

Potrero Yard Neighborhood Working Group Meeting #35 Minutes

Tuesday, August 8, 2023, 5:30 p.m. to 7:30 p.m.

Hybrid: In-Person & Virtual Meeting via **Microsoft Teams**

Note – The meeting minutes capture the overall tone of the group’s discussion and is not meant to be an exact transcription.

Members Present:	PNC Staff:	Other Attendees:
Alexander Hirji	Chris Jauregui	Claire Plumb* (Little Mission Street Studio)
Amy Beinart	Clementine Howard*	Ronald Mitchell (JLMB)
Brian Deleon ¹	Jennifer Trotter*	Marie Soreson* (Calle 24/Mission Destino)
Claudia DeLarios Morán	Karoleen Feng	SFMTA/City Staff:
Erick Arguello	Kalia Price*	Bonnie Jean von Krogh
James Bryant*	Michelle Feng*	Jonathan Rewers
Jolene Yee	Monica Almendral	Kerstin Margary
J.R. Eppler*	Myrna Ortiz	Sean O’Brien (DPW)
Magda Freitas*	Natalie Jenkins	Tim Kempf (DPW)
Manuel (Dino) Santamaria	Rylee Edge*	Jackie von Treskow (SFAC)
Mary Travis-Allen	Sam Greenberg*	
Raven McCroey	Seth Furman	Members Not Present:
Roberto Hernandez*	Tony Gill*	Christian Howes
Scott Feeney		Heather Dunbar
Shellena Eskridge		Jorge Elias, Jr.

*Virtual attendee

¹ Proxy for Jorge Elias, Jr.

Purpose of the meeting

Potrero Neighborhood Collective (PNC) to introduce new Working Group Members and provide Project updates about the public art and recent environmental studies.

Item 1. Welcome

Bonnie Jean von Krogh: (Slides 1 - 3) Welcomed and thanked the Working Group members for joining. Presented the agenda and meeting objectives.

Item 2. Member Updates and Introductions

Bonnie Jean von Krogh: (Slide 4) Skipped

Bonnie Jean von Krogh: (Slide 5) Historically there were 15 seats on the Working Group, which has met since 2018. However, five (5) new seats that were created in June 2023 creating a total of 10 vacancies. We have filled eight (8) of the 10 vacant seats. The two seats that remain vacant today include: Workforce Development Chair and Senior Services Chair.

Bonnie Jean von Krogh: (Slide 6) Member self-introductions.

Bonnie Jean von Krogh: (Slide 7) Heather Dunbar will replace long-time member Alexandra Harker who will step down (Preservation/Beautification seat).

Item 3. SFMTA Announcements and Working Group Announcements

Bonnie Jean von Krogh: (Slide 8) Skipped

Bonnie Jean von Krogh: (Slide 9) Upcoming service changes will begin August 19. More bus routes and rapid service increases, with extensions on Balboa. School tripper service returns to support students commuting to school.

Bonnie von Krogh: (Slide 10) Are there any announcements from Working Group Members?

- Backpack Giveaway Event at Starr King School 8/12 10am - 2pm. (Raven McCroey)
- Potrero Hill Rec on Arkansas St. Family Day on 8/26. (Raven McCroey)
- A community event: MEDA's 50th anniversary celebration on 17th and Folsom. Family and neighbor resources, music, dancing and PNC will have a booth. (Karoleen Feng)
- Latino Task Force meeting regarding housing priorities on Thursday 8/10 at Mission Food Hub. (Roberto Hernandez)
- Looking for vendors and volunteers for a Calle 24 event on 9/16 (Fiesta de las Americas) from 11am - 6pm. (Erick Arguello)

Item 4. Schedule Updates

Chris Jauregui: (Slide 11) Introduced self as Potrero Neighborhood Collective Project Manager.

Chris Jauregui: (Slide 12) Provided a snapshot of where PNC is now, including the design progression, feedback from the working group, listening sessions, and submissions. The 50% Schematic Designs were reached in May and the next design phase begins tomorrow which

concludes with 100% by October 5th. PNC is currently working to obtain Entitlements and approvals.

