

Potrero Yard Neighborhood Working Group Meeting #42 Minutes
 Tuesday, April 2, 2024, 5:30 p.m. to 6:30 p.m.
In-person Virtual & Hybrid 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:	City Staff:
Alison Heath, Potrero Boosters (Proxy for J.R. Eppler)	Chris Jauregui	Bonnie Jean von Krogh (SFMTA)
Amy Beinart	Clem Howard	Chris Lazaro (SFMTA)
Claudia DeLarios Morán	Jackson Smith	John Angelico (SFMTA)
Erick Arguello	Jennifer Trotter	Kerstin Margary (SFMTA)
Heather Dunbar	Kelsey Frost	Tim Kempf (Public Works)
Manuel (Dino) Santamaria	Michelle Feng	Peter Gabancho
Mary Travis-Allen	Monica Almendral	Sean O’Brien
Roberto Hernandez	Myrna Ortiz	Members not in attendance:
Scott Feeney	Pelesani Seele	Jolene Yee
Christian Howes	Seth Furman	Jorge Elias, Jr.
Magda Freitas		J.R. Eppler (proxy attended)
Other Attendees:		Raven McCroey
1 unknown user		Christian Vega
Kurt Ricci		Alexander Hirji
		Peter Belden

Purpose of the meeting

The purpose of the meeting was to provide a general update on Project Development, Housing, and Bus Yard Funding.

Item 1. Welcome

John Angelico: (Slide 1) John Angelico opened the meeting.

John Angelico: (Slide 2) Presented the agenda and meeting focus areas.

Item 2. Member and SFMTA Announcements

John Angelico: (Slides 3 - 4) Shared updates and timeline around implementation of speed safety cameras, which are scheduled to go online in 2025.

John Angelico and Bonnie Jean von Krogh: (Slide 5) Showed list of safety camera intersections in the city. In order to add to the safety component of this plan, these cameras are one of the key ways to mitigate state regulations around vision zero across the state.

John Angelico: (Slide 6) Requested announcements from the Working Group Members.

- Comment: There is a Homeless Prenatal Organization Spring Fundraiser taking place on May 16, 2024 from 7 - 10 p.m. There is an increased need for advocacy around homelessness prevention and emergency shelters, both of which are getting attention from the state. (Shellena Eskridge)

Item 3. Schedule Updates

Chris Jauregui: (Slide 8) Shared updates around Project Entitlement meetings with City Board of Supervisors, in addition to planning ordinances. We presented various topics with the Planning Commission, including environmental documents, plan amendments, and details about Potrero Yard's Special Use Districts. This marks the end of our design discussions. Despite the project having a title, we're authorized to move forward, including hiring a contractor, finalizing the design, and starting construction later this year.

Q: How much flexibility is there in these entitlements? Will they require any changes in the housing configuration? (Scott Fenney)

- A: Previously, we explored entitlements for the Paratransit variant. The final Environmental Impact Report (EIR) allows for both project variations. We can proceed with full housing or focus solely on Paratransit. However, major changes to the building configuration may conflict with the environmental analysis and raise concerns. While housing flexibility is permitted, there are limitations to consider. (Chris Jauregui)

Q: While we're supportive of maximizing housing and building affordable units, I'm curious if there was a study done to compare the costs for MTA of building a standard roof versus the current podium design. Has that study been conducted? (Alison Heath)

- A: Are you asking what it would cost to build the rooftop without the additional podium? We do have that information and the research was done previously – we can pose this to the group and share at a later date. (Chris Lazaro)

Comment: To clarify, we're not against housing, but we're concerned about the cost to MTA for constructing the podium. Without seeing the numbers, it's hard to gauge. Today's Chronicle article was disappointing, particularly the reduced housing units and delayed progress. We'd really appreciate an answer regarding the cost comparison. (Alison Heath)

- Response: Our current environmental process allows flexibility in analyzing the project site and potential. The proposed podium massing involves reallocating funding for housing, with a different timeline than infrastructure financing. Delaying action risks future opportunities. (Chris Jauregui)

Comment: If the funds are substantial, it might be wise to take a step back and ensure we're on the right path forward. (Alison Heath)

- Response: We've explored options prioritizing housing maximization, in line with SFMTA's goals. We considered aligning housing financing with route strengthening, reflected in the final EIR's paratransit analysis. This is a critical decision point, with potential opportunity loss if we delay. Though the paratransit option is a backup, it's a significant agency investment. (Bonnie Jean von Krogh)

Comment: Allison mentioned that the Project's status as 100% affordable housing has shifted. I thought the plan would still be considered 100% affordable when workforce and senior housing was included? (Scott Fenney)

- Response: Early on, there was discussion about setting a lower threshold on Area Median Income (AMI) instead of the initially proposed 120% AMI. It's been on my mind for a while, and the Chronicle article brought it back into focus. (Alison Heath)
- Response: In the early stages, SFMTA initially proposed a 50% affordable housing ceiling, which we raised to a minimum requirement after discussions with the Working Group. Our goal throughout the Request for Proposal (RFP) process remained at 100% affordable housing, consistent with our initial discussions and community feedback. (Bonnie Jean von Krogh)

Comment: In representing the heavily impacted Mission neighborhood, we've continually emphasized affordability and inclusivity for all residents. Despite funding changes, \$35 million has still been committed, underscoring the urgency of housing advocacy. This project remains crucial for addressing our community's housing needs. (Roberto Hernandez)

- Response: To add to that, of the 80,000 units SF has to build, 47,000 have been committed as affordable housing. (Scott Fenney)
- Response: Yes, the Mayor has committed \$35 million to the housing portion of the project thus far. (Bonnie Jean von Krogh)

Chris Jauregui: (Slide 9) Highlighted community engagement efforts that took place in February and March with organizations that were recommended by PNC. The Local Business Enterprise Plan was finalized and posted to the SFMTA website on March 28.

