



# Waterfront Resilience Program Update & Third Bond Sale Request

Presented to the Capital Planning Committee  
November 4, 2024



# AGENDA

## Presentation Overview



- 2018 Proposition A Seawall Bond Background
- Waterfront Resilience Program
  - Early Projects
  - Living Seawall
  - USACE Flood Study
- Bond Spend Down & Risks and Opportunities



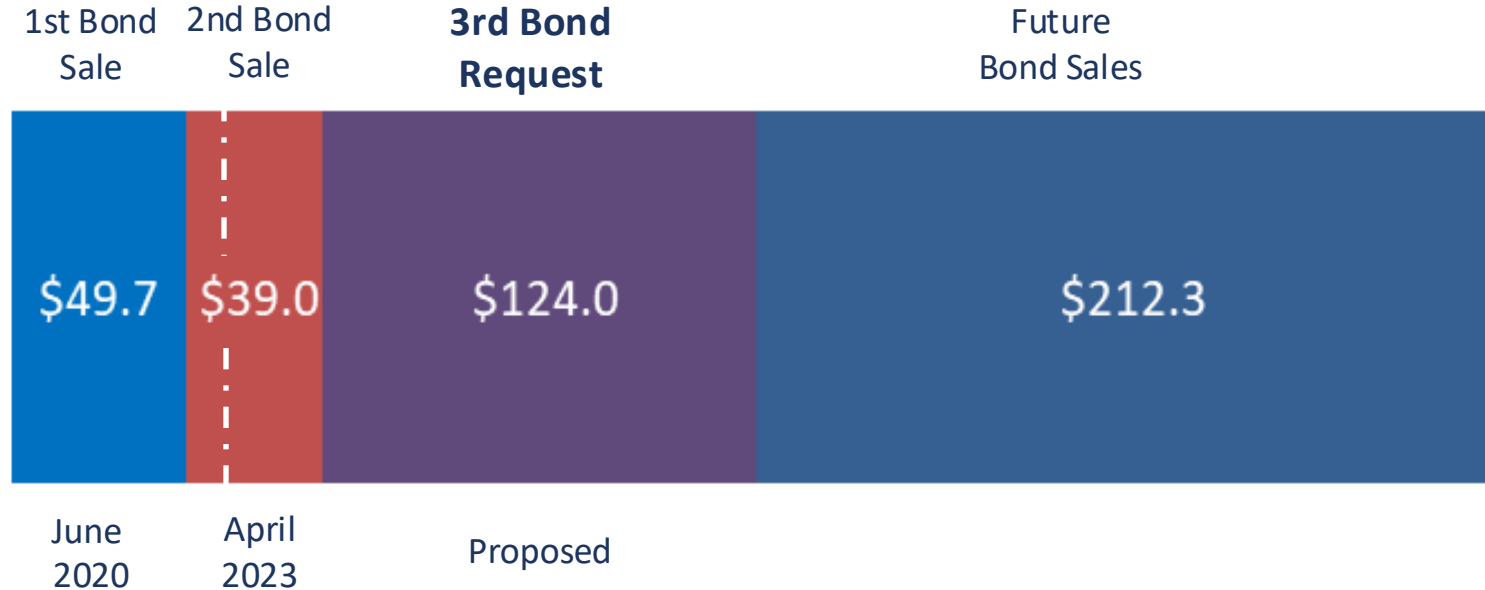


# 2018 Proposition A Bond Background



# 2018 EMBARCADERO SEAWALL EARTHQUAKE SAFETY BOND

Bond Sales (millions)



