Draft for Public Review
The Central Waterfront Neighborhood Plan

San Francisco Planning Department
As Part of the Better Neighborhoods Program
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II Background

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This section of the plan provides an overview of the Central Waterfront, including recent trends that have affected the neighborhood and the questions they raise, the area’s historical development, its character today, and the issues that will define its future.
The Central Waterfront neighborhood comprises approximately 500 acres along San Francisco’s eastern shoreline between Potrero Hill and San Francisco Bay. It is bounded by Mariposa Street on the north, Interstate 280 on the west, Islais Creek on the south, and the Bay on the east.

### History and Context

Whether dramatically or subtly, cities and the neighborhoods that define them change constantly. In San Francisco, much recent change has resulted from competition over the city’s limited land area. In particular, recent economic growth generated largely by the “dot-com” explosion fueled a surge in demand for housing and office space, creating intense pressure in the city’s eastern neighborhoods, including the Central Waterfront, to accommodate new development. This development has been primarily in the form of live/work units and offices and has in many instances displaced people and businesses, and changed the character of the places most affected. While the recent dot-com implosion has resulted in very high office vacancy rates, and has all but eliminated the pressure to build new office space, the city’s need for housing is still critical and there remains a crisis of affordability.

The Central Waterfront is an appealing place for housing development because it will soon be served by Muni’s Third Street Light Rail line, which will run through the heart of the neighborhood. However, the Central Waterfront is currently home to many production, distribution, and repair firms (PDR), the traditional users of industrial land. PDR is a modest but important part of the city’s economy and therefore space for this collection of activities to thrive needs to be provided.

These competing needs—to preserve existing PDR uses and to provide much needed housing—have placed the Central Waterfront at a defining moment in its evolution, one at which several future trajectories are feasible. Should it remain an industrial area or become home to a different type of job? Is the Central Waterfront’s traditional role as an employment center appropriate for the future, or should it become a residential neighborhood? What are the challenges to building housing in the area? To what extent can employment co-exist with housing? Thus the goal of this plan is to establish policy that strikes a balance between these two needs, and to create a vision for the future of the neighborhood.

The issues facing the Central Waterfront are complex and there are no clear or easy answers to these questions. All choices involve trade-offs and it is impossible to completely satisfy all goals. The role of planning and policy is to balance conflicting goals and manage trade-offs, grappling both with what is most appropriate for the neighborhood and with how the Central Waterfront can best fill its larger role in the city.
These would be difficult issues even if the Central Waterfront were a blank slate upon which residents, planners, politicians, and others could give free rein to their imaginations. That is not the case, though. Rather, the Central Waterfront is a place with a rich history, a complex mix of uses, an established character, and significant features that are fixed for the foreseeable future. Since the 1850s the Central Waterfront has played an important and dynamic role within the city’s economy. It has also long been the location of a small residential enclave, known as Dogatch, which was established originally to house workers. Over the course of its evolution, the neighborhood has changed in response to transportation investments, shifting economic conditions, and other factors. Its possibilities are bounded by these limitations and shaped by these assets. Although the nature of a place should not be determined by history alone, and still less by nostalgia, the legacy of its past shapes the context for making key decisions about the future. This plan strives to present a vision of a neighborhood that is conscious of its past while looking forward to a new future, a neighborhood that exists as a unique and vibrant entity while also continuing to play an important role in the city as a whole.

The Central Waterfront in History

The Not-So-Natural History

The Central Waterfront today is a man-made landscape whose natural appearance has been completely transformed. The creeks, marshes, waters, and hills that dominated the area in 1850 have vanished in favor of flat lands and fill. This early transformation was accompanied by the development of industrial, maritime, and residential uses.

The waterfront north of 16th Street was once home to Mission Bay and Mission Creek. Once the home to industry and railroads, it is now home to the new Mission Bay development. The waters of Mission Bay covered approximately 260 acres and, though shallow, were navigable by draft vessels. Mission Creek drained the eastern slopes of Twin Peaks and adjacent areas. Salt marshes fringed Mission Bay and Mission Creek, occupying an additional 330 acres and extending inland westward of Potrero Hill to what is now 20th and Harrison Streets.
Beginning in the 1850s, the marshes were filled by individual owners and as part of the construction of toll roads that bridged Mission Bay. Southern Pacific Railroad acquired the bulk of the Mission Bay property in 1868 and 1869 from the state and from private landowners, and gradually filled the bay during the later 19th and the early 20th centuries.

Originally, the Central Waterfront was a rocky peninsula extending from Potrero Hill approximately between 20th and 22nd Streets. The peninsula rose to an altitude of 100 feet or more above the Bay. Leveling and filling has occurred to such an extent over the years that almost no vestige of its former shape remains, save for the small portion of Irish Hill on Michigan Street that remains today.

