

LAND USE/TRANSPORTATION COMMITTEE MEETING MINUTES

THURSDAY, APRIL 14, 2022@ 6:00 PM ZOOM MEETING (see below for info)

Committee Members: Glynis Nakahara, Co-Chair; Jeremy Chan, Co-Chair; Alice Kawahatsu, Scott Hamaguchi, Rosalyn Tonai, Lori Yamauchi, Linda Walsh, Paul Wermer Board Members: Emily Nichols Staff: Susie Kagami, Emily Murase Other: Tomo Hirai, Derek Tahara, Joyce Nakamura,

I. WELCOME

Co-Chair Glynis Nakahara called the meeting to order at 6:10 pm.

II. APPROVAL OF AGENDA

Alice Kawahatsu moved, Lori Yamauchi seconded adoption of the agenda. The agenda was approved without objection.

III. APPROVAL OF MINUTES

Jeremy Lee moved, Lori seconded approval of the minutes. The minutes were approved without objection.

IV. STAFF / COMMITTEE UPDATES

A. Cultural District/CHHESS

Susie Kagami reported that SOMA Filipinas is expected to have its CHHESS report go before the Board of Supervisors in April. Japantown would be next.

B. Ad Hoc Japan Center Malls

Lori reported that the leadership of the Covenants Committee asked the Ad Hoc Committee to focus on strengthening working relationships with property owners in the mall with the exception of 3D Investments. The Covenants Committee will be managing the relationship with 3D Investments. Lori will be in regular communications with Covenants Committee Co-Chairs Robert Sakai and Diane Matsuda. At the April meeting of the Ad Hoc Committee, the committee hosted Oliver Mar, owner of the space leased to the Pa'ina Restaurant and Lounge. He expressed interest in staying connected with the community. The committee is scheduled to host the Kinokuniya Books USA General Manager for Sales Hirotatsu Kano at the May meeting.

Jeremy Chan asked if the Covenants Committee meetings will be accessible to meetings of the public. Emily Murase stated that Board President Sandy Mori, Glynis, and herself are members of the Covenants Committee and will report back major developments to this committee.

C. Peace Plaza Committee

Emily reported that, on March 9, Department of Recreation and Parks General Manager Phil Ginsburg informed the leadership of the Peace Plaza Committee that the Department of Public Works completed its structural analysis of the Peace Plaza renovation. Based on this analysis, he estimated that the project would now cost \$33 million, \$8 million beyond the \$25 million

allocated through bond funding. He did not want to delay the project any further given that further delay would result in a cost increase of roughly \$120,000 per month. He stated a willingness to direct \$2M or 40% of the entire contingency budget for the four named projects in the bond program to reduce the shortfall. Emily reported that committee leadership is exploring state and federal resources to fill the funding gap. She further stated that community designer Mas Inoue has developed some initial sketches for the Peace Plaza design which will be previewed by the JTF board at its board meeting next week.

Jeremy reminded the committee that one of the controversies that erupted over the previous Peace Plaza renovation was that a substantial settlement with the contractor was paid to the City for poor workmanship resulting in damaging leaks and other problems but "disappeared" and not directed to the Japantown community. Roz also spoke about the fact that Japantown community leaders pushed for a much higher project budget in the bond but was assured that \$25M would be enough to cover all projected expenses.

V. UNFINISHED BUSINESS/UPDATES

A. SF Redistricting*

Glynis reported that the Redistricting Task Force voted down the final draft map, despite the April 15 charter deadline. The Task Force will resume work on a map the week of April 21. Glynis thanked board members and staff who testified on behalf of Japantown at the numerous public meetings since January.

Susie Kagami stated that it has been a grueling process. There were 58 hours of public testimony last week alone. The Cultural Districts have been very upset with the final draft map which divides SOMA Filipinas, the Transgender, LGBTQ, and Leather Cultural Districts.

Jeremy reported that, in the final draft map, all of the Japantown neighborhood and cultural assets are within District 5, except for the JCYC Chibi Chan Preschool which was moved to District 2. There was a lot of pressure to adjust the District 5 northern border along Pine Street which would have excluded key cultural assets including JCYC, the Japanese Catholic Church, and the SF Buddhist Church. The residents of the Sequoias and Coventry Place, both senior living facilities, requested to move to District 2 to join the Cathedral Hill Neighbors, so these blocks were removed from District and moved into District 2. Alice asked if Marlayne

Emily explained the three key points of contention in the City-wide map.

- 1. Russian Hill in District 2 vs. 3
- 2. Tenderloin in District 5 vs. 6
- 3. Potrero Hill vs. Portola in District 10.

