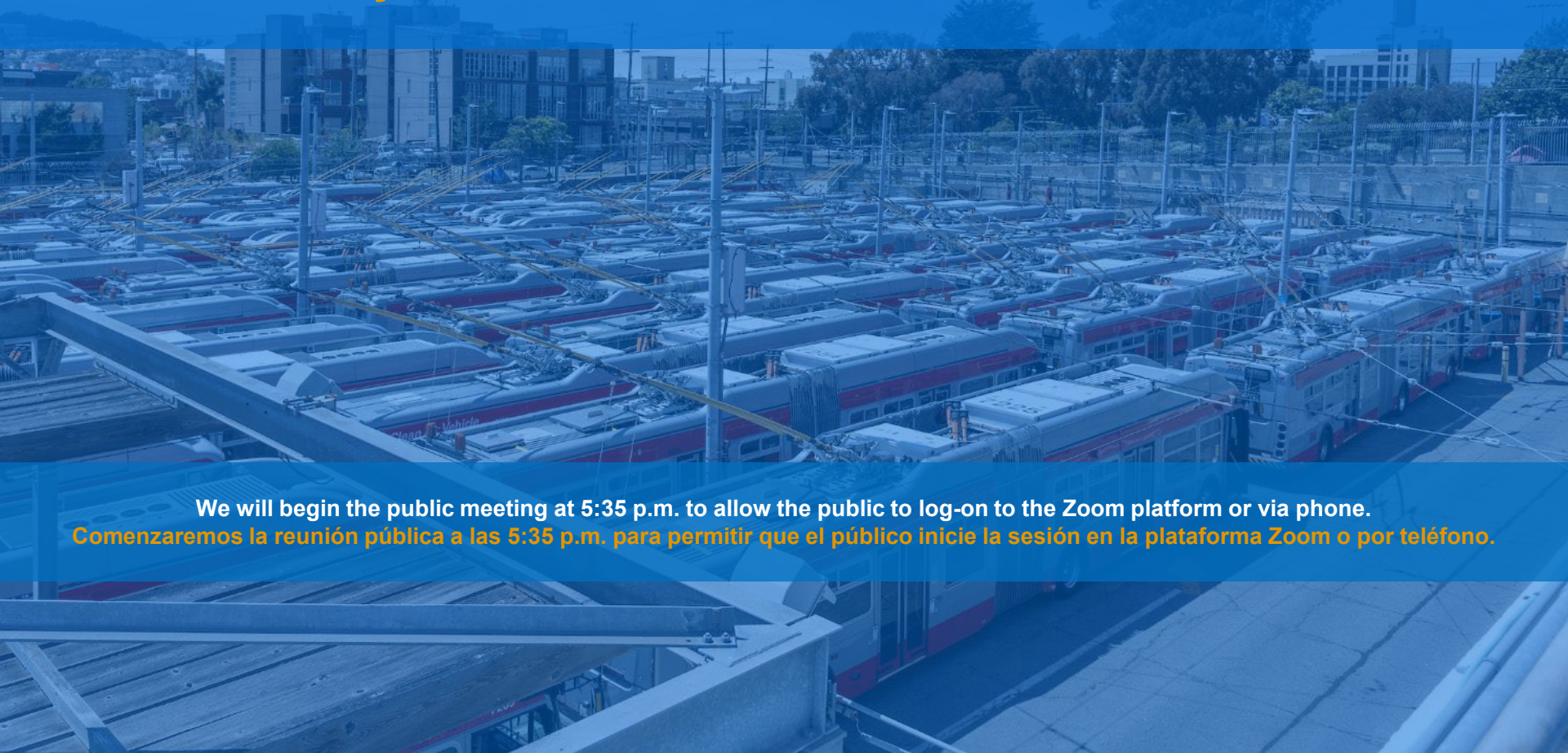


Thank you for joining the SFMTA and Potrero Neighborhood Collective (PNC) to learn more about the most recent updates to the Potrero Yard Modernization Project.

Gracias por acompañar a la SFMTA y Potrero Neighborhood Collective (PNC) para aprender más de las actualizaciones del Proyecto de Modernización del Potrero Yard.

**We will begin the public meeting at 5:35 p.m. to allow the public to log-on to the Zoom platform or via phone.
Comenzaremos la reunión pública a las 5:35 p.m. para permitir que el público inicie la sesión en la plataforma Zoom o por teléfono.**