The section of the Central Waterfront from 25th Street south to Islais Creek was developed most recently. Islais Creek originally drained the area from Twin Peaks and Glen Park to Alemany Gap. It still flows into San Francisco Bay, although its course today runs through a concrete aqueduct terminating beneath Interstate 280.

The varied topography and original shoreline that characterized the Central Waterfront at the start of the Gold Rush are no longer visible. One hundred and fifty years ago much of the area—then referred to as Potrero Point or the Potrero—consisted of marshy tidelands, creeks, and estuaries at the base of the Potrero Hill pasturelands. Much of the Bay north and south of Islais Creek was filled to accommodate industry. A remnant of the past is found in what is left of Irish Hill, most of which was used as fill.
Islais Creek and the marshes surrounding it were a barrier to the southern development of San Francisco. Organized efforts for reclamation were unsuccessful until 1925, when the state passed legislation that enabled the creation of the Islais Creek Reclamation District. The district successfully filled the marshes and tidelands, and dredged Islais Creek to include a turning basin at its western end to allow for ship maneuvering.

Industrial development to the north of Islais Creek was generally delayed until after World War II. During the war the area was the site of temporary housing. This housing was demolished after the war and much of the area was subsequently developed as an industrial park with single-story concrete buildings; food and oil processing plants were developed south of Army Street (now Cesar Chavez Street).

The most recent filling of Islais Creek occurred during the construction of Pier 80, formerly the Army Street Ship Terminal. Financed by a state bond approved in 1958, the terminal went into operation in 1967.

Now, however, development involving the Bay is closely regulated. In response to concerns that the health of the Bay itself was being threatened, the San Francisco Bay Conservation and Development Commission (BCDC) was established by the 1965 McAteer-Petris Act. BCDC has curtailed Bay fill by regulating activities within its jurisdiction, which includes a part of the shoreline.

_Evolving Land Uses_

While there has almost always been a small residential population here, from the middle of the 19th century the Central Waterfront has been primarily a job center, not a residential neighborhood. However, even in its role as a place of work, the neighborhood has changed in response to shifts in economic conditions. From explosives manufacturing and shipbuilding to auto-oriented warehouse and distribution activities and the current eclectic mix of businesses, the Central Waterfront has reinvented itself in response to economic trends and the changing fortunes of several key industries. Throughout its history, perhaps the neighborhood’s most salient features have been its evolving industrial character and its flexibility and resilience.
Far from the center of the still-small city of San Francisco, and with access rendered difficult by the hills to the west and Mission Bay to the north, the area was remote and undeveloped. In fact, the first development sought to take advantage of Potrero Point’s remote location. Increasing population and a city ordinance promulgated in the 1850s to prevent the most dangerous industries from locating near settled areas forced certain industrial activities out of South of Market. Isolated Potrero Point, with its deep-water anchorage, was the ideal location, and by the late 1850s several gunpowder manufacturers had built factories and wharves there. Several other industries followed the gunpowder manufacturers, notably the San Francisco Cordage Manufactory (Tubbs Cordage Works), which sold ropes for shipping and mining in the Western United States, Mexico, Peru, China, and Japan. Shipbuilders, attracted by the availability of large parcels of land and a deep-water port, also began to set up operations in the area. Tubbs Cordage Works was established in 1856 on a leveled site now occupied by Muni’s Woods Yard. Included in the project was a 1500-foot ropewalk that extended into the Bay and probably served a secondary purpose as a loading wharf.
Throughout the 1860s, 1870s, and 1880s the area continued to grow into an important industrial district. William Alvord received a grant of submerged property that he filled in order to construct Pacific Rolling Mills in 1867. Pier 70 is now on this site. As fill increased, other industries located in the Potrero Point area. The San Francisco Gas Light Company began operations in 1872 and parts of it exist today in the present power plant. Other factories set up in this area included the California Poppy Soap Company, California Sugar Refinery, later Sea Island Sugar House, and the American Barrel Company.

The most important event in the industrial history of the area was the establishment of the Union Iron Works (UIW) shipyard at the site of what is now Pier 70 in 1883. UIW soon grew into one of San Francisco’s largest industrial establishments and became a key part of the city’s economy. Most of Potrero Point was leveled in conjunction with the construction of the iron works. Though originally known for machinery production, Union Iron Works was also active in the shipbuilding field. Its acquisition in 1905 by Bethlehem Steel led to an expansion of the company’s shipbuilding efforts. Ship production peaked during World War I and World War II and was augmented with repair and maintenance work during other times.

For decades it remained the largest employer in the area and had an enormous and lasting impact on the area. Bethlehem Steel and the other Central Waterfront industries were closely linked to the global economy: they exported mining equipment throughout the Pacific Basin and their ships traveled the world.

