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CITY AND COUNTY OF SAN FRANCISCO  
BUDGET AND FINANCE COMMITTEE  
BOARD OF SUPERVISORS MEETING  
MONDAY, NOVEMBER 9, 2015

IN RE: GOLDEN STATE WARRIORS EVENT CENTER  
AND MIXED-USE DEVELOPMENT

Transcribed by:  
Christine M. Aiello  
Job No. J0253742

1 "BOARD OF SUPERVISORS MEETING"

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3 CHAIRMAN FARRELL: Madam clerk, can you call  
4 items one through four, please?

5 MADAM CLERK: Item number one, resolution  
6 adopting findings under the California Environmental  
7 Quality Act and its guidelines, including the adoption  
8 of a Mitigation Monitoring and Reporting Program and a  
9 statement of overriding considerations in connection  
10 with the development of the Golden State Warriors event  
11 center and mixed-use development at Mission Bay South  
12 block 29 to 32 and the Mission Bay South Redevelopment  
13 Plan.

14 Item number two, owners amending the  
15 administrative code to establish a fund to pay for city  
16 services and capital improvement addressing  
17 transportation and other needs of the community in  
18 connection with event at the Golden State Warriors  
19 event center and mixed-use project creating an advisory  
20 committee, adopting -- adopting findings.

21 Item number three, ordinance dedicating to

22 the Director of Public Works, the authority to accept  
23 required public improvement related to the development  
24 of the Golden State Warriors event center and mixed-use  
25 development pursuant to the Mission Bay South

2

1 Redevelopment Plan.

2 And item number four, ordinance ordering --  
3 ordering the summary vacation of four easements for  
4 borderline sanitary, sewer, and/or storm water  
5 purposes; and two, offers of dedication within portions  
6 of assessor plot number 8722, lot numbers 1 and 8  
7 within the Mission Bay South Redevelopment Plan area  
8 for the Golden State Warriors event center and  
9 mixed-use development at Mission Bay South block 29 to  
10 32.

11 CHAIRMAN FARRELL: Okay, thank you, madam  
12 clerk. I want to thank everyone for being here today.  
13 I thank my colleagues for joining us for this special  
14 meeting on a Monday. Normally we do meet on  
15 Wednesdays, but because of timing concerns and that  
16 Veterans Day falls this Wednesday, we will not be  
17 meeting on Wednesday, so I want to thank everyone for

18 coming today. Obviously we are here to consider a  
19 number of items related to the proposed Warriors  
20 project.

21 And so I look forward to get -- getting  
22 moving. So first I'd like to call Mr. Adam  
23 Van de Water to speak on these items.

24 MR. VAN DE WATER: Thank you. Good  
25 afternoon, supervisors, Chair Farrell. Adam

3

1 Van de Water in the Office of Economic and Workforce  
2 Development. As the clerk just mentioned, we have four  
3 items for your consideration today. The first is  
4 adoption of CEQA findings and Mitigation Monitoring and  
5 Reporting Program -- Program. These are unchanged  
6 since their unanimous approval at the OCII Commission,  
7 the MTA Board, and Planning Commission last week.

8 So we don't have a separate presentation  
9 prepared for that, but we're happy to go into any  
10 questions. I will walk you through the creation of the  
11 Mission Bay Transportation Improvement Fund, and then  
12 Barbara Moy from the Mission Bay Task Force will wrap  
13 up the two last items, three and four. But before we

14 do, I wanted to give the project sponsor an opportunity  
15 to say a few words.

16 And so I invite Rick Welts, president and  
17 chief operating officer of the Warriors.

18 MR. WELTS: Good afternoon, supervisors. I'm  
19 Rick Welts, president and chief operating officer of  
20 the Golden State Warriors. And honored to be in front  
21 of you today. Since we pivoted to Mission Bay a year  
22 and a half ago, we've had over 60 community meetings,  
23 including 11 meetings with the Mission Bay CAC and  
24 numerous meetings with the Dogpatch, Potrero, and South  
25 Bay neighborhoods, the UCSF, and obviously the Mission

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1 Bay biotech community.

2 Through this process I'm pleased to say our  
3 support has been just nothing short of incredible.  
4 This is best evidenced, I think, by the overwhelming  
5 turnouts we had last week and the unanimous votes at  
6 OCII, Planning, and the MTA. Along with that strong  
7 support, though, from the first day we started this  
8 project we also heard time and time again concerns from  
9 the community and especially from UCSF about

10 transportation in the neighborhood.

11 We feel like we have gone a long way to  
12 address those concerns. Through our recent agreement  
13 with UCSF negotiated by Chancellor Hawgood and Barb  
14 French, that addresses hospital and local access, and  
15 it includes making an unprecedented commitment to cap  
16 the number of event held in our arena under certain  
17 circumstances when the Giants are also playing.

18 But the ordinance before you today is the  
19 last most critical piece of this puzzle. It's the  
20 means to ensure that there is ongoing funding for the  
21 transportation services that will be there for the  
22 entire neighborhood. The Warriors are in strong  
23 support for this major. We urge you to move it  
24 forward. Thank you.

25 CHAIRMAN FARRELL: Thank you, Mr. Welts.

5

1 MR. VAN DE WATER: So as madam clerk  
2 mentioned, these are the four action items before you.  
3 The, I think the most substantive item is item number  
4 two, which is ordinance establishing the fund, and  
5 we'll spend the bulk of our presentation walking

6 through its mechanic. Before we do so, we, as  
7 Mr. Welts mentioned, we've been having this  
8 conversation for about 18 months in the community since  
9 the Warriors moved the site into Mission Bay.

10 Just for context setting, it is sites 29  
11 through 32 in Mission Bay redevelopment project area --  
12 Mission Bay South, excuse me, which they purchased  
13 privately from Salesforce. And that transaction just  
14 completed a number of weeks ago. It is a hundred  
15 percent privately funded site acquisition and  
16 construction. There is no city funding within the curb  
17 of the site.

18 On-site proposal is for an 18,000-seat arena,  
19 about 580,000-gross square feet of office, and up to  
20 125-gross square feet of retail. It's entirely within  
21 the Mission Bay height limits of 160 feet. There are  
22 950 parking stalls on-site, and they, as part of the  
23 purchase, acquired the rights to 132 spaces across the  
24 street at 450 South Street, this is an existing garage  
25 to the north of the site plan. And there's 3.2 acres

6

1 of on-site open space. Most notably the roughly

2 one-acre main plaza just off of Third Street, which  
3 will be the primary entry from transit and Third.

4 This is unchanged for a number of months, but  
5 this gives you a sense of the level of activity we  
6 anticipate at the arena. In addition to the 41 regular  
7 home season games, the tallest bar there, and up to  
8 three preseason games and of course NBA Finals every  
9 year in San Francisco. We have a number of concerts,  
10 other rentals, family shows, and other event at the  
11 arena.

12 The capacity again of 18,000 will likely be  
13 realized during some of those peak event, the  
14 center-stage configuration concerts and postseason  
15 games, but due to the nature of the smaller event, the  
16 convention event, the theater event, the  
17 Disney-on-Ice-type family shows, the average attendance  
18 at this site is about 9,300 as projected by our EIR.

19 A couple of quick visuals. This is a few of  
20 the 260-foot midrise office towers as seen from Third  
21 and South Street. This will be the primary site from  
22 the new expanded platform from the T-Third, which will  
23 be the primary access on transit. You walk into the  
24 site from the -- the northwest corner. You will come  
25 diagonally into that one-acre plaza, about the same



1 size as the elevated portion of Union Square, and into  
2 your first real view of the arena in the distance and  
3 the primary entrance. If you'll recall from the site  
4 design, you'll be able to go left or right around the  
5 full perimeter of that arena to secondary entrances on  
6 the Terry Francois side of the water.

7 We've had a lot of time in Mission Bay and in  
8 the community over the last 18 months. We've met with  
9 a number of primary stakeholders and that included the  
10 neighborhoods, the businesses, the hospital, some of  
11 the advocacy organizations. And that culminated just  
12 last month with a number of very critical endorsements.  
13 One is on October 6th, the official endorsement from  
14 the University of California San Francisco Mission Bay  
15 and then later that week unanimous approval of the  
16 design from the Mission Bay Citizens Advisory Committee  
17 and October 20th, a letter from the Life Sciences  
18 Committee officially endorsing the project as well.

19 We then went into a series of -- of  
20 approvals, where it unanimously certified and approved  
21 at the Office of Community Investment and  
22 Infrastructure on election day, last Tuesday, the 3rd.  
23 And later that afternoon also unanimously approved by  
24 the SFMTA Board. Last Thursday the Planning Commission

25 unanimously approved the design review and office

8

1 allocation and also adopted the CEQA findings in an  
2 MMRP that's before you today.

3           So quickly just before we get into the  
4 financials, a big topic of conversation in the  
5 community has been transportation. There's a number of  
6 very high profile transportation improvements that are  
7 coming to this neighborhood that are not yet online.  
8 These are improvements that you are no doubt aware of,  
9 which is completion of the central subway; the next  
10 phase of the T-Third; completion of the Blue Greenway;  
11 the Fillmore Transportation -- Transit Priority  
12 Project, this is a transit-preferential street on 16th  
13 Street; electrification of Caltrain; ferry terminal  
14 expansion. Multibillion-dollar investments that are  
15 coming to this part of San Francisco irrespective of  
16 the project proposal.

17           Sitting on top of that are a number of  
18 specific improvements to the -- the site. So once the  
19 arena is open for business, we will be decreasing the  
20 headways, this is the time between trains on the

21 T-Third, and adding longer trains. It's currently a  
22 one-car train. So if you've had any experience as I've  
23 had going to all these meetings in the last 18 months,  
24 the T-Third is a great door-to-door service from City  
25 Hall, but not on any real regular frequency.

9

1 We're going to be addressing that as part of  
2 this, purchasing a number of four new Siemens modern  
3 light rail vehicles, allowing them to go to two-car  
4 trains and a much higher frequency. We're also adding  
5 special event shuttles on 16th Street into the regional  
6 transit connections at the Transbay Terminal and the  
7 Ferry Building up the future Van Ness BRT and to  
8 regional collections. And then working with our  
9 regional partners at BART, at WETA, at Golden Gate, at  
10 SamTrans, and at Caltrain to make sure that they're  
11 providing added services as they do (inaudible) today.

12 There's a variant in the project to create a  
13 new center-boarding platform. So when you go to the  
14 Giants game and you get off of the Muni platform there,  
15 it's a center-boarding platform which has the advantage  
16 of being both longer, but wider and serving both trains

17 in -- in either direction.

18 In addition to transit supply, we have a lot  
19 of traffic management. These stars on the map show  
20 proposed locations for parking control officers. These  
21 are the MTA uniformed vests that are overriding the  
22 signal and -- and flushing traffic -- traffic in the  
23 peak direction. There's a couple of colors that may  
24 not show well on this screen here, which include those  
25 that we analyzed in the EIR, those that we added as a

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1 result of the analysis of the EIR, and a couple of  
2 additional ones that were critical to our conversations  
3 with the neighborhood and with the hospital to separate  
4 destinations.

5 So that if you're coming to the arena and  
6 looking for parking, you do so on the arterial streets  
7 like Third Street, Mariposa, and 16th; and you do not  
8 interrupt the flow of traffic in and around the  
9 hospital on Fourth Street, on Nelson Rising, on Campus  
10 Lane. And we will be diverting the traffic to do that.  
11 There's also an on-site management center, much like at  
12 AT&T Park, so we can have realtime connections both

13 with closed circuit TV and radio contact so we can  
14 redeploy as necessary if we get an event that draws  
15 from one direction geographically more than another,  
16 and we can shift accordingly.

17           So now into the financials. There's --  
18 there's two elements to any financials, one is the  
19 one-time upfront capital cost, and the other is the  
20 operating on the capital side. We're proposing to  
21 purchase four of the light rail vehicles; to install  
22 crossover tracks, this allows downstream flexibility to  
23 Muni so trains can pass each other and continue service  
24 all the way down to the Bayview; to expand the platform  
25 as we described; to augment the power so trains could

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1 idle pre- and post-event and also have the power and  
2 capacity to serve the entire line, including when  
3 there's an event at AT&T Park; installing signals;  
4 changing message signs; and closed circuit TVs; and  
5 upgrading the network serving that transportation  
6 management center.

7           The total cost of that is just over  
8 \$55 million. This is in 2014 dollars, just so we're

9 consistent with all of our sources and uses. And our  
10 projections have one-time project-generated sources of  
11 about 25.4 million. This is from the real property  
12 transfer tax that our assessor just received a number  
13 of weeks ago to the transportation improvement  
14 development fee and construction-related taxes, leaving  
15 a balance of just shy of \$30 million that we're in  
16 active discussions with the Controller's Office now to  
17 figure out how to finance those costs.

18 On the one-time side on the sources side, we  
19 contracted with Economic & Planning Systems, the same  
20 consultant who did the fiscal feasibility for the  
21 original site at Piers 30-32 and updated it here for  
22 Mission Bay, and expressly instructed them to be  
23 accurate but conservative in their estimates. And by  
24 that I mean, if there is a range of revenues on any of  
25 these particular line items, choose the lower end and

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1 be conservative about what you think the project will  
2 generate.

3 We also then had Keyser Marston Associates  
4 and another third-party consultant peer review these

5 estimates and made sure that our Controller's budget  
6 analysis division was heavily involved in the creation  
7 of the funds. The result of that process was an  
8 estimate of annual property tax or annual tax receipts  
9 in total of \$14.1 million as shown in line item here.

10 On the uses side, if you take that same 14.1  
11 and then break it down into -- into its component  
12 parts, there's an element that is mandated by the admin  
13 code and by the voters to go to dedicated and  
14 restricted sources. This is the children, library,  
15 open space, county transportation authority, and public  
16 safety tax measures; that totals about 2.9 million and  
17 is taken off the top.

18 There are operating costs, which are largely  
19 transportation, as you saw with the transportation  
20 augments and the transportation, the traffic  
21 management, the parking control officers; that totals  
22 about 6.1, of that 6.1, 5.1 million is from the, is  
23 dedicated to the SFMTA. Just less than a million is  
24 for the SF Police Department for added foot patrols in  
25 the neighborhood surrounding the site, not on-site.

1 And then some extra funds for the Department of Public  
2 Works for our street-cleaning services in the  
3 neighborhood.

4 The Warriors as of right pay into the Mission  
5 Bay Management Corporation and to Mission Bay Parks  
6 that will do, that maintain the streets, sidewalks, and  
7 parks in the neighborhood. This is sort of an added  
8 backstop measure during event to make sure that there  
9 are no neighborhood impacts as people leave the site.  
10 We mentioned the 55 million in one-time capital needs.  
11 The delta that we would look to finance results in an  
12 annual payment of about \$2.7 million to cover those  
13 capital costs.