SFMTA

Potrero Yard Modernization Project Update

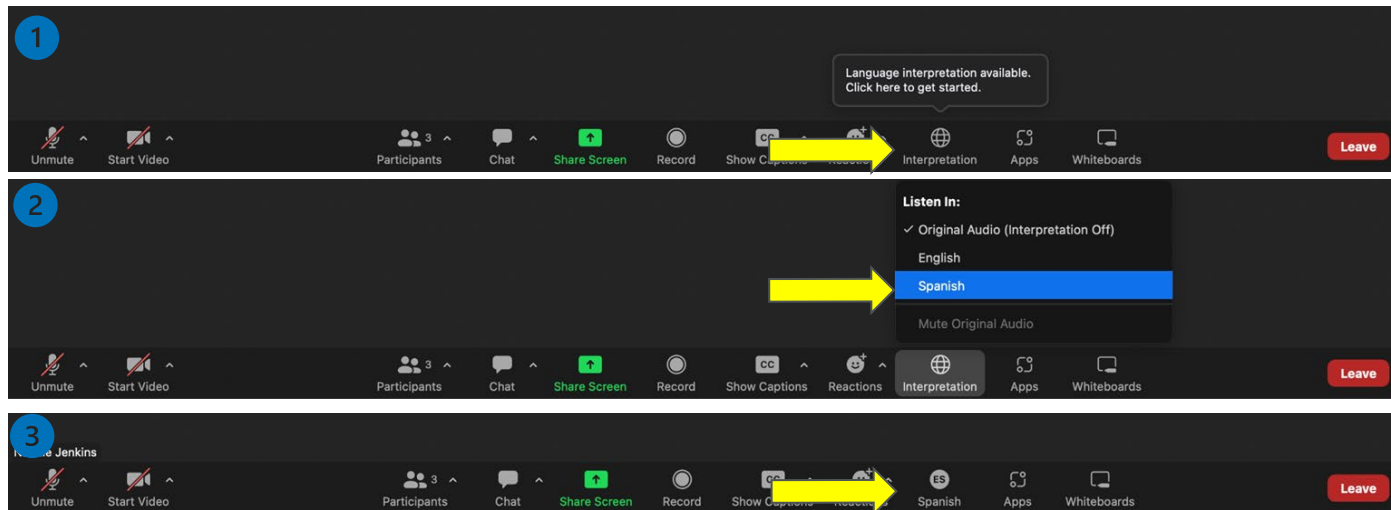
October 16, 2025



SPANISH INTERPRETATION INTERPRETACIÓN EN ESPAÑOL

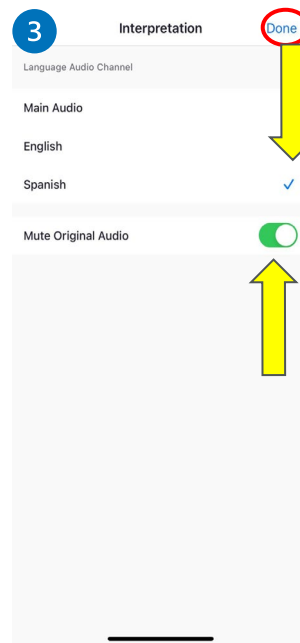
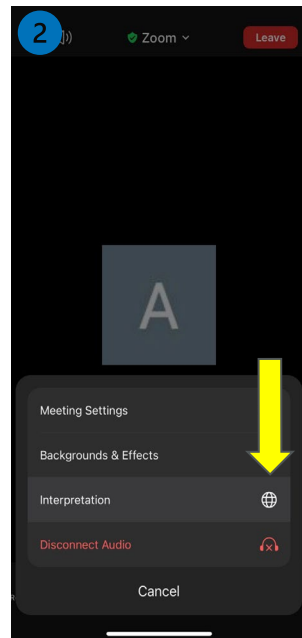
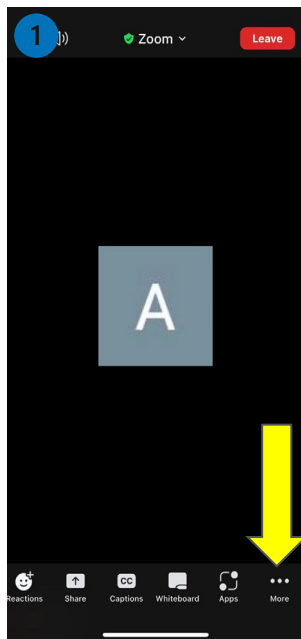


Interpretación en español (computadora)



- 1 Ubique el ícono del globo con la etiqueta "Interpretation" en la barra de herramientas de Zoom (al fondo de la pantalla).
- 2 Haga click en el globo y seleccione "Spanish".
- 3 Después de haber seleccionado "Spanish", verá el idioma elegido en la barra de herramientas y podrá escuchar la interpretación.

Interpretación en español (celular o tableta)



- 1 Ubique y seleccione el ícono con 3 puntos y titulado "More".
- 2 Elija "Interpretation" (indicado con el ícono del globo).
- 3 Seleccione "Spanish". Mueva el botón verde a "Mute Original Audio". Haga click en "Done" para regresar a la presentación.

Interpretación en español por teléfono

La Plataforma de Zoom no puede proveer el servicio de interpretación por teléfono. Si quiere escuchar la presentación en español, puede:

- Colgar y marcar a **(925) 338-0926**

USING ZOOM



Using Zoom



Attendee Video is turned off for this meeting. Only presenters will have their video turned on when they are speaking.



Attendee microphone is muted for this meeting. Only presenters will have their microphone unmuted while they are speaking.



Closed caption is provided by clicking the “Captions” button (CC image) and selecting the preferred language.

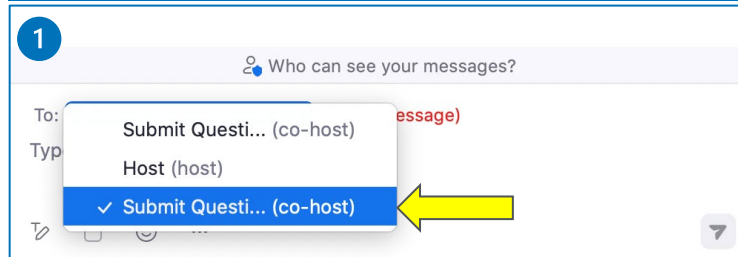
Questions and Comments

- **Attendees are encouraged to submit questions or comments at anytime via the Chat feature on Zoom or by texting to 415-471-6116.**
- You may submit as many questions or comments as you would like. Please send each question or comment separately to help us ensure that no question or comment is missed.
- The SFMTA and PNC will respond to questions and comments during a Questions and Answer (Q&A) session after the presentation. At a later date, all questions and our responses will be provided online at www.sfmta.com/PotreroYard.