Despite the area’s predominantly industrial character, some housing was built. Beginning as early as the late 1860s, Irish Hill became home to a concentration of worker housing, which was eventually demolished during World War I to make room for expansion of the shipyard. In the late 1870s another residential area began to arise in Dogpatch. Whereas most inhabitants of Irish Hill were unskilled and semi-skilled Irish male laborers, Dogpatch was originally home to mainly native-born skilled craftsmen, some of whom applied their skills to building their homes. With few exceptions, most residences in the Central Waterfront were demolished over the decades. The remaining homes can be found along Tennessee Street between 18th and 22nd Streets.
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From the beginning, then, the Central Waterfront was marked by its industrial character. Despite the construction of some housing in Dogpatch, the area was always more important as an employment center than as a residential neighborhood. Even at its peak, it was never home to more than 1,200 people, whereas the local industries employed at least ten times that number during World War I.

In its role as an employment center, the Central Waterfront has demonstrated significant flexibility and resilience, “reinventing” itself several times over the course of its life. The heavy industry—primarily shipbuilding—that dominated until the end of World War II eventually gave way to a mixture of other manufacturing establishments, such as the American Can Company, and wholesale, warehousing, and distribution operations. These latter businesses grew in response to shipping activity and freeway connections to downtown and the rest of the region. This mixture of activities led to a more fine-grained pattern of buildings and users. With the loss of wartime shipbuilding activity and the other factors that caused manufacturing to move out of the city, the Central Waterfront became more specialized in distribution, primarily small-scale local distribution.

Later, in the 1980s and 1990s, the neighborhood began to attract an eclectic mix of small manufacturing firms, graphic designers, film production studios, and other activities that had either been priced out of other parts of the city or simply found the neighborhood and its buildings well suited to their purposes. Many former manufacturing buildings—notably the American Can Company buildings—became home to a wide range of small firms and played an important role as incubator space for new businesses.

In more recent years, production activities have made a comeback in the area. This appears to be due not only to the neighborhood’s continued suitability for those activities but also to the displacement of certain production activities from South of Market and the changing nature of production. For example, some printing firms have moved to the Central Waterfront in search of lower rents while the printing industry as a whole has grown in San Francisco, which is likely related to the new style of production in printing. So, in many ways, the evolution of the Central Waterfront reflects changes in production and distribution, especially as they were affected by economic cycles and advancements in technology, that the city in general has experienced.
The Coming of Third Street Light Rail

During the first half of the twentieth century, streetcars traveled up and down Third Street, shuttling riders between downtown and points along the Bayshore Corridor. As the primary mode of transportation into and out of this area, this streetcar line helped spur development of today’s Bayshore communities. After years of planning, the Third Street Light Rail Project will soon reestablish rail service along this corridor.

In 1989, San Francisco voters passed Proposition B, a half-cent sales tax to support transportation improvements in the city, including “fixed guideway” improvements in the Bayshore Corridor. In 1994, the city selected light rail on Third Street as the preferred mode and alignment for such improved service. After a lengthy public process and more-detailed engineering and design, the environmental impact statement was approved in late 1998, and funding hurdles cleared in 1999 and 2000. Construction began in 2002, and service will begin in 2005.

The new light rail line will be built in two phases:

Phase One will extend Muni Metro light rail service 5.4 miles south from its current terminal at Fourth and King Streets. The line will cross the Fourth Street Bridge and run along Third Street through Mission Bay, the Central Waterfront, and Bayview/Hunters Point, then along Bayshore Boulevard to the Bayshore Caltrain Station in Visitacion Valley. Trains will run primarily in the center of the street in a dedicated right-of-way. Through the Bayview commercial core, however, they will mix with cars. In the Central Waterfront, trains will stop at Mariposa, 20th, 23rd, and Marin Streets. A turnaround loop and train layover on Illinois Street between 18th and 19th Streets will enable Muni to run additional, shorter-run service to Mission Bay and the Central Waterfront when Mission Bay can create enough ridership to support it, probably sometime in 2008 or 2010. A new Metro East Operating and Maintenance Facility being built on 13 acres at 25th and Illinois Streets will allow Muni to store, maintain, and dispatch light rail vehicles. That facility is expected to open for service in 2005.

Phase Two will extend the light rail north from King Street along Third Street, entering a new Central Subway near Bryant Street, crossing beneath Market Street and heading into Chinatown. Muni and the city are actively pursuing funding for Phase Two.
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The goals of the project are to:

- Improve service reliability and travel times (travel time from the Central Waterfront to the Financial District will improve by five minutes with Phase 1 and by seven to ten minutes with Phase 2).
- Enhance connections to Caltrain, BART, other Muni lines, and other regional transit.
- Help generate economic opportunities and jobs for local residents and business owners.

