange degraded watershed area, such as Paradise Creek, to the Port for existing Tidelands properties that would be unencumbered by the Tidelands land use restrictions.

Coastal Commission

Charged with the mission to "Protect, conserve, restore, and enhance environmental and human-based resources of the California coast and ocean for environmentally sustainable and prudent use by current and future generations", the Commission has numerous regulations and guidelines. Many stakeholders view the Port as having an economic mandate while the Coastal Commission has an environmental mandate. In fact, both have similar missions and it can be argued that if the true economic cost of human interventions or environmental benefits of habitat preservation are considered, one would see more balance than disparity.

Sometimes Coastal Commission regulations to address shoreline public access and recreation and lower cost visitor accommodations can be at odds with policies to preserve visual resources and habitat protection. A small example – parking lots and quantities of parking spaces become positive access features in the mind of the Coastal

Commission. As we advance Smart Growth, walkable communities around the Bay, the member cities can find their policies for reducing parking requirements need more comprehensive review by the Commission. The 50 year Port Vision needs to strike a stronger, cooperative working arrangement between these two not-dissimilar State agencies. The 35 Amendments to the Port Master Plan argue for the Commission's position that the Port has worked in a piecemeal manner. The assessment of the 'Balance and Equity' of Port parks and public places resources points to the need for a Master Plan that clarifies and codifies a strong level of certainty on the behalf of environmental, business development, maritime, commerce, and human needs on and around the Bay.

Federal Government / Navy and Wildlife Refuge

Security measures in place following the events of September 11, 2001 have significantly restricted public access to Navy properties and cruise ship terminals. In prior times, pedestrians and cyclists could make their way out onto the pier heads of the 32nd Street Naval Base and take in the dramatic majesty of Navy ships and facilities. Recreation boaters could float up alongside an aircraft carrier for a close look. Cruise ship facilities at the Broadway Pier were designed well after the 9/11 tragedy and benefited from experience in balancing security with access so that on most days, the pier is open to the public who can walk to the end - and marvel at the sweeping grandeur of the Bay. As we move forward in our understanding of appropriate security measures, there could be opportunities for re-engaging the public with their Navy.

The 'Security' of the Bay from a different perspective emerges when we consider the Environmental Protection Act and the San Diego Wildlife Refuge. As San Diego led the nation with the most

comprehensive policy for habitat protection with the landmark "Multiple Species Habitat Conservation Plan" of 1997, the Port, Federal Agencies, Coastal Commission, and member cities can fashion a comprehensive plan that ensures the security of bio-diversity along with secure commercial, military, and maritime needs.

Maintenance and Management

The Port has managed and maintained its parks effectively. Generally, park building infrastructure, hardscape, lighting, and utilities are aging and in need of major upgrade, repair, and refurbishment. This need to reinvest in existing parks, combined with increased demands for more high functioning parks in a linked network, points to significant emerging costs. To ensure permanent viability a comprehensive sustainability, energy and water management, program management, and maintenance strategy must address revenue generation in a much more robust manner than exists. Private and public partnerships, benefit assessment districts, special and recurring revenue generating events, and mitigation funds, can all be sources of offsetting revenue.

INFRASTRUCTURE : GETTING THERE, GETTING AROUND SERVICES

Whether the Port was here before the city of San Diego or the reverse, both downtown and the Port share important infrastructure to the benefit of each. The region at large also benefits from the services that the Port and the city need in order to succeed. There is good freeway access, passenger rail and light rail, freight rail and a solid network of local streets and bridges that make the northern bay feel truly urban.

While the infrastructure is adequate, the impact of certain elements needs to be addressed in the master plan.

It has been pointed out that collaboration between the Port and other agencies could be better. As part of the Port's future strategy, there should be an infrastructure group whose aim is to liaise with all pertinent groups (planning, transport, environmental, et al.) and coordinate progress between open space and development initiatives the Port is pursuing.



Freeways



Local Streets



Heavy Rail



Light Rail



Key Findings

Street Connections to the water

Too many streets fall short or are cut off well before they reach the waterfront. This concept was fundamental to each of the Bay cities when they were laid out, but have been compromised over time to make way for larger traffic solutions. A choice has to be made about the priority for pedestrians moving forward versus the way cars dominate the environment today.

In addition to streets going toward the water, there are a number of streets that run along the water. A waterfront access plan should prorate connections between as many of these streets as possible.

The Bayshore Bikeway reinforces mobility around the Bay and should be promoted for growth in the future. The Light Rail system is becoming more and more popular and should also be promoted for growth in the future. All planning experts would cite the need for expanded use of public transit in the future and the master plan should support this as well.

The Working Waterfront

To succeed and grow there are a number of improvements to contemplate. There are maritime decisions to increase shipping access. There are crane infrastructure and other support items. Parking for employees is a big problem. The trucks are problematic with noise and air quality issues. A dedicated "Haul Road" therefore should be studied. There have been many mentions of a rail spur to the east and how that would support the shipyards. There are many issues but not a clear policy or future vision, but there should be as part of the future master plan scope.





The Working Waterfront



Bayshore Bikeway



Waterfront Streets



Infrastructure (North vs. South of the Bridge)

Infrastructure north of the Bridge forms 49% of the total infrastructure area, while the South forms 51%.

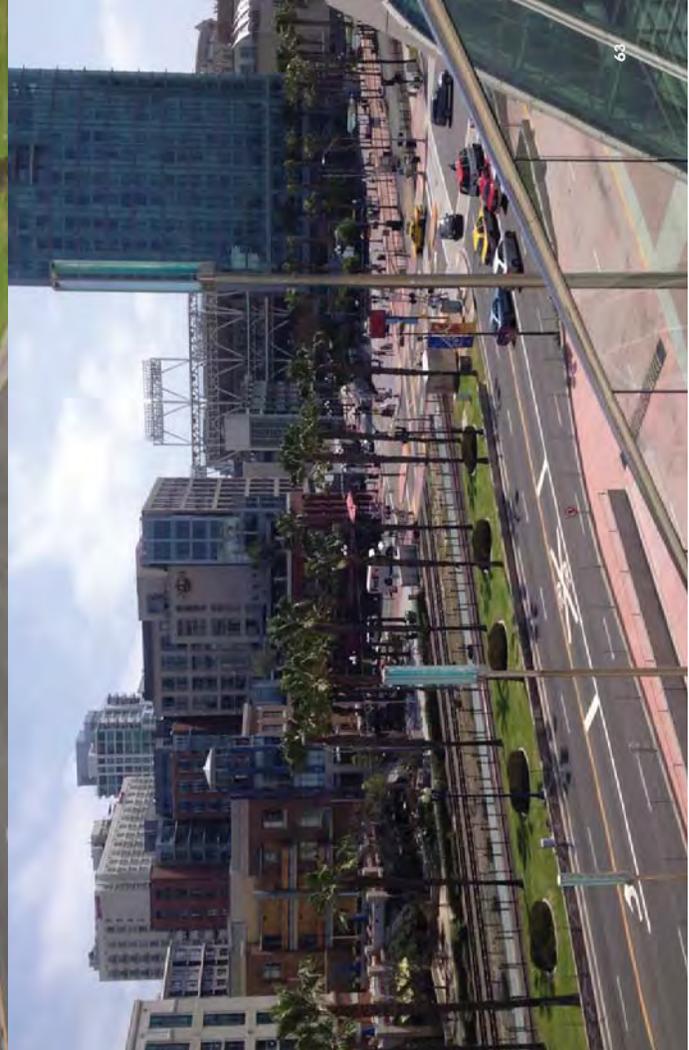
The majority of the infrastructure at the South lies at National City while the majority at the North lies in San Diego. This is a reflection that most of this infrastructure has a direct relationship with the industrial usage in these cities.



Bayshore Bikeway

While the Bayshore Bikeway provides seamless connectivity and striking views along portions of the South Bay, and the inclusion of the ferry from Coronado to Downtown San Diego provides a unique connection to the Bay, it appears lacking in many portions of the Central Bay. In general, bicycle connectivity becomes less apparent or altogether missing along portions of the North and Central Bay waterfront. Many "bike connections" around the Bay exist only as shared roadways with daunting traffic conditions and unwelcoming edges resulting from a combination of industrial, military and walled off residential land uses.

In some instances along the Bay, bicycle routes have tremendous potential but currently appear underperforming from a user perspective. Pedestrian and bicycle activity along the waterfront edge west of the airport, for example, becomes overwhelmed by its direct proximity to the traffic noise along Harbor Drive. Appropriately designed buffers could provide respite for the users while creating interesting revealing moments for the traffic; a potential addition to what could become an iconic waterfront street.



PARKING SUMMARY

A common perception in many communities is that "there is not enough parking." The Port provides over 20,000 parking spaces to serve largely underdeveloped properties. The desire to park next to one's destination fuels the poor parking perception. A shared parking plan, coupled with a new development strategy and transportation plan will result in a new perception, "there is a lot to do down at the waterfront."

Surface Parking on Leasable Land : **125.7 ac**

Surface Parking in Parks : **25.7 ac**

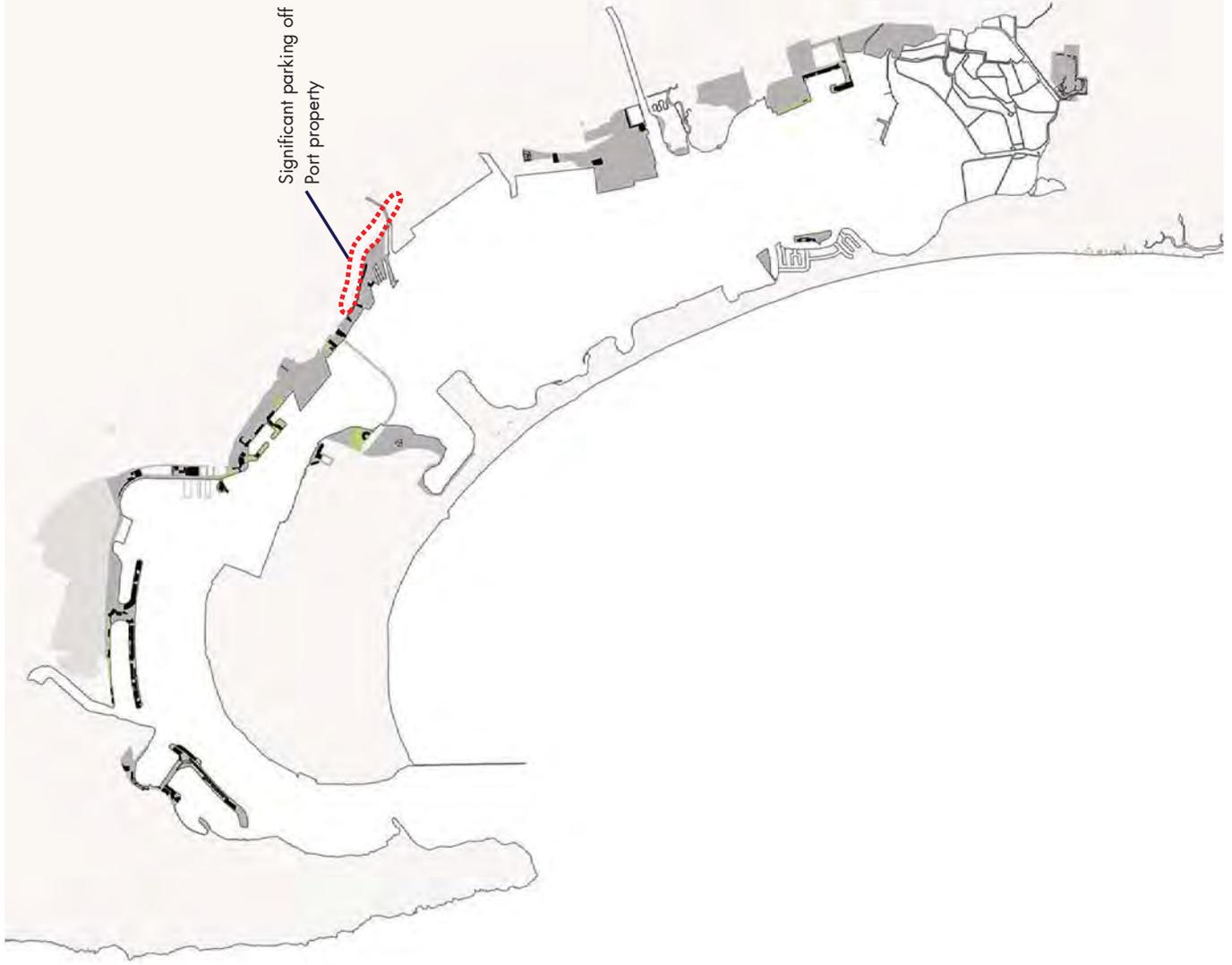
Total Surface Parking : 151.4 ac

Accommodates : 15,141 cars
(100 cars/acre)

Total Structured Parking : 5,680 cars

1. Grand Hyatt : 1,160 cars
2. Marriott : 1,360 cars (1 car/key)
3. Convention Center : 1,959 cars
4. Hilton : 1,210 cars (1 car/key)

Port Parking Spaces : 20,821 cars





LEASABLE LAND : THE BUSINESS SIDE OF THE PORT

The Port has a little over 1200 acres of land listed on its rent roll. This represents about 66% of the Port's land. This is a healthy ratio as a benchmark. Most urban mixed use projects would be closer to 50%. We have made a few discoveries about doing business with the Port and the Port's leasable land.

