



RESOLUTION ALLOCATING \$5,773,403 AND APPROPRIATING \$150,000 IN PROP K SALES TAX FUNDS, WITH CONDITIONS, FOR POTRERO YARD MODERNIZATION

WHEREAS, The Transportation Authority received requests for a total of \$5,923,403 in Prop K local transportation sales tax funds for the Potrero Yard Modernization project, as summarized in Attachments 1 and 2 and detailed in the attached allocation request form; and

WHEREAS, The requests seek funds from the Facilities–Muni and Facilities–Undesignated categories of the Prop K Expenditure Plan; and

WHEREAS, As required by the voter-approved Expenditure Plans, the Transportation Authority Board has adopted a Prop K 5-Year Prioritization Program (5YPP) for each of the aforementioned Expenditure Plan programmatic categories; and

WHEREAS, One of the two requests is consistent with the 5YPPs for the two relevant categories; and

WHEREAS, Our request to appropriate \$150,000 for enhanced oversight of the design phase of the Potrero Yard Modernization project requires amendment of the Facilities–Muni 5YPP, as summarized in Attachment 3 and detailed in the attached allocation request form; and

WHEREAS, After reviewing the requests, Transportation Authority staff recommended allocating \$5,773,403 and appropriating \$150,000 in Prop K Sales Tax Funds for design of the Potrero Yard Modernization project, as described in Attachment 3 and detailed in the attached allocation request form, which include staff recommendations for Prop K allocation and appropriation amounts, required deliverables, timely use of funds requirements, special conditions, and Fiscal Year Cash Flow Distribution Schedules; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2020/21 budget to cover the proposed actions; and

WHEREAS, At its December 2, 2020 meeting the CAC considered the Potrero Yard Modernization project and unanimously adopted a motion of support for the request, amended to require regular presentations to the CAC on the project as it progresses; and

WHEREAS, The staff recommendation for this item incorporates the CAC's



amendment; now therefore, let it be

RESOLVED, That the Transportation Authority hereby amends the Prop K Facilities–Muni 5YPP, as detailed in the attached allocation request form; and be it further

RESOLVED, That the Transportation Authority hereby allocates \$5,773,403 and appropriates \$150,000 in Prop K Sales Tax Funds, with conditions, for Potrero Yard Modernization, as summarized in Attachment 3 and detailed in the attached allocation request form; and be it further

RESOLVED, That the Transportation Authority finds the allocation of these funds to be in conformance with the priorities, policies, funding levels, and prioritization methodologies established in the Prop K Expenditure Plan and Strategic Plan, as well as the relevant 5YPPs; and be it further

RESOLVED, That the Transportation Authority hereby authorizes the actual expenditure (cash reimbursement) of funds for these activities to take place subject to the Fiscal Year Cash Flow Distribution Schedules detailed in the attached allocation request form; and be it further

RESOLVED, That the Capital Expenditures line item for subsequent fiscal year annual budgets shall reflect the maximum reimbursement schedule amounts adopted and the Transportation Authority does not guarantee reimbursement levels higher than those adopted; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the Executive Director shall impose such terms and conditions as are necessary for the project sponsor to comply with applicable law and adopted Transportation Authority policies and execute a Standard Grant Agreement to that effect; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the project sponsor shall provide the Transportation Authority with any other information it may request regarding the use of the funds hereby authorized; and be it further

RESOLVED, That the Capital Improvement Program of the Congestion Management Program, the Prop K Strategic Plan and the relevant 5YPPs are hereby amended, as appropriate.



Attachments:

1. Summary of Requests Received
2. Brief Project Descriptions
3. Staff Recommendations
4. Prop K and Prop AA Allocation Summaries - FY 2020/21
5. Prop K Allocation Request Form

Attachment 1: Summary of Requests Received

Source	EP Line No./Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Total Cost for Requested Phase(s)	Leveraging		
						Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴	District(s)
Prop K	20U, 20M	SFMTA, SFCTA	Potrero Yard Modernization	\$ 5,923,403	\$ 11,560,366	90%	49%	Planning, Environmental
TOTAL					\$ 11,560,366	90%	49%	

Footnotes

¹ "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2019 Prop K Strategic Plan or the Prop AA Expenditure Plan category referenced in the 2017 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit) or the Traffic Congestion Mitigation Tax (TNC Tax) category referenced in the Program Guidelines.

² Acronyms: SFCTA (Transportation Authority); SFMTA (San Francisco Municipal Transportation Agency)

³ "Expected Leveraging By EP Line" is calculated by dividing the total non-Prop K funds expected to be available for a given Prop K Expenditure Plan line item (e.g. Pedestrian Circulation and Safety) by the total expected funding for that Prop K Expenditure Plan line item over the 30-year Expenditure Plan period. For example, expected leveraging of 90% indicates that on average non-Prop K funds should cover 90% of the total costs for all projects in that category, and Prop K should cover only 10%.

⁴ "Actual Leveraging by Project Phase" is calculated by dividing the total non-Prop K or non-Prop AA funds in the funding plan by the total cost for the requested phase or phases. If the percentage in the "Actual Leveraging" column is lower than in the "Expected Leveraging" column, the request (indicated by yellow highlighting) is leveraging fewer non-Prop K dollars than assumed in the Expenditure Plan. A project that is well leveraged overall may have lower-than-expected leveraging for an individual or partial phase.

Attachment 2: Brief Project Descriptions¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
20U, 20M	SFMTA, SFCTA	Potrero Yard Modernization	\$ 5,923,403	Requested funds will be used for the planning and environmental phases for redeveloping the bus facility at 2500 Mariposa Street into a modern, efficient bus maintenance facility. The new facility would serve SFMTA's electric trolley and future battery-electric bus fleets. This Bus Yard Component will be a structure with 6 levels of bus facility support spaces, including 3 levels for bus storage and maintenance. The project concept also includes a Residential and Commercial Component with up to 7 additional levels above the bus facility with up to 575 mixed-income units and active uses at the ground floor. The SFMTA proposes to deliver the project through a joint development project delivery method. The SFMTA plans to receive development concepts from a short-list of potential partners by August 2021, and select a preferred bidder and complete the Draft Environmental Impact Report by October 2021, with completion of Planning Department entitlement review expected by December 2021. We are requesting \$150,000 for enhanced project oversight through early 2023 when the SFMTA and development team are expected to execute the Project Agreement. SFMTA expects the facility to be operational by Fall 2026.
TOTAL			\$5,923,403	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Recommendations
20U, 20M	SFMTA, SFCTA	Potrero Yard Modernization	\$ 5,923,403	<p>SFMTA may not expend \$3,346,114 of the recommended allocation prior to Board of Supervisors approval of legislation waiving certain procurement and contracting requirements in Chapters 6, 14B, and 21 of the Administrative Code to authorize the SFMTA to implement the project utilizing a joint development delivery method (anticipated by March 1, 2021).</p> <p>The recommended allocation of \$1 million for Professional Services Reimbursement is an "up to" amount. SFCTA will reimburse only up to the amount required for this purpose and SFMTA shall deobligate any funds not required for reimbursement of unsuccessful bidders.</p> <p>Enhanced oversight: In recognition of the scale and impact of this project, as well as the joint development project delivery method which SFMTA has not used before, our recommendation is conditioned upon the SFCTA performing an enhanced level of oversight on this project. SFCTA Project Management and Oversight staff shall be invited to all critical meetings, including monthly project development meetings, SFMTA Board meetings, etc. and be provided project management activity reports. SFMTA will participate in regular project progress updates to the SFCTA Board and CAC.</p> <p>5-Year Prioritization Program (5YPP) amendment: Recommendation is conditioned on Board approval of an amendment to the Facilities-Muni 5YPP to program \$75,000 in cumulative remaining programming capacity for enhanced oversight by the Transportation Authority.</p> <p>Retroactive reimbursement: Recommendation is conditioned on Board approval of a waiver of the Prop K Strategic Plan policy that costs incurred prior to the date of execution of a grant agreement shall be ineligible for reimbursement, allowing reimbursement of costs incurred since November 17, 2020.</p>
TOTAL			\$ 5,923,403	

¹ See Attachment 1 for footnotes.

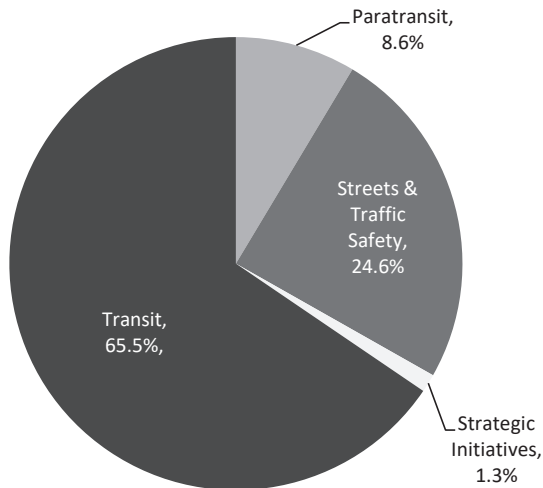
Attachment 4.
Prop K Allocation Summary - FY2020/21

PROP K SALES TAX

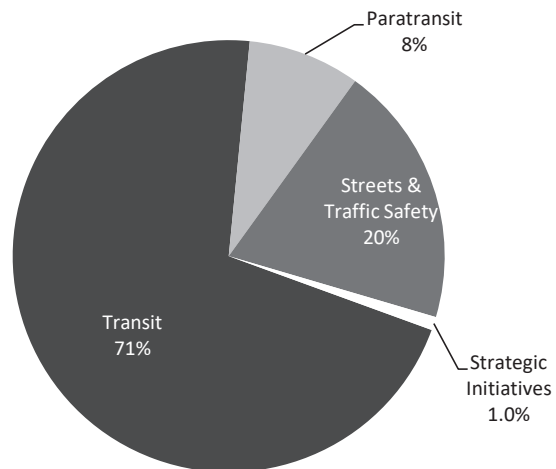
FY2020/21	Total	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Prior Allocations	\$ 57,667,074	\$15,646,185	\$24,913,479	\$14,984,335	\$1,707,118	\$ 415,957	\$-
Current Request(s)	\$ 5,923,403	\$ 3,073,817	\$ 2,819,586	\$ 30,000	\$ -	\$ -	\$ -
New Total Allocations	\$ 63,590,477	\$ 18,720,002	\$ 27,733,065	\$ 15,014,335	\$ 1,707,118	\$ 415,957	\$ -

the current recommended allocation(s).

**Investment Commitments,
per Prop K Expenditure Plan**



Prop K Investments To Date

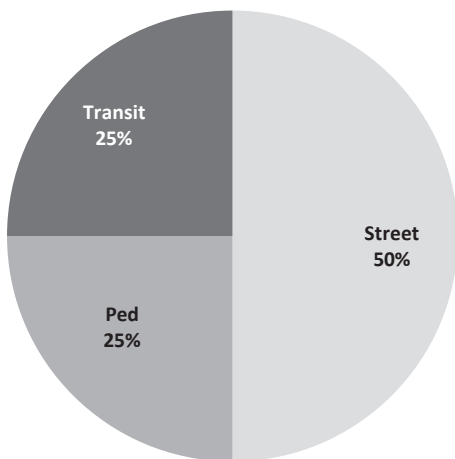


PROP AA VEHICLE REGISTRATION FEE

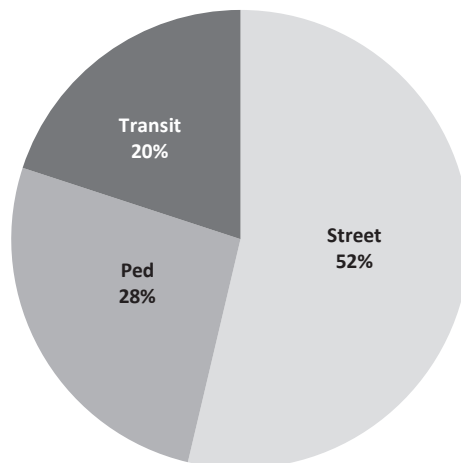
FY2020/21	Total	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Prior Allocations	\$ 5,086,429	\$ 2,732,401	\$ 2,354,029	\$ -	\$ -	\$ -
Current Request(s)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Total Allocations	\$ 5,086,429	\$ 2,732,401	\$ 2,354,029	\$ -	\$ -	\$ -

recommended allocation(s).

**Investment Commitments, per Prop AA
Expenditure Plan**



Prop AA Investments To Date



San Francisco County Transportation Authority

Prop K/Prop AA Allocation Request Form

FY of Allocation Action:	FY2020/21
Project Name:	Potrero Yard Modernization
Grant Recipient:	San Francisco Municipal Transportation Agency

EXPENDITURE PLAN INFORMATION

Prop K EP categories:	Facilities - Undesignated, Facilities - MUNI
Current Prop K Request:	\$5,923,403
Supervisory District(s):	District 10

REQUEST

Brief Project Description

Planning and environmental phases for redeveloping the bus facility at 2500 Mariposa Street into a modern, efficient bus maintenance facility by 2026. The new facility would serve SFMTA's electric trolley and future battery-electric bus fleets. This Bus Yard Component will be a structure with 6 levels of bus facility support spaces, including 3 levels for bus storage and maintenance. The project concept also includes a Residential and Commercial Component with up to 7 additional levels above the bus facility with up to 575 mixed-income units and active uses at the ground floor.

Detailed Scope, Project Benefits and Community Outreach

See detailed scope and detailed project descriptions, attached.

Project Location

2500 Mariposa Street (Bryant and Mariposa)

Project Phase(s)

Planning/Conceptual Engineering (PLAN), Environmental Studies (PA&ED)

Justification for Multi-phase Request

A multi-phase allocation for planning/conceptual engineering and environmental studies is appropriate given the concurrent nature of the work.

5YPP/STRATEGIC PLAN INFORMATION

Type of Project in the Prop K 5YPP/Prop AA Strategic Plan?	Named Project
Is requested amount greater than the amount programmed in the relevant 5YPP or Strategic Plan?	Greater than Programmed Amount
Prop K 5YPP Amount:	\$5,848,403

Justification for Necessary Amendment

The subject request includes an amendment to the Facilities-Muni 5YPP to program \$75,000 in cumulative remaining programming capacity for enhanced oversight by the Transportation Authority of the planning phase through execution of the Project Agreement.

Potrero Yard Planning Phase — Scope

Project Description (see full Project Description in additional attachment)

The Potrero Yard Modernization Project will replace the obsolete, two-story bus facility with a modern and efficient bus maintenance and storage garage in 2026. This facility would be equipped to serve the projected future capacity and needs of the SFMTA's new electric trolley fleet and future battery-electric fleet. The proposed project would demolish the existing bus storage yard and the maintenance and operations building and would replace them with a single structure, approximately 75 to 150 feet tall and up to 1.3 million gross-square-feet (gsf) in capacity. The proposed structure would cover the entire lot.

In addition to the construction of a modern storage and maintenance facility and to leverage the construction opportunity to address Citywide goals for housing production, the SFMTA plans to solicit proposals for the bus facility and joint development atop the bus facility as a mixed-use residential development with ground floor community-serving uses. The SFMTA estimates that the Potrero Yard Modernization Project could support the construction of between 525 and 575 new housing units. While no development agreement is yet in place, the SFMTA has proposed an initial target of at least 50 percent of the housing units being affordable (or 262 to 288 units) to low- to moderate-income residents.

To pursue these objectives, the SFMTA has introduced an Ordinance to the Board of Supervisors to approve the procurement framework that will allow the Agency to enter into Joint Development Services agreements with a private development team to design, build, finance, maintain, and perform asset management services for the proposed new Potrero Yard storage and maintenance facility. This legislation has been tabled by the Board of Supervisors, and the SFMTA is working closely with the Supervisors and their staff to bring the Ordinance to the Budget and Finance Committee.

