

THIS PRINT COVERS CALENDAR ITEM NO. : 10.6

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Sustainable Streets

BRIEF DESCRIPTION:

Accepting gifts of \$20,000 from Equity Residential, \$24,400 from Potrero Partners LLC, and \$30,000 from Related/Mariposa Development Co. toward the design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue.



SUMMARY:

- Developer Equity Residential offered \$20,000 as a gift toward design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue (the traffic signal).
- Potrero Partners LLC also offered \$24,400 as a gift toward design and construction of the traffic signal.
- Related/Mariposa Development Company offered \$30,000 as a gift toward design and construction of the traffic signal.
- These payments are part of a cost-sharing arrangement with the three developers recognizing the potential impacts of their developments on traffic and pedestrian safety at the intersection.
- The SFMTA is currently designing the traffic signal.

ENCLOSURES:

1. SFMTAB Resolution
2. Offer Letters from Equity Residential, Potrero Partners, and Related/Mariposa
3. Costs and Funding Table
4. 1000 16th Street Project FEIR: <http://sf-planning.org/environmental-impact-reports-negative-declarations>; CEQA findings and planning commission resolution: <http://commissions.sfplanning.org/cpcpackets/2003.0527XE.pdf>
5. 1601 Mariposa Street Project FEIR: <http://sf-planning.org/environmental-impact-reports-negative-declarations>; CEQA findings and planning commission resolution: <http://commissions.sfplanning.org/cpcpackets/2012.1398EX.pdf>
6. 901-16th St./1200-17th St. Project FEIR: <http://sf-planning.org/environmental-impact-reports-negative-declarations>; CEQA findings and planning commission resolution: http://commissions.sfplanning.org/cpcpackets/2011.1300E_CEQA%20Findings.pdf

APPROVALS:

	DATE
DIRECTOR 	5/24/2017
SECRETARY 	5/24/2017

ASSIGNED SFMTAB CALENDAR DATE: June 6, 2017

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PURPOSE:

The purpose of this calendar item is to accept gifts to the SFMTA of \$20,000 from Equity Residential, \$24,400 from Potrero Partners LLC, and \$30,000 from Related/Mariposa Development Co. toward the design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The traffic signal to be funded by the contribution supports the following goals and objectives in the SFMTA’s Strategic Plan and Transit First Policy Principles:

Goal 1: Create a safer transportation experience for everyone.

Objective 1.3 Improve the safety of the transportation system.

Goal 2: Make transit, walking, bicycling, taxi, ridesharing and car-sharing the preferred means of travel.

Objective 2.3. Increase use of all non-private auto modes.

Transit First Policy Principles

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
3. Decisions regarding the use of limited public street and sidewalk space shall encourage the use of public rights of way by pedestrians, bicyclists, and public transit, and shall strive to reduce traffic and improve public health and safety.

DESCRIPTION

There are three projects that are proposed for development in the vicinity of Mariposa Street and Pennsylvania Avenue in Potrero Hill over the next three years. These projects are Equity Residential’s 1000 16th Street project, which will provide 470 residential units; Potrero Partners’ 901 16th Street/1200 17th Street project, which will provide 260 residential units, and Related/Mariposa’s 1601 Mariposa Street project, providing 299 residential units.

The Mariposa Street/Pennsylvania Avenue intersection currently has STOP controls on the minor street (Pennsylvania Avenue). The Environmental Impact Reports for two of three new developments in the area has projected increased traffic from these new development projects at this intersection, and the increased traffic would result in increased difficulty for pedestrians to cross safely and conveniently.

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With the increased traffic projected for the development projects, this intersection would meet the standards for installation of a traffic signal. The SFMTA Sustainable Streets - Transportation Engineering group has found that a traffic signal would be feasible and desirable. Community members have expressed concern about traffic and pedestrian safety conditions at this intersection. The development project sponsors recognize the community benefits, as well as the benefits to their projects, of making their neighborhood safer and more livable.

The SFMTA and the San Francisco Planning Department negotiated an agreement with the three development project sponsors to share the costs for a traffic signal at Mariposa and Pennsylvania (the traffic signal), including formula-based “fair share” payments (conditions imposed by the Planning Department on their right to develop) for Equity Residential and Potrero Partners and voluntary contributions (gifts) from all three developers. (See Enclosure 3 Costs and Funding Table for details.)