From our key findings we have summarized the key issues below that the master plan update should address:

The new master plan should address the lack of development and the imbalance between cities.

- Marry development to an open space and infrastructure plan to provide certainty in the marketplace about future parcels, waterfront access and amenities to be provided.
- One overarching development strategy will likely not be appropriate, rather a series of "mini master plans" (like the Chula Vista Bayfront Master Plan) would better address appropriate development for each city and specific neighborhoods.
- Look to long-term strategies that will create more land use possibilities and create more mixed use development that will be competitive in the marketplace.
- More parks are needed, better waterfront access is needed, more environmentally sensitive habitat need to be protected and at the same time the Port should promote more development. These needs can and should be met in the next master plan. Seek a balanced and beautiful master plan that aspires to the world class level this bayfront should become.



Key Findings

The Convention Center Model

First, it is important to state that the San Diego Convention Center is the envy of the industry. This investment has been profitable to the Port, has generated significant investment in Port hotels but also to the city and region, bringing visitors and increased spending. This model, where a significant investment is made to increase land value nearby is what the Port does best. (While many are critical that the Convention Center has walled off the Bayfront, the business model still works.)

Under-performing Land

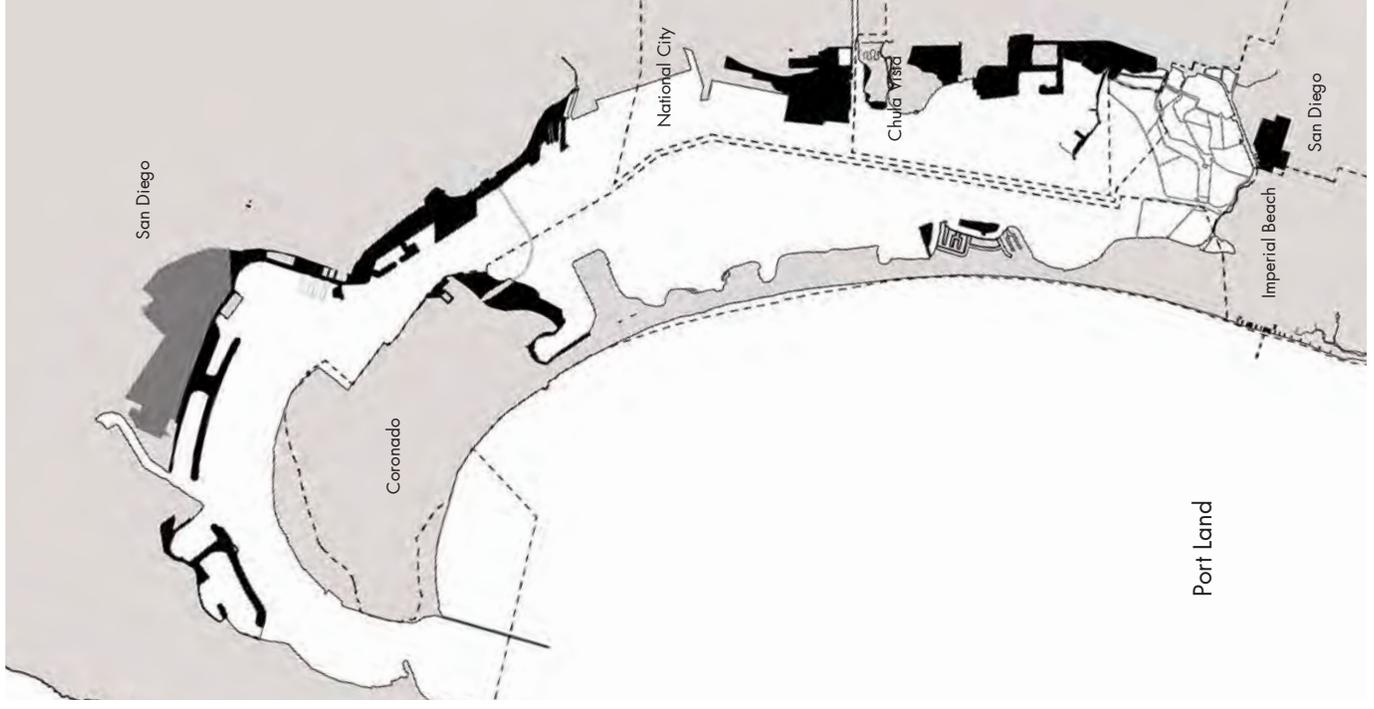
Second is that acre for acre the Port's properties are under-performing or undeveloped. When we walked the North Embarcadero it is difficult to understand why we were seeing parking lots and not the finest destination in America here. Literally, nothing has been built on some of the finest property in the Port's portfolio and even in the entire region. Many members of the public regard the Port as a difficult place to do business because of too much uncertainty, long time frames and too many legal hurdles.

Vast Amount of Uncovered Land

Third is that although the Port has about 570 buildings on its lands, the roofs only cover 200 acres, leaving 1000 acres of land uncovered as sidewalks and promenades, parking lots, service ways, and residual open spaces. This valuable land is not achieving its highest and best use. Three quarters of the Port's leasable properties are in San Diego or Chula Vista, this has led to mitigation as the strategy to provide equity to National City and Imperial Beach, which has not worked. Coronado enjoys very high land values because of its prominent location. Almost 90% of the Port's development is in San Diego, although the Chula Vista Bayfront project will spread this imbalance out somewhat.

Unbalanced Use

Fourth is that most of the Port's land uses are concentrated in two areas; Hotels and the Convention Center (66%) and Industrial Uses (20%). Where does this take us, how is it that so much prime waterfront land has gone underdeveloped for so long?



Significant Parking
off Port property

Surface Parking

Parking

- Hotel
- Marine Retail
- Police/Coast Guard
- Boat Yard
- Convention Center
- Civic
- Park Facility
- Industrial
- Medical
- Navy
- Rental Car
- Office
- Restaurant
- Airport
- Port Facilities

Building Use

Building Footprint



The Port's lands stretch over 2,400 acres, which forms around 40% of the Port's jurisdiction with the rest being water. It is dispersed over five cities. San Diego holds the largest portion with Chula Vista and National City following. The rest is held by Coronado and Imperial Beach.

However, the actual leasable land is around 70% of the total land. This percentage is spread out differently over the aforementioned cities. It is noticed that if the cities are ranked in a descending order, that being San Diego, Chula Vista, Coronado, National City and lastly Imperial Beach.

With the aforementioned data, it becomes interesting to analyze the percentages of leasable land to total land per city, which shows Chula Vista at the top of the list.

Almost 90% of Chula Vista's land within the ports jurisdiction has potential for development, and as such this justifies the current direction of the City of Chula Vista, and the Port of San Diego's in working toward developing the Chula Vista Bayfront.

Coronado ranks second in the list while San Diego itself ranks third. Out of all the Cities, Imperial Beach is ranking last. This should be



a trigger to look at development opportunities at this jurisdiction to bring it closer to the rest of the cities.

The data in the Appendix shall form the basis for making educated decisions in the subsequent guiding principles as the Port moves forward into the Visionary Planning process. The data tables unveil the current total building count per city, percentage of building coverage in relation to the total available leasable land, the and gross square feet of the buildings.

Statistical Analysis
Observing the analyzed statistics, the following can be reported:

San Diego has the highest building count. It also has the largest current inventory of leasable and developed gross building area, and has the highest building coverage in relation to available land, and of course the highest floor area ratio for buildings. In addition, San Diego has the most building uses which ultimately gives it the highest competitive advantage in comparison to its sister cities when it comes to diversity and investment attraction.

San Diego is heavy on hotel keys in the downtown area, as the area forms around 50% of the total uses. There is more hotel area than there is convention center area which approximately forms 20%

of the total developed area. It is also interesting to note that the industrial usage is around 15% which is more than the uses of office, marine retail restaurants and port facilities combined.

This is quite significant as this reveals that development incentives for office usage can be explored keeping in mind the restrictions imposed by applicable laws. Office use forms only a small portion of the entire developed area in San Diego.

It is also worth noting that while Navy presence is very significant in the San Diego Bay area, office use forms less than 1% of the City of San Diego's total inventory. The actual area that is allocated for the Navy only occupies the water. The port facilities themselves also only occupy around 1% out of the entire city developed gross area.

Coronado ranks second in the total developed area, and also ranks second in the diversity of building uses. However, it does ranks second to last when it comes to building coverage, but ranks in the middle when looking at the floor area ratio. Coronado has mostly hotels on Port land. The other major use is Marine Retail. Coronado has zero office use, which seems to be a delinquency when compared to other locations that are not subject to similar use restrictions. If not for these restrictions it would make sense to have



such use in Coronado and also the rest of the cities within the port jurisdiction.

National City is almost all industrial uses, with a small percentage of restaurant uses supporting the industrial usage. The total industrial use area forms a third of the total industrial usage in the entire port jurisdiction with the other two thirds residing in the City of San Diego. The city ranks second in total building count, second in building coverage, but third in gross developed buildings. It also has the second highest floor area ratio. With that said, it is further observed that the amount of Hotel development in Coronado is quite close to the amount of industrial buildings in National City.

As a general observation after the hotels, which form approximately 50% of the total developed area in the Port, the industrial uses come second at approximately 20% and then the Convention Center at approximately 15%. This makes these three uses the bulk of all the Port's uses.

Imperial Beach has the smallest area, the least amount of development, and literally three buildings of marine retail and security. It almost appears to be lost and forgotten among the rest of the cities, with water access on the Pacific Ocean rather than the San Diego Bay. The portion of the city which falls under the

Port's jurisdiction is merely the area by its Pier. Such city would only benefit by the Port's visionary plan if such plan seriously adopts the intention of developing the cities at the south of the Bay.

Chula Vista is arguably the largest opportunity south of the bay. With National City being the industrial hub, and Imperial Beach being the smallest, Chula Vista would be the natural selection for uplifting the Port's development opportunities. The city ranks second in available Land, available leasable area, and ranks first in its percentage of leasable land from the total Land.

As it currently stands, it ranks fourth in total buildings. It even has less building coverage than Imperial Beach. Its floor area ratio is also by far the lowest. It also lacks on the building usage. There is no hotel, office, retail, or convention center. The usage is limited to boat yards, marinas, restaurants, security and park facilities.

Balance and Equity between Cities (North vs. South of the Bridge)
From the aforementioned observations it was noted that most of the developed building area lies north of the Coronado Bridge while the rest lies to its south. Although in terms of available land for development, there is approximately 60% leasable land to the north while there is approximately 40% leasable land to the south of the bridge.

More than three quarters of the developed building area south of the bridge is industrial use, which only lies in National City. This is solid data that forms the foundations of gentrification south of the bridge. Therefore, such findings should urge the Port into seriously looking at developing south of the Bay with more uses. There is significant land available south of the bridge. Chula Vista forms the future opportunity since it has the largest leasable land area.

Hence the proposed Chula Vista Bayfront Master Plan is a step in the right direction that should fill the void in development at the South Bay. A convention center is definitely a balancing point with the north of the Bay which leads us to the holistic observation on the need to balance between the cities north of the Coronado Bridge and the cities south of the Coronado Bridge.