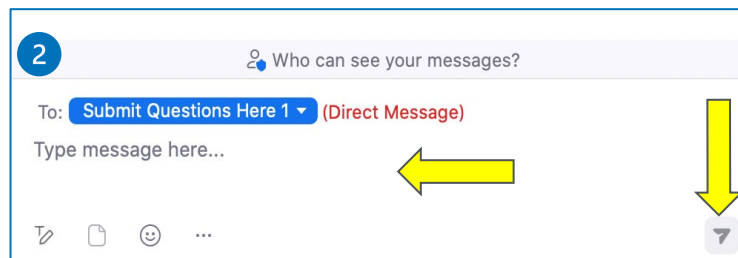
Questions and Comments - Zoom

For attendees joining through the Zoom platform, please send all questions and comments by:

Desktop Computer:

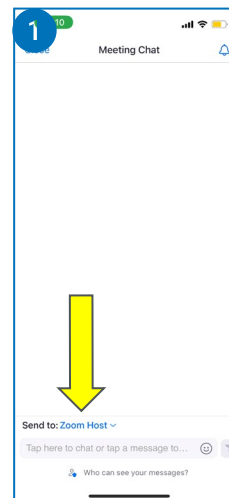


Open chat. Click "Submit Questions Here 1" in the "To" field.

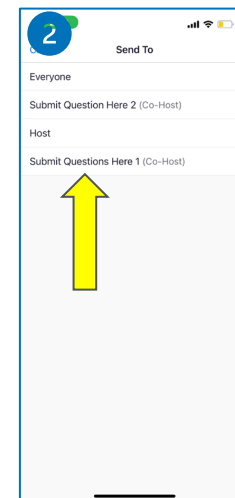


Type message and click arrow to send message.

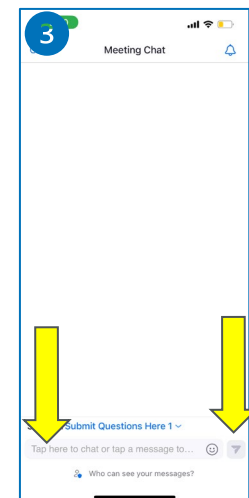
Mobile Device



Open Chat and click the field next to "Send to".



Select "Submit Questions Here 1".



Type message and click arrow to send message.

AGENDA



BUILDING PROGRESS

Agenda

- Who We Are
- Project Concept
- Project Updates
- Questions and Answers

WHO WE ARE



Who We Are: Project Team



Project Owner: San Francisco Municipal Transportation Agency (SFMTA)



Lead Developer: Potrero Neighborhood Collective (PNC)



Selected Prime Contractor

After a competitive procurement process and careful consideration, **PNC selected Webcor as the Selected Prime Contractor in early 2025 and is working with Webcor to finalize pricing and schedule to meet the SFMTA's operational needs.**



Webcor has a successful record of:

- Delivering projects in and around San Francisco including Salesforce Transit Center, SFPUC Biosolids, Zuckerberg SF General Hospital, and Moscone Center Expansion
- Extensive experience with complex public private partnership (P3) delivery structures
- Engaging San Francisco Southeast corridor communities,
- Utilizing Disadvantaged Business Enterprises (DBE), Small Business Enterprises (SBE), as well as other local small businesses.

Project Milestones

The SFMTA and PNC have partnered with community to reimagine Potrero Yard as a joint development. We thank you for your partnership and support to reach these milestones:

- ✓ Project pre-planning conducted
- ✓ PNC selected as project Development Team
- ✓ SFMTA and PNC joint community outreach and engagement on project design progression
- ✓ Entitlements granted by BOS and mayor
- ✓ Updated the Environmental Impact Report (EIR) and received CEQA certification
- ✓ Received federal NEPA Clearance
- ✓ General Contractor selected
- ✓ Targeted outreach to local, small, and disadvantaged businesses
- ✓ Initial pricing provided

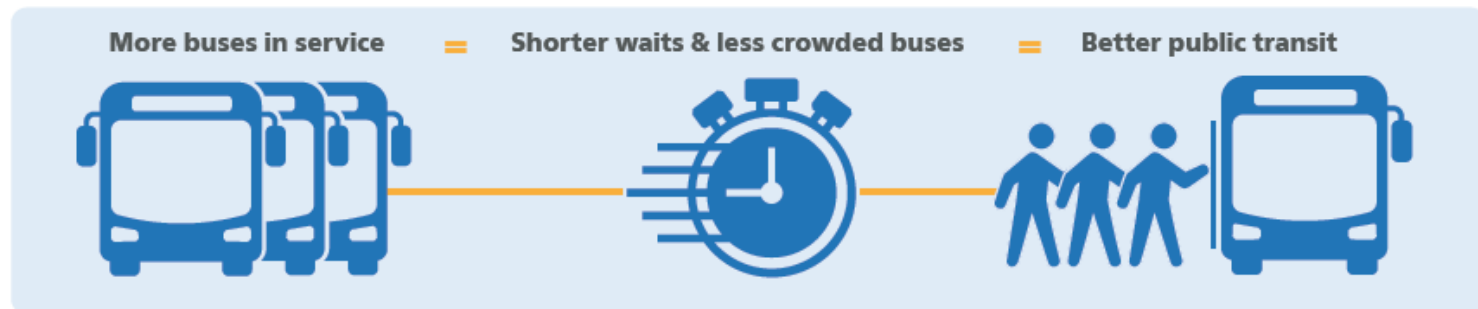
PROJECT CONCEPT



Critical Infrastructure

At its core, the Potrero Yard Modernization Project is a **critical infrastructure** project. Replacing the facility now will:

- Improve **earthquake safety** at one of our most vulnerable facilities.
- Create safer **working conditions** for more **efficient** bus repairs and staff retention.
- Preserve **essential transit** service for San Francisco residents while also allowing the agency to grow its fleet as ridership recovers.
- Ensure consistent and reliable service to **Muni Service Equity neighborhoods**.