14 And that leaves two -- two items. One is a  
15 Dual Event Fund. In all of our conversations in the  
16 neighborhood with the hospital, with the biotech  
17 community, the, a lot of the concern was transportation  
18 and specifically peak-condition transportation. So  
19 what happens when there is a playoff game at one of the  
20 sites and a concert at the other or there is a lot of  
21 activity in the neighborhood? And keep in mind,  
22 baseball and basketball are -- are very complementary.  
23 The World Series just completed. The NBA season just  
24 began. So there's very little overlap between the two  
25 teams.



1           It's really, if there's a special event at  
2   one and a sporting event at the other, in those  
3   conditions we've created a Dual Event Fund. This makes  
4   additional funds available to the Director of  
5   Transportation, who is here today, to put into service  
6   extra transit, extra parking control, other services to  
7   make sure that the flow of traffic gets to where it  
8   needs to go. And we'll talk in a -- in a minute about  
9   the administration of those funds.

10           That leaves a remaining balance of the 14.1  
11   of a million and a half. We have language in the  
12   Transportation Improvement Fund that if conditions,  
13   even despite all of our efforts in the project  
14   description with the million dollar dual event reserve  
15   result in significant delay, and we -- we measured a  
16   couple of routes from the -- the neighborhood out to  
17   the regional collections up 16th, down Third, up to  
18   the -- the bridge; if that gets to be a significant  
19   delay, there can be access to these funds.

20           Our hope is that we never reach that point.  
21   And if so, then we would be generating 2.9 million to  
22   our dedicated and restricted city funds and another  
23   million and a half to the remaining balance for a total

24 of \$4.4 million a year, and then using 9.7 of the 14.1.  
25 These are all funds that do not exist today that are

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1 all generated by the arena.

2 And this would create a condition where we  
3 would put those funds into a Controller's reserve  
4 account. It's still subject to annual appropriations  
5 by the Board. We do not have a development agreement.  
6 We do not have a charter mandate here. So it is  
7 subject to those annual appropriations, but it's a  
8 clear signaling of our intention to fully fund all of  
9 the services to serve this arena in a way that does not  
10 deprive service elsewhere in the city.

11 And this was very important that we had  
12 enough parking control officers, that we had enough  
13 rolling stock, that we had enough drivers and foot  
14 patrol officers to serve the site without short-lining  
15 any routes, without bringing -- bringing people off of  
16 their existing beats. It's subject to a maximum annual  
17 deposit. So the fiscal feasibility analysis is our  
18 estimate for today, but in the year of first operation  
19 and at least every five years thereafter or more if

20 determined necessary by the Controller, the  
21 Controller's Office would estimate that maximum fund,  
22 take 90 percent of that and put it into this  
23 Controller's reserve, so 10 percent again available for  
24 discretionary General Fund use and then creating this  
25 \$1 million dual event reserve.

16

1           There is built-in public review and  
2 accountability. If in a future year, a future mayor or  
3 Board of Supervisors appropriates less than the amount  
4 required to fully fund these services, it triggers a  
5 series of public hearings so that we make that very  
6 transparent. We recognize that there could be  
7 conditions where economics dictate a change of policy  
8 direction, but we, absent any of those changes want to  
9 make sure that these funds are -- are fully ascribed in  
10 the Controller's reserve.

11           As part of the fund, it creates a five-member  
12 advisory committee to advise the Board, the MTA, the  
13 Public Works department, the police department, and  
14 other decision-makers on the use of monies in the fund.  
15 This is both annual budget requests, as well as uses of

16       that million dollar dual event reserve. And those five  
17       representatives include a designee from the Golden  
18       State Warriors ownership; a designee from the UCSF  
19       Mission Bay campus; two mayoral appointees, one is a  
20       resident from the Mission Bay, Dogpatch, Potrero  
21       neighbor and the other is a business from the Mission  
22       Bay, Dogpatch, Potrero neighborhood.

23               At least one if not both of those also have  
24       to be members of the Ballpark Mission Bay  
25       Transportation Coordination Committee, which is an

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1       existing committee that grew out of the creation of  
2       AT&T Park and has been serving for the last 15 years or  
3       so as the central body for coordination of event and  
4       has membership from the public, private, and resident  
5       interests of the neighborhood. So we want to make sure  
6       that we're in close collaboration with them. And then  
7       the fifth seat is a representative of the district  
8       supervisor.

9               So these five representatives would be making  
10       recommendations to the MTA on the use of these funds,  
11       and we'd be doing this in full transparency in a way

12       that we can be both serving event at the arena, but  
13       also protect the transportation interests of the  
14       hospital, the biotech community, and the neighborhood.

15               So with that, I think I'd turn it over to  
16       Barbara Moy from the Mission Bay Task Force to say a  
17       few words about items three and four on the agenda  
18       today, and then we're happy to take any comments and  
19       questions.

20               CHAIRMAN FARRELL: Thank you Mr. Van de Water.

21               MS. MOY: Good afternoon, supervisors. I'm  
22       Barbara Moy with the Department of Public Works. And  
23       what you have before you today first is a request to  
24       delegate authority for the acceptance of public --  
25       whoops -- the acceptance of public infrastructure to

18

1       the Director of Public Works as well as the  
2       delegation -- delegation of authority to accept  
3       easements, offers of easements and dedications to the  
4       director of -- of the Department of Real Estate.

5               Very straight forward. And just to give you  
6       some background, in 1998 the Board of Supervisors  
7       adopted the Mission Bay Redevelopment Plan and Mission

8 Bay Subdivision Code. The redevelopment agency entered  
9 into an owner-participation agreement, which outlined  
10 master developer's obligations to build public  
11 infrastructure and that they would dedicate the public  
12 infrastructure and land for acceptance by the Board of  
13 city -- by the Board for the city operation and  
14 maintenance.

15 Public infrastructure includes parks,  
16 roadways, sidewalks, streetlights, street furniture,  
17 and underground utilities to service the private  
18 development. The configuration for the land of Mission  
19 Bay, for Mission Bay was established in 1998 by the  
20 Board when it approved the final transfer map,  
21 including blocks 29 through 32, which is actually the  
22 area that we have in question right now.

23 The project is located within the Mission Bay  
24 South Redevelopment Plan and is bounded by Third  
25 Street, South Street, Terry Francois Boulevard, and

19

1 16th Street. As discussed by Mr. Van de Water, on  
2 November 3rd, OCII certified the projects, FSI -- EIR,  
3 and the MTA Planning Department and Public Works have

4       adopted findings. Developer submitted an application  
5       for the tentative map for the project in March 2015.  
6       The application is being processed in accordance with  
7       the Mission Bay Subdivision Code.

8               After action on the tentative final map, the  
9       Board of Supervisors will be asked to approve a final  
10      map, public improvement agreement, including security  
11      and improvement plans. After approval of the street  
12      improvement permit, Public Works will inspect the work  
13      to ensure that the work is in compliance with the  
14      improvement plans and specifications in it. And if  
15      appropriate determine that the project is complete.

16             The final step is to accept the public  
17      infrastructure by the Board of Supervisors. The  
18      request today is to delegate the acceptance of the  
19      public -- public infrastructure to the Director of  
20      Public Works and grant the Director of Property the  
21      authority to -- the authority upon Director of Public  
22      Works's determination of completeness to accept and  
23      record grants, deeds, and easements. I'd be happy to  
24      address any questions you might have.

25             CHAIRMAN FARRELL: Okay, thank you very much.

1                   Colleagues, are there any questions at this  
2     time?

3                   Okay, much appreciated.

4                   Mr. Van de Water, why don't we go to our  
5     budget analyst report first, and then we'll see if  
6     there are any follow up comments or questions.

7                   Mr. Rose.

8                   MR. ROSE: Yes, Mr. Chairman and members of  
9     the committee, on -- on page 7 of our report we note  
10    that the SFMTA's estimated cost to purchase four new  
11    light rail vehicles and make other transportation  
12    improvements to accommodate the Warriors project are,  
13    as been stated, 55.3 million. Estimated revenues  
14    generated by the Warriors project to pay these costs  
15    are 25.4 million. So that results in the previously  
16    stated 29.9 million revenue shortfall. And that's  
17    shown in table two on page 8 of our report.

18                  And according to the SFMTA, the estimated  
19    revenue shortfall of that 29.9 million for the transit  
20    improvements for the Warriors project will be financed  
21    through the sale of SFMTA revenue bonds or other  
22    financing source. Annual debt services is projected to  
23    be paid from tax or other revenues generated by the  
24    Warriors project. That's shown in table three on page  
25    9 of our report.



1                   And the expenditures, the SFMTA's  
2       expenditures for transit services to the project will  
3       be paid by fare and parking revenues generated by these  
4       services and the Mission Bay Transportation Improvement  
5       Fund will pay for SFMTA service to the Warriors project  
6       not covered by these fare and parking revenues. And  
7       for the SFPD, the -- the police department and the  
8       Department of Public Works services to the Warriors  
9       project.

10                  City department has estimated annual  
11       expenditures to provide services to the Warriors  
12       project are 10.1 million. These expenditures will be  
13       funded by an estimated 11.6 million in revenues  
14       generated by the Warriors project. So that results in  
15       net, in estimated net revenues of 1.5 million. And  
16       that is shown on table three. Again, that's on page 9  
17       of our report.

18                  On page 10 of our report, we note that under  
19       the proposed ordinance, the General Fund contribution  
20       to the Mission Bay Transportation Improvement Fund is  
21       capped at 90 percent of General Fund tax revenues  
22       generated by the project and OCII's consultant,

23 Economic & Planning Systems, attributed to the Warriors  
24 project hotel and gross tax revenues generated  
25 off-site. Now regarding that -- that off-site

22

1 revenues, we state on page 11 of our report that the  
2 budget and legislative analyst notes that off-site  
3 hotel tax and gross receipts tax revenues cannot be  
4 directly attributed to the Warriors project.

5           It is not possible to verify if changes in  
6 hotel occupancy and off-site business gross receipts,  
7 tax, or revenues are due solely to visitors who come to  
8 San Francisco specifically to attend Warriors games or  
9 other event as the proposed event center. Such  
10 increased tax revenues might also be attributable to  
11 visitors to San Francisco who do not attend event at  
12 the Warriors project.

13           Any methodology to attribute hotel and gross  
14 receipts, tax, revenues to the Warriors project is  
15 based on assumptions and not actual accounting of tax  
16 receipts. So therefore we do not include those  
17 off-site tax revenues estimated to be a 1,709,165. And  
18 that's shown in the table, in the table three estimates

19 on page 9 of our report. So our recommendation,  
20 supervisors, are on the bottom of page 11 of our  
21 report.

22 Number one, we recommend that you amend the  
23 proposed ordinance to specify that if the annual cap of  
24 90 percent of General Fund revenues from the project  
25 site and event at the event center is insufficient to

23

1 cover SFMTA's expenditures for transportation service  
2 to the Warriors project, then the Warriors will be  
3 responsible to provide the additional transportation  
4 services to -- to comply with the EIR litigation  
5 measures.

6 Secondly we recommend that you amend the  
7 proposed ordinance to specify that only tax revenues  
8 on-site by the Warriors project are included in the  
9 Controller's estimates of General Fund revenue  
10 generated by the Warriors project for the purpose of  
11 calculating the annual General Fund contribution to the  
12 Mission Bay Transportation Improvement Fund. And we  
13 recommend that you approve this ordinance as amended.  
14 We'd be happy to respond to any questions.

15 CHAIRMAN FARRELL: Thank you, Mr. Rose.

16 Supervisor Tang.

17 SUPERVISOR TANG: Thank you, very much for the  
18 presentation, also Mr. Rose's report. I'm wondering  
19 then, based on Mr. Rose's second recommendation about  
20 revenues that are generated off-site, if perhaps  
21 someone can speak to how, exactly how the methodology  
22 was completed. I know that based on Mr. Rose's report,  
23 retail and office were not included, but if you could  
24 speak to his recommendation in further detail, that  
25 would be great.

24

1 MR. VAN DE WATER: Sure. This is the  
2 supervisor through the chair, again, Adam Van de Water  
3 in the Office of Economic and Workforce Development.  
4 The fiscal feasibility analysis that we had EPS  
5 prepare, Keyser Marston, peer review and the Controller  
6 concur with, did have very conservative estimates, both  
7 on and off-site. It does not include revenues  
8 generated by the tenants of the two office buildings.  
9 It does not include sales of the retail that is  
10 on-site, but outside of the arena.

11                   And where there is off-site spending on  
12     parking tax, on gross receipts, on retail, on hotel  
13     tax, we have very explicitly conservative assumptions.  
14     The economic metric model that our own Controller uses,  
15     that the consultants use and is common across the  
16     country, In Plan uses similar types of methodologies in  
17     terms of estimating these funds. And we wanted to make  
18     sure that we weren't counting things like somebody who  
19     was already visiting San Francisco on holiday and  
20     happens to go to an event or somebody who rents a hotel  
21     room in San Francisco that displaces somebody who would  
22     be coming to rent the same hotel room for a different  
23     event.

24                   So we -- we expressly cut the assumptions of  
25     those out so that we have a very conservative estimate.

25

1     We spent a lot of time discussing this, in part because  
2     San Francisco is blessed with high occupancy of its  
3     hotel rooms. They're at about 80 to 86 percent  
4     occupancy at any given time, but the cost per room  
5     night has gone up so much in the last several years, so  
6     that we can generate a fair amount of hotel tax on a

7 very small number of rooms.

8 So we are prepared to make some amendments.

9 We've had some conversations since the introduction of  
10 the ordinance today to expressly call out some of the  
11 neighborhood membership on the advisory committee as --  
12 as presented here today, and also to separately line  
13 item as part of the Controller's estimates of revenues  
14 generated both on-site and separately listed those  
15 generated off-site, so we can fully estimate these.  
16 These are estimable.

17 And I'd invite our Controller's Office or our  
18 city attorney's office, you know, to add any particular  
19 detail.

20 CHAIRMAN FARRELL: Real quick, colleagues, I  
21 should say those amendments that Mr. Van de Water  
22 mentioned are -- are reflected in the amendments I -- I  
23 distributed earlier. And there's some technical  
24 amendments that we'll be proposing after public comment  
25 today to reflect some neighborhood concerns.

26

1 MR. VAN DE WATER: And I have one small detail  
2 that the city attorney has for the, to hand to you

3       today as well.

4               CHAIRMAN FARRELL:   Okay.

5               MS. CAMPBELL:   Yes, Chair Farrell, members of  
6       the committee, Severn Campbell from the Budget Analyst  
7       Office.  I just want to make clear what our  
8       recommendation is and why we think it's important,  
9       we're not actually weighing in on the fiscal  
10      feasibility -- financial feasibility analysis done by  
11      EPS.  That wasn't really our task in this report.  Our  
12      concern was actual General Fund revenues that are  
13      allocated each year to this fund.