CHULA VISTA BAYFRONT MASTER PLAN

Vision

The overall objective of the Chula Vista Bayfront Master Plan (CVBMP) is to create a very special contiguous waterfront and to extend the City of Chula Vista to the Bayfront. This to ensure the public right of access to the shoreline while at the same time protecting the sensitive natural habitat which is part of the National Wildlife Refuge. The master plan aims to enhance the wide variety of the protected rich, natural shore line systems as well as the existing public water uses without compromising either and allowing them to co-exist and thrive in order to make a very special and desirable destination. Identifying the major roads and planned public transit and their potential to extend the city to the waterfront and to integrate these access streets into the waterfront circulation form the framework from which the vision emerges.

The approximately 535 acres which make up the CVBMP area face onto San Diego Bay and are bordered by natural systems along the water edge on the western edge while the city's traditional commercial center is inland to the east. The site edges consist of Sweetwater Marsh and river mouth to the north, Interstate 5 and commercial development along Bay Boulevard to the east and the San Diego National Wildlife Refuge and the salt evaporation ponds at the southern end of San Diego Bay. The context makes clear that the great assets of the natural systems associated with the ecology of the Bay and the opportunities for the City to extend to the Bayfront are the components which together give the CVBMP its character.

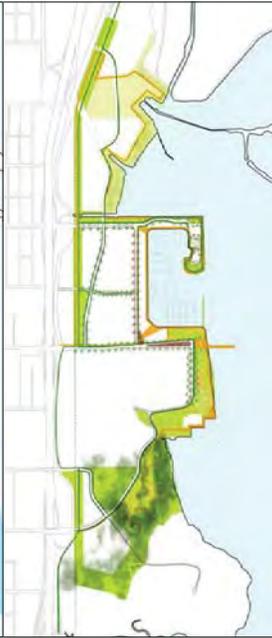




THE ILLUSTRATIVE PLAN



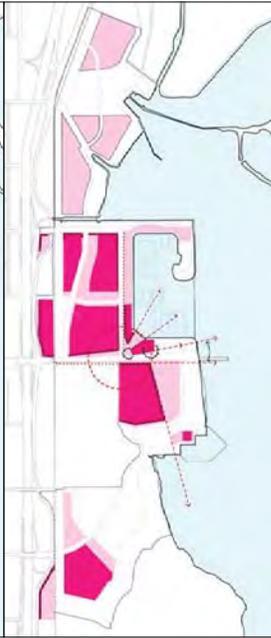
WATER



OPEN SPACE



INFRASTRUCTURE



LEASABLE LAND



Aerial View



H Street



73

Sweetwater Park

DEVELOPMENT PATTERNS



San Francisco's Embarcadero **35% ~ 40%**

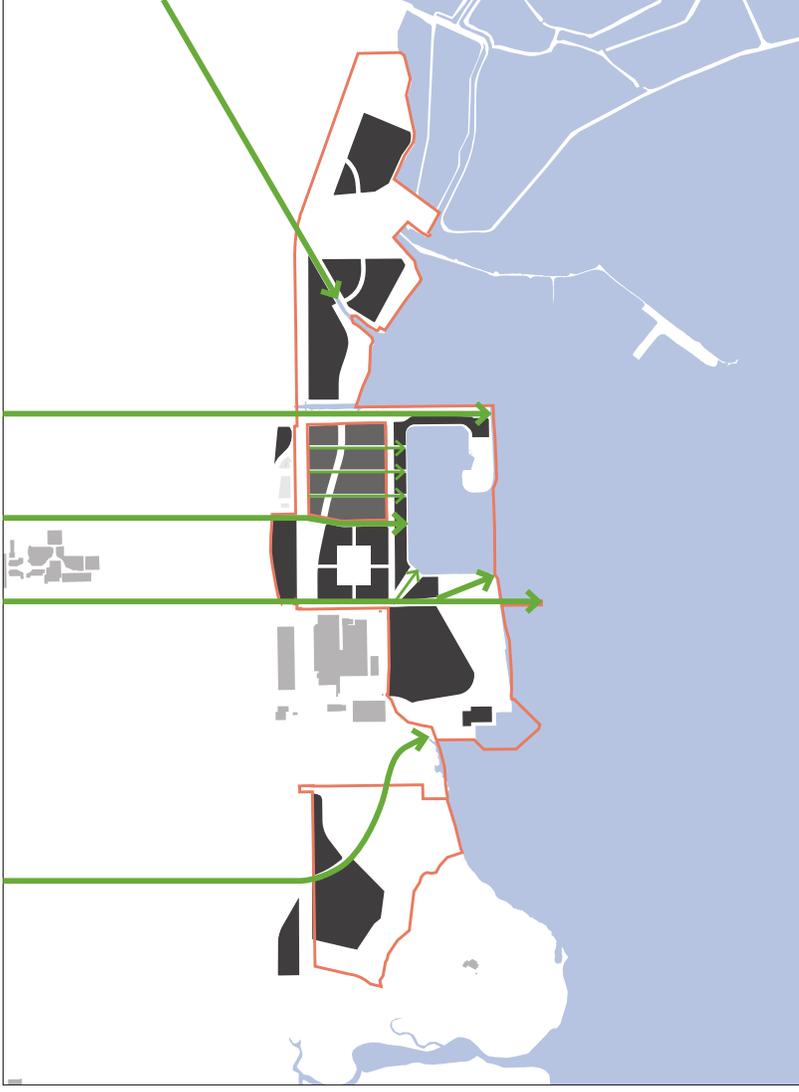


North Embarcadero **13%**





Baltimore Inner Harbor **35% ~ 40%**



Chula Vista Bayfront Master Plan **35% ~ 40% (projected)**





100% CORNER

In real estate terms, all cities and regions have what is called their 100% corner. For San Diego Bay that address currently is where the Convention Center and North Embarcadero meet (generally at Seaport Village). These areas are critical because, if successfully done, they become one of the key images that define a place.

This corner should not be thought about in isolation but rather as part of the Bay's Water Plan, the Comprehensive Open Space Plan, an extension of downtown, continuous and integrated with Broadway Navy complex, North Embarcadero and the Convention Center.

CURRENT ASSETS



Balboa Park

EXISTING CONDITIONS



Lane Field



Downtown near the waterfront



Seaport Village



Water activity around the Convention Center



Seaport Village from the water

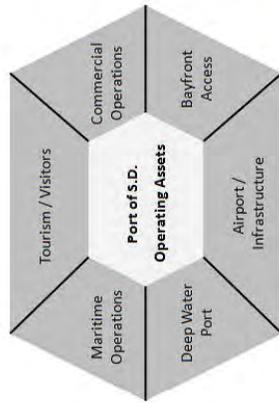
ECONOMICS

The Port of San Diego has been mandated to protect and manage its land and water usage as set forth under the Tidelands Act of 1962. In addition to the specified uses under The Act, the Port is also responsible to multiple jurisdictions including the five Member Cities of (i) San Diego, (ii) Coronado, (iii) National City, (iv) Chula Vista, and (v) Imperial Beach as well as the U.S. Navy, California State Lands and the California Coastal Commission.

Therefore, the natural advantages of the bayfront and water uses are embedded into a constrained environment with a complex matrix of requirements and a diverse set of users. Mandated to support (i) maritime operations and maritime related uses, (ii) visitor serving, and (iii) public access and leisure uses, the Port has a fundamental asset base that enables a specific and unique set of users. The Port's holdings and economic activities and infrastructure can be analyzed under three primary categories of (i) land and water usage, (ii) user mix, and (iii) development zones.

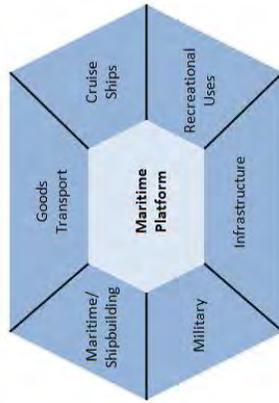
Operating Assets

The Port manages a highly unique asset that provides the basis for its operations. The primary Operating Assets are comprised of the Port's natural advantages (deep water protected port) along with its position as a transportation hub (airport, shipping terminals, rail) and its location relative to the major population centers and visitor destinations.



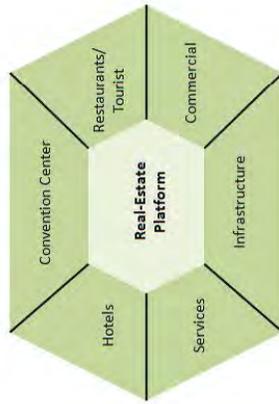
Maritime

As a deep water port, the Port is designated as a strategic asset capable of supporting a diverse range of uses from a major military installation, with the associated shipbuilding and repair that has developed in conjunction with the long-standing presence of the U.S. Navy, to a variety of maritime operations, goods transport and cruise ship operations. The maritime operations are supported by substantial land-based infrastructure including rail, truck/transport, cold storage, etc.



Real Estate

The Port's real estate operations are almost exclusively visitor serving per the Port Act centered around hotels, restaurants, the San Diego Convention Center, various tourist attractions associated visitor services, boat yards and marinas. In addition to the visitor serving assets, the Port hosts significant infrastructure installations as well as government uses and a mix of commercial activity.



Economic Mix

The economic mix of the Port is centered around its approved uses, most notably the “Working Waterfront” (which includes the Military and all maritime related activity) and visitor serving activities. Historically the airport comprised a significant source of revenue and continues to occupy a very large portion of the total square footage under lease (approximately 23% of the total land under lease). The Port’s annual operating revenues from its primary use categories of Maritime and Real Estate (excluding Harbor Police and Other Income) for the previous two fiscal years (yearend June 30) were \$130.7 million in 2012 and \$131.3 in 2011 respectively. While the Port has generated approximately \$130 million in usage-based revenue, its assets and activities support a total economic impact of almost \$50B by supporting two of San Diego’s largest economic engines – the Military (\$32B annual regional impact) and Tourism (\$18B). Land & Water Usage as well as Revenue by User Type can be analyzed along the following key categories:

1. U.S. Navy / Shipbuilding & Repair
2. Goods Transport (lease based as well as fee/service based)
3. Cruise Ships (analyzed separately)
4. Maritime (Recreational Use)
5. Hotels
6. Restaurants / Tourist
7. Commercial
8. Infrastructure
9. Government Uses

Key Findings:

- Asset utilization relative to revenue generation reveals information on profitability and the risk/return profile for certain land use characteristics.

- Government use includes the Downtown Convention Center (24% of total) and the Coronado Golf Course (34%).
- Small footprint users such as restaurants occupy only 0.4% of the total Rent Roll, but generate 3.2% of total revenue.
- Asset intensive business uses in maritime utilize approximately 35% of the total land and water area and generate approximately 20% of total revenue.
- Hotels represent the largest Return on Assets with almost 70% of the revenue while utilizing just over 10% of the Total Land Use. This analysis however does not reflect the investment in the Convention Center.

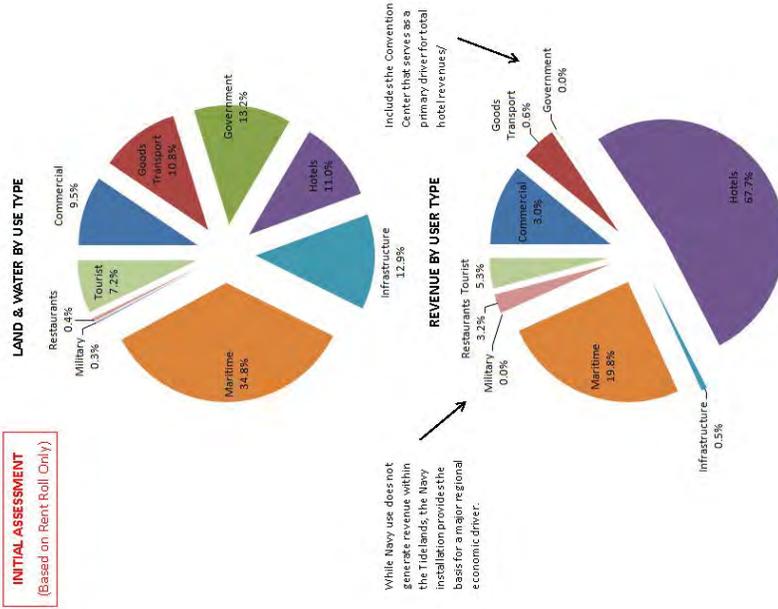
Usage Mix

The Port serves a dynamic group of users, physical assets and surrounding communities. This balance is reflected in a diverse portfolio of tenants that includes highly demanding requirements (such as the U.S. Navy) as well as significant supporting infrastructure for the Port and its surroundings.

