

APPENDIX 3

June 29, 2001
Pier 70 Advisory Group
Potrero Power Plant Mitigations
Page 1

MEMORANDUM

June 29, 2001

TO: Byron Rhett, Director of Planning and Development

FROM: Toby Levine, Chair, Pier 70 Citizens Advisory Group

SUBJECT: **Potrero Power Plant Expansion Project Impact Identification and Mitigation Proposals.**

The Pier 70 Advisory Group has identified impacts and appropriate mitigations for the Potrero Power Plant expansion proposed by Mirant. The Advisory Group requests that you forward these mitigations to the California Energy Commission (CEC) as comment on the Preliminary Staff Assessment. As you are aware the Advisory Group is comprised of residents of Mission Bay, Potrero Hill, Dogpatch, and local representatives of Bayview Hunters Point, environmental as well as industrial interests.

Some of the identified impacts and mitigations may appropriately relate to more than one topic. The eight topics areas follows:

- Environmental Justice
- Air Quality/Emissions
- Water Quality/Biology
- Public Access/Open Space
- Cultural Resources
- Land Use/Visual Resources
- Transportation
- Noise

Environmental Justice

Impact:

Historically the southeast sector of the city, including the Central Waterfront, Bayview Hunters Point and Potrero Hill have received the primary impact from the operation of the Potrero and Hunters Point Power Plants to the benefit of the entire city.

Mitigations:

Require Mirant to give the City a percentage of the revenue resulting from the sale of excess power generated at the Potrero Plant to help fund programs and improvement projects in the southeast sector of the city. This could include education programs in natural history, energy efficiency and environmental justice at Heron's Head Park (Pier 98) through the non-profit organization, Literacy for Environmental Justice (LEJ). LEJ currently provides education programs at Heron's Head Park and proposes to use a new energy-efficient classroom at the park (funded, proposed for construction Fall 2001) to develop and implement ongoing and new educational programs. Mitigation includes three years support for Environmental Programs Coordinator at LEJ, educational materials and community outreach efforts for a total of \$190,000. The funding would support educational programs and an on-site educational facility for use by area school children and the general public. Such a facility might show case the history of the southeast sector of the city.-

Contribute funding to the SF-ROCKS Program, a new collaboration between San Francisco State University, City College, and the San Francisco public school system. The program is specifically geared toward increasing diversity within the earth sciences (geology, hydrology, oceanography, and meteorology). It is designed to reach its goals by introducing high school students in the southeast part of the City to science applied locally to environmental issues. Hands-on experience collecting and interpreting environmental data forms the core of the program. An academic path will be developed from high school to City College to San Francisco State, with older students serving as peer mentors to those just entering the program. This program is currently awaiting an initial funding decision, due in July, by the National Science Foundation. Mitigation should provide full program funding of at least \$300,000.

Fund on-going job creation and training programs for the residents of the southeast sector of the city.

Water Quality/Biology

Impact:

Storm water discharge into City's combined sewer system

Mitigations:

Complete on-site containment and treatment, or

Require Mirant to contribute to the City and Port efforts to improve storm water management capability in the Southern Waterfront to protect water quality in the

Bay. Such contribution should be consistent with the additional demand for storm water treatment or management associated with the power plant site.

Contribute \$300,000 towards the enhancement of three to four to 4 acres of salt marsh at Pier 94, of which approximately one acre has been filled with concrete, asphalt and tires. Work would include three phases: delineation of the wetland and upland areas and a hydrology assessment; debris removal (concrete, asphalt, tires, and metal) from the wetland to enhance tidal flow; and construction of a low post-and-rail fence to mark the area and prevent neighboring industrial uses from encroaching on the site. The wetland is located along the northern and eastern shore of Pier 94 in San Francisco, and offers valuable foraging and roosting habitat to several species of birds and other wildlife. This wetland is on the San Francisco Bay Joint Venture list of priority sites targeted for restoration.

Annually contribute to the Port's petroleum release prevention/petroleum recycling program. The Port has implemented a successful oil-recycling program along the waterfront. The program addresses the recycling of motor oil and other petroleum products from both commercial fishing boats and private pleasure boats. The program has a direct positive effect in terms of reducing the amount of used oil that goes into the Bay. The success of the program, in terms of volume of oil collected for recycling, has far exceeded the Port's expectations, and the Port's existing staff is pressed to keep up with the demands of the program. Funding for an additional full-time Port technician on an annual basis, approximately \$65,000 per year would assist the Port to continue this successful program.