She further explained that, related to District 5 boundaries, JTF was under pressure to support 1) SF Rising and the Unity Map, 2) the District 5 Coalition, and 3) Black leaders of the Western Addition. The boundaries advocated by these groups were at odds with each other so the JTF board chose a neutral position. Emily pointed out that there were costs to each of the positions, even the neutral position. For example, the neutral position meant that we could not stand together with other Cultural Districts to advocate to keep the integrity of all Cultural Districts or stand firmly with the Black leaders of the Western Addition who had invited us to their organizing meetings and were advocating for District 5 to encompass the Tenderloin.

Alice Kawahatsu asked if Marlayne Morgan of Cathedral Hill advocated for restoring part of District 5 below Geary Boulevard that was moved to District 2 but her public testimony was not evident to those who listened to the meeting.

Joyce Nakamura expressed her disappointment at the fact that Japantown leaders did not take a position in solidarity with SF Rising and the Unity Map, whereas other Asian communities, particularly the Chinese community, organized a strong support position.

Jeremy expressed his disappointment that the Black leaders in the Western Addition who are advocating for District 5 to include the Tenderloin have not made any public comments in support of their position. The lack of public comment has made it challenging for the Japantown Task Force to engage with this topic and explain the reasoning behind a neutral position.

B. Formula Retail Proposal

Glynis asked the committee to revisit the Planning Department's formula retail proposal for Japantown. Previously, the proposal was voted down narrowly. A briefing memo is available <u>here</u>.

The Way It Is Now: Businesses with 11 or more locations world-wide are defined as Formula Retail and require Conditional Use authorization to establish in a Neighborhood Commercial District (NCD).

The Way It Would Be: In the Japantown NCD, Formula Retail would be defined as "11 or more locations worldwide, excluding any locations in Japan." Formula Retail would still need a Conditional Use to establish within the Japantown NCD.

Glynis clarified that, per these guidelines, UNIQLO would still be subject to the Formula Retail Ordinance. She suggested that the committee reach out to Japantown merchants before rendering a final response to the Planning Department.

Paul Wermer explained that the Fillmore merchants invited more formula retail into the Fillmore commercial district. This had the effect of existing small businesses facing higher rent pressures as property owners were able to rent more easily to formula retailers than small businesses. He further urged that the language be very clear. The current language does not assure that a Japanese-themed or traditional Japanese business will pursue a retail space in Japantown.

Susie summarized some of the previous discussion of the issue. Emily expressed some reservations about the proposal's impact on existing small businesses. Alice explained why she opposed the proposal the last time. Sue explained that the arrival of Daiso has helped increase foot traffic to Japantown substantially. Scott Hamaguchi supported the idea of reaching out to Japantown merchants. Susie and Lori agreed to reach out to Grace Horikiri at JCBD and the Japantown Merchants Association to gather feedback on the proposal.

C. Osaka Way Improvements

Glynis reported there was a walk-through and discussion with the City team of architects and designers on March 31. The Planning Department and Department of Public Works put together a <u>website</u> and a <u>one-page overview</u>. The Department of Public Works is doing outreach at the Cherry Blossom Festival this weekend and at the Children's Day event at the Peace Plaza on May 9.

Rosalyn urged JTF to insist that community designer of JTF's choosing be included in the project. Lori stated that there is another renovation project on the Buchanan Mall south of Geary, and recommended that the Japantown project be referred to as the Osaka Way renovation.

D. SFMTA Muni 3 Jackson*

Glynis reported that there is an advocacy group from District 2 dedicated to restoring the 3 Jackson MUNI line. Unfortunately, Land Use and Transportation Committee members have been unable to attend the meetings. Paul suggested that the committee invite a representative from the advocacy group to speak at an upcoming committee meeting. Glynis agreed.

VI. NEW BUSINESS

A. Housing Element Update 3*

Jeremy reported that Lori, Roz, and Daryl Higashi put together a memo of key changes from Housing Element Draft 2 and Draft 3. Lori stated that Draft 3 was released on March 25 and presented to the Planning Commission on April 7. The Planning Commission will accept public comment until April 30. The Planning Department released a very consequential <u>Draft Sites</u> <u>Inventory Report and Rezoning Program</u> document.

According to Lori, Draft 2 talked about increasing density along transit corridors. Draft 3 included a zoning map that would create 20,000 units. For Japantown, the draft proposes a change from the current 50' height limit to 55' - 80' and lifts the density limits so that developers can build as much housing that can be accommodated in the envelope of the building. The current density limit is 1 unit per 400 square feet lot area. For the mall lot bounded by Post, Gear, Laguna, and Fillmore, for example, that would translate to roughly 40-70 units. If the density limit is lifted, there could be many more units. She explained that the Housing Element is scheduled to be adopted in January 2023. The new limits would become effective three years after adoption.