Key Findings:

- Diverse user groups provide diversity but also creates the potential for conflicts regarding usage and management;
- Infrastructure (and related capital cost) and maintenance requirements can vary significantly by primary user groups;
- Timing, certainty, contract flexibility and risk should be tailored to meet the needs of agreed upon primary use categories.

INITIAL ASSESSMENT (Based on Rent Roll Only)

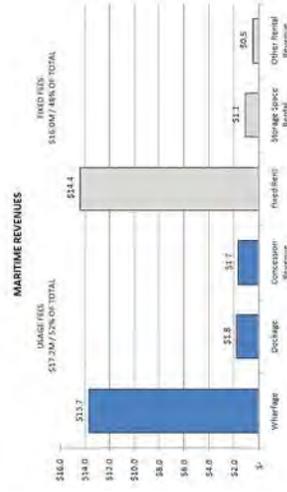


Maritime Operations

The Port's Maritime related uses can be divided up into four categories (i) Cruise, (ii) Goods Transport, (iii) Defense, Shipbuilding, Repair and Service (iv) Commercial. Maritime revenues are based on a mix of fixed fees and usage fees. Usage Fees are primarily derived through Dockage (cargo delivery), Wharfage (primarily related to long-term on-shore goods transfer operations), and Concession Revenue (bay tour and crane operations). Fixed fees are comprised of Fixed Rents (long-term lease agreements), Storage Space Rental and Other Rental Revenue (short-term rental agreements).

Key Findings:

- Maritime Operations generated just over \$33 million in revenue in FY 12/13 which was an almost 8% increase over the previous year driven largely by an improving economy resulting in more Usage Fees (Wharfage increased almost 10%) and increased Fixed Rents (just under a \$500k increase).
- Revenues are almost equally split between usage based and fixed fees, making results highly susceptible to changes in economic conditions particularly as it relates to the majority of imports being related to consumer cyclical products tied to autos and construction.



Cruise Operations

San Diego's cruise industry was significantly impacted by the global economic downturn as well as concerns over health risks and destination safety (Mexico). San Diego went from over 250 calls in 2008 to well under 100 in 2012. Recent trends have shown an improvement, but revenues remain significantly off peak in 2008 (down ~65%).

Key Findings:

- San Diego overall attractiveness in combination with its logistics (accessibility via air, rail and autos) rate very favorably.
- Lack of destination diversity (Mexico vs Caribbean) creates long-term challenge.
- General improvements underway as part of the NEVP will bring greater activation and upgrade to the Cruise passenger experience as well as general improvement in the economy on both sides of the border.



Goods Transport

Goods are handled at the Port's two active marine cargo terminals: the Tenth Avenue Marine Terminal (TAMT) and the National City Marine Terminal (NCMT). The terminals handle containers, dry and liquid bulk cargo's, refrigerated products, automobiles, breakbulk, project and other cargo's for the Southwestern United States and Northern portion of Mexico.

Automobile imports and perishable foods (TAMT) has one of two cold storage facilities on the US West Coast) destined for the greater Southern California and Arizona areas are currently two of the primary imports. Construction materials (Dixieline and Cemex) as well as large bulk shipments (wind turbines) constitute the other primary users.

Key Findings:

- Expansion of the Panama Canal will bring new trading routes and bring opportunities for a "Network of Ports" on the West Coast to remain competitive.
- Short Sea Shipping from continued growth of the manufacturing sector in the greater San Diego / Baja California MEGA-region.
- Seafood processing via Aquafarming – 90% of all seafood is imported and San Diego's position to the Pacific Ocean provides opportunity for import/export.
- Infrastructure investments may be required to expand the uses and services at each of the terminals to help maintain and attract users in the long-term.

U.S. Navy / Ship Building, Repair & Support

The Port is one of the 17 Strategic Commercial Seaports designated to support Department of Defense (DoD) cargo shipments. As such, the Port is home to one of the largest major shipbuilding and repair

Maritime Operations (continued)

sectors on the West Coast. Over 100 San Diego-area companies are active in shipbuilding, ship repair, conversion, overhaul and modernization. United States Navy and Defense contracts constitute approximately 70% of the work done by these firms.

In addition to the crucial services provided for the Navy fleet and commercial vessels, these firms provide more than 10,000 jobs to the San Diego economy, both directly and through subcontractors and suppliers. These jobs represent a cross section of the region's population and contribute hundreds of millions of dollars in revenue to the San Diego Regional economy each year.

Key Findings:

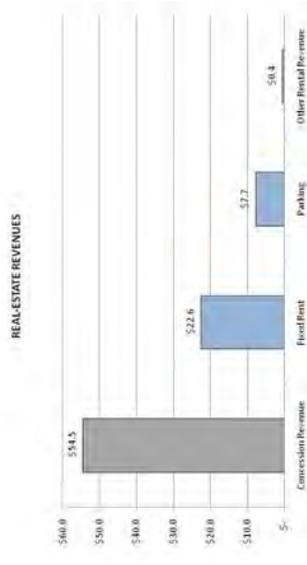
- U.S. Navy spending represents a \$32B annual economic impact on the region of which over \$20B is directly spent in the region. The Navy's commitment to the region will bring further investment in technology, infrastructure and people to meet the future demand.
- The depth of water from TAMT to NCMT is vital to the core build and repair operations and land scarcity will require firms to find better operating efficiencies.
- Infrastructure improvements for transportation and parking are in demand to increase overall cohesiveness with the local neighborhoods.

Real-Estate Operations

The Port's Real-Estate uses can be defined under five categories (i) Hotels, (ii) Restaurants, (iii) Tourist Attractions, (iv) Commercial, and (v) Government/Infrastructure. Real-Estate generates revenue through Fixed Rents, Concession Revenue (hotels and restaurants), Parking and Other Revenues.

Key Findings:

- Real Estate revenues make up over 70% of the Port's primary business activities (real-estate and maritime). Of that total, Concession Revenue makes up 64% of total real-estate revenue. The result is that almost half (44%) of the Port's primary operating revenue is tied to tourist traffic to hotels in the Port's jurisdiction. Parking provides a significant source of revenue and also grew by 20% year-over-year due to rate increases. This is largely due to the continuing residential growth in Downtown San Diego. While this is an important revenue source, it utilizes significant amounts of land (especially surface parking)



Hotels

The San Diego tourist industry is the third largest in the county, and is a main contributor to the region's economy. With nearly 8,000 rooms, the 16 Hotels on Port land represent just under 15% of the total rooms in San Diego and generate over 60% of the Port's rental income. Facilities on Shelter Island, Silver Strand and Harbor Island are strong contributors to the Port's total revenue, but the three Convention Center hotels make up almost 65% of the total hotel revenue.

Key Findings:

- The Convention Center expansion will continue to support strong occupancy and revenue generation from the South Embarcadero.
- The Chula Vista Bayfront development is projected to add over 2,800 rooms to the Port's bayside inventory over the next 10-20 years and bring needed economic development to the South Bay.
- Recent approvals for the Hilton Convention Center Expansion (500 rooms), Lane Field (400 rooms) and Sunroad Harbor Island (175 rooms) will add an additional 1,175 rooms to Port room inventory.

Restaurants, Tourist Attractions & Commercial Use

The Bay as an attraction continues to grow with the USS Midway Museum and Maritime Museums combined to reach over 1.25 million visitors. Strong visitorship supports several stand alone restaurants, which generate over \$2M in revenue to the Port. With seven restaurants generating 94% of the revenue from that sector, there could be room for growth.

Visitor destinations such as the Old Police Headquarters and

Development Zones

Seaport Village, as well as water tours and attractions, are important aspects of the Port's mandate for access and visitor serving uses. At approximately 5% of rental income, however, there should be opportunities for activation and expansion.

Key Findings:

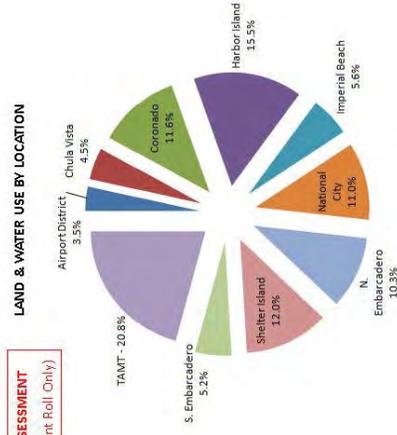
- Board of Port Commissioners Policy 355 allowed the Port to raise minimum rents and provided more certainty for tenants which resulted in millions of dollars in private investment in leasehold improvements and upgrades.
- Stakeholders, the Public and Tenants have all stated a desire to have more attractions on the water and at the water's edge to provide more activation.
- Flooding infrastructure can be developed to provide additional connectivity to the water.

The Port currently operates under ten discrete Planning Districts in order to logically assess and develop supporting infrastructure and usage mix. The adjusted ten development zones include the Chula Vista Bayfront, Coronado, Harbor Island, Imperial Beach, National City, North and South Embarcadero, Shelter Island, 10th Avenue Marine Terminal (TAMT) and the Airport District. These areas can each be analyzed for asset utilization/ intensity, infrastructure requirements, sustainability and economic contribution.

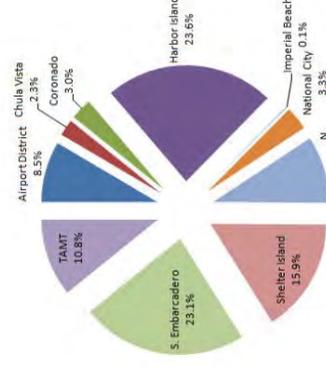
Key Findings:

- Areas with established hotel operations provide revenues in excess of their asset footprint. Maritime and Industrial operations in National City and TAMT are resource and space intensive and therefore generate a lower Return on Assets.
- The Airport District provides rental car and associated services for airport and tourist traffic and includes Solar Turbines, a manufacturing company, which creates a significant source of total revenue on a relatively small asset base with limited infrastructure and maintenance requirements.
- Coronado is space constrained and has limited growth and revenue generation opportunities while the Chula Vista Bayfront and Imperial Beach represent underutilized assets.

INITIAL ASSESSMENT (Based on Rent Roll Only)



REVENUE BY LOCATION



Future Development

Several planning districts have reached maturity and are operating on a stabilized basis while other areas have new development opportunities for both maritime operations and real estate. Mature areas should be analyzed for in-fill opportunities and enhanced use to support increasing rents and concession revenues. New development will require comprehensive planning regarding stakeholder demands as well as innovative financing structures.

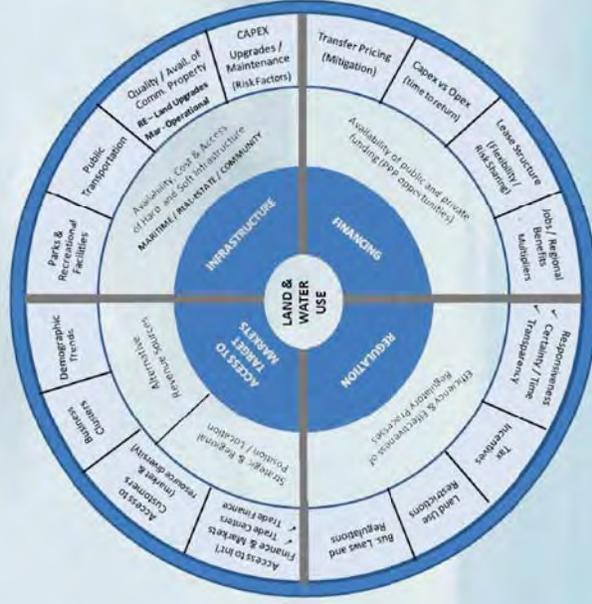
The Port's holdings can effectively be analyzed under three categories, (i) areas that have hit critical mass with mature operations, (ii) maritime and industrial areas that require infrastructure investment for future growth, and (iii) new development areas (Chula Vista Bayfront) that hold significant promise and long-term value but need support to become activated.