Chris Jauregui: (Slide 13)

- The next PYNWG will be September 12.
- Bus Yard staff “inreach” event September 19.
- Public Meeting September 20.
- Community Listening Sessions (ongoing).

Item 5. Public Art Plan

Jackie von Treskow: (Slide 14) Introduced self as Senior Project Manager at the San Francisco Arts Commission (SFAC).

Jackie von Treskow (Slide 15) SFAC plans to present to the Commission on Wednesday, August 16 to seek approval on the City’s public art approach. Potential artwork includes glass on 17th Street, mosaic on 17th Street, and glass on a two story stairwell on Mariposa Street. A variety of mediums will be used.

Jackie von Treskow: (Slide 16) Shared a rendering of 17th Street bus ramp glasswork.

Jackie von Treskow: (Slide 17) Shared highlighted areas of proposed bus ramp art opportunities on streetscape.

Jackie von Treskow: (Slide 18) Shared visual of stairwell on Mariposa Street.

Jackie von Treskow: (Slide 19) The estimated public art budget for the bus yard is \$4,013,000. There are set asides for installation and artist fees.

Jackie von Treskow: (Slide 20) Project goals were defined through a public art survey, which aims to highlight cultural diversity and emphasize environmental sustainability.

Jackie von Treskow: (Slide 21) SFAC briefed many community groups on the process and project. Artist review panel may include WG member(s). Finalists meet community and cultural districts, understand the site and Project. Proposals for public comment to last at least two weeks, with extensive outreach.

Jackie von Treskow: (Slide 22) National recruitment, but prioritizing local artists. There will be a focus on outreach, workshops for first-timers while engaging local Mission and Potrero Hill artists.

Jackie von Treskow: (Slide 23) The artist review panel will consist of seven representatives.

Jackie von Treskow: (Slide 24) Next milestone in the artist selection timeline is plan approval (anticipated on Aug 16, 2023). The Plan will be translated into multiple languages to widen reach.

- SFAC’s goal is to engage artists who have experience working with the community through both the design and installation processes.

Comment: How does SFAC define "community"? Cultural districts understand it well; we seek inclusion of these districts. We request recognition of Ramaytush Ohlone in the Project. Advocating local artists, despite nationwide application. Acknowledge original inhabitants in new developments. Seek accurate portrayal of Native American people. (Mary Travis-Allen)

Q: Can you elaborate on the recruitment process? (Shellena Eskridge)

- A: This includes meeting with artist groups, district supervisors, and direct outreach for recruitment. We will support applicants in the process and review applications with neighborhood connections to ease access barriers for artists. (Jackie von Treskow)

Q: Is there an age limit? (Shellena Eskridge)

- A: You have to be a registered City supplier, which is over the age of 18. (Jackie von Treskow)

Q: Can you share how the art professionals will be selected and approved? (Amy Beinart)

- A: We are looking for professionals to have a connection to the area. They are shortlisted by staff and approved by the director of cultural affairs. (Jackie von Treskow)

Q: Can you talk about who took the survey and its results? (Erick Arguello)

- A: The SFMTA collaborated with PNC to distribute the Arts survey both digitally and physically. Worked with SFAC to distribute the survey through blog posts, public/virtual meetings, and other events. (Bonnie Jean von Krogh)
- Follow up: We did not receive the survey so who did it go to? (Erick Arguello)
- A: We were not targeting specific groups, we conducted the survey at our community meetings and outreach events. (Karoleen Feng)

Q: Was it in different languages? (Erick Arguello)

- A: Yes, It was in different languages (English, Spanish). (Karoleen Feng)

Q: How many MTA staff were surveyed? I heard there were a lot of white folks who were surveyed? (Erick Arguello)

- A: MTA staff did not participate in the survey, it was those who have stayed in contact with the Project, including neighbors and small businesses. The survey also went out to the Arts Commission contact list. (Jackie von Treskow)
- Follow up: We do a lot of work with our team and we have a sense of urgency because we feel that we were not included in this survey. (Mary Travis-Allen)

Q: Can the Working Group be added as a Community organization as we have our own network lists? (Jolene Yee)

- A: Yes. (Jackie von Treskow)