She further stated that there is specific reference to the Certificates of Preference holders, and a new expanded remediation that included a proposal to establish pilot and permanent housing programs for Certificates of Preference holders especially in the Black community. There is also a recommendation for streamlining the approval process and relaxing City requirements for notification about proposed new development for properties that increase on-site affordable housing units.

Rosalyn stated that the affordable housing crisis is a national issue that is garnering considerable federal attention and funding.

Paul referred to the Better Neighborhood Plan process where removing density and height limits in Japantown was hugely controversial. He pointed to light and air considerations that should be part of the discussion. He asked if the malls are redeveloped, what are the impacts on the existing small businesses and what is the mitigation plan? Small businesses become at-risk when large-scale developments are introduced to the area.

Jeremy asked that the committee decide whether or not to make a recommendation to the JTF board to submit a letter to the Planning Commission by the April 30 deadline.

Alice asked if a private developer would knock down low-rise senior housing to build high-rises like the Sequoias. Lori believed that this would impact properties between Post and Geary. Glynis has asked the Planning Department for a more detailed map of impacted properties.

Lori proposed a letter stating that JTF is concerned about increasing the height and density limits on the malls blocks. While not completely opposed to the limits, JTF should state a need for time and resources to engage the community around these changes because changes of this nature were hugely controversial in the past. There was heavy opposition to proposed towers of 250'-450'. However, in more recent discussions with community members as part of the CHESS process, Lori stated that community members expressed an interest in affordable housing, for Certificates of Preference holders, workforce housing, young families, etc.

*ACTION ITEM: Lori moved, Jeremy seconded a motion to recommend that the JTF Board send a letter to the Planning Department and Commission offering comments on Housing Element Draft 3 that focuses on the following concerns. The motion was approved unanimously.

- 1. Concerns about the height and density on the malls blocks, the need for adequate time and resources to engage the community around height and density changes.
- Appreciation for an expanded and more aggressive approach to Certificates of Preference holders and their descendants, not only identifying them and making them aware of opportunities, but also creating homeownership programs (e.g., financial assistance for second loans, down payment assistance to lower barriers to homeownership).
- Concerns about the assessment and remediation of risks to existing merchants in culturally significant districts so that housing developments do not displace existing merchants. Years ago, there was a very damaging requirement in financing terms where new developments were prevented from leasing space to "low credit" (i.e., small) businesses.

B. 2022 - Data Gathering - Postponed.

VII. GENERAL PUBLIC COMMENT** - None.

VIII. ANNOUNCEMENTS

- A. Cherry Blossom Festival Alice reported that the final weekend of the 55th Annual Cherry Blossom Festival is April 16-17 and encouraged people to attend. There is a need for volunteers at the JTF booth on Sunday, April 17, 3-5 pm. Please contact Emily at <u>emurase@japantowntaskforce.org</u>. There is also a critical need for logistics volunteers for the overall festival. The sign-up sheet is available <u>here</u>.
- B. "Songs for Japantown" Emily invited everyone to attend Mark Izu's world premier of "Songs for Japantown," a one-night only concert scheduled for April 23 at 7:30 pm. The event by First Voice is intended to reunite community members who have been isolated from each other for so long. The event will feature pre-show and post-show receptions to encourage conversation and connection. Tickets are available <u>here</u>.
- C. Children's Day/Kodomo no Hi The Japanese Cultural and Community Center of Northern California is hosting a Children's Day/Kodomo no Hi on March 9 on the Peace Plaza. The event will feature Japanese-themed children's activities.

IX. ADJOURNMENT

Co-Chair Jeremy Chan adjourned the meeting at 8:05 pm.

NEXT MEETINGS & ZOOM LINK

Thursday, May 12 Thursday, June 9

DOODLE POLL: For Committee Members, please complete this <u>Doodle Poll</u> to indicate your attendance at future meetings.

Join Zoom Meeting https://us02web.zoom.us/j/82799216089?pwd=aVo5Mk9tTIF2b0dzY1hzNHRmeTNnQT09

Meeting ID: 827 9921 6089 Passcode: 630585 One tap mobile +16699009128,,82799216089#,,,,*630585# US (San Jose)

* Indicates potential recommendation to JTF Board of Directors

** Members of the public may address the Board for up to two minutes with respect to each item on the agenda, and may speak for up to two minutes regarding matters not on the agenda during general public comment.