Through public workshops, the community and the city selected a theme, Great Street / Main Street, which describes the special expressions of place along the corridor. The Great Street concept emphasizes the unity of the corridor, primarily through consistent and recognizable elements corridor-wide. The Main Street concept acknowledges the corridor’s role as a “main street” for the communities through which it passes—Mission Bay, the Central Waterfront, Bayview/Hunters Point, and Visitacion Valley. For each, the project will reflect individual characteristics, a quest for the new, and the strong craftsmanship inherent in all of these places.

In the Bayview commercial core, the project includes streetscape improvements for the entire right-of-way from property line to property line. Outside of this neighborhood, including the Central Waterfront, the project includes only the transit elements—platforms, strain poles, roadway paving, signage, street lighting, and street trees at 20 feet on center. This plan, however, proposes additional improvements to the Third Street corridor in the Central Waterfront, like pedestrian-scale lighting, street furniture, corner bulbouts, special paving, enhanced tree plantings, and corner setbacks to new development where it is appropriate to the goals of the plan.

Artist’s renderings of Third Street with light rail. Left: Looking north toward 20th Street stop. Right: Platform view of 20th Street stop, looking north.
Transportation

Transportation connections to rest of the city—and the world—have always been a major factor shaping the area’s development. As mentioned above, the deep-water anchorage was one of the traits that originally made Potrero Point suitable for industry. But until 1867 the area remained cut off from the rest of the city. In that year, the Long Bridge was built across Mission Bay, extending Third Street down to the Central Waterfront and ending the area’s isolation. Horse-drawn streetcars began to roll down Third Street, followed eventually by electric streetcars. Transportation connections allowed workers to travel from elsewhere, fueling the development of industries that, unlike gunpowder manufacturing, were not drawn to the area’s isolation. Transportation also permitted a substantial segregation between industry and housing that was very different from the mixture of uses that characterized South of Market.

The Port was, of course, the largest component of the area’s transportation infrastructure for many years, and a significant amount of manufacturing and distribution activities concentrated in the Central Waterfront in order to have access to the Port. Rail spurs connected the area to the nationwide railroad network, and in 1907 the Bayshore Cutoff was completed and the Central Waterfront became the main access to the city for all trains. The post-World War II years witnessed the eventual decline of both freight and passenger rail in San Francisco. But by 1973, the extension of the I-280 freeway through the neighborhood established its appeal to trucking activities, airport shuttles, and other auto-oriented transportation and distribution companies. Transportation continues to play an important role in the area. The coming introduction of Third Street Light Rail and CalTrain improvements will enhance the neighborhood’s accessibility and thereby its attractiveness to both housing and business development. The continued presence and expansion of Muni yards represent a different, but ongoing, presence of transportation functions.

The Central Waterfront Today

Today an unusual, sometimes fine-grained, mix of uses is one of the defining characteristics of the Central Waterfront. The wide variety of uses and the mix of building types have helped the Central Waterfront continue to be a diverse and flexible place. There are few, if any, other areas of the city that contain the same variety of activities, and this eclectic mix
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is cited by the residents as one of the features of the neighborhood that they value. The northern part of the Central Waterfront, west of Illinois Street, contains the most widely ranging combination of activities in the area; it is where parcels are small and the building types are the most varied. The southern part of the Central Waterfront is characterized by a more regular pattern of large parcels and primarily large, single-story buildings.

While the area has long contained residences, and even though the construction of a number of live/work buildings has altered the character of parts of the neighborhood to some degree, the Central Waterfront is nevertheless still overwhelmingly defined by the production, distribution, and repair (PDR) businesses found in the area’s many one- and two-story, mostly large floor-plate structures. San Francisco Drydock and Pier 80, the Port’s container terminal, comprise the Port’s maritime uses in this part of the waterfront; the Port has identified a portion of Pier 70 as a significant opportunity site for future development.

The most readily identifiable residential area in the Central Waterfront is found on Tennessee and Minnesota Streets, the center of the Dogpatch neighborhood. Many of the houses in this area were built around the turn of the century, if not earlier, and are typically one- to two-story structures. In fact, the neighborhood has a significant concentration of historic buildings, including the I.M. Scott School and the old fire and police stations in Dogpatch itself, as well as a number of structures on Port property associated with the old Union Iron Works and Bethlehem Steel. In coordination with residents, the city is in the process of designating a Dogpatch historic district.

Unlike most typical residential neighborhoods, a number of PDR businesses are intermingled with the residences. This mixing has continued with the more recent housing development, which has come in the form of live/work units scattered throughout the area.