Q: For the selection process, is it accurate that there is no representation for the Working Group? (Amy Beinart)

- A: We anticipate 100-300 applications. Panel recommended artists to the Commission are rarely overturned. The Working Group can be informed about the panel's final composition. (Jackie von Treskow)

Q: Will this group be informed of who the panelists are? (Amy Beinart)

- A: Yes, they can be announced at a future Working Group meeting. (Jackie von Treskow)

Q: Are these three proposed art locations an extension of the public art or are there more opportunities for public art? (Claudia DeLarios Morán)

- A: For the bus yard, these are the three locations that have been identified. If they come in significantly under budget and there is enough budget to do an additional project, we would consider that. (Jackie von Treskow)

Q: Reflection of Mission community's traditions, we have a desire to represent the tradition of the Mission murals. (Claudia DeLarios Morán)

- A: We will be looking at versions reflected through mosaic, tile, and glass. We want to look at the most robust, durable materials to maximize maintenance and longevity of the artwork. (Jackie von Treskow)

Q: To clarify, SFAC is commissioning these three pieces and is working with PNC? (Claudia DeLarios Morán)

- A: Correct. (Chris Jauregui)

Q: How do we make sure we continue to have conversations about additional art? (Claudia DeLarios Morán)

- A: Once we move on to housing, we can revisit housing-related art opportunities. Most affordable housing has a 1% requirement for public art and we would bring this conversation back to the Working Group at an appropriate time. (Karoleen Feng)

Q: Can we encourage artists to work with local schools and youth? (Alexander Hirji)

- A: We will encourage artists to factor in community engagement and collaboration with local schools into their approach and design. (Jackie von Treskow)

Item 6. Environmental Studies

Bonnie Jean Von Krogh: (Slide 27) Introduced Johnathan Rewers, SFMTA Chief Strategy Officer and Building Progress Program Manager.

Jonathan Rewers: (Slide 28) Reviewed the California Environmental Quality Act (CEQA) process and various points of analysis used. The Project has achieved the Environmental Impact Report (EIR) in record time for a Project of this size.

Jonathan Rewers: (Slide 29) Showed timeline of draft EIR process that was completed in 2021.

Jonathan Rewers: (Slide 30) The proposed Project was developed with the Working Group.

Jonathan Rewers: (Slide 31) Due to market rates, construction escalation has continued to rise and interest rates have skyrocketed. Yet, these have not impacted the scope. The City team is working to maintain its commitments to the public. This is a complex and difficult project.

Jonathan Rewers: (Slide 32) Now in Final EIR stage. Given these project complexities, we added a variant for Alternative D in the EIR. The City charter specifies that the SFTMA cannot fund non-transportation uses on the podium, such as the housing component. So we devised a future transportation use, paratransit electrification, which is the Alternative D variant. This permits the SFMTA to fund the increased structural strength for the bus facility, which is needed for the full project scope. By adding the Alternative D variant, we maintain viability for housing to be built on the podium.

Q: That's a smart strategy. Where does MTA get this money from? (Amy Beinart)

- A: We missed the bond. Project uses the Design-Build-Finance-Maintain (DBFM) model that allows MTA to fund the project through 30-year payments. (Johnathan Rewers)

Q: Are you implying that based on financial headwinds, there is a possibility that when the bus yard is completed in 2027, the housing will not be built? (Scott Feeney)

- A: That was always a potential scenario. We are adjusting to maintain housing feasibility without delays. SFMTA remains committed to housing feasibility. (Johnathan Rewers)
- Follow up: Housing has always followed BYC, with separate completion dates. (Chris Jauregui)

Q: Is there any timeline for the housing to be built? (Scott Fenny)

- A: It is currently being negotiated. It was originally going to be around one year after the bus yard was completed, but it will be dependent on these scenarios.