Equity Residential Project

Under the conditions of approval and the Improvement Measures Monitoring and Reporting Program for the 1000 16th Street project (Case No. 2003.0527E, Improvement Measure C-1), Equity Residential agreed to pay \$14,900 for its fair share of the planning, design, and construction costs of the traffic signal. In addition, Equity Residential offered to donate \$20,000 to the SFMTA, for a total contribution of \$34,900 for the traffic signal project. The Equity Residential development project has been constructed, and Equity Residential submitted the \$20,000 voluntary contribution on August 16, 2016.

Potrero Partners Project

Under the conditions of approval and the Improvement Measures Monitoring Program for the 901 16th Street/1200-17th Street project (Case No. 2011.1300E, Mitigation Measure M-TR-2b), Potrero Partners agreed to pay \$64,700 for its fair share of the planning, design, and construction costs of the traffic signal. In addition, in its letter of May 5, 2017, Potrero Partners offered to donate \$24,400 to the SFMTA, for a total contribution of \$89,100 for the traffic signal project. This project is the subject of an environmental lawsuit, and the project sponsor has stated that it will not provide its gift and fair share payment until the project is fully approved (which may not be until 2019).

Related/Mariposa Development Project

As documented in attachments to the Planning Commission project findings (November 5, 2015) for the 1601 Mariposa Street project (Case No. 2012.1398EX), Related/Mariposa Development offered to donate \$30,000 toward the planning, design, and construction costs of the traffic signal. The Planning Commission did not require a “fair share” payment as a condition of approval for this project. Related/Mariposa Development has started demolition on the project and is expected to pay its voluntary contribution late in 2017, near the expected start of construction.

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Design and Construction of the Traffic Signal

The SFMTA commenced design of the traffic signal in February 2017. Assuming no delays in funding, the SFMTA expects completion of design in early 2018, and construction in the fall of 2019.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement was conducted as part of the traffic signal project. This included an August 19, 2016, SFMTA public hearing. The public had an opportunity also to comment at the January 17, 2017, SFMTA Board of Directors meeting that approved the traffic signal installation. There were no objections raised to the proposed traffic signal, which has the general support of the neighborhood.

In addition, the developer contributions toward the traffic signal were considered as part of San Francisco Planning Commission meetings: the Equity Residential project was approved by the Planning Commission at its April 16, 2009, meeting; the Potrero Partners project was approved by the Planning Commission at its May 12, 2016, meeting; and the Related/Mariposa project was approved by the Planning Commission at its November 5, 2015, meeting.

ALTERNATIVES CONSIDERED

Not accepting the contributions could result in a delay in funding and constructing the traffic signal. A delay could increase the potential for adverse impacts to pedestrian safety and convenience at the Mariposa/Pennsylvania intersection.

FUNDING IMPACT

The total traffic signal capital cost is estimated at \$371,900. The total contributions by the development projects would be \$154,000, or 41.4 percent of the total. The SFMTA expects to obtain the remaining \$217,900 estimated needed from Prop K sales tax funds.

The contributions will reduce the need for Prop K funding source for traffic signal design and construction.

ENVIRONMENTAL REVIEW

The San Francisco Planning Commission (in Motion 17864) certified a Final Environmental Impact Report (FEIR) for the 1000 16th Street Project (Planning Department Case No. 2003.0527E) on April 16, 2009. On July 28, 2011, in Motion No. 18419, the San Francisco Planning Commission adopted CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (MMRP). The MMRP addressed projected traffic impacts, including at the Mariposa/Pennsylvania intersection, finding that with the existing stop controls, the development project itself would have an adverse traffic impact contributing to an “unsatisfactory” level of service by 2025, although the project’s share by itself would not reach the level of a significant impact.

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MMRP Improvement Measure C-1, incorporated into the conditions of approval by the Planning Commission, requires a “fair share” contribution by the project sponsor toward a traffic signal.

The San Francisco Planning Commission (in Motion 19643) also certified a Final Environmental Impact Report (FEIR) for the 901 16th Street & 1200 17th Street development project (Planning Department Case No. 2011.1300E) on May 12, 2016. Also on that date, in Motion 19644, the San Francisco Planning Commission adopted CEQA Findings, a Statement of Overriding Considerations, and an MMRP. The MMRP addressed potential traffic impacts, including at the Mariposa/Pennsylvania intersection, finding that with the existing intersection stop controls, the development project itself would have a significant adverse traffic impact, exacerbating an “unsatisfactory” existing level of service. MMRP Mitigation Measure M-TR-2b, incorporated into the conditions of approval by the Planning Commission requires a “fair share” contribution by the project sponsor toward the cost of a traffic signal.

