

STAFF REPORT

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CONSIDER APPROVAL OF A COMPROMISE TITLE SETTLEMENT AND LAND EXCHANGE AGREEMENT BETWEEN THE STATE OF CALIFORNIA, ACTING BY AND THROUGH THE STATE LANDS COMMISSION, AND THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH THE SAN FRANCISCO PORT COMMISSION, FOR CERTAIN LANDS LOCATED WITHIN THE PIER 70 AREA, CITY AND COUNTY OF SAN FRANCISCO

PARTIES:

City and County of San Francisco, acting by and through the San Francisco Port Commission

State of California, acting by and through the California State Lands Commission

PROPOSED LAND EXCHANGE AGREEMENT:

The parties to the proposed Compromise Title Settlement and Land Exchange Agreement for Pier 70 (Agreement) are the State of California (State), acting by and through the Commission, and the City and County of San Francisco, acting by and through the San Francisco Port Commission (Port). The Agreement concerns real property situated in the City and County of San Francisco within the area commonly known as Pier 70.

The Pier 70 area is located in and adjacent to the San Francisco Bay at Piers 68 and 70 and Seawall Lot 349 and covers approximately 72 acres of uplands, filled tidelands, and adjacent submerged lands. All of the lands at Pier 70 that are involved in the Agreement, including the adjacent submerged lands, are held in trust by the City and County of San Francisco, acting by and through the Port. The Port would continue to hold title to all of the lands involved in the exchange after the title settlement.

The Agreement will settle title and boundary problems and effectuate a land exchange by terminating the State's sovereign Public Trust interests in certain filled land located within the Pier 70 area (Trust Termination Lands) and conveying those lands to the Port in exchange for impressing or confirming the Public Trust on certain other land in the Pier 70 area (Public Trust Lands).

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The exchange, authorized by Chapter 477, Statutes of 2011 (Chapter 477), will result in a configuration of Public Trust Lands that maximizes the overall benefits to the Public Trust, without interfering with Public Trust uses or purposes. The exchange will confirm or impress the Public Trust on the entire waterfront of the Pier 70 area, as well as interior lands that have high Public Trust value.

The locations of the Public Trust and Trust Termination Lands are depicted, for reference purposes only, on Exhibit A.

Specifically, the terms of the proposed Agreement provide for the following conveyances.

1. The Port will convey to the Commission by quitclaim deed its interests in the Public Trust and Trust Termination Lands.
2. After accepting the Public Trust Lands from the Port, the Commission will convey by patent the Public Trust Lands to the Port as sovereign lands, subject to the common law Public Trust Doctrine for commerce, navigation, fisheries and other recognized Public Trust purposes and Chapter 1333, Statutes of 1968, as amended (Burton Act Trust), and the Agreement Relating to Transfer of the Port of San Francisco from the State of California to the City and County of San Francisco (Burton Act Transfer Agreement).
3. After accepting the Trust Termination Lands from the Port, the Commission will convey by patent the Trust Termination Lands to the Port, free of the Public Trust.

BACKGROUND:

The extent to which the land at Pier 70 may be subject to the Public Trust is uncertain and subject to dispute. Resolving these title and boundary uncertainties would require extensive land title and boundary litigation at great public expense. The circumstances giving rise to the Public Trust title uncertainties include the following:

Upon its admission to the Union on September 9, 1850, the State, by virtue of its sovereignty, received all right, title, and interest in tidelands within its boundaries, subject to the common law Public Trust Doctrine. Due to its title history, the Pier 70 area includes historic tide and submerged lands subject to the Public Trust, historic tide and submerged lands that are no longer subject to the Public Trust, and historic tide and submerged lands in which the Public Trust status is uncertain.

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Beginning in 1866, the State authorized a large portion of sovereign tidelands within Pier 70 to be sold to private parties pursuant to various statutes, including Chapter 616, Statutes of 1866 and Chapter 362, Statutes of 1868, together referred to as the Alvord Grant, and Chapter 543, Statutes of 1868, referred to as the BTLC (Board of Tide Land Commissioners) Act. Portions of those tidelands were subsequently filled and reclaimed. The Public Trust was terminated in the lands conveyed and filled under the BTLC Act in the manner recognized in *City of Berkeley v. Superior Court* (1980) 26 Cal.3d 516. The continued existence of the Public Trust on the lands conveyed under the Alvord Grant is uncertain.