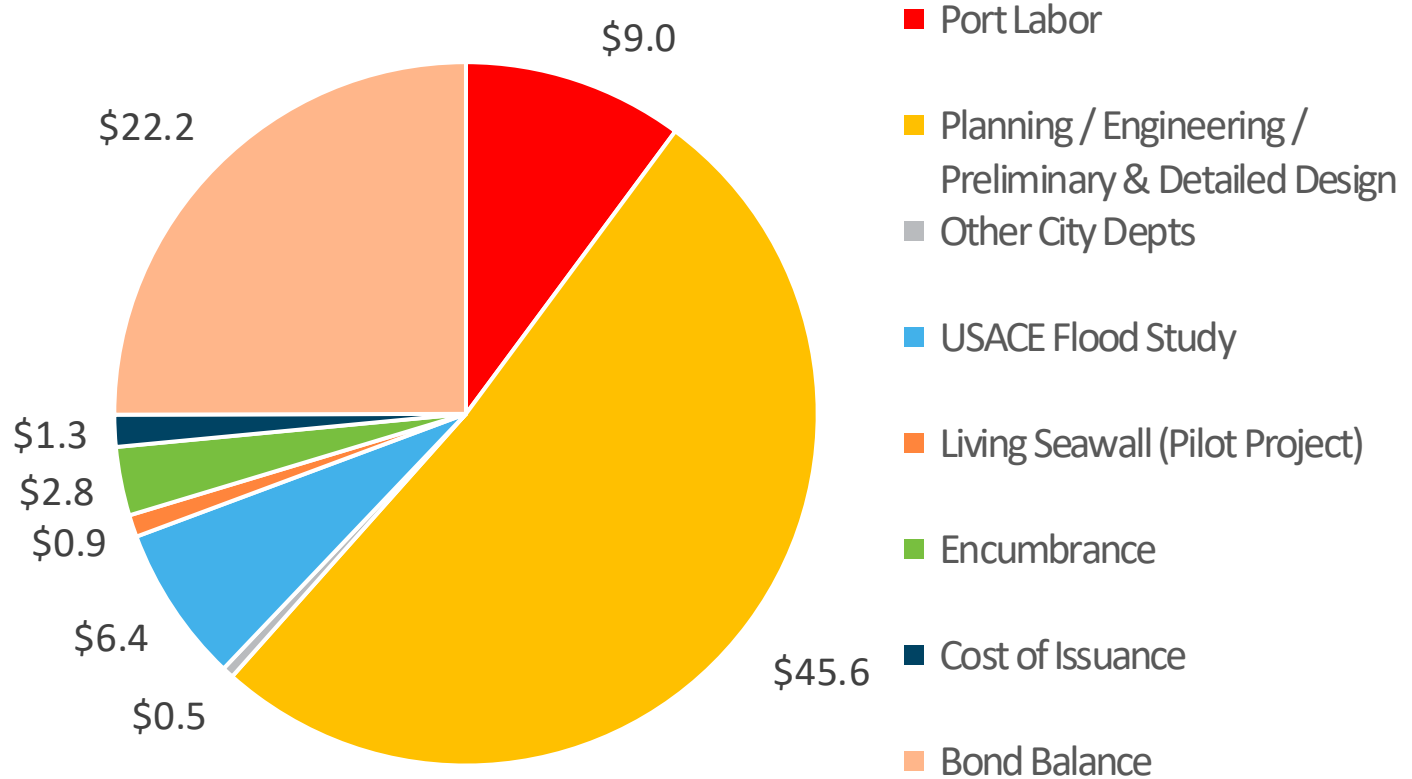
\$49.5 million of the 1st Bond Sale has been expended to date.

\$14.2 million of the 2nd Bond Sale has been expended to date, with the remaining balance used to fund three design contracts to be awarded in early 2025.

# 2018 Embarcadero Seawall Earthquake Safety Bond

Bond Expenditures, Encumbrances, and Balances (\$M) through September 2024

**Total: \$88.7M**



# WATERFRONT RESILIENCE PROGRAM

## Bond Sale #3 Spend Down

Scope	2025	2026	2027	Total
WRP Program Management (PRT)	\$1.9	\$2.0	\$1.0	\$4.9
Program Advisory Services	\$2.4	\$5.3	\$2.9	\$10.6
Environmental Impact Report	\$1.0	\$1.3	\$0.7	\$3.0
Planning & Predesign (USACE)	\$5.0	\$10.0	\$5.0	\$20.0
Embarcadero Early Projects	\$23.9	\$33.2	\$20.7	\$77.8
City Agencies	\$0.7	\$0.9	\$1.4	\$3.0
Cost of Issuance	\$4.7	-	-	\$4.7
	\$17.2	\$42.5	\$64.3	\$124.0

# SOURCES AND USES FOR PROPOSED GO BOND SERIES 2024ABCD

	<u>Embarcadero Seawall (2024A)</u>	<u>ESER (2024B)</u>	<u>Affordable Housing (2024C)</u>	<u>Affordable Housing (2024D)</u>	<u>Total</u>
<b>Estimated Sources:</b>					
<u>Not-to-Exceed Par Amount</u>	\$124,000,000	\$225,000,000	\$70,000,000	\$152,000,000	\$571,000,000
Estimated Par	\$120,470,000	\$218,705,000	\$67,435,000	\$147,875,000	\$554,485,000
Reserve for Market Uncertainty	\$3,530,000	\$6,295,000	\$2,565,000	\$4,125,000	\$16,515,000
<b>Total Estimated Sources:</b>	<b>\$124,000,000</b>	<b>\$225,000,000</b>	<b>\$70,000,000</b>	<b>\$152,000,000</b>	<b>\$571,000,000</b>

