

Potrero Yard Neighborhood Working Group Meeting #41 Minutes
 Tuesday, February 13, 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:
Amy Beinart	Chris Jauregui	Bonnie Jean von Krogh (SFMTA)
Christian Vega	Clem Howard	John Angelico (SFMTA)
Erick Arguello	Jackson Smith	Kerstin Margary (SFMTA)
Heather Dunbar	Jennifer Trotter	Tim Kempf (Public Works)
Jolene Yee	Kaila Price	Members not in attendance:
J.R. Eppler	Kelsey Frost	Alexander Hirji
Magda Freitas	Myrna Ortiz	Claudia DeLarios Morán
Mary Travis-Allen	Natalie Jenkins	Jorge Elias, Jr.
Roberto Hernandez	Seth Furman	Manuel (Dino) Santamaria
Scott Feeney	Other Attendees:	Peter Belden
	Cfh (guest)	Raven McCroey
	Kurt Ricci	
	415-***-3004	
	415-***-6572	

Purpose of the meeting

The purpose of the meeting was to provide a general update on the Project schedule, housing procurement, and public art.

Item 1. Welcome

John Angelico: (Slide 2) Introduced agenda and opened meeting.

Item 2. Member and SFMTA Announcements

John Angelico: (Slide 4) Members of the public will soon have an opportunity to weigh in on the SFMTA’s budget cycles for ‘24 – ‘25 and ‘25 – 26. Input must be submitted by May 1. There are

several topics that the public can provide feedback on. The SFMTA will host an informational session on Thursday, March 7 from 11:30 a.m. – 1:30 p.m. at the Richmond Public Library. A budget deficit is anticipated from the '24 – '25 fiscal year. To close the gap, the SFMTA has restricted hiring to key positions that increase MUNI efficiency.

John Angelico: (Slide 5) Introduced Working Group announcements.

- There were no announcements from the members.

Item 3. Schedule Updates

John Angelico: (Slide 6) Introduced schedule updates.

Bonnie Jean von Krogh (Slide 7) Reviewed the December 2023 - January 2024 schedule for City and County Engagement.

- SF County Transportation Authority, December 5, 2023
 - The board approved Prop L funding for the Project.
- SF Board of Supervisors, December 5, 2023
 - Supervisors Ronen and Walton co-sponsored the entitlement process.
- SF Recreation and Parks Commission, December 21, 2023
 - Found that there is not a significantly adverse shadow impact to Franklin Square.
- SF Board of Supervisors, January 9, 2024
 - Introduction of amended SUD proposal.
- SF Planning Commission, January 11, 2024
 - CEQA public hearing.
- SF Board of Supervisors, February 13, 2024
 - Introduced the Continuation Payment.

Bonnie Jean von Krogh: (Slide 8) Upcoming City and County engagements include:

- SF Board of Supervisors - Land Use and Transportation Committee - February 26, 2024
- SF Board of Supervisors - Budget and Finance - February 28, 2024
- SF Board of Supervisors - First Reading - March 5, 2024
- SF Board of Supervisors- Final Reading - March 12, 2024
- Mayor for signature - March 13 – 22

Jennifer Trotter: We are excited to submit our proposal for the Affordable Housing and Sustainable Communities (AHSC). It aligns with the Project Entitlements schedule as an entitled project is more competitive for AHSC.

Bonnie Jean von Krogh: (Slide 9) The Continuation Payment is a component of the Pre-Development Agreement that was approved by the SFMTA Board. A milestone payment of \$4.35 million is due to PNC from the SFMTA at the time that the entitlements are adopted. This is in recognition of reaching this milestone.

Q: So the funding comes from the SFMTA but the Board of Supervisors need to approve the payment? (Amy Beinart)

- A: Correct. The amount of the payment requires Board approval. (Bonnie Jean von Krogh)

Q: Is this the first payment PNC has received? (Amy Beinart)

- A: Yes. (Bonnie Jean von Krogh)

Bonnie Jean von Krogh: (Slide 10) Thank you to everyone who has written a letter of support. We have received 21 letters of support but our efforts are not over yet. Please consider attending the upcoming Land Use hearing (February 26) and the Budget and Finance hearing (February 28). Virtual public comment is not accepted, however, comments can be emailed to the board prior to the hearings. If you can only attend one, please consider attending the Land Use hearing.