Certain areas within Pier 70 were reserved from sale by the State for public street purposes. Some of these "paper" streets remain subject to the Public Trust and others may have been conveyed into private ownership with uncertain Public Trust status. Certain paper streets at Pier 70 were involved in a quiet title action, *California v. Bethlehem Steel et al.* (San Francisco Superior Court, Case No. 401394), without reservation or express termination of the Public Trust. And in *California v. United States* (1955) 132 F.Supp. 208, still other paper streets were found to have been taken by the United States during its occupation of the land during World War II, but the effect of that decision on the Public Trust is uncertain.

In addition to the historic tide and submerged land, the Pier 70 area includes land that is currently submerged. The effect of the Alvord Grant, the BTLC Act, and the rulings in *California v. Bethlehem Steel* and *California v. United States* on the continued existence of the Public Trust on the submerged lands, is also uncertain. The Pier 70 area also includes uplands that were above the ordinary high water mark at statehood and are, therefore, not subject to the Public Trust.

In 1969, the State transferred its sovereign and other property interests within San Francisco to the Port in trust, pursuant to Burton Act Trust and the Burton Act Transfer Agreement. These granted lands included certain lands that the State had acquired in its proprietary capacity from the United States, including certain historic uplands not subject to the Public Trust and certain former tidelands with uncertain Public Trust status. The lands granted to the Port are subject to the statutory trust imposed by the Burton Act and any additional restrictions on use and alienability created by the Burton Act Transfer Agreement. In 1982, the Port purchased the remainder of the land at Pier 70 from private owners. These after-acquired lands (lands purchased by the Port after establishment of the grant) are not subject to the alienation restrictions of the Port's statutory trust, but are held by the Port as assets of the Public Trust.

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As a result of the foregoing boundary and title uncertainties and historical circumstances, most of the Pier 70 area, including the majority of the Pier 70 waterfront, is either free of the Public Trust or its Public Trust status is uncertain.

Historically, Pier 70 was an active shipyard used for shipbuilding and repair, steel production, and supported heavy industrial use. The National Register of Historic Places lists most of the site as the Union Iron Works Historic District, significant nationally for its association with the development of steel shipbuilding in the United States from 1884 through 1945, and significant locally for its industrial architecture over the same period. Today, the land is used for ship repair on about 15 acres of land in the northeast portion of Pier 70 but, due to changes in the maritime needs in the area, the majority of the land is currently vacant and deteriorating or put to uses that are not consistent with the Public Trust. Many of the buildings are now off-limits, boarded up, and surrounded by fencing. Due to the current uses and deteriorating condition of the facilities, public activity is limited and waterfront access at the site has been effectively non-existent to the general public for decades.

The Burton Act Transfer Agreement will be amended to lift the use restrictions from the Trust Termination Lands and confirm that the Trust Termination Lands are not subject to alienation restrictions, but they will be subject to the requirements of Chapter 477 for so long as the Port holds title to the property. The revenues from the lands that have been freed from the Public Trust, including the revenue from any future sale of Trust Termination Land, will be held by the Port as Trust assets.

LEGAL REQUIREMENTS:

Pursuant to Chapter 477, the California Legislature approved and authorized the Commission to approve a title settlement and land exchange at Pier 70, subject to certain requirements. To comply with article X, section 3 of the California Constitution and Chapter 477, the Commission may not approve the exchange unless it has made following findings:

1. The portions of the Trust lands or interests in lands to be exchanged out of the Trust:
 - a. Have been filled and reclaimed.
 - b. Are cut off from access to the waters of the San Francisco Bay and are no longer in fact tidelands or navigable waterways.
 - c. Are relatively useless for Public Trust purposes.
 - d. Constitute a relatively small portion of the granted lands within the city.