Entitled Project (2024)

Proposed Project



The proposed Project includes:

- Four-story bus yard that supports up to 246 buses
- Up to 465 residential units
- A maximum allowable height of 150 feet
- Approximately 92,000 square feet of open space
- Protected and widened bike lanes with a new crosswalk on 17th Street and Hampshire Street

Proposed Project Variant
(Paratransit)



The proposed Project Variant includes:

- Four-story bus yard that supports up to 246 buses
- Space for paratransit ramps, circulation, and parking for up to 160 paratransit vehicles
- Approximately 100 residential units along Bryant Street
- Approximately 6,000 square feet of open space on roof of Bryant Street housing
- Protected and widened bike lanes with a new crosswalk on 17th Street and Hampshire Street

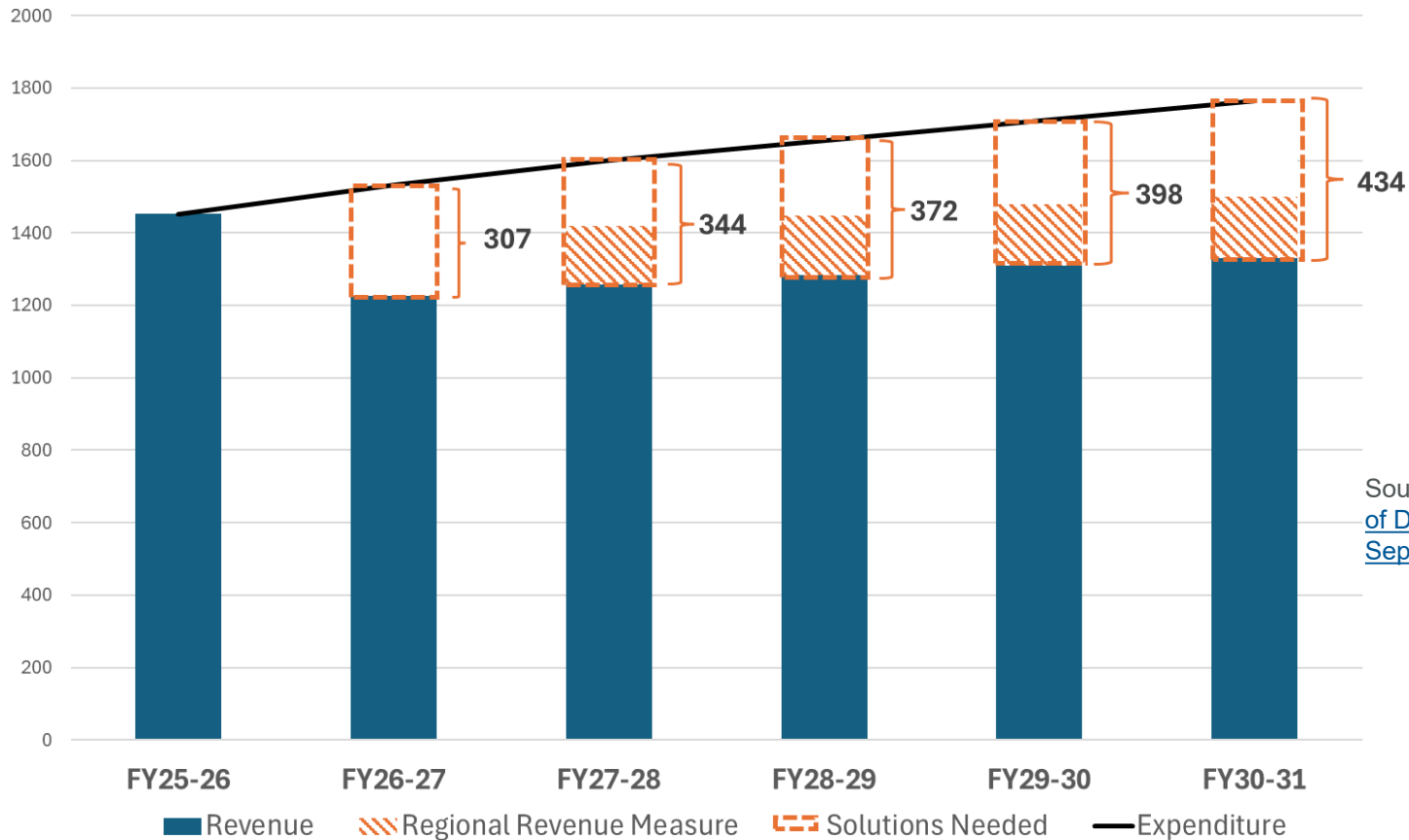
PROJECT UPDATE



BUILDING PROGRESS

SFMTA Budget Update

The SFMTA faces a **projected \$307 million operating budget shortfall** beginning July 1, 2026, when state and federal relief run out. We have been able to reduce the gap from previous estimates.

