



Potrero Yard Neighborhood Working Group Meeting Minutes

Monday, October 07, 2019, 6:00 p.m. to 8:00 p.m.

Potrero Yard, 2500 Mariposa Street

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

Attendees

Present:

Alexandra Harker
Brian Renehan
Claudia DeLarios Moran
J.R. Eppler
Magda Freitas
Mary Haywood Sheeter
Thor Kaslofsky
Benjamin Bidwell

Not Present:

Alexander Hirji
Erick Arguello
Kamilah Taylor
Scott Feeney
Roberto Hernandez

SFMTA Staff:

Licinia Iberri

Rafe Rabalais
Adrienne Heim
Kerstin Magary
Jonathan Rewers

Other Attendees:

Peter Lauterborn (consultant)
Liz Lam (consultant)

Purpose of the meeting:

To discuss decision-making processes for this project and others, and to provide updates on current conversations with the City about Building Progress.

Item 1. Meet & Greet

Introductions made by Working Group members.

Working Group members filtered in and helped themselves to food and conversation.

Brian Renehan, a new member, expressed he is qualified as he lives in the neighborhood at Mission Dolores, his child goes to elementary school in the area, his background is in energy and infrastructure, and he has 20 years of experience as transaction advisory with Arup on the advisory side; he has worked with public agencies to develop private/public partnerships in energy, water, and waste. The last 2 years he has worked for an investment group.

Benjamin Bidwell, an operator at Potrero and working group applicant, shared his more than 1-year experience with the agency at the Potrero Yard. He graduated in Community and Regional Development from UC Davis. His past experience includes internships with the Economic Development Department -lead on economic indicators of tax data and how City received its money and how it would grow in the future, took surveys, reached out to businesses, did field research, explored types of businesses in Davis and learned about the City Council.

All of the other meeting attendees quickly introduced themselves.



Item 2. Working Group Member Announcements

J.R. Eppler: Invited people to come to the Potrero Hill Festival October 19 between 11:30am – 4:30pm

Item 3. Pre-application Community Meeting

Licinia Iberri: In your packets, there are a set of proposed boards for the community meeting on October 26. They show:

- A 3-level transit facility
- About 100 housing units in podium itself, about 560 mixed-income units, 150-foot max height and 13 stories in accordance with Planning Department
- An affordability target of 50%, or 280 units of the project

The affordable housing is an achievable target. The Mayor's Office of Housing and Community Development (MOHCD) is interested in partnering on the project.

Peter Lauterborn: Let's collect questions from the working group members all at once before responding to each.

Magda Freitas: How many people will be working and living here?

Rafe Rabalais: For the residential side, there has been feedback to not include too many studios but also family-sized housing; can extrapolate the number of residents from an approximate breakdown of units. We don't have an exact calculation of the number of occupants; employees will increase by about 50%, though won't all be arriving at the same time.

Magda Freitas: What will be the layout of building? The renderings focused on Mariposa and Bryant and York toward Hampshire. It is not clear if residential is part of the 150-foot total height of the building.

Claudia DeLarios Moran: What is the decision-making process, and what are our goals in the decision-making process? Want to learn more about 50% affordability rate. What transpired in the last month to now have this information and concrete steps for moving forward?

Rafe Rabalais: This is modeled on our understanding of subsidies, feedback from the City family – SFMTA, MOHCD, OEWD, and consultant teams. The form and concept came out of strong cooperation with the Planning Department. The project has evolved in this way:

- In February, the SFMTA had a larger project idea, near 900 units, but Planning suggested a reduction.
- The February workshops focused on housing and community-driven feedback.
- From March to June, SFMTA worked with the Planning Department and MOHCD to refine the options for the site map, a rough sketch, unit count, and space.
- Since then, the SFMTA has been refining construction cost estimates, the financial model for the project, and vetting those figures with the City family and financial consultant team. That



modeling and refinement was completed within the last several weeks and since the last working group meeting.