## Estimated Uses:

<u>Project Fund</u>					
<u>Deposits:</u>					
Project Fund	\$119,267,000	\$216,525,733	\$66,758,347	\$146,400,000	\$548,951,080
CSA Audit Fee	<u>\$238,534</u>	<u>\$433,052</u>	<u>\$133,517</u>	<u>\$292,800</u>	<u>\$1,097,902</u>
<b>Total Project Fund Deposits:</b>	<b>\$119,505,534</b>	<b>\$216,958,785</b>	<b>\$66,891,864</b>	<b>\$146,692,800</b>	<b>\$550,048,982</b>
<u>Delivery Date Expenses</u>					
Cost of Issuance	\$241,646	\$433,985	\$138,526	\$294,950	\$1,109,108
Underwriter's Discount	\$602,350	\$1,093,525	\$337,175	\$739,375	\$2,772,425
CGOBOC Fee	<u>\$120,470</u>	<u>\$218,705</u>	<u>\$67,435</u>	<u>\$147,875</u>	<u>\$554,485</u>
<b>Total Delivery Expense:</b>	<b>\$964,466</b>	<b>\$1,746,215</b>	<b>\$543,136</b>	<b>\$1,182,200</b>	<b>\$4,436,018</b>
Reserve for Market Uncertainty	\$3,530,000	\$6,295,000	\$2,565,000	\$4,125,000	\$16,515,000
<b>Total Estimated Uses:</b>	<b>\$124,000,000</b>	<b>\$225,000,000</b>	<b>\$70,000,000</b>	<b>\$152,000,000</b>	<b>\$571,000,000</b>

# ANTICIPATED FINANCING SCHEDULE

## MILESTONES

## DATES\*

- Capital Planning Committee October 7 & November 4, 2024
- Introduction of Legislation to Board of Supervisors October 8, 2024
- Budget and Finance Committee November 13, 2024
- Board of Supervisors Considers Resolution & Ordinance (1<sup>st</sup> Hearing) November 26, 2024
- Board of Supervisors Considers Ordinance (2<sup>nd</sup> Hearing) December 10, 2024
- Sale and Closing of Bonds January 2025

\*Please note that dates are estimated unless otherwise noted.



# Early Projects

Project Updates



# WRP PROJECT DEVELOPMENT PROCESS

## Overview



## EARLY PROJECTS

*Port Executive decisions to advance projects to detailed design will occur at or before 10% Conceptual Design.*



### **WHARF J9 REPLACEMENT & RESILIENT SHORELINE PROJECT – (\$50M to \$80M)**

Replace Wharf J9 Seawall and Wharf to create an earthquake and flood resilient shoreline section in the FW Outer Lagoon; improve the public realm and waterfront access; provide benefits to the fishing fleet through ADA accessible off-boat fish sales; and improve emergency response. **Phase 1 \$7 M Project under construction.**



### **PIER 15 BULKHEAD & WHARF EQ SAFETY RETROFIT PROJECT – (\$7M to \$10M)**

Improve earthquake safety by retrofitting bulkhead wall and wharf. Provide reliable access across Seawall to deepwater berths. Keep the Exploratorium open during construction.



### **PIER 9 BULKHEAD & WHARF EQ SAFETY RETROFIT PROJECT – (\$20M to \$30M)**

Improve earthquake safety by retrofitting bulkhead wall and wharf to reduce damage and risk of collapse. Provide reliable access across Seawall to deepwater berths.

# EARLY PROJECTS



## DOWNTOWN COASTAL RESILIENCE PROJECT– (\$250 M - \$1 B)

Flood defenses for multi-modal transit corridor, BART and Muni, and historic resources. 1<sup>st</sup> implementation action for the USACE Recommended Plan.

Pending \$50 M FEMA BRIC award. **Potential credit towards USACE 35% Local Match.**



## SOUTH BEACH RESILIENCE PROJECT (\$100M to \$300M)

Improve earthquake and flood resilience by strengthening or replacing seawall and bulkhead wharves from Pier 24½ to Pier 30/32. Possible 1st implementation action for USACE Recommended Plan.