As of the year 2000, the Central Waterfront’s population numbered about 850, and it contained about 457 housing units (including live/work), though these figures are actually a little higher as several live/work projects have been completed in the interim. The neighborhood’s sparse residential population has limited the number of neighborhood-serving businesses it
can support. A small collection of such shops and services are found at 22nd Street, which serves as the commercial “heart” of Dogpatch. Esprit Park, recently transferred to city ownership, is the neighborhood’s primary open space.

The Central Waterfront Tomorrow

The Central Waterfront maintains strong connections to the larger city and region. As such, it is caught in the current of changes affecting San Francisco. The neighborhood has been the recipient of displaced businesses from South of Market and is a scene of transformation rooted in escalating real estate costs and the new development. Certain characteristics have encouraged these changes, including the presence of flexible industrial space at affordable prices and the availability of relatively inexpensive and, in some cases, underutilized land. Furthermore, because the area is zoned primarily for industrial uses, there are potentially fewer obstacles to development. San Francisco’s industrial zoning categories, M-1 and M-2, are inclusive designations, meaning that they can accommodate nearly any activity. Areas so designated can thus be attractive places in which to pursue other than industrial development. The Mission Bay redevelopment area immediately to the north, which among other things will house a new UCSF campus, and Muni’s new Third Street light rail extension will also make the neighborhood a more attractive place in which to invest. These pressures have made it critically important to decide what future land uses should be allowed in the Central Waterfront.

Port-owned land within the Central Waterfront is also in the midst of a transition away from traditional industries to planned long-term development that may take years. Currently, therefore, Port-owned land has a number of interim uses. The Port’s Waterfront Land Use Plan calls for a new approach to generating revenues from limited mixed-use, non-maritime development at Pier 70 in order to restore historic buildings, clean up environmental contamination, and make portions of its shoreline available to the public.
Background to the Port

The Port has been critical to the evolution of the Central Waterfront. In the latter half of the 19th Century, the Port’s governing body at the time, the Board of State Harbor Commissioners, surveyed the Bay frontage in the area and delineated what would become Port property. Port property has been used for shipbuilding, manufacturing, and by the second half of the 20th Century, cargo handling. Piers 70 and 80 have been of particular importance. Since the 1880s, Pier 70 has been the site of a variety of industrial activities, from shipbuilding to steel production. Today, Pier 70 is home to San Francisco Drydock, the longest continually operating ship repair business on the West Coast and a major employer in the Central Waterfront. The Port’s cargo terminal at Pier 80 was initially developed in the late 1960’s, when it was known as the Army Street Terminal. It was subsequently upgraded, providing the Port and city with modern container and non-container cargo-handling facilities.

Although the cargo-shipping industry continues to be very dynamic, the Port has found success in marketing the terminal to niche operators, mostly from Central and South America, carrying container and non-containerized cargo, rather than competing with the Port of Oakland for business from the large container ship operators from the Far East. Continued, efficient access by freight rail and truck from the peninsula, freeways, and city streets is fundamental to the viability of these maritime industries.

The Central Waterfront’s rich history is established not only by these long-time industrial land uses, it also is reflected in the unique, largely intact collection of historic architectural resources found on Port property. However, most of these structures are in various states of disrepair, and many are no longer suited to modern maritime business operations. In addition, the repair cost for most of these buildings far exceed the financial ability of most maritime businesses. Yet, there is a great desire and commitment by the Port and community to preserve and restore as many of these historic resources as possible.

Regulatory Governance

In 1968 the Burton Act, passed by the State Legislature, transferred public lands along the San Francisco Bay waterfront—current and former tidelands that were filled to form the city’s edge—from the state to the city. The Port of San Francisco, as trustee, is required under the Burton Act to manage and develop these lands in conformance with “the public trust doctrine,” to benefit the citizens of California. The basic principle of the public trust doctrine is that public trust lands are to be used to promote navigation, fisheries, waterborne commerce, natural resource protection, and uses that attract the public to use and appreciate the waterfront, including recreation and assembly. The Port makes determinations as to whether a given lease or development project is consistent with the public trust, as informed by numerous court decisions, a history of State Lands Commission lease approvals, and Attorney General opinions. Pursuant to the Burton Act, all revenue generated from these public trust properties must be dedicated to promoting public trust purposes. The Port Commission has fiduciary responsibility to manage, repair, and improve these lands. Although the Port is structured much like other city departments, it is unique in that it must further state-wide interests, and do so without monies from the city’s general fund.
Agencies with regulatory authority over land use on Port property include the San Francisco Bay Conservation and Development Commission (BCDC), the San Francisco Planning Department, and the Board of Supervisors. BCDC exercises regulatory power over any construction within the Bay and the first 100 feet of the shoreline. BCDC restricts uses in Bay fill developments to “water-oriented” activities, and requires “maximum feasible public access” in all projects subject to its permit authority. Port land uses must also meet regulatory requirements and planning objectives administered by the Planning Department, including compliance with zoning, height limits, and other provisions of the San Francisco Planning Code requirements, as well as all applicable requirements of the California Environmental Quality Act. Any appeals of Planning Commission actions on conditional uses or on CEQA certification are reviewed and acted upon by the Board of Supervisors. The Board also reviews and approves Port non-maritime leases for terms of 10 years or more and which generate revenues of $1 million per year or more.