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2. The lands or interests in lands to be impressed with the Trust have a monetary value equal to or greater than the monetary value of the lands or interests in lands to be exchanged out of the Trust. If the lands or interests in lands to be exchanged into the Trust are insufficient to meet the requirement of equal or greater monetary value, the Commission may consider a deposit of funds into the Land Bank Fund established pursuant to Section 8610 of the Public Resources Code to be held solely for acquisition of property, in an amount at least equal to the difference in value, for purposes of making the finding required by this paragraph.
3. No substantial interference with Trust uses and purposes, including public rights of navigation and fishing, will ensue by the exchange.
4. The lands or interests in lands impressed with the Trust will provide a significant benefit to the Trust and are useful for the particular Trust purposes authorized by this act.
5. The configuration of Trust lands within Pier 70, upon completion of the exchange, consists solely of lands suitable to be impressed with the Trust.
6. The appropriate state agencies have approved an environmental site investigation and risk assessment of Pier 70, and agree on subsequent actions and development standards needed to ensure appropriate management of potential risks through development of a risk management plan, a remedial action plan, or comparable regulatory documents specific to the conditions at Pier 70; the Port has provided adequate financial assurances to ensure performance of any affirmative remedial actions required by any such plan or comparable regulatory document; and sufficient liability measures that protect the state will be in place upon completion of the exchange.
7. The final layout of streets in Pier 70 shall provide access to the Trust lands and be consistent with the beneficial use of the Trust lands.
8. Streets and other transportation facilities located on Trust lands shall be designed to be compatible with the Trust and to serve primarily Trust purposes of access to shoreline improvements and shoreline circulation rather than serving nontrust purposes.
9. The San Francisco Port Commission and the City's board of supervisors have approved the exchange after at least one public hearing and have found, based on supporting documentation, that the lands or interests in

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lands impressed with the Trust will provide a significant benefit to the Trust and are useful for the Trust purposes authorized by Chapter 477.

10. Any surveys or legal descriptions required for the parcels in conjunction with the exchange shall be approved by the Commission or its executive officer.
11. The exchange otherwise complies with the requirements of Chapter 477.
12. The exchange is consistent with and furthers the purpose of the Public Trust, the Burton Act Trust, and Chapter 477.
13. The exchange is otherwise in the best interest of the statewide public.

The Commission may impose additional conditions on the exchange if the Commission determines that the conditions are necessary to protect the Public Trust.

ANALYSIS AND STAFF RECOMMENDATION:

Staff has reviewed an appraisal, surveys, title reports, and other documents developed for the proposed Agreement. In the interest of settlement, the parties have conducted independent studies and evaluations of the title and boundary evidence, applicable principles of law, and the merits of their legal positions.

The compromise title settlement and land exchange described in the Agreement is needed to resolve the boundary and title disputes related to the Public Trust; to establish and reconfigure the location of lands in order to confirm or impress the Public Trust on the lands of greatest value to the Public Trust; to permit the Port, as trustee, to realize the economic benefit from rendering development of Pier 70 economically feasible by terminating the use and alienation restrictions on the Trust Termination Lands; and to allow the Public Trust Lands to be used to the greatest benefit of the people of this State.

The Trust Termination Lands are either historic uplands or filled tidelands cut off from navigable waters, including the San Francisco Bay. These lands are no longer in fact tidelands or navigable waterways having been filled or reclaimed over a century ago. The Trust Termination Lands are relatively useless for Public Trust purposes and total approximately 32 acres—the majority of which are or may be free of the Public Trust. This area constitutes a relatively small portion of the tidelands within the City that the State has granted to the City or other trustees within the City and County boundaries.

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Staff has reviewed an appraisal and other information prepared to analyze monetary values of the Trust Termination Lands and the Public Trust Lands and has reached an independent conclusion regarding the economic values of these properties. Based on staff's consideration of the appraisal, legal analyses, and configuration of Public Trust Lands and Trust Termination Lands, staff concludes that the Public Trust Lands have a monetary value equal to or greater than the monetary value of the Trust Termination Lands.

The Agreement will not cause substantial interference with Public Trust uses and purposes. The public does not currently have access to the site and the majority of the site is used for nontrust purposes. The Port plans on continuing maritime activities at the existing ship repair facilities and is seeking a new operator for the shipyard. It is the intent of the Port and Commission that the Agreement will not interfere with the continued use of the shipyard facility. Termination of the Public Trust easement on the Trust Termination Lands would not interfere with navigation or fishing rights as it is not possible to engage in either activity on the Trust Termination Lands because they are filled and reclaimed. On the contrary, through the exchange, the public will be allowed to access the water and engage in navigation, water-related recreation, fishing, and other recognized Public Trust uses.