\$7.8 M Coastal Conservancy Grant to help fund design, including Piers 30-32. **Potential credit towards USACE 35% Local Match.**

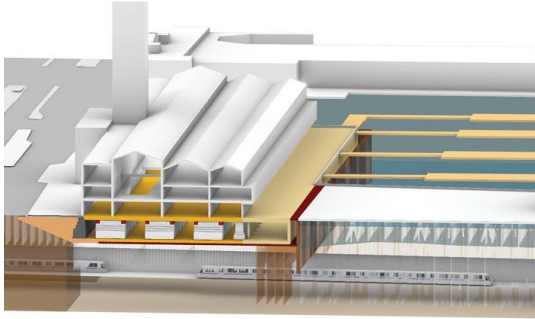


## PIER 50 EARTHQUAKE SAFETY PROJECT– (TBD)

Improve earthquake resilience by strengthening Pier 50 Port maintenance facility to support earthquake disaster response and recovery.

# EARLY PROJECTS

## Projects Evaluated but Not Advancing Now



### **FERRY BUILDING SEAWALL & SUBSTRUCTURE EQ RELIABILITY PROJECT (TBD)**

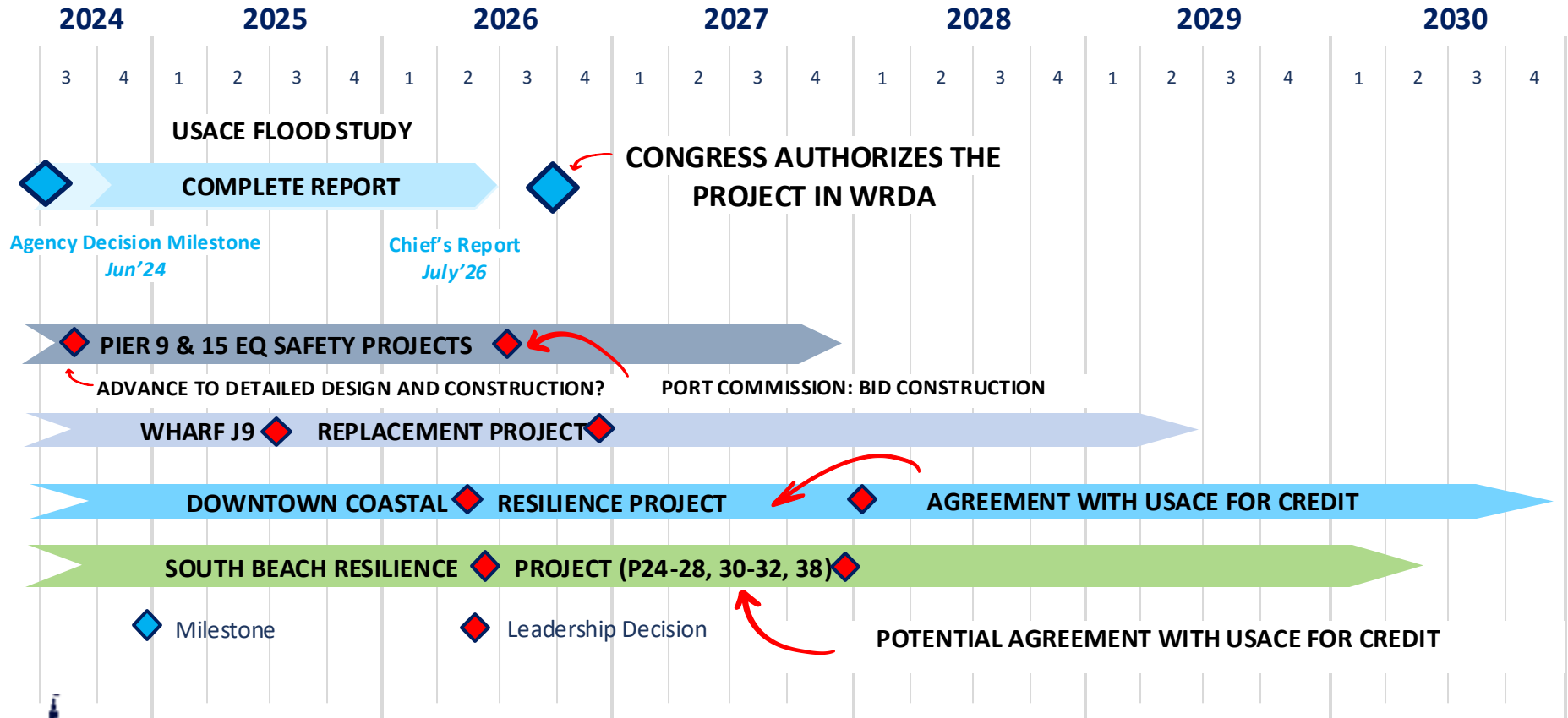
Improve earthquake safety in bulkhead zone and Promenade by reducing collapse risk. Full wharf replacement adaptable for SLR. Completed Alternatives Analysis. **Major project elements incorporated into USACE Draft Plan**; other elements may be incorporated in Downtown Coastal Resilience Project.