14              And as you'll see from our estimates, we  
15      actually estimated that direct General Fund revenues  
16      would, in fact, be sufficient to cover the estimates  
17      cost of this project.  We also had concerns that once  
18      you start using indirect revenues that aren't, where  
19      there's no actual direct accounting for those revenues,  
20      that it could overstate or misstate, you know, not  
21      accurately state the allocation that should be  
22      attributed to the Warriors.

23              And so we thought that it was prudent to  
24      recommend that only direct revenues generated by the  
25      project, which, you know, can be calculated based on

1 actual tax receipts. I do want to point out that when  
2 we also wrote our report, there already were some  
3 differences from the EPS estimate. The most  
4 significant one being that the transfer tax, they  
5 estimated 4.2 million, it really came in at  
6 3.9 million.

7 So once you're doing those kinds of  
8 estimates, it's really better to have the actual  
9 numbers and not the assume -- not the assumed numbers  
10 for purposes of the fund.

11 CHAIRMAN FARRELL: Okay. I appreciate that  
12 commentary and -- and we can certainly have that policy  
13 discussion.

14 Maybe to our Controller, Mr. Rosenfield, if,  
15 maybe you can touch upon, I guess basically your  
16 office's opinion about the estimates here from  
17 off-site, but also, I mean, we had a conversation  
18 before about whether, you know, this is subject to  
19 annual appropriation. So we can handle it that way at  
20 the Board anyway.

21 MR. ROSENFELD: Good morning, supervisors.  
22 Ben Rosenfield, Controller. I'll start by pointing out  
23 that, well, as Mr. -- what Mr. Rose is correct, is  
24 saying is correct here of course that -- that this will  
25 fundamentally involve a projection that our office



1     would need to make in future years to the extent the  
2     Board adopts this -- adopts this ordinance. We do  
3     believe, though, and do -- do routinely make estimates  
4     of these sorts of impacts for items that come before  
5     you for -- for consideration.

6             And so we do -- we do think while we can't  
7     directly account in the same way we can for property  
8     tax revenue, we can nonetheless reasonably estimate and  
9     reasonably project these indirect revenues that are --  
10    would -- would be generated by the project. We have  
11    peer reviewed the -- the economic impact reports that  
12    are here before you today. We do find them to be  
13    reasonable.

14            We would envision refining our estimates and  
15    our methodology to the extent you adopt this ordinance  
16    in future years. Obviously once the -- the center  
17    opens, for example, we have a lot more information upon  
18    which to -- to base future projections for subsequent  
19    cycles that are envisioned here. For example, one can  
20    routinely use intercept surveys and other things where  
21    you're surveying attendees at the event in a

22 statistically meaningful sample to arrive at what  
23 portions of them may be staying in hotels, for example.

24 So we do think we can reasonably estimate  
25 this, but as Mr. Rose says, it -- it really will be an

29

1 estimate. Of course each year you adopt a \$9 billion  
2 budget, which is fundamentally based on reasonable  
3 estimates and projections of the future as well. The  
4 last point of course and with the amendments that have  
5 been suggested here, we would, we can individually line  
6 item the estimate of direct revenue and indirect  
7 revenues that we're talking about. And if nothing here  
8 changes the fundamental ability of the mayor and the  
9 Board of Supervisors to not appropriate those funds to  
10 the fund in a given fiscal year -- in a given fiscal  
11 year to the extent that you so desire. This is not  
12 fundamentally changing the appropriation process  
13 that's -- that's envisioned in our charter.

14 CHAIRMAN FARRELL: Okay, thank you very much.

15 Colleagues, any questions?

16 Supervisor Tang.

17 SUPERVISOR TANG: Thank you. On another

18     topic, I just wanted to, I don't know if it's  
19     Mr. Van de Water or someone else from MTA, just to talk  
20     about the public transportation aspect of the project.  
21     I know that obviously there's a lot of excitement  
22     around the Warriors coming back to San Francisco, but a  
23     very real concern expressed by some of the residents,  
24     especially in the western part of the city, is that  
25     when there are event, large event happening on the

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1     other side of town, that there are lots of impacts to  
2     them in terms of transportation services to Sunset  
3     residents, for example.

4             And so you know, in Mr. Rose's report it  
5     mentioned that with the additional purchases and -- and  
6     some of the improvements made to transportation that it  
7     would decrease the -- the time between trains from nine  
8     to eight minutes, which sounds, on paper, I think very  
9     little. But so I'm wondering if you can maybe speak to  
10    just the overall impacts of transportation, given some  
11    of the changes you will be making.

12            DIRECTOR REISKIN: Yes, thank you. Good  
13    afternoon, Chair Farrell, members of the committee. Ed

14 Reiskin, Director of Transportation. Let me just give  
15 you kind of a high level view of how we approach this,  
16 and then I'll ask Peter Albert, who -- who is the  
17 transportation lead for this project to -- to come  
18 forward. Really the -- the essential task here as --  
19 as we went about this was to figure out how to serve  
20 the -- the development, the -- the project and the --  
21 the various array of event that -- that it would be  
22 bringing to the Mission Bay neighborhood, but to do so  
23 in a way that would not adversely impact the immediate  
24 vicinity, particularly UCSF.

25 And there was a lot of work done with UCSF

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1 and their hospitals in the Mission Bay area. The other  
2 stakeholders in Mission Bay, and importantly the -- the  
3 residents of the area Mission Bay, Dogpatch, Potrero,  
4 in particular. So the transportation plan we developed  
5 was meant to -- to serve the -- the project without  
6 adverse impact elsewhere in the system. And then more  
7 broadly what we endeavor to do is ensure that the, that  
8 both the service plan and the financial plan were such  
9 that they would not adversely impact, affect our

10 operation, Muni operations in particular or our  
11 operating or capital budget.

12 So the -- the service plan that was defined  
13 and the reason that we require additional rail cars,  
14 require the -- the crossovers, require the improvements  
15 to the boarding platform was expressly for that  
16 purpose, so that we wouldn't adversely impact the rest  
17 of Muni, particularly when event are happening or when  
18 the event is, coincides with the commute hour, with  
19 rush hour. And it's the week -- weekday evening event  
20 that are the most sensitive and -- and where the demand  
21 on the overall system is the greatest.

22 And that was the basis upon which we built  
23 this service plan, so it's the additional  
24 infrastructure and vehicles, as well as the additional  
25 transit routes that were laid out on the map that

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1 Mr. Van de Water showed. So the express busses to 16th  
2 Street, BART, up the Embarcadero, up Van Ness. All of  
3 that was layered on top of the existing peak commute  
4 hour and designed such that we wouldn't adversely  
5 impact the peak commute hour.

6                   So that's the big picture. If -- if you want  
7                   some more detail, I'm happy to have Peter Albert come  
8                   and fill in.

9                   CHAIRMAN FARRELL: Thank you, Director  
10                  Reiskin.

11                  Mr. Albert.

12                  MR. ALBERT: Good morning, supervisors. So  
13                  we'll go to the -- the graphic on the -- on the screen,  
14                  because this is the best way to sort of disaggregate  
15                  what Ed Reiskin and Adam Van de Water talked about.  
16                  Adam talked about this slide that you saw here. This  
17                  was really important for all of the thinking and  
18                  community outreach that we put into developing this  
19                  plan. The reason this baseline slide is important is  
20                  because people have the strong experience everyday of  
21                  deficiencies in the Mission Bay area for  
22                  transportation.

23                  We wanted to make sure that we were working  
24                  from the baseline that would be relevant to opening the  
25                  Warriors arena. This represents all the investments

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1                  that would be happening even if we weren't building the

2 arena. On the back -- on the background of this, we  
3 layer that. And this is what constitutes those extra  
4 costs for service for investment that help make the  
5 Warriors plan something that accommodates the crowds,  
6 whether it's a big crowd or a small crowd, we developed  
7 a nimble enough plan that looks at a smaller number of  
8 extra busses, a smaller number of extra light rail  
9 vehicles when there's a small event; but can size up to  
10 the full event.

11 What we see here is the basis of MTA experts,  
12 the -- the transportation planners, the engineers.  
13 Looking at the network that we know, looking at the  
14 network we will have, and figuring out how to still  
15 make it work for the -- for the neighborhood as a  
16 whole. So we -- so we -- we figured out, using the  
17 model, there would be overcrowding on key lines unless  
18 we augmented the Van Ness, so you see the Van Ness  
19 corridor touching into the Fillmore Street corridor and  
20 then 16th Street. That helps hit the BART station at  
21 16, that helps the Muni Metro, and that gives us access  
22 to the northwestern part of the city.

23 That took a big number of the extra riders  
24 that would be overwhelming the T-Third and put them on  
25 the western part of the city. It also reduced the

1 impact on any one BART station. What's so important  
2 for all of this is the local to regional transit access  
3 that makes the Warriors arena work.

4 The second corridor I'll call attention to is  
5 the purple one, that's the central subway. Central  
6 subway comes at a pretty robust new frequency when it  
7 opens in 2019. We'll have basically three and a half  
8 minute headways between the trains, between the short  
9 and long line. We would need more if we were going  
10 into the evening hours, then the evening service, but  
11 it could match up to that frequency.

12 So we show shuttles, using that T-Third track  
13 into the evening hours, when normally there would be no  
14 need for that kind of frequency because of the crowds.  
15 Now that has the riders transferring at the Powell  
16 Street BART station, again keeping that local to  
17 regional connection alive. And then the third line  
18 shows what's similar to how we use AT&T transit today,  
19 the green line is an (inaudible) service that runs  
20 along the T-Third line to north of the channel. It  
21 goes by the Caltrain station, again, the central subway  
22 does, too, and then puts the riders at Embarcadero.

23 So the wisdom of this is making sure we don't  
24 overwhelm any one of our lines. So we have these extra



25 busses and light rail vehicles accounted for, those

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1 were in the numbers that Adam presented. We also don't  
2 want to overwhelm the regional partners. We want to  
3 make sure BART can manage the crowds that land. So  
4 unlike AT&T Park, which puts a disproportionate amount  
5 at Embarcadero, we have people at 16th, Powell Street,  
6 and Embarcadero, distributing whether they want to go  
7 north or south.

8 And then we also include that extra yellow  
9 line, and that's a bus shuttle that we said, let's just  
10 make sure that we have an experience that one doesn't  
11 take busses out of other parts of town and (inaudible)  
12 and hits those other regional transit hubs that matter,  
13 the Ferry Building, Transbay Terminal. So that is the  
14 -- the color diagram for all of those numbers that show  
15 the transit service plan that is, as Ed Reiskin said,  
16 would have a minimal impact or no impact on the  
17 existing service, but would make sure we're  
18 accommodating the Warriors to the point where it's  
19 comfortable enough that people will want to take  
20 transit again the next day.

21 CHAIRMAN FARRELL: Thank you, Mr. Albert.  
22 Supervisor Mar.  
23 SUPERVISOR MAR: Yeah, thank you to  
24 Mr. Reiskin and Mr. Albert for the bigger picture  
25 overview. I just had a couple of questions. So the

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1 four light rail vehicles as part of the -- the funds,  
2 how did you come up with that -- that's the need? And  
3 where would those four light rail vehicles go?

4 MR. ALBERT: Peter Albert again from MTA. We  
5 did an analysis using the same methodology that was  
6 done 40 Muni Forward plan. We wanted to make sure that  
7 we were consistent in measuring apples with apples and  
8 oranges with oranges. We know that the methodology  
9 allows us to look at the overcrowding factor which we  
10 consider unacceptable. So there's allowance for  
11 standing room, but then there's a point where standing  
12 room becomes so uncomfortable that people actually  
13 don't choose that option or that option actually  
14 bypasses them because it's overcrowded.

15 We -- we took advantage of existing capacity.  
16 The beauty of where this station -- or where this arena

17 is, vis-a-vis the timeline, is that this is in the  
18 reverse commute period in the evening. So we can take  
19 advantage of a lot of the street cars that are coming  
20 to downtown and at the time when we actually have empty  
21 seats coming that way, we can put people on those  
22 seats.

23 Taking those seats into consideration, we  
24 still needed more, but we didn't need 12, we didn't  
25 need nine, we only needed four street cars and still

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1 stayed below that overcrowding factor that would be  
2 considered unacceptable.

3 SUPERVISOR MAR: And then we're talking about  
4 9,000 to 18,000 people I think was said earlier that  
5 would attend a concert or a -- or a Warriors game. And  
6 the four light rail vehicles plus shuttle, special  
7 shuttles and then that elaborate plan will ensure that  
8 LRVs and different transportation vehicles aren't  
9 pulled from different neighborhoods and that that's  
10 fully going to support that 9,000 to 18,000 people in  
11 the evening hours that you're expecting? So you're  
12 saying it's not going to impact the other

13 neighborhoods' transit service with this plan?

14 MR. ALBERT: That's -- that's correct. We are  
15 designing for what we call the most impacted scenario.  
16 The diagram on the -- on the computer that shows that  
17 there are some event that get up to 17,000 attendees a  
18 day. We figured how many of those might be driving.  
19 We wanted to be conservative, because if we were  
20 underestimating, we would get into a problem. We also  
21 assigned enough occupants per vehicle to make sure we  
22 were realistic. We also recognized how many people  
23 walk and bike.

24 So we were able to take all of the mode  
25 splits. We worked with a -- with a mode split of more

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1 than a third, between a third and 40 percent of transit  
2 mode split; but we also know that a lot of people walk  
3 to regional transit. Now the BART is a pretty long  
4 walk, but it is walking distance to Caltrain, which  
5 ends up carrying a lot the of the people in the  
6 peninsula quarter. So these are the sort of multimodal  
7 analyses that were coming, that were helping us come  
8 together.

9                   The, as Adam said, the average attendance is  
10    closer to 9,000, but we designed for the 17,000,  
11    because --

12                   SUPERVISOR MAR:   Uh-huh.

13                   MR. ALBERT:  -- it is the point where people,  
14    first of all, it's the Warriors arena, they're, we know  
15    that they're popular, we know that they'll bring people  
16    back; but that's how we tested our system.  What we  
17    really wanted to do was make sure that we're smart  
18    enough to fluctuate down to that service and not run  
19    the full expense of 17,000 arena service on an event  
20    that might only have 5,000 or 6,000 attendees.

21                   SUPERVISOR MAR:  And then I just had a  
22    question on the -- the fund for the PCOs, the parking  
23    control officers; how much is that, and how did you  
24    estimate that need?

25                   MR. ALBERT:  What we have is a pretty

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1    elaborate spreadsheet.  There may be an exhibit we  
2    could, if it's not in your package, we could certainly  
3    bring it together, but we did a careful analysis of  
4    everything MTA.  It included the bus operators.  It

5 included maintaining the busses. It included the light  
6 rail vehicle operators and light rail vehicle  
7 maintenance. It included the crossover tracks, the  
8 platform. The PCOs do have a cost.