The Commission may not approve the exchange unless it makes all of the findings required by Chapter 477, including that any surveys or legal descriptions required for the parcels in conjunction with the exchange will be approved by the Commission or its Executive Officer. The record of survey and all legal descriptions have not yet been reviewed by staff and will need to be taken to the Commission at a future properly noticed public meeting. While Chapter 477 allows the Executive Officer to approve the record of survey and legal descriptions, staff recommends that the Commission retain the authority to approve this element of the Agreement.

Immediately following the recordation of the patents and quitclaim deeds required by the Agreement, the Port will record a record of survey. The record of survey will show the boundaries of the Public Trust Lands, the Trust Termination Lands, and any adjacent submerged lands conveyed in the closing. Any additional surveys or legal descriptions required for the parcels in conjunction with the exchange shall be approved by the Commission at a properly noticed public meeting.

Public Trust Benefits

There is limited public access to the San Francisco Bay at Pier 70. The Port is in the early stages of developing a public park along the northwestern portion of the

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Pier 70 waterfront (Crane Cove Park). The Port is also negotiating with a potential tenant for the master planned development of approximately 28 acres of the Pier 70 area that, if approved, would provide a vibrant new mixed-use community, including new parks and public access along the eastern portion of the Pier 70 waterfront (Pier 70 Waterfront project).

The lands confirmed or added to the Trust will allow for access to the San Francisco Bay by opening the eastern shore of the site to the public with a new waterfront park, extending the Bay Trail, and establishing the Blue Greenway. The revitalization and public access to the Public Trust Lands is a significant benefit to the Trust. The Waterfront Promenade and Waterfront Terrace will include a pedestrian and bicycle promenade as part of the 20-foot-wide Blue Greenway and Bay Trail system, which extends from Mission Creek to the southern San Francisco County line at Candlestick Point. The waterfront area will feature outdoor dining terraces, picnic areas, public seating, provide park users with opportunities for waterfront viewing and passive recreation, and accommodate a variety of public program uses. The Pier 70 slipway structures along the water's edge will also be publicly accessible and will offer opportunities for fishing and views of the Bay and the Pier 70 historic buildings.

Crane Cove Park will be a major new open space along the currently inaccessible former industrial shoreline and located adjacent to the Port's large and active ship repair yard. The project includes preservation of the historic shipbuilding slipway and two historic cranes.

Slipway Commons, an open space walkway that will provide connectivity to the waterfront, will be located within historic uplands that will be impressed with the Public Trust after the exchange. This area is proposed as a flexible, multi-purpose open space, intended to accommodate community gatherings, festivals, performances, art installations, and nighttime and cultural events as well as passive recreation. Plans include the installation of an event plaza and a viewing pavilion. To maximize recreational use of the park and encourage pedestrian travel, no vehicular roadway will be permitted. Although the buildings on either side of Slipway Commons will be confirmed free of the Trust, the Port has agreed that the first floor surrounding Slipway Commons will consist of at least 50 percent visitor-serving uses.

The Pier 70 area also includes streets that will be impressed with the Public Trust. Portions of 20th and 22nd streets will be added to the Trust and will serve as corridors to the Public Trust Lands located adjacent to the Pier 70 waterfront along the eastern shoreline. A portion of Maryland Street will also be added to the Trust and will serve as an artery between 20th and 22nd street. The streets will provide access to the waterfront and other Trust uses.

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The National Register of Historic Places lists most of Pier 70 as the Union Iron Works Historic District, which contains 44 contributing resources to one of the most important intact maritime industrial complexes west of the Mississippi River. A Port tenant is rehabilitating eight contributing historic buildings for future reuse (Historic Pier 70 project).

The remaining interest in lands to be confirmed or added to the Public Trust will continue to be leased for ship repair, an existing Public Trust use.

The purpose of Chapter 477 was to enable the revitalization of the Pier 70 area and generate substantial revenue for the Port through the proposed development. Considering the Public Trust benefits above, staff recommends the Commission find that the Public Trust Lands will provide a significant benefit to the Public Trust for the purposes authorized by the Burton Act Trust and Chapter 477.

Configuration of Public Trust Lands

The Trust configuration allows for the site's waterfront lands to become vibrant public parks and enables and incentivizes public access to the waterfront. When the exchange is complete, no Public Trust Lands will be cut off from water access. The area reserved for ship repair will be confirmed or added into the Trust and will continue to be leased for drydock operations, an existing Public Trust use.