Q: Does this potential paratransit version change the design? (Jolene Yee)

- A: We need to do a design to be evaluated by CEQA, but generally the proposed project will not change from what you have seen. (Johnathan Rewers)

Q: From the Mayor's Office of Housing, what is the dollar amount is being committed for this project? (Roberto Hernandez)

- A: \$35 million. (Karoleen Feng)

Q: And is it in our bank account? (Roberto Hernandez)

- A: The pre-development loan is in progress, which includes \$3 million to test feasibility. This is common practice. (Karoleen Feng)

Q: So the \$35 million is the same amount that we were told we were going to get for affordable housing. What about Workforce housing? (Roberto Hernandez)

- A: There are \$0 committed from the Mayor's Office of Housing and Community Development (MOHCD) for Workforce housing. (Chris Jaruegui)

Q: Who is working on that? (Roberto Hernandez)

- A: PNC will continue to work on the Workforce housing component. (Chris Jauregui)

Q: Was there someone else that was in charge before? (Roberto Hernandez)

- A: Presidio was originally a part of this project but withdrew in January. (Chris Jauregui)

Q: Can you share the number of units that will be built per type? (Roberto Hernandez)

- A: Our proposal includes up to 218 units for Workforce housing and 295 units of Affordable Housing for families with senior housing located on Bryant. (Chris Jauregui)

Q: If we have zero dollars for Workforce housing, what is the plan to raise the capital for Workforce housing? (Roberto Hernandez)

- A: Workforce has no city funding associated with it. It is 100% debt-financed and is tied to where the capital markets are. It is more expensive to do the debt-financed option (Chris Jauregui)

Q: Is your plan to break ground on housing in 2026? (Amy Beinat)

- A: We are three years away from knowing the interest rates. Many steps need to take place structurally before we build the housing. (Chris Jauregui)

Q: What is the total cost to build the affordable and Workforce housing? (Roberto Hernandez)

- A: The cost of the three affordable housing buildings is approximately \$350 million. The cost for Workforce is likely \$200 million because the building is smaller. (Karoleen Feng)

Q: How will the \$200 million for the Workforce be raised? (Roberto Hernandez)

- A: It was supposed to be 100% debt-financed but now we are looking at alternatives due to interest rates. (Karoleen Feng)

Q: In the hypothetical situation of interest rates continuing to rise, debt ceiling rising, would the alternative be to build more affordable housing rather than just Workforce? (Roberto Hernandez)

- A: That is a correct hypothesis. (Chris Jauregui)

Q: Can you explain the funding sources for the bus yard and housing component? (Mary Travis-Allen)

- A: Multiple project components need financing. Housing sections, except Workforce development, have funding. Plenary must set a construction cost with the contractor for shared infrastructure. SFMTA will not fund it up front, but costs are recoverable over 30 years. Housing plans align when contractors, funding, and financing are secured. (Chris Jauregui)

Q: I would hate to see the opportunity for community members in need to get housing to get delayed because funding for Workforce housing is not met. (Mary Travis-Allen)

- A: Our main focus is housing construction. The City pledged \$35 million; the rest originates from state programs and low-income tax credits. These have grown more competitive, prioritizing "high resource neighborhoods" recently. We are considering

housing bonds as well. The City's commitment may change later. We are staying open to options for maximizing housing opportunities. (Karoleen Feng)

- Follow up: The plan included regional housing bonds, and the city is discussing associated priorities. Workforce housing will not affect senior housing financially, as they have separate structures. The overall project design is integrated, but the various facets have separate funding. Project delays raise costs and Project readiness boosts competitiveness for competitive funding sources. Financing remains a challenge. Our current focus is adopting a Final EIR & obtaining Entitlements. (Jonathan Rewers)
- Follow up: In the Mission, 700 affordable housing units were built in eight years. Challenges exist, but teamwork, advocates, and your support are valued. (Karoleen Feng)

Chris Jauregui: (Slide 33) The refined project has 513 units, a four-story bus facility, and four residential buildings. Highlights include minimal park shadows, enhanced bike lanes. Construction spans four years.

Chris Jauregui: (Slide 35) PNC is responsible for obtaining regulatory approvals.

Item 7. Next steps

Chris Jauregui: (Slide 36)

- Community Outreach schedule and engagement sessions can be found online.
- Conversations are starting and continuing related to local hire initiatives.

Item 7. Public Comment (SFMTA)

There were no comments from the public.

Bonnie Jean von Krogh: (Slide 37)

- Thank you for joining and have a good evening.