Decision Matrix

The complex nature of the Port's assets, users and constituent base creates a highly integrated decision making matrix as it relates to asset utilization and economic returns. Land & Water Use is at the heart of the matrix with Market Access, Infrastructure, Financing and Regulation impacting subsequent decisions. Each component has natural strengths and weaknesses.

Key Concepts that should have fully developed strategic plans and be integrated into a comprehensive decision matrix include:

- Asset Utilization / Intensity
- Revenue Velocity
- Public-Private Partnerships
- Cyclical Nature of Operations – Capital Risk & Operational Risk
- Capital Cost versus Operating Cost
- Sustainability
- Financial and Operating Leverage
- Constituent Conflicts
- Evolving Trends – Demographics, Industry, Region
- Transfer Pricing / Mitigation
- Time Value / Certainty (Process)
- Risk Management
- Global Network of Ports
- Long-Term Assets versus Short-Term Assets







ENERGY

With both Port owned and operated facilities and multiple tenant owned and operated facilities located across ten unique Planning Districts, the Port has a matrix of existing energy issues, policies, and guidelines. The majority of active efforts are focused on the Port owned and operated facilities since those are the ones that can be most readily impacted by positive sustainable programs. However, with more than five times as many tenant facilities residing within the Port jurisdiction, tenant sustainable energy policies are being developed and encouraged. These tenant related policies have to be evaluated as to their impact on the competitiveness of Port property as compared to adjacent non-Port properties.

Port Facilities

Green Port of San Diego

The Port of San Diego's Green Port Program "integrates environmental sustainability principles into business decisions, development and operations". With respect to energy, it is the umbrella Port policy that is mostly focused on Port facilities and has yielded direct savings to the Port's cost of energy.

Sustainable Development

The Port's current Sustainable Development activities include pursuing LEED certification for Port facilities and installation of renewable energy systems.

Energy Efficiency Projects

The Port is pursuing energy efficiency projects such as lighting and HVAC upgrades at Port facilities. They are also replacing street lights with energy efficient LED lamps and fixtures. These type of projects are available across virtually all existing Port facilities.

SDG&E/Port of SD Energy Efficiency Partnership

This partnership program is currently in place to increase the Port's role in the region as an environmental steward and to build on successive SDG&E funding cycles. The program includes energy

efficiency education and outreach, implementation of strategies that will contribute to Climate Action Planning and energy efficiency upgrades to Port operations.

Tenant Facilities

Green Business Network

The Network is a voluntary program that provides free tools, training, and resources for Port businesses to reduce their environmental impact and save money. In 2013, 78 waterfront businesses participated in the program. These businesses account for 78% of energy consumed on Port Tidelands.

Shipyards Energy consumption and Efficiency

These large users of electrical energy have been identified as a major opportunity for tenant energy conservation.

Navy Pier- Use of Shore Power

"Cold Iron" processes have been used by the Navy for many years to allow ships to shut down their on-board oil based power sources and rely entirely on shore power. This solution needs to be encouraged more and to be considered as a balanced load for clean energy sources such as co-generation.

Master Plan Guidelines for Tenant Developments

Integrating sustainable energy policies into lease agreements is a method currently being evaluated to ensure future Port tenants meet the Port's goals.



PUBLIC OUTREACH

As part of the process of developing a vision and guiding principles for the Integrated Port Master Plan update, HKS engaged with and informed elected officials, stakeholders and residents through a program intended to educate, capture input, and respond to feedback. The team will also hold public events to inform all parties of the resulting vision and guiding principles, as well as how their participation was incorporated into the resulting documents.

To date, HKS and Port staff have conducted the following outreach:

- Boat tour with stakeholders
- Bus tour with stakeholders
- Interviews with Port Commissioners
- Interviews with Port staff
- Launched website with opportunity for submitting comments and planners with more than 90 stakeholders, including mayors and planners of the five member cities
- Interviews with county supervisors
- Presentations to more than 30 community organizations
- Stakeholder gatherings in San Diego and National City
- Community workshops (2/18-2/19)
- Online survey (pending)

The goal of the community outreach was to engage the widest possible spectrum of regional.

Given the vast range of input, the data derived from the outreach efforts naturally revealed some areas of consensus and highlighted areas where there were strong differences of opinion. The sometimes contradictory comments reflect the Port's difficult role in satisfying the myriad interests regarding San Diego Bay.

Generally, the individuals we have engaged appreciated the mixed-use aspect of the Bay and have been open to viewpoints beyond their own. There was also a general consensus that San Diego Bay

is an extremely valuable and beautiful asset with few equals around the world.

There was the expected divergence in responses amongst those with different priorities. However, the various groups and individuals have shown a great deal of respect for alternative viewpoints and acknowledged that, in the big picture, each of the components was important in creating a balanced Bay and a prosperous, attractive and healthy region.

The engagement also revealed that there is a long and often controversial history between the Port and many of those who have dealt with the Port over the last several decades.

Input to date has yielded the following information:

Water

Most conversations about the Bay didn't focus on the water itself and while not verified, it appears that most residents rarely spend time on the waters of the Bay, instead interacting at the shoreline.

Some organizations would like to see additional facilities for getting more individuals, particularly young people, onto the Bay and to become educated on the local culture and job opportunities and training to prepare the next generation of workers and innovators. In addition, alternative uses for the waters of the Bay were discussed, including aquaculture, fish farming, and floating infrastructure, such as restaurants.

Most expressed the desire for a clean Bay and green operations by Port industries, including ships and ship repair. They said they wanted to feel safe swimming in the Bay and to be able to eat the fish they catch in the Bay.

The Navy was identified as an important presence on the Bay and one that should be supported, both for the economic contribution to the region and for national security.

Open Space

Residents want more ways to interact with the waterfront and the bay in the form of launch ramps for boats and kayaks, piers, docks, public gathering places, amenities, shopping, etc. Public access was also emphasized in the form of bikable, walkable access to the waterfront. Many mentioned the Bayshore Bikeway as a positive element that addresses this issue but also voiced frustration with the failure to complete sections of it.

Many felt that parks on Port property were insufficient in number or did not serve their interests well in terms of accessibility or what is offered. Along those lines, many said the downtown waterfront doesn't have amenities to attract residents and is largely focused on tourists. This has created a lack of connection with the waterfront for residents, particularly those living in inland neighborhoods. This refers both to physical connections (walkways, access, etc.) and the feeling that the waterfront doesn't reflect the culture of adjacent neighborhoods. The waterfront itself lacks continuity around its perimeter, meaning that the communities along the waterfront do not feel linked to each other. Some expressed the goal of thinking of the Bay as a single unit with different neighborhoods along the shore and perhaps linked by parks and open space.

Many noted that the Port should consider the Bay as a single unit for conservation purposes – think beyond just South Bay, since wildlife doesn't recognize these boundaries. Related to this, some asked if it was possible to regain some of the natural habitat that has been lost over time in other parts of the Bay.

A divergence of opinion emerged when some called for more

recreational boating use in the South Bay (which might require dredging) while others pointed out that boating would disrupt migratory birds in the area, some of which are in a fragile state of health after flying great distances.

The importance of the South Bay natural preserves for wildlife was emphasized by some, while others felt that economic development should take precedence over natural preserves. Those who emphasized preserves felt the region's natural heritage in the form of living shoreline and celebration of native species should be emphasized and valued highly.

Infrastructure

Another point of divergence was the observation by some that much of the waterfront, even parks, are dominated by parking lots while others indicated that parking availability is still a problem. Some said using a car down at the waterfront was often cumbersome or difficult at best.

The interface between trains, trolleys, cars and Port property and residential neighborhoods was identified as something that was making access difficult or disruptive of neighborhoods. Improving infrastructure to support commercial shipping and shipyards, if done correctly, was identified as a strategy that could increase capacity for those operations while at the same time reducing the disruption in residential neighborhoods.

An opening from the Pacific to the South Bay was the focus of several comments. Some advocated strongly for this, citing the development benefits for the South Bay cities and also indicating it would help cleanse the Bay. Others were opposed and indicated it would change the existing ecosystems that are considered extremely valuable for certain species of birds and other wildlife. A few others also took the time to note that the environmental impact report would

be too daunting to even begin to consider a second opening to the Bay.

Water taxis and an increased use of ferries, incorporated into the local transportation infrastructure, was discussed by several. It was also observed that a smart transportation plan and infrastructure could connect the cities with the bay and create a greater feeling of integration.

Leasable Land

Jobs and the Port serving as an economic engine was a strongly expressed topic. Support for the maritime industries, including shipyards and commercial docks, was practically universal. However, the balance between economic development, where it happens, how much of it, and maintaining open space is where a divergence of opinions occurs.

South Bay residents expressed frustration regarding economic inequality vis-a-vis development on the North Bay and unequal distribution of the revenue from the Port. Even if development on the scale of the North Embarcadero isn't possible in the South Bay, they suggested that revenue be distributed to all cities for enabling the development through environmental mitigation. Further frustration was expressed regarding the slow pace of progress on developments, even those that have been approved, in the South Bay. The Chula Vista Bayfront Master plan was universally regarded as a success and a model for the process and end result. Public input was considered critical to the project's success.

Some wondered if the Port Act should be changed regarding restrictions on uses while others warned that trying to alter the legislation could irrevocably change the composition of the Bay for the worse and hurt commercial/industrial uses. Those commercial and industrial interests described the feeling of constantly being

under siege and having to fight off other types of uses.

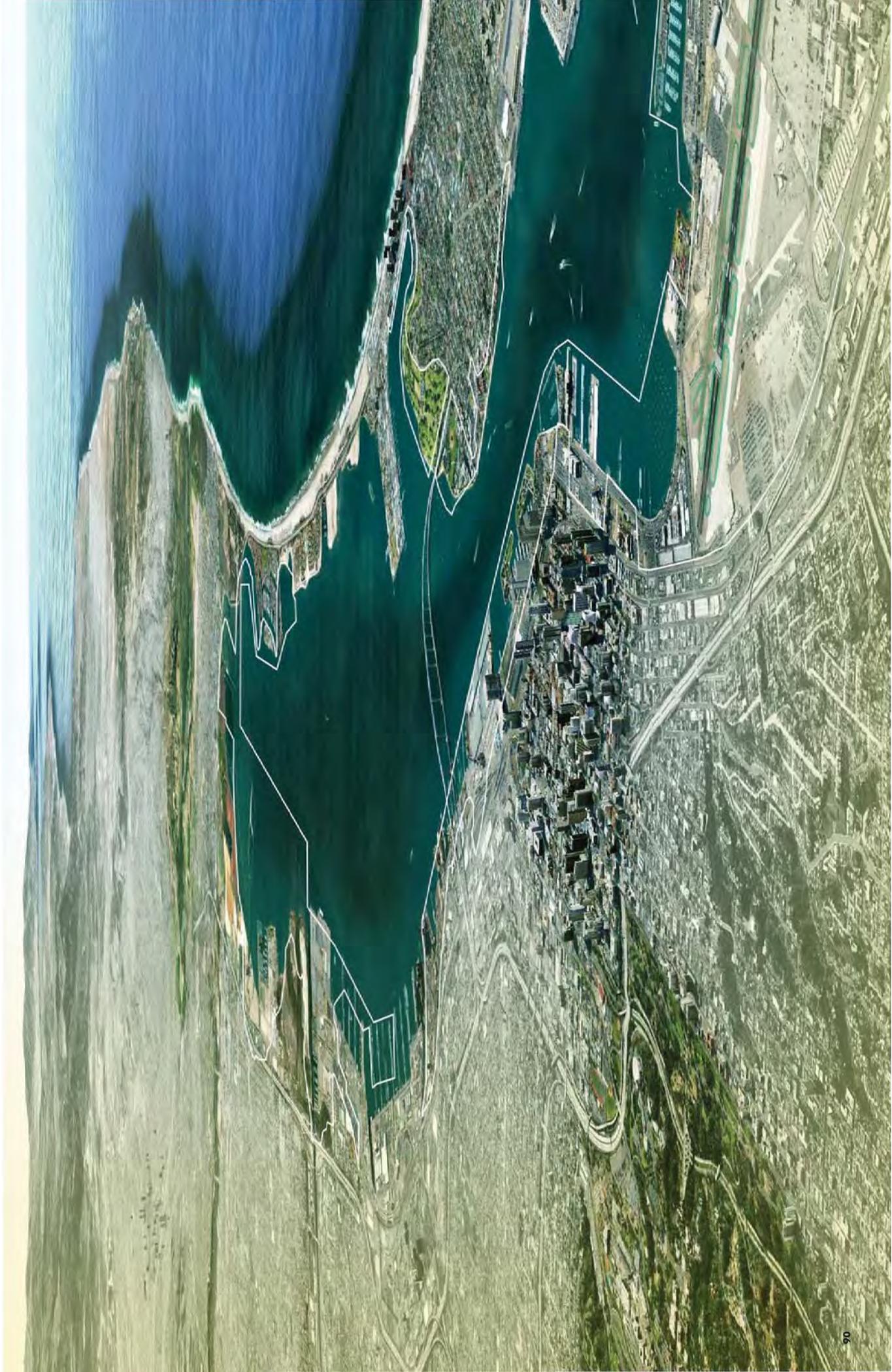
Another point of contention was the preference for low density development vs. others who noted that higher density projects could combine with parks, parking and other amenities to create a pleasant and accessible space.