Impact:

Project construction would require dredging of contaminated Bay sediments and on-site excavation of contaminated soil.

Mitigations:

On a continuing basis, the Port addresses numerous issues pertaining to contaminated sediments along the waterfront. Such sediments may be encountered during dredging projects, wetland restoration projects, and redevelopment projects. The Port and the regulatory agencies that oversee contaminated sediment issues have established a good working relationship to address these sediments when they are encountered. All parties agree that there are unanswered questions regarding contaminated sediments, such as the toxicity of different compounds, how chemicals are transported in the Bay, how specific compounds affect the food web, and others. Periodically, the Port has been able to provide consulting expertise to help address issues that are of interest to the regulatory community and that have direct or indirect impacts on

Port operations. Providing at least \$150,000 in funding to the Port for use on an "as-needed" basis to fund laboratory chemical and toxicity studies would enable the Port to continue this proactive relationship with the regulatory community.

Fund scholarships for two or three Masters' degree students to complete thesis projects related to environmental topics along the Southern Waterfront. Thesis topics would be science-oriented and could pertain to studies of surface water, sediments, groundwater, air, ecology, wetland and watershed issues, etc. Funding should be directed, where feasible, to a public university located in San Francisco. Each two-year scholarship would provide tuition waiver, stipend, and research funds for each student. Projects would be completed in collaboration with the Port. \$90,000 per student; Total \$180,000 to \$270,000.

Air Quality/Emissions

Impact:

The power plant operations, including vehicle operations would emit odors and SO₂, PM₁₀, VOCs, CO₂, Nox and diesel emissions.

Mitigations:

Certification of the proposed Potrero Unit No. 7 in accordance with the following operational requirements to be accomplished as soon as the proposed Unit 7 is operational:

- 1. Decommission and require the complete closure of the existing Hunters Point Power Plant; and*
- 2. Conversion of the existing Potrero Unit No. 3 to cleaner alternative fuel sources using the best available technology such as Liquefied Natural Gas (LNG) and limit to a back-up emergency operations basis, not to exceed a maximum of 877 hours per year; and*
- 3. Decommission the existing Potrero "peaker" Units No. 4, 5 & 6.*

Mirant to install and maintain air quality monitoring facilities and to continuously monitor local air quality in the Illinois Street corridor, Pier 70 and Dogpatch areas.

Instead of purchasing local air quality off-sets Mirant should develop a program for the retrofit of existing vehicles to use of alternative fuel sources such as electricity, Compressed or Liquid Natural Gas (CNG or LNG), and financial contributions towards construction of alternative fuel facilities for use by industrial uses and MUNI in the Southern Waterfront, and throughout the City. The fueling station should be sited so as to permit utilization by ferry and excursion vessels.

Mirant should provide funding to the Port for the creation of a separate bicycle lane on the proposed Islais Creek Truck/Rail Bridge.

Contribute funds to be used in promoting less polluting means of transportation and e.g. increased MUNI ridership via a revenue stop in the Mission Bay Shortline Turnaround Loop and construction of bicycle lanes.

Implement particulate "scrubbers," catalytic conversion or other technologies on on-site diesel operated emergency generators and equipment.

Mirant funding of on-going or new programs to develop alternative commercial and residential energy sources and associated technology for local usage of solar and wind power.

Public Access/Open Space

Impact:

The proposed power plant expansion does not include provision of open space and shoreline public access on-site or in close proximity.

Mitigations:

Create shoreline and Bay public access, including non-motorized small boat access, by assisting the Port to include in its future development of Pier 70 a "Mirant Park" and "Mirant public boathouse." The development of a public park at Pier 70 are estimated to be approximately \$ 2.5 million per acre.

Mirant should contribute to the enhancement of existing, and development of new, open space, shoreline and Bay public access, including non-motorized small boat access, and parking areas for visitors, in the Southern Waterfront, including but not limited to Warm Water Cove Park, Pier 70, Pier 90-94 and the Islais Creek shoreline.

Develop the San Francisco Bay Trail in vicinity of the Potrero Plant and proposed transmission line to Hunter's Point. Provide spur trails to waterfront where feasible, preserve right-of-way for future shoreline access where feasible. Provide funding for the Islais Creek Spur Trail, which will create a new trail construction along Islais Creek, including landscaping, lighting, interpretive signs, and public artwork at an estimated cost of \$155,000.