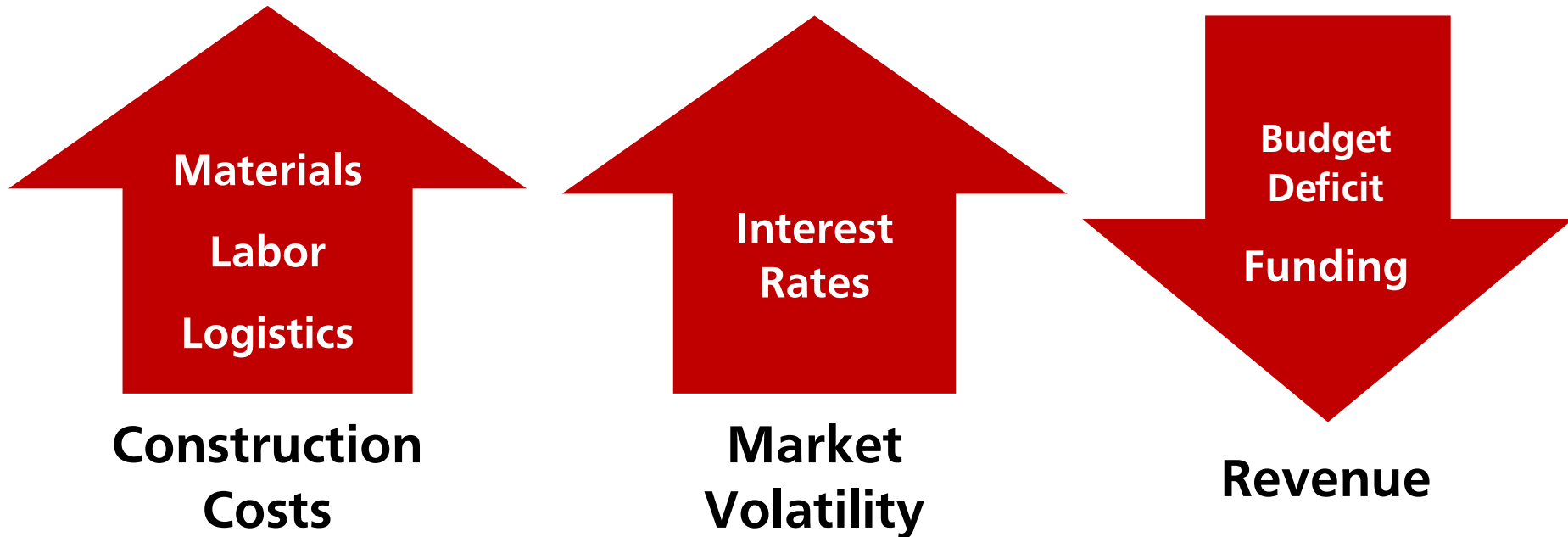


The project is now in one of its most difficult stages: final pricing for the bus yard.

We are facing significant financial pressures.

The SFMTA and Potrero Neighborhood Collective are looking for a path to make this project feasible.

Affordability Challenges

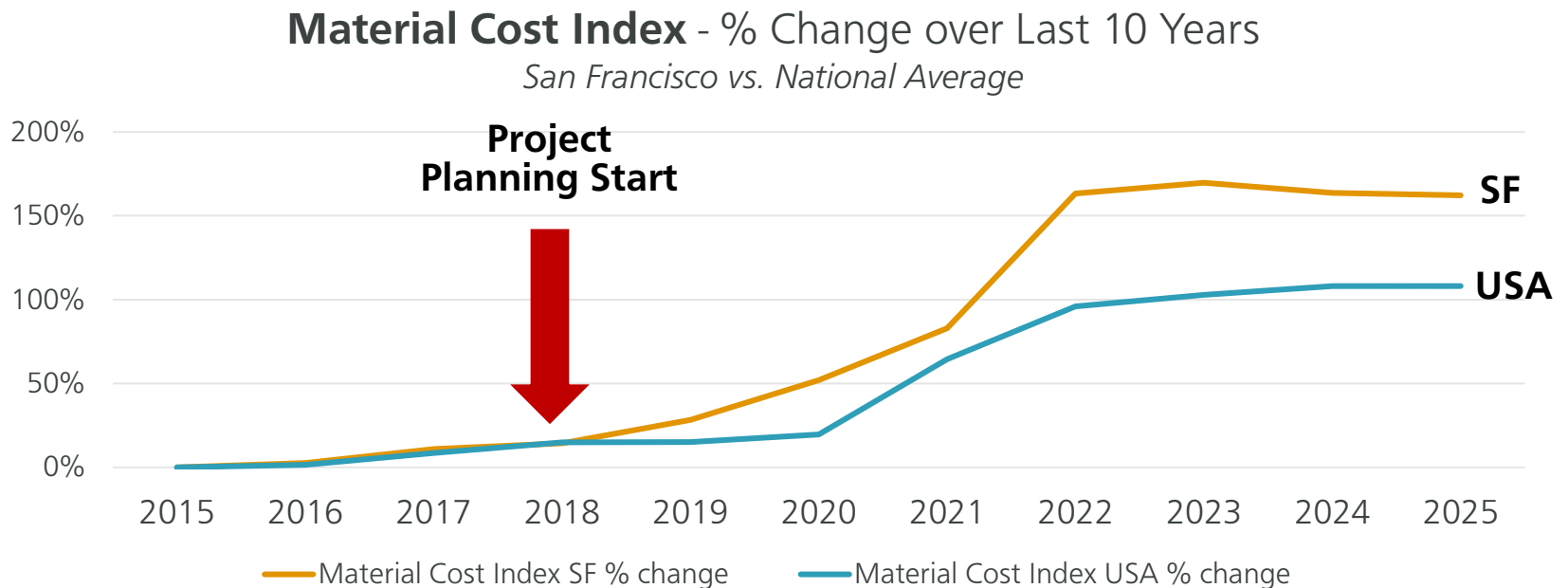


In recent months we have analyzed how to:

- 1. Lower cost of design and construction.**
- 2. Reach an affordable price for both milestone payments and long-term annual payments.**

Market Conditions: Construction Materials Cost Rise Steeper in SF

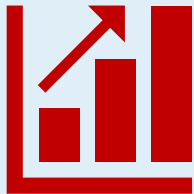
Inflation has impacted the cost to build across the country. Cost of materials have risen significantly over the past 10 years, particularly in San Francisco.