The Waterfront Land Use Plan

The Port’s land use policies for Port lands are set forth in the Port’s Waterfront Land Use Plan (Waterfront Plan). The Port Commission adopted the Waterfront Plan in 1997; its policies are consistent with the city’s General Plan. The Waterfront Plan includes a Waterfront Design and Access element that focuses on policies and design criteria for expanding waterfront public access and open space, preserving historic resources, and promoting architectural and urban form that is well integrated with and unites the waterfront with the rest of the city.

With respect to Port properties in the Central Waterfront, the Waterfront Plan reserves most of the Pier 70 area and the entirety of Pier 80 for “Existing Maritime or Maritime Expansion,” recognizing these facilities as the mainstay of the ship-repair and cargo-shipping industries. The maritime expansion designation reflects the Port’s continued commitment to maintaining and enhancing maritime business and industry in San Francisco’s economy. In addition to reserving land, the Port has proposed a major maritime infrastructure project in the Central Waterfront, the Illinois Street Intermodal Bridge, which will cross Islais Creek, provide direct freight rail and vehicle access to Pier 80, serve as an intra-terminal connection linking the Port’s cargo shipping facilities, and help relieve industrial traffic volumes that otherwise would travel on Third Street.

In addition to addressing the Port’s maritime needs, Waterfront Plan policies also recognize opportunities in the Central Waterfront to meet other goals of the plan. Mixed use opportunity areas, which allow for development of revenue-generating, non-maritime uses, are designated for the portion of Pier 70 fronting on Illinois Street between 18th and 20th Streets, and on the former Western Pacific site immediately north of Pier 80. The latter is the site of Muni’s Metro East facility, now under construction. Since the Port receives no city or state funding, revenue from development of Port property is the only source of funds (except for occasional grants that the Port may secure) available to finance maritime improvements, rehabilitate historic resources, and create public access and open space.

In the Pier 70 Opportunity Area, the Port’s main objectives are to restore the Bethlehem Steel Administration Building and Union Iron Works architectural resources, and create major new public access to the shoreline. To accomplish this, it is expected that development of complementary commercial and non-maritime uses will be needed to generate revenues to finance such improvements, as well as to generate the activity levels necessary to creating inviting and safe public access.

The long-term development of the Port’s properties will be incremental and it will take many years to realize the objectives of the Waterfront Plan. Therefore, the plan also addresses and allows interim uses, enabling the Port to manage its real estate assets and maintain a stream of revenue to support the Port’s operations. Given that Port lands in the Central Waterfront are zoned and have been used historically for industrial purposes, it is no surprise that most leases for interim uses have been and are for industrial activities. Despite the deteriorated condition of many buildings and facilities, Port lands have provided an important, albeit temporary, resource for maintaining general industrial uses in San Francisco.
Recent changes in the economic cycle have made reinvestment in Central Waterfront buildings and businesses attractive. Since 1990, at least $32 million has been invested in new or existing PDR structures within the plan area.

Current Issues

The Need for Production, Distribution, and Repair (PDR)

Prior to and during the initial stages of the Better Neighborhoods Program, it was thought that the Central Waterfront would be an appropriate place to create a dramatically expanded residential neighborhood. However, evaluation carried out as part of the subsequent planning process has led to a better understanding of the area. It is now clear that incautious development of housing would imperil the neighborhood’s many vibrant businesses. In order for the Central Waterfront to continue to support the city’s economy, the space and building stock that house PDR activities must be retained.

Since the 1850s the Central Waterfront has played an important and dynamic role within the city’s economy and land use system, providing critical “flex-space” for new and changing industries, and is one of the last areas of the city still suited for this purpose. The importance of PDR has been established by a series of analyses and policy decisions, including the establishment of Industrial Protection Zones by the Planning Commission and the recent publication by the Planning Department of a report entitled Industrial Land in San Francisco: Understanding Production, Distribution, and Repair (included as an appendix to this plan.). PDR is important to the city because: it adds diversity to the economy; is linked strongly to other important sectors, such as office-based downtown businesses and tourism; and the businesses pay good wages, even for jobs that do not have high skill requirements. In fact, employment in the PDR sector grew 13 percent between 1997 and 2001, precisely the period when San Francisco’s “post-industrial” or “new economy” sectors were undergoing rapid change and expansion. However, many PDR activities can thrive only if they are some distance from residential development, have access to a specialized building stock, and can find comparatively inexpensive space.