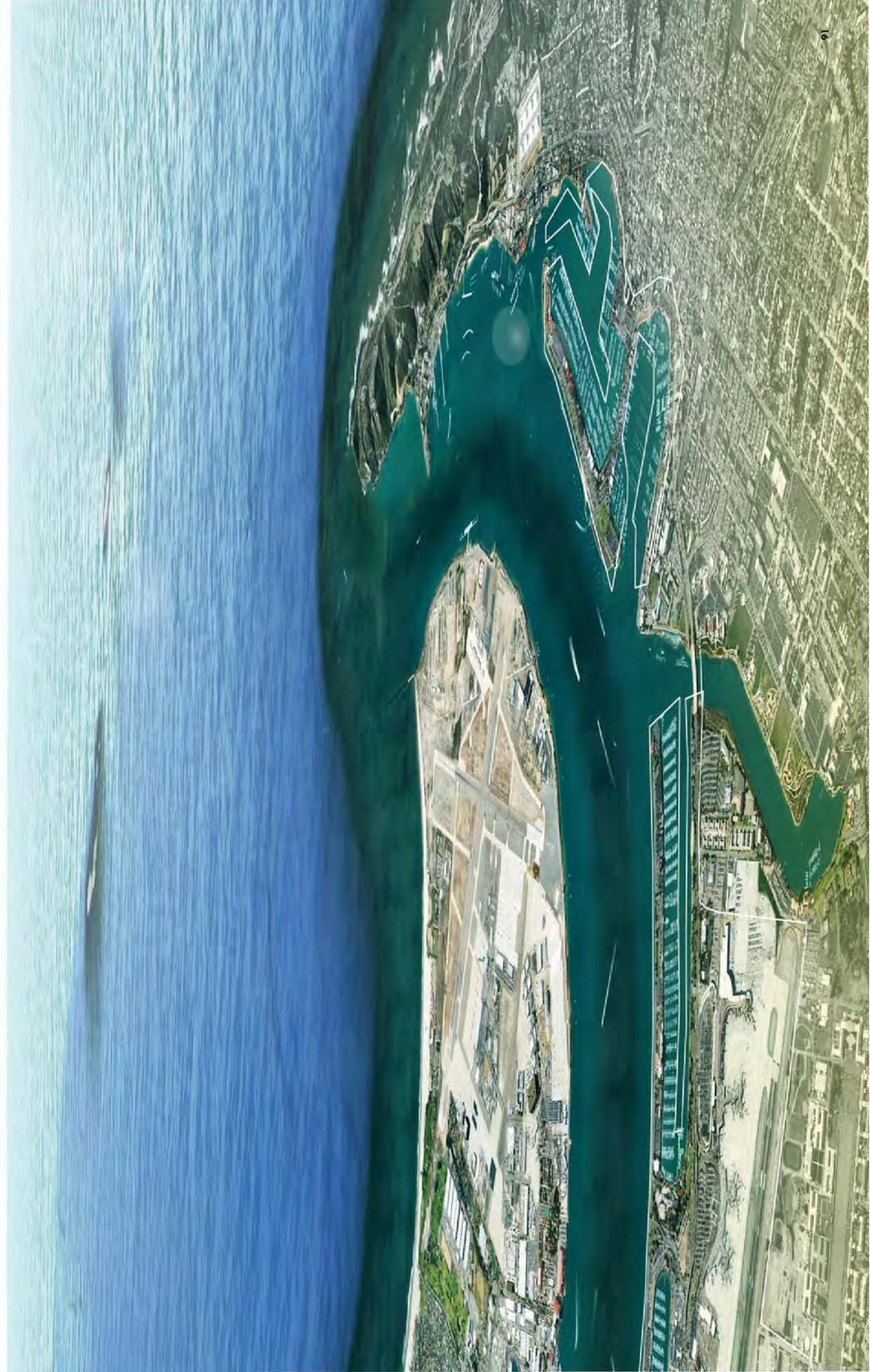
While not necessarily opposing commercial uses, some of those interviewed wished for a better interface/transition between industrial/commercial uses and residential neighborhoods. Several people said developments, including parks, should reflect the neighboring communities and celebrate the local history and culture.

The San Diego region was also recognized by some as a hub for technology companies operating in the marine sphere (blue tech). The Port could support these industries by providing access to the waterfront. These companies require a skilled workforce and provide high paying jobs, which are good for the region. If planned correctly, the bay could be part of a larger, economic infrastructure that supports industry region-wide, even extending into Mexico.

Frustration with the approval process for development projects was a theme of the interviews. Uncertainty about what can and cannot be accomplished as well as the length of time associated with approval was expressed, not just by developers, but also by environmentalists and community groups as well.

Building a better relationship and working more closely with regulating agencies and government to create a more coordinated approach to the Bayfront was cited as a goal. These include local municipalities, environmental, wildlife and water agencies, Coastal Commission, and transportation and economic development agencies. If done correctly, the Port could become a unifier for the region.





Attachment C to Agenda Sheet No. 19

25TH
ANNIVERSARY
EST. 1989



SCEDC
South County Economic
Development Council

Board of Directors

Allied Waste Services

American Open

AT&T

Bank of America

Comprehensive Training Systems

DEITAC/CDT

Falcon Strategies

McMillin Companies

Mission Federal Credit Union

Neighborhood National Bank

O.A.P. Packaging

Pacific Southwest Assoc. of Realtors

Paul Design Group

San Diego Business Journal

San Diego Chamber of Commerce

San Diego Regional EDC

San Ysidro Health Center

SANDAG

Schwartz, Semerdjian, Ballard

& Cauley, LLP

Scripps Health

San Diego Workforce Partnership

SDG&E

SeaCoast Commerce Bank

SeaWorld/Aquatica

South Bay Family YMCA

Southwestern College

Triology PR Group

Vibra Bank

Dignitary Council

City of Chula Vista

City of Coronado

City of Imperial Beach

City of National City

City of San Diego

County of San Diego

Port of San Diego

July 7, 2014

Commissioner Bob Nelson-Chairman
Commissioner Dan Malcolm-Vice Chairman
Commissioner Marshall Merrifield-Secretary
Commissioner Robert "Dukie" Valderrama
Commissioner Ann Moore
Commissioner Rafael Castellanos
Commissioner Garry J. Bonelli
Unified Port of San Diego
3165 Pacific Hwy
San Diego, CA 92101

Honorable Commissioners,

In the Port's current mission statement "economic vitality" is recognized as the Port's role within the region, however, that role appears to be understated in the proposed guiding principles of the Port's Vision Plan. The Port's economic impact is greater than what you see on Port properties and tidelands. It transcends throughout the region. The Port has a \$10.6 billion economic impact on our region and accounts for over 77,000 jobs. In South County that economic impact is felt in the movement of over 500,000 vehicles at the National City Marine Terminal and the 2,200 permanent jobs and 7,000 construction jobs anticipated at the Chula Vista Bayfront. It is further felt in tourism dollars the Port brings into the cities of San Diego, Chula Vista, National City, Coronado and Imperial Beach.

The hotels, retail and other commercial economic sectors have an impact of 34,000 jobs and \$3 billion annually. Maritime accounts for just over 5,000 jobs and \$670 million economic impact. The cargo and traded industry impact is 42,000 jobs and \$7.6 billion in the economy.

Embracing the role as a regional economic driver is crucial to the future of the Port and the San Diego region. It is with this understanding that the South County Economic Development Council respectfully requests the Port understand and reaffirm its role as a regional economic driver and include such language in its guiding principles.

Respectfully,

Cindy Gompper Graves
President & CEO

BOARD OF DIRECTORS

William Hall, Chairman

4 LIBERTY

Richard Bartell, Vice Chairman

BARTELL HOTELS

Andrew Aiello-Hauser

ANTHONY'S SEAFOOD GROUP

Craig Anderson

SOLAR TURBINES

Raymond Ashley

MARITIME MUSEUM OF SAN DIEGO

Susan Baumann

BALI HAI & TOM HAM'S LIGHTHOUSE

Gregory Boeh

GB CAPITAL HOLDINGS, LLC

Terry Buis

BAE SYSTEMS SAN DIEGO SHIP REPAIR

***Raymond Carpenter**

R.E. STAITE ENGINEERING

Paul Corso

DIXIELINE LUMBER AND HOME CENTERS

Thomas Driscoll

DRISCOLL INC.

Michael Feinman

COHN RESTAURANT GROUP

Uri Feldman

SUNROAD ENTERPRISES

Tom Fetter

T. FETTER & CO.

Gregg Fracassa

KONA KAI RESORT

Ken Franke

SPORTFISHING ASSOCIATION OF CALIFORNIA

James Gill, Jr.

GENERAL DYNAMICS NASSCO

Scott Hermes

SHERATON SAN DIEGO HOTEL & MARINA

Kip Howard

ALLEGIS DEVELOPMENT

Sean Hower

BNSF RAILWAY

Barrett Jung

DOLE FRESH FRUIT CO.

Jennifer Klein

BNSF RAILWAY

Eric Leslie

HARBOR ISLAND WEST MARINA

Russell McCarthy

CONTINENTAL MARITIME

Mac McLaughlin

USS MIDWAY MUSEUM

Nusrat Mirza

CORONADO ISLAND MARRIOTT

Jack Monger

INDUSTRIAL ENVIRONMENTAL ASSOCIATION

Reyna Novelo

CHESAPEAKE FISH COMPANY

Steve Pagano

SAN DIEGO MARRIOTT MARQUIS & MARINA

***George Palermo**

FLAGSHIP CRUISES & EVENTS

John Pasha

PASHA AUTOMOTIVE SERVICES

***Edward Plant**

HARBORSIDE REFRIGERATED SERVICES

***H.P. "Sandy" Purdon**

SHELTER COVER MARINA

Bill Roberts

SHELTER ISLAND BOATYARD

Todd Roberts

MARINE GROUP BOAT WORKS

John Schafer

MANCHESTER GRAND HYATT SAN DIEGO

***James Unger**

HORNBLOWER CRUISES & EVENTS

Claudia Valenzuela

SDG&E

Bruce Walton

TERRAMAR RETAIL CENTERS

Perry Wright

CONSIDINE & CONSIDINE

DIRECTOR EMERITUS

***Arthur Engel**

***Rick Ghio**

Douglas Manchester

Karen McElliott

***Lee Wilson**

STAFF

Sharon Bernie-Cloward

PRESIDENT

Sophie Silvestri

DIRECTOR OF OPERATIONS

***SDPTA Past Chairmen**



SAN DIEGO PORT TENANTS ASSOCIATION

July 16, 2014

Chairman Robert Nelson & Board of Port Commissioners
San Diego Unified Port District
3165 Pacific Hwy
San Diego, CA 92101

Subject: Port Tenants Association Input for Port's Integrated Master Plan Update

Dear Chair Nelson and Commissioners,

The San Diego Port Tenants Association Board and members have continued to be actively engaged in the Port of San Diego's 50-year Integrated Master Plan Update process. During the last three months we have repeatedly requested that the Port recognize that economic development and growth of the tidelands businesses must form the foundation for sustained Port operations, maintenance of vital infrastructure, and growth of the regional commercial, visitor-serving and maritime industrial base.