Chris Jauregui: (Slide 11) We are continuing to hold listening sessions with community organizations. In February, the SFMTA and PNC plan to provide Project briefings to:

- PODER / Bicis del Pueblo (February 15)
- SF Latino Task Force (February 21)
- 1800 Bryant Street HOA (date TBD)

Q: For the Land Use meeting, can the SFMTA submit the same letters we already wrote for Planning and Rec and Park? (Jolene Yee)

- A: We do have the packet of letters submitted to the Planning Commission, but since this is the Planning Department's agenda item, we have requested they include the previous letters in their legislative packet. This is not typically done so we are forwarding the letters to the Board of Supervisors as well. (Bonnie Jean von Krogh).

Q: Can you send us the contact information for who you would like us to address the letters to? (Jolene Yee)

- A: Yes. (Bonnie Jean von Krogh)

Q: Do you have notes from the past listening sessions? I'm curious what you are hearing from them. (Amy Beinart)

- A: We have held over 50 meetings over the last year. We do have notes, however a lot of the meetings were regarding the design phases. We can look into summarizing the meeting notes to provide some insights to the working group members. (Chris Jauregui and Jennifer Trotter)

Item 4. Housing Update

John Angelico: (Slide 12) Introduced the Housing Update.

Seth Furman: (Slide 13) Notified that PNC is in the process of applying to the Affordable Housing and Sustainable Communities (AHSC) program through the state. PNC will submit the application in March and expect to have the results in August 2024. The California Housing and

Community Development department appreciates projects that have worked with the community for input and guidance. Because of that, we have drafted a letter that we ask Working Group members to sign in support of the Project. The language in this letter is similar to the letters you have written in support of the Project to the various commissions.

Q: Is this going to be family housing? (Scott Feeny)

A: Yes. (Seth Furman)

Q: Does receiving a “pro-housing” designation through AHSC from the state make the Project more competitive for City funding? (Scott Feeny)

- A: We would receive points in the scoring if San Francisco is designated as “pro-housing” by the State for our AHSC application. We are working with MOHCD to confirm if we can get these points. (Myrna Ortiz)

Q: Is this funding attached to J40 federal funding? (Roberto Hernandez)

- A: No, this is not a federally funded project. (Seth Furman)

Q: MOHCD has a priority list for projects they will fund. Often the State asks the City if the Project they are reviewing is a local priority. Are we a local priority within MOHCD? (Roberto Hernandez)

- A: Yes, we are in the MOHCD pipeline which is why we are submitting an application. We wouldn't submit this without MOHCD's endorsement of this Project. (Seth Furman)

Q: It is one thing for them to support it and another to ensure that this Project is on the list of priorities. (Roberto Hernandez)

- A: This Project is supported in a variety of ways: verbally, financially (\$35M), with technical assistance, expertise, and guidance. (Seth Furman)

Q: Who at the state for the California Strategic Growth Council can we speak to regarding funding this Project? I will make calls and want to make sure that the Project is as far along as we are saying it is. (Roberto Hernandez)

- A: That is the letter Myrna presented. The letter is addressed to the Executive Director of the Strategic Growth Council (Lynn von Koch-Liebert). (Seth Furman)

Myrna Ortiz: This letter will be emailed to NWG members as follow-up for a digital signature.

John Angelico: If you have additional questions, please feel free to email PotreroYard@plenaryamericas.com or PotreroYard@SFMTA.com.

Item 5. Project Procurement

Chris Jauregui: (Slide 15) PNC is in the process of creating the RFP that will go to shortlisted bidders. This is the same process that was shared previously. Details are being finalized for the

housing contractor procurement. For HCC, we will bring on a construction manager to support design and construction finalization in conjunction with MOHCD.

