

Potrero Yard Neighborhood Working Group Meeting #51 Minutes

October 14, 2025, 5:30 p.m. to 7:00 p.m.

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:	Members Not Present:	City Staff:
Amy Beinart	Christian Howes	Bonnie Jean von Krogh (SFMTA)
Edward Hatter	Christian Vega	Caroline Cabral (SFMTA)
James Bryant	Claudia DeLarios Morán	Chris Lazaro (SFMTA)
Jolene Yee	Erick Arguello	John Angelico (SFMTA)
Raven McCroey	Heather Dunbar	Tim Kempf (SFMTA)
Scott Feeney	J.R. Eppler	
	Karolina (youth member)	PNC Staff:
	Mary Travis-Allen	Chris Jauregui
	Peter Belden	Jennifer Trotter
	Roberto Hernandez	José García
	Martha Ryan	Myrna Ortiz
		Seth Furman
		Clem Clarke

No members of the public attended.

Purpose of the meeting

The purpose of the meeting was to discuss project updates.

Item 1. Welcome

John Angelico: (Slides 1–2) Welcomed the Working Group and presented the meeting agenda.

Item 2. Member and SFMTA Announcements

John Angelico: (Slide 3) Introduced Member and SFMTA Announcements.

John Angelico: (Slide 4) Invite Working Group members to provide announcements of upcoming events, activities, programs, etc. No announcements made by Working Group members.

Bonnie Jean von Krogh: (Slide 5) Governor Newsom signed Senate Bill 63 (SB63) today that authorizes a public transit sales tax to be added to the 2026 ballot. The SFMTA will work with the five-county region to prepare the measure to be added to the ballot. Even if the regional revenue measure is approved, there would still be a gap in the operating budget. We're looking at reducing expenses to close this serious operating deficit. The SFMTA is also looking at an additional regional parcel tax ballot initiative to support additional revenue needs.

Item 3. Bus Yard Updates

John Angelico: (Slide 6) Notify Working Group that the SFMTA and PNC are in active negotiations yet trying to be as transparent as possible on this project. Introduced Chris Lazaro from the SFMTA (project director) and Chris Jauregui from Plenary Americas (vice president).

Chris Lazaro: (Slide 7) Acknowledged questions received from Working Group members during the September 30, 2025, meeting (Meeting #50) and Community Based Organizations (CBO) during a Project Update Meeting for CBOs on October 1, 2025.

Chris Lazaro: (Slide 8) Provided an overview of proposed changes to Potrero Yard, including: shrinking the Mezzanine level, removing the roof and podium, redesigning the ground floor, and reducing the basement size. These proposed changes are based on the economic challenges that the SFMTA and this project are facing.

Streetscape improvements, bike lanes, and sidewalk improvements remain intact.

Chris Lazaro: (Slide 9) Identified questions received from the Working Group and members of the public related to this project change. Questions received are listed below:

BUILDING PROGRESS

Path to Feasibility: Input Received

Working Group & members of the public provided the following questions:

- Do trolley bus operations and maintenance activities need to be located at Potrero Yard to meet the city's overall transit needs?
- What is the amount of funds needed to build housing above the bus yard?
- Can you build the podium housing later?
- What are the options for the Working Group to support fundraising efforts to cover the cost of a podium structure?
- Can PNC retain onsite housing as 100% affordable and what is the timing to build on-site housing?
- Could alternative ground floor uses generate enough revenue to pay for the cost of a podium structure?
- What is the status of a public restroom being included in the project design?
- What are the potential noise and light impact of an open-air facility on the surrounding area?
- How is the existing Small/Disadvantaged Business Enterprise Plan impacted?



Chris Lazaro: (Slide 10) We studied the importance of locating Muni's trolley bus operations and maintenance activities at Potrero Yard. This central location is critical because of the number of trips that originate from Potrero Yard and its associated savings compared to operating the existing lines from another existing yard. Additionally, our facilities planning process prioritizes density at all locations over seeking new land opportunities.

The cost of time cannot be overstated. Moving to a new site would take time while costs will continue to escalate. Building a new yard now allows us to use 1399 Marin location to maintain Potrero Yard's fleet while ridership hasn't returned to pre-pandemic levels.

Chris Lazaro: (Slide 11) Potrero Yard is an important location, as it:

- Ties for first as one of our highest ridership facilities (with Woods). In fact, one out of every five rides start at Potrero.
- Is the only facility that can currently maintain our 60-foot trolley buses.

Chris Lazaro: (Slide 12) If Potrero went offline, these routes would be served by our smaller buses, effectively capping our regular and special event services.

