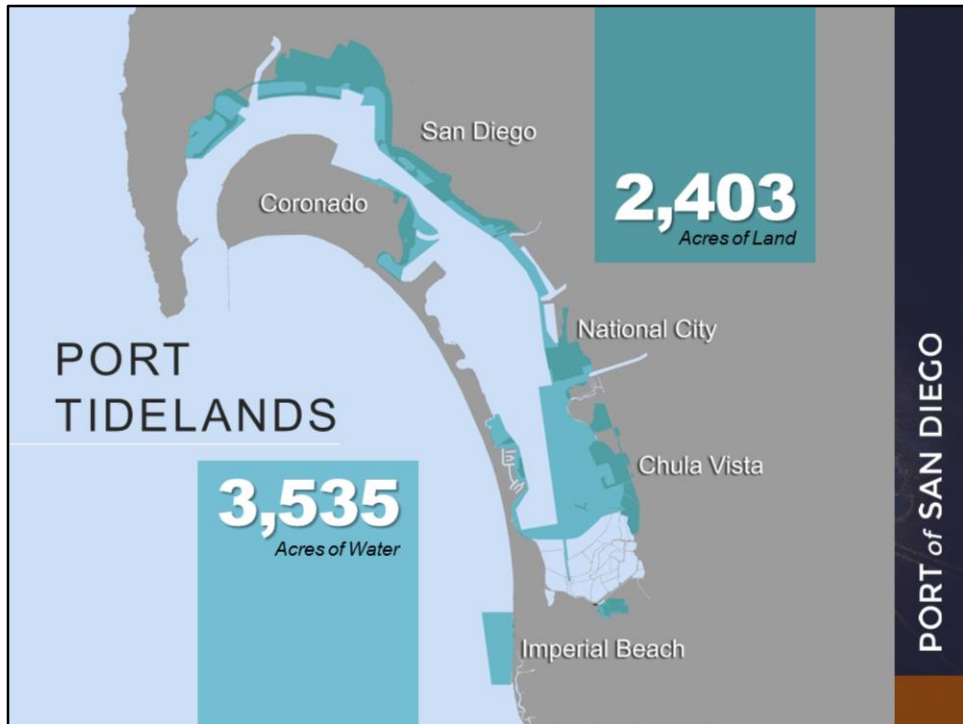




Introduction:

- Jason Giffen, Assistant Vice President, Planning and Green Port
- Today I want to talk about how the Port of San Diego is preparing for it's future through planning, implementation, and exploration.
- Before I discuss Port efforts, I want to provide a brief background on the Port.



- Located in San Diego County, directly north of the US-Mexico border, District Tideland consist of approximately 6,000 acres of land and water.

GOVERNANCE



- Seven-member appointed board
- 570 employees
- \$188.3 million budget
- Funded through business ventures, not taxes

