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Potrero Yard Modernization Project

August 3, 2023
LBE Advisory Committee



Agenda

- **Introductions and Project Overview**
- **LBE Participation Overview**



Project Overview



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Potrero Yard History and Project Need

- Built over a century ago (1915), Potrero Yard today is the terminal for over 150 trolley coaches that serve 7 lines and 102,000 Muni riders daily (before Covid).
- In 2017, the SFMTA identified Potrero Yard as the first yard to undergo modernization to include an all-electric fleet as part of a \$2 billion capital program (Building Progress).
- The Potrero Yard Modernization Project will replace the obsolete, century-old bus yard while also integrating new affordable housing and retail spaces – **the nation’s first joint development of a bus maintenance facility with housing and commercial spaces integrated.**
- The Project addresses critical transportation issues and improves:



Efficiency
Repair buses faster, improving Muni’s reliability

Sustainability
Provide the green infrastructure needed for all-electric fleet

Future Growth
Accommodate fleet as it grows -- room for 54% more buses at the yard

Work Conditions
Improve environments, amenities and safety conditions for 800+ staff

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Who We Are: Potrero Neighborhood Collective (PNC)

PNC uniquely combines global leadership in infrastructure development with local expertise – all with a commitment to innovation, efficiency, and community inclusion.



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PNC Values



Partnership – as stewards of a public asset, PNC prioritizes collaboration with the City in designing and entitling Potrero Yard



Innovation – managing solutions to challenging circumstances to meet City transit and housing needs



Economic Inclusion – maximizing participation of SF residents through Local Business Enterprises (LBEs), Local Hire, and workforce development (job training) opportunities



Racial Equity – program and design decision making that intentionally incorporates anti-racist principles and practices to ensure equity for residents, contractors, and skilled and unskilled labor



Community Voices – meeting community where they are to fully integrate diversity of thought that reflects community



CASE STUDY

Long Beach Civic Center | Long Beach, CA, USA

Key Highlights:

- One of the first P3 Projects to be developed under an Exclusive Negotiating Agreement (ENA, similar to PDA)
- Redevelop new City Hall, main library, revitalized park, civic plaza, parking facilities, new port headquarters, and mixed-use residential development.

Plenary Properties Long Beach partnered with the City to:

- Obtain all environmental and regulatory approvals
- Conduct over 100 community engagement meetings
- Complete schematic design, site due diligence, and lifecycle optimization planning

Plenary has continued to collaborate with the City through construction and into operations with the City recently requesting Plenary to take responsibility for implementing an additional 10,000 sf tenant fit.



Project Rendering – Bird's eye view



Project Description:

- Modernize bus yard to house a fleet of 213 trolleys buses
- Enhance employee wellness (natural light and dedicated employee outdoor spaces)
- Up to 513 units of affordable housing (15% to 120% AMI)
- Improved streetscape and pedestrian / bike infrastructure for enhanced safety and comfort
- Project contracting will be separate for Bus Yard and Housing with LBE participation goals for each phase.

Bus Yard Concept



Modernized and expanded bus yard to 700,000 GSF to accommodate:

- 213 trolley bus fleet (54% increase)
- 829 employees

Podium provides structural integrity to build proposed housing above bus yard.

Roof Deck caps the bus yard and insulates noise and vibration to mitigate impact on Potrero Yard residents and surrounding neighbors.

Enhanced Employee Wellness including natural light and dedicated employee outdoor spaces.

Public Visibility to Yard Operations through a glass wall on 17th Street and metal screening around 2nd and 3rd floors.

Enclosed and Centralized Maintenance Activities on ground floor to insulate noise within building.

Support Transportation Demand Management Planning including parking for Non-Revenue Vehicles, car share service, and bicycles.

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Housing Program Overview

PNC's proposed housing concept includes four (4) different buildings with target tenant type based on household income. The proposed housing meets height requirement to minimize potential shadow impact on Franklin Square Park.

Workforce Housing
Hampshire Street

Affordable Family (North) Housing
Bryant and 17th streets

Transit-First City:
To maximize housing units in support of the City's housing needs and in compliance with the Transit-First City Policy, there would be no resident parking on site.