Chris Lazaro: (Slide 13) The image below shows the sequencing plan for yard improvements. Potrero Yard has been our primary focus since 2018, and its redevelopment allows the SFMTA to move on to make critical upgrades at other facilities, including accommodating Battery Electric Buses (BEB) and state of good repair needs.



Bonnie Jean von Krogh: (Slide 13) Given our funding issues, we are taking another look at this facility framework. We have plans to expand Woods Yard (referenced by Amy Beinart) to expand the fleet, make significant improvements.

- Q: Why can't you shift the entire project and move the function of Potrero Yard into a different facility? Is there really no room for growth at other facilities? Why can't other yards accommodate growth? (Amy Beinart)

- A: Some facilities seem large but are designed to maximize the space to operate as efficiently as possible. We have been looking into these facilities, but we just cannot move the trolleybuses from Potrero Yard to another yard and still offer the same level of service and number of routes. Specifically, while Woods is large, it is projected to house BEBs and hybrids as future funds become available – not allowing space for an additional 246 trolleybuses. Potrero Yard is 4 acres and the only current asset that allows us to operate and maintain the fleet of trolleybuses at one central location. (Chris Lazaro)
- Q: Potrero Yard is the only yard that maintains these trolleybuses, but you are demolishing it, so could any yard be rebuilt to maintain these buses? (Amy Beinart)
 - A: When Potrero Yard closes, most of the 60-foot trolleybuses will need to go into storage during construction. At that time, because of space constraints, we plan to have 18 60-foot trolleybuses in service, operating out of 1399 Marin, during the construction of Potrero Yard. In comparison, 93 60-foot trolleybuses operate out of Potrero today. This is a temporary reduction. (Chris Lazaro)
- Q: What about Pier 70 – isn't that a site that SFMTA owns and is close to Marin? (James Bryant)
 - A: That site (*actually Pier 80*: [Pier 70 28-Acre Site | SF Port](#)) is owned by the Port of San Francisco, not the SFMTA. (Bonnie Jean von Krogh)
- Q: Is the plan to build a 4-story facility at Woods? If you take the plan for Potrero and just move it over to Woods, then you can build whatever you want. Once you develop Potrero you don't have anywhere for 60-foot maintenance (Amy Beinart)
 - A: We have not yet determined how many levels we will have at Woods. Currently the only facilities that operate trolleybuses are Potrero and Presidio yards. If we were to relocate trolleys anywhere else, we would have to create overhead lines that would be a significant scope and cost.
 - A: Our Woods facility plays a unique role. Heavy maintenance for all of our bus yards occurs at Woods. Heavy maintenance includes functions that are not found at other bus yards, like body repair. Woods is one of the yards that the SFMTA is looking toward potential joint development also. (Chris Lazaro)
- Q: Can you share a link to the infrastructure report that you reference?
 - A: Yes. (Link provided in chat function: <https://www.sfmta.com/reports/2024-facilities-framework>)

Chris Lazaro: (Slide 14) Another question received is: “what amount of funding is needed to retain the ability to build housing or paratransit operations services?” The cost that we are

estimating is a range of \$140 – \$175 million, including financing costs over a 30-year period. Structural elements needed include the podium, roof, larger and deeper basement.

It is hard to quantify the finance cost since it is dependent on how quickly the developer could build housing and repay the SFMTA for the cost of making the land/air rights available. If the SFMTA would have to hold the land for an extended period or build paratransit operations above the yard, we estimate the finance cost to be about \$70 million.

- Q: Is the basement necessary for the podium? (Amy Beinart)
 - A: Yes. The basement would house mechanical functions, access to sewer and water, and elevators required for podium use. (Chris Lazaro)
- Q: Are there elevators? (Scott Feeney)
 - A: Yes. The updated plans include elevators that service the bus yard only. Elevators for housing would need to be separated since their functions are quite different. (Chris Lazaro)

Chris Lazaro: (Slide 15) An image of the bus yard indicates in red all necessary enhancements to build anything above the yard and includes:

- Foundation strengthened
- Columns throughout the facility reinforced
- Roof with podium
- Full-depth basement

Chris Lazaro: (Slide 16) We are glad that the Mayor's Office of Housing and Community Development (MOHCD) is committed to supporting Bryant Street Housing and this proposed plan preserves the ability for Bryant Street Housing to be delivered. The sooner we start bus yard construction and make the site ready, the sooner our partners can apply for available funding programs to finance housing on Bryant Street.

- Q: How can we (the Neighborhood Working Group) support raising funding from the city to build the podium and keep the housing option above the bus yard available? (Scott Feeney)
 - A: We did some serious analysis on what kind of funding we would need. The conversations that we are having within the city family, and as you heard at the Sept 30th Working Group meeting, is that MOHCD is committed to supporting Bryant Street Housing. It's a significant level of funding needed and a number of other housing projects in the city are in a similar situation.