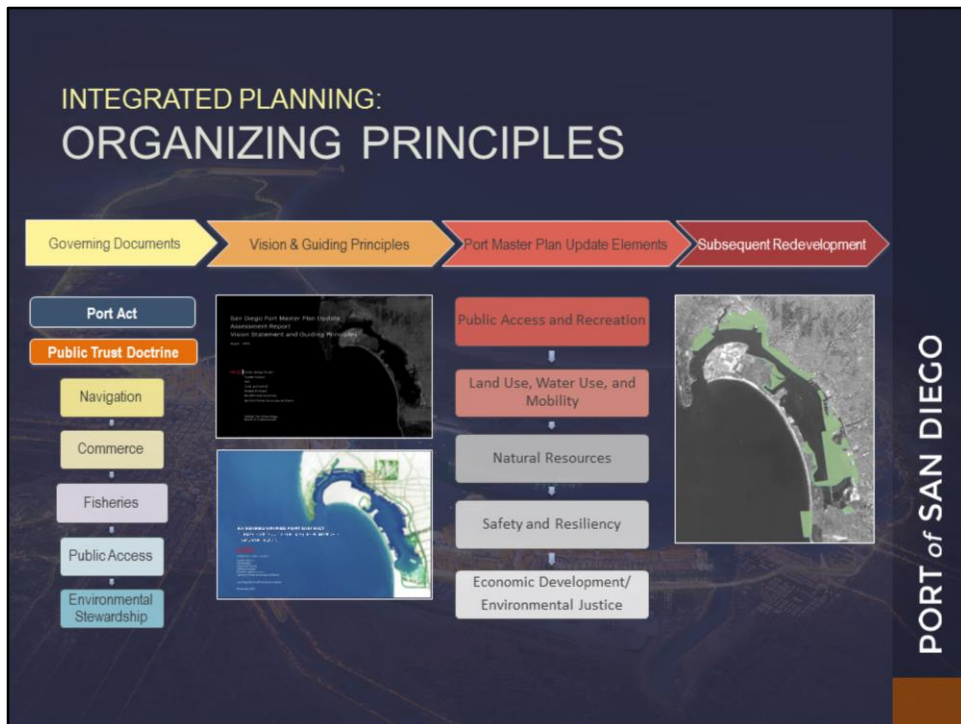
PORT of SAN DIEGO

- Formed in 1962, the mission we were assigned within the Port Act, our founding document, is to develop the bay “for multiple purpose uses for the benefit of the people.”
- As you can see from this slide, we operation with a \$188 million dollar budget. And what is significant about this number is not the amount, but the fact that all of it is self-generated by the Port’s business activities.
- Since 1970, the Port has not collected one dime in taxpayer dollars for its operations. Our revenue is generated by waterfront businesses and maritime operations to maintain our operations and infrastructure including our 22 public parks, Harbor Police law enforcement, environmental stewardship and conservation, and public art (among other work) on Port tidelands.
- In order to fulfill this mission, we are making a concerted effort to generate new opportunities around the Bay that will result in increased funds that will help us enhance and protect tidelands. We are using Integrated Planning as the primary tool to take a balanced, comprehensive look at how we set a blueprint for baywide development.



When we looked at what we were hoping to accomplish with Integrated Planning – we looked at the following three things that can be accomplished with a strategic, well-vetted development blueprint that reflects the wants and needs of the community:

- Create a sense of place along our waterfront, reflecting the unique character of the Port’s five partner cities.
- Development of iconic destinations that help establish the San Diego Bay internationally and draw visitors and residents alike to learn about and appreciate the tidelands.
- And it can make sure we acknowledge and respect the adjacent uses.



GOVERNING DOCUMENTS

- As previously mentioned, the Port of San Diego was formed 1962 by the legislature through the Port Act.
- That Port Act has to follow a statewide purpose that follows the Public Trust Doctrine. So it is our mission to protect public access, commerce, navigation, fisheries, recreation, and environmental stewardship.

INTEGRATED PLANNING:

- Then, when the California Coastal Act was adopted in 1976, we were required pursuant to Chapter 8 of the Act to adopt a Port Master Plan. Pursuant to the Coastal Act, the Port first adopted the current Port Master Plan was adopted in 1980.
- Serial amendments to the Plan led to a document that was still responding to projects and didn't contain a comprehensive vision and approach to addressing development that was consistent with our public trust responsibilities.
- In 2013, under direction of Port Commissioner Ann Moore, the District said: "Let's take a timeout and look at all of the Bay and perform a holistic, comprehensive update to the Port Master Plan.
- So we had the idea to modernize our approach to planning with the goal of setting a blueprint for baywide development that provides certainty for developers, investors, and interested stakeholders by codifying a vision for how future projects

will fulfill public goals.

- The potential for this new planning paradigm is great and brings a variety of opportunities that intend to:
 - Attract more people to our tidelands,
 - Provide public benefits, and
 - Optimize the return on investment.

VISION & GUIDING PRINCIPLES

- This Vision then informed the creation of and the Board's acceptance of a Framework Report in November 2015. We felt this was necessary to help bridge to the drafting of the Plan and conclude the Visioning effort.
- This Framework lays the groundwork for the formation of goals, policies and development concepts that will guide the update of the Port Master Plan.