The SFMTA Board of Directors is being asked to adopt the findings related to Mariposa/Pennsylvania impacts and traffic signal needs for the above two development projects as its own, and to the extent the above actions are associated with Improvement Measure C-1 and Mitigation Measure M-TR-2b, the SFMTA Board of Directors is being asked to adopt these measures as conditions of this approval. A copy of the Planning Commission Resolutions, the CEQA findings, and the CEQA determinations are on file with the Secretary to the SFMTA Board of Directors, may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and are incorporated herein by reference.

The acceptance by the SFMTA of the third gift, the \$30,000 offered by the Related/Mariposa Development in connection with the 1601 Mariposa Street Project, would fund the design and construction of the traffic signal at the Mariposa/Pennsylvania intersection. In the 1601 Mariposa EIR (Case No. 2012.1398E, certified on November 12, 2015) the development project was analyzed and found to have no impact on the intersection. However, the sponsor of the project has volunteered to contribute funds to signalize the intersection.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

No other approvals are needed to accept and expend the Equity Residential, Potrero Partners, and Related/Mariposa funds. The SFMTA Board of Directors approved construction of the traffic signal at its January 17, 2017, meeting.

The City Attorney’s Office has reviewed this item.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors accept gifts of \$20,000 from Equity Residential, \$24,400 from Potrero Partners LLC, and \$30,000 from Related/Mariposa Development Co. toward the design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The San Francisco Planning Commission (in Motion 17864,) certified a Final Environmental Impact Report (FEIR) for the 1000 16th Street Project (Planning Department Case No. 2003.0527E) on April 16, 2009; on July 28, 2011, in Motion No. 18419, the San Francisco Planning Commission (SFPC) adopted CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (MMRP); and

WHEREAS, The MMRP addressed projected traffic impacts, including at the Mariposa/Pennsylvania intersection, finding that with the existing stop controls, the development project at 1000 16th Street would have an adverse traffic impact contributing to an “unsatisfactory” level of service by 2025, although the project’s share by itself would not reach the level of a significant impact; MMRP Improvement Measure C-1, and incorporated into the conditions of approval by the Planning Commission, requires a “fair share” contribution by the project sponsor toward construction of a traffic signal; and

WHEREAS, Equity Residential, sponsor of the 1000 16th Street development project, committed to providing \$20,000 as a gift, plus a \$14,900 “fair share” payment toward design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue; and,

WHEREAS, The SFPC (in Motion 19643) certified an FEIR for the 901 16th Street/1200 17th Street Project (Planning Department Case No. 2011.1300E) on May 12, 2016; in Motion No. 19644, the SFPC adopted CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (MMRP); and

WHEREAS, The MMRP addressed projected traffic impacts, including at the Mariposa/Pennsylvania intersection, finding that with the existing stop controls, the development project itself would have a significant adverse traffic impact exacerbating an “unsatisfactory” existing level of service; MMRP Mitigation Measure M-TR-2b, incorporated into the conditions of approval by the SFPC, requires a “fair share” contribution by the project sponsor toward construction of a traffic signal; and

WHEREAS, Potrero Partners, sponsor of the 901 16th Street/1200 17th Street development project, committed to providing \$24,400 as a gift, plus a \$64,700 “fair share” payment toward design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue; and,

WHEREAS, A copy of the Planning Commission Resolution, the CEQA findings, and the CEQA determination for the above two development projects are on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and are incorporated herein by reference;

WHEREAS, Related/Mariposa Development Company, sponsor of the 1601 Mariposa Street development project, offered \$30,000 as a gift toward the design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue; and

WHEREAS, The SFMTA Board approved construction of the traffic signal at its January 17, 2017, meeting; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors has reviewed and considered the 1000 16th Street Project FEIR and the 901 16th Street/1200 17th Street Project FEIR and the findings adopted by the San Francisco Planning Department and incorporates them herein by reference; and adopts these CEQA findings as its own, and to the extent the above actions are associated with Improvement Measure C-1 and Mitigation Measure M-TR-2b that are within the jurisdiction of the SFMTA, the SFMTA Board of Directors adopts these measures as conditions of this approval; a copy of the Commission Resolutions, the CEQA findings, and the FEIRs are on file with the Secretary to the SFMTA Board of Directors, and are incorporated herein by reference; and be it further