9           We worked closely with our manager of -- of  
10 safety, who knows how to handle special event. We  
11 learned a tremendous amount from America's Cup. We  
12 learned a tremendous amount from what we wish we could  
13 do more around AT&T Park. We have about as many PCOs  
14 for the Warriors as we do for AT&T Park, which has  
15 almost three times, well, 17, 40 -- yeah, well, more  
16 than twice as many people going to an event. So we  
17 actually built from the deficit, the perceived deficit  
18 around AT&T Park to put that out there.

19           We then costed that into how many nights a  
20 year. You see, it's not the same every night. Because  
21 we had to make sure we don't burn people out. One of  
22 the big problems would be an unmanaged high level  
23 series of event without any respite for the PCOs. So  
24 we built into it what could be a hiring plan that would  
25 like a PCO for the year strategy that would avoid

1 burnout, would manage the event, and manage the  
2 numbers. That's all part of the costing of that PCO  
3 figure.

4 SUPERVISOR MAR: And then I -- I know that a  
5 lot of your work in other projects has been to make  
6 sure people are multimodal and not just using even  
7 transit, but also biking in different ways to get to  
8 places. And I know, thank you to Mr. Welts for being  
9 here, I know the Warriors want this to be one of the  
10 most bike-friendly stadiums, if not the most  
11 bike-friendly in -- in the country; but I'm just  
12 wondering for the -- the funds used, you mentioned  
13 pedestrian and bike -- bicycle access programs; will it  
14 include bike sharing, some bike sharing stations, but  
15 also additional city or bike parking areas as well?

16 MR. ALBERT: So there's -- there's parts of  
17 the project that are costed out. There's parts of the  
18 background infrastructure that's developing. So you  
19 for instance the Blue Green -- the Blue Greenway, which  
20 allows a cycle track, which makes a huge difference in  
21 people's ease of biking to and from the facility. As  
22 you may have heard us talk earlier about what we call  
23 the waterfront transportation assessment, we documented  
24 what the bicycle and pedestrian corridors would need in  
25 their entirety, and made sure that the Warriors were

1       designing to nestle comfortably in that network.

2               But in addition to the facilities to  
3       accommodate bikes, there is an agreement that has a  
4       bicycle sharing facility near the site. And that's an  
5       important aspect, because a lot of people would come,  
6       pick up a bike share station somewhere else and would  
7       have a real challenge if had he showed up to go to the  
8       Warriors arena and all the docks were filled. So we  
9       looked at the capacity of a bike share station that  
10      would handle special event.

11              One of the biggest areas of success is the  
12      bike valet parking. So we worked closely with the Bike  
13      Coalition, and they -- they may be here in the room.  
14      They've certainly helped us in the past with testimony.  
15      How popular bike valet is for AT&T Park and how they're  
16      actually expanding the bike valet above and beyond what  
17      they do for AT&T Park as part of the Warriors, even  
18      though the Warriors is about half or less of the  
19      attendance.

20              SUPERVISOR MAR: Thank you.

21              CHAIRMAN FARRELL: Colleagues, any further  
22      questions at this point?

23              Okay, thanks, everyone. We may have further



24 questions after public comment, but why don't we go  
25 through public comment right now. I know I have a

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1 number of speaker cards, so I'll start reading them  
2 out. And if people would line up here on the -- on  
3 this side of the wall, we will have two minutes per  
4 person, and we will get going here.

5 So Iggy Vans, Gerald Cauther (phonetic),  
6 Esther Sterns, Howard Strassner (phonetic), Jon  
7 Haveman, Patty Jayo (phonetic), Eddie Conrad, and  
8 Jasmine Conrad.

9 Real quick if we do, right before we start  
10 public comment, Supervisor Kim is -- is here and whose  
11 district this lies in, and so I want to give her a  
12 chance. I know she's just shuttling in between  
13 committees I believe.

14 SUPERVISOR KIM: Thank you, Chair Farrell.

15 And I do want to appreciate the members of  
16 the public who will wait to let me make opening  
17 comments. I'm currently in Land Use Committee right  
18 now over a project that is also being built in my  
19 district, the 5M Project, and I had to make opening

20 comments there before coming over here. I just wanted  
21 to make a couple of comments about the legislation that  
22 is here before us. First of all, I'm excited to see  
23 that this project is finally pursuing approvals after a  
24 three-year process.

25 As many of you remember, it was originally

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1 proposed at Pier 30-32 also in District 6, and has  
2 since moved to a new location where it has bought its  
3 own dirt at Mission Bay blocks 29 through 32. I just  
4 have to say, I was very -- I was very much willing to  
5 work with the Warriors on the original proposed site to  
6 make it work both for the existing neighborhood. And  
7 also I think with the incredible transportation  
8 challenges that were -- that were proposed from that  
9 site, but I do have to say that it's new site in  
10 Mission Bay is much more favorable.

11 And it, because it's still a neighborhood  
12 that we are building, allows us to put into place  
13 infrastructure and other institutions to make it more  
14 favorable for the traffic concerns that I know that  
15 many of our residents have, as they are squeezed

16 between the current Giants stadium and the new Warriors  
17 arena. This provides, at Mission Bay, a complementary  
18 mixed-use development that expands the neighborhood's  
19 current offerings and further establishes it as a  
20 regional destination.

21 The \$1 billion event center will provide the  
22 state-of-the-art arena and training facilities for the  
23 2514 NBA champions, as well as event space for  
24 concerts, conventions, and other large event. I'm glad  
25 to see that one of the event center's most prominent

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1 neighbors, UCSF, is able to offer its conditional  
2 endorsement, having collaboratively worked with both  
3 the city and the Warriors concern -- through its  
4 concerns regarding traffic.

5 And I also want to recognize the commendable  
6 outreach of over 18 months, the stakeholder outreach,  
7 that has garnered the support of the biotech community,  
8 the Mission Bay CAC, and I see Chair Corinne Woods here  
9 in the audience; as well as OCII, MTAB, and the  
10 Planning Commission. Although this project is  
11 generating millions in fees and tax revenue, the event

12 center is being proposed without city subsidies and  
13 will not cost taxpayer dollars -- will not cost  
14 taxpayers anything.

15 On the contrary, the project will be a large  
16 driver of economic growth and provide an annual  
17 contribution to our city funds. For this reason I  
18 believe and I support that it's reasonable to utilize a  
19 portion of these fees and taxes generated by the  
20 project to help mitigate its impact in the Mission Bay  
21 and South of Market neighborhoods. This fund has been  
22 established to address the primary concerns of  
23 transportation, very much listening to the workers and  
24 residents in the area to -- to issues of crime and  
25 littering that also result from large event, to ensure

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1 that we can fully fund strategies that minimize the  
2 event center impact on the neighborhood.

3 So I know, I'm sure many comments have  
4 already been previously made on what this legislation  
5 will do. I'm really glad to see that we will be  
6 dedicating these funds, whether it is parking control  
7 officers, increased Muni service and infrastructure, to

8       ensure that we are able to have a city that can have  
9       both a stadium and -- and an arena while ensuring that  
10      our workers and residents can continue to exist in a  
11      livable neighborhood and community. So I do want to  
12      thank all the parties that were involved in making this  
13      a reality today and also thank the Budget Committee for  
14      hearing this item.

15               CHAIRMAN FARRELL: Okay, thank you, Supervisor  
16      Kim.

17               So with that we will start public comment.  
18      Please come forward and I will keep reading these cards  
19      as soon as we can reasonably line people up to -- up to  
20      speed.

21               MS. STERNS: Thank you very much. And -- and  
22      good afternoon. My name is Esther Sterns, I'm a  
23      resident of Mission Bay. My wife and I are raising our  
24      three teenagers south of the channel. And we are all  
25      very excited by the Warriors coming to Mission Bay, the

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1      kids are especially. But of course as the adults in  
2      the family, we had a lot of concerns about traffic,  
3      transit, crowd management, and -- and -- and the

4       general ambience of the neighborhood.

5               So I'm very appreciative of the work that the  
6       Warriors and the neighborhood groups have done working  
7       together to create this transit plan. I don't think  
8       there's anyway any of us can know exactly what it's  
9       going to be like to have this event center in Mission  
10      Bay. And so while we appreciate planning, we want to  
11      ensure that there's a flexibility to the planning so  
12      that the city can be responsive when we actually see  
13      what it's like to have this event center there. And  
14      that's what I think is special about the work that  
15      they, that people have done. I think that it really is  
16      a flexible plan that accounts, that -- that gives us  
17      options if things turn out to be different than people  
18      anticipated.

19             I think as the southeast corridor grows, the  
20      city has to keep investing in transit for this  
21      neighborhood. And I think the Warriors, the revenue  
22      associated with the Warriors arena gives us a great  
23      opportunity to just take a step forward in that way.  
24      And I hope you will improve the Transit Improvement  
25      Fund. Thank you.

1                   CHAIRMAN FARRELL: Thanks very much.

2                   Next speaker, please.

3                   MR. CAUTHER: Mr. Chairman, members of the  
4                   committee, my name is Gerald Cauter, and I'm  
5                   representing the Bay Area Transportation Working Group.  
6                   We are not opposing this project. We are somewhat  
7                   neutral on -- on where the arena goes, but we are  
8                   concerned about the impacts of the arena on  
9                   San Francisco, but the physical impacts and the fiscal  
10                  impacts. It sounds like your staff has done a lot of  
11                  work to try to encompass all of the physical impacts,  
12                  that means mainly traffic and parking.

13                 And I can see that can be mitigated. If  
14                 they've covered it thoroughly and it sounds like  
15                 they've done a lot of work on it, it may be okay. As  
16                 far as the fiscal impact is concerned, there's two  
17                 aspects about this that concerns us. One is the, is  
18                 what Mr. Rose brought up, and that is, are the revenue  
19                 sources truly there for you; or is there some doubt  
20                 about that? In other words, if -- if history  
21                 experience is any -- is any guide, the revenues almost  
22                 always are not as great as projected and the costs tend  
23                 to be more. So there that's concern.

24                 And the other would be the degree of fixity  
25                 as to -- as to your leverage over the developer. Do

1     you really have the legal need -- I mean, the legal  
2     power to exact whatever it takes to cover those city  
3     costs? It sounds like Mr. Rose has raised one concern  
4     there. I would enforce that and say that really ought  
5     to be looked at rather carefully. I can see why a  
6     private developer wants to use municipal bond  
7     financing, but that doesn't necessarily mean that the  
8     financier, namely the city, should be at undue risk  
9     because of it. Thank you.

10                 CHAIRMAN FARRELL: Thank you very much.

11                 Next speaker, please.

12                 MR. HAVEMAN: My name is Jon Haveman. I'm a  
13     principal at Marin Economic Consulting, and I'm also  
14     here to speak to the fiscal impact of the -- the event  
15     center. First as to the issue of taxpayer dollars not  
16     being used for the arena, it's true they're not being  
17     used to build, they're -- they're being used to  
18     subsidize, in effect, through the use of the revenues  
19     from the arena in providing traffic mitigation and  
20     infrastructure development. So there is a form of  
21     subsidy going.

22                 And once you factor in or you take out the --



23 the off-site revenues and some uncertainty with respect  
24 to -- to other sources of revenues, the -- the gap  
25 between costs and revenues becomes perilously small.

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1 So the net -- the net contribution to the actual  
2 General Fund -- General Fund revenues is likely to be  
3 quite small. If you factor in the uncertainty over the  
4 estimates of costs likely being high and revenues  
5 likely being lower than estimated, it's not clear  
6 there's a substantial contribution to the General Fund.

7 I have a report here that I was asked to  
8 produce that looks at a potential alternative  
9 development on the site, very similar development. The  
10 current -- current development is two commercial  
11 buildings, one retail, and an arena. If instead you  
12 take the arena out and you build a facility that could  
13 host -- that could host biotechnology companies, of  
14 which there are a wide variety in -- in the  
15 neighborhood, what I found is that the net impact on  
16 revenues of switching to biotech instead of an arena  
17 would be a positive impact on General Fund revenues  
18 very -- very conservatively estimated at \$2 million per

19 year.

20 If you get a little bit -- a little bit more  
21 creative in the construction of the building, you can  
22 raise those estimates to as much as \$7 million a year.  
23 So you can think of that as being the cost of bringing  
24 the -- bringing the Warriors to town. You're giving up  
25 between \$2 and \$7 million worth of General Fund

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1 revenue. I also want to emphasize that a biotech  
2 facility could house up to 2,000, perhaps more  
3 employees, whereas the arena will employ a mere 500  
4 people. Thank you very much.

5 CHAIRMAN FARRELL: Thanks very much.

6 Next speaker, please.

7 MR. VANS: Good afternoon. Hi name is Iggy  
8 Vans. My wife and I own a house and a business in the  
9 Mission. Our five-year-old son was born at UCSF with a  
10 severe congenital heart defect and had two open-heart  
11 surgeries and numerous other procedures there, and they  
12 took great care of us. We love that hospital, and we  
13 love San Francisco. We have invested our lives in this  
14 city, but we strongly oppose the proposal to build the

15 new Warriors stadium across the street from the UCSF  
16 Children's Hospital.

17           We have two concerns. First, when our son  
18 has a medical emergency, that is the only hospital he  
19 can go to in the city that knows how to treat his  
20 condition. The traffic in the area is already bad  
21 enough, especially when there's a Giants game. We are  
22 very concerned that arena traffic will prevent us from  
23 getting our son the care he needs in a medical  
24 emergency.

25           Second, we are worried about the impact this

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1 arena will have on patients and families in the  
2 hospital. When our son was born and had his first  
3 open-heart surgery at five days old, he was in the  
4 hospital for more than a month. Many families are  
5 there even longer. Having a critically ill child in  
6 the hospital is already an incredibly stressful  
7 experience.

8           Asking families to deal with the noise and  
9 traffic from an arena on top of everything else they  
10 are going through is just adding insult to injury.

11 UCSF leadership has been bullied into going along with  
12 this plan. In doing so, they have let us down. I hope  
13 the Board of Supervisors will be brave enough to stand  
14 up for our families and our city against big money  
15 interests trying to build this arena. Thank you.

16 CHAIRMAN FARRELL: Thank you.

17 Next speaker, please.

18 MS. JAYO: Good afternoon, supervisors. My  
19 name is Patty Jayo, and I am a a San Francisco native  
20 as well as a Potrero Hill homeowner for over, going on  
21 34 years now. So being a lifelong an San Francisco  
22 resident, I'm sure you can well imagine the numerous  
23 developments I have been witness to and I continue to  
24 observe today, especially my neighborhood, which is the  
25 southeastern part of the city. And right now we cannot

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1 go even more than two blocks without seeing another  
2 construction crew at work nonstop.