Thor Kaslofsky: When you say that MOHCD is a partner, is that code for a potential 100% affordable project?

Rafe Rabalais: Funding from MOHCD depends on a number of factors including but not limited to the proposed bond measure in November. The housing numbers have been updated within the last month. It would likely be extremely difficult to do a 100% affordable project for a building of this size as the overall amount of City subsidy would be very substantial for a single site relative to citywide needs for affordable housing.

Alexandra Harker: Are there similar projects on public property in terms of affordable percentage? What's the status of the RFP that was issued? Was it an RFP for a developer of Potrero?

Rafe Rabalais: SFPUC is trying to pursue a project at the Balboa Reservoir which would be 50% affordable. It's a more horizontal project than Potrero Yard and requires a lot more infrastructure.

Licinia Iberri: Public Works put out the RFP for joint development advisory services, to support proposed partnerships, explore a public-private delivery model, and advise how to craft an RFP with the needs of a transit agency. A developer RFP would come in approximately June 2020. As the site is a defined historical resource, the CEQA environmental review process has an extensive timeline. Height, unit numbers are all parameters to produce procurement to bring a developer on board. What is not flexible is space for 213 buses. 100 units of housing could fit on the podium as currently scoped.

Mary Haywood Sheeter: Will there eventually be a need to have a development agreement or community benefits agreement?

Licinia Iberri: SFMTA follows the same process as other major development project, no special treatment just because we are a City entity. We are also not selling the land or air rights, so all units would be rentals.

Brian Renehan: Thinking about sidewalk activation with retail, what is the expected impact for all of the area?

Licinia Iberri: Sidewalk treatment is through the entitlement process through Planning Dept. Complete Streets, and other details will be worked out with Planning Department. Sidewalks will be wider because current sidewalks do not conform to the standards. Baselines will have to be approved. There are expectations that the Working Group will continue as part of the follow-up with the developer, procurement, evaluation of development teams through outreach efforts, plans to engage the community on details. There will be multiple opportunities for civic design review and art review. SFMTA will be at every Planning Commission meeting that's needed while also holding informal design groups going to neighborhood committees.



Magda Freitas: What environmental impacts to the entire Mission, especially in combination with other large projects coming on-line in the area?

Licinia Iberri: CEQA evaluates shadow, cultural impacts, transportation, other factors. This is part of the CEQA analysis.

Thor Kaslofsky: EIR will consider various alternatives of development. Does a no-build mean no new transit facility? Would no-build mean transit only without housing on top? We should be clear on what a no-build option would include so that the public doesn't get confused.

Rafe Rabalais: We do not have no-development alternatives yet, but that is a reasonable assumption. Total cost is approximately \$400 million just for the bus facility. Getting the right project for the site and the neighborhood is a high priority in relation to the financials of the project. This is a once-in-a-century opportunity in the Mission to make better use of this land.

Mary Haywood Sheeter: I am very supportive of housing of 50% and the unit count, but there is concern for the neighborhood without any planned new green space or any huge rise of parking across the street. Other considerations include making facilities more capable of handling the number of people using the recreational spaces and needing basic facilities like restrooms.

Brian Renehan: With commercial retail opportunities as part of the project, and street activation as a primary goal, how are we working toward achieving that? With kids going to the park across the street and buses circulating, how do we make this work?

Benjamin Bidwell: Will there be parking for staff? Street parking? A lot of operators have early starts, and public transportation does not run early enough. There is a gap in public transit from the East Bay. On affordability, what is the City's AMI? Ninety percent? Would the housing be rental or condos?

Mary Haywood Sheeter: At what point would the neighborhood negotiate or ask for certain things, such as bathrooms or a crosswalk? Would these be written into the RFP? Are they talked about at a later date?