PORT MASTER PLAN UPDATE:

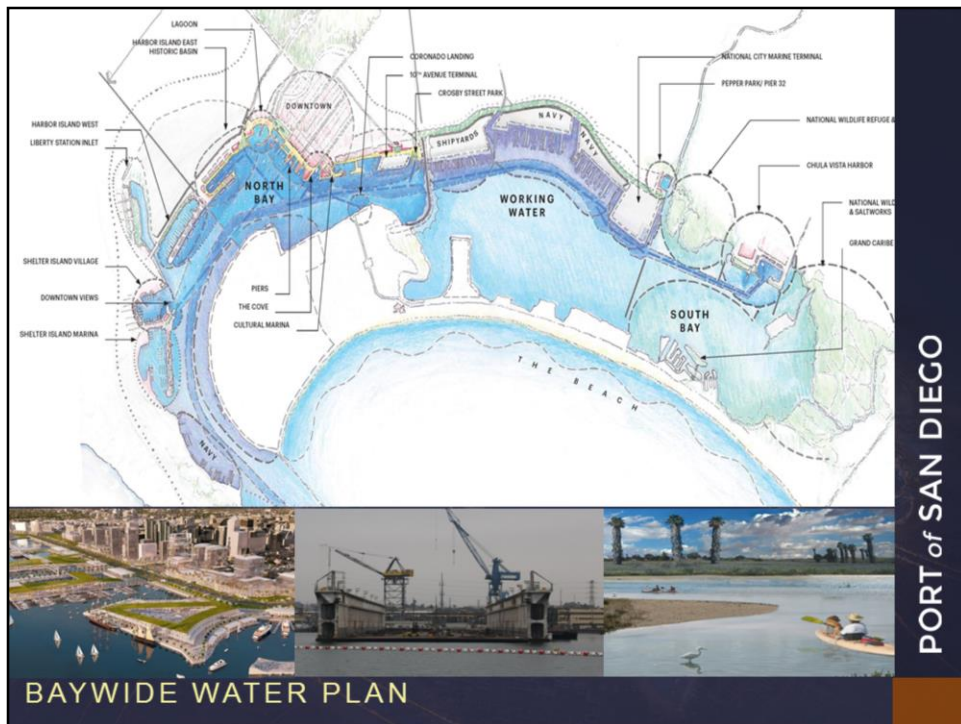
The updated Port Master Plan will contain Elements, or topical chapters – consistent with our neighboring jurisdiction's General Plans.

This Plan will guide all new and subsequent redevelopment on District Tidelands.



Through Integrated Planning Visioning Process, the District identified various comprehensive ideas to be explored.

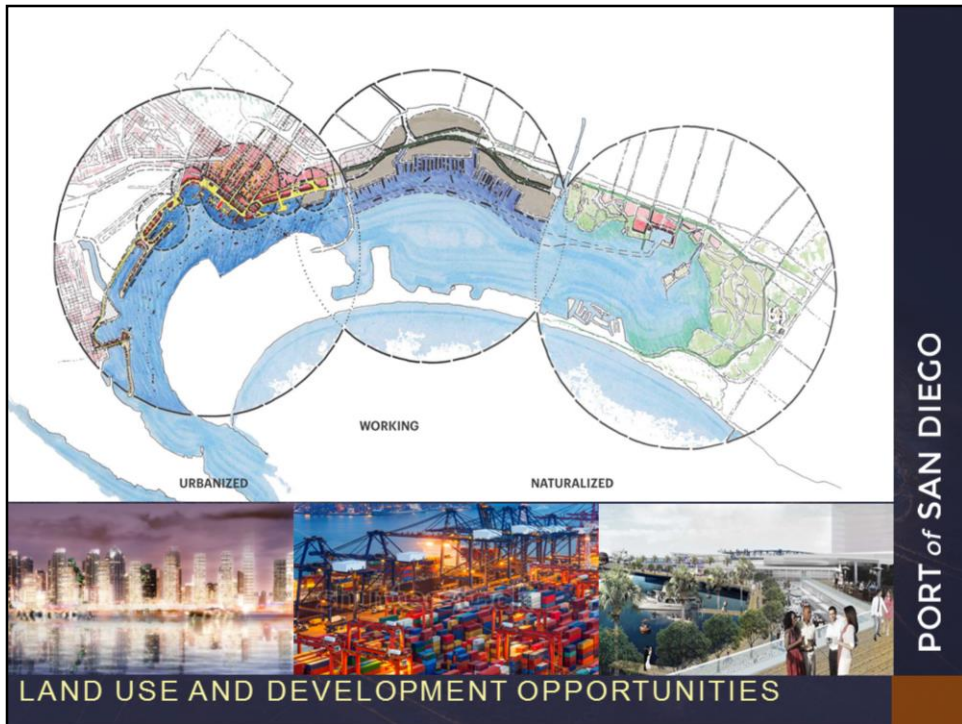
- One example is a Comprehensive Park Plan.
- The District can improve the balance between the public realms (parks, open space, infrastructure) and development by looking at these areas collectively and increasing the overall quality of land and water areas in a systematic way.



