What is the Potrero Yard Modernization Project?

The Potrero Yard Modernization Project will replace the obsolete two-story maintenance building and bus yard with a modern, three-story, efficient bus maintenance and storage garage, equipped to serve the SFMTA’s fleet as it grows and transitions to battery electric vehicles. The Project will also include up to 575 rental units of housing and designate at least 50% of the total units as affordable with potential for a higher percentage of affordable units, even up to 100% affordable.

A modern Potrero Yard will also help the SFMTA prepare for natural disasters like earthquakes and the effects of climate change, be more cost-effective and, most importantly, help us keep more buses on the road, serving you.

Why do we need a modern Potrero Yard?

Potrero Yard was built in 1915, over 100 years ago, and originally served as a streetcar facility. Today the yard houses 138 trolley buses and urgently needs to be rebuilt to house our bus fleet and continue to be able to support Muni service. We need a yard that meets modern standards for seismic safety, equipment and technology and ensures that storage, maintenance, cleaning, and other activities are done safely and efficiently.

A new facility will make the yard seismically stable and better able to support Muni operations, maintenance and cleaning and would ensure that staff is able to safely and effectively conduct their jobs. An up-to-date yard will improve staff working conditions, enhance our resilience to climate change and natural disasters like earthquakes, and improve Muni service performance. In addition, the modern facility will help reduce vehicle breakdowns, increase on-time performance and reduce passenger overcrowding.

How does a modern Potrero Yard improve my Muni ride?

Prior to Covid-19, six transit lines (5 Fulton, 5 Fulton Rapid, 6 Haight/Parnassus, 14 Mission, 22 Fillmore, and 30 Stockton) ran out of Potrero Yard carrying over 102,000 Muni customers each day (~14% of daily ridership). Despite the pandemic’s effect on transit service, Potrero Yard continues to play an integral role in keeping Muni service running and the city moving.
How much will it cost to modernize Potrero Yard?

We estimate that the construction cost for the project is approximately $500 million. This figure is expressed in current dollars and does not include “soft costs” like permitting, design costs, fees, and other non-construction costs.

How will you fund the project?

There are a handful of funding channels that we can utilize to fund the project. Options include:

- Bond measure
- Existing revenue sources for capital projects
- Cost sharing with the housing / joint development component of the project
- State funding
- Federal funding

Given the pandemic and SFMTA’s budget crisis, is this project really needed at this time?

This 107-year-old facility is long past its lifespan. The facility doesn’t meet modern seismic safety standards and needs upgrades to support existing Muni service, the transition to an all electric fleet and a safe work environment for frontline staff (i.e. mechanics and operators) who are essential workers. Rebuilding Potrero Yard is critical to providing Muni service and maintenance for some of our busiest bus routes like the 14 Mission, 22 Fillmore, and 30 Stockton, among others. During the last several recessions, the SFMTA has delayed needed facility repair projects. As a result, the SFMTA can’t afford to stop maintaining and upgrading the facilities we have, or transit service will essentially fail.

Where does my input fit into this project?

Some decisions, like how our maintenance staff do their jobs and the needs of our bus fleet, are going to be made by the SFMTA. However, we have and will continue to engage community stakeholders on a wide variety of issues including the design of the project, community-serving commercial uses, community amenities, public art, and the specifics of the housing component of the project.
Will the new yard be bigger than the current facility?

Yes, the new facility will include a three-story bus podium, which will be approximately 75 feet tall, measured from Mariposa Street. The project will also include a housing component above, which will be as tall as 150’ at the southern portion of the site. The height of the structure would be lower on the northern portion of the site to minimize potential shadows on Franklin Square Park.

The new facility will also gain additional activity with approximately 50% more buses operating out of the yard (138 vs 213). The new Potrero Yard will include classrooms for training new Muni operators, office space and parking for the Transit Services Division, Muni’s “first responders” to incidents in the field. Employee total will increase from 391 to 829.

Can’t you cut costs by downscaling the project and just renovating the existing bus yard?

At 107 years old, the current bus yard must be completely rebuilt. The facility does not meet modern seismic safety standards and does not work with modern technology. The housing component of the project would not be funded by the SFMTA, but instead be financed by the developer through a joint development partnership. Now is an important time to work with a developer who would finance and run the housing component above the bus facility. Addressing local housing needs without increasing the costs to the city is one of the key benefits of the current project concept.

Is parking being considered for Muni staff?