- The Bus Yard Component is planned to be a six story concrete podium structure (including the basement level) for commingled other bus facility support spaces, including three high clearance levels for bus storage and maintenance. The bus facilities are estimated to include the following
 - 463,000 gsf for parking and bus circulation;
 - 186,000 gsf for bus services and storage, and
 - 52,000 gsf for administration offices, a bus operator training facility.
- The facility is planned to store 213 buses, which is a nearly 50 percent increase in capacity from the current operation.
- The Residential and Commercial Component may include:
 - a multi-floor structure on top of the podium structure that will house the bus facility, with the possibility of some units along the perimeter of the podium itself.
 - approximately 525 to 575 residential units
 - a set of commercial uses to activate street frontages (such as neighborhood-serving spaces and retail) on the perimeter of the podium at street level.

The Planning phase commenced in October 2019, and the following tasks are now substantially complete:

- CEQA Project Application, Notice of Preparation, and Public Scoping Meeting
- Potrero Yard bus facility design criteria document
- Site constraints analysis and site plan/program
- Conceptual project, referred to in joint development procurement documents as the Reference Project or Reference Concept
- Request for Qualifications for a partnering development team
- Considerable public outreach and engagement, including six major public in-person or online events

Project Delivery Strategy

The SFMTA proposes a joint development project delivery method for this Project. The Federal Transit Administration (FTA) defines joint development projects as projects that involve: (1) integrated development of transit and non-transit improvements, with transit projects physically or functionally related to commercial,

residential, or mixed-use development; (2) public and private investments that are coordinated between transit agencies and developers to improve land owned by a transit agency or related to a transit improvement; and (3) mutual benefit and shared cost among all parties involved. If the SFMTA and developer successfully negotiate a Project Agreement, the Project Agreement would require the developer to assume full development responsibility for all components and phases of the Potrero Yard Modernization Project, including both the bus facility and the residential and the commercial component. The SFMTA would retain ownership of the land and bus facility, and the private developer would lease the housing and commercial development from the SFMTA. The agreement for the developer's use of the housing and commercial development would specify all project programming details, including the housing unit affordability structure.

The joint development procurement method offers compelling advantages to meet the Project's objectives:

1. Mitigates cost and schedule risk by
 - a. selecting a joint development partner early in the CEQA process (currently underway) to provide input and develop a functional and attractive design that reflects input from the community;
 - b. agreeing on a fixed-price, date-certain contract with the private partner;
 - c. incentivizing on-schedule construction by linking payments for the bus facility to occupancy readiness or substantial completion of the facility; and
 - d. motivating the developer to deliver high-quality construction and building systems product by including maintenance of the building core and shell in the overall project agreement.
2. Transfers to the joint development partner the technical challenges of integrating the public bus facility and the private housing development and establishes the partner as the single point of responsibility for the Project.

In August 2020, the SFMTA issued a Request for Qualifications (RFQ), with responses received in November 2020, to design, build, finance, operate, and maintain the Project. The SFMTA will select a short list of up to three developers to participate in a Request for Proposals (RFP) to develop the Project, and select one developer to enter into the first Joint Development Services agreement, the Pre-Development Agreement, which will be used to negotiate the Project Agreement and the developer's Joint Development Services. The SFMTA will compensate the two proposers who are not selected for their work product, a standard practice for this type of project, where the RFP requires that the proposing teams invest considerable expense for an approximately five-month proposal preparation period. This compensation ensures that the SFMTA owns all work product created for the Project.

Public Outreach and Engagement

The SFMTA is committed to an inclusive, transparent stakeholder engagement process in designing this important new project. The SFMTA believes that the community should help to shape many of the decisions that are needed to rebuild Potrero Yard. In 2018, the SFMTA made a public pledge to stakeholders to:

- Be transparent about the constraints of the project that will guide decision making
- Work to understand and address stakeholder concerns and priorities
- Balance stakeholder concerns and priorities while also meeting the project's core transit objectives

To staff this work, the SFMTA has been augmenting project management staff (Project Manager 1 and Manager with a 1312 Public Information Officer for the last 18 months and has also invested significantly in a consultant contract to support the work. Ongoing public outreach and engagement consultant expenses exceed \$350,000 per year, and the SFMTA believes this is an appropriate and proportionate cost to the size of the Potrero Yard project and the significant outreach needs required in this neighborhood. The SFMTA is completing the hiring process for a 5408 Coordinator of Citizen Involvement to support this project as well as the SFMTA's larger Building Progress facility capital program. Since the inception of the Potrero project in 2017, the SFMTA has conducted several outreach and engagement events. Some are listed here:

- Six major community events since the end of 2017
 - Dec 2017 – introduction to Building Progress initiative, SFMTA facilities needs
 - Dec 2018 – height, urban design, community amenities at Potrero
 - Feb 2019 – housing, affordable housing, transportation considerations
 - Aug 2019 – tours of Potrero, discussion of the bus component of the project

- Oct 2019 – draft project concept: unit count, height, affordability target, bus capacity
- Jun 2020 – virtual community “check in” on the project procurement process
- 17 neighborhood working group meetings since Oct 2018
- Numerous presentations before neighborhood organizations (United to Save the Mission, Potrero Boosters, Dogpatch Neighborhood Association, Kansas Street SAFE)
- Numerous one-on-ones with stakeholders, neighbors, community orgs
- Tabling at community events (e.g. Fiesta de las Americas, SF Carnaval 2020 Salud es Poder event)
- On-going digital engagement
- On-going open door policy with project management teams

Planning Phase Scope of Work

The portion of the Planning phase proposed for Prop K funds extends from November 2020 through December 2021. A critical period in the end of the Planning phase, there are several project milestones included in this term, including:

- Ongoing public engagement related to developer procurement, concept proposals, and environmental review. These events will take place in both virtual and in-person formats, as possible given COVID-19 (November 2020 to December 2021). Public engagement efforts during the planning phase will also include on-going monthly Working Group meetings.
- Ongoing in-reach to SFMTA staff to ensure that their input is reflected in the developer Request for Proposals (RFP), that their concerns are heard, and that they are apprised of progress and schedule milestones.
- Drafting and release of the developer Request for Proposals including technical addenda such as Urban Design Guidelines and final Design Criteria (March 2021)
- Release of the Administrative Draft EIR (April 2021)
- Analysis and scoring of proposals received in response to the RFP. The review process will include the involvement of a scoring panel as well as a technical review panel comprised of experts in subjects such as transit facility design and infrastructure finance/economics (August 2021)
- Announcement of the Preferred Bidder and formal authorization of the Bidder selection by the SFMTA Board (October 2021)
- Execution of the Pre-Development Agreement (PDA) which will outline the terms, schedule, and milestones for the design and financing phase of the project (December 2021)
- Preparation of Response to Comments and Planning Department design and entitlement review (August 2021 – December 2021)

The Planning phase will close with the execution of the Project Agreement, anticipated in March 2023, and the project will proceed into the Design phase. To accommodate these many milestones, the scope of this request is divided into tasks as presented below.

Enhanced Oversight

In addition to the planning and environmental tasks described below, the request will fund enhanced oversight by the Transportation Authority through execution of the Project Agreement. This is in recognition of the scale and impact of this project, as well as the project delivery method which SFMTA has not used before.

Task 1: Project Management

SFMTA Staff: Project Manager 1, Manager IV, Transportation Planner III, Transportation Planner II Public Works Staff: Project Manager 3, Project Manager 1

Contract Staff: Project Management Assistance/Stakeholder Feedback Integration

This task includes day-to-day project management in the planning phase of the Potrero project, including

contract administration, internal communications and collaborations, and project scope, schedule, and budget maintenance and tracking. The majority of the project management work will be undertaken by the SFMTA's Project Manager 1 and Manager IV, and Public Works' Project Manager III, with others in supporting roles.

Task 2: Stakeholder Outreach and Engagement

SFMTA Staff: Project Manager 1, Manager IV, Transportation Planner II, Coordinator of Citizen Involvement, Public Information Officer

Public Works Staff: Project Manager 3, Project Manager 1

Contract Staff: Public Outreach and Engagement Consultant (Civic Edge), as-needed outreach consultant pool

This task includes continuation of the project's comprehensive outreach and engagement program. Outreach and engagement will be ongoing throughout the planning phase and the remainder of the project's implementation schedule. To date, outreach has been focused around the conceptual project and overall development principles. During the Prop K funding term, outreach will change materially to focus on the development partner team and the project design. To communicate this message and collect input and feedback from stakeholders, the SFMTA will employ various outreach and engagement tactics, including:

- Large-scale public community events (virtual or in-person, as appropriate)
- Continuation of the Potrero Yard Neighborhood Working Group
- Virtual engagement, including web, social media, television, and radio
- Continual innovation on new methods of stakeholder engagement to individually meet stakeholder appetites for project integration

Task 2 will be staffed by the SFMTA's Project Manager I, Coordinator of Citizen Involvement (to start October 2020), Public Information Officer, with support from the Manager IV and Planner II. The work is currently supported by Civic Edge Consulting, and the SFMTA will also utilize a diverse pool of qualified on-call consultants. This pool will allow the SFMTA to nimbly scope and select consultants for their unique expertise, which should result in excellent work products and cost efficiency for the SFMTA. Once the developer partner is selected, the SFMTA will work closely with the developer to design and implement this program, and funding of the program is envisioned to be borne by the developer. The SFMTA will maintain an oversight and content approval role.

Task 3: Project Delivery and Joint Development Advisory Services

SFMTA Staff: Project Manager 1, Manager IV, Transportation Planner III

Public Works Staff: Project Manager 3, Project Manager 1

Contract Staff: Joint Development Advisor (ARUP)

The first phase of this task consists of completing the developer Request for Proposals (RFP) and managing the developer selection process. Specific subtasks include writing the RFP; completing technical addenda to the RFP such as the final Design Criteria and Urban Design Guidelines; forming a selection panel; responding to questions from proposers; and ensuring that the proposal review process is conducted objectively and efficiently. These responsibilities during the RFP process will be supplemented by the technical analyses of proposals described in Task 5 below. This phase will culminate in the selection of a Preferred Bidder.

The second phase of this task includes negotiation of the Pre-Development Agreement (PDA) with the selected developer. This second phase also includes regular communications with the LMD, responding to technical inquiries, and regular monitoring of project costs and schedule once the PDA is executed. This phase will complement the technical review tasks during the PDA phase described in Task 5.

Jointly with the SFMTA, Public Works entered into a contract with Arup in 2019 for joint development advisory services through the PDA phase. Prop K funds are proposed to be used for invoiced work on the

RFP and PDA phases from November 2020 to December 2021. Prop K funds would also be used for the SFMTA to purchase the design work products from the two unsuccessful respondents to the RFP. Because the RFP process will demand extensive design work, cost estimating, and financial modeling, this fee for services structure helps to incentivize high quality Proposal deliverable from the proposing teams. Task 3 work will be undertaken mostly by the SFMTA's Project Manager 1 and Manager IV, Public Works' Project Manager 3 and Project Manager 1, and Arup, with other SFMTA and Public Works staff in support roles.

Task 4: Environmental Review

SFMTA Staff: Project Manager 1, Manager IV, Transportation Planner III
Contract Staff: SWCA Environmental Consultants

This task includes collaborating with SF Planning to complete environmental review of the project in accordance with the California Environmental Quality Act. The major milestone during the Prop K Planning phase term is the distribution of the Draft Environmental Impact Report (EIR), which will dovetail with the formal partnership with the development team. The SFMTA entered into a contract with SWCA in 2018 for the completion of the EIR, and the work is ongoing. Prop K funds are proposed to be used for invoiced work on the EIR from November 2020 to December 2021, culminating in the response to comments on the Draft EIR. This work is undertaken mostly by the SFMTA's Project Manager 1 and SWCA, with other SFMTA staff in support roles.

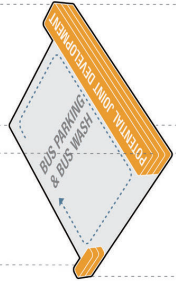
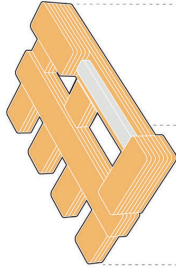
Task 5: Economic and Transportation Facility Analysis and Design Peer Review

SFMTA Staff: Project Manager 1, Manager IV, Transportation Planner III
Contract Staff: Hatch, HDR

This first phase of this task consists of a detailed analysis of the design and financial proposals from the three shortlisted respondents to the RFP. A technical panel comprised of SFMTA and consultant subject matter experts will evaluate the proposals on the basis of a) conformance to the transit facility Design Criteria, b) quality of the transit facility design, c) soundness of their financial assumptions, and d) proposed availability payment structure for financing the transit facility. The technical panel will transmit a summary of their analysis to the RFP selection panel. Based on this technical analysis and other selection criteria, the selection panel will choose a Preferred Bidder with whom the SFMTA will enter exclusive negotiations.

The second phase of this task will commence upon execution of the PDA between the SFMTA and the developer. The developer will be responsible for advancing the design of the project to a 50% level of completion, at which point the design will be competitively bid to interested design-build teams. During this second phase, leading up to the 50% drawing set, there will be on-going analysis of the evolving project design and financial model. SFMTA and consultant staff will continually verify that the facility design is consistent with the SFMTA's Design Criteria. Staff will also ensure that the updated financial model is based on sound assumptions and is consistent with the SFMTA's financial parameters for the project.

The major milestones during the Prop K Planning phase term for this task are 1) selection of the Preferred Bidder and 2) completion of the 50% drawing set and corresponding updated financial model. Prop K funds are proposed to be used for invoiced work on the Economic and Transportation Facility Analysis from November 2020 to December 2021, culminating in the completion of the 50% drawing set and financial model. This work is undertaken mostly by the SFMTA's Manager IV, Public Works' Project Manager III, and consultants from HDR and Hatch, as well as the SFMTA's on-call structural and other engineering support, with other SFMTA and Public Works staff in support roles.



75' tall bus facility, entire project up to 150' in height

Building a Modern Transit Facility

To keep buses running and serving our customers we must modernize Potrero Yard. The facility is 105 years old and requires a complete update. A new Potrero Yard will address the following critical needs:

- Rebuild, expand, and modernize Potrero Yard by 2026
- Provide infrastructure for battery electric buses
- Improve safety and working conditions for the SFMTA workforce
- Consolidate functions for efficiencies (Bus Operator and Street Operations training)



This long overdue project will bring our operations and maintenance into the 21st century. We have the opportunity to build San Francisco's first mixed-use transit facility and I'm excited to know that some of the residential units could house our employees.

- Michael Henry, Potrero Yard Maintenance Superintendent



Bus Project Estimate: \$500 million

This significant investment requires creative budget planning. We are seeking a development partner to design, build, finance, and maintain the new building to ensure on-time/on-budget delivery, high-quality construction, and on-going maintenance of the joint development building components.

The Potrero Yard project development process demonstrates the SFMTA's commitment to:

- A responsible public investment
- Inclusive and transparent community participation
- A joint development that is financially feasible

PROJECT TIMELINE (2020 to 2021)

August 2020	RFQ release
September 2020	CEQA scoping meeting
Fall 2020	Enabling legislation to BOS
Early 2021	RFP release
Spring 2021	Draft EIR
Summer 2021	Developer selection

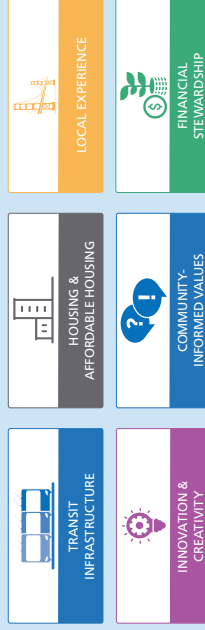
Innovative Project Delivery

The project requires enabling legislation approval by the Board of Supervisors (BOS) because the current Administrative Code prescribes traditional methods to deliver public projects that are fully designed and funded rather than through a joint-development approach.