Fund Port creation of ferry and excursion vessel facilities on the Southern Waterfront as a means to provide alternative modes of transportation and to provide public access to the shoreline and Bay.

Cultural Resources

Impact:

Demolition of structures determined to be historic resources due to their significance as remnants of the industrial power production and transmission and eligible for the California Register of Historical Resources and the National Register of Historic Places, individually and/or as contributors to an historic district. Demolition of historic resources is considered a substantial adverse impact that cannot be mitigated to a level of insignificance.

Demolition of the significant structures on the power plant site would affect the setting of adjacent significant historic resources, the 1923 Western Refining Sugar Warehouse and the Pier 70 historic district both of which are eligible for the National Register of Historic Places.

Mitigations:

1. *Recordation of Power Plant Site as last resort to Adaptive Use:*

Adaptive use of the extant power plant facilities should be the first priority. If historic resources on the power plant site are compromised by the expansion project Mirant should mitigate this impact by providing financial resources to identify and protect neighboring historic structures in the Pier 70 area, as this area shares the same historical context and significance as the power plant site. Additionally, prior to demolition the resources on the power plant site should be recorded in accordance with Historic American Engineering Record standards as developed by the US Department of the Interior and the Library of Congress. This could include, but is not limited to, a building inventory, written architectural descriptions, accurate, architectural and engineering "as-built" drawings of extant interior and exterior features of the site, structures and equipment; and large format interior and exterior photography.

Upon acceptance of completed work, copies of the documents should be placed in local, and state repositories as well as the required filing with the Library of Congress.¹

2. *Transfer of Seismic Mitigation Costs to Pier 70 Historic Resources:*

The Meter House and Compressor House located on the Potrero Power Plant Site appear to be eligible for individual listing on the National

¹ Office of Historic Preservation, California Department of Parks & Recreation; City of San Francisco Public Library, and College of Environmental Design, University of California, Berkeley.

Register of Historic Places.² These structures are unreinforced masonry structures subject to San Francisco's UMB ordinance.³ Therefore, a reasonable mitigation measure would request an amount equal to the estimated costs for the seismic mitigation of these two buildings be contributed to seismic mitigation of Pier 70 historic resources, including but not limited to Buildings 104, 111 and 113. While the seismic retrofit and repair costs for Building 104 and 113 are being prepared by the Port, it has been estimated that Building 111 seismic retrofit and repair alone would cost approximately \$5 million.

3. *Education: Exhibition of Central Waterfront Development:*

The Dames & Moore Report describes the Potrero Power Plant as a component of the larger historic industrial complex that makes up the Pier 70 Area. The contribution to the history and architecture of the facility should be a part any educational exhibition proposed for the Pier 70 Area. Therefore, it would be a reasonable request to ask that the Power Plant create or be the major contributor to the exhibition of the central waterfront developmental history.

The historical, architectural/engineering significance of the power plant site should be evaluated for eligibility to the National and/or California Registers as a historic district. If it is determined to be an eligible historic district any impacts associated with the expansion project should be mitigated by requiring Mirant to fund the necessary intensive historic resources evaluation and documentation to allow the Port to nominate a Pier 70 Historic District to the National Register of Historic Places. The evaluation and documentation needs of the eligible Pier 70 Historic District are estimated to be approximately (\$100,000 to be provided).

Mirant should be required to create a salvage component to any demolition plan in coordination with the local community and historic preservation organizations to provide for the potential reuse of architectural elements and building materials that would otherwise not be recovered for use by the community.

Impact:

On- and off-site excavation may encounter significant ethnic resources, historic and prehistoric materials.

Mitigation:

Mirant should retain a designated resource specialist to develop an

² Dames & Moore with Hill & Shoup, Draft Historic Architecture Report, Station A, Potrero Power Plant in the City of San Francisco, Dec. 99.

³ Ordinance No. 225-92, City of San Francisco.

Archeological Resources Treatment Plan and to monitor on- and off-site excavation activities.

Land Use/Visual Resources

Impact:

Demolition of the sites historical resources would be inconsistent with the Policies and Objectives of the City's Draft Preservation Element of the General Plan.