As a transportation agency, we are excited that Governor Newsom signed SB63 allowing a new revenue measure on the ballot that we are focused on to support our operations. Without support from the regional and local measures, we are facing cuts. Additionally, we need to meet the project's funding needs over the

next 30 years, and a General Obligation (G.O.) bond was discussed. There's a number of funding streams that we are expending efforts to secure.

We welcome out-of-the-box thinking on this issue. (Bonnie Jean von Krogh)

- Q: If there was a willingness in the city family to provide additional funding to keep the podium and preserve the opportunity to build housing above the yard, when would that need to happen by? (Scott Feeney)
 - A: The goal is to go to the SFMTA Board (MTAB) and Board of Supervisors (BOS) in January – February 2026 for project approvals. To meet this project timeline, we would need funding by the end of the year. (Bonnie Jean von Krogh)
 - A: My colleague, Tim Kempf, reminded me that while we are going to MTAB in January, to prepare for those meetings we are doing work now to get updated pricing. We welcome advocacy, but changes from the current proposal would lead to a delay in getting the project approved and closed. (Chris Lazaro)
- Q: This change was only brought to the Working Group two weeks ago. If there were weeks of work leading up to this change, why wasn't the Working Group brought in earlier? It seems like the subtext is that building housing on top of a bus yard is impractical. If that's the case, why weren't we brought into the process? (Scott Fenney)
 - A: We have updated the Working Group over the course of the project on the changes we've made to try to make housing feasible over the yard. For example, originally, we planned for housing to be built that the same time as the bus yard to minimize disruptions to bus operations. In the course of the project and with the given economic environment, we realized that building housing at the same time as the bus yard was not feasible, so we gave the developer team more time.

We also worked on developing the paratransit project variant to allow the SFMTA to pay for the podium and related costs upfront as a transportation use since the housing developers could not fund these costs upfront. Unfortunately, now we cannot fund this cost given the agency's funding situation.

In the face of the challenges of building housing above an operating bus yard, we've tried to keep the Working Group updated along the way about these pivots to keep the vision of housing above the bus yard afloat. This is a big pivot, and we are keeping the Working Group and the public updated on these changes. (Bonnie Jean von Krogh)

- A: Additionally, the initial pricing that we received this year came in significantly higher than all of our previous estimates. Had pricing come in closer to what we could afford, then we would not be at this point making these difficult decisions.

As you may recall, when we got the initial pricing back, we notified the Working Group that we need to go through a value engineering process to get the price down. We did not expect this to be the outcome, but it is the necessary path to be able to proceed with creating a safe, efficient, and modern bus yard. We worked to retain the housing option but ultimately, we were not successful in getting the price to an affordable level. It's disappointing and I wish we could acknowledge that more deeply. (Chris Lazaro)

- Q: Has the MTA Board been notified and when were they notified? (Amy Beinart)
 - A: We called our MTA Board in the days before the last Working Group meeting on September 30th. Julie Kirschbaum (Director of Transportation) also made an announcement about the project updates at last week's MTA Board meeting during her director's report. (Bonnie Jean von Krogh)
- Q: How much of an impact does the recent news article have on the support we had for this project from the community? Do we know where housing advocates are with this news? (James Bryant)
 - A: There have been several articles about this project change. From the SFMTA, we are trying to spread the word and hold as many meetings as possible. We will host community meetings tomorrow (October 15) and the next day (October 16) as we continue to reach out to the community on this. (Bonnie Jean von Krogh)
 - A: This question is for MOHCD to respond, not MY-T (affordable housing developers). The city should address how they will meet housing target goals citywide. (José García)

James Bryant: People are asking if this project is going to happen. We need to figure out how we can say "yes it's going to happen." If the story continues, this is going to be a tough fight.

Amy Beinart: There's a lot of disappointment in the pro-affordable housing community. I don't see my role in this group as a cheerleader for the project. I have questions on whether a \$560M project that doesn't include housing above the bus yard is a good project. This is a big project, and it will last forever. I have questions and I'll continue to ask questions.

- Q: You're anticipating the additional cost to be about \$70M, not including the financing. Have you compared that cost from the perspective of the land cost for the city to acquire a site for housing? How does this compare to building needed housing elsewhere? (Scott Feeney)
 - A: This is a great question for MOHCD, our city's housing experts. I am not a housing expert, but I think when we look at costs of building housing on land versus above a bus yard, there are complexities to the building designs. The need to reimburse the podium costs wouldn't be there on land that's free and clear. (Bonnie Jean von Krogh)

A: This is not raw land, so there's a cost that is included with the bus facility. We have done similar analysis and yes, it is less expensive for affordable housing providers to find developable land. Our colleagues at MOHCD can provide more specificity. (Chris Lazaro)

- Scott Feeney: It would be great to get answers from MOHCD offline later.