A successful joint development partnership requires early engagement with a developer to progress stepwise so project risks are defined and managed early on by the correct party. The project enabling ordinance fills gaps in the Administrative Code and exempts the project from procurement requirements that do not fit procedurally. To receive a successful competitive developer selection process, the developers must have confidence that they can invest resources at risk to create a competitive proposal that delivers the project's goals. Other key provisions of the legislation include:

- Allowing the SFMTA to make a "best value" selection that assesses quality, cost, and delivery of affordable housing
- Obligating the project to essential City policies like local hire, prevailing wage, and an LBE program
- Providing a stipend to unsuccessful bidders
- Incorporating an opportunity for the Board of Supervisors to review the Project Agreement term sheet

Key Needs for the Joint Development Partner



Proposition K Funds

The SFMTA will seek Prop K funds from the SFCTA to support ongoing planning work through December 2021. This funding request supports:

- Ongoing CEQA analysis
- The SFMTA's technical review of the bus yard design
- Continuation of the project's robust stakeholder engagement program
- Professional joint development advisory services

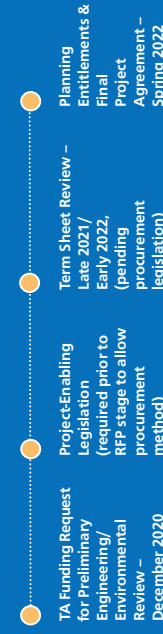
Fall 2020 Legislation Summary

The project-enabling ordinance (BOS) and Proposition K funding request (SFCTA) keep the project moving forward. The legislation also commits the SFMTA to bringing deal terms to the BOS for its review and approval. Further, it's essential to enable the joint development that delivers the Bus Yard and housing, including much-needed affordable housing.

The project team is available to brief all Supervisors and staff on the project details at any requested interval. The project team is also committed to transparent and meaningful engagement with the community every step of the way.

Potrero Yard is an ambitious, innovative, and essential project for the SFMTA, the City, and all who live, work, and visit San Francisco.

BOS & SFCTA Milestones



Housing Opportunity

This City project is a once-in-a-lifetime opportunity to leverage the construction at the site to contribute to the City's housing goals. Together with Planning, OEWD, MOHCD, and Public Works, the project team arrived at a concept to provide housing above Potrero Yard. Extensive Potrero Yard Neighborhood Working Group and community input has resulted in support for:



Community Needs & Concerns

The SFMTA is working with community stakeholders to refine the project's scope and address their needs and concerns. Activities include:

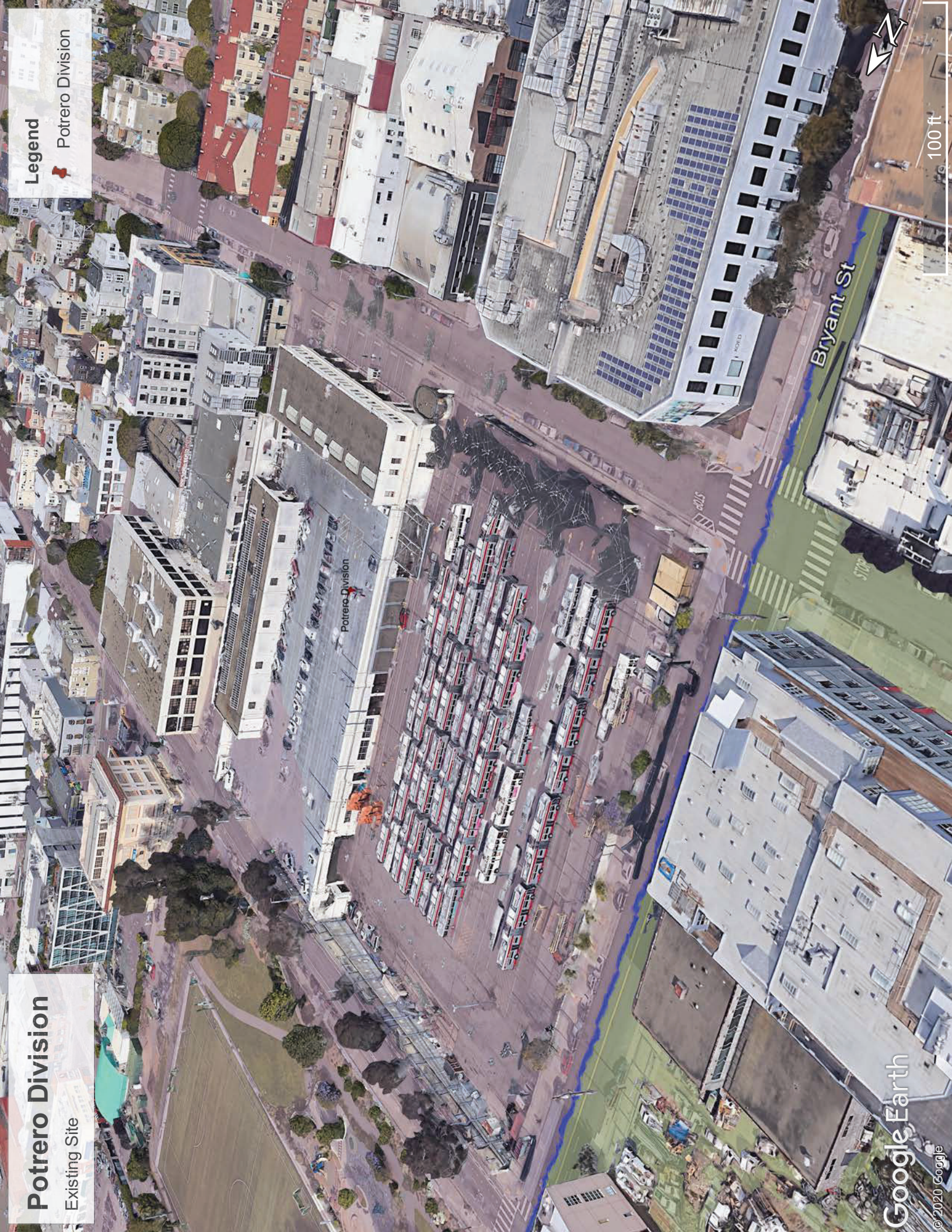
- Continuing in-depth stakeholder engagement, along with the Potrero Yard Neighborhood Working Group
- Producing a Racial Equity Assessment to understand and address inequitable unintended consequences from the project
- Developing a Public Benefits Principles document as part of the RFP, in partnership with the Potrero Yard Working Group

Potrero Division

Existing Site

Legend

Potrero Division



San Francisco County Transportation Authority

Prop K/Prop AA Allocation Request Form

FY of Allocation Action:	FY2020/21
Project Name:	Potrero Yard Modernization
Grant Recipient:	San Francisco Municipal Transportation Agency

ENVIRONMENTAL CLEARANCE

Environmental Type:	EIR/EIS
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PROJECT DELIVERY MILESTONES

Phase	Start		End	
	Quarter	Calendar Year	Quarter	Calendar Year
Planning/Conceptual Engineering (PLAN)	Oct-Nov-Dec	2019	Oct-Nov-Dec	2021
Environmental Studies (PA&ED)	Oct-Nov-Dec	2019	Apr-May-Jun	2022
Right of Way				
Design Engineering (PS&E)	Jul-Aug-Sep	2021	Apr-May-Jun	2022
Advertise Construction	Jul-Aug-Sep	2022		
Start Construction (e.g. Award Contract)	Apr-May-Jun	2023		
Operations (OP)				
Open for Use			Jul-Aug-Sep	2026
Project Completion (means last eligible expenditure)			Oct-Nov-Dec	2026

SCHEDULE DETAILS

See schedule attachment.

Environmental review note: The subject scope of work will advance the environmental review process through responses to comments on the Draft EIR.

Potrero Yard Modernization
Project Procurement/ Environmental Review
Detailed Schedule

Task	Scope of Work	Start Date	End Date
Task 1	Project Management		
	RFP Drafting	10/1/2020	3/1/2021
	Publication of the RFP	3/15/2021	
Task 2	Stakeholder Engagement		
	Ongoing Engagement online, social media, print		ongoing
	Ongoing Potrero Yard Working Group monthly meetings		monthly
	Large online event #1 (RFP release)	12/15/2020	1/5/2021
	Large online/in-person event #2 (DEIR release)	4/1/2021	4/20/2021
	Large online/in-person event #3 (Proposal acceptance)	9/1/2021	9/15/2021
	Large online/in-person event #3 (PDA completion)	12/1/2021	12/31/2021
Task 3	Project Procurement		
	Proposer Meeting and Review Round 1 (Addendum 1)		4/12/2021
	Proposer Meeting and Review Round 2 (Addendum 2)		5/25/2021
	Proposer Meeting and Review Round 3		6/19/2021
	Concept Design Submission		6/30/2021
	Final Addendum (if applicable)		7/7/2021
	Alternative Technical Concept Acceptance (if applicable)		7/14/2021
	Receipt of proposals from shortlisted respondents		8/25/2021
	Selection of Preferred Bidder		10/20/2021
	PDA Execution		12/20/2021
	Schematic Design Completion (end of Planning phase)		2/31/2022
Task 4	Environmental Review		
	DEIR public circulation		4/1/2021
	DEIR public comment period	4/1/2021	5/15/2021
	Response to DEIR comments		10/1/2021
Task 5	Economic and Transportation Facility Analysis		
	Technical Panel Proposal Analysis	4/12/2021	6/14/2021
	Schematic Design Review Process	8/25/2021	12/31/2021
	Structural and Geotechnical Engineering Peer Review Process	8/25/2021	12/31/2021

San Francisco County Transportation Authority

Prop K/Prop AA Allocation Request Form

FY of Allocation Action:	FY2020/21
Project Name:	Potrero Yard Modernization
Grant Recipient:	San Francisco Municipal Transportation Agency

FUNDING PLAN - FOR CURRENT REQUEST

Fund Source	Planned	Programmed	Allocated	Project Total
PROP K: Facilities - MUNI	\$0	\$1,075,000	\$0	\$1,075,000
PROP K: Facilities - Undesignated	\$0	\$4,848,403	\$0	\$4,848,403
SFMTA OPERATING - FACILITY	\$0	\$977,591	\$4,659,372	\$5,636,963
Phases in Current Request Total:	\$0	\$6,900,994	\$4,659,372	\$11,560,366

FUNDING PLAN - ENTIRE PROJECT (ALL PHASES)

Fund Source	Planned	Programmed	Allocated	Project Total
PROP K	\$0	\$5,923,403	\$0	\$5,923,403
TSF TRANSIT	\$0	\$3,129,088	\$0	\$3,129,088
TSF MAINTENANCE	\$0	\$460,000	\$0	\$460,000
TBD (SFMTA FACILITY OPS, PROP B, TSF, SB1)	\$425,168,764	\$0	\$0	\$425,168,764
SFMTA OPERATING - FACILITY	\$0	\$977,591	\$4,659,372	\$5,636,963
SB1 - FY24, FY25 (STA-SGR REVENUE BASED)	\$0	\$9,499,192	\$0	\$9,499,192
RM3 FACILITY	\$8,555,052	\$0	\$0	\$8,555,052
PROP B	\$0	\$6,533,072	\$0	\$6,533,072
Funding Plan for Entire Project Total:	\$433,723,816	\$26,522,346	\$4,659,372	\$464,905,534

COST SUMMARY

Phase	Total Cost	Prop K - Current Request	Source of Cost Estimate
Planning/Conceptual Engineering (PLAN)	\$10,069,566	\$5,410,194	Planning phase consultant scopes (contracts are in place), and staff time estimate
Environmental Studies (PA&ED)	\$1,490,800	\$513,209	Executed EIR consultant contract
Right of Way	\$0	\$0	
Design Engineering (PS&E)	\$9,147,891	\$0	Staff-generated labor estimate and consultant support estimates to bring us to PDA phase. At PDA phase, developer will assume design costs.
Construction (CON)	\$444,197,277	\$0	2019 Cost estimate from ARUP advisors and M. Lee Cost Estimators
Operations (OP)	\$0	\$0	
Total:	\$464,905,534	\$5,923,403	

% Complete of Design:	0.0%
As of Date:	09/25/2020
Expected Useful Life:	100 Years

San Francisco County Transportation Authority

Prop K/Prop AA Allocation Request Form

MAJOR LINE ITEM BUDGET - Potrero Yard Modernization - Planning and Environmental

BUDGET SUMMARY						
Agency	Task 1 - Project Management	Task 2 - Stakeholder Outreach and Engagement	Task 3 - Project Procurement and Joint Development Advisory Services	Task 4 - Environmental Review	Task 5 - Economic and Transportation Facility Analysis	Total
SFMTA	\$ 1,480,148	\$ 566,865	\$ 472,388	\$ 314,925	\$ 314,925	\$ 3,149,250
SF Public Works	\$ 696,226	\$ -	\$ 464,151	\$ -	\$ -	\$ 1,160,376
Professional Services Consultants	\$ 247,500	\$ 918,298	\$ 2,204,211	\$ 1,155,875	\$ 1,434,112	\$ 5,959,995
Professional Services Reimbursement	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Other Direct Costs *	\$ -	\$ 120,744	\$ -	\$ 20,000	\$ -	\$ 140,744
SFCTA Enhanced Oversight (Prop K funded)	\$ 150,000		\$ -		\$ -	\$ 150,000
Total	\$ 2,573,874	\$ 1,605,907	\$ 4,140,749	\$ 1,490,800	\$ 1,749,037	\$ 11,560,366

* Direct Costs include printed collateral, mailing, and facility rental/tabling fees.