Peter Lauterborn: For a future PYNWG meeting, it sounds like we should revisit these three items:

- Retail options
- What is included in environmental review, and what is not, but is important to the Working Group
- The process for community benefits, starting with the perimeter of the building and further out into the community, including parks

Peter Lauterborn: Outreach will reflect that of past events, but we are now including the "pre-application" notice to surrounding areas, plus the postcards to surrounding areas, posters in the public right-of-way, expanded door-to-door outreach to merchants and community institutions.

Licinia Iberri: This is a District 10 site, as the boundary between Districts 10 and 9 is Bryant Street. This influences who is contacted. We are also contacting a whole set of interested individuals, including



friends of Franklin Square, homeowners and tenant organizations, educational institutions, schools, groups like United To Save the Mission and Mission Housing, and local artists.

Licinia Iberri: This is the same open house on Oct 26 that the Working Group discussed last month, but it is now an official “pre-application” meeting. The Planning Department has official requirements for addressing public comments, holding the meeting, meeting minutes, and other details. It will be an open house format. If anyone has feedback on poster designs, provide them by Friday. The boards will make up nine stations. There is a slide on the decision-making process, as requested by the Working Group. The agency is still trying to develop content so that it makes sense and is meaningful to people.

Brian Renehan: The image for project evolution makes it look like the project is getting larger, even though it started from a larger envelope to a smaller one, but without context people won't be able to know that.

Licinia Iberri: The concept board shows basic project parameters, so people can see at a glance the basic concept. The view will be changed to show more of 17th Street, though the designers said that it will make it look like a fish-eye lens. The drawings vaguely correspond to design criteria, but it is flexible for developer to continue working on the design. The sketches are rough idea, not any suggestion or set in stone.

Magda Freitas: Could more context be shared for scale and details on shadows?

Licinia Iberri: There is no net-shadow increase from the bus facility alone, even with the proposed number of units.

Benjamin Bidwell: It might be helpful to see a 3-D representation, even something as simple as Legos to visualize easier and manipulate it.

Alexandra Harker: Pre-application meeting is somewhat specific and the sketch looks specific. I agree that 3-D model could be helpful, including a simple cardboard model. It would also be useful to have a topographical representation to understand the heights and context.

Mary Haywood Sheeter: I'm worried that saying 50% affordable here locks in the agency. Should you show ranges?

Rafe Rabalais: CEQA does not require level of affordability, but we want to be up front about our goals. There are many factors, including interest rates, tax credit pricing, the affordable housing bond, financial dynamics, but we believe it is attainable, ambitious target, yet achievable.

Benjamin Bidwell: 17th Street housing could be blasted by sun, could be too hot. Also, affordability needs to be considered in light of total living costs, including things like electricity or things like a Clipper card because of no parking. Could we also speak to operators who may be interested in living on site? Are there limitations for how many City employees could live there? How about aspects like solar panels for energy efficiency?



Mary Haywood Sheeter: The layout of the boards is jumbled. It's difficult to tell the hierarchy, and the many fonts and colors, could be made simpler, more organized. Right now too much is going on, with a lot of info. Is all of this required?

Licinia Iberri: The SFMTA will share the next set of draft boards with Working Group.

Item 4: SFMTA Employee Engagement

Adrienne Heim: Talking with employees about what they want from the new facility. This includes free-response boards, get to/from facility, what can be improved, how do you relate to businesses/restaurants in area, amenities in the facility, relaxed areas, how to get to area early day, dispatch more open so they can have that communication with dispatchers.

Item 5: Project Updates

Adrienne Heim: We held community outreach at the Calle 24 Latino Cultural District Fiesta de las Américas. The team had lots of positive interactions. The most frequent questions were about why the SFMTA needs to rebuild the yard, what the housing component includes, and how the project will be funded.

Item 6: A Look ahead

Adrienne Heim: The next Potrero Yard tour is Oct 23.

Licinia Iberri: For the RFP for joint development financial advisory services, ARUP is the successful bidder. Included in the RFP's scope is a workshop with the Working Group on what ARUP is doing, its overall scope, and a chance to get feedback from Working Group of what should be added.