### **P35.5 EFWS FIREBOAT BERTH AND MANIFOLD RELIABILITY PROJECT**

Improve earthquake resilience and disaster response by installing a fire boat berth and hardened EFWS manifold with potential seawall strengthening. Project on hold pending SFPUC completion of Alternatives Analysis Report on piping and manifold relocation.

# DRAFT WATERFRONT RESILIENCE PROGRAM SCHEDULE\*



\*Early Project schedules subject to change at 10% conceptual design milestone.



# LIVING SEAWALL

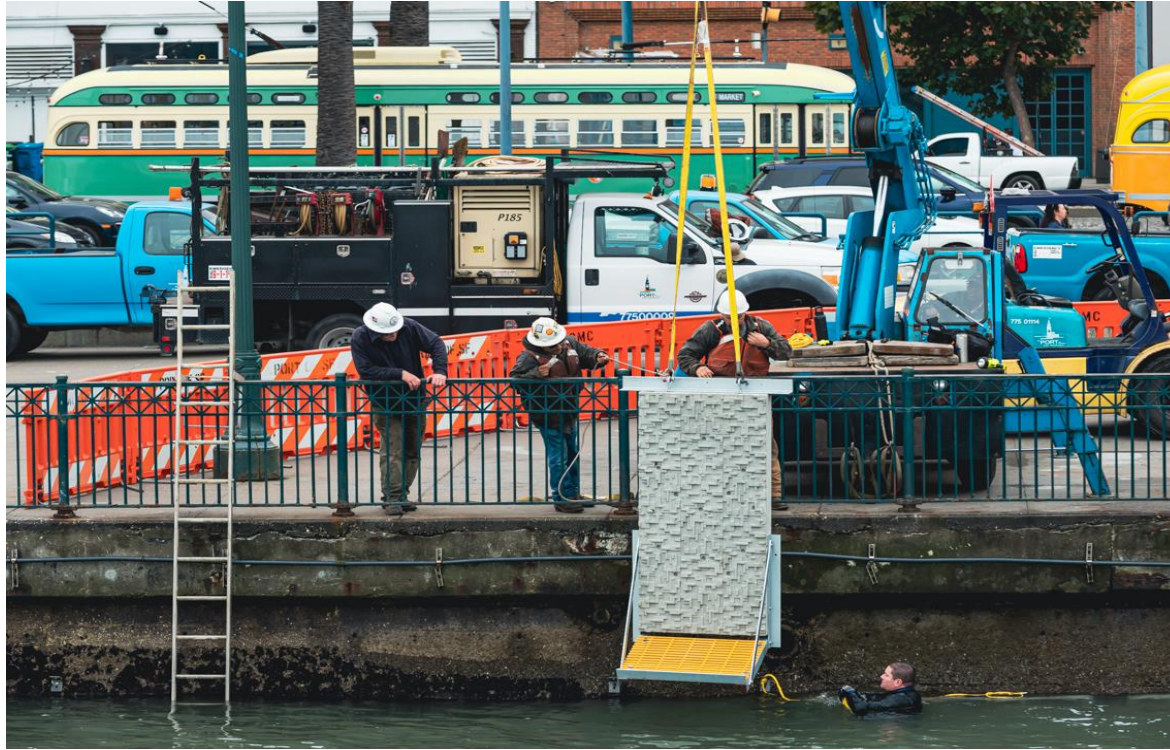
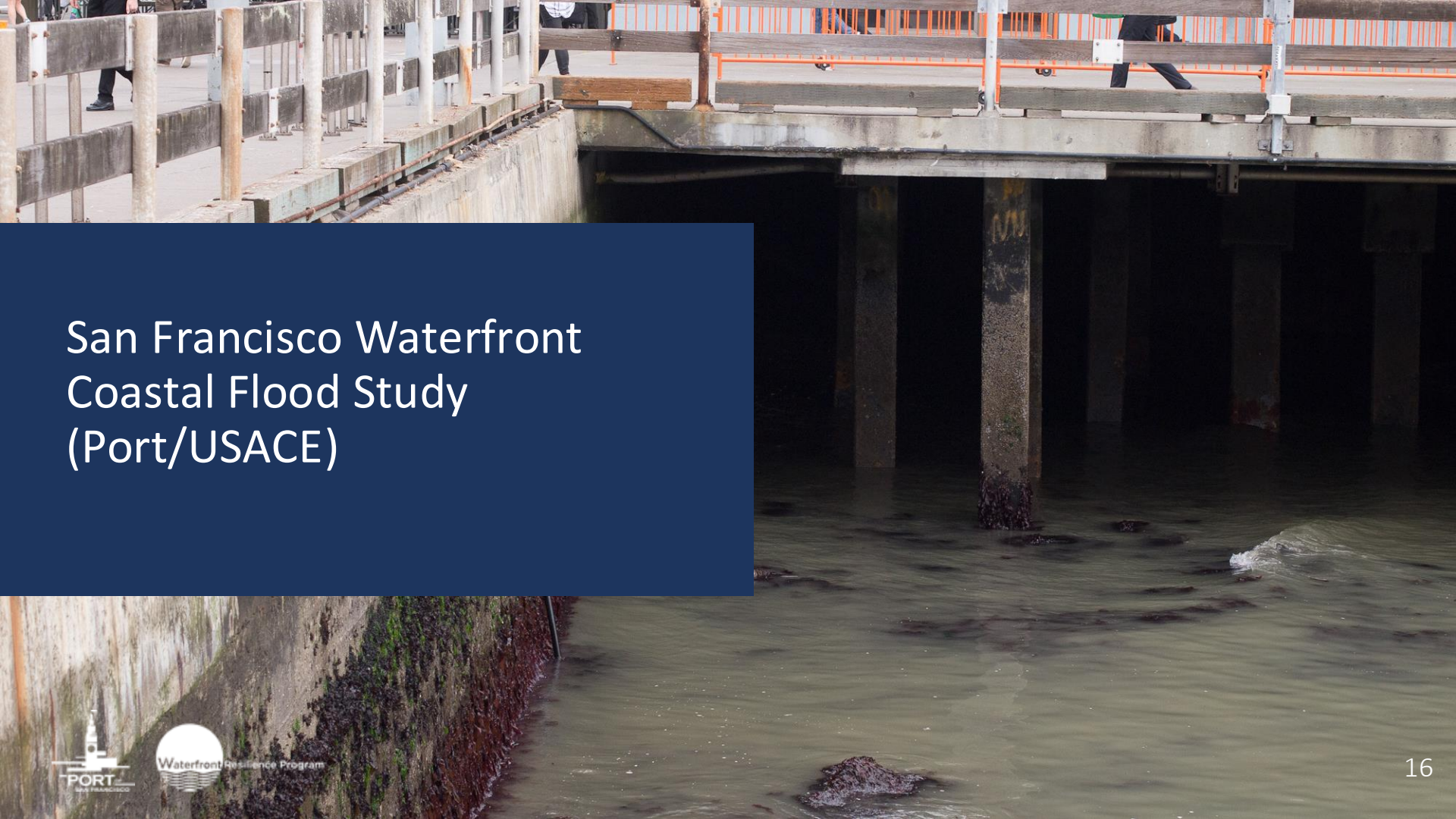