Chris Jauregui: (Slide 16) PNC has recommended to the SFMTA to move forward with three shortlisted respondents. This is for the Bus Yard Infrastructure Facility only. One of these bidders will be selected as the contractor entering into an agreement on a fixed price and fixed schedule. The shortlisted contractors are: Build Group, Hensel Phelps, Webcor.

Chris Jauregui: (Slide 17) We are pleased to release the Bus Yard Design-Builder shortlist respondents. There will be LBE contractor outreach events to provide opportunities for LBEs to engage with short-listed respondents prior to them submitting bids to PNC. We anticipate the proposals will be in hand later this year and PNC will select a preferred bidder shortly after that.

Item 6. Local Business Enterprise (LBE) Plan

Bonnie Jean von Krogh: (Slide 19) PNC and the SFMTA developed a draft LBE Plan for the design and construction phases of the BYC (“LBE Plan for BYC”). The LBE Plan for BYC outlines the approach that we’ll take for LBE participation and expectations and compliance requirements for the design-builder of the BYC. The LBE Plan for BYC was open for two weeks of public comments. PNC and the SFMTA received feedback and comments that are under review to inform the final Plan. The LBE Plan for BYC would be monitored by the SFMTA Contracts and Compliance Office (CCO). A separate LBE plan will be developed for the housing portion, which will be monitored by the City’s Contract Monitoring Division (CMD).

Chris: (Slide 20) The Lead Developer (LD) LBE Liaison role will support the PNC team in ensuring the LBE Plan for BYC is executed by the selected contractor. As part of the procurement for this role, three qualified bids were submitted and PNC ultimately selected Rosales Business Partners and Yerba Buena Advisors as a joint team. PNC will continue to work with the SFMTA CCO to ensure compliance.

Q: When you say this is the City’s first P3, it seems that the City does a lot of joint developments. What about this is new? (Scott Feeny)

- A: For the City, this is a Design, Build, Finance, Operate, and Maintain (DBFOM) Project. This has never been done and there is no framework within the City for this type of Project. That is why we had to get legislative approval. We chose to do a “best value” as opposed to a “lowest bid” selection which is why we selected PNC as the lead developer. (Bonnie Jean von Krogh)
- A: The additional point is that there is a predevelopment agreement. The value that a developer does for the City is that they provide a fixed price and all of the risk is on the private developer. The legislation was important as it allowed the Project to start. (Chris Jaregui)

Statement: You did a great job selecting the LD LBE Liaison Team. (Roberto Hernandez)

Response: Thank you. (Jennifer Trotter)

Item 7. Public Art

John Angelico: (Slide 22) This Project has an extensive public art component. The RFQ call to artists closed on January 22 and 225 responses were received. Next, the Qualifications Review Panel will use established criteria to make a first pass at which applicants will move on to the next round. The Artist Qualification Review Panel will meet on February 15 from 10 a.m. to 2 p.m. and is open to the public.

Q: I conducted my own outreach to encourage artists to apply. The biggest response I received was “I don’t want to apply because I won’t be considered.” How many artists will be selected to work on the site? (Roberto Hernandez)

- A: There are three art opportunities: one using mosaic and two using glass. A minimum of three artists will be selected. Sometimes artists collaborate so perhaps one proposal will list multiple artists who submitted as a team. (John Angelico)
- Response: I encourage you to give people the opportunity to collaborate to allow more artists to participate and get experience. (Roberto Hernandez)

Item 8. Next Steps

Chris Jauregui: (Slide 24) PNC and the SFMTA have the following community outreach activities planned (subject to change):

- BOS Land Use and Transportation Committee: February 26, 2024
- BOS Budget & Finance Committee: February 28, 2024
- BOS readings (First, Final): March 5, 2024, and March 12, 2024
- Next Working Group meeting: March 12, 2024
- Listening Sessions with various community stakeholders (dates TBD)

Jennifer Trotter: (Slide 25) Please join us at the Mardi Gras Celebration down the street at Bissap Baobab.

Item 9. Public Comment

No public comments. John Angelico adjourned the meeting at 6:30 p.m.