The streets within Pier 70 that will be impressed with the Public Trust will primarily serve Trust purposes of access to shoreline improvements and shoreline circulation. The proposed street layout provides pedestrian and vehicular access to the Public Trust Lands. Access to the Historic Pier 70 project, the waterfront, Waterfront Terrace park, and the drydock area will be provided by 20th Street. Access to the waterfront, including Slipways Commons and Waterfront Promenade parks, will be provided by 22nd Street. And 19th Street, Illinois Street, and Georgia Street will provide access to Crane Cove Park and the drydock operations. Maryland Street will connect the drydock area and Historic Pier 70 project with the Pier 70 Waterfront project. Maryland Street will also provide access to the ground level visitor-serving retail area located along Slipway Commons.

The final layout of streets within Pier 70 will be consistent with the beneficial use of those lands, including roadway access to the drydock area, Crane Cove Park, and the eastern shoreline of Pier 70. In total, the Public Trust Lands reflect a configuration of lands that consists solely of lands suitable to be impressed with the Trust.

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Environmental Site Investigation and Risk Assessment

The Port prepared an Environmental Site Investigation to assess the environmental condition of Pier 70 and a Feasibility Study/Remedial Action Plan (RAP) to identify an appropriate remedial alternative, which the San Francisco Bay Regional Water Quality Control Board (Regional Board) approved in 2012. In accordance with the RAP, the Port prepared a Risk Management Plan (RMP), which the Regional Board approved, and recorded a Covenant and Environmental Restriction on Property, requiring compliance with the RMP, as Document No. 2016-K308328-00 (CERP). The RMP sets forth measures to mitigate risks to human health and the environment posed by pollutants at the site. The RMP specifies measures to be taken prior to, during, and post development of the property. The RMP specifies the actions that the Port and others must take during construction and during operation of current and future facilities to ensure that the remedy is effective.

The RMP requires capping existing native soil with durable covers, long-term maintenance of those covers, and institutional controls to minimize potential health and environmental impacts. The Port, through binding agreements, has required or will require its lessees and successors to construct and maintain the required improvements as part of the Pier 70 Waterfront project, the Historic Pier 70 Project, any future drydock lease, and any other development projects within the Pier 70 area. The Port will implement the requirements in the development and operations of Crane Cove Park. The Port has allocated Trust revenues in its capital plan to implement the environmental protections at Crane Cove Park and other lands not included in the development projects. Staff believes the binding agreements and financial allocations provide adequate financial assurances to ensure performance of any affirmative remedial actions required by the RMP.

The Agreement provides that the Port will indemnify the State for claims relating to certain hazardous materials located at Pier 70. Staff believes that the indemnification and defense of claims coverage in the Agreement provides sufficient liability measures that will protect the State once the exchange is complete.

Chapter 477 provides that the Commission may require, as a condition of the exchange, that the Port agree to impress with the Public Trust the adjacent submerged lands following completion of remediation of those lands or at a time the Commission determines is in the best interest of the State. The Agreement provides that all or part of the adjacent submerged lands will be confirmed as Public Trust Lands as part of the exchange, or in one or more subsequent closings, upon request of the Executive Officer of the Commission following a

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finding by the Commission that any portion of the adjacent submerged lands is in a condition suitable to be impressed with the Public Trust. The sediment located on the adjacent submerged lands has not been tested to determine whether any environmental remediation is necessary. Staff recommends that the confirmation of the adjacent submerged lands as Public Trust Lands be considered by the Commission at a future date.

Best Interests of the State

Currently, there are areas along the waterfront of high value to the Public Trust that could, in the future, be sold into private ownership and cut off from public access. Certain interior lands that are not useful for Public Trust purposes are currently restricted by the Public Trust and cannot be used for nontrust uses essential to the revitalization of Pier 70. The proposed Pier 70 land exchange would reconfigure the lands that presently are or may be subject to the Public Trust within Pier 70. The Port would continue to hold title to all of the lands involved in the exchange after the title settlement.

Pier 70 is an old industrial area that is largely unsuitable for either public use or commercial maritime development. Through the exchange, the waterfront will be reopened to the public and reactivated for Public Trust uses. In addition, the exchange will allow for the preservation of an important maritime industrial complex. The historic buildings located throughout Pier 70 convey a sense of Pier 70's early maritime industrial history. Under Chapter 477, the Legislature found that these maritime related historic buildings are resources of statewide importance and their preservation and restoration benefits the statewide public. The restoration of these historic buildings furthers Trust purposes by providing maritime related education about the historic resources and their contribution to the maritime industry, as well as providing public access for viewing the historic architectural character. Due, in part, to the superior configuration of and increased public access to the Public Trust Lands, the exchange is in the best interest of the statewide public, regardless of any future development of the area.