Photo: Lonny Meyer

- Objective: ecological enhancement of seawalls
- Study ecological growth on concrete using textured surfaces and concrete admixture composition
- All frames and tiles are constructed and installed
- Two years of monitoring by the Smithsonian



# San Francisco Waterfront Coastal Flood Study (Port/USACE)





# WHAT IS THE FLOOD STUDY?

- The **Flood Study** analyzes **coastal flood risk** and the effects of **sea level rise** to the San Francisco waterfront along the Port's 7.5-mile jurisdiction over the next 100 years.
- The **Draft Plan** will inform subsequent stages of funding and design in order to develop targeted construction projects.
- The proposed solutions are estimated to cost **\$13.5 billion plus interest** (high-level, preliminary cost estimate) and, if approved by Congress, the Federal government may pay **65% of the cost**.
- The Flood Study is led by the **U.S. Army Corps of Engineers (USACE)** in collaboration with the **City of San Francisco**.

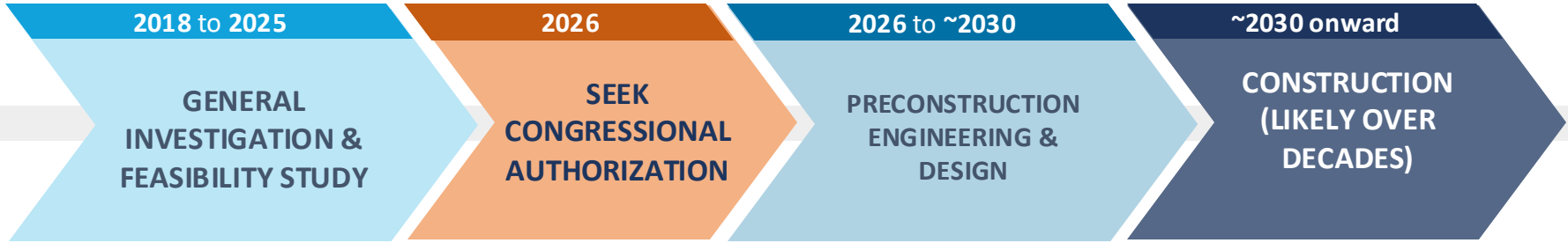


San Francisco Waterfront  
Flood Study



# WHERE ARE WE IN THE FLOOD STUDY PROCESS?

We are here  
Release of Draft Plan



## *What to expect*

**Draft Plan** for public engagement and technical reviews (*Winter 2024*), and Recommended Plan (*2025*)

## *What to expect*

USACE Chief of Engineers recommends the project to Congress.  
Congress will then decide whether to authorize and fund the project.

## *What to expect*

Detailed design and engineering, implementation, and phasing pending Congressional funding

## *What to expect*

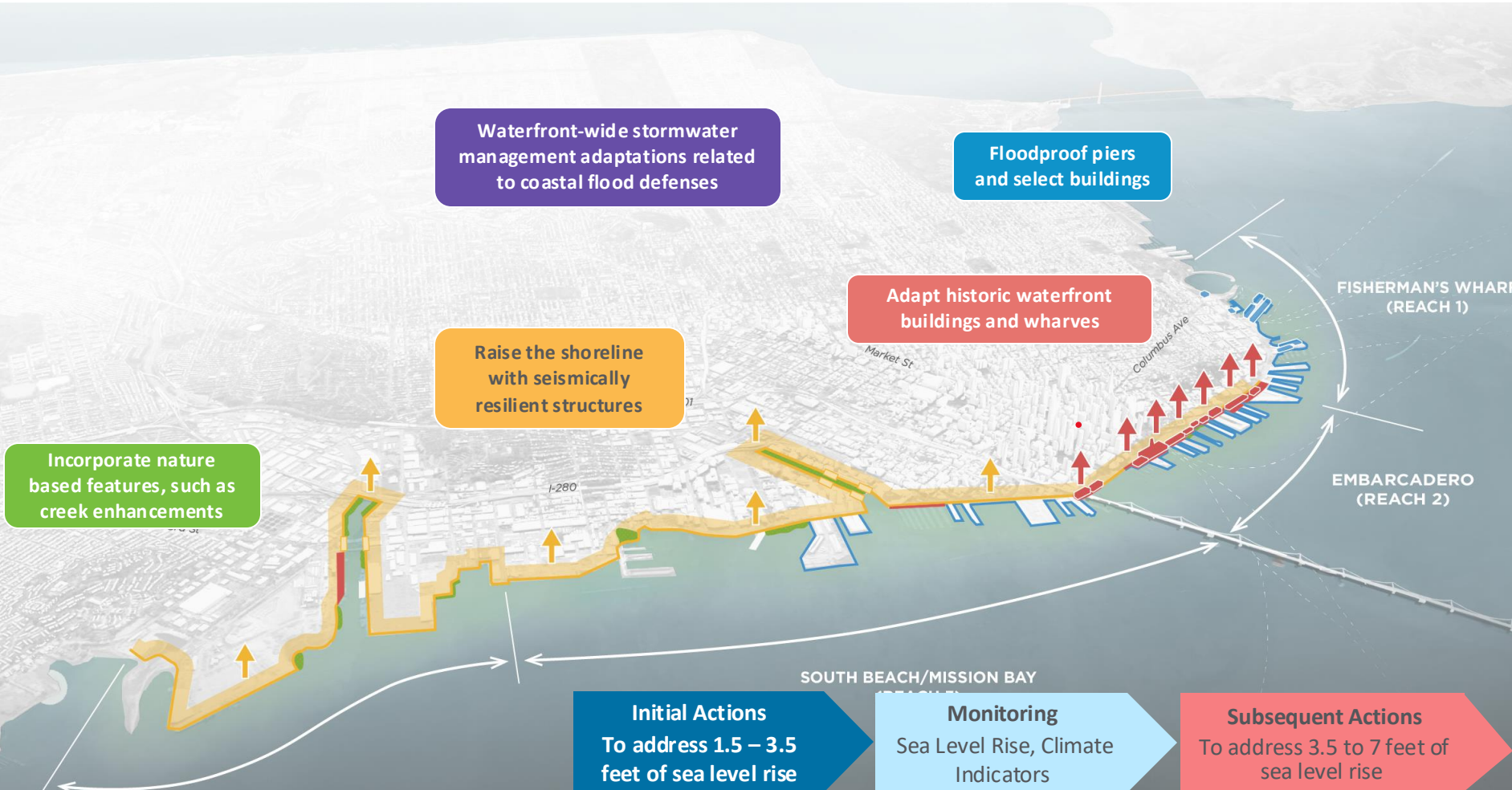
Phased construction of coastal flood defense infrastructure, related seismic stabilization, and other improvements