Source: Engineering News-Record (ENR)

Timing Challenges

- Our partnership with Potrero Neighborhood Collective (PNC) enables the City to design, build, and finance the new bus yard, repaying the cost over time.
- Ridership is growing and we need to be prepared with reliable transit services to meet this increased demand.
- The predevelopment agreement with PNC **expires March 31, 2026.**
- Without a project agreement approved by this date, the entire project is endangered.



Costs only increase with delays, making the project further out of reach.

Creating a Path to Feasibility to Build a New Bus Yard

At this time, major project modifications must be considered with the goal to reach an affordable price for the SFMTA.

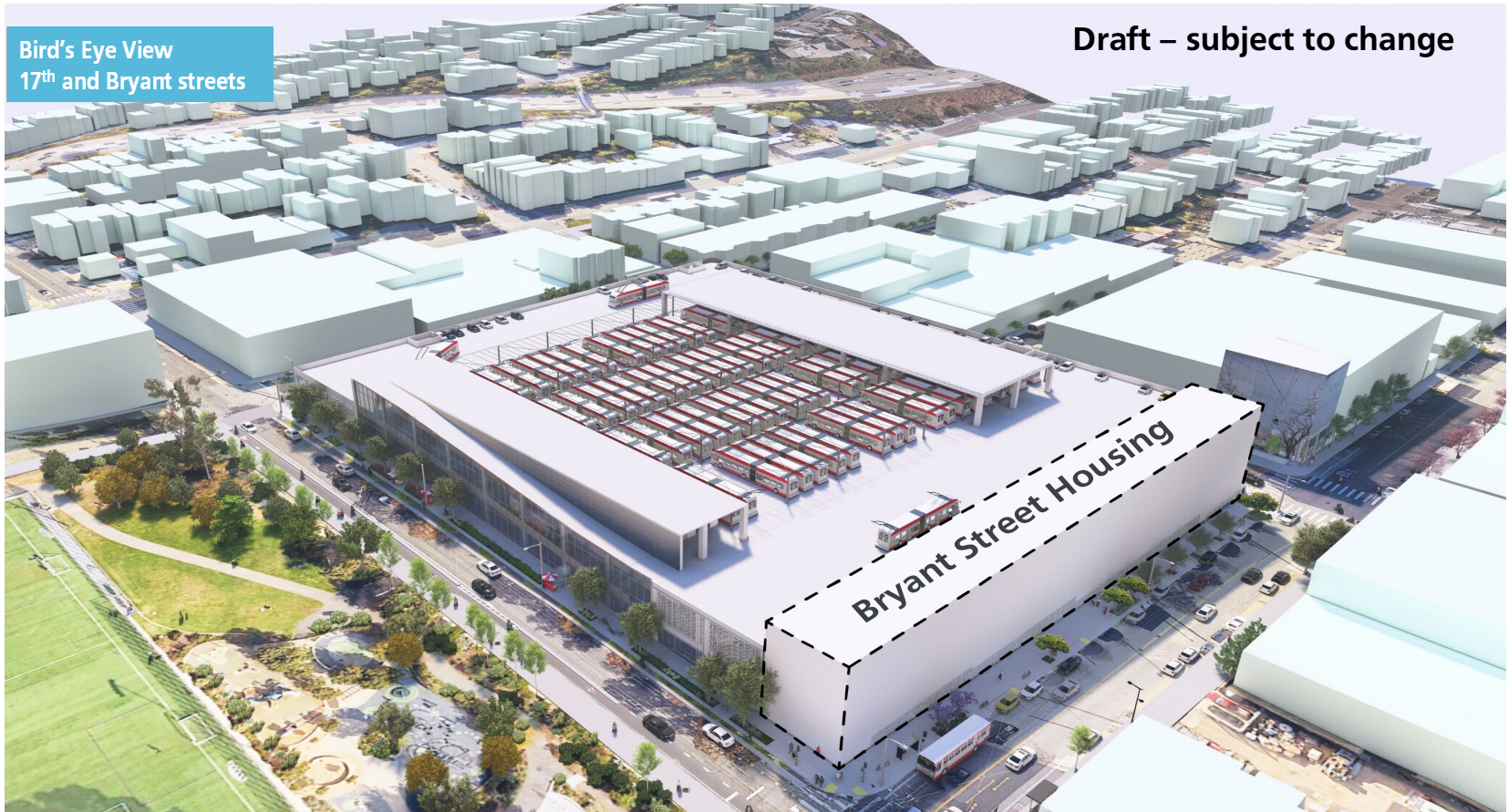
If we cannot reach an affordable price, the entire project — including all community benefits — would be endangered.

We have examined additional areas of saving, efficiency, and optimization to create a *Path to Feasibility*.

Current Project Proposal

Bird's Eye View
17th and Bryant streets

Draft – subject to change



Changes being considered from the Entitled Project Include:

- Removing the podium and roof (eliminates the option for housing and paratransit operations above the bus yard – retains approximately 100 units of housing on Bryant St)
- Reducing the size of the basement and mezzanine levels
- Removing operations and maintenance from the deal structure

Path to Feasibility: Removing the Podium and Roof

Current Plan

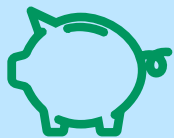
Reinforced structural podium

- A five-foot concrete pad and structural support is needed to support housing (or paratransit).