- While development on land is important, we don't want to ignore the waterside uses. Likewise, development of a Baywide Water Plan would reinforce the appropriate use of the water with substantial co-benefits including reduction of greenhouse gas emissions by getting vehicles off the road.
- Components of a Baywide Water Plan may include:
 - A Recreational Boating Plan
 - A Deep-Water Plan
 - A Public Water Transportation Plan
 - And a Commercial Boating Plan
- The Water Plan is one component of a larger mobility plan addressing multi-modal transportation options that sync up with the interconnected system of roads, public transit routes, rail routes, pedestrian walkways and bicycle paths.



- The Mobility Plan addresses larger concepts such as mobility hubs and we've been collaborating with state and regional transportation planning agencies in these areas.
- The Mobility Plan strengthens the connections between transportation plans and transition nodes, particularly transfers from one mode to another.

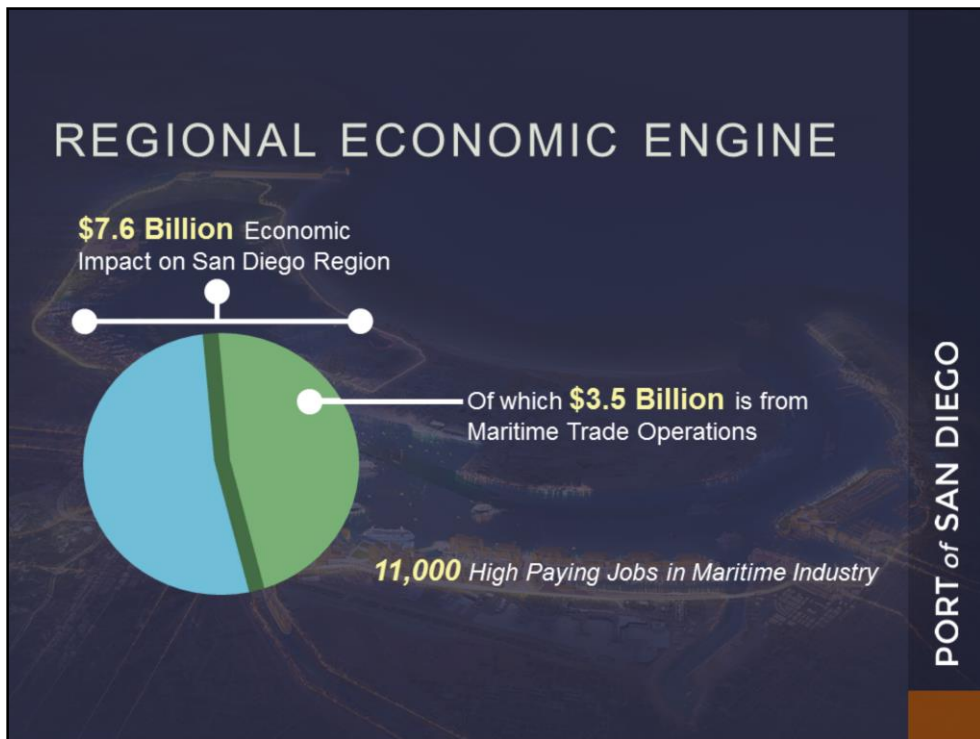


The Integrated Planning process has identified numerous land and development opportunities. I'd like to give you an example of how we are taking advantage of these opportunities to modernize our operations and realize substantial financial and environmental benefits.