Chris Lazaro: (Slide 18) Bryant Street Housing is anticipated to be 100% affordable housing. The project updates being made do not impact the ability to deliver Bryant Street Housing. This change might improve the feasibility of Bryant Street Housing by allowing its construction to start independently of the bus yard construction since there will no longer be a shared basement nor other shared infrastructure.

José García: Ideally, the earliest we can proceed with housing funding applications is summer 2026. Once we enter into a ground lease (after the overall Project Agreement is approved), then we can start submitting funding applications.

Chris Lazaro: (Slide 19) The ground floor area cannot generate enough revenue to support the cost of the podium. There is minimal space on the ground floor as the site is designed to accommodate the movement, maintenance, and storage of 246 trolleybuses as the priority. Additionally, under the new proposed plan, some SFMTA uses that were previously planned to be in the basement have been relocated to the other levels of the facility, impacting space available for ground floor commercial uses.

Chris Lazaro: (Slide 20) The public restroom remains in the project to serve parkgoers and the general public and will be built as part of the bus yard scope. The community room, streetscape enhancements and bike lanes, and bike parking are all also retained in the project scope.

Chris Lazaro: (Slide 21) In 2024 the Planning Commission adopted the CEQA¹ findings that included studies of noise and air quality impacts that the Project construction and operations might have on the area. These studies looked at both the project with housing above the bus yard and paratransit project alternative as an open-air facility. There's a mitigation reporting program (MMRP) that outlines how the project will mitigate impacts to make sure the facility is a good neighbor.

Chris Lazaro: (Slide 22) This chart of adopted Mitigation Measures was displays and highlighting the Mitigation Measures related to noise and air quality. These Mitigation Measures help to minimize noise, vibration, and dust impacts from the project.

Chris Lazaro: (Slide 23) The Board of Supervisors approved a Small Business Enterprise & Disadvantaged Business Enterprise (SBE/DBE) Plan for the design and construction of the bus yard. The SBE/DBE Plan includes SBE/DBE participation goals, SBE set-asides for specific scopes of work, and outreach obligations.

¹ California Environmental Quality Act

- Chris Jauregui: Given recent changes at the federal level, PNC and SFMTA Contract Compliance team are making sure that we are in compliance with federal changes.

Item 4. Community Engagement Updates

John Angelico: (Slide 24) Introduced Community Engagement Updates.

John Angelico: (Slide 25) Provided an overview of upcoming community meetings including:

- Public meeting at Mission Arts Center on October 15 at 5 p.m. (mailers went out to neighbors and Working Group Members, posters put up in and around the yard)
- Virtual Public on October 16 at 5:30 p.m. (mailers went out to neighbors and Working Group Members, posters put up in and around the yard)
- A booth at Potrero Hill Festival on October 18 between 11 a.m. and 4 p.m.

John Angelico: (Slide 26) Displayed public meeting mailer image that was sent to neighbors of the yard.

John Angelico: (Slide 27) The next Neighborhood Working Group meeting is scheduled for December 9 at 5:30 p.m. We are hoping to have updated pricing from Webcor by then to share with the Neighborhood Working Group.

Item 5. Public Comment

- Q: When is the next approval meeting that you will go through? (Jolene Yee)
 - A: We are working towards presenting the Project Approval with updated pricing to the MTA Board in January 2026. Then we would present it to the Board of Supervisors Budget & Finance Committee, followed by the full Board of Supervisors. (Chris Lazaro)
- Q: What will be getting approved by the MTA Board and Board of Supervisors at those meetings? (Jolene Yee)
 - A: We would be presenting the Project Agreement that includes the design, build, and financing of the bus yard itself, and the Housing Agreement for the Bryant Street Housing and ground floor retail spaces. (Chris Lazaro)
- José García: As a follow up to Scott's question about land values, MEDA's most comparable project is 1.3 acres and the cost to acquire the site was \$42 million that was transferred from the private developer to the city. We are anticipating to build between 350 and 375 units on that site. This is the most comparable site in MEDA's portfolio since 2022. MOHCD may be able to speak to their experience.
 - Amy Beinart: That cost [\$42 million] is for the land only, but not the initial site work? The podium would include the land and initial site work, correct?
 - José García: That is correct.

Meeting ended at 7:05 p.m.