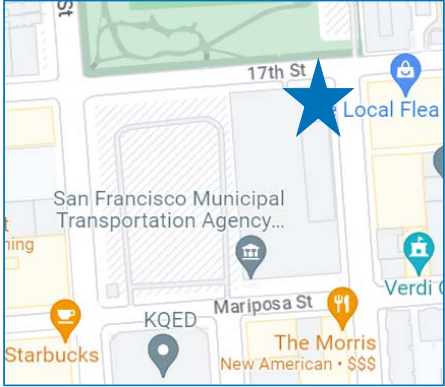


Affordable Family (South) Housing
Bryant and Mariposa streets

Affordable Senior Housing
Bryant Street

The proposed housing program is subject to funding sources and market feasibility.

Commercial and Retail Program Concept



Commercial Spaces Planned

Bryant & Mariposa	Commercial	1052 SF
17th & Bryant	Commercial	1284 SF
17th & Bryant	Restrooms	142 SF
17th & Hampshire	Commercial	789 SF
17th Street	Street Vendors	TBD

The proposed commercial and retail program is subject to funding sources and market feasibility.



Contractor Procurement (Bus Yard Infrastructure)



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Contractor Procurement Overview

As part of the Predevelopment Agreement (PDA), PNC is responsible for conducting early Contractor procurement. Contractor procurement is planned to occur in phases:

Bus Yard Infrastructure Facility (2023 - 2024)

- Two-step procurement that includes a Request for Qualification (RFQ) and Request for Proposals (RFP)
- Select up to four (4) Shortlist Respondents after RFQ
- Select one (1) Design & Construction (D&C) Contractor to design and construct the Bus Yard and Common Infrastructure.

Housing and Commercial Facility (Date TBD)

- Construction Manager / Owner's Representative (ex. permit applications and coordination, cost analysis, scope and schedule analysis, etc.) – role required by Mayor's Office of Housing and Community Development (MOHCD)
- To involve one or more separate contractor procurement processes

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Contractor Procurement Schedule

PNC released a Request for Qualifications (RFQ) on July 5, 2023 for the Infrastructure Facility to prospective prime contractors.

Below identifies key milestone dates for the Bus Yard Infrastructure Facility development, including the procurement of a Prime Contractor:

Planning 2018 to 2022	Design & Permitting 2022 to 2023	Construction 2024 to 2027	Receive New Buses 2027
January 2018 <ul style="list-style-type: none"> Planning Begins 	July 5, 2023 <ul style="list-style-type: none"> RFQ Release August 4, 2023 <ul style="list-style-type: none"> Questions + Clarifications Deadline September 2023 <ul style="list-style-type: none"> SOQ Due Date: <i>9/1/2023 at 2:00 PM PT</i> Interviews Shortlisted Respondents Selection* October 2023 <ul style="list-style-type: none"> RFP Release* LBE Contractor Outreach Event* 	January 2024 <ul style="list-style-type: none"> Proposal Due* February 2024 <ul style="list-style-type: none"> Preferred Proposer Selection* April 2024 <ul style="list-style-type: none"> SFMTA/City Approvals Obtained by PNC* May – November 2024 <ul style="list-style-type: none"> D&C Contract Execution* Financial Close* 	May – November 2027 <ul style="list-style-type: none"> Infrastructure Facility Completion* November 2027 <ul style="list-style-type: none"> Substantial Construction of Infrastructure Facility Deadline

*Timelines are subject to change



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Contractor Procurement Evaluation Criteria

Contractor responses to the RFQ will be reviewed based on established evaluation criteria including:

- Financial and Bonding Capacity (25%)
- Relevant Experience (40%)
- Key Personnel (15%)
- Project Approach (20%)

Review process:

1. Responsiveness to RFQ Requirements Review
2. Review of Administrative Submission to determine whether Respondent has provided all required forms
3. Statement of Qualification Scoring using the established evaluation criteria

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Contractor Procurement Key Aspects

- Contractual structure includes Arcadis/IBI Group as Architect
- Compliance with the Environmental Impact Report (EIR) Mitigation Monitoring and Reporting Program (MMRP)
- No contractor obligation to finance any portion of the Project
- Local Hire Policy, SFMTA Employee Trainee program and other related requirements enforced
- Accept obligations of any Project Labor Agreement(s) that may apply to Project
- Continued public engagement, including with the Potrero Yard Neighborhood Working Group
- Local Business Enterprise (LBE) utilization and related requirements enforced

This is not an exhaustive list of Infrastructure Facility Contractor requirements. The Request for Qualifications (RFQ) further details respondent requirements.