TENTH AVENUE MARINE TERMINAL



PORT of SAN DIEGO



- At our two marine terminals, one of our core functions is to import and export goods.
- An estimated \$3.5 billion is generated specifically from Maritime Trade Operations, including industrial and commerce efforts.
- The value of the cargo itself is not included in these numbers – which would add \$4.8 billion in imports and another \$78 million in exports.
- Also of note: jobs in this industry average over \$70k per year, which is higher than the local average.
- That's over 11,000 high paying jobs created directly by the Port of San Diego.



The Port's marine terminals are part of a comprehensive system that is used to move cargo from its origin to destination.

- Restrictions in this flow of cargo will result in slower cargo movement, and in some cases, diversion to other parts of the system.
- For the Port of San Diego, terminal infrastructure and equipment at Tenth Avenue Marine Terminal in particular, have been determined to be a limiting factor in how the pipeline of cargo is moving through the San Diego region.
- As a result, the Port hired Vickerman and Associates in 2013 to prepare the Tenth Avenue Marine Terminal Redevelopment Plan, that provides a series of market-driven port terminal development concepts for consideration.



- The Redevelopment Plan is a market-based plan, which acknowledges the terminal’s need to modernize but emphasizes that infrastructure improvements should be based on market conditions.
- It updates the terminal’s Maximum Practical Capacities (or MPC) to meet 2035 needs and provides a flexible, strategic market direction. MPC is the highest theoretical capacity the terminal could accommodate if infrastructure improvements are made and if market conditions allow.

Our Path Towards a Clean, Modern and Efficient Terminal So Far...



- Shorepower
- Clean Truck Program
- Vessel Speed Reduction
- Designated Truck Routes
- Relocation of Dole off-terminal Warehouse out of Barrio Logan
- California Energy Commission \$6 million zero-emissions equipment grant to San Diego Port Tenants Association

PORT of SAN DIEGO

We recognize that industry and commerce oftentimes results in additional environmental impacts. Here are just a couple of recent examples that show how environmental measures have been used to alleviate some of the externalities associated with the goods movement.

- In 2014 we implemented shorepower for vessels that visited our waterfront. The installation of shorepower has substantial environmental benefits– it reduces greenhouse gas emissions by over 50% (more than 2,000 metric tons) per year. That’s equivalent to GHG emissions from about 1,500 cars/y. It also reduces emissions of nitrogen oxides (Nox; an air pollutant) by approximately 95% or 70 tons per year. That’s the equivalent to Nox emissions from over 4,000 cars per year.
- We implemented the vessel speed reduction (VSR) program, which helps reduce criteria pollutants associated with vessel transit;
- In 2005 and 2006 we helped establish a designated truck route, that necessitated the City of San Diego passing an ordinance;
- Around this time, we also relocated the Dole warehouse out of Barrio Logan to help reduce truck traffic in the neighborhood.
- Earlier this year, the California Energy Commission (CEC) awarded a \$6 million grant to several of our tenants for zero-emissions equipment and heavy duty trucks. This is demonstration technology.



TAMT is an example of the District partnering with our existing tenants in established industries to improve and optimize operations to be cleaner, greener, and more efficient.

The Port is also actively exploring new opportunities in... READ FROM BOTTOM CIRCLE OF SLIDE. This includes an exciting new endeavor – Ocean Planning.

LEVERAGING OUR PARTNERSHIPS:
POWER IN COLLABORATION

San Diego Port Tenants Associations
National Oceanic and Atmospheric Administration
Scripps Institute of Oceanography, UCSD
California State Lands Commission
California *Local & Regional*
Coastal Commission *Stakeholders*
National Science Foundation **Regional Climate Collaborative**
United States Navy

PORT of SAN DIEGO

Ocean Planning is a new voyage of discovery for the Port – and we aren’t doing it alone. In collaboration with the California State Lands Commission – we have formed the San Diego Ocean Planning Partnership to explore opportunities for maximizing the use of our marine resources.

Through strong partnerships, we are improving our existing projects and processes and exploring new ways to reinvent and revitalize the Port.



PREPARING
FOR THE
FUTURE

AMERICAN ASSOCIATION OF
PORT AUTHORITIES

Jason Giffen
*Assistant Vice President
Planning and Green Port*

April 5, 2017

PORT of SAN DIEGO