RESOLVED, That the SFMTA Board of Directors accepts gifts to the SFMTA of \$20,000 from Equity Residential, \$24,400 from Potrero Partners LLC, and \$30,000 from Related/Mariposa Development Co. toward the design and construction of a traffic signal at Mariposa Street and Pennsylvania Avenue.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 6, 2017.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

Enclosure 2. Offer Letters from Equity Residential, Potrero Partners, and Related/Mariposa



333 Third St, Suite 210
San Francisco, CA 94107
EquityApartments.com

August 15, 2016

Mr. Tom Maguire
Director, Sustainable Streets Division
San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Re: Funds to SFMTA for Mariposa Street and Pennsylvania Avenue Traffic Signal System

Dear Mr. Maguire:

Equity Residential would like to donate a gift of \$20,000 to the San Francisco Municipal Transportation Agency (SFMTA) to be applied toward the cost of signalizing the Mariposa Street and Pennsylvania Avenue intersection in San Francisco. This contribution is part of the overall funding provided by three project sponsors of nearby development projects to help share the costs of designing and related improvements. To that end, we have sent a check, made out to the SFMTA, to Eloida Leonardo in the Finance & Information Technology Division.

This contribution is not intended to fulfill any requirement for development approvals. This offer is voluntarily made, based on the benefits of intersection signalization to future 1000 16th St. (Potrero 1010) Project residents and others, responding to community concerns.

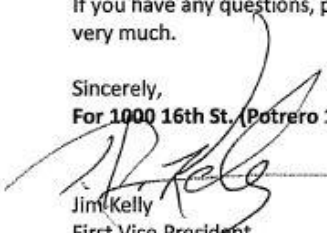
We understand that the SFMTA Board of Directors will need to accept this gift. However, if the SFMTA decides not to install the signal system and related improvements by August 15, 2021 the money will be returned to Equity Residential.

In addition, Equity Residential, is paying \$14,900 for its fair share contribution toward signalization, per the Mitigation Monitoring and Reporting Program (MMRP, Case No. 2003.0527E, Mitigation Measure M-TR-XX). A separate check, also made out to the SFMTA, has been sent to Eloida Leonardo in the Finance & Information Technology Division. However, if the SFMTA decides not to install the signal system and related improvements by August 15, 2021, the money will be returned to Equity Residential.

This is in accordance with the total fund sharing arrangement as explained in your letter of July 26, 2016.

If you have any questions, please contact Jim Kelly at Equity Residential (jkelly1@eqr.com). Thank you very much.

Sincerely,
For 1000 16th St. (Potrero 1010) Project (Equity Residential)



Jim Kelly
First Vice President
Equity Residential

cc: Eloida Leonardo, SFMTA, Finance & Information Technology

Potrero Partners LLC

445 Virginia Avenue
San Mateo, CA 94401
(650) 349-1211

May 5, 2017

Mr. Tom Maguire
Director, Sustainable Streets Division
San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Re: Funds to SFMTA for Mariposa Street and Pennsylvania Avenue Traffic Signal System

Dear Mr. Maguire:

Potrero Partners LLC would like to donate a gift of \$24,400 to the San Francisco Municipal Transportation Agency (SFMTA) to be applied toward the cost of signaling the Mariposa Street and Pennsylvania Avenue intersection in San Francisco. This contribution is part of the overall funding provided by three project sponsors of nearby development projects to help offset the costs of designing and related improvements. To that end, we will send a check, made out to the SFMTA, to Erika Leonard in the Finance & Information Technology Division.

This contribution is not intended to fulfill any requirement for development approvals. This offer is voluntarily made, based on the benefits of intersection signalization to future 901 16th Street & 1200 17th Street Project residents and others, responding to community concerns.

We understand that the SFMTA Board of Directors will need to accept this gift. However, if the SFMTA decides not to install the signal system and related improvements by August 15, 2021, the money will be returned to Potrero Partners LLC.

In addition, Potrero Partners LLC is paying \$64,700 for its fair share contribution toward signalization, per the Draft Mitigation Monitoring and Reporting Program (MMRP, Case No. 2011-1830E, Mitigation Measures M-TR-2a and M-TR-2b). A separate check will be attached that is also made out to the SFMTA, sent to Erika Leonard in the Finance & Information Technology Division. However, if the SFMTA decides not to install the signal system and related improvements by August 15, 2021, the money will be returned to Potrero Partners LLC.