3 I've seen these impacts, but I've seen these  
4 developments both positive and negative in our  
5 community. I know for a fact that the developments  
6 that succeed are those spearheaded by organizations

7       such as the Golden State Warriors, who have been  
8       willing to come out to the communities and partner with  
9       us and hear our needs and actually, you know, all our  
10      concerns.

11               I think the Giants AT&T Park actually  
12      symbolizes how to develop a landmark in the city. That  
13      becomes an integral part of our community. And I do  
14      believe the Warriors are committed to taking the same  
15      thoughtful approach with this, their event center. For  
16      these reasons, and we've raised our children and  
17      they're lifelong fans of everything in San Francisco  
18      and all that is San Francisco, I would like you to  
19      approve the transportation.

20               CHAIRMAN FARRELL: Thank you very much.

21               Next speaker, please.

22               MR. STRASSNER: Good afternoon, supervisors.  
23      Howard Strassner for the Sierra Club. So about  
24      50 years ago when San Francisco first contemplated the  
25      downtown that we now have because BART was coming, the

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1      first thing we did was limit the amount of parking that  
2      you could provide for any office building. So

3 San Francisco at that time limited parking to  
4 two-tenths of the parking place per thousand square  
5 feet when the rest of the country was going crazy, but  
6 two and three was not nearly enough.

7           And so here we are, the rest of the city has  
8 one parking place, and that's what we're getting. It's  
9 900-some-odd parking places for an office building.  
10 And then we hear about all of the traffic congestion.  
11 If we had the downtown controls in this area, and it's,  
12 and downtown is, what, a mile and a half away, we would  
13 have very little of the downtown, of -- of the traffic  
14 congestion. We wouldn't be worrying about people  
15 having to drive their kids in emergencies to hospital.  
16 We wouldn't -- and Muni would work better. All this  
17 kind of stuff would work so much better, and yet here  
18 we are, we're about -- we're about, I guess we've  
19 almost approved it, the 900-some-odd more parking  
20 places, when a hundred or so for the vice presidents  
21 and higher ups that work in these office buildings  
22 would be plenty and that's what we do in the rest of  
23 downtown.

24           And -- and you know when you do that, what  
25 you're doing, you're really creating money for Muni,

1     because the parking fees and the parking taxes, that  
2     was the next thing we did a few years later, would be  
3     so much more on less parking places. And the  
4     neighborhood meters would have to be so much higher to  
5     have to take care of these things. And Muni would  
6     make, Muni gets all of that money. So you know, here  
7     we are, I'm happy we're talking about money, but Muni  
8     can get so much more, the city would get so much more  
9     if we really had a sensible parking plan for this  
10    project, otherwise it's wonderful. Thank you.

11                 CHAIRMAN FARRELL: Thank you very much.

12                 Next speaker, please.

13                 MS. CONRAD: Hi. My name is Jasmine Conrad.  
14     I'm an organizer with Warriors Ground SF. And I'm here  
15     to read a statement from one of our supporters who  
16     couldn't make it here today, Bruce Agid (phonetic).  
17     Bruce is the transportation rep and board member of the  
18     South Beach Rincon Mission Bay Neighborhood  
19     Association, and he wanted to provide public comment as  
20     a resident of Mission Bay. I'm very pleased to see the  
21     approach taken by the Warriors and the city to address  
22     traffic and overall transportation concerns in regards  
23     to the Warriors event center.

24                 Although this is a very complex set of  
25     issues, the Warriors working with the city and UCSF

1     have embraced the challenges and developed a  
2     best-in-class approach and agreement. In addition to  
3     performing a thorough EIR, the parties listened very  
4     closely to the concerns of residents and businesses in  
5     and around Mission Bay. Based on this they have come  
6     to agreement on several funds to ensure transportation  
7     and other quality-of-life issues are resolved through  
8     an integrated approach.

9             This approach includes the following. One, a  
10    development of in-depth public transportation and  
11    traffic mitigation plans including local hospital  
12    access plans, a committed and secured funding source,  
13    the Transportation Improvement Fund, and lockbox  
14    agreement secures funding necessary to provide these  
15    services. Three, stakeholder involvement. The  
16    creation of Transportation Improvement Fund Advisory  
17    Committee consisting of representatives from each key  
18    stakeholder group. And four accountability, agreement  
19    to a special circumstances cap.

20            Under worse case scenario where traffic  
21    condition cannot be mitigated through a variety of



22 measures, the Warriors have agreed to limit the number  
23 of overlapping event at 12 per year. In summary this  
24 approach is robust and thorough, planning a secured  
25 self-generated funding mechanism, are stakeholder

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1 citizen review, accountability and predetermined --  
2 predetermined corrective actions. This should be a  
3 model for all future San Francisco projects. Thank  
4 you.

5 CHAIRMAN FARRELL: Thanks very much.

6 Next speaker, please.

7 MALE SPEAKER: Good afternoon, supervisors.

8 Thank you for hearing me out this afternoon concerning  
9 the Warriors arena and the transportation package.  
10 First of all I want to let you know I'm originally from  
11 Seattle. And up in Seattle, you know, the Key Arena up  
12 there is owned by the city. And when the owners of the  
13 basketball team, the Sonics, came to the city and said,  
14 look, you need to upgrade this building; the city  
15 counsel voted, and they said no. Therefore the  
16 basketball team left Seattle and went to Oklahoma City.

17 And I think we were very beneficial receiving

18 a privately subsidized arena versus falling on the  
19 shoulders of the taxpayers with this project. I  
20 understand there are transportation concerns, but  
21 within a mile there's about 9,000 parking spaces  
22 available for visitors. There's great BART  
23 transportation from East Bay to San Francisco for this.  
24 There's the new central subway going on. And I believe  
25 there's about \$40 million worth of a package for the

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1 MTA to incentivize them to really get it together and  
2 attend to the needs of our residents here in  
3 San Francisco.

4 So therefore we ask, I ask that you please  
5 support this transportation package today. Thank you.

6 CHAIRMAN FARRELL: Thanks very much.

7 Next speaker, please.

8 Let me call up a few more names actually  
9 before you start speaking.

10 Chris Keller, Rudy Corpus (phonetic),  
11 Stephanie Goodson, Reece Isabel, Joel Coppell, Corinne  
12 Woods.

13 MR. CONRAD: Hi. My name is Eddie Conrad.

14 I'd like to say first and foremost --

15 CHAIRMAN FARRELL: Speak into the mic.

16 MR. CONRAD: Oh, my name is Eddie Conrad. I'd  
17 like to say first and foremost, I am a fan of  
18 San Francisco before I'm a fan of anything else. I  
19 love this city. And we're a world-class metropolitan  
20 city. One thing that's really amazed me is that the  
21 Warriors organization, whenever an issue has come up  
22 and a negative issue about impact, they've come up with  
23 a really cohesive, conscientious, and responsible plan  
24 to resolve those issues.

25 It actually would even be easier for

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1 ambulance and emergency vehicles to get to the hospital  
2 on game day than it would be on a regular traffic day  
3 because of the Warriors commitment to helping the MTA  
4 control the traffic and designate lanes solely just for  
5 the purpose of getting to the hospital. I think this  
6 is a great plan. It's going to add a lot of jobs. The  
7 taxes that would be generated will be great for the  
8 city and the infrastructure. The jobs it will add.

9 And also I think there's some, you know, we

10 always talk about hidden costs and underestimating, you  
11 know, projects, complete costs; but I think we're also  
12 underestimating -- underestimating how much benefit  
13 there will be because of the unforeseen things that  
14 will happen with this type of venue, like for instance,  
15 you know, Republican or Democratic convention. All  
16 these things kind of bring tax dollars and tax money  
17 into the city.

18 At my job I meet people from all over the  
19 world, from Paris, Milan, Beijing. They all say the  
20 same thing. When they get money enough to want to  
21 visit some place, they come to San Francisco. They  
22 don't go to Oakland, Los Angeles, or Santa Clara. They  
23 come to San Francisco. So with all due respect, I  
24 would like to quote the words of another Chairman of  
25 the Board who, when he was asked how he felt about

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1 San Francisco many, many years ago, he said, now  
2 there's one grown up swinging town, baby, and that's  
3 what Frank Sinatra said when he came here, and I don't  
4 want to let him down. Thank you.

5 CHAIRMAN FARRELL: Thank you very much.

6                   Next speaker, please.

7                   MR. COPPELL: Good afternoon, supervisors.

8       I'm Joel Coppel. I'm an electrician with Electrical  
9       Workers Local 6 here in San Francisco. I grew up here  
10      in the city playing basketball at a little high school,  
11      not playing basketball at college here, but attending  
12      college here in San Francisco. I want to speak on  
13      behalf of our labor, the electricians Local 6 and  
14      management today, the San Francisco Electrical  
15      Contractors Association, both of who are very much in  
16      favor of the project.

17                  We think the Transportation Improvement Fund  
18      is adequate. I've been following the -- the project  
19      through -- through the process, speaking at the Board  
20      of Regents, both unanimous -- unanimous decisions last  
21      week at the OCII Commission and the Planning  
22      Commission. We would like to also state that we've  
23      been working closely with the Office of Economic and  
24      Workforce Development and with CityBuild to ensure that  
25      San Francisco residents have a chance to work on this

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1      job.

2                   We're hiring residents. Our contractors  
3   employ residents. We have members that live in the  
4   nearby vicinity. We have contractors that are based  
5   nearby the -- the project site. These contractors are  
6   also in favor of the project because they're -- this --  
7   this project is encouraging very fair competition  
8   management-wise. Our companies pay their payroll taxes  
9   here and their gross receipts tax here, and the  
10   Warriors have committed to -- to working with us, our  
11   contractors, and our labor.

12                  So please, on both of our behalf, we'd like  
13   you to support the project today.

14                  CHAIRMAN FARRELL: Thanks very much.

15                  Next speaker, please.

16                  MR. KELLER: Committee members, my name is  
17   Chris Keller. I'm a resident of Los Altos down in, on  
18   the peninsula. And I was on the environmental  
19   commission in my city for six years, and I know kind of  
20   a little bit about the work that you do. And I just  
21   want to thank you for -- for the time and effort you  
22   put into your jobs. I'm here today as a member of the  
23   public to support this -- this program and this  
24   project, this arena, for all the same reasons others  
25   have mentioned.

1                   I'll make my comments brief. I do -- I do  
2                   currently drive for Lyft and Uber as a contractor. I'm  
3                   not here to represent either of those organizations,  
4                   but certainly to the extent that these technologies are  
5                   changing the way people move around in cities, I think  
6                   that they can help alleviate parking and traffic  
7                   concerns picking up a few blocks away, something we  
8                   already do for the Giants games is something that's  
9                   helpful.

10                  I just want to note, in a couple of these  
11                  meetings that I've been in, the amazing collaborative  
12                  approach that the Warriors have taken to solve problem  
13                  as they've come up, to resolve concerns of those in the  
14                  community that have had issues with a project of this  
15                  magnitude. Rick Welts and his team are a world-class  
16                  organization. And not only are the Warriors currently  
17                  creating a new type of -- of game plan on the court  
18                  that other organizations are trying to copy, you can  
19                  see that here in San Francisco, with the collaboration  
20                  between this organization and the city, represents a  
21                  playbook for other professional sports organizations to  
22                  copy to -- to mimic the kind of success that they have  
23                  had.

24                  Lastly I just want to say that I am a father.

25 My wife and I have four girls. And you know, raising

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1 kids is all about creating family memories. And for --  
2 for me and my wife, that includes watching games on TV  
3 and taking our kids to fun and interesting things. And  
4 this arena, the -- the images that I've seen so far is  
5 something I greatly look forward to taking my kids to.  
6 Thank you very much.

7 CHAIRMAN FARRELL: Thanks very much.

8 Next speaker, please.

9 MS. GOODSON: Good afternoon, supervisors.  
10 My name is Stephanie Goodson, and I run Nomad Gardens,  
11 which is San Francisco's first transportable community  
12 garden. And I just wanted to say thanks so much for  
13 what you guys do, but one of the things I know is that  
14 as I tried to get my support for Nomad, I wanted to say  
15 that the Warriors really have done an amazing job to  
16 actually ask the community what they want. And I just  
17 am very proud to be a part of that conversation. And  
18 to just tell you guys also as a, my background is in  
19 architecture and urban design, I really do think that  
20 the transportation plan they've put in place is really



21 very strong and robust, and I'm very supportive of them  
22 coming in to the neighborhood and would actually ask  
23 you to guys as well consider approving. So I thank you  
24 so much.

25 CHAIRMAN FARRELL: Thanks very much.

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1 Next speaker please.

2 LEFTTHREE: Good afternoon, supervisors  
3 Farrell, Tang, Mar. My name is Corinne Woods. I chair  
4 the Mission Bay Citizens Advisory Committee, and I  
5 represent the Mission Bay CAC on the Ballpark Mission  
6 Bay Transportation Coordinating Committee. When the  
7 Warriors first proposed having an arena at Pier 30-32,  
8 Jennifer Matz of the Mayor's office listened to us when  
9 we said that we were most concerned about traffic and  
10 transportation issues. When they moved the arena to  
11 Mission Bay, it didn't change, traffic and  
12 transportation are the keys to our neighborhood  
13 surviving this, especially after what we've learned  
14 after 15 years with the Giants.

15 And I think that by approving the EIR and by  
16 approving this transportation fund, you're helping us

17 to move forward, hopefully with some flexibility, so  
18 that as we learn what the impacts are, we can address  
19 them as we have been with the BTTC over the years. I  
20 ask you to approve this transportation fund and  
21 committee and let us move forward. Thank you.

22 MADAM CLERK: Thank you, Ms. Woods.

23 Next speaker, please.

24 I'll call up a few more people as well.

25 David Lombardi, Tony Mobley, Mike McGonaghal

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1 (phonetic), Howard Pickett, Esther Sterns, and Pat  
2 Valentino.

3 MR. CAMPBELL: Good afternoon, supervisors.  
4 My name is Danny Campbell. I'm a representative with  
5 the Sheet Metal Workers Union Local 104 here in San  
6 Francisco. And we, you know, we applaud Rick Welts and  
7 his team for collaborating with the Building  
8 Construction Trades Council on this project. You know,  
9 I mean, this -- this -- these Transportation  
10 Improvement Funds are going to be, you know, will bring  
11 revenue for the city and the MTA. It -- it will  
12 benefit local restaurants and local hotels.

13                   And furthermore, it will create thousands of  
14   good paying middle class union construction jobs for  
15   local residents and contractors, as my colleague  
16   alluded to. But to take it a little further, it will  
17   also create career pathways for local youth through our  
18   state-approved building apprenticeship programs.  
19   These, you know, these are good paying skilled trade  
20   jobs and career pathways for kids in the  
21   Bayview-Hunters Point, kids that are often overlooked  
22   at, overlooked, that are not going to go onto be  
23   doctors and chemical engineers and attorneys. They'll  
24   be highly skilled building construction tradespeople  
25   that our economy desperately needs.