Mitigation:

Mirant should fund preservation activities at Pier 70 and in the Dogpatch Neighborhood.

Impact:

The proposed Potrero Power Plant expansion project would affect the potential non-industrial use recommendations from the Better Neighborhoods 2002 Land Use Study and would be in conflict with the recent development of live/work spaces that strengthen the residential aspects of the area and create additional demand for residential amenities and neighborhood services.

The historic industrial character of the Central Waterfront is changing to a mixture of industrial, commercial and residential/live-work uses. The analysis of the proposed power plant expansion project impacts should recognize diversity of uses in the area, especially the residential aspects of existing live-work developments in the immediate vicinity.

Mitigations:

Mirant should be required to support community efforts to enhance the livability of their neighborhood by contributing resources to enhance and maintain existing public access and open space areas such as Espirit and Warm Water Cove Parks, as well as to the creation of new the public access and open spaces such as at Pier 70, and the Islais Creek shoreline.

Mirant should work with the local community and neighboring property owners to determine an appropriate treatment for the proposed construction on Unit 7 (express the structural framing or enclose in a building), as well as to develop and fund a plan for urban design/streetscape improvements and treatments that would help soften the power plant's industrial character and to buffer locally

incompatible land uses in the Southern Waterfront.

Mirant should be required to underground existing utility lines in the Potrero Hill, Dogpatch and Bayview Hunters Point areas.

Impact:

Expansion of the power plant may discourage development of housing in the Southern Waterfront and generate additional demand for housing in the City.

Mitigation:

This impact could be appropriately mitigated by imposing a Housing Impact Fee on the power plant, or by requesting Mirant to contribute to City housing programs.

Impact:

The proposed power plant and smokestacks would be visible from sensitive viewing areas such as Warm Water Cove and Agua Vista Parks.

Mitigation:

Mirant should fund the restoration or removal of the derelict piers that make up the eastern portion of Pier 70, including the removal of Pier 5 within the San Francisco Drydock leasehold at an estimated cost of \$500,000 to 750,000.

Impact:

The PG&E Switch Yard and Substation bounded by Humbolt, Illinois and 23rd Streets is unsightly.

Mitigation:

Mirant should develop and implement an appropriate screening plan in collaboration with the community and neighboring property owners. The screening plan should include but not be limited to physical improvements such as walls, structures, fencing and landscaping.

Impact:

The two proposed 180-foot smokestacks would negatively impact the visual quality of the Southern Waterfront.

Mitigation:

Establish an urban forestry and/or similar landscape improvement projects throughout the Dogpatch neighborhood, Pier 70 area and Southern Waterfront.

Impact:

Nighttime illumination of the power plant would increase the backscatter to the sky.

Mitigation:

Develop and implement a lighting plan with community representatives and neighboring property owners to minimize the trespass of unwanted glare visible from residential areas.

Transportation

Impact:

The construction necessary to expand the power plant would increase in traffic congestion in the area, disrupt existing businesses and conflict with the construction of the MUNI Metro Third Street Light Rail on Third Street, the Metro East MUNI Maintenance Facility, the Islais Creek Truck/Rail Bridge and the development of the Pier 70 Mixed Use Opportunity Area.

Mitigations:

Mirant should develop and implement a transportation plan including any necessary transportation infrastructure improvements (e.g. traffic control improvements including but not limited to repaving, signalization and signage) recommended by the plan, in coordination with Port, MUNI, and the Department of Parking & Traffic, to address emergency access, street closures, temporary lane closures, maintaining access to adjacent property owners and businesses during construction, removal of on-street parking, transit access and deliveries routes.

Mirant should provide funding to the Port for the improvement the former 22nd Street right-of-way at Pier 70 in order to provide two-lane vehicular access connecting with the eastern terminus of 20th Street, via a loop through the Pier 70 area. The 22nd Street improvement project has been estimated to cost approximately \$ 50,000.

Mirant should contribute funding to Caltrain to support their efforts to convert from diesel to electric trains.

Noise

Impact:

The construction activity necessary to expand the power plant would generate undesirable noise emissions that would affect existing part- or full-time live/work and daytime populations that reside or work near the power plant.

Mitigation:

Develop a noise control program that would limit hours of construction activity to the typical hours of the business day (e.g. 8 a.m. to 5:30 p.m. excluding weekends) and establish operational standards and physical improvements to reduce the generation and emission of noise from the site.