BUDGET SUMMARY						
Agency	Task 1 - Project Management	Task 2 - Stakeholder Outreach and Engagement	Task 3 - Project Procurement and Joint Development Advisory Services	Task 4 - Environmental Review	Task 5 - Economic and Transportation Facility Analysis	Total
PART 0 01/01/2019-11/15/2020						
SFMTA	\$ 592,059	\$ 198,403	\$ 212,574	\$ 141,716	\$ 141,716	\$ 1,286,469
SF Public Works	\$ 313,302	\$ -	\$ 208,868	\$ -	\$ -	\$ 522,169
Professional Services Consultants	\$ 157,500	\$ 620,503	\$ 1,184,211	\$ 835,875	\$ 1,030,237	\$ 3,828,325
Professional Services Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Direct Costs *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Part 0	\$ 1,062,861	\$ 818,906	\$ 1,605,653	\$ 977,591	\$ 1,171,953	\$ 5,636,963
PART 1 11/15/2020-2/28/2021						
SFMTA	\$ 444,044	\$ 226,746	\$ 165,336	\$ 110,224	\$ 47,239	\$ 993,589
SF Public Works	\$ 174,056	\$ -	\$ 162,453	\$ -	\$ -	\$ 336,509
Professional Services Consultants	\$ 45,000	\$ 119,118	\$ 612,000	\$ 192,000	\$ 80,775	\$ 1,048,893
Professional Services Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Direct Costs *	\$ -	\$ 48,298	\$ -	\$ -	\$ -	\$ 48,298
Total Part 1 (Prop K funded)	\$ 663,101	\$ 394,162	\$ 939,788	\$ 302,224	\$ 128,014	\$ 2,427,288
PART 2 03/01/2021-12/31/2021						
SFMTA	\$ 444,044	\$ 141,716	\$ 94,478	\$ 62,985	\$ 125,970	\$ 869,193
SF Public Works	\$ 208,868	\$ -	\$ 92,830	\$ -	\$ -	\$ 301,698
Professional Services Consultants	\$ 45,000	\$ 178,677	\$ 408,000	\$ 128,000	\$ 323,100	\$ 1,082,777
Professional Services Reimbursement	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Other Direct Costs *	\$ -	\$ 72,446	\$ -	\$ 20,000	\$ -	\$ 92,446
Total Part 2 (Prop K funded)	\$ 697,912	\$ 392,840	\$ 1,595,308	\$ 210,985	\$ 449,070	\$ 3,346,115
Grand Total Parts 0 - 2						\$ 11,410,366

San Francisco County Transportation Authority

Prop K/Prop AA Allocation Request Form

Consultant Scope (Phases 1 & 2)	Professional Expertise	Task	Hourly Rate	Total Hours	Total
Project Management Support	Land Use Planning, Facilities Planning	1	125	600	\$ 75,000
Property Appraisal	Real Estate Appraiser	1	188	80	\$ 15,000
Public Outreach Consultant	Public Outreach and Engagement	2	165	605	\$ 99,835
As-Needed Outreach Pool Task Orders	Public Outreach and Engagement	2	165	1200	\$ 197,960
Joint Development Advisor	Real Estate Development Partnerships	3	395	2204	\$ 870,000
RFP Proposals Technical Review	Civil/Structural Engineers	3	200	750	\$ 150,000
Potrero Yard EIR	Environmental Review	4	200	1600	\$ 320,000
Economic Market Sounding	Real Estate Economists	5	262	244	\$ 63,996
Engineering Peer Review	Civil/Structural Engineers	5	250	1000	\$ 250,000
Transit Facility Proposal Review	Public Transit Facility Consulting	5	216	416	\$ 89,879
Total				8,699	\$ 2,131,670

Consultant Scope (Phase 0)	Professional Expertise	Task	Hourly Rate	Total Hours	Total
Project Management Support	Land Use Planning, Facilities Planning	1	150	1050	\$ 157,500
Public Outreach Consultant	Public Outreach and Engagement	2	165	2360	\$ 389,438
As-Needed Outreach Pool Task Orders	Public Outreach and Engagement	2	185	1249	\$ 231,065
Joint Development Advisor	Real Estate Development Partnerships	3	395	3000	\$ 1,184,211
Potrero Yard EIR	Environmental Review	4	225	3715	\$ 835,875
Economic Market Sounding	Real Estate Economists	5	262	742	\$ 194,612
Development Scenario Building	Urban Designers	5	255	875	\$ 223,125
Transit Facility Consulting	Public Transit Facility Consulting	5	250	2450	\$ 612,500
Total				15,441	\$ 3,828,325

SFCTA	Hours	Base Hourly Rate	Overhead Multiplier	Fully Burdened Hourly Cost	FTE	Total
Rail Program Manager	353	\$ 108.17	\$ 2.62	\$ 283.41	0.17	\$ 100,000
Consultant						\$ 50,000

San Francisco County Transportation Authority

Prop K/Prop AA Allocation Request Form

FY of Allocation Action:	FY2020/21
Project Name:	Potrero Yard Modernization
Grant Recipient:	San Francisco Municipal Transportation Agency

SFCTA RECOMMENDATION

Resolution Number:		Resolution Date:	
Total Prop K Requested:	\$5,923,403	Total Prop AA Requested:	\$0
Total Prop K Recommended:	\$5,923,403	Total Prop AA Recommended:	\$0

SGA Project Number:		Name:	Potrero Yard Modernization - Professional Services Reimbursement (20M)
Sponsor:	San Francisco Municipal Transportation Agency	Expiration Date:	06/30/2022
Phase:	Planning/Conceptual Engineering	Fundshare:	100.0

Cash Flow Distribution Schedule by Fiscal Year

Fund Source	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	Total
PROP K EP-120M	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000

Deliverables

1. At least 2 weeks prior to publication of the Draft Developer Request for Proposals (RFP) (anticipated January 2021), provide a copy of the document for Transportation Authority staff review and comment. The Transportation Authority acknowledges that the Draft RFP will be a confidential document. Circulation will be limited to the lead Project Management and Oversight staff person, subject to an SFMTA confidentiality agreement, and will not be released to the Preferred Bidder Selection Panel or anyone else outside the project team. [This deliverable is complete as of 1/12/2021]

2. Upon receipt of the design and financial proposals from the three shortlisted respondents to the RFP (anticipated August 2021), provide summaries and renderings of the proposals.

3. Upon selection of the Preferred Bidder (anticipated October 2021), SFMTA will present to the Transportation Authority CAC and Board a report on the work accomplished and status of the overall project.

Special Conditions

1. Release of the funds (\$1,000,000) is conditioned on Board of Supervisors approval of legislation waiving certain procurement and contracting requirements in Chapters 6, 14B, and 21 of the Administrative Code to authorize the SFMTA to implement the project utilizing a joint development delivery method (anticipated by March 1, 2021).

2. The recommended allocation is an "up to" amount. SFCTA will reimburse only up to the amount required for this purpose and SFMTA shall deobligate any funds not required for reimbursement of unsuccessful bidders.

3. In recognition of the scale and impact of this project, as well as the Joint Development project delivery method which SFMTA has not used before, SFCTA will perform an enhanced level of oversight on this project. SFCTA Project Management and Oversight staff shall be invited to all critical meetings, including regular project development meetings, SFMTA Board meetings, etc. and be provided project management activity reports. SFMTA will participate in regular project progress updates to the SFCTA Board and CAC.

SGA Project Number:		Name:	Potrero Yard Modernization - Part 1 Planning (20U)			
Sponsor:	San Francisco Municipal Transportation Agency	Expiration Date:	06/30/2022			
Phase:	Planning/Conceptual Engineering	Fundshare:	50.9			
Cash Flow Distribution Schedule by Fiscal Year						
Fund Source	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	Total
PROP K EP-120U	\$2,125,065	\$0	\$0	\$0	\$0	\$2,125,065
Deliverables						
1. By January 2021 SFMTA shall provide a risk analysis of the overall project and its potential impacts on transit operations, including the joint development project delivery approach, as well as cost and feasibility analyses. [This deliverable was fulfilled as of 12/8/2020.]						
2. Quarterly progress reports shall include % complete of the planning phase; % complete by task; work performed in the prior quarter including a summary of outreach performed, feedback received and SFMTA's response to feedback; work anticipated to be performed in the upcoming quarter; and any issues that may impact schedule, in addition to all other requirements described in the Standard Grant Agreement.						
Special Conditions						
1. Recommendation is conditioned on Board approval of a waiver of the Prop K Strategic Plan policy that costs incurred prior to the date of execution of a grant agreement shall be ineligible for reimbursement, allowing reimbursement of costs incurred since November 17, 2020.						
2. In recognition of the scale and impact of this project, as well as the Joint Development project delivery method which SFMTA has not used before, SFCTA will perform an enhanced level of oversight on this project. SFCTA Project Management and Oversight staff shall be invited to all critical meetings, including regular project development meetings, SFMTA Board meetings, etc. and be provided project management activity reports. SFMTA will participate in regular project progress updates to the SFCTA Board and CAC.						

SGA Project Number:		Name:	Potrero Yard Modernization - Part 1 Environmental (20U)
Sponsor:	San Francisco Municipal Transportation Agency	Expiration Date:	12/31/2022
Phase:	Environmental Studies	Fundshare:	50.9

Cash Flow Distribution Schedule by Fiscal Year

Fund Source	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	Total
PROP K EP-120U	\$302,224	\$0	\$0	\$0	\$0	\$302,224

Deliverables

1. Quarterly progress reports shall include % complete of the environmental phase; % complete by task; work performed in the prior quarter including a summary of outreach performed, feedback received and SFMTA's response to feedback; work anticipated to be performed in the upcoming quarter; and any issues that may impact schedule, in addition to all other requirements described in the Standard Grant Agreement.

2. Upon circulation of the Draft Environmental Impact Report (DEIR) for public comment (anticipated April 2021), provide an electronic copy of the document or a link to the SF Planning Environmental Review website for download of the document.

3. Upon completion of the response to comments on the DEIR (anticipated October 2021), provide an electronic copy of the document or a link to the SF Planning Environmental Review website for download of the document.

Special Conditions

1. Recommendation is conditioned on Board approval of a waiver of the Prop K Strategic Plan policy that costs incurred prior to the date of execution of a grant agreement shall be ineligible for reimbursement, allowing reimbursement of costs incurred since November 17, 2020.

SGA Project Number:		Name:	Potrero Yard Modernization - Part 2 Planning (20U)
Sponsor:	San Francisco Municipal Transportation Agency	Expiration Date:	06/30/2022
Phase:	Planning/Conceptual Engineering	Fundshare:	50.9

Cash Flow Distribution Schedule by Fiscal Year

Fund Source	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	Total
PROP K EP-120U	\$533,782	\$1,601,347	\$0	\$0	\$0	\$2,135,129

Deliverables

1. See Deliverable 2 for Potrero Yard Modernization - Phase 1 Planning

Special Conditions

1. Release of the funds (\$2,135,129) is conditioned on Board of Supervisors approval of legislation waiving certain procurement and contracting requirements in Chapters 6, 14B, and 21 of the Administrative Code to authorize the SFMTA to implement the project utilizing a joint development delivery method (anticipated by March 1, 2021).

2. See Special Condition 2 for Potrero Yard Modernization - Part 1 Planning

SGA Project Number:		Name:	Potrero Yard Modernization - Enhanced Oversight (EP-20U)			
Sponsor:	San Francisco County Transportation Authority		Expiration Date:	03/31/2023		
Phase:	Planning/Conceptual Engineering		Fundshare:	51.22		
Cash Flow Distribution Schedule by Fiscal Year						
Fund Source	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	Total
PROP K EP-120U	\$60,000	\$15,000	\$0	\$0	\$0	\$75,000
Deliverables						
1. Quarterly progress reports shall include % complete of the planning phase; % complete by task; work performed in the prior quarter including a summary of comments and analyses provided to SFMTA; work anticipated to be performed in the upcoming quarter; and any identified issues that may impact the project schedule.						
2. SFCTA will provide comments to the SFMTA project team on the Draft Developer Request for Proposals (RFP) (anticipated January 2021) prior to publication. The Transportation Authority acknowledges that the Draft RFP will be a confidential document, and it will not be released to the Preferred Bidder Selection Panel or anyone else outside the project team.						
3. SFCTA will provide comments on the design and financial proposals from the three shortlisted respondents to the RFP (anticipated June 2021) to the SFMTA project team.						
4. SFCTA will provide comments on the Pre-Development Agreement (PDA) (anticipated December 2021) to the SFMTA project team.						
Notes						
1. Funding for enhanced oversight by the Transportation Authority through execution of the Project Agreement, anticipated in March 2023.						

SGA Project Number:		Name:	Potrero Yard Modernization - Enhanced Oversight (EP-20M)			
Sponsor:	San Francisco County Transportation Authority		Expiration Date:	12/31/2022		
Phase:	Planning/Conceptual Engineering		Fundshare:	51.22		
Cash Flow Distribution Schedule by Fiscal Year						
Fund Source	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	Total
PROP K EP-120M	\$0	\$45,000	\$30,000	\$0	\$0	\$75,000
Deliverables						
1. See Deliverable #1 for Potrero Yard Modernization - Enhanced Oversight (EP-20U)						
2. See Deliverable #2 for Potrero Yard Modernization - Enhanced Oversight (EP-20U)						
3. See Deliverable #3 for Potrero Yard Modernization - Enhanced Oversight (EP-20U)						
4. See Deliverable #4 for Potrero Yard Modernization - Enhanced Oversight (EP-20U)						
Special Conditions						
1. The recommended allocation is contingent upon amendment of the Facilities-Muni 5YPP to program \$75,000 in cumulative remaining programming capacity for enhanced oversight by the Transportation Authority of the planning phase through execution of the Project Agreement. See attached 5YPP amendment for details.						
Metric			Prop K		Prop AA	
Actual Leveraging - Current Request			48.76%		No Prop AA	
Actual Leveraging - This Project			98.73%		No Prop AA	

San Francisco County Transportation Authority

Prop K/Prop AA Allocation Request Form

FY of Allocation Action:	FY2020/21
Project Name:	Potrero Yard Modernization
Grant Recipient:	San Francisco Municipal Transportation Agency

EXPENDITURE PLAN INFORMATION

Current Prop K Request:	\$5,923,403
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1) The requested sales tax and/or vehicle registration fee revenues will be used to supplement and under no circumstance replace existing local revenues used for transportation purposes.

Initials of sponsor staff member verifying the above statement
MJ

CONTACT INFORMATION

	Project Manager	Grants Manager
Name:	Licinia Iberri	Mary Jarjoura
Title:	Principal Administrative Analyst	Principal Administrative Analyst
Phone:	(415) 646-2715	(415) 646-2765
Email:	licinia.iberri@sfmta.com	mary.jarjoura@sfmta.com

**2019 Prop K 5-Year Project List (FY 2019/20 - FY 2023/24)
Rehab/Upgrade Existing Facilities - Muni Category (EP 20M)
Programming and Allocations to Date**

Pending February 23, 2021 Board

Agency	Project Name	Phase	Status	Fiscal Year					Total
				2019/20	2020/21	2021/22	2022/23	2023/24	
Carry Forward From 2014 5YPP									
SFMTA	Potrero Yard Modernization	PLAN/CER, PA/ED	Pending		\$1,000,000				\$1,000,000
SFCTA	Potrero Modernization - Enhanced Oversight ²	PLAN/CER	Pending		\$75,000				\$75,000
SFMTA	Building Progress FIX - Placeholder ¹	CON	Programmed	\$500,000					\$500,000
SFMTA	Muni Metro East Expansion	PS&E	Pending		\$1,899,677				\$1,899,677
SFMTA	Muni Metro East Expansion	CON	Programmed				\$2,800,000		\$2,800,000
SFMTA	New Castro Station Elevator ¹	PS&E	Allocated	\$1,500,000					\$1,500,000
Total Programmed in 2019 5YPP				\$2,000,000	\$2,974,677	\$0	\$2,800,000	\$0	\$7,774,677
Total Allocated and Pending				\$1,500,000	\$2,974,677	\$0	\$0	\$0	\$4,474,677
Total Unallocated				\$500,000	\$0	\$0	\$2,800,000	\$0	\$3,300,000
Total Programmed in 2019 Strategic Plan				\$3,000,000	\$1,899,677	\$0	\$2,800,000	\$0	\$7,699,677
Deobligated Funds				\$372,877	\$1,416,435	\$0	\$0	\$0	\$1,789,312
Cumulative Remaining Programming Capacity				\$1,372,877	\$1,714,312	\$1,714,312	\$1,714,312	\$1,714,312	\$1,714,312
Pending Allocation/Appropriation									
Board Approved Allocation/Appropriation									

FOOTNOTES:

¹ 5YPP amendment to accommodate allocation of \$1,500,000 for New Castro Station Elevator (Resolution 20-020, 12/17/2019); Building Progress FIX - Placeholder: Delay \$127,000 in cash flow from FY 2019/20 to FY 2020/21.

New Castro Station Elevator: Change project phase from construction to design; Prop K amount and year of programming are unchanged and project is fully funded through

² 5YPP amendment to accommodate appropriation of \$75,000 for Potrero Yard Modernization - Enhanced Oversight (Resolution 21-0XX, xx/xx/xxxx): Cumulative Remaining Programming Capacity: Reduced from \$1,714,312 to \$1,639,312.

Potrero Yard Modernization - Enhanced Oversight: Added project with \$75,000 in planning funds in FY2020/21.