We previously requested that an additional workshop be held **that specifically examined future business operations on the Port tidelands**, linking the success of those businesses to a revenue stream that would functionally enable all other Port objectives such as public access to the Bay, enhanced water quality, and waterfront activation. To date, **the consultants supporting the integrated planning process have not adequately stressed the links between tidelands economic growth and the capacity to enable and maintain the Port's non-economic functional objectives.**

Our Integrated Planning input is supported by a Board-appointed committee formed to elevate our participation and coordinate our member input. In review of the Guiding Principles, the San Diego Port Tenants Association's Integrated Planning Committee once again needs to stress the following:

- The Port must align the mission and vision of the Integrated Plan with the Port's enabling legislation, stressing ongoing aggressive advocacy for maritime commerce, fisheries, and tidelands economic development, to the benefit of the region.
- The Preamble of the Port Act should be incorporated into the **vision statement** of Master Plan Principles, specifically: "A port district for the **acquisition, construction, maintenance, operation, development, and regulation of harbor works and improvements, including rail and water, for the development, operation, maintenance, control, regulation, and management of the harbor** of San Diego upon the tidelands and lands lying under the inland navigable waters of San Diego Bay, and for the **promotion of commerce, navigation, fisheries, and recreation thereon**, may be established or organized and governed as provided in this act and it may exercise the powers expressly granted herein,"
- Each of the Guiding Principles must clearly state that all non-revenue bearing initiatives should be developed on a foundation of **economic feasibility**,

- The Guiding Principles and the final Integrated Port Master Plan should emphasize **San Diego's designation as a Strategic Port** and stress the need to maintain and enhance **maritime capabilities for national defense and logistics support objectives**.
- The Guiding Principles should encourage not only the preservation of maritime industrial and manufacturing capability, but facilitate capacity growth of that vital sector, including the acquisition of adjacent lands, recognizing the decline in shipbuilding and vessel maintenance capabilities on the west coast, concurrent with Navy's pivot to the Pacific Rim.
- As stated previously, the Guiding Principles should clearly define **base sector employment, prime industrial** and key points from Member Cities' **Economic Prosperity and Land Use and Transportation Elements and Plans**. An excerpt from City of San Diego' Economic Prosperity Element states: "The San Diego region operates cargo facilities that support trade and manufacturing, as well as non-manufacturing activities, such as maritime commerce, goods movement, retail, boat charters, marina services, bay cruises, sport and commercial fishing, yacht sales, lodging, and the military. The waterfront supports a significant amount of both civilian and military workers. Based on the economic importance of the waterfront to the San Diego region, preserving and protecting San Diego's waterfront business activities is critical in providing a diverse workforce and regional economic vitality." An excerpt from Chula Vista's Land Use and Transportation Element follows: "The efficient movement of goods is vital to the economic stability and growth of both Chula Vista and the San Diego region." National City's Draft General Plan Element states the following: "The Port's marine terminals are vital components of the San Diego region's working waterfront, which includes maritime operators, ship builders, and other commercial and industrial businesses." The cities of Imperial Beach and Coronado express advocacy for corresponding economic elements in their respective General Plans.

The points above should be captured and highlighted in **bold** print within the Guiding Principles.

The Integrated Plan must align with the mission and vision of the Port's enabling legislation, emphasizing an expanding economic base combined with advocacy for maritime commerce, fisheries, and tidelands development, to the benefit of the San Diego region.

Please let us know if you will incorporate some or all of our recommendations in the mission and vision portions of the Integrated Plan.

Most Sincerely,

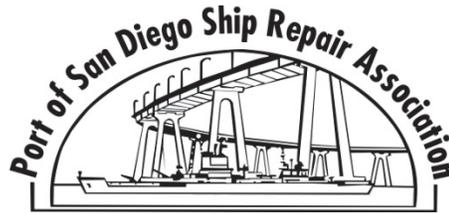


Bill Hall, Chairman
San Diego Port Tenants Association



Sharon Cloward, President
San Diego Port Tenants Association

CC: SDPTA Board of Directors
Randa Coniglio, Port Executive Vice President
Jason Giffen, Director, Port Environmental and Land Use
Keith Walzak, Port Integrated Planning Manager



P.O. Box 131068 – San Diego, CA 92170-1068
www.sandiegoshiprepair.com

July 16, 2014

Chairman Robert Nelson & Board of Port Commissioners
San Diego Unified Port District
3165 Pacific Coast Hwy
San Diego, CA 92101

Subj: Port of San Diego Ship Repair Association Input for Port's Integrated Master Plan Update

Dear Chairman Nelson and Commissioners:

The Port of San Diego Ship Repair Association (PSDSRA) continues to be actively engaged in the Port of San Diego's 50-year Integrated Master Plan Update process. There are several key topics that we feel need to be addressed in the Vision and Guiding Principles and these topics are: recognition that the Port of San Diego is a strategic port; that the Port Act/Charter Enabling Legislation is included in the Guiding Principles; the importance of the military, specifically the Navy, to the San Diego Region and the impact the Navy's "Shift to the Pacific" strategy will have; and economic preservation and growth of Maritime Industrial/Manufacturing businesses.

In 2006, the Port of San Diego was designated as one of fifteen strategic ports in the United States. In March of 2006, MARAD issued a Port Planning Order. This Order outlines the responsibilities of the marine terminals and the arrangements to meet anticipated defense agency requirements. Because the Port of San Diego has this designation, it is imperative that the Guiding Principles acknowledge and address this designation. As the Port contemplates actions in the future, these actions must be evaluated against the Strategic Port designation and ensure that they are not adversely impacted.

In conjunction with the Strategic Port designation, the State passed the San Diego Unified Port District Act in 1962 to create the port district. This Act describes the purpose and use of powers and must be included in the Port's 50-year Plan. Moving forward, this Act must be a centerpiece of the Guiding Principles adopted to evaluate potential projects under consideration by the Port.

The Port of San Diego conducted an online survey and received additional input from the public on its plans for the vision for the Port of San Diego. The results of this survey provided some critical insight on the public's outlook on issues associated with jobs, the

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Glenn Hofert
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Russ Pearce
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maritime industry, the port operations, and the importance of the Navy. The following are the results on specific responses to these areas:

- Question 6c: 84% of respondents agreed that the Navy is important to the Region
- Question 6h: 84% of respondents agreed that maritime industries should be protected
- Question 6l: 90% of respondents agreed that the Port of San Diego should be an economically viable port
- Question 7a: 90% of respondents agreed that economic development is important
- Question 7f: 89% of respondents agreed that it is important to have a commercial maritime port

As noted above, the respondents to the survey overwhelmingly agreed that the Navy was important to the region. It would seem appropriate that all projects are evaluated against the impact/effect that the project will have on the operations of the Navy. As you evaluate accessibility issues for access to the Bay, wouldn't it be prudent to evaluate the proximity to Navy boundaries? Creating a plan to link parks and other green spaces around the Bay demands that you evaluate these plans against the Navy boundaries and how these boundaries might be impacted by what the Port is contemplating. With regards to environmental protection, it would only seem reasonable that the Port would want to partner with the Navy in projects that are aimed at improving the health of the bay. All of the entities that have direct access to the bay have, over the years, worked to improve the health of the bay and it would seem that a partnership between all of those entities would create a synergy that would better make use of the funds available to improve the health of the bay. The Navy has already shared its vision and that is contained in the Shift to the Pacific. Under this vision, San Diego will only increase in strategic importance. It begs to reason, that there be a Guiding Principle that guides creation of evaluation criteria that evaluate impact of projects being contemplated by the Port against the impact these projects will have on the Navy, the industrial base that supports the Navy and their combined operations.

Using the aforementioned survey data results, let's review the Values and Standards to assess how these items address the feedback:

- For item C, Ensure job creation and prudent economic policies
 - There is a mention of Port Operations as it relates to Cruise, Cargo and Real Estate opportunities considering a progressive economic and business growth strategy. However, there is no mention of the maritime industry or the working waterfront in this item.
- For item D, Preserve the Working Port as a Dynamic and Thriving Element of the Region's Economy and Cultural History
 - It states that the Port serves an essential role in the region as an economic engine and job generator. While the Port serves an essential role, that role is not defined and it is important that the role be more completely defined as the expectation is the details would include the working waterfront and maritime industry as the vehicles that enable the Port to fulfill its role. And when this item is used as evaluation criteria for projects it will be necessary that the role be fully defined.

Let's review the Planning Principles to assess how these items address the feedback:

- There are six Planning Principles and a review of them demonstrates that protection of the maritime industries was not addressed; that ensuring that the Port of San Diego should be economically

viable; that it is important to have a commercial maritime port; and the essential role of the working waterfront in the economic viability of the Port were not specifically addressed.

If the responses to the questions are a true representation of the public's view of the Port and the maritime industry, then it would make sense that the Values and Standards and Planning Principles that will be used to evaluate all future proposed actions should emphasize these critical areas. In the future, as projects are presented to the Port, these 11 elements will be the criteria that projects are evaluated against to determine if they "fit" the criteria. If you are not measuring the potential impact to jobs on the waterfront, you could very easily accept a project that has the unintended consequence of impacting jobs. If you are not assessing the project against the impact on the economic viability of the Port then, once again, you could inadvertently impact a revenue generating component of the Port's business. The same thing can be said for protecting the maritime industry and all aspects of the working waterfront.

What is the next step? The Vision Statement and the Guiding Principles are the first step in a very important process. This means that the first step has to be done right if you expect the following steps to create a plan for the future that is truly balanced. If the eleven elements of the Values and Standards and the Planning Principles are going to be the elements that all projects are evaluated against, then it is imperative that "balance" be restored to these elements. This means including specific statements that address the economic engine and jobs creation - this means that the maritime industry, the working waterfront, and port operations have to be at the forefront. At a minimum, items C and D under the Values and Standards category must be modified to capture these items. None of the Planning Principles, as currently structured, lend themselves to inclusion of issues like the working waterfront, maritime industry, port operations, or the presence of the Navy but there needs to be a "Principle" that addresses these areas - if you are to remain balanced then you need to emphasize this side of the equation - the economic engine and jobs generator. In moving forward, you want to enhance the engine and you want to protect it against projects that would adversely affect it.

Very respectfully,

A handwritten signature in cursive script that reads "Derry T. Pence".

Derry T. Pence
President
Port of San Diego Ship Repair Association



SOUTH BAY WILDLIFE ADVISORY GROUP

July 20, 2014

Chair Bob Nelson and Port Commissioners
San Diego Unified Port District
Via Email

Dear Chair Nelson and Commissioners:

Thank you for the opportunity to provide input on the *Revised Draft Vision Statement and Guiding Principles* (June 24, 2014) for the Port's Master Plan update. The Vision Statement and Principles can contribute to resource protection in south San Diego Bay by recognizing the value of the San Diego Bay natural resources, and including general goals to sustain and enhance these resources. At a recent meeting, the South Bay Wildlife Advisory Group (WAG) discussed the application of the Vision Guidelines to wildlife resources in south San Diego Bay and would like to offer the following comments and recommendation.

We would like to commend the Port and consultants on the outreach process undertaken to assure that the diverse stakeholders and public interest are reflected in the Vision Statement. WAG members participated in several of the public workshops and provided comments on the documents. We appreciate that most comments were considered and incorporated.

Overall, we agree with the five Values and Standards and six Planning Principles outlined within the draft Vision Statement, and expect that these guidelines, collectively, will provide good direction for initial steps in the creation of a revised Port of San Diego Master Plan that protects and enhances the natural resources of south San Diego Bay.

We have one addition that we ask you to consider for the final document. The draft Vision Guidelines do not mention habitat connectivity, which is an extremely important aspect of functional terrestrial and aquatic communities, especially in the south bay, and was raised in several WAG member comments. We request that the Port include, under Planning Principle number three, "Celebrate Nature and Ecology", the following statement: ***"Maximize habitat connectivity of both terrestrial and aquatic habitats"***.