Proposal

Remove the podium and roof

- **This would eliminate the opportunity to construct any housing or paratransit above the bus yard.**
- Removing the roof would return the bus yard to an open-air facility on the 4th floor where trolley buses are planned to be washed and parked.



Short-Term Cost Savings — Reduces construction labor/materials cost, overhead costs, and time required to build the bus yard

Long-Term Cost Savings – avoids substantial additional financing costs of the upfront investment required for podium housing

Path to Feasibility: Removing the Podium and Roof (cont.)

Removing the podium would be an extremely difficult decision — especially after the SFMTA and PNC co-created strategies to save the podium housing opportunity. Key concessions that the SFMTA made over the last two years include:



Changed the housing schedule to a **phased approach** to allow housing developers more time to secure funding.



Developed a strategy to **navigate regulatory requirements** so SFMTA would be permitted to pay for the upfront costs of the strengthened podium (by including a paratransit alternative).

The cost of the podium is a key portion of the bus yard's lack of affordability.

Path to Feasibility: Reducing Basement

Current Plan

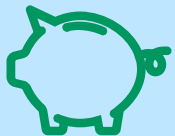
Basement at full depth and size

- Includes some SFMTA working space, bicycle & carshare/NRV parking, and building systems for both the bus yard and housing.
- Excavation depth and footprint most costly to construct.

Proposal

Scale back basement from full level

- Remove or move some systems to other parts of building.
- Approximately ~67,000 sq ft reduction.



Brings flexibility — Could streamline construction and simplify Bryant Street Housing development

Cost Savings — Decrease in construction labor/materials cost, overhead costs, and operation & maintenance costs

Revised Schedule — Reduce time required to build the bus yard

BUILDING PROGRESS

Path to Feasibility: Redesigning Ground Floor

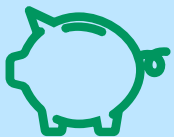
Current Plan

The ground floor of Potrero Yard is designed to include three (3) retail spaces, a public restroom, and two (2) SFMTA staff lobby entrances.

Proposal

Redesigned ground floor includes:

- Reduces retail square footage (removed: 17th and Hampshire streets)
- Eliminates one (1) SFMTA staff lobby (17th and Bryant streets)
- Public restroom retained.



Cost Savings — Construction labor/materials cost, overhead costs, and time required to building the bus yard.

Prevents Revenue Loss - Reduces risk of retail vacancy.

Path to Feasibility: Restructuring Agreement

Current Plan

The original deal structure was for PNC to design-build-finance-operate-maintain (DBFOM) the yard

- PNC to finance the cost of design & construction and maintain the bus facility.
- The SFMTA to pay PNC back for these costs over 30 years.

Proposal

Restructuring the agreement with PNC to **remove O&M**

- PNC would only finance the yard's design and construction.
- SFMTA would perform O&M on facility's systems and structure.



Cost Savings — Significant savings over 30 years in annual payments

Not Every Idea to Lower Cost Works

To address cost and time challenges facing the project, the Team considered several ideas that ultimately could not move forward, such as:

- **Eliminating one level of the bus yard** – removing the 4th floor reduces construction costs but also reduces bus capacity by more than a third, negatively impacting transit service.
- **Reducing the building footprint** – this option negatively impacts bus circulation in the building, reduces the number of bus wash stations and maintenance bays, and severely impacts bus operations.
- **Extending financing term** – a 40-year repayment term, rather than 30 years, would reduce the SFMTA's annual payments but would also add hundreds of millions in additional financing costs.
- **Considering market-rate housing** – presumed to be a way to generate additional revenue, market-rate housing is stalled across the city without the added complexity of building above a bus yard. Community feedback shows a strong preference for affordable housing rather than market-rate.