Potrero Yard Modernization - Prop K Allocation Request

Detailed Project Description

A. PROJECT OVERVIEW

The project sponsor, the San Francisco Municipal Transportation Agency (SFMTA), proposes to replace the Potrero Trolley Coach Division Facility at 2500 Mariposa Street (Potrero Yard). The proposed project would accommodate the expansion of the SFMTA's transit vehicle fleet in a new replacement structure that would include space for bus parking and circulation (up to 213 buses); SFMTA maintenance, operation, and administrative uses; and joint development uses. The new, approximately 1,300,000 gross-square-foot structure would occupy the 4.4-acre site and rise to heights ranging from approximately 75 to 150 feet. The new structure would contain a three-level, approximately 75-foot-tall replacement transit facility plus a mix of commercial and residential uses in the remainder of the project as part of a joint development program between SFMTA and a private project co-sponsor. The joint development program would include a ground-floor commercial use and residential entry lobbies, with integrated residential and transit facility uses on the second through sixth floors of the three-level replacement transit facility. The majority of residential development would be atop the replacement transit facility on the 7th to 13th floors.

B. PROJECT OBJECTIVES

The San Francisco Municipal Transportation Agency (SFMTA) seeks to achieve the following set of basic and additional objectives by undertaking the proposed project:

BASIC OBJECTIVES

MODERNIZED POTRERO YARD TRANSIT FACILITY

- Rebuild, expand, and modernize the SFMTA's Potrero Bus Yard by 2026 to efficiently maintain and store a growing Muni bus fleet according to the SFMTA Fleet Plan and Facilities Framework schedule.
- Construct the first SFMTA transit facility with infrastructure for battery electric buses to facilitate Muni's transition to an all-electric fleet, in accordance with San Francisco and California policy.
- Construct a new public asset that is resilient to earthquakes and projected climate change effects and that provides a safe, secure environment for the SFMTA's employees and assets.
- Improve working conditions of the SFMTA's workforce of transit operators, mechanics, and front-line administrative staff through a new facility at Potrero Yard.

SFMTA FACILITIES FRAMEWORK AND BUILDING PROGRESS PROGRAM

- Achieve systemwide master plan priorities by consolidating two currently scattered transit support functions at Potrero Yard:

- Improve and streamline transit operator hiring by consolidating the SFMTA’s operator training function in a new, state-of-the-art facility.
- Support efficient Muni operations by consolidating the Street Operations division in a modern, convenient facility.

COMMUNITY INPUT

- Implement inclusive and transparent stakeholder engagement in designing this project and completing the CEQA process.

RESPONSIBLE PUBLIC INVESTMENT

- Create a development that is financially feasible, meaning that the public asset can be funded by public means.

ADDITIONAL OBJECTIVES

STREETSCAPE AND URBAN DESIGN

- Enhance safety and reduce conflicts between transit, commercial vehicles, bicyclists, drivers, and pedestrians.
- Improve the architectural and urban design character of the project site by replacing the existing fences and blank walls with more active, transparent street walls, to the extent feasible.

MIXED USE DEVELOPMENT AND HOUSING

- Maximize the reuse of this 4.4-acre site in a central, mixed-use neighborhood by creating a mixed-use development and providing dense, mixed-income housing, including below-market rate units.
- Increase the City’s supply of housing by contributing to the Mayor’s Public Lands for Housing goals, the *San Francisco General Plan* Housing Element goals, and the Association of Bay Area Governments’ Regional Housing Needs Allocation for San Francisco by optimizing the number of dwelling units, including affordable housing, particularly near transit.
- Support transit-oriented development and promote the use of public transportation through an innovative and comprehensive transportation demand management program.
- Ensure that joint development is able to fund its own construction and ongoing management without reliance on City subsidy other than what is originally assumed as part of the project budget.

SUSTAINABILITY

- Demonstrate the City’s leadership in sustainable development by constructing an environmentally low-impact facility intended to increase the site’s resource efficiency.

C. PROJECT LOCATION AND SITE CHARACTERISTICS

The project site is located in the northeast portion of San Francisco's Mission District near the South of Market and Potrero Hill neighborhoods (to the north and east, respectively). The Potrero Yard site is bounded by 17th Street to the north, Hampshire Street to the east, Mariposa Street to the south, and Bryant Street to the west and includes a trolley bus¹ storage yard and a maintenance and operations building. The project site is located across 17th Street from the approximately 4.4-acre Franklin Square and is approximately 0.25 mile west of U.S. Highway 101, approximately 0.5 mile east of the 16th and Mission Bay Area Rapid Transit District (BART) station, and approximately 0.5 mile north of San Francisco General Hospital.

The project site occupies the entirety of Assessor's Parcel 3971/001 and is owned by the City and County of San Francisco, through the SFMTA. The site is approximately 192,000 square feet (or 4.4 acres) and occupies the equivalent of roughly two typical city blocks (200 by 400 feet). The site is rectangular and measures approximately 480 feet along 17th and Mariposa streets and approximately 400 feet along Bryant and Hampshire streets. Potrero Yard includes a bus storage yard and a maintenance and operations building. The western half of the site, as well as the vacated York Street right-of-way, is occupied by the asphalt-paved bus storage yard, which includes a bus wash rack and running repair station along its northern and western edges, respectively. The eastern half of the site is occupied by the predominantly single-story maintenance and operations building, which includes a second-floor parking deck and a second story office level and maintenance bay along Mariposa and Hampshire streets, respectively.

The site slopes up toward the north and east (17th and Hampshire streets) and downhill toward the south and west (Mariposa and Bryant streets). The bus storage yard (or western portion of the site) has a gradual elevation change of approximately 6 feet due to a cut into the natural slope of the site. As a result, along the northern boundary of the site, the elevation of 17th Street is between approximately 14 and 22 feet higher than site grade with the high point at the corner of 17th and Hampshire streets. The elevation change along the other boundaries of the site is smaller or at the same grade as the bus storage yard.

¹ Trolley buses (or trolley coaches) along with buses (or motor coaches) are part of the SFMTA's rubber-tired bus fleet. These vehicles are different from other buses based on the propulsion system. That is, trolley buses are all-electric vehicles that operate on overhead wires, while buses are outfitted with either diesel or hybrid motors that operate with renewable fuels. San Francisco Municipal Transportation Agency (SFMTA), SFMTA Bus Fleet Management Plan 2017-2030, March 2017, pp. 12-14. This document and all other documents cited herein, unless otherwise noted, are available for review at the San Francisco Planning Department, 49 South Van Ness Avenue, Suite 1400, as part of Case No. 2019-021884ENV.

EXISTING OPERATIONS

Potrero Yard operates 24 hours per day, 7 days a week, providing overnight bus storage and a location for street operations and bus maintenance activities. Potrero Yard has a design capacity for 138 buses that are 40 and 60 feet long. Transit service demands for Muni routes operating out of Potrero Yard requires 158 buses to be stored and maintained at Potrero Yard, with buses parked in circulation aisles and maintenance bays.² The buses operate on six Muni routes – 5 Fulton, 5 Fulton Rapid, 6 Haight/Parnassus, 14 Mission, 22 Fillmore, and 30 Stockton – and carry over 102,000 Muni customers each day.³ In general, the peak period for buses leaving Potrero Yard to access their routes is between 4 a.m. and 7 a.m., with the majority leaving between 5 a.m. and 6 a.m. Buses generally return to Potrero Yard in the evening between 7 p.m. and 9 p.m. Owl routes 5, 14, and 22 also emanate from Potrero Yard, with buses leaving before midnight and returning before 6 a.m. to provide owl service.⁴ Bus travel to and from Potrero Yard is considered non-revenue bus travel time (i.e., buses are not in service picking up and dropping off passengers; they are traveling to or from Potrero Yard and a terminus point where revenue service begins or ends). Potrero Yard has approximately 400 employees, including approximately 295 bus operators.⁵

EXISTING MAINTENANCE AND OPERATIONS BUILDING

The maintenance and operations building was originally constructed in 1915 as single-story, reinforced-concrete building and served as a streetcar maintenance garage with at-grade access from Mariposa Street. In 1924 the portions of the existing building along Hampshire and Mariposa streets were expanded to two stories. Between 1948 and 1949, the building was converted from a streetcar barn to a trolley coach facility. The maintenance and operations building covers less than 50 percent of the site. The rectangular building (215 by 370 feet) has a concrete perimeter foundation, a flat roof, and two double-height sections along its south (Mariposa Street) and east (Hampshire Street) sides. The building is approximately 109,000 gross square feet. Due to the elevation change, the building's height varies, ranging from approximately 44 feet tall along the Mariposa Street frontage near Hampshire Street, to approximately 10.5 feet tall along the Hampshire Street frontage near 17th Street.

Due to the change in grade between the north and south sides of the property, the first floor is below-grade on 17th Street and fully at-grade on Mariposa Street. Concrete retaining walls line the northern side of the site along 17th Street toward Bryant Street and a portion of the western side of the yard along Bryant Street toward 17th Street. The roof of the maintenance building is at grade along 17th Street west of Hampshire Street and is used as a parking deck. Additional maintenance

² SFMTA, Short Range Transit Plan, Fiscal Year 2017-Fiscal Year 2030, June 6, 2017, Table 7: SFMTA Administrative, Operations, Maintenance, Fueling, Vehicle Storage and Staging Facilities, p. 19.

³ SFMTA, Automatic Passenger Counts Data, 2019.

⁴ SFMTA, Muni's late-night transit service is called the Owl network, <https://www.sfmta.com/getting-around/muni/routes-stops/muni-owl-service-late-night-transportation>, accessed July 10, 2020.

⁵ SFMTA, Data Request Response, January 31, 2020.

shops are located on the second floor along the Hampshire Street side and offices on the second floor along the Mariposa Street side.

The building's first floor, accessed from Mariposa Street, consists of a 10-lane maintenance space with 24 bays, including "heavy" and "running" repair bays⁶, shallow maintenance pits, machine and tire shops, maintenance staff rooms, storage rooms, and offices. The second floor, accessed from 17th Street, houses two maintenance bays with tire and light-duty body repair shops and the operations department. All the maintenance-related spaces on the first and second floors have indoor overhead catenary systems attached to the ceilings to power the trolley buses.

The maintenance and operations building is eligible for inclusion in the California Register of Historical Resources (CRHR) under Criterion 1 (Events) for its association with the early days of the San Francisco Municipal Railway (Muni), and in particular the expansion of Muni service south of Market Street.⁷ It also appears eligible for listing under Criterion 3 (Architecture/Design/Construction) as an example of a type (municipal car barn), period (World War I), method of construction (reinforced concrete), and the "work of a master," City Engineer Michael M. O'Shaughnessy. The maintenance and operations building is considered a moderately intact example of a municipal car barn. The department assigned the building a status code by of "3CS," meaning that it is already listed in the California Register and considered a historical resource for purposes of the California Environmental Quality Act (CEQA). The project site is not located within any known or potential historic district.⁸

EXISTING BUS STORAGE YARD AND OTHER PAVED AREAS

The site has several paved areas and curb cuts. The existing electrified bus storage yard on the western portion of the site (approximately 112,450 square feet) is the largest of the paved areas. The bus storage yard is paved with asphalt, with painted and numbered parking lanes in the center of the yard. Overhead catenary lines mounted on steel poles provide power for off-duty electric buses stored and serviced on the yard. Several workstations are located around its perimeter, including a bus wash rack on the north side, an outdoor running repair station on the west side, and a fare collection shop and a defunct vacuum station on the east side. An entry control booth, built in 1990, is located west of a 25-foot-deep setback on the southeast portion of the site along Mariposa Street adjacent to the bus storage yard's main entrance.

⁶ Running repair bays serve as preventative maintenance and inspection for buses that are still powered. Heavy repair bays typically are used for more intensive bus maintenance activities that could require lifts and other mechanical systems for engine overhauls or major body repairs.

⁷ VerPlanck Historic Preservation Consulting, Historic Resource Evaluation, Potrero Trolley Coach Division Facility, October 2, 2017, Section III, Regulatory Framework, p. 4.

⁸ VerPlanck Historic Preservation Consulting, Historic Resource Evaluation, Potrero Trolley Coach Division Facility, October 2, 2017, Section VI, Determination of Eligibility, p. 65.

Ingress to the bus storage yard is provided by a 50-foot-wide curb cut and gated driveway on Mariposa Street immediately west of the entry control booth; egress is provided by a 30-foot-wide curb cut and gated driveway on Mariposa Street near Bryant Street.

Other paved areas and curb cuts on the project site are as follows:

- A second-floor parking deck on top of the maintenance and operations building on the northeast portion of the site near 17th and Hampshire streets. The second-floor parking deck is accessed via a 52-foot-wide curb cut and gated driveway on 17th Street near Hampshire Street. The second-floor parking deck is electrified with overhead catenary wires mounted on steel poles.
- A 25-foot-deep strip of asphalt in front of five openings on the south elevation of the maintenance and operations building along Mariposa Street.⁹ This strip of asphalt is in front of a continuous, approximately 146-foot-wide curb cut for buses to enter and exit the building.
- A 13-foot-wide curb cut, used to access a parts storeroom receiving area located immediately west of the main pedestrian entrance and east of the entry control booth via Mariposa Street.

The bus storage yard and second-floor parking deck provide space for the following:

- 158 buses (sixty-five 40-footers and ninety-three 60-footers)
- 56 non-revenue vehicles¹⁰ and employee vehicles, in striped parking spaces currently located on the northeast side of the second-floor parking deck¹¹
- 10 additional non-revenue vehicles, which are parked throughout the bus storage yard but not in marked spaces

In addition, one off-street loading space on the bus storage yard is located outside the parts storeroom receiving area east of the entry control gate on Mariposa Street. Off-street loading also occurs outside the maintenance bays on the second-floor parking deck.

Along 17th and Bryant streets and a portion of the Mariposa Street frontage, the bus storage yard is enclosed within 10-foot-high steel fencing topped with outward curving balusters.

⁹ The 25-foot-deep setback at the southeast corner of site along Mariposa Street was originally required to allow streetcars, which cannot make 90 degree turns, sufficient clearance to turn off Mariposa Street into the building.

¹⁰ Non-revenue means the SFMTA does not use the vehicles to collect fares from passengers. Non-revenue vehicles include, but are not limited to, cars, minivans, pick-up trucks, cargo vans, super-duty trucks, and tanker trucks. SFMTA, Short Range Transit Plan, Fiscal Year 2017-Fiscal Year 2030, June 6, 2017, p. 81.

¹¹ Fifty-two striped parking spaces are currently being used for bus parking.

EXISTING SITE ACCESS AND CIRCULATION

The project site is well served by public transit. Muni operates numerous surface buses within one block of the project site along Bryant Street, 16th Street, and Potrero Avenue, including the 9 San Bruno, 9R San Bruno Rapid, 22 Fillmore, 27 Bryant, 33 Ashbury/18th, and 55 16th Street routes. Six Muni bus routes operate out of the Potrero Yard: the 5 Fulton, 5 Fulton Rapid, 6 Haight/Parnassus, 14 Mission, 22 Fillmore, and 30 Stockton routes. Regional transit providers include BART, Golden Gate Transit, and San Mateo County Transit District (SamTrans).

Potrero Yard is not accessible to unaccompanied members of the public. Employees access the maintenance and operations building primarily from the entrance on Mariposa Street immediately east of the entry control booth. Bus, non-revenue vehicles, and staff vehicles are able to access Potrero Yard from Mariposa Street via the 44-foot-wide gate just west of the entry control booth and the five bus bays near Hampshire Street, accessed via the 50-foot and 146-foot-wide curb cuts, respectively; and from the second-floor parking deck, accessed via a 52-foot-wide curb cut and gated driveway on 17th Street west of Hampshire Street.

The streets adjacent to the project site are identified as mixed-use streets in the Better Streets Plan¹² and described below.