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1                   So we urge you to support this transportation  
2   fund today. Thank you.

3                   CHAIRMAN FARRELL: Thank you.

4                   Next speaker, please.

5                   MS. GRAY: Good afternoon, supervisors. My  
6   name is Diane Gray. And I am a native San Franciscan  
7   homeowner in the Bayview-Hunters Point community and  
8   also the executive director of Bayview Association for

9 Youth, a college-access program in the Bayview for  
10 middle and high school students. The Warriors proposed  
11 development is a win for our city and a win for my  
12 community in the southeast sector. The Transportation  
13 Improvement Fund, as it is currently drafted, will also  
14 benefit the Bayview transit system.

15 Last week the project received a round of  
16 unanimous endorsements on the design and the  
17 environmental review. More than just an entertainment  
18 center, the Warriors have been strong partners in our  
19 city who have supported youth programs focused on  
20 education, literacy, fitness, and workforce  
21 development. I encourage the Board to approve the  
22 transportation and -- Transportation Improvement Fund  
23 as it is currently drafted. Thank you.

24 CHAIRMAN FARRELL: Thank you.

25 Next speaker, please.

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1 MR. MCGONAGHAL: Hi. Thanks for having me.  
2 My name is Mike McGonaghal. I live in Mission Bay, and  
3 I strongly support the -- the Warriors project. When  
4 my wife and I bought our home over three years ago, we

5     knew the neighborhood around us would change, and  
6     change in a big way. We looked forward to that change.  
7     For most of us that live in the neighborhood, had  
8     hasn't happened fast enough. We're all tired of seeing  
9     empty spaces and piles of dirt.

10           This project will replace acres of empty  
11     space with a venue that San Francisco has always needed  
12     and it has lacked. It will also come with substantial  
13     transportation -- transportation improvements that  
14     we've heard about today. Those of you that think more  
15     biotech is the more answer to a more livable  
16     neighborhood, I encourage you to walk the area at 7:00  
17     or later. You will soon realize what all of us that  
18     live here or live in Mission Bay already know, nothing  
19     is going on.

20           These workers arrive in the morning and go  
21     home in the evening, leaving behind an empty and quiet  
22     area where crime can and does take place. The arena is  
23     a gift to the city and our neighborhood. It will bring  
24     a vibrancy that has been sorely missing. In doing so,  
25     it will welcome and showcase the diversity of people

1       that makes this city great. I encourage you to support  
2       this. Thank you.

3               CHAIRMAN FARRELL: Thank you very much.

4               Next speaker, please.

5               MR. CANNING: Good afternoon. My name is  
6       Stewart Canning. I'm a resident of Mission Bay. Thank  
7       you for having us here today. I'm also a 10-year  
8       resident of San Francisco. And my entire ten years  
9       here, I've worked the nonprofit -- nonprofit  
10      organizations that serve the community. And there, my  
11      goal, my work is to invest in San Francisco and make  
12      San Francisco a better place.

13              So you've heard a lot of arguments and a lot  
14      of valued things that the -- that -- that the Warriors  
15      stadium will bring to San Francisco. I think there are  
16      some important discussion points that have also been  
17      raised about how we can bring the stadium effectively  
18      into the community, but Supervisor Kim's most important  
19      point I think, Mission Bay is a community that's  
20      building, so we have an opportunity to do it right.  
21      And clearly the Warriors are committing to doing it  
22      right.

23              So and overall I think all of us in this room  
24      for or against the Warriors stadium, we all want  
25      San Francisco to be the best city it can possibly be.

1     So with that, it's absolutely clear in my mind that the  
2     Warriors are committed to that, too, and we should  
3     bring this stadium to Mission Bay. So I -- I -- I hope  
4     you will approve all of the proposals before you today.  
5     Thank you very much.

6                 CHAIRMAN FARRELL: Thanks very much.

7                 Next speaker, please.

8                 MR. LOMBARDI: Good afternoon. My name is  
9     David Lombardi. I live in the Mission. Just echoing  
10    and following up on that comment, making San Francisco  
11    the best city it could possibly be; I think a project  
12    like this is absolutely necessary for San Francisco to  
13    be able to hold itself in first-class world-class city  
14    status. And very rarely, I think it's important to  
15    zoom out and remember that very rarely does a project  
16    like this come as a gift to the city, privately  
17    financed.

18                We -- we -- you hear so many stories of  
19    publicly funded -- financed projects either bankrupting  
20    cities, doing tremendous damage. I think the Warriors  
21    have -- have come here very committed to do something  
22    great for San Francisco. And they've shown us a  
23    transportation plan that will, not only I think assuage

24 the -- the -- the concerns to get to the arena, but  
25 also help the city as a whole.

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1 Just by looking at the location and being a  
2 person that lives in the Mission, I -- I drive a lot  
3 and I also use Muni a lot, so I kind of understand how  
4 the flows of traffic and -- and -- and some of the  
5 pains in getting around the city work, and with this  
6 location where you can get down to the 16th Street BART  
7 station just by shooting down 16th or getting up  
8 downtown via the central subway or the existing light  
9 rail line or the freeways, I think this is the most  
10 untapped transportation potential that this city has on  
11 the eastern side.

12 And with the plan that the Warriors have  
13 presented, I think that we can tap into this  
14 transportation potential at -- at a cost that -- that  
15 they're basically funding most of it. So I -- I -- I  
16 urge you guys to approve this plan because I think it's  
17 a dream come true for a city that really needs this.  
18 Thank you.

19 CHAIRMAN FARRELL: Thanks very much.



20                   Next speaker, please.

21                   MR. PICKETT: Good afternoon, supervisors. My  
22   name is Howard Pickett. I'm the chief marketing  
23   officer for the San Francisco Travel Association. I  
24   just wanted to tell you that San Francisco Travel is  
25   committed to this project because we really believe it

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1   will create thousands of jobs and generate millions of  
2   dollars in economic activity for the city. As you know  
3   travel and tourism is one of our big economic drivers  
4   here in the city.

5                   Last year we welcomed over 18 million  
6   overnight visitors which spent about \$10.7 billion in  
7   the city. That supported about 87,000 jobs and  
8   contributed about \$665 million to the General Fund.  
9   While these numbers are very impressive, there's more  
10   that we need to do to be competitive with other cities  
11   that we compete with. With the renovation of Moscone  
12   Center now underway, we've addressed the need there for  
13   more space at our convention center, but our major  
14   customers, meeting and convention planners still point  
15   out how badly we need an indoor event venue like the

16 one being proposed here.

17 This project will give San Francisco a  
18 spectacular venue to address this need, and its  
19 excellent design we believe will make the center -- the  
20 center easily accessible to the users both in terms of  
21 transportation, which is what you're speaking to today,  
22 and the accessibility by pedestrians, bikers, or public  
23 transportation and access to, into the venue for easy  
24 crowd movement to make for safe and enjoyable events.

25 For these reasons, we believe that it, the

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1 new facility will create a great new venue in the city  
2 and will help us to stay very competitive with the  
3 other cities around the -- around the -- the country  
4 and around the world that we compete with. So we would  
5 ask you to please vote in favor of this. Thank you.

6 CHAIRMAN FARRELL: Thanks very much.

7 Next speaker, please.

8 I'll call up a few more cards. Diane already  
9 came. John DeCastro, Donald Dusnup (phonetic), Tom  
10 Lippy (phonetic), Carla Tucker, (inaudible).

11 Thank you, ma'am.

12 MS. MOBLEY: Well, good afternoon. And thank  
13 you, commissioners, for hosting this special meeting  
14 for the San Francisco -- the San Francisco Warriors  
15 event center. My name is Tony Mobley. Some of my  
16 friends know me as Antoinette, but I'm a loud, proud  
17 Warriors fan. I live out at the Bayview-Hunters Point,  
18 and I know today we're really talking about this  
19 Transportation Improvement Fund. That T train, trying  
20 to get home on a Giants night, it's just horrendous,  
21 it's been horrendous. And I know the city has really  
22 been meeting with the SFMTA, with the community trying  
23 to come up with some strategies on how we going to calm  
24 that traffic and get rid of the bottleneck around AT&T  
25 Park and in Mission Bay, okay?

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1 Biotech companies talk about coming in and  
2 wanting to bring 2,000 people off in there, and then  
3 they leave in the afternoon. Well, and we're still  
4 not, they're still not addressing the issues of he  
5 residents just really wanting to just get home after  
6 work. So this Transportation Improvement Fund to me is  
7 very, very personal. I really, really appreciate the

8 Warriors collaboration with all the government  
9 entities, you know, the Bicycle Coalition; but  
10 primarily with the community.

11 I mean, they stepped really first class and  
12 came out and been talking with us over the last  
13 18 months. And I mean, they came out swinging, you  
14 know. And I so really, really appreciate them for  
15 that. They couldn't have come with a, with this plan  
16 at a better time, given that the central subway is in  
17 alignment with the rollout of this new event center.  
18 So that's going to even further improve that -- that --  
19 that little hub there, bringing in tracks where  
20 there's -- there's one platform. You see, that will  
21 accommodate more people. It's safer.

22 You know, right now you have to go, either if  
23 you're going to -- to east side, you've got to go over  
24 to that track and cross that street and you cross that  
25 street and it takes you five minutes just to get -- or

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1 you got, you know, and it's just -- it's just kind of  
2 crazy. You know what I'm saying? So this plan makes  
3 sense. It just makes sense. And they're going to pay

4 for it 100 percent, you can't ask for a better gift  
5 than that, okay? So go Warriors. You all --

6 CHAIRMAN FARRELL: Thank you very much.

7 MS. MOBLEY: -- say yes to this plan. Thank  
8 you.

9 CHAIRMAN FARRELL: Thank you.

10 Next speaker.

11 MR. VALENTINO: Good afternoon. My name is  
12 Pat Valentino. I'm the president of the South Beach  
13 Mission Bay Business Association, we're also the  
14 Merchants Association. We support the project, and our  
15 association also supports this transportation fund.  
16 One of the most important -- I -- I -- I also should  
17 mention I live in the neighborhood, I travel throughout  
18 that neighborhood quite a bit on public transit. I do  
19 think, as several prior speakers have mentioned, how  
20 important this transit fund can be to the neighborhood  
21 overall, separate from the arena project.

22 Specifically it's -- it's been a  
23 community-negotiated Transit Improvement Fund with a  
24 community advisory group coming with it. In fact, it's  
25 so community oriented, I've -- I've run into Peter

1 Albert running along the waterfront several times,  
2 and -- and he said, I -- I run to clear my head. And  
3 then he starts to talk about how he's going to find  
4 solutions, which he obviously has worked for the city  
5 to come up with for this project. So there's a lot of  
6 community input going on.

7 The Warriors have come to us, they've asked  
8 for our input, and we've given it to them. And they've  
9 come back with a fund that is a highly strategic. And  
10 I think one way to look at this is so, what -- what  
11 does it look like when there's not an event going on,  
12 because a lot of us just commute in and out of the  
13 area, and this will do wonders for our transit needs,  
14 separate from the event center.

15 Looking at the event center, itself, and its  
16 use, an average crowd of 9,300 ranging from 5,000 up to  
17 17,000, they are setting us up for 17,000, we're going  
18 to have an average for 9,000, America's Cup arena was  
19 9,000 and did fairly well with a -- with a very limited  
20 transit plan; we're, I think -- I think we're going to  
21 be in really good shape and see the net benefits of  
22 this.

23 So we appreciate the -- the strategy they put  
24 into this fund. It's a strategic fund, and it's going  
25 to benefit the neighborhood and take care of the needs

1 of -- of both capital and operating for this center.  
2 So please approve -- approve the fund. Thanks so much.

3 CHAIRMAN FARRELL: Thank you.

4 Next speaker, please.

5 And I'll call up the last few speaker cards I  
6 have. Gregory Collins, John Carole, Barbara French,  
7 and Scott Van Horn. And if there's anybody else aside  
8 from those speakers that want to speak in public  
9 comment, please feel free to line up on the far wall.

10 Thank you, Mr. DeCastro.

11 MR. DECASTRO: Supervisors, good afternoon.

12 John DeCastro representing the Potrero Boosters  
13 Neighborhood Association, the third oldest neighborhood  
14 association in the city. We're pleased that our  
15 amendments on the citizen representatives and the  
16 business representatives, representative numbers three  
17 and four, have been amended as in the current ordinance  
18 that's in front of you. We would also like to request  
19 that the district representative have the same controls  
20 as the, representatives number three and four, so that  
21 they live in the Mission Bay neighborhood or the South  
22 of Market neighborhood or Potrero Hill, you know

23 somewhere in close to the stadium and they're not out  
24 on Treasure Island or the Tenderloin or some place like  
25 that.

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1 We are optimistic with the proposal from the  
2 Warriors. The city has talked about spending  
3 incremental tax dollars in the area where it's going to  
4 cause significant issues. A number of residents in  
5 Potrero Hill and Dogpatch are still highly concerned  
6 that this is, so this needs to be sold to them so they  
7 understand what's going to go on there. The proof will  
8 be in the implementation by the city, the MTA, and the  
9 Warriors.

10 We need the additional cars for the T Line.  
11 We need the implementation of the new 11 Line to go all  
12 the way to 22nd Street Caltrain and not terminate in  
13 Mission Bay. The ferry landing at 16th Street is  
14 critical, because the Giants are telling us that a  
15 large percentage of their -- their patrons are coming  
16 by the ferry boats. So a ferry landing would also help  
17 Mission Bay. The E or the N Line needs to be extended  
18 to 25th Street. There needs to be the PCOs. And there



19 needs to be a livable streets project for Potrero,  
20 Dogpatch, because they are existing neighborhoods that  
21 are not being addressed.

22 And we have speeders. We have people running  
23 stop signs. We've got significant problems down there  
24 because of applications like Waze that route people  
25 onto our streets instead of keeping them on the

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1 freeways. So thank you for your time. And at this  
2 time the Boosters are not endorsing the project, but we  
3 would like to continue to work with Peter Albert and  
4 his committee.

5 CHAIRMAN FARRELL: Thanks, Mr. DeCastro.

6 Next speaker, please.

7 MS. TUCKER: Good afternoon. My name is Carla  
8 Tucker. I'm a native San Franciscan. And I'm also a  
9 program coordinator for Urban Ed Academy, which is an  
10 academic enrichment program in the Bayview area serving  
11 over 250 boys of color through our Smart Saturday  
12 educational program. We also have a group of wonderful  
13 supporters from various community -- communities and  
14 organizations, which brings me to talk about our NBA

15 championship team, the Golden State Warriors. The  
16 Warriors project will attract over 4,000 jobs, both  
17 permanent and construction.