The exchange would also free certain lands within Pier 70 from the Public Trust so that the lands can be developed for nontrust purposes, which will generate much needed Trust revenues for the Port. Revenues from the lands that have been freed from the Trust, including any revenue from the future sale of Trust Termination Lands, will continue to be held by the Port as Trust assets. The new configuration maximizes financial benefit to the Trust.

The exchange will facilitate the redevelopment of Pier 70, including the development of Public Trust Lands for Trust purposes and convenient public access to those lands. The Public Trust Lands and Trust Termination Lands will

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be served by common streets, utilities, and other infrastructure and public facilities that need to be constructed or improved as part of the development of Pier 70. Preserving the historic buildings also requires investment on both Public Trust Lands and Trust Termination Lands. The exchange allows for substantial investment in the Public Trust Lands from nontrust sources.

Staff believes the exchange, owing to the benefits described above, and because the lands would otherwise remain inaccessible to the public, is in the best interest of the statewide public.

The San Francisco Port Commission and the City's Board of Supervisors approved the exchange on September 26, and October 31, 2017, respectively. Both entities found that the lands to be impressed with the Trust will provide a significant benefit to the Trust and are useful for the Trust purposes authorized by Chapter 477.

The Commission is currently in litigation with the City of San Francisco concerning whether the City's process for approving waterfront development is consistent with the Public Trust Doctrine. Nothing in this staff report or the Commission's actions pursuant to it should be construed as waiving the Commission's publicly stated objections to the approval process for the proposed development at Pier 70, or to Proposition B, "Waterfront Construction Exceeding Height Limits Initiative."

Conclusion

As described in the preceding paragraphs, the facts support each of the necessary findings the Commission must make, including that the Agreement is in the best interests of the State. Commission staff and the Attorney General's Office have reviewed the proposed Agreement and believe all necessary legal requirements have been met. Staff, therefore, recommends that the Commission approve the Agreement, in substantially the form on file at the Commission's Sacramento Office and authorize its execution and the execution and recordation of all documents necessary to implement it, subject to the Commission approving the Record of Survey and legal descriptions at a future Commission meeting.

OTHER PERTINENT INFORMATION:

1. The City and County of San Francisco Board of Supervisors approved the Agreement through BOS Resolution 17-45, adopted by the Board of Supervisors on October 31, 2017. The Port approved this Agreement through Resolution No 17-45, adopted by the San Francisco Port Commission on September 26, 2017.

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2. The Port has entered into a number of agreements governing the future development of Pier 70, including a Disposition and Development Agreement. The Commission is not a party to these agreements.
3. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a statutorily exempt project. The project is exempt because it involves settlement of title and boundary problems and an exchange in connection with the settlement.

Authority: Public Resources Code section 21080.11.

4. An Environmental Impact Report (EIR), State Clearinghouse No. 2015052024, was prepared by the City and County of San Francisco Planning Department and certified on August 24, 2017. Staff has reviewed this document and found that the Public Trust Exchange was included as part of the project and analyzed under Land Use and Land Use Planning, specifically Impact LU-2. The EIR found the impact to be less than significant, ensuring consistency with the purposes of the Public Trust. As a result, no mitigation measures were required and, therefore, no Findings pursuant to the State CEQA Guidelines (Cal. Code Regs., tit. 14, §§ 15091, 15096) were required for this impact.

EXHIBIT:

- A. Location and Site Map of Public Trust and Trust Termination Lands

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDINGS:

Find that the activity is exempt from the requirements of CEQA pursuant to Public Resources Code section 21080.11 as a statutorily exempt project.

Find that an EIR, State Clearinghouse No. 2015052024, was prepared for this project by the City and County of San Francisco Planning Department and certified on August 24, 2017, and that the Commission has reviewed and considered the information contained therein; that in the Commission's independent judgement, the scope of the Compromise Title Settlement and Land Exchange Agreement under this authorization has been adequately analyzed; that none of the events specified in Public Resources Code section 21166 or the State CEQA Guidelines section

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15162 resulting in any new or substantially more severe significant impact has occurred; and, therefore, no additional CEQA analysis is required.