- 17th Street is 66 feet wide with two travel lanes, striped bicycle lanes on both sides, and on-street parallel parking on the north side starting approximately 230 feet east of the Bryant Street intersection.¹³
- Hampshire Street is 80 feet wide with two travel lanes and perpendicular vehicle parking on both sides of the street.
- Mariposa Street is 56 feet wide with two travel lanes and on-street parallel parking on the north side of the street between the two gated entry and exit points to the bus storage yard and on the south side between Bryant and York streets and York and Hampshire streets.
- York Street terminates at Mariposa Street.
- Bryant Street is 80 feet wide with two north-south travel lanes, on-street parallel parking on both sides of the street, and Muni bus stops. The northbound (inbound towards Russian Hill) Muni bus stops are at the southeast corner of Bryant and Mariposa streets (south of the project site) and the southeast corner of Bryant and 17th streets (adjacent to the project site). The southbound (outbound towards the Mission) Muni bus stops are at the southwest corner of Bryant and 17th streets and the northwest corner of Bryant and Mariposa streets, both across the street from the project site.¹⁴

¹² The San Francisco Better Streets Plan consists of illustrative typologies, standards and guidelines for the design of San Francisco's pedestrian environment, with the central focus of enhancing the livability of the City's streets. City and County of San Francisco, San Francisco Better Streets Plan, December 7, 2010, <https://sfplanning.org/resource/better-streets-plan>, accessed June 30, 2020.

¹³ Along this segment of 17th Street the bikeway is a signed class III facility with a striped bike lane in both directions and elements of a class IV facility (i.e., a separated bike lane and flexible posts). The 17th Street bikeway continues east of Hampshire Street as a class II facility and west of Bryant Street as a mixed class III/class IV facility.

¹⁴ There are class II striped bike lanes on each side of Bryant Street north of 17th Street.

There are no on-street loading spaces adjacent to the project site.

The sidewalks adjacent to the project site along 17th, Hampshire, and Bryant streets are each 15 feet wide and meet the Better Streets Plan recommended sidewalk width. The Mariposa Street sidewalk is 7 feet wide and does not meet the minimum sidewalk width of the Better Streets Plan.¹⁵ The existing bus storage yard encroaches on the Mariposa Street sidewalk right-of-way. Sidewalk elements include 27 street trees on the adjacent sidewalks: nine on 17th Street, seven on Hampshire Street, and 11 on Bryant Street. There are no street trees along the Mariposa Street frontage. Other sidewalk elements include the network of poles and overhead wires that serve the various Muni trolley buses maintained and stored at Potrero Yard. A Bay Area bicycle-share station with 19 bicycle docks is located at the northeast corner of Bryant and 17th streets, adjacent to the sidewalk.

EXISTING ZONING AND GENERAL PLAN DESIGNATION FOR THE PROJECT SITE

The project site is located within a Public Use (P) Zoning District and a 65-X Height and Bulk District.^{16, 17} The entire project site is within the Mission Alcohol Beverage Special Use District and Fringe Financial Services Restricted Use District, which include zoning controls to address specific land use issues related to the sale of alcoholic beverages and establishment of new fringe financial services, respectively.¹⁸ It is also within the area covered by the Mission Area Plan of the San Francisco General Plan.¹⁹

D. PROPOSED PROJECT

The SFMTA proposes to replace the Potrero Yard at 2500 Mariposa Street. The project would accommodate the expansion of the SFMTA's transit vehicle fleet and the modernization of bus maintenance, operation, and administrative services. The project would also accommodate the expansion and consolidation of training operations currently sited elsewhere in one location. In addition, the proposed project includes joint development consisting of a mix of uses, such as residential within and atop the replacement transit facility and ground-floor commercial uses along Bryant Street.

¹⁵ For this segment of Mariposa Street, the minimum and recommended sidewalk widths in the Better Streets Plan are 12 feet and 15 feet, respectively.

¹⁶ The maximum building height allowed on the project site is 65 feet. Bulk controls reduce the size of a building's floorplates as the building increases in height. Pursuant to the San Francisco Planning Code, Article 2.5: Height and Bulk Districts, Section 270(a), there are no bulk limits in an "X" Bulk District.

¹⁷ San Francisco Planning Department, San Francisco Property Information Map, Step 1: 2500 Mariposa Street, and Step 2: Zoning Information, <http://propertymap.sfplanning.org>, accessed July 25, 2020.

¹⁸ San Francisco Planning Code, Article 2: Use Districts, Sections 249.35 and 249.60.

¹⁹ San Francisco Planning Department, San Francisco General Plan, Eastern Neighborhoods Planning Areas, http://generalplan.sfplanning.org/images/eastern_neighborhoods_map.pdf, accessed July 24, 2020.

PROJECT BACKGROUND

The proposed project is part of the SFMTA’s 20-year Building Progress Program to expand and modernize its facilities to meet growing transportation demands and changing technologies.^{20, 21} In addition to the Potrero Yard, the SFMTA operates five other bus yards, sometimes referred to as “divisions”: Presidio Yard (949 Presidio Avenue), Flynn Division (1940 Harrison Street), Woods Yard (1095 Indiana Street), Islais Creek Division (1301 Cesar Chavez Street), and Kirkland Yard (2301 Stockton Street and 151 Beach Street).²²

The SFMTA is increasing its transit fleet to meet growing transportation demands. By 2025, SFMTA will have 55 more rubber-tired buses than can physically fit in its six current facilities; by 2030, that number will increase to 62. In addition, its oldest transit facilities – Potrero, Presidio, and Kirkland yards – were not built for the buses they currently store there, and are not equipped with adequate bus maintenance infrastructure or equipment, including bus lifts. The Potrero and Presidio yards were built for streetcars and modified for buses within their existing footprints; they have never truly served for efficient bus maintenance. They also do not meet the needs of new bus types or technologies such as battery-electric bus infrastructure. SFMTA therefore undertook a planning process for expanded and modern transit facilities.²³

In 2015 the SFMTA began a facility condition assessment to identify deficiencies and repair costs as a basis for budgeting and prioritizing improvements, as well as a means of identifying major space planning opportunities and ways to improve processes for facility planning and management.²⁴ SFMTA staff held internal staff workshops with front-line transit operations and maintenance staff and management in late 2015, early 2016, mid-2016, and late-2016. SFMTA staff presented a Facilities Framework to the SFMTA Executive Team in December 2016. The SFMTA Executive Team provided direction to study three development scenarios: Scenarios 1A and 1B, which propose smaller rebuilt facilities because they assume an additional new site, and Scenario 2A, which optimizes use of the SFMTA’s existing sites, including replacing Potrero Yard.²⁵

In November and December 2017 and January and December 2018, the SFMTA held public meetings to discuss the critical need to modernize SFMTA facilities such as Muni yards, maintenance shops, and paratransit facilities.

²⁰ SFTMA, Building Progress Public Outreach Boards, January 24, 2018, p. 5.

²¹ SFMTA, 2017 SFMTA Facilities Framework, p. 8.

²² SFMTA, 2017 SFMTA Facilities Framework, p. 14.

²³ SFMTA, 2017 SFMTA Facilities Framework, p. 8.

²⁴ SFMTA, 2017 SFMTA Facilities Framework, p. 6.

²⁵ SFMTA, 2017 SFMTA Facilities Framework, p. 10.

SFMTA held public workshops on the redevelopment of the Potrero Yard in December 2018 and in February, August, and October 2019. The SFMTA also conducted two years of internal design and planning work and coordinated with the Potrero Yard Neighborhood Working Group.²⁶

Based on those efforts, the SFMTA decided to study only Scenario 2A further. This scenario proposes rebuilding the three oldest facilities – Potrero, Presidio, and Kirkland yards, including the potential for additional joint development on these sites. The SFMTA is proposing to proceed with Potrero Yard first, as described herein.

The City and County of San Francisco (the City), acting by and through the SFMTA, will select a master developer (or a development consortium) to redevelop the 4.4-acre site through a developer selection process consisting of a request for qualifications (released June 2020) and a subsequent request for proposals (expected fall 2020) from the qualified candidates. The SFMTA anticipates selecting a developer in January to March 2021 and contracting with a developer by April to June 2021.

The proposed project described below is conceptual at this early stage in process. This document describes the project’s characteristics as they would occur if decision makers approve the project. However, as with most large development projects, aspects of the proposed project’s conceptual design may change and will become more detailed as a result of the CEQA process, technical design modifications, planning and building department application submittal requirements, and input from the planning department, the community, the selected project developer, and other stakeholders. For example, the project’s massing may change from the maximum envelope proposed to be analyzed as part of the CEQA analysis to a more refined architectural expression in response to design guidelines to be developed as part of the SFMTA’s developer selection process and through the City’s design review process.

The planning department will evaluate whether any future changes from the sponsor to the project description described herein would necessitate additional environmental review because, for example, the change would result in new or more substantial significant impacts.²⁷

PROJECT CHARACTERISTICS

²⁶ The Potrero Yard Neighborhood Working Group has approximately 15 members selected by the SFMTA in consultation with the Supervisors of Districts 9 and 10. Each seat represents a specific interest in elements of the project, <https://www.sfmta.com/reports/potrero-yard-neighborhood-working-group-application-form>, accessed May 30, 2020.

²⁷ Refer to CEQA Guidelines sections 15088.5 “Recirculation of an EIR prior to certification” and 15162 “Subsequent EIRs and Negative Declarations” for more details regarding the criteria applicable to the planning department’s evaluation of refinements to the project description. Such subsequent environmental review may include revisions to the draft EIR, a subsequent EIR or addendum or similar documentation.

The proposed project would demolish the existing bus storage yard and the maintenance and operations building and would replace them with a new, approximately 75- to 150-foot-tall,²⁸ up to 1,300,000-gross-square-foot structure. The proposed structure would cover the entire lot, except for a 5-foot setback from 17th Street. The characteristics of the proposed development are summarized in **Table 2.1: Summary of Existing and Proposed Project Characteristics**.

Table 2.1: Summary of Existing and Proposed Project Characteristics

Building Characteristics	Demolished	New ^{NOTE A}
Paved Bus Storage Yard	112,450 sq. ft.	–
Total Building Floor Area	109,000 gsf ^{NOTE B}	1,300,000 gsf
Ramps and Circulation		463,000 gsf
Service/Storage (Basement)		127,000 gsf
Service/Storage (Non-Basement)		59,000 gsf
Administration & Common Area		52,000 gsf
Shared Basement Circulation (Ramps and Drives)	–	22,000 gsf
Transit Facility Subtotal	221,450 gsf ^{NOTE C}	723,000 gsf
Residential (Units)	–	394,000 gsf
Residential (Circulation, Common Area, Property Management, Service, Storage)	–	150,000 gsf
Residential Development Subtotal	–	544,000 gsf
Commercial Use	–	33,000 gsf
Commercial Development Subtotal	–	33,000 gsf
Height	10.5 – 44 feet	75 – 150 feet ^{NOTE D}
Levels or Floors	1 to 2	3 to 13
Residential Units ^{NOTE E}	0	575
Two- to Three-Bedroom	–	228
One-Bedroom	–	206
Studio	–	141
Vehicle Parking Spaces	214	310 ^{NOTE F}
Buses (40 foot / 60 foot)	158 (65 / 93)	213 (63 / 150)
Non-Revenue Vehicles (large / standard)	56	97 (8 / 89)
SFMTA Staff	–	0
Residential	–	0
Loading Supply (On-Street Zones / Off-Street Spaces)	0 curb feet (0 / 1)	160 curb feet (3 / 2)
Commercial (On-Street / Off-Street)	0 curb feet (0 / 1)	40 curb feet (1 / 2)
Passenger (On-Street / Off-Street)	–	120 curb feet (2 / 0) ^{NOTE G}
Bicycle Parking Spaces ^{NOTE H}	5	773
Class 1	0	736
Class 2	5	37
Useable Open Space – Atop Replacement Transit Facility	–	91,000 sq. ft.
At-Grade Open Space – Green Buffer along 17th Street	–	2,400 sq. ft.

²⁸ Maximum building height would be measured from grade at the midpoint of the property boundary along each elevation pursuant to section 260 of the planning code.

Building Characteristics	Demolished	New ^{NOTE A}
<i>Notes:</i> gsf = gross square feet; sq. ft. = square feet		
NOTE A	Numbers rounded to closest 1,000 gsf or sq. ft. and correspond to the current conceptual design of the proposed project. The values presented are the expected maximum size for each component to provide a conservative analysis of impacts. The floor areas of the final design may result in variances from the values presented.	
NOTE B	Includes space for bus circulation, service, storage, administrative offices, and common areas.	
NOTE C	Includes the paved bus storage yard.	
NOTE D	The replacement transit facility would have three levels and be approximately 75 feet tall, as measured from grade at the midpoint of the property boundary along each elevation pursuant to San Francisco Planning Code (planning code) section 260.	
NOTE E	The proposed project may include as few as 525 units, but the analysis assumes up to 575 units. Approximately 40 percent of all residential units would be two-bedroom units, with up to 15 percent of two-bedroom units potentially becoming three-bedroom units. Approximately 50 percent of residential units would be market rate, and the other 50 percent would be below market rate residential units.	
NOTE F	Up to 12 car-share spaces may be provided at the basement level.	
NOTE G	Two separate 60-foot-long zones.	
NOTE H	Class 1 bicycle parking facilities are spaces in secure, weather-protected facilities intended for use as long-term, overnight, and workday bicycle storage by unit residents, non-residential occupants, and employees. Class 2 spaces are bicycle racks located in publicly accessible and highly visible locations intended for transient or short-term use by visitors, guests, and patrons to the building or use. Class 2 bicycle racks allow the bicycle frame and one wheel to be locked to the rack (with one u-shaped lock) and provide support to bicycles without damage to the wheels, frame, or components (planning code section 155.1).	

Source: SFMTA 2019

As shown in **Table 2.1**, the proposed approximately 1,300,000-gross-square-foot structure would contain an approximately 723,000-gross-square-foot replacement transit facility and up to 577,000 gross square feet of joint development uses. The replacement transit facility will have three transit levels, and a portion of the joint development, with integrated residential and commercial uses proposed along the Mariposa Street and Bryant street frontages (for a total of six joint development floors within the three-level replacement transit facility). Much of the residential portion of the joint development program would be developed within the three to seven floors proposed to rise above the replacement transit facility, i.e., on joint development floors 7 through 13. The tallest portion of the additional residential development atop the replacement transit facility will be closest to Mariposa Street on the site's south side. Useable open space (see **Table 2.1**) would be developed on the rooftop of the replacement transit facility, e.g., where the structure is set back from the property lines.

The three new transit levels in the replacement transit facility would be designed to include space for circulation (ramps, drive aisles, and vertical circulation), parking for 213 buses, 18 maintenance bays and maintenance support areas, operations, an SFMTA operator training center, storage (parts and battery-electric infrastructure), administrative uses/common areas (e.g., offices, conference rooms, break rooms), and joint development uses.²⁹ A total of 310 vehicle spaces would be provided: 63 spaces for the 40-foot-long buses, 150 spaces for the articulated 60-foot-long buses, and 97 parking spaces for large and standard non-revenue vehicles. The project is not proposing any off-street accessory vehicular parking for the entirety of the project, including the proposed

²⁹ HATCH, HDR, Sitalab, VerPlanck, and CHS, Potrero Yard: Bus Facility Design Criteria Document, June 2019, Section 3.3 (Potrero Facility Scenario 2), p. 27.

joint development. See **Table 2.1** for the parking breakdown and for approximate floor areas for the replacement transit facility. Ramps would provide one-way internal driveways within the replacement transit facility so that buses can access the work bays, bus wash bays, and parking spaces on the three new transit levels.