The Central Waterfront plays a vital role for PDR in that it provides all of these qualities. The Central Waterfront contains a significant amount of the city’s remaining industrial land, land that PDR has traditionally found desirable. The Central Waterfront also contains important building stock that has the features desirable to PDR—large floor plates, clerestory structures, and loading docks, for instance. Most PDR businesses cannot afford to pay rents of much more than $1.50 a square foot, and many even less, which is one of the reasons other sectors can out-compete them for space. Existing building stock is thus doubly important because it is affordable—new construction, even of PDR space, is too expensive for all but a few of the highest-end PDR businesses.

The Central Waterfront is home to about 6,200 jobs: 70 percent are PDR jobs; 16 percent are business services, and 6 percent are in retail. The remainder are scattered in various categories. There are about 460 housing units and 850 residents in the plan area.
The Need For Housing

While it is important for San Francisco that PDR be retained and encouraged in the Central Waterfront and the city, it is also important to determine where new housing can be best accommodated. San Francisco needs to build new housing and the Central Waterfront provides opportunities to do so in a place that will be well-served by transit. While there are no large unencumbered sites that would allow construction of major housing developments in the immediate future, there are a number of infill opportunities as well as places where future housing development may be appropriate; as much as possible, these opportunities must be taken advantage of.

Bringing housing to the Central Waterfront is also critical to supporting a much-needed increase in neighborhood commercial services, to enlivening open spaces, and to creating a vibrant and cohesive residential neighborhood.

Development of extensive housing is also limited by a number of significant, fixed uses that take up a large portion of the Central Waterfront’s land area. They include:

- The Potrero power plant. Prior to this plan, it was thought that the Central Waterfront could accommodate thousands of housing units. This was based in part on the perception that the power plant was to be shut down, making a large tract of land available for other uses. However, the California Public Utilities Commission is now considering an application to expand the plant’s power generation capacity. Even should this application be denied, there are no indications that the existing power plant will be taken off line in the foreseeable future.

- Muni operations. The Muni Woods facility is a large bus maintenance and storage operation at 22nd Street and Indiana Street; it has recently received multi-million dollar improvements. Metro East, the maintenance and storage yard that will support the Third Street Light Rail, is under construction at Illinois and 25th Streets. Muni is also designing a new facility at Islais Creek between I-280 and Indiana Street. Not only do these facilities take up a significant amount of land, but they are not the best neighbors to housing.

- Port activities. Port land in the Central Waterfront is home to ship repair activities at Pier 70 and to an active terminal at Pier 80. Both will continue to operate well into the future. Nevertheless, here as elsewhere on Port property, housing is prohibited by the doctrine of Public Trust.
II. Background

The I-280 Freeway. The freeway is an imposing, unpleasant, and environmentally poor neighbor to housing. When there is a choice, lands immediately adjacent to the freeway are better used for PDR activities, which would also serve as a buffer between it and the rest of the neighborhood.

Because the amount of land available for housing in the foreseeable future is constrained, it is especially important to make the most of existing opportunities. This means determining heights and densities that allow for the most efficient use of land possible. By incorporating strong design standards it will be possible to build in ways that enhance the neighborhood and respect its existing character.
Plan Goals

These plan goals are based on discussions with the community and are refinements of ideas presented to the neighborhood throughout the planning process. They pull together the main themes of the objectives and policies that form the body of this plan. These objectives and policies are all found in the Plan Elements Section and are organized by subject matter: Land Use, the System of Parks and Open Space, Historic Preservation, Moving About, and Urban Design. Each goal represents a cross-section of ideas that draws from these topics. Working towards these essential plan goals will make solid the vision of the Central Waterfront of the future.

Goal 1
Encourage development that builds on the Central Waterfront's established character as a mixed use, working neighborhood.

One of the most important features of the Central Waterfront is its unusual mixture of activities. A place for both living and working, the neighborhood has over the years maintained a balance between activities that are often thought to be incompatible. Recent development, especially live/work construction, has disrupted the arrangement of land uses in the Central Waterfront and pressures to develop the area could further diminish its unusual qualities. Therefore, it is critically important that new development respect the existing character of the neighborhood by reflecting its pattern and forms while at the same time contributing to its evolution.

Goal 2
Foster the Central Waterfront’s role in the city’s economy by supporting existing and future production, distribution, repair, and maritime activities.