18           Seeing that Bayview has the highest  
19 unemployment rate, our families are excited about the  
20 opportunity that this will bring to our city. The  
21 Warriors have already demonstrated tremendous amount of  
22 community support, particularly in the Bayview  
23 community by providing tickets for kids and families to  
24 attend professional basketball games, awarding several  
25 Bayview organizations grants, refurbishing our courts

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1 in our neighborhoods, and showing just an overall  
2 commitment to health and education.

3           It will also trigger creation of a brand-new  
4 waterfront park along the Terry A. Francois Boulevard  
5 right next to the arena, which will set a tone for  
6 better access to the waterfront and eventually add a  
7 connection point to other waterfront project --  
8 projects like the Hunters Point Shipyard and  
9 Candlestick Point. The Warriors move to the Mission  
10 Bay will generate more than 40 million upfront funds to

11 pay for transit improvements for the neighborhood,  
12 including expanded Muni and T Train services.

13 This is something that will also definitely  
14 benefit the families in the Bayview community. I think  
15 that San Francisco deserves a world-class sports and  
16 entertainment facility. Thank you.

17 CHAIRMAN FARRELL: Thanks very much.

18 Next speaker, please.

19 MR. LIPPY: Good afternoon. My name is Tom  
20 Lippy. I represent the Mission Bay Alliance, who  
21 opposes this project as you know. I want to start by  
22 just submitting three letters. One from my office that  
23 objects to the CEQA findings that are proposed for you;  
24 another one from my co-counsel, Saluri Miserve  
25 (phonetic) that talks about the government subsidy that

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1 you're going, the public subsidy that you're going to  
2 provide; and the third one is one that may have seen  
3 before, it's from Bruce Alberts and 20 other faculty  
4 members at UCSF, who make the point, and if I can  
5 paraphrase it, that this project betrays the original  
6 vision for this redevelopment plan area to be health

7 sciences and biotechnology.

8           And this is a key legal issue, not just a  
9 political issue, because the project is inconsistent  
10 with the redevelopment plan in a number of ways. But I  
11 want to move on from that to really kind of big-picture  
12 points here about this process. I've gone to most, if  
13 not all, of the hearings so far. And since the final  
14 EIR came out, I can characterize this fairly as a rush  
15 to judgment.

16           There's been hearings stacked upon hearings,  
17 and there hasn't been enough time to really look at the  
18 serious legal issues that are involved here. Now  
19 clearly any development project is both a, a permit  
20 process is both a political process and a legal  
21 process. And sometimes the politics can overwhelm the  
22 law. And here you have lots of strong political forces  
23 that are urging you to approve this project, but you  
24 have lots of legal reasons to stop and say, wait a  
25 minute, we have legal issues, we have legal violations.

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1           And I think a comment that was made at the  
2 Planning Commission last week summarizes my concern.

3 One of the planning commissioners after the public  
4 comment said, well, there's a small restaurant on Grove  
5 Street we had earlier on the agenda that got more  
6 opposition than the Warriors arena. Well, that  
7 denigrates the written opposition that has come in, the  
8 NB -- the -- my client has submitted 40 letters which  
9 detail serious legal violations.

10 And it also denigrates the depth of the  
11 commitment of the faculty members who have signed  
12 Mr. Albert's letter to the original vision for this  
13 area. Thank you.

14 CHAIRMAN FARRELL: Thanks very much.

15 Next speaker, please.

16 MS. FRENCH: Good afternoon, chair and  
17 supervisors. My name is Barbara French. I'm vice  
18 chancellor at UCSF. And I'm here to represent  
19 Chancellor Sam Hawgood as the rest of the UCSF. We  
20 wish to express our support for the Golden State  
21 Warriors event center and the development and  
22 specifically for the ordinance that's before you today.  
23 UCSF has been studying this project for over a year.  
24 Our, initially our concerns focused on the impacts to  
25 our new hospitals that opened in, earlier this year,

1 cancer, children, and women.

2 And as we studied the projects, our concerns  
3 quickly focused on the traffic impacts and the, how  
4 that might hinder the ability for emergency vehicles,  
5 for patients and their families, and for the more than  
6 3,000 employees who work at the hospitals to get to  
7 work on time. We, in analyzing the project, we do  
8 support an active Mission Bay environment, which some  
9 neighbors have testified today.

10 Our concerns quickly focused on the impacts  
11 during what we call our peak hours, the times when  
12 there would be an overlap between a large event at the  
13 arena and a home game of the Giants and a situation  
14 that could bring more than 60,000 people into that  
15 neighborhood. We looked at this time, because in, and  
16 our analysis shows this would likely cause the biggest  
17 traffic issues for patients and our healthcare workers.  
18 During this time of analysis, our chancellor publicly  
19 announced his qualified support pending some agreements  
20 around traffic; and last month, the city, the Warriors,  
21 and UCSF announced we had those agreements and UCSF  
22 gave the project its full endorsement.

23 It's our firm belief that the measures you  
24 heard of today, as well as other measures that have  
25 been implemented, will provide a level of traffic

1 monitoring and management sufficient to ensure that  
2 people need access to our hospital can get there and  
3 our healthcare workers can get there on time to provide  
4 that critical care. So in conclusion we commend the  
5 city and the Warriors for working on this, and we do  
6 support the ordinance before you today.

7 CHAIRMAN FARRELL: Thank you very much.

8 Next speaker, please.

9 MR. VAN HORN: Hi. I'm Scott Van Horn. Thank  
10 you for the opportunity to speak today. I'm a Dogpatch  
11 resident and I live just a block from the site and I  
12 can actually see the site from my deck. I'm in fully  
13 support of this project though. The benefits that it  
14 will bring to the entire area are immense. The  
15 Warriors have worked very hard with the neighbors and  
16 the city to ensure that there is a minimal -- a minimal  
17 negative impact and a tremendous positive impact.  
18 Transportation plan including the massive increase in  
19 bus and light rail service, almost 30 parking control  
20 officers, the dedicated hospital roads, the new rail  
21 cars, the additional police, the possible ferry

22 service, the bypass tracks, and et cetera are all  
23 wonderful and needed.

24 But I, what I think, the thing that really  
25 shows how this is a clear win for our neighborhood and

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1 city is this Transportation Improvement Fund. This  
2 fund will allow the city to -- to spend money on  
3 whatever it decides that it needs to as the project  
4 progresses and events start. I would anticipate using  
5 this, eventually using this fund to do things like  
6 provide even more service on an express bus from the  
7 16th Street BART station, some additional officers in  
8 the Dogpatch area after events, and hopefully building  
9 a ferry terminal.

10 The local businesses and residents  
11 desperately need these transportation improvements with  
12 or without this new arena. However, if we let the  
13 billionaires and lawyers that want the land for  
14 themselves put a stop to it, we will get nothing. We  
15 will continue to have a dilapidated field and pit  
16 sitting there for many, many more years. We will not  
17 get the new retail shops and businesses. We will not



18 get the new waterfront park. And we will not get the  
19 chance to see our Warriors bring another championship  
20 to San Francisco.

21 I urge you to support this project. Thank  
22 you.

23 CHAIRMAN FARRELL: Thanks very much.

24 Next speaker, please.

25 MR. CORNWELL: Good afternoon, supervisors.

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1 My name is John Cornwell and I'm a twenty-plus year  
2 resident of South of Market. I'm also the president of  
3 the Portside Homeowners Association and a member of the  
4 Board of the Rincon Hill Community Benefit District.  
5 I've been involved in a lot of the discussions with  
6 developments in the area. And I want to speak, not as  
7 a member of any of these groups, but as a fourth  
8 generation San Franciscan and as a father of two kids  
9 in this area.

10 I think we all, the -- the big 800-pound  
11 gorilla is really transportation and it's congestion.  
12 So we can order all the extra street cars we want and  
13 put in bus bridges and all the rest, but you --

14 currently we all know that there's a 2:00 to 8:00 p.m.,  
15 even without a special event at the ballpark, 80 is  
16 already congested, the off-ramp on Demera Post at 280  
17 is congested. We've already reached saturation.

18               So you know, there was some very high level  
19 traffic studies that we did when it was going to be on  
20 Pier 30-32, and we showed that the commute hours would  
21 be extended an additional two hours on each end. So  
22 you have to ask yourself, you know, there's something  
23 very unique about the sports arena, and that is that  
24 those event are synchronized, right? If you had office  
25 space in there or labs, people would adapt their

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1 schedule to -- to deal with the pain, but you have  
2 18,000 people coming to a sporting event that begins  
3 and it's completely overlapping and synchronized with  
4 an already terrible commute hour.

5               So is this really the right thing to do to  
6 impose upon the people coming from downtown, the west  
7 side? I mean, you're looking at aggregate, every  
8 single event has thousands of hours of disparate impact  
9 on people that are not going to these games. And I can

10 get into, in terms of the -- the economic, you know,  
11 opportunity costs of having an arena versus office  
12 space or what have you; but when all these other  
13 entitled projects come on line, Transbay Terminal, half  
14 a million square feet, the -- the Giants; I mean, it's  
15 going to be karmageddon, right?

16 And I think we all know what Montgomery is  
17 like, the First Street on-ramp. Look at the -- look at  
18 the secondary traffic that's not covered in the study.  
19 It's going to be a mess. Thanks.

20 CHAIRMAN FARRELL: Thanks very much.

21 Any other members of the public? Okay.

22 MR. CORPUS: How are you doing?

23 MALE SPEAKER: May I ask you to state your  
24 name?

25 MR. CORPUS: Rudy.

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1 MALE SPEAKER: Thank you.

2 MR. CORPUS: All right, thank you,  
3 supervisors, for letting us speak, commissioners. My  
4 name is Rudy Corpus from the United Players. I've been  
5 serving the community and the city and county of San

6 Francisco 21 years. We just cleaned your neighborhood.  
7 That was the kids version. This is the adult version  
8 right here, kids in school. We are here in full  
9 support of the Warriors stadium built in a city that is  
10 built on champions.

11 We have, right here in, right here behind me  
12 people from District 6, people from Treasure Island,  
13 people from the Tenderloin, South of Market, who are  
14 actually where the stadium is being built. I'm very  
15 glad there's going to be a lot of opportunity for our  
16 people. President Obama is speaking about reentry  
17 right now. If you look behind me, this is reentry.  
18 You've got a brother right here did 45 years. You got  
19 another brother did 41 years. You got 35 right here.

20 You got Rick Stevenson right here from  
21 (inaudible) who just came home, did 36 years. When  
22 you're talking about reentry and you're talking about  
23 giving opportunity, this is the people from the  
24 community and the people from the hood. We are Ground  
25 Zero people. We are the people who are about safety.

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1 That's our number one thing that we fight for, is

2 safety in our community. And they say don't nothing  
3 stop a bullet like a job.

4 And so we need housing. We need jobs. We  
5 need healthcare. And this is the opportunity that  
6 they've given to our community and our people. And so  
7 we're thankful for having, for letting us speak here  
8 and letting us share. Thank you.

9 CHAIRMAN FARRELL: And thank you guys for  
10 coming. Much appreciated. And thank you for being out  
11 in District 2 over the weekend. That was fun.

12 MALE SPEAKER: I don't know how many lead  
13 signers you've had before you, but here I am, gold  
14 records and a prison record and it's a pleasure to be  
15 here and to support this affair.

16 CHAIRMAN FARRELL: Thank you very much.

17 MALE SPEAKER: Got bless you all.

18 CHAIRMAN FARRELL: Thank you.

19 Anybody else from the public wish to comment  
20 on these items, please step forward.

21 MS. STONIAK: Hi.

22 CHAIRMAN FARRELL: All right.

23 MS. STONIAK: Hi. My name is Alex Stoniak  
24 (phonetic), and I'm here representing the Mission Bay  
25 Alliance as well. And I -- I wanted to say that, you

1 know, given the new information revealed today by  
2 Mr. Rose's budget analyst report, you know, we would  
3 ask that because this information is vastly different  
4 than the information that's been presented to the  
5 public in the past, you know, we would ask for a  
6 continuance on this ordinance just so that the members  
7 of the public can have an opportunity to read through  
8 the documents and -- and really absorb what -- what has  
9 been shared today as far as, you know, putting the  
10 public or putting the city taxpayers on the hook for  
11 \$29 million that is, as to -- as of yet been unfunded,  
12 and also to process the fact that this stadium is not  
13 generating the kinds of revenues that we had previously  
14 anticipated. Thank you.

15 CHAIRMAN FARRELL: Okay, thanks very much.

16 Anybody else wish to comment on items one  
17 through four?

18 All right. Please step forward.

19 Anybody else, please line up on the far side  
20 of the wall so we can finish it up. Thank you.

21 MR. SCHWARTZ: My name is Leo Schwartz. I'm  
22 organizing with the Mission Bay Alliance, and I want to  
23 say I request more notice of these agenda items as  
24 required by the Brown Open Meeting Act. Materials for

25       this meeting were not posted enough in advance of this

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1       meeting to comply with the Brown Act. I want to say I  
2       had to call on Friday to find out that this meeting was  
3       being changed, and nothing was posted until after I  
4       called, which was about midday on Friday, including any  
5       of the agenda items for one through four.

6                So this should be posted further in advance.

7       Thank you.

8                CHAIRMAN FARRELL: Thanks very much.

9                Anybody else wish to comment on items one  
10       through four? Okay. Seeing none, public comment is  
11       closed. Before we get to a discussion amongst my  
12       colleagues, Mr. -- I'd like to call back Mr. Adam  
13       Van de Water to, I know had some comments based upon  
14       some of the -- some of the testimony earlier.

15               MR. VAN DE WATER: Thank you, Chair Farrell,  
16       supervisors. A couple of comments in response to some  
17       commentary today. First, there was a comment made  
18       about parking, and a suggestion that this move entirely  
19       to an office space. The proposal before you today is  
20       actually a hundred fewer spaces than would be allowed

21 under a full office development. So it is not, by any  
22 stretch, by NBA standards, by Mission Bay standards, or  
23 by city code overparked.

24 Second, you heard the University of  
25 California San Francisco talk about access. This was a

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1 very important thing in our conversations with that  
2 community. I had mentioned the local hospital access  
3 plan, which provides access for nonemergency vehicles.  
4 What I did not mention is that our -- our EIR analysis  
5 talks about no significant impacts to emergency  
6 vehicles under the no project. The project -- the  
7 project plus cumulative conditions and the 2040  
8 conditions.

9 And the reason we're able to say that is that  
10 there are transit priority lanes, north-south and  
11 east-west on Third Street. And once we complete the  
12 16th Street corridor on 16th Street, there will be  
13 these red striped lanes that will, under the traffic  
14 code, permit emergency vehicles and on an occasional  
15 basis nonemergency vehicles in an emergency situation  
16 to use those lanes. So our feeling is that between the



17 28 parking control officers, the transit priority  
18 lanes, and the added transit service to the  
19 neighborhood that even under peak conditions, that  
20 access to this neighborhood may actually improve over  
21 current conditions today.