Preserving Bryant Street Housing

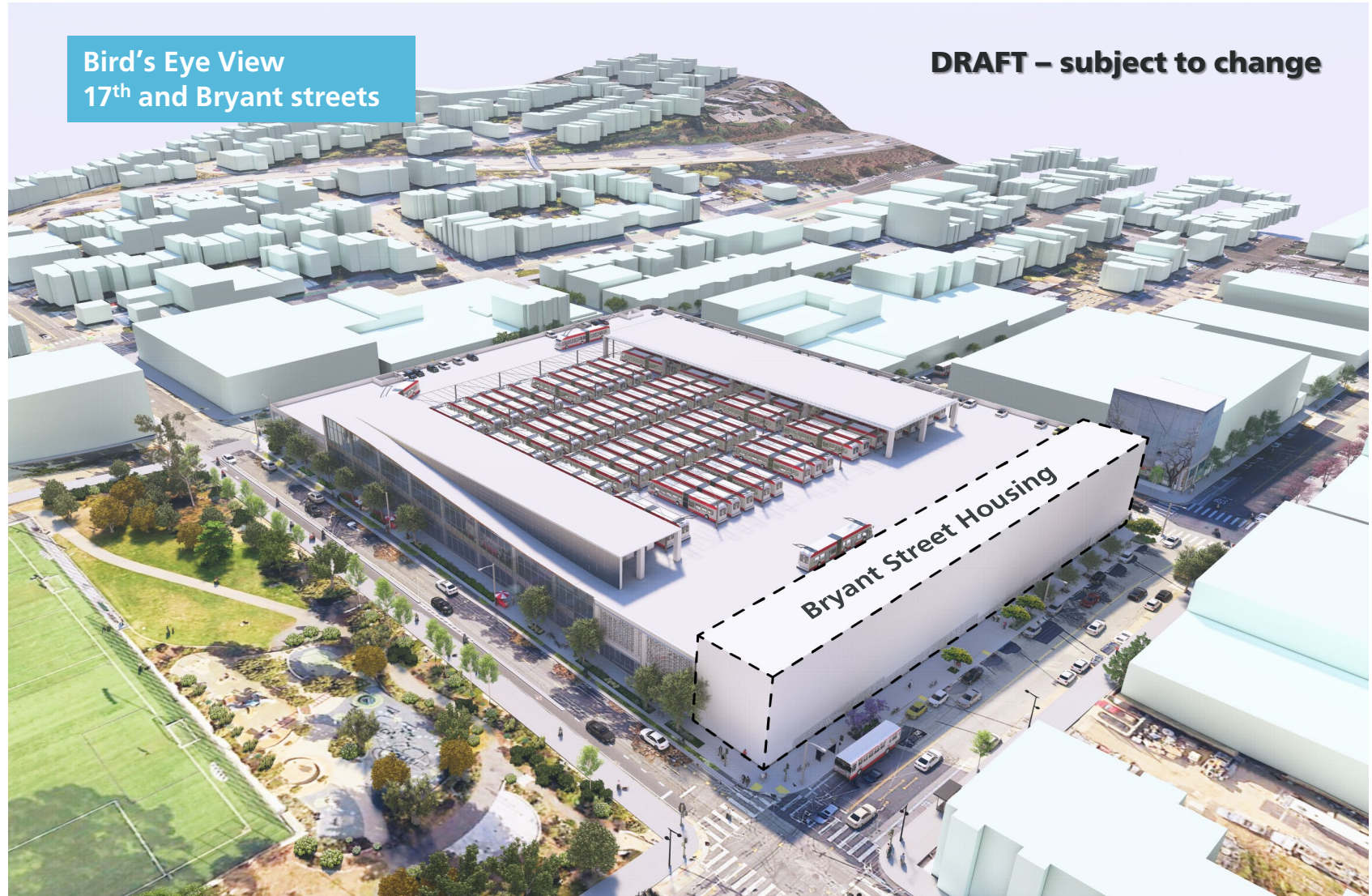
While the primary focus is on making the bus yard financially feasible, the city and MY-T (affordable housing developer) agree that **removing the strengthened podium over the bus yard would not impact the ability to build the approximately 100 units of affordable housing** along Bryant Street.

We are being transparent about the challenges and trade-offs while reaffirming our long-term commitment to affordable housing.

Path to Feasibility: Rendering

Bird's Eye View
17th and Bryant streets

DRAFT – subject to change



Project Public Amenities Retained

Prior to selecting a Lead Developer, the Neighborhood Working Group informed the principles for delivering public benefits. The team has worked to retain these amenities requested by the Working Group:

- **Community Room** - meeting space accessible by the public with advanced reservations.
- **Public Restroom** – located near Franklin Square to serve parkgoers and public at large.
- **Streetscape Improvements** – including widened sidewalks, enhanced landscaping, and improved crosswalks.
- **Upgraded Bicycle Lanes** – upgrades the 17th Street Bikeway between Bryant Street and Hampshire Street to Class IV with protected and widened bicycle lanes.
- **Bicycle Parking** – provides Class 1 staff bicycle parking (long-term parking) and Class 2 short-term bicycle parking.

SBE / DBE Plan Update

A Small Business Enterprise / Disadvantaged Business Enterprise (SBE/DBE) Plan was approved by the Board of Supervisors in December 2024. This plan includes:

- SBE and DBE participation goals
- SBE set-asides for specific scopes of work, including trucking
- Required outreach and reporting protocols for PNC and its general contractor
- Statement confirming that SF Local Business Enterprises (LBEs) are considered to be SBEs

The existing SBE/DBE Plan applies to the new design for Potrero Yard Modernization Project. PNC and CCO are working to update the SBE/DBE Plan to meet the requirements of the recently released Interim Final Rule on the DBE and ACDBE program (Federal Register, Docket No. DOT-OST-2025-0897).

Anticipated Bus Yard Facility Project Schedule

2025	2026	2027–30
• Spring–Fall: value engineering and price reduction process, Design-Build submit final pricing, finalize deal terms and project structuring • Late Sep–Oct: additional outreach & engagement phase • Nov–Dec: SFMTA to determine if Design-Build final price is affordable	• Jan–Feb: SFMTA Board & BOS approval of Bus Yard Project Agreement • February: Muni bus operations temporarily relocated • Late Feb–Early Mar: Financial Close, Preconstruction “notice to proceed” (NTP) • Spring–Fall: PNC takes control of site to begin demolition and construction	• Q2 2030 Bus Yard reaches Substantial Completion (<i>bus yard construction expected to last approximately 4 years</i>) • 2030: Bus yard reopens

All dates are subject to change

QUESTIONS & ANSWERS

PREGUNTAS Y RESPUESTAS



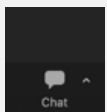


SFMTA

Questions?

Please submit your questions or comments by:

Clicking "Chat" button:



Select: "Submit
Questions Here 1"

Sending an SMS text to:

415-417-6116

BUILDING PROGRESS

Thank you for joining us!

Learn more about the Potrero Yard Modernization Project, get involved, and stay informed:



[SFMTA.com/PotreroYard](https://sfmta.com/PotreroYard)



PotreroYard@SFMTA.com



PotreroYard@plenarygroup.com



(415) 646-2223





Thank you for coming!

BUILDING PROGRESS

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[SFMTA.com/PotreroYard](https://sfmta.com/potreroyard)