The proposed joint development uses within the replacement transit facility (ground-floor commercial and residential) and proposed residential uses on the up to seven floors atop the replacement transit facility would include space for up to 575 residential units. Up to 33,000 square of ground-floor commercial use would also be developed along Bryant Street. See **Table 2.1** for the breakdown of units by unit type and for approximate floor areas for the residential and commercial uses.^{30, 31}

Circulation space for the proposed transit, residential and commercial uses would be provided at the basement level and each of the six joint development floors within the replacement transit facility. Residential levels within the replacement transit facility would be accessed via vertical circulation access points that preserve the security of the SFMTA facility and that are safe and functional for the joint development. Access to the residential levels atop the replacement transit facility would be provided via separate residential circulation elevators and stairs. A secure access system would be installed to restrict access to various floors to authorized individuals (e.g., residents only at the residential floors and SFMTA employees only at SFMTA floors).

The proposed project would also include changes within the Mariposa Street, 17th Street, Bryant Street, and Hampshire Street rights-of-way.

During construction, the bus parking, operations, and maintenance support functions would temporarily relocate to the Muni Metro East Light Rail Vehicle Facility (601 25th Street), and the 1399 Marin Facility.³² The SFMTA estimates that the replacement transit facility would have a total employment population of approximately 829 full-time equivalent persons, including 383 operators.³³ Potrero Yard would continue to operate as a 24/7 facility. On average,

³⁰ Joint development floors within the replacement transit facility would include residential units on floors 2 through 6, with commercial uses and residential lobbies at the ground floor along Mariposa and Bryant streets. Each of the floors would include a mix of the proposed joint development and transit facility uses.

³¹ Current financial model assumes that residential units proposed for development within the replacement transit facility would be below market rate units while those developed atop the replacement transit facility would be a combination of market rate and below market rate units.

³² The 180,000-square-foot Muni Metro East Light Rail Vehicle Facility is located along the Central Waterfront on Illinois and 25th streets in the Dogpatch/Bayview neighborhood, a block from the T Third Street Line. The 1399 Marin facility at Marin and Indiana streets, also located in the Dogpatch/Bayview neighborhood and in close proximity to the T Third Street Line, is currently used for receiving new transit vehicles and testing them before they are introduced into the overall transit fleet.

³³ HATCH, HDR, Sitelab, VerPlanck, and CHS, Potrero Yard: 3-Level Bus Facility Design Criteria Document, June 2019, Section 2.1 (Staff Summary), p. 11.

approximately 100 SFMTA staff would be on site at any given time, with a peak of 181 SFMTA staff from noon to 3 p.m. and 60 to 80 staff from 6 p.m. to 3 a.m.

PROPOSED BUILDING FORM AND DESIGN

The proposed new structure would occupy the site up to the property lines, except along the 17th Street frontage, due to the five-foot setback. The project includes a replacement transit facility at approximately 75 feet in height as measured to the top of the roof from grade at the midpoint of the property boundary along each elevation. The three- to seven-story residential structures atop the replacement transit facility would be approximately 30 to 70 feet tall as measured to the top of the roof (exclusive of any mechanical penthouses that could range from 16 to 20 feet and would be centrally located on rooftops). The tallest portion of the new structure would be located away from the 17th Street property line, toward the southern portion of the site. Thus, the proposed overall heights would range from approximately 75 feet for the replacement transit facility to a maximum of up to 150 feet, inclusive of the approximately 75-foot-tall replacement transit facility. The proposed structure, including balconies, terraces, and other features, as well as any rooftop additions or elements that feature unbroken glazed segments, would be designed to be compliant with the bird-safe features described in San Francisco Planning Code (planning code) section 139, as applicable.

The proposed upper-floor setbacks above the replacement transit facility show residential structures set back approximately 70 feet from the north property line (17th Street), approximately 20 to 30 feet from the east property line (Hampshire Street), approximately 15 to 25 feet from the south property line (Mariposa Street), and approximately 10 to 30 feet from the west property line (Bryant Street).³⁴

PROPOSED BASEMENT LEVEL

The below-grade basement level would provide space for service functions for both the SFMTA and the joint development uses. The basement-level space for the SFMTA would include a loading dock; parts staging/storage area; battery electric storage, and work areas. Joint development space at the basement level would include a loading dock, storage, and service/delivery space. Other basement-level space would include stairways, elevators, class 1 bicycle parking, and trash, recycling, and composting.³⁵ In addition to these uses at the basement level, the proposed project could occupy the site's full dimensions to accommodate additional battery electric storage and infrastructure space for future expansion.

PROPOSED TRANSIT LEVEL 1 (JOINT DEVELOPMENT FIRST FLOOR)

³⁴ Conceptual designs take advantage of the site's slope to limit shadows on Franklin Square.

³⁵ HDR, SFMTA Potrero Scenario 2 (3-Level), Sheets A-101 (Basement Overall Plan) to A-101I (Basement - Area I), February 20, 2019, and Sitelab Urban Studio, Potrero Yard Planning Application, Sheet 10, November 20, 2019.

Transit Level 1 (or the ground level) would include heavy and running repair bays and would serve as a drive-through bus maintenance operation level. It would be below grade along 17th Street and at grade along Mariposa Street. The ground level would have stacked parking/storage for 40- and 60-foot-long buses, with a maximum capacity of 38 spaces for 40-foot-long buses (fewer spaces if the buses are 60 feet long), and maintenance and support areas. Ramps and drive aisles would provide internal circulation.

Transit Level 1 may also provide support space and services for SFMTA transit operators, maintenance, and administrative staff, including parts storage, training, and storage.³⁶ Joint development space would be limited and may include ground-floor retail and residential lobbies.

PROPOSED MEZZANINE LEVEL (JOINT DEVELOPMENT SECOND FLOOR)

The mezzanine level would be developed along Mariposa and 17th streets. The mezzanine level may include a bus operations office and support areas with some square footage assigned to joint development space.³⁷

PROPOSED TRANSIT LEVEL 2 (JOINT DEVELOPMENT THIRD FLOOR)

Transit Level 2 would be at grade along 17th Street and would include ramps along the north property line. This level would provide drive aisles for circulation, stacked bus parking for 40- and 60-foot-long buses (90 spaces for 60-foot-long buses, more spaces if the buses are 40 feet long), a bus wash bay with a dedicated water reclamation equipment area, and electric charging infrastructure. A proposed emergency bus exit at the corner of 17th and Hampshire streets would provide access to 17th Street and replace the existing 52-foot-wide curb cut and driveway with a 42-foot-wide curb cut and driveway. Approximately 24 parking spaces and five electric vehicle charging stations would be dedicated for standard non-revenue vehicles. This level may also include SFMTA operations offices, conference rooms, training rooms, break rooms, restrooms, and lockers.³⁸ There is also potential for joint development space on Transit Level 2.

PROPOSED TRANSIT LEVEL 3 (JOINT DEVELOPMENT FOURTH AND FIFTH FLOORS)

Transit Level 3 would provide drive aisles and stacked bus coach parking for 40- and 60-foot-long buses (85 spaces for 60-foot-long buses, more spaces if the buses are 40 feet long) with dedicated

³⁶ HDR, SFMTA Potrero Scenario 2 (3-Level), Sheets A-102 (1st Floor Overall Plan) to A-102I (1st Floor - Area I), February 20, 2019, and Sitalab Urban Studio, Potrero Yard Planning Application, Sheet 11, November 20, 2019.

³⁷ HDR, SFMTA Potrero Scenario 2 (3-Level), Sheets A-103 (Training and Operations – 2nd Floor – Overall Plan) to A-103I (2nd Floor - Area I), February 20, 2019, and Sitalab Urban Studio, Potrero Yard Planning Application, Sheet 12, November 20, 2019.

³⁸ HDR, SFMTA Potrero Scenario 2 (3-Level), Sheets A-104 (Bus Level 2 – 3rd Floor – Overall Plan) to A-104I (3rd Floor - Area I), February 20, 2019, and Sitalab Urban Studio, Potrero Yard Planning Application, Sheet 13, November 20, 2019.

zones for electric charging infrastructure. Ramps are proposed along the north property line. Approximately 70 parking spaces and five electric vehicle charging stations would be dedicated for large and standard non-revenue vehicles. This level may also provide a bus wash bay with a dedicated water reclamation equipment area; a transit operations, equipment storage, and component rebuild assembly room; and associated storage, support and supervisory areas.³⁹

Transit Level 3 would also encompass the fourth and fifth joint development floors, with potential for residential units and circulation space along Mariposa Street.

PROPOSED JOINT DEVELOPMENT SIXTH FLOOR

The sixth joint development floor would include residential units and circulation space, and may include a residential common area and property management office along Mariposa Street.⁴⁰

PROPOSED JOINT DEVELOPMENT FLOORS 7 TO 13

The joint development above the replacement transit facility would include residential units and circulation space. Residential structures would rise from three to seven stories above the replacement transit facility.⁴¹ Up to 91,000 square feet of residential common open space could be developed on top of the replacement transit facility.

PROPOSED CHANGES IN STREET RIGHTS-OF-WAY

The proposed project includes changes within the Mariposa Street, 17th Street, Bryant Street, and Hampshire Street rights-of-way. To the extent feasible, all proposed changes would conform to the guidelines in the Better Streets Plan and the Mission District Streetscape Plan⁴² as well as the requirements of the SFMTA, the San Francisco Public Utilities Commission, and the Bureau of Urban Forestry. Many of these changes would require further engineering, public input, and review to confirm feasibility and desirability.

The project proposes to retain existing mature street trees along 17th and Hampshire streets, plant new street trees, install street lighting, install pedestrian bulbouts and pedestrian ramps, attach overhead catenary system cables to the proposed building, and remove catenary poles from the sidewalk. The proposed project would also move overhead utilities underground if and where it is feasible.

³⁹ HDR, SFMTA Potrero Scenario 2 (3-Level), Sheets A-105 (Bus Level 3 – 4th Floor – Overall Plan) to A-105I (4th Floor - Area I) and Sheets A-106 (5th Floor – Overall Plan) to A-106I (5th Floor – Area I), February 20, 2019, and Sitalab Urban Studio, Potrero Yard Planning Application, Sheet 14, November 20, 2019.

⁴⁰ Sitalab Urban Studio, Potrero Yard Planning Application, Sheet 08, November 20, 2019.

⁴¹ Sitalab Urban Studio, Potrero Yard Planning Application, Sheet 09, November 20, 2019.

⁴² San Francisco Planning Department, Mission District Streetscape Plan, available at https://archives.sfplanning.org/CDG/CDG_mission_streetscape.htm, accessed July 10, 2020.

PEDESTRIAN NETWORK

The existing bus storage yard (south fence) encroaches on the Mariposa Street sidewalk, narrowing the existing sidewalk width along the western half of the Mariposa site frontage to 7 feet. The footprint of the replacement transit facility would be moved back to the property line, which would enable the project to effectively widen the Mariposa Street sidewalk to at least 12 feet. The proposed project would maintain all other sidewalks at 15 feet wide.

The proposed project would also construct the following pedestrian network improvements, including all necessary striping and lighting, pending further feasibility analysis:

- bulbouts at the northeast corner of Bryant and Mariposa streets projecting into both Bryant and Mariposa streets
- bulbout at the northwest corner of Hampshire and Mariposa streets projecting into Hampshire Street
- curb ramps for pedestrian crossings adjacent to the project site and a curb ramp on the southeastern side of the Mariposa/York street intersection facing Mariposa Street
- continental style crosswalks at all approaches at the intersections of Hampshire/17th streets, Hampshire/Mariposa streets, and Mariposa/York streets
- a raised crosswalk and a rectangular rapid flash beacon for the pedestrian crossing of 17th Street at Hampshire Street

BICYCLE NETWORK

The project would convert the existing striped and partially protected bicycle lanes into green protected, widened bikeways in both directions on the segment of 17th Street between Bryant and Hampshire streets. This change would require the elimination of parallel parking on the north side of 17th Street. If not feasible, the SFMTA would raise the bike lane on the south side to sidewalk level, apply green paint, and install “safe hit posts”.

BUS STOPS

The proposed project would not change existing bus operations in the vicinity of the project site, i.e., remove or relocate bus stops. The northbound and southbound Muni bus stops on the southeast (adjacent to the project site) and southwest corners of Bryant and 17th streets would remain. The existing northbound and southbound Muni bus stops on the southeast and northwest corners of Bryant and Mariposa streets, respectively, would potentially include new shelters, transit notification systems, and additional street lighting, as necessary.

PARKING AND LOADING

The proposed project would maintain perpendicular on-street parking on the west side of Hampshire Street adjacent to the project site but would eliminate several spaces to accommodate a pedestrian bulbout and accompanying passenger loading zone at Mariposa Street. Parking on the

east side (across from the project site) would be converted to parallel parking, eliminating several spaces. Parking would also be eliminated and prohibited on the east and west sides of Hampshire Street within 10 feet of the intersection of 17th and Hampshire streets. Other changes include the following:

- eliminating parallel parking on the north side of 17th Street between Bryant and Hampshire streets starting approximately 230 feet east of the intersection of Bryant and 17th streets to gain more width for protected bike lanes
- removing parking spaces along the north side of Mariposa Street and restriping as a no parking zone
- installing audible and/or visual warning systems to alert pedestrians and/or bicyclists as buses, non-revenue vehicles, and other SFMTA vehicles exit onto Mariposa and 17th streets

The primary loading areas for the SFMTA and for the proposed residential use would be located in the proposed basement level, accessed via a 20-foot-wide ramp on Mariposa Street east of Bryant Street. A secondary off-street loading area for the SFMTA would be located on the ground floor. In addition, limited curb areas would be restriped for passenger and commercial loading, with two accessible 60-foot-long passenger loading zones proposed along Bryant and Hampshire streets, immediately north of Mariposa Street; and a 40-foot-long commercial loading zone proposed along Bryant Street, immediately north of the proposed passenger loading zone.

ACCESS, SITE CIRCULATION, AND LOADING

Primary vehicular access to and from the site would be from Mariposa Street:

- The four bus entry bays between York and Hampshire streets would be accessed via two separate curb cuts, an approximately 47-foot-wide curb cut near Hampshire Street and an approximately 63-foot-wide curb cut near York Street.
- The three bus exit bays between Bryant and York streets would be exited via an approximately 97-foot-wide curb cut.
- The existing 30-foot-wide curb cut on Mariposa Street (near Bryant Street) would be reduced to an approximately 20-foot-wide curb cut that would accommodate loading and delivery and other joint development and transit facility space needs.

The existing 52-foot-wide curb cut and driveway on 17th Street would be relocated east closer to Hampshire Street and reduced in width to 42 feet. It would function as an emergency exit for buses and non-revenue vehicles.

Work bays on Transit Level 1 would be accessed via drive aisles associated with the two westernmost entry bays from Mariposa Street. Buses and non-revenue vehicles would use the ramps at the north side of the building to access work bays and parking spaces on Transit Levels 2 and 3 as well as parking spaces on Transit Level 1 via an at-grade level bypass ramp. The ramps

and drive aisles would route all buses and non-revenue vehicles south toward the Mariposa Street exits.

The proposed basement level would accommodate building services and battery electric infrastructure for the SFMTA and the joint development components providing tenant storage; dumpsters for refuse, recycling, and compost; parking for bicycles (class 1) and car-share vehicles (12); and two loading docks. Internal circulation on this level would accommodate service delivery vehicles for the proposed transit, residential, and commercial uses and for refuse collection.

SFMTA staff would access the replacement transit facility through a ground-floor lobby on Mariposa Street. The residential component of the proposed project along the southern and western perimeter of the replacement transit facility, as well as the residential development atop the replacement transit facility, would be accessed through ground-floor lobbies, shown on Mariposa and Bryant streets. Shared elevators and stairs would be located at the northwest, southwest, and southeast corners of the proposed building.⁴³

PROPOSED LANDSCAPING AND OPEN SPACE

LANDSCAPING

The proposed project would include a 5-foot-wide planting strip along the length of the 17th Street frontage (up to 2,140 square feet). No additional at-grade landscaping is proposed as part of the project; however, common open space serving the residents (and possibly SFMTA employees) could be developed on top of the replacement transit facility.