Many of SFMTA’s front-line and field staff face challenges getting to and from work, particularly for those who start or end Muni service hours. This is an issue that impacts employees at all of our Muni yards and facilities across the agency. We know what we have now isn’t working. SFMTA is in the process of having conversations with employees and analyzing facilities as part of developing a Transportation Demand strategy to increase the transportation options our employees have for getting to work. Although additional parking is not being considered for the Potrero Yard site, it is important to have a plan that both addresses the needs of our front-line employees and is sustainable for the long term.
Will you preserve the old buildings?

The proposed concept design for the project anticipates tearing down the existing Potrero Yard to accommodate a larger bus fleet with a modern, efficient maintenance facility. During the project’s environmental process, which is already underway, we are studying whether any portion of the existing building can be preserved while still meeting the goals of building a modern, expanded bus facility with housing above.

Will housing on top of the yard be a component of the project?

The Potrero Yard Modernization Project is a once-in-a-century opportunity to leverage the construction at the site to contribute to the City’s affordable housing goals. Together with our city family (SF Planning, Mayor’s Office of Housing and Community Development, and the Office of Economic and Workforce Development) the SFMTA arrived at a concept to provide housing above Potrero Yard that maximizes affordability.

Why Joint Development?

A developer partnership can help the Potrero Yard project by:

- Managing the joint construction of a transit facility and housing project, which presents technical challenges.
- Sharing operations and maintenance costs.
- Assisting with high-rise building codes and enhanced seismic performance.
- Building and managing the housing component.
- Keeping the project on schedule and within budget.

How many residential units could be located on top of the yard?

The SFMTA is proposing up to 575 residential rental units. There are many factors that have informed the size and unit count of the project, including building height, massing, financial feasibility, and shadow considerations. We have worked with our city family (SF Planning, Mayor’s Office of Housing and Community Development, and the Office of Economic and Workforce Development) to arrive at an achievable proposal for the bus yard development that is compatible with the bus yard and the surrounding neighborhood.
How many residential units could be affordable?

The SFMTA has set a goal of having a minimum of 50% of the total units designated as affordable housing, even up to 100% affordable. The project’s ability to achieve this goal depends on many factors, including the availability of subsidies, market dynamics, and construction costs. Nonetheless, the SFMTA and city are committed to an ambitious, equitable housing component of the project and we look forward to proposals that deliver the greatest number of affordable units feasible.

What other community amenities could be included on the site?

Potential amenities on the site could include public space, public art, commercial space, and other community-serving amenities. As the planning and design of the project progresses, we will continue to work with community members to determine which amenities are desired and feasible. The Potrero Yard Neighborhood Working Group, which consists of eleven community members and two Muni operators, will also help to prioritize and define amenities.

What is the overall project timeline?

- **2018 to 2021 Project Planning** – includes developing the project concept, community outreach, submitting the project concept to SF Planning, CEQA process,

- **2022 to 2024 Planning cont’d & Project Design** – Developer selection process continues. Selected developer team, continuing community outreach and engagement including meeting with the Potrero Yard Neighborhood Working Group to further refine the project.

- **2024 to 2027** – Potrero yard closes. Construction begins, and transit operations and maintenance are temporarily relocated to 1399 Marin and Muni Metro East facilities.

- **2027** – Potrero Yard begins service and receives new buses.
What is the Request for Qualifications (RFQ) and Request for Proposals Process (RFP)?

There is a two-step process to bring a developer partner under contract with the city.

**Step 1 - Request for Qualifications (RFQ)**

The RFQ begins the search process to obtain a developer partner to design and build the project. The RFQ process evaluated the qualifications of proposed project teams and determined the three top responders based on an evaluation of relevant experience and qualifications. Three developers passed this qualification process.

**Step 2 - Request for Proposals (RFP)**

The top responders have been invited to submit a full proposal through the subsequent Request for Proposals (RFP) process. The RFP was issued in April 2021 and incorporated feedback and questions developed by the Potrero Yard Neighborhood Working Group. Three proposals were received by the qualified developer teams in Dec 2021. An evaluation panel made up of technical experts reviewed the proposals. A revised RFP was issued, and proposals are due Jul 20, 2022.

**Step 3 - Developer Selection Process**

The developer selection process is ongoing, and we expect to select a developer by fall 2022.

How can I get involved?

Sign up for updates. We will continue to engage stakeholders and hold community activities and events to keep the community updated. You can subscribe to receive updates and learn more about the project by visiting the project page, SFMTA.com/PotreroYard.

We are also accepting additional members (i.e. Small Business within 0.5 miles, and At Large, Housing Advocate) to the Potrero Yard Neighborhood Working Group. To apply, complete the online form or download the PDF application located on the project page.

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