These amounts are in accordance with the total fund sharing arrangement as explained in your letter of July 26, 2016.

As you may know, a CEQA lawsuit was filed against the 801 16th Street & 1200 17th Street Project and the legal proceedings are ongoing and may very well continue well into the year 2020 (or perhaps even later). As such, please understand that both the voluntary gift of \$24,000 as well as the required fair share payment of \$64,700 will be paid to SFMTA once any and all CEQA related legal proceedings have been resolved AND the Department of Building Inspection issues the final construction document as defined in Section 107A.13.1 of the San Francisco Building Code (issuance of a building permit or the first addendum to a SMO permit).

If you have any questions, please contact Josh Smith at Potrero Partners LLC (jsmith@valencedevelopment.com). Thank you very much.

Sincerely,
Potrero Partners LLC
(owner and project sponsor of the 801 16th Street & 1200 17th Street Project)



Josh Smith
Manager, Potrero Partners LLC

- cc: Sarah Diaz, SFMTA, Chief Financial Officer
- Eliseo Lomardo, SFMTA, Finance & Information Technology
- Elizabeth Pui, SF Planning Department
- Frank Makiwala, SFMTA, Sustainable Streets Planning
- Wade Wietgens, SF Planning Department
- Susan Grant, Potrero/Paraiso/Elva Development Co., LLC
- Jim Kelly, County Residential
- Steve Vetter, Fawcett Group - Rental LLP



May 05, 2017

Tom Maguire
Director, Sustainable Streets Division
San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Re: Funds to SFMTA for Mariposa Street and Pennsylvania Avenue Traffic Signal System

Tom:

Related/Mariposa Development Co., LLC, has committed to donate a gift of \$30,000 to the San Francisco Municipal Transportation Agency (SFMTA) to be applied toward the cost of signalizing the Mariposa Street and Pennsylvania Avenue intersection in San Francisco. This contribution is part of the overall funding provided by three project sponsors of nearby development projects to help share the costs of designing and related improvements. To that end, we will remit a check, payable to SFMTA (attn: Eloida Leonardo in the Finance & Information Technology Division) within 90 days of issuance of the first construction document associated with the 1601 Mariposa Street Project.

This contribution is not intended to fulfill any requirement for development approvals. This offer is voluntarily made, based on the benefits of intersection signalization to future 1601 Mariposa Street Project residents and others, responding to community concerns.

It is understood that the SFMTA Board of Directors will need to accept this gift. However, if the SFMTA decides not to install the signal system and related improvements by July 31, 2021, the money will be returned to Related/Mariposa Development Co., LLC.

This is in accordance with the total fund sharing arrangement as explained in your letter of July 26, 2016.

If you have any questions, please contact Susan Smartt at Related/Mariposa Development Co., LLC. Thank you very much.

Regards,
For 1601 Mariposa Street Project (Related/Mariposa Development Co., LLC)

Susan Smartt
Authorized Signatory, Related/Mariposa Development Co., LLC

cc: Sonali Bose, SFMTA, Chief Financial Officer
Eloida Leonardo, SFMTA, Finance & Information Technology
Elizabeth Purl, SF Planning SF Planning Department
Frank Markowitz, SFMTA, Sustainable Streets Planning
Wade Wietgreffe, SF Planning SF Planning Department
Jim Kelly, Equity Residential
Josh Smith, Potrero Partners LLC

Enclosure 3. Project Sponsor Shares of Signalization Cost

Project Sponsor	Development	Percentage of Costs	Fair Share Amount	Voluntary contribution	Grant Funding	Total
Potrero Partners LLC	901 16 th St./1200 17 th St.	24.0%	\$64,700 (17.4%)	\$24,400	NA	\$ 89,100
Equity Residential	1000 16 th St. (Daggett Place)	9.4%	\$14,900 (4.0%)	\$20,000	NA	\$ 34,900
Related/Mariposa Development Co.	1601 Mariposa	8.1%	None required	\$30,000 (note: specific amount reviewed by Planning Commission)	NA	\$ 30,000
Subtotal for Development Projects		41.4%				\$154,000
SFMTA		58.6%			\$217,900	\$217,900
TOTAL		100%	\$14,900	\$139,100	\$217,900	\$371,900