Item 4. Update Cone Study

Chris Jauregui: (Slide 10 - 11) Presented an overview of the Cone Study, where the Project team rented a large parking lot at the Cow Palace and began assembling cones to visualize the

bus facility's layout at the ground level. This allowed for simulating the placement of columns, ramps, and the bus yard design in detail, while also determining column spacing.

Chris Jauregui: (Slide 12) Showed images from Cone Study.

Comment: SFMTA Bus operators Dino and George who have been very involved in the Project led some of the testing during the study. (Bonnie Jean von Krogh)

Response: There was also a third operator, Irwin Martinez, cap #6677, who did a great job on the Study. (John Angelico)

Response: The experience was very helpful and although we would have preferred to have different colored cones, it was an easy maneuver. (Dino Santamaria)

Item 5. Housing Update

Seth Furman: (Slide 14) Presented the funding schedule overview and emphasized various affordable housing funding sources and the need to coordinate them effectively with supply and demand in mind.

Seth Furman: (Slide 15) Shared AHSC Funding Update and the recent decision to submit the application in 2025 based on recommendations from MOHCD. The decision to delay the application was due to the Project's complexity in transitioning to a large vertical project and the need for additional design work. We are confident in future AHSC funding availability from separate cap and trade funding. Positive feedback confirms the project's qualifications, with a focus on reducing greenhouse gas emissions through integrated housing initiatives. The aim is to apply when there is full confidence in the finalized design and SFMTA initiatives are further refined for maximum efficacy.

Seth Furman: (Slide 16) Discussed Funding Schedule Alternatives, highlighting potential funding opportunities before January 2025 and the application timelines.

Q: What does "HCD" stand for? (Sheleena Eskridge)

- A: Housing and Community Development. "HPMI" refers to the multi-family housing program. What we look for is a big HCD funding source supplemented by the multi-family housing sources. (Seth Furman)

Q: Has federal funding for Transit-Oriented Development (TOD) planning been explored? (Amy Beinart)

- A: Are you inquiring about the recently announced grant from the FTA? It's a new grant with a maximum of \$2 million allocated for the entire state. Yes, we're considering it for our Transit-Oriented Development program, but this specific Bus Yard Facility for this Project (Phase 1) does not align with the grant's requirements. (Bonnie Jean von Krogh)

Comment: This change in funding feels like a pretty significant miss given how much emphasis has been put on this grant. From what I hear in the housing world, it sounds like folks are not as optimistic about the federal funding. (Scott Fenney)

- Response: We're disappointed that we can't access funding sooner and we wish we could have applied in March to secure larger funds earlier. But since this funding comes from a different pool of cap and trade dollars, funding will definitely be available for next year. (Seth Furman)

Q: Will relying on next year's funding delay the construction timeline? (Scott Fenney)

- A: No, other funding sources are being pursued, with a focus on Bus Yard funding first and housing second. The recent Proposition A approval by SF voters will also provide relevant funding. We are still on schedule with the expected timeline. (Seth Furman)

Item 6. Bus Yard Funding Opportunity

Bonnie Jean von Krogh: (Slide 17 - 18) The SFMTA and PNC have successfully secured funding for the bus yard from local sources, including Prop L and RM3 bridge tolls, after submitting applications towards the end of last year. SFMTA will apply for the FTA's Low or No Emissions grant program in April 2024.

Comment: As annual grant opportunities vary in funding amounts, this upcoming one supports transportation agencies in acquiring zero-emission vehicles and developing low-emission ones. Seeking to reduce project costs, this grant offers a great opportunity. Updates on the application status will be expected by August of 2024. (Chris Lazaro)

Item 7. Next Steps

Chris Jauregui: (Slide 20) The next Working Group meeting is scheduled for May 14th. Listening sessions and project briefings with stakeholders will continue.

Comment: If folks from PNC are interested in tabling, the he Cesar Chavez festival is happening on 24th street on April 13th. (Eric Aruguello)

Item 8. Public Comment

- There were no public comments. The meeting was adjourned at 6:32 PM.

Comments from Chat

Amy Beinart 5:50 PM - No longer 100% affordable???

Jennifer Trotter 5:51 PM - PNC proposal continues to include 100% affordable housing (up to 120% Area Median Income)

Chris Jauregui 5:52 PM - the housing is still 100% affordable

Amy Beinart 5:52 PM - Thank you. Can you correct what Allison said. She said it wasn't 100% affordable anymore.

Alison Heath, Potrero Boosters 5:59 PM - One does wonder if this is the most cost-effective ways and best location to build the much needed affordable housing given the expense of the podium

Alison Heath, Potrero Boosters 6:00 PM - Totally supportive of building maximum affordable housing

Myrna Ortiz 6:05 PM - Can you all hear us?

Amy Beinart 6:17 PM - I have a question

Amy Beinart 6:18 PM - I will type my message

Myrna Ortiz 6:18 PM - we heard you for a sec

John Angelico 6:19 PM (Edited) - we heard you for a moment

O'Brien, Sean (DPW) 6:19 PM - Yes!

Bonnie Jean von Krogh 6:19 PM - yes we hear you

Amy Beinart 6:20 PM - Yes. Federal TOD

Amy Beinart 6:20 PM - <https://www.transportation.gov/briefing-room/biden-harris-administration-announces-176-million-help-communities-add-affordable#:~:text=President%20Biden's%20Bipartisan%20Infrastructure%20Law,to%20fund%20TOD%20planning%20activities>.

Amy Beinart 6:21 PM - all good thanks.