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Economic Inclusion through Local Businesses and Residents

Local Business Enterprise (LBE)

PNC prioritizes LBE participation during the Pre-Development and Project Agreement phases.

-  Certified LBEs supporting PNC during Predevelopment phase (to date)
-  LBE participation goal during D&C period
-  Consideration of all LBEs including those located in/around Project area and those certified as Micro LBEs

Local Hiring and Related Workforce

PNC will maximize SF residents working on Potrero Yard by requiring selected contractor to participate in:

- SFMTA's Employment Training Program
- City's First Source Hiring Program
- City's Local Hiring Policy
- Workforce Development Program(s) focused on most disadvantaged communities

Additionally, PNC is initiating conversations with relevant trade councils and unions about the Project.



Local Business Enterprise (LBE) Utilization Plan



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LBE Participation

Maximizing LBE participation during Project Agreement phase in partnership with selected builder(s). Construction will be procured in phases with the Bus Yard Infrastructure facility being procured first.

Table 28-5: LBE Goals

	INFRASTRUCTURE LBE%	HCC LBE%
Design Work	25%	25%
Construction Work	20%	20%
Facility/Property Management	20%	20%

Listed goals are based on PNC's current trade analysis and existing commitments made with certified LBE partners. Goals may change based on ultimate subcontracting allocations and final design of Project.

The HCC is anticipated to be funded by multiple funding sources that may have differing supplier inclusion requirements.

LBE Certification and eligibility requirements can be found at <https://sf.gov/departments/contract-monitoring-division>



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LBE – Predevelopment Agreement (PDA) Phase

PNC's LBE Utilization Plan is in *draft* form with plans to finalize prior to Prime Contractor selection for the Bus Yard Infrastructure facility. Additional updates may be presented to the SFMTA Contract Compliance Office (CCO) for approval at a later date.

During the PDA phase, PNC is prioritizing LBE inclusion by:

- Holding small group meetings with LBEs and LBE advocacy organizations to provide Project updates and overview of PNC's commitment to LBE inclusion.
- Requiring RFQ respondents to propose an early-stage approach to LBE inclusion and share past experience of including certified LBEs and/or other small, local, or disadvantaged businesses.
- Hosting an LBE outreach event with Prime Contractor bidders during the RFQ/RFP process.
- Providing LBEs with the list of Prime Contractor bidders that received the RFQ.

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LBE – Project Agreement (Bus Yard Infrastructure)

To meet LBE participation goals and maximize Micro-LBE inclusion, PNC expects Prime Contractor to:

- Conduct continuous outreaching to prospective LBEs, including targeted outreach to LBEs near the Project site and in City's most disadvantaged communities
- Bid out reduced sized scopes that allow Micro- and Small-LBEs to compete
- Provide assistance to LBEs (ex. mentoring / coaching, capacity building training)
- Identify consequences for non-LBE 1st tier contractors that do not have (sufficient) LBE participation
- Maintain LBE Liaison and Trucking Liaison (construction)
- Regularly report LBE participation to SFMTA
- Identify potential set-asides for micro-LBEs
- What are the most effective ways to maximize LBE participation, including Micro-LBEs?

Partnering to Modernize Potrero Yard Going Forward

Ways you can stay involved and informed:

- Sign up for updates on the Potrero Yard at www.sfmta.com/PotreroYard
- Apply to participate as a member of the Potrero Yard Neighborhood Working Group <https://www.sfmta.com/committees/potrero-yard-neighborhood-working-group>
- Contact us with questions or comments at:



PotreroYard@SFMTA.com

PotreroYard@plenarygroup.com



(415) 646-2223