Construction of the proposed project would require the removal, retention, and/or replacement of the 27 existing street trees along 17th, Bryant, and Hampshire streets. The project sponsor would plant new street trees on the adjacent sidewalks, including new trees to replace any removed, in compliance with the planning code, the public works code, and the Better Streets Plan.⁴⁴ Specific streetscape changes related to the retention and planting of existing and new street trees would include the following:

- On 17th Street, the existing mature trees would be retained, except for those that would conflict with the proposed location for the emergency bus exit, and new street trees would be planted.
- On Bryant and Hampshire streets, trees located in the middle of the sidewalk may be replaced with new street trees.
- On Mariposa Street, approximately six trees are proposed in locations that would not conflict with bus driveways.

⁴³ HDR, SFMTA Potrero Scenario 2 (3-Level), Sheet A-102 (1st Floor Overall Plan), June 14, 2019.

⁴⁴ See planning code sections 138.1 and 428 and public works code sections 805(a) and 806(d) for specific requirements related to tree planting and allowable waivers due to site constraints.

OPEN SPACE

Common and private open space is proposed for the residential uses in accordance with the requirements set forth in section 135 of the planning code. Up to 91,000 square feet of common open spaces is proposed as part of the project. During review of the proposed project's detailed design, the SFMTA would determine the feasibility of designating onsite open space for SFMTA staff and/or public use. The overall final design and allocation of common open space for the proposed project may be modified throughout the planning entitlement process.

PROPOSED STORMWATER MANAGEMENT

The project site is served by the San Francisco Public Utilities Commission's combined sewer system, and the entire site is covered with impervious surfaces. Implementation of the proposed project would disturb more than 5,000 square feet of impervious ground surface. Thus, the City's Stormwater Management Requirements and Design Guidelines are applicable and Preliminary and Final Stormwater Control Plans will be submitted to the San Francisco Public Utilities Commission for review.⁴⁵ The proposed project would cover the entire lot (except for a 5-foot-wide landscaping strip along 17th Street) and would incorporate best management practices to ensure proper onsite retention and management of stormwater to meet the requirements of the stormwater management ordinance. The project's detailed final design will address these requirements and incorporate measures to reduce the stormwater runoff rate and volume, such as site-wide stormwater retention and rainwater capture and treatment systems, to provide a non-potable water supply for the replacement transit facility's bus wash bays, toilet and urinal flushing, and landscaping.

PROPOSED SUSTAINABILITY PROGRAM

It is anticipated that the proposed building (including the transit facility and joint development components) would be designed to meet United States Green Building Council and Leadership in Energy and Environmental Design (LEED) requirements. The proposed sustainability strategies would comply with state, regional, and local green building requirements as set forth in the California Green Building Standards Code, the San Francisco Green Building Code, and chapter 7 of the environment code to obtain LEED Gold certification. The sustainable design building systems could include, but would not be limited to, development of electrical infrastructure capable of supplying electricity for electric vehicle charging of the fleet, and other strategies or mechanisms, such as

⁴⁵ San Francisco Public Utilities Commission, <https://sfwater.org/index.aspx?page=1006>, accessed July 24, 2020.

daylight harvesting through the use of a network of occupancy and vacancy sensors⁴⁶; the use of solar photovoltaic panels on rooftops to produce on-site power; green roofs to minimize heat island effects⁴⁷; and use of Title 24-compliant components for plumbing and other building systems such as heating, ventilation, and air conditioning.⁴⁸

PROJECT CONSTRUCTION

CONSTRUCTION DURATION

The SFMTA estimates that construction of the proposed project would take three to four years to complete, with construction beginning in 2023 and building occupancy by the end of 2026.⁴⁹

The three- to four-year construction period would include some overlapping phases of demolition, excavation, foundation work, and building construction. Demolition would last approximately two months. Excavation, shoring, grading, and installation of piles for the foundation system would last approximately six months. Completion of the foundation system and basement construction would last approximately two months. Building construction would last approximately 26 months with paving and architectural coating estimated to take a total of two months.

Construction-related activities would typically occur Monday through Saturday, between 7 a.m. and 8 p.m., with most work occurring between Monday through Friday. Nighttime construction is anticipated for certain activities such as major concrete pours; however, construction on Sundays and major legal holidays is not anticipated.

CONSTRUCTION STAGING

Construction staging would occur on site and on the surrounding sidewalks. There would be no pedestrian access to the sidewalks surrounding the site for most or all the construction period. The existing bus stop at the southeast corner of Bryant and 17th streets would be relocated or removed. Hampshire Street between 17th and Mariposa streets would be

⁴⁶ A building control system that reduces demand for artificial light in building interiors when daylight is available thus reducing energy demand.

⁴⁷ The combined effect of heat generated from use of mechanical equipment and heat trapping/reflectivity characteristics of impermeable surfaces on rooftops and other land, such as paved roadways and parking lots, that increases ambient temperatures in urbanized areas and increases energy demand for building cooling.

⁴⁸ HATCH, HDR, Sitelab, VerPlanck, and CHS, Potrero Yard: 3-Level Bus Facility Design Criteria Document, June 2019, Section 4.4 (Sustainability), Section 4.12 (Electrical), Section 5.3 (Exterior Enclosure), Section 5.8 (Plumbing), and Section 5.10 (HVAC), pp. 36-38, 46, 48-50, 71, 84, 88, 95, and 103-104.

⁴⁹ BASELINE Environmental Consulting, Air Quality and Health Risk Assessment Methodology, Appendix A, SFMTA and Public Works Construction Schedule and Equipment List, July 2020.

partially closed on a temporary, as-needed basis to provide additional space for laydown and staging.

DEMOLITION, EXCAVATION, AND FOUNDATION

Site preparation would begin with demolition and clearing of the existing building, vehicle service pits, foundations, control booth, and paved areas on the east side of the project site. On the west side the paved areas of the bus storage yard, obsolete utilities, overhead catenary system support poles and cables, bus wash station infrastructure, surround retaining walls and fencing, and any other at-grade elements including the adjacent sidewalks would be demolished. All demolition debris would be removed from the site.

Construction of the proposed building would require excavation to a depth of approximately 35 feet below ground surface across the full site, with slightly greater excavation for vehicle maintenance pits (i.e., lower level work areas) and elevator pits. Assuming full demolition and excavation to a depth of 35 feet across the whole site, approximately 248,900 cubic yards of soils would need to be removed from the site. Dewatering and pre-treatment prior to release to the combined sewer system would be required given anticipated excavation depths beneath the groundwater table.⁵⁰

Below-grade excavation would require the replacement of some or all the retaining walls along the north, east, and west sides of the site, and temporary shoring would be needed to support the planned cuts for the final basement configuration. The proposed foundation system would consist of a shallow foundation of spread footings at column locations or a structural mat slab bearing on bedrock along the northeast portion of the site with a deeper foundation bearing on pile groups to support development in other areas of the site.⁵¹ The project would include a deep foundation system supported by driven steel H-piles; however, non-displacement auger cast in place piles are also identified as an option in the Geotechnical Report.

⁵⁰ ARUP/RYCG, SFMTA Potrero Yard Facility Rebuild Geotechnical Engineering Report, November 11, 2019, p. 22.

⁵¹ ARUP/RYCG, SFMTA Potrero Yard Facility Rebuild Geotechnical Engineering Report, November 11, 2019, pp. 27-39.



Memorandum

AGENDA ITEM 5

DATE: February 3, 2021

TO: Transportation Authority Board

FROM: Anna LaForte - Deputy Director for Policy and Programming
Eric Cordoba - Deputy Director for Capital Projects

SUBJECT: 2/9/2021 Board Meeting: Allocate \$5,773,403 and Appropriate \$150,000 in Prop K Sales Tax Funds, with Conditions, for Potrero Yard Modernization

RECOMMENDATION

☐ Information ☒ Action

- Allocate \$5,773,403 in Prop K funds, with conditions, to the San Francisco Municipal Transportation Agency (SFMTA) for the Potrero Yard Modernization project
- Appropriate \$150,000 in Prop K funds, with conditions, for enhanced oversight for the Potrero Yard Modernization project

SUMMARY

The Potrero Yard Modernization project involves replacement of the Potrero Facility by 2026 with a modern, efficient bus maintenance facility. The new facility will serve SFMTA's electric trolley and future battery-electric bus fleets. This Bus Yard Component will be a multi-level bus facility structure including capacity for bus storage and maintenance. The project concept also includes a Residential and Commercial Component with up to 7 additional levels above the bus facility with up to 575 mixed-income and market rate units and active uses at the ground floor. SFMTA proposes a joint development project delivery method for this project where a private development team would design, build, finance, and maintain the bus facility and be responsible for all aspects of the housing and commercial component. SFMTA is requesting Prop K funds for the planning and environmental phases of the project from November 2020 through December 2021, including project management, stakeholder engagement, producing the Draft Environmental Impact Report, and selection of the preferred bidder. We are requesting \$150,000 to perform enhanced oversight for this project, which involves a new delivery method for the SFMTA. Attachment 1 summarizes the request. Attachment 2 provides a brief project description. Attachment 3 contains the staff recommendations. SFMTA staff and consultant will attend the Board meeting to answer any questions the Board may have.

- ☒ Fund Allocation
- ☒ Fund Programming
- ☐ Policy/Legislation
- ☐ Plan/Study
- ☐ Capital Project Oversight/Delivery
- ☐ Budget/Finance
- ☐ Contract/Agreement
- ☐ Other:



FOLLOW-UP

This item was agendized at the December 15, 2020 meeting, but was continued by Chair Mandelman at Commissioner Walton's request. Commissioner Walton expressed concern that the project description did not show a strong enough commitment to affordable housing and he asked that SFMTA staff brief the District 9 and 10 commissioners to provide sufficient clarity on the project priorities. Subsequently, SFMTA briefed Commissioners Walton and Ronen. The SFMTA has confirmed that it has an initial target of at least 50 percent of the housing units being affordable (or 262 to 288 units) to low- to moderate-income residents. SFMTA staff will attend the February 9 Transportation Authority Board meeting to answer any questions the Board may have.

BACKGROUND

Attachment 1 summarizes the subject allocation request, including information on proposed leveraging (i.e. stretching Prop K sales tax dollars further by matching them with other fund sources) compared with the leveraging assumptions in the Prop K Expenditure Plan. Attachment 2 provides a brief project description. Attachment 3 summarizes the staff recommendation for the request, highlighting special conditions and other items of interest. An Allocation Request Form for the project is attached, with more detailed information on scope, schedule, budget, funding, deliverables and special conditions.

DISCUSSION

The SFMTA's objectives for the Potrero Yard Modernization joint development project objectives are dual – to modernize the bus facility and contribute to the City's housing goals, particularly by delivering affordable housing. This is a once in a lifetime opportunity given the need to replace the 105-year old facility and that SFMTA believes this is the best way to achieve both in the near term.

SFMTA began the planning phase in October 2019, and the following tasks are now substantially complete:

- CEQA Project Application, Notice of Preparation, and Public Scoping Meeting
- Potrero Yard bus facility design criteria document
- Site constraints analysis and site plan/program
- Conceptual project, referred to in joint development procurement documents as the Reference Project or Reference Concept
- Request for Qualifications for a partnering development team
- Considerable public outreach and engagement, including six major public in-person or online events

The new facility would be equipped to serve the projected future capacity and needs of the SFMTA's new electric trolley fleet and future battery-electric fleet. The facility is planned to store 213 buses, which is a nearly 50 percent increase in capacity from the current operation. Together with Planning, the Office of Economic and Workforce Development, Mayor's Office of Housing and Community Development, and Public Works, the project team arrived at a



concept to provide housing above Potrero Yard. Extensive Potrero Yard Neighborhood Working Group and community input has resulted in support for 525-575 rental housing units, with a 50% threshold for affordable units and a goal to increase that share, even up to 100%.

As currently conceived, if the SFMTA and a developer successfully negotiate a Project Agreement, the Project Agreement would require the developer to assume full development responsibility for all components and phases of the Potrero Yard Modernization Project, including both the bus facility and the residential and the commercial component. The SFMTA would retain ownership of the land and bus facility, and the private developer would lease the housing and commercial development from the SFMTA. The agreement for the developer's use of the housing and commercial development would specify all project programming details, including the housing unit affordability structure.

There are tremendous benefits to obtaining the new facility and the housing, but also risks. A public-private partnership is a good way to allocate and manage those risks between the City and a development partner, where SFMTA's/City's objective is to have a new yard and housing with budget and schedule certainty and return of the yard in a state of good repair in the future at hand-back.

We believe this approach is innovative and promising, and offer a recommendation that includes the following conditions:

- SFMTA may not expend \$3,346,114 of the recommended allocation prior to Board of Supervisors approval of legislation waiving certain procurement and contracting requirements in Chapters 6, 14B, and 21 of the Administrative Code to authorize the SFMTA to implement the project utilizing a joint development delivery method (anticipated by March 1, 2021).
- The recommended allocation of \$1 million for Professional Services Reimbursement to compensate the two proposers who are not selected for their work product, is an "up to" amount. We would reimburse SFMTA only up to the amount required for this purpose and SFMTA shall de-obligate any funds not required for reimbursement of unsuccessful bidders.¹
- In recognition of the scale and impact of this project, as well as the novelty of the joint development project delivery method for SFMTA, our recommendation is conditioned upon the Transportation Authority performing an enhanced level of oversight on this project. Transportation Authority Project Management and Oversight staff shall be invited to all critical meetings, including monthly project

¹ Providing compensation for unsuccessful bidders is an industry practice to help offset the cost of bidders' proposals, which will require designs to be advanced to the 8-12% level. This has two benefits: proposers' cost estimates will be more reliable and SFMTA will own all proposals and related work products to inform the ultimate project design. SFMTA will ensure payment to LBE design firms which are required in the RFQ.



development meetings, SFMTA Board meetings, etc. and be provided project management activity reports.

Fully reviewing project financial and risk management plans up front and confirming the legal authority to undertake the delivery method can help mitigate the project risks and lower the cost of delivery for all parties.

The attached Allocation Request Form contains a considerable amount of detail of the proposed joint development approach. Staff from the SFMTA will attend the Board meeting to provide a presentation on the project and answer any questions the commissioners may have.

The proposed appropriation of \$150,000 for our enhanced oversight will cover staff and consultant time and encompass our participation in all stages of project development and procurement of the Lead Master Developer (LMD) through Financial Close (scheduled for Quarter 1 Fiscal Year 2023). Our focus will be on helping SFMTA to identify and manage risks, including local approvals, securing all necessary funding for both components (yard infrastructure and housing) and ensuring that, at a minimum, the bus yard is delivered by 2026.

FINANCIAL IMPACT

The recommended action would allocate \$5,773,403 and appropriate \$150,000 in Prop K funds. The allocation and appropriation would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the attached Allocation Request Form.

Attachment 4 shows the approved Prop K Fiscal Year 2020/21 allocations and appropriations to date, with associated annual cash flow commitments as well as the recommended allocation and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the adopted Fiscal Year 2020/21 annual budget. Furthermore, sufficient funds will be included in future budgets to cover the recommended cash flow distributions for those respective fiscal years.

CAC POSITION

At its December 2, 2020 meeting the CAC considered the Potrero Yard Modernization project. The CAC unanimously adopted a motion of support for the request, amended to require regular presentations to the CAC providing project progress updates. The staff recommendation for this item incorporates the CAC's amended recommendation.

SUPPLEMENTAL MATERIALS

- Attachment 1 – Summary of Requests
- Attachment 2 – Project Descriptions
- Attachment 3 – Staff Recommendations
- Attachment 4 – Prop K Allocation Summaries – FY 2020/21
- Attachment 5 – Allocation Request Form