We look forward to continuing to work with you in the development of a progressive Master Plan that will *"promote San Diego Bay as a central environmental, economic, and recreational resource for all people in the region"*.

Sincerely,



Laura Hunter
Chair



Allison Rolfe
Vice-Chair

Attachment D to Agenda Sheet No. 19

The text indicated in track changes (strike out/underline) reflect staff and the Ad Hoc Committee's recommendations for edits to the versions of the Vision Statement and Guiding Principles resulting from the June 24, 2014 Board workshop and the July 8, 2014 Board meeting.

Proposed Final Draft Vision Statement

One Bay, Rich Diversity

Promote the Bay as a central environmental, economic, and recreational resource for all people in the region. At the same time reinforce the differences in character and culture between each of the constituent cities and equitably balance available resources between maritime and commerce, job growth, recreation, the Military United States Navy and the need to protect and restore natural resources and the protection of public health along with man-made investments. The Port of San Diego should be regarded as a 21st Century, state-of-the-art facility and institution.

Proposed Final Draft Guiding Principles Values and Standards

- A. Achieve ~~solidarity~~synergy among partnering agencies and stakeholders

Establish a long-range Vision and Master Plan consistent with the Port Act, California Coastal Act and California State Lands Public Trust Doctrine with implementation strategies that represent the interest of all Californians, all five member jurisdictions, California State Lands Commission, ~~and~~ California Coastal Commission, and United States Navy in a balanced, proactive, and deliberate way, which is essential to achieve long term success. As a trustee, the Port has an opportunity and an obligation to meet the needs of the public in the State of California, while protecting the Tideland resources of San Diego Bay. The role of the Port goes beyond serving as an agent to manage existing assets and extends to a leadership function on behalf of all Californians both current and future.

- B. Promote clean air, healthy communities, and environmental justice

Seek to achieve environmental justice which shall be defined as: working to reduce the cumulative health burdens on neighboring communities and ensure fair treatment of people of all races, cultures, and incomes in developing, adopting, implementing, and enforcing environmental laws, regulations, and policies.

- C. Ensure job creation, prudent economic policies, and financial sustainability

Balance economics, available resources and the public good. As the shepherd of public lands and water within the Tidelands, the Port shall require a strategy that acknowledges its role as a regional economic driver and outlines investment and costs

that consider economic feasibility, long-term financial sustainability and viability for the Port District broader State and community needs and impacts, while promoting public access, use, and enjoyment of the Bay. Utilize balanced and equitable investments in the tidelands and public realm in infrastructure improvements to create a value proposition for existing and future economic development, business attraction, growth, and public enjoyment of the Bay. Continue to increase revenues and support existing and future entrepreneurial opportunities in concert with Port operations such as, Cruise, Cargo, Ship Building and Repair, and Real Estate opportunities considering a progressive economic and business growth strategy.

- D. Preserve the working Port as a dynamic and thriving element of the region's economy and cultural history

The Port's working waterfront serves an essential role in the region as an economic engine and a job generator. San Diego Bay is designated as a Strategic Port. The United States Navy is a major factor in the San Diego region both economically and for the defense of the United States. It is essential to maintain and enhance maritime capabilities for national defense and logistics support objectives. The Bay's history as a commercial center and cultural exchange, facilitated by commerce, are historically important and are reflected in the modern industrial facilities located on the Bay's working waterfront. Protecting the Bay as a shared waterway to promote commerce, navigation, fisheries, national defense, and recreation were foundational to the creation of the Port and will continue to underscore future investment in water-dependent industrial facilities.

- E. Incorporate state of the art sustainability practices

Consider the long-term impacts of sea level rise and climate change to both land and water resources. Implement principles of resiliency and seek to become a national leader in thought and implementation of these practices. Implement energy conservation and sustainability practices and reduce dependency on carbon-based energy. Promote the health and sustainability of natural resources growth and proliferation of natural ecosystems. Create a sustainable fiscal budget and update it regularly.

Proposed Final Draft Guiding Principles **Planning Principles**

1. Honor the water

Future decisions shall consider the health of the entire Bay eco-system as a single, multi-faceted entity. Create a water use plan comparable to a land use plan recognizing the value of land assets as a function of their adjacency to different types of water. Use this plan to maximize deep water and dredged resources, recreational opportunities, and natural resource protection. Encourage a variety of activities and entrepreneurial opportunities. Optimize infrastructure for water-dependent uses, including sustaining

and growing current commercial activities, organize water transportation routes, guide future decisions regarding infrastructure needs and upland uses adjacent to the Working Port, and integrate natural resources, climate change and water quality policies.

2. Guarantee the public realm

Maximize Waterfront Access. The waters of San Diego Bay are the region's precious and shared asset. The design of places along the waters' edge should respond to multiple and different upland conditions and provide access to the public throughout the Bay in a manner that is meaningful and compatible with adjacent uses. These differences range from the full potential of the North Embarcadero as a major destination, to neighborhood places like Shelter Island and the Chula Vista Bayfront, to the working waterfront and the US Navy, the US Coast Guard, and to quiet natural edges along the Silver Strand, Grand Caribe Island and South Bay National Wildlife Refuge.

3. Celebrate nature and ecology

Establish an Environmental Stewardship Strategy. Celebrate the whole Bay as an inter-related marine, estuarine, and bay ecosystem that is valued, managed, protected, and enhanced for its overall impact on biology, economic prosperity, public use, and enjoyment. Promote the careful integration of water, natural resources, open space, and buildings and connectivity of both terrestrial and aquatic habitats.

4. Create a comprehensive open space plan

Establish a plan for a continuous network that connects existing and new waterfront parks, streets, and other open spaces. Integrate this network with the Bayshore Bikeway, existing waterfront streets, and any existing and future ferry routes. Consider planning, programming, maintenance, and enforcement of new parks and water access provisions when making decisions related to open space.

5. Provide easy mobility on land and water

Develop a mobility plan that addresses both land and water transportation in a manner consistent with public health and clean air. Work with appropriate agencies to avoid redundant policies and facilities to create maximum efficiency. Protecting the Bay as a shared navigational waterway is fundamental to the Port and will continue to guide future investments in water transportation. Together, water and land-based transportation infrastructure will help meet the region's mobility needs as part of a single, coordinated, transportation plan that reduces air pollution and promotes access to the Bay in order to facilitate the region's commerce, navigation, fisheries, recreation, and environmental preservation needs. Water transportation should address a range from individual swimmers, kayakers, pleasure boaters, fishing vessels, commercial vessels, ferries, water taxis, cargo, cruise, and naval and public safety vessels. Land

transport should address a range from pedestrians, bicyclists, shuttles, autos, buses, light rail, and passenger and freight rail.

6. Streamline the approval process

Create certainty throughout the approval process by improving efficiency and reducing redundancy and time required for action. Create regulations that clearly define what can be achieved without an amendment process. Use the amendment process when hardship and other conditions apply when conformance cannot be achieved. A land use plan should clearly distinguish public land uses from private land use opportunities. Public land uses include streets, parks, waterfront access corridors, easements, and rights-of-way. Private land uses support leasable land opportunities, define acceptable uses, build-out capacities, development requirements, and required mitigation and environmental compliance policies. The project review and approval process should require conformance to the Master Plan. The project review process should fully coordinate with local, state and regional land and water approval agencies to minimize duplication and redundancy. The purpose of implementing a progressive Port Master Plan is to clarify requirements that are flexible, agile, and adaptive to respond to changing economic conditions and needs overtime. Implement and adopt a Port Master Plan that is consistent with the Port Act, State Lands Commission requirements, and the California Coastal Act.

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION ACCEPTING INTEGRATED
PLANNING PHASE I VISION STATEMENT,
GUIDING PRINCIPLES, AND ASSESSMENT
REPORT AND DIRECTING STAFF TO APPLY THE
INTEGRATED PLANNING VISION TO PHASE IA
OF THE INTEGRATED PLANNING EFFORT**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

WHEREAS, pursuant to the Port Act, the District holds certain tidelands and submerged lands of the San Diego Bay in trust for the people of California and is responsible for the conservation, planning, and development of those lands; and

WHEREAS, Section 19 of the Port Act requires that the District adopt a Port Master Plan (Master Plan) for improvements to and the use of the public trust lands held by the District; and

WHEREAS, the District has engaged in an Integrated Planning process, which is a multi-faceted and comprehensive approach to the District's future and includes various potential components, including, but not limited to, a fiscal growth and sustainability framework, environmental initiatives, leasing policies, and land and water use planning in the form of an update to the Master Plan; and

WHEREAS, the Phase I of Integrated Planning was officially initiated in September 2013, and included conducting a "50-year Visioning Process," which involved a high-level assessment of District-wide assets and extensive public engagement, resulting in a Vision Statement, Guiding Principles, and Assessment Report (Integrated Planning Vision) for the entire Integrated Planning Process; and

WHEREAS, during Phase I, the District with the consultant team conducted: (a) over 100 individual and group interviews with appointed and elected officials, special interest groups and community members; (b) four separate stakeholder and community workshops; (c) three open house events; (d) three Board workshops (December 12, 2013, March 19, 2014, June 24, 2014); and (e) on-line, web-based survey with over 3,000 responses engaging all who have an interest in the San Diego Bay, waterfront area, and District tidelands; and

WHEREAS, there have been nearly 7,000 views on the District's Integrated Planning project website (www.portforall.org) this year and more than 650 contacts have registered for email notices regarding Integrated Planning; these people have received status updates and invitations to meetings or events; and

WHEREAS, over 180 individual comments, including several letters from interested stakeholder groups, were received providing recommendations and suggestions on the draft Vision Statement and Guiding Principles; and

WHEREAS, based on expert, stakeholder, public and Board input, the District has created the Integrated Planning Vision, which is intended to guide, but not bind, the District in the various components of Integrated Planning and may be subject to change as the Integrated Planning effort continues; and

WHEREAS, the Board desires to accept the Integrated Planning Vision and direct staff to apply the Integrated Planning Vision to the next phase of Integrated Planning, which will consist of, among other things, identification and assessment of preliminary concept plans for each planning district, as well as an overview of the regulatory and economic impacts of potential land and water uses from the concept plans (collectively Phase IA); and

WHEREAS, such Board acceptance is not an approval of the Integrated Planning Vision and will not limit the District's consideration of any alternatives for the updated Master Plan or its content; and

WHEREAS, while the Integrated Planning Vision will inform the Integrated Planning effort, including the updated Master Plan, the acceptance of the Integrated Planning Vision will not result in any direct or indirect physical change to the environment.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

1. The Board finds the facts recited above are true and further finds that this Board has jurisdiction to consider, approve and adopt the subject of this Resolution.
2. The Board finds and determines that the applicable provisions of the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the Port District Guidelines have been duly observed in conjunction with said hearing and the considerations of this matter and all of the previous proceedings related thereto.
3. The Board finds and determines that the acceptance of the Integrated Planning Vision will inform the Integrated Planning Process, including an updated Master Plan, but will not result in any direct or indirect physical change to the environment.

4. The Board finds and determines that the acceptance of the Integrated Planning Vision is not binding and may change as the Integrated Planning efforts evolve.

5. The Board finds and determines that a “project description” of the proposed Master Plan update (or other Integrated Planning items) has not yet been prepared and would be speculative at this time to conduct CEQA review; however, the District is committed to preparing CEQA review to analyze the potential environmental effects of the draft Master Plan update and other Integrated Planning projects with independent utility.

6. The Board finds and determines that acceptance of the Integrated Planning Vision shall not limit the District's consideration of any alternatives or mitigation measures in connection with Integrated Planning, including without limitation, the draft Master Plan update, and the District strictly reserves its discretion to adopt any mitigation measures, alternatives, including the "No Project" alternative, or a Statement of Overriding Consideration, if applicable.

7. Based on the entire record, including the proceedings, the Board finds and determines that the acceptance of the Integrated Planning Vision and direction to District staff does not constitute “approval” of a project under CEQA.

BE IT FURTHER RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That, on behalf of the San Diego Unified Port District, the Integrated Planning Phase I Vision Statement, Guiding Principles, and Assessment Report (Integrated Planning Vision) are hereby accepted and District staff is hereby directed to apply said Integrated Planning Vision to Phase IA of Integrated Planning.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 12th day of August, 2014, by the following vote: