

Port of Redwood City's presentation for Effective —Grassroots Advocacy Programs

The Port of Redwood City has been a center for heavy industry on the San Francisco Peninsula ever since lumber companies floated logs down Redwood Creek to help build San Francisco more than 160 years ago. Its central location between San Francisco and San Jose has made it a key location for the shipping industry.

But in the 1980s the Port's future looked bleak. The 1980s were a tough time for the port and the general economy as a whole, and there were times that the port finances were at their lowest points in history.

At the same time, the dot com industry was flourishing, and many of the world's top companies found their way to Redwood City. In the '80s Oracle Corporation, a multinational computer technology corporation built a giant office campus on the former site of Marine World/Africa U.S.A., an amusement park that moved north of San Francisco. About the same time, less than two miles away, Electronic Arts, a developer and distributor of video games, mostly notably the top-selling John Madden football series, built an office campus too.

High tech was thriving not only in Silicon Valley 10 miles south, but in Redwood City, which was becoming the Software Capitol.

In the late 1980s the Port hired a new executive director, Floyd Shelton, and he hired his assistant, Mike Giari, who has now been Port Executive Director for the last 16 years, to turn the port around. And turn it around they did, a process that grew port revenues and wharf tonnage each year for almost 15 years before the most recent business recession.

But by the turn of the decade in 1990 and the year before, the politics and public perception in Redwood City were dominated by the prestige and revenue derived by Oracle, Electronic Arts, and numerous others in the then- booming dot-com industry. At the same time, the long-time cement industry at the Port lay dormant, as did its dilapidated buildings and its unused 100 acres of land.

A would-be developer who formed a company called Praxis eyed the vacant 100 acres for office space, and he had his public proponents – a former country assessor and a former city mayor launched what turned out to be a multi-year effort to convert the entire Port and the lands around it to what they called “the highest and best use.” By that they meant offices and hotels.

This resulted in the creation of the Port of Redwood City's grassroots advocacy program, which over the last 20 plus years has helped forge compromises on development – not stop, but compromise development – and dramatically improved the port's perception

among politicians and the public. It is not a stop-and start-advocacy, but an on-going one with a team committed to preserving the Port and the industrial uses in and around it.

When that first developer approached, the Port quickly assembled port businesses and issued them a challenge – work with us, work together, create your own association to preserve the Port and industry. What resulted was formation of the Seaport Industrial Association, an affiliation of Port and Port area industrial businesses, which since has emerged as a credible and influential spokesman in the community and before political agencies.

The erstwhile developer fumbled on his project because he didn't own the land. In short order, he sued the city to buy the land from a private cement company which at the time didn't want to sell, launched an abortive city council recall effort, ran his own slate for city council, and eventually disappeared into the sunset.

But not before raising public perception about offices versus industry. Things stood quiet for about five or six years, which was beneficial for the Port for several reasons.

1. Its businesses were growing.
2. More ships were calling.
3. More revenue was being generated.
4. The Port began to share its revenues with the City. By the way, the Port receives no tax revenues and is self-sustaining.
5. And the Port, and the Seaport Industrial Association made friends with the city's most influential environmental organization, called the Friends of Redwood City, a grassroots organization that a few years earlier had stymied the development of what would have been six million square feet of offices and thousands of homes in Redwood City.

The Friends of Redwood City's success at the initiative ballot box in blocking what was known locally as South Shores had another affect that would turn the fortunes of the port – it put new pressure on office developers who wanted to be in Redwood City to find land – once again, the 100 acres at the foot of the Port, less than a mile from the Port's primary wharves.

But this time, Ideal Cement had sold the land to a teacher's pension fund who found a willing and anxious developer – and a receptive City Council. The City Council, incidentally, appoints the Port Commissioners, though the City Charter gives the Port Commission exclusive management control of the Port.

Over a span of three years in the mid to late 1990s, SIA and the Port used Mayor Jim Hartnett to arbitrate negotiations to protect the Port and industry while allowing what is now known as Pacific Shores to proceed. Because of the grassroots advocacy, the Port won these beneficial concessions:

1. Pacific Shores' developers built an earthen berm between the industrial companies and the office park, widened Seaport Boulevard and built a frontage road for use by big rigs, thereby creating a separate access for office park traffic.
2. Pacific Shores Center and the Port agreed on a land swap resulting in the port getting a 9.2-acre waterfront parcel in exchange for the 140-acre Deepwater Island Slough. The 9.2-acre site was appraised at \$4.8 million while the 140-acre slough island was appraised at \$3.2 million. Pacific Shores Center restored 80 acres of the island slough to wetlands and donated the island to the Bair Island Refuge as mitigation.
3. The Port received \$500,000 in cash for port purposes.
4. As part of the agreement, tenants of the proposed 1.5 million- square-foot office park are given written notice that the port is home to heavy industry.

The president of Friends of Redwood City said environmentalists approved of the agreement because of the land swap that preserved 140 acres of wetlands.

"It is an extraordinary mitigation, a very good deal," he said.

Mayor Hartnett, the one who helped negotiate the compromise that saved the port and industry, said, "The number of jobs that will be created if Pacific Shores is built is tremendous. The taxes generated for the city will be tremendous.

The port will remain active, he added, but its role is "to be a good little port."

And a good little port it is today, having emerged as a leading recycling port and before the 2008 recession, a booming building materials port. Pacific Shores Center, which built all 1 million square feet at once, opened in the 2000s and attracted tenants such as PDI/DreamWorks, the animated film company created by media moguls Steven Spielberg, Jeffrey Katzenberg and David Geffen.

In the intervening years, the Port has maintained its advocacy program through community involvement. Just some examples:

- The Port staff and Commission participated in the City's first General Plan revision in 20 years which resulted in text favorable to the Port and industry.
- The Port worked with environmental groups and the City to use dredge materials for a nearby wetlands restoration project.
- For several years, the Port Commission has supported an eight to nine outdoor concert series in the park, popular with the local community.
- The Port is active with schools – its annual poster contest has attracted thousands of students over the past 20 years – and the Redwood City Education Foundation recently issued the Port an award for its financial contributions to schools.
- The Port has partnered with numerous community organizations to sponsor an annual one-day festival called PortFest in early October each year.

In short, we have preached the AAPA motto that Seaports Deliver Prosperity in all of our community relations and activities.

And now the Port's grassroots' advocacy team is facing perhaps its biggest challenge yet, one that began five years ago and will probably continue for at least five more years – even before a decision is made.

Cargill Salt wants to develop 1,436 acres virtually across the street from the Port that has been used for commercial salt production since 1901. They are proposing 12,000 residential units, approximately 1.2 million square feet of office/retail space, five schools, and various public amenities.

The Port has not taken an official position on the development, but has raised numerous questions and concerns about impacts that are too innumerable to list in this presentation. Numerous maritime, environmental, longshoremen, and several others are aggressively banding together to paint a public picture that the project would destroy industry and the Port without the developer essentially expanding port lands and buffers and dramatically reducing the size of the project. They also say the project would create public traffic and social problems they call unfathomable.

The Port, meanwhile, continues to do as many ports do, which is an understated grassroots advocacy – create or sponsor port events that draw the public to the waterfront for recreation and to view a working port. Last October the Port hosted its first of what will be an annual PortFest to draw the public to the Port, and the first effort drew 3,000. But equally as important, it brought together more than a dozen community organizations and Port businesses to work together – which in the final analysis, is what is crucial for any successful, enduring grassroots advocacy.

Thank you.

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