The Central Waterfront has long played an important role in the city’s economy as a place for a myriad of businesses that traditionally do not locate in the downtown but that maintain strong connections to it and the rest of the city, especially the city’s wider business community. The city classifies these businesses as production, distribution, and repair (PDR), a category that encompasses a wide array of activities that share certain characteristics: they are rent-sensitive, they generally require large-floor-plate, flexible building types, and many are not comfortably located in residential neighborhoods.
II. Background

The Central Waterfront is also important to the city’s economic future, as it is one of the few places remaining where incubator firms can locate. With a place for such businesses to thrive, the city helps to ensure itself as an economic innovator, and is in turn poised to take advantage of future trends in the economy.

It is also here that the Port has two major maritime activities: ship repair at Pier 70 and cargo operations at the Pier 80 terminal. These activities, as well as any maritime uses that may be developed in the future, need to be supported because they contribute substantially to the city’s economy, both in terms of jobs and by helping to maintain economic diversity. As the neighborhood changes, it should do so in ways that are not disruptive to maritime activities.

San Francisco’s economic base, its culture, and its social diversity all take something from the Central Waterfront in its role as a home to PDR and maritime uses; undoubtedly, the Central Waterfront is an important part of the city as a whole.

Goal 3
Increase housing in the Central Waterfront without impinging on or creating conflicts with identified existing or planned areas of production, distribution, and repair activities.

The Central Waterfront needs more housing, both to help address the city’s overall need and as the basis for creating a more vibrant neighborhood. In order to develop housing in ways that will not disrupt existing economic activities, new housing should be encouraged near already existing housing enclaves as much as possible. PDR uses that have significant negative externalities, such as late-night deliveries or the intensive use of toxic substances, should not be allowed to mix with housing. This reduces conflicts between residents and businesses that most often result in the forced relocation or closing of the business and makes for a more pleasant environment for areas that are or will become residential.

Goal 4
Establish a land use pattern that supports and encourages transit use, walking, and biking.

In a densely built city such as San Francisco, all modes of travel must be supported. It is inefficient to give priority to automobiles. The best way to support alternative means of travel is to ensure that development is sufficiently dense, well designed, and incorporates a mix of uses. These characteristics
enable people to satisfy daily needs by walking to services and shops, and they make moving about the city safe, comfortable, environmentally friendly, and, because there is a limited amount of roadway in the city, efficient.

The Central Waterfront faces challenges and opportunities. One major challenge is Mission Bay. When it is built out, activity generated by development there will use up the Central Waterfront’s street capacity. Other modes of travel must be supported if people are to continue to be able to move around efficiently. On the other hand, the Third Street Light Rail will be serving the neighborhood. To take advantage of this new transit investment, new mixed use development must be focused around or near rail stops. Furthermore, to make the most of limited land area and to generate enough development to support an enlivened place, heights and densities must be increased as much as possible without destroying the character of the neighborhood. Land use must be supported with good design in order to achieve this goal in a way that will improve the neighborhood.

**Goal 5**

**Better integrate the Central Waterfront with the surrounding neighborhoods and improve its connections to Port land and the water’s edge.**

The Central Waterfront is not well connected to surrounding neighborhoods, especially Potrero Hill, with which it is most closely associated. The bridges across I-280 are unfriendly to pedestrians, Muni connections are limited, and 18th and 20th Streets, which connect the two neighborhoods, are not designed to encourage walking. Immediately to the north, construction of Mission Bay is under way. This will bring intensive new development and all of its attendant pressures to the doorstep of the neighborhood. How the Central Waterfront greets Mission Bay will have significant implications for the neighborhood.

Port land, which lies east of Illinois Street, is not well integrated with the rest of the Central Waterfront. It is hard to get to the water’s edge and there are few destinations. Where there is public access to the water, there is not enough activity to make it feel attractive or safe. While improved access to the Bay is important for pleasure-seekers, businesses associated with the Port’s maritime activities would benefit from improved access to and circulation within Port land.
Development of the Port’s Pier 70 Opportunity Site will present a significant opportunity to weave the Central Waterfront and Port land together. Connections from the neighborhood into Pier 70 should be emphasized, particularly by designs that bring people to open space at the water’s edge. Whatever development occurs should present a welcoming face to the adjacent neighborhood and should encourage its users to take transit.

**Goal 6**

**Improve the public realm so that it better supports new development and the residential and working population of the neighborhood.**

The public realm is the part of the built environment with which people come into contact physically or visually as a part of moving through or being in the neighborhood. It includes streets, sidewalks, parks, the facades of buildings, and access to structures. Concern for the public realm is thus implied in many aspects of the plan, but especially in principles for street design and in general urban design guidelines. In the Central Waterfront, particular attention needs to be paid to the design of east-west streets, which should better reflect their importance as centers of activity and as connections between neighborhoods. New buildings should reflect the special qualities of the neighborhood, especially its fine-grained physical texture and its historic character. Open space needs to be improved and expanded and public ways should link important places in the neighborhood.