

THE BOND BUYER

With S.F. seawall crumbling, \$425 million bond for repairs likely to make ballot

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A proposed \$425 million San Francisco bond measure to kick-start vital repairs to the city's fragile Embarcadero seawall cleared an important hurdle Monday, pushing it closer to a spot on the November ballot.

Citing an urgent need to make the crumbling seawall more resilient to earthquakes and the effects of sea-level rise, the city's Capital Planning Committee voted unanimously to put the bond before the Board of Supervisors, which is expected to take up the measure within a month. The proposed general-obligation bond measure needs the board's blessing before it could go before voters.

Should the bond measure make it to the ballot and win a two-thirds approval from voters in November -- as it's widely expected to do -- the money raised would fund the bulk of the first round of planning, construction and repair work on the seawall. The century-old structure underpins historic landmarks like the Ferry Building and protects an estimated \$100 billion worth of public and private property, including vital transportation infrastructure like the Transbay Tube.

The results of a poll conducted this year on behalf of the Port of San Francisco found that 73 percent of voters would support a general obligation bond for seawall improvement. The bond would not raise property taxes.

The seawall rims 3 miles of the city's waterfront from Fisherman's Wharf to AT&T Park. It supports the Embarcadero roadway and a labyrinth of public and private utilities.

"Significant aspects of the city's emergency plan depend on the stability of the waterfront and, in turn, the Embarcadero seawall," port staff wrote in a report on the proposed bond measure.

"This is the most critical infrastructure that we need to start focusing on now, not just for seismic safety, but for sea-level rise, too," said City Administrator Naomi Kelly, who chairs the Capital Planning Committee.

The bond measure would cover 85 percent of the \$500 million needed for the first of three repair and construction phases for the seawall. The city is looking to make up the difference with a \$55 million contribution from the state, which has not yet been secured. The U.S. Army Corps of Engineers, however, has agreed to chip in \$10 million. The city's Planning Department and the Municipal Transportation Agency will kick in a total of \$2 million, and the port will contribute \$8 million.

"It's difficult to spend money on something we can't see, but the Embarcadero seawall is critical to the economic vitality of our city and our emergency response," Board of Supervisors President London Breed said in a statement. Breed also sits on the Capital Planning Committee.

The entire seawall project, which will stretch across decades, will cost around \$5 billion. Some of that money -- around \$250 million -- could come from AB2578, a bill introduced by state Assemblyman David Chiu, D-San Francisco, in March. The bill, which advanced to the Assembly Appropriations Committee last week, would redirect state taxes generated from development toward shoreline improvements.

On a trip to Sacramento last week, San Francisco Mayor Mark Farrell testified in support of Chiu's bill before the Assembly's Local Government Committee.

"Simply put, it responsibly reinvests waterfront tax dollars where they need to go, which is back into infrastructure for the waterfront," Farrell told the committee.

The first phase of the seawall rehabilitation project would last until about 2026 and would represent "a down payment for the planning and prioritization and the risk-assessment work for the entire improvement program," said Port Director Elaine Forbes.

After the areas of the seawall that need to be fixed first were mapped out, the bond money would then be put toward construction efforts that address areas that are "the most at-risk to people's lives, and the most important for life-safety response," Forbes said.

"I think it's so important that we define our future on the waterfront and don't let disaster define us," she said. "It's so much more expensive to solve (after a disaster), and I'm really glad we're trying to get ahead of this."