AUTHORIZATION:

1. Find that there is a good faith and bona fide dispute as to the State's interest at the Pier 70 area. The Agreement is a compromise of the contested issues of law upon which the dispute is based and is in lieu of the costs, delay and uncertainties of title and boundary litigation and is consistent with and authorized by the requirements of law.
2. Find that the portions of the Trust lands or interests in lands to be exchanged out of the Trust have been filled and reclaimed; are cut off from access to the waters of the San Francisco Bay and are no longer in fact tidelands or navigable waterways; are relatively useless for Public Trust purposes, and; constitute a relatively small portion of the granted lands within the city.
3. Find that the lands or interests in lands to be impressed with the Trust have a monetary value equal to or greater than the monetary value of the lands or interests in lands to be exchanged out of the Trust.
4. Find that no substantial interference with Trust uses and purposes, including public rights of navigation and fishing, will ensue by virtue of the exchange.
5. Find that the lands or interests in lands impressed with the Trust will provide a significant benefit to the Trust and are useful for the particular Trust purposes authorized by the Port's statutory grant.
6. Find that the configuration of Trust lands within Pier 70, upon completion of the exchange, consists solely of lands suitable to be impressed with the Trust.
7. Find that the appropriate state agencies have approved an environmental site investigation and risk assessment of Pier 70, and agree on subsequent actions and development standards needed to ensure appropriate management of potential risks through development of a risk management plan, a remedial action plan, or comparable regulatory documents specific to the conditions at Pier 70.

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8. Find that the Port has provided adequate financial assurances to ensure performance of any affirmative remedial actions required by any such plan or comparable regulatory document and that sufficient liability measures that protect the state will be in place upon completion of the exchange.
9. Find that the final layout of streets in Pier 70 shall provide access to the Trust lands and be consistent with the beneficial use of the Trust lands.
10. Find that streets and other transportation facilities located on Trust lands shall be designed to be compatible with the Trust and to serve primarily Trust purposes of access to shoreline improvements and shoreline circulation rather than serving nontrust purposes, conditioned upon the Port requiring that the first floor surrounding Slipway Commons contain at least 50 percent visitor-serving uses.
11. Find that the San Francisco Port Commission and the San Francisco Board of Supervisors have approved the exchange after at least one public hearing and have found, based on supporting documentation, that the lands or interests in lands impressed with the Trust will provide a significant benefit to the Trust and are useful for Trust purposes that are authorized by the Port's statutory grant.
12. Find that any surveys or legal descriptions required for the parcels in conjunction with the exchange will be considered by the Commission at a future properly noticed public meeting.
13. Find that the exchange, subject to approval by the Commission of the surveys and legal descriptions, otherwise complies with the requirements of Chapter 477, Statutes of 2011.
14. Find that the exchange, subject to approval by the Commission of the surveys and legal descriptions, is consistent with and furthers the purpose of the Public Trust, the Burton Act Trust, and Chapter 477, Statutes of 2011.
15. Find that the exchange, is otherwise in the best interest of the statewide public.
16. Approve and authorize the execution, acknowledgment, and recordation of the Compromise Title Settlement and Land Exchange Agreement and associated deeds and acceptances on

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behalf of the Commission, in substantially the form of the copy of such agreement on file with the Commission, subject to the approval of the Commission of the surveys and legal descriptions.

17. Authorize and direct the staff of the Commission and/or the California Attorney General to take all necessary or appropriate action on behalf of the Commission, including the execution, acknowledgment, acceptance, and recordation of all documents as may be necessary or convenient to carry out the Compromise Title Settlement and Land Exchange Agreement; and to participate on behalf of the Commission in any legal proceedings relating to the subject matter of the Agreement or Chapter 477, Statutes of 2011.

NO SCALE

SITE



SAN FRANCISCO BAY

- TRUST
- NON TRUST
- BLOCK NUMBERS
- HISTORIC BUILDINGS
- PUEBLO LINE OF 1883
- PIER 70 AREA (PER AB 418)
- ADJACENT SUBMERGED LANDS

PIER 70 LAND EXCHANGE

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

Exhibit A

G11-01
PIER 70
LAND EXCHANGE
CITY AND COUNTY OF
SAN FRANCISCO



DJF 11/20/17