US Army Corps  
of Engineers

*Note: Dates are approximate and subject to change. Projects will occur in phases which will extend over decades.*

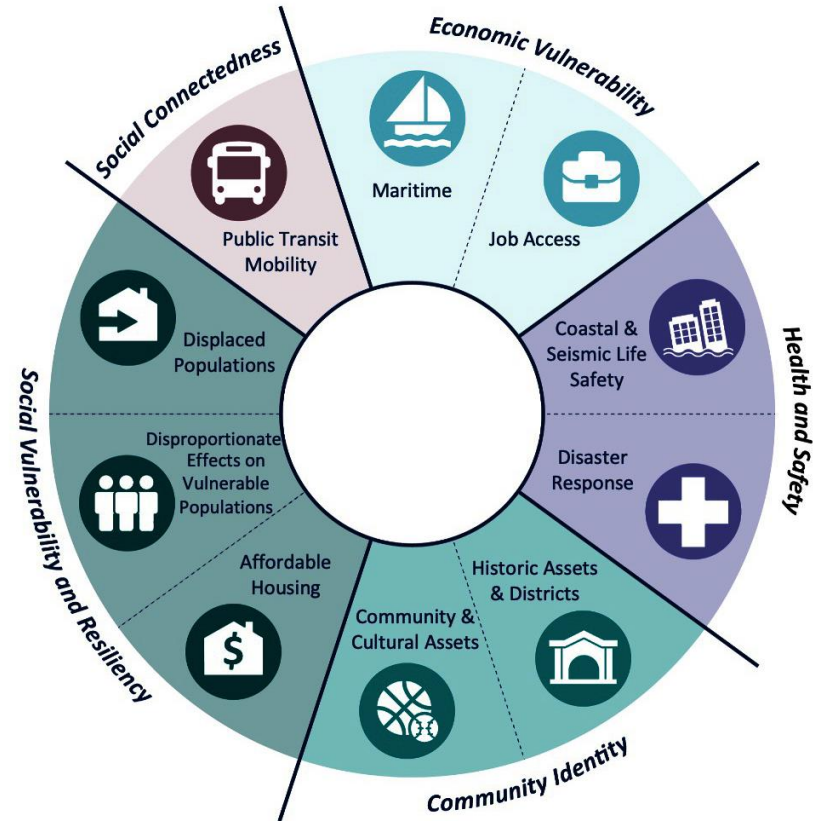
# THE DRAFT PLAN



# A COMPREHENSIVE COST BENEFIT ANALYSIS THAT ELEVATES EQUITY

Historically, plan selection maximizes NED national economic benefits. This plan incorporates analysis across four categories:

- + National Economic Development (including damages prevented, cost of construction)
- + Regional economic impacts (including jobs)
- + Environmental quality, consequences, and compliance (including pollution)
- + **Other social effects (including disproportionate effects on vulnerable populations)**



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# Bond Spend Down & Risks and Opportunities

# WATERFRONT RESILIENCE PROGRAM

## Risks

- Extended CEQA & permitting timelines for in-water work (USACE is lead agency for Early Projects that are part of the Draft Plan)
- Securing agreements with USACE to design and construct Early Projects that are part of the USACE Draft Plan
- Public/Port tenant concerns about construction disruption

## Opportunities

- Focus remaining Proposition A expenditures on projects that will earn credit towards future USACE expenditures
  - every eligible \$1 of local spending earns \$1.89 of federal matching funds (subject to appropriation)
- Demonstrate progress towards Seawall improvements consistent with Proposition A

# Thank You!

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Waterfront Resilience Program