22           There was some commentary about the fiscal  
23 impacts of this report. These were comments that were  
24 made last Wednesday and we responded to it at the  
25 Planning Commission last Thursday. They are simply

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1 holding up the -- the revenues from the arena against  
2 the proposed sources that we presented today versus an  
3 all-office building, which they presume would bring in  
4 an additional 2,000 employees with no impacts to city  
5 services.

6           So they attributed zero costs to those added  
7 employees and gave no benefit to the existing employees  
8 as part of the two office towers on-site. Finally with  
9 two other comments. One with respect to the other  
10 budget analyst recommendation that we did not discuss,  
11 their first recommendation; we fully agree with that  
12 recommendation. And in fact, the item before you, item

13 one today, adopts the CEQA findings in the MMRP.  
14 Included in that MMRP and those CEQA findings is a  
15 transfer of responsibility should we not fully fund the  
16 transit service plan to the event sponsor to meet a  
17 number of performance metrics.

18 That was adopted by the OCII Commission on  
19 Tuesday, by the MTA Board Tuesday afternoon, and by the  
20 Planning Commission on Thursday. So while we are in  
21 full agreement with the budget analyst on that point,  
22 it's an unnecessary amendment to make today, because  
23 it's already contained in what's been adopted elsewhere  
24 and before you here today.

25 Finally there was comments about a rush to

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1 judgment and a request for a continuance. This has  
2 been part of the standard approval process. We've been  
3 providing adequate notice. And in fact, have been  
4 responding in writing to what we refer to as data dumps  
5 of information within hours of some of our hearings  
6 last week and today and don't feel like there is any  
7 new information that has not either been addressed in  
8 the analysis or in our response to comments.

9 CHAIRMAN FARRELL: Thank you,  
10 Mr. Van de Water.  
11 Are there any comments from my colleagues or  
12 questions at this time?  
13 Okay. Mr. Van de Water, anything else you  
14 want to add?  
15 MR. VAN DE WATER: Do you want to -- just one  
16 second.  
17 CHAIRMAN FARRELL: By the way, in case I  
18 didn't do it, public comment is now closed.  
19 MR. VAN DE WATER: We also submitted a  
20 response to -- to a comment about public subsidy for  
21 the project in writing and submitted that to clerk of  
22 the Board as part of the file.  
23 CHAIRMAN FARRELL: Okay, thank you. And,  
24 Mr. Van de Water, in -- in terms of the amendments to  
25 item number one that you distributed earlier, I believe

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1 these are some technical ones, and my understanding  
2 is -- could you just briefly highlight what they are  
3 for us?

4 MR. VAN DE WATER: To budget analyst

5 recommendation number one?

6 CHAIRMAN FARRELL: No, no, no. So it's item  
7 number one, the -- the CEQA findings, there was, I  
8 believe, some small amendments handed out earlier or --

9 MR. VAN DE WATER: That's correct.

10 CHAIRMAN FARRELL: -- maybe we could ask our  
11 city attorney to, Mr. Malamut to --

12 MR. VAN DE WATER: So the substantive items,  
13 so the recommendation that we've handed out were in  
14 response to some recent comments with -- with the  
15 neighborhood related to the composition of the advisory  
16 committee that would be advising the MTA for the  
17 Transportation Improvement Fund.

18 CHAIRMAN FARRELL: I think that's item number  
19 two. I actually want to talk to item number one real  
20 quick first.

21 So, Mr. Malamut, maybe we could go to you.

22 MR. MALAMUT: Thank you. John Malamut from  
23 the city attorney's office. There were, before you  
24 today there are four pieces of legislation, and each  
25 one has a series of minor technical amendments that

1     were made to it. Your questions were about the very  
2     first item on the CEQA findings. Many of these things  
3     are just minor additions.

4             One recognizes the MTA's approval on  
5     November 3rd. Very other, just a few other minor  
6     things. While I'm here, I might as well speak to  
7     amendments to the delegation ordinance, which is the  
8     third item on your agenda. There was one small  
9     addition on the, it was on page 4 of your ordinance,  
10    line 23 and 24, just recognizing the existing process  
11    that the city usually goes through for accepting public  
12    improvements and recognizing that the Director of  
13    Public Works can make those decisions in this case,  
14    given that everything is really mapped out in terms of  
15    what the obligations are for public infrastructure.

16            There are also a few minor additions to the  
17    last item on your agenda, the street and easement  
18    vacations. And that is primarily to recognize that  
19    there's an existing agreement on the use the temporary  
20    Terry Francois Connector Boulevard that will remain in  
21    place until the permanent improvements are constructed  
22    as part of this project. And there are a series of  
23    agreements that the city needs to work through with  
24    various parties to make sure that that can remain open  
25    to the public.

1                   So it just, it recognizes what those  
2                   agreements would be and delegates that authority to the  
3                   director of property to negotiate the final pieces of  
4                   those two agreements.

5                   CHAIRMAN FARRELL: Okay, thank you very much,  
6                   Mr. Malamut.

7                   Colleagues -- colleagues, any questions?

8                   Okay. So we had these items before us, so  
9                   items one through four, let me suggest, unless there  
10                  are any overall comments, I -- I just want to again say  
11                  thank you to everyone from the public in support and  
12                  opposition who came out, to all of our staff, to the  
13                  Warriors and their team, to MTA. I know this has been  
14                  a long time in coming. UCSF in particular for being  
15                  out as well. So we have item number, let's take this  
16                  one first, we do have some technical amendments to item  
17                  number that Mr. Malamut just discussed.

18                  I would like to entertain a motion to accept  
19                  these items.

20                  SUPERVISOR TANG: So moved.

21                  CHAIRMAN FARRELL: Okay. Motion by Supervisor  
22                  Tang. We can take those without objection. And then  
23                  the underlying item number one on the CEQA findings as

24 amended, can we have a motion to send, to approve these  
25 items as well?

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1 SUPERVISOR MAR: So moved.

2 CHAIRMAN FARRELL: We have a motion by  
3 Supervisor Mar.

4 MADAM CLERK: To a certain date supervisor?

5 CHAIRMAN FARRELL: Yes. Thank you very much,  
6 madam clerk.

7 Colleagues, because we -- we cannot act at  
8 these items of the full Board until the CEQA period has  
9 run out, we're going to be forwarding this items back  
10 to the December 8th Board of Supervisors meeting. So I  
11 entertain a motion to forward this item as amended with  
12 recommendation to the December 8th Board meeting.

13 SUPERVISOR MAR: So moved.

14 CHAIRMAN FARRELL: Okay. We have a motion by  
15 Supervisor Mar. We can take that without objection.  
16 As it relates to item number two right now, there are,  
17 let me suggest two things. First of all, there are a  
18 number of technical amendments, and I'll just quickly  
19 read through them, that were handed out earlier, and

20 I'll read through what they are, but they were done in  
21 conjunction with the different neighborhood groups  
22 surrounding it.

23 There are five specific ones on page 2, lines  
24 9 through 10 specifically names the Potrero Hill and  
25 Dogpatch neighborhoods with regard to enhancement of

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1 multimodal transportation serving Mission Bay South and  
2 the surrounding areas. On page 7, lines 2 through 4  
3 states that the Controller shall, in the assessment,  
4 include separate estimates of revenues generated on the  
5 project site and revenues -- revenues generated off the  
6 site, which is in response to the BLA's recommendation  
7 number two.

8 Page 9, line four includes the words, in  
9 a neighborhood to be a seat on the advisory committee  
10 to address the concerns of Potrero and Dogpatch  
11 neighborhoods. Page 9, lines 10 through 13 includes a  
12 requirement that one of the two mayoral seats also be a  
13 member of the Ballpark Mission Bay Transportation  
14 Coordinating Committee -- Coordination Committee. And  
15 page 10, lines 21 through 22 clarifies that one of the



16 duties of the advisory committee is to collaborate with  
17 the Ballpark Mission Bay Transportation Coordination  
18 Committee.

19 So, colleagues, these are technical  
20 amendments, but I do think very reflective of a number  
21 of community conversations that have gone on, very  
22 important to the surrounding neighborhoods, something  
23 that I would certainly like to support. So would like  
24 to, on those amendments in particular, would like to  
25 entertain a motion to accept those items.

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1 SUPERVISOR MAR: So moved.

2 CHAIRMAN FARRELL: Okay. A motion by  
3 Supervisor Mar. We can take that without objection.

4 And then we do have our budget analyst's  
5 report that was discussed earlier. The budget analyst  
6 has talked about two specific recommendations. I will  
7 just make my comments and then open up for a  
8 conversation, particularly around, the second one  
9 around on-site versus off-site. I do appreciate those,  
10 that commentary very much and the analysis from the  
11 Board's perspective.

12                   You know, from my perspective from a policy  
13   level, I do come out, you know, thinking that we can,  
14   while it might not certainly be as accurate as on-site,  
15   we can definitely attribute increased revenue from a  
16   taxation perspective to off-site behavior as well.  
17   Just as someone who was born and raised in the marina  
18   and my parents still live there, we have, for instance,  
19   the Blue Angels come there every single year for a  
20   weekend. And believe me, the bars, the restaurants,  
21   everything else that's not directly tied to any Blue  
22   Angel revenue or Fleet Week, but I will tell you they  
23   love it every single year because there's a massive  
24   amount of influx of people.

25                   Residents might -- might not like it as much

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1   from a parking perspective or from the noise, but, you  
2   know, I -- I have seen it firsthand, the -- the  
3   ancillary effects of this revenue. And in looking at  
4   it and talking with folks, I do believe it's on -- on  
5   the conservative side, so it's something I would be  
6   comfortable supporting and therefore wouldn't suggest  
7   adopting recommendation number two, but that is my

8 perspective and certainly, well, I'll entertain my  
9 colleagues' thoughts as well on that item.

10 Supervisor Tang.

11 SUPERVISOR TANG: Thank you. I -- I would  
12 agree with Supervisor Farrell's comments regarding the  
13 second recommendation. I think that it was a good  
14 change to make in the legislation to distinguish  
15 between the off-site and the on-site revenues generated  
16 by the project, but I do think that the analysis was  
17 done thoroughly and -- and as it was said, we base it  
18 on the conservative level. And so I would feel  
19 comfortable without taking that second recommendation  
20 from the budget analyst report.

21 Of course as the Controller mentioned, there  
22 will be some fine-tuning of the numbers going forward.  
23 And so I -- I know that we will be engaging in a  
24 transparent process when that opportunity arises. And  
25 so again at this point, then I would, I -- I'm okay

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1 with taking the recommendation, the first one, even  
2 though it is redundant in terms of the other documents,  
3 but I don't see a harm in including it in this

4 particular item number two, but not recommendation  
5 number two.

6 CHAIRMAN FARRELL: Okay. So is that a motion?

7 SUPERVISOR TANG: Okay. So I will make a  
8 motion then to adopt budget analyst recommendation  
9 number one, which is that the ordinance should specify  
10 that if the annual cap of 90 percent of the General  
11 Fund revenues from the project site in the event that  
12 the event center is insufficient to cover SFMTA's  
13 expenditures for transportation services to the  
14 Warriors project, then the Warriors will be responsible  
15 to provide the additional transportation services to  
16 comply with EIR mitigation measures TR-2B and TR-18.

17 CHAIRMAN FARRELL: Okay. Motion by Supervisor  
18 Tang. We can take that without objection.

19 Colleagues, now we have the underlying item  
20 number two as amended by both amendments. Can I have a  
21 motion to accept this item and move forward with full  
22 recommendation to the December 8th Board of Supervisors  
23 meeting?

24 SUPERVISOR TANG: So moved.

25 SUPERVISOR MAR: Moved.

1                   CHAIRMAN FARRELL:   Okay.   Motion by both  
2   Supervisor Tang and Supervisor Mar.   We can take that  
3   without objection.   As to colleagues -- as to items  
4   number -- item number three right now, again we do have  
5   some technical amendments, just as discussed by  
6   Mr. Malamut.   Can I have a motion to accept these  
7   technical amendments?

8                   SUPERVISOR MAR:   So moved.

9                   SUPERVISOR TANG:   So moved.

10                  CHAIRMAN FARRELL:   Motion by Supervisor Mar  
11   this time.   We'll take that without objection.   Then  
12   and to move item number three forward with  
13   recommendation as amended to the full Board for the  
14   November -- excuse me -- December 8th Board meeting.  
15   Can I have a motion to that effect?

16                  SUPERVISOR TANG:   So moved.

17                  CHAIRMAN FARRELL:   Motion by Supervisor Tang  
18   this time.   We will take that without objection.

19                  Okay.   And, colleagues, item number four,  
20   again, technical amendments as discussed by  
21   Mr. Malamut.   Would like to entertain a motion to  
22   accept those amendments.

23                  SUPERVISOR MAR:   So moved.

24                  CHAIRMAN FARRELL:   Motion by Supervisor Mar.  
25   We can take those without objection.   And then the

1     underlying item, a motion to send this item forward  
2     with recommendation to the full Board to our  
3     December 8th meeting as amended.

4             SUPERVISOR TANG:   So moved.

5             CHAIRMAN FARRELL:  Motion by Supervisor Tang.  
6     We can take those without objections.

7             Mr. Malamut.

8             MR. MALAMUT:  John Malamut from the city  
9     attorney's office.  I actually prepared some language  
10    to try and address the budget analyst's recommendation  
11    on item number one.  So I -- I could read that into the  
12    record if it's something that you would find acceptable  
13    as a way to address their comment.

14            CHAIRMAN FARRELL:  Item number one?

15            MR. MALAMUT:  I'm sorry, item number two.  It  
16    would -- it would --

17            CHAIRMAN FARRELL:  Their first recommendation?

18            MR. MALAMUT:  It would require -- it was their  
19    recommendation number one, but in regard to agenda item  
20    two, I could read into the record, a proposal to see if  
21    you like it, but it would require rescinding that vote  
22    on item two and rehearing it if you think the language

23 is acceptable.

24 CHAIRMAN FARRELL: Sure. This is, I just want  
25 to be clear, this is something we're voting on today,

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1 though?

2 MR. MALAMUT: Correct.

3 CHAIRMAN FARRELL: So okay.

4 MR. MALAMUT: That's on the -- the reserve  
5 fund legislation.

6 CHAIRMAN FARRELL: Sure, happy to do so.

7 So all right, colleagues, can I have a motion  
8 to rescind the vote on item number as amended?

9 SUPERVISOR TANG: So moved.

10 CHAIRMAN FARRELL: Okay. Taken without  
11 objection.

12 Mr. Malamut.

13 MR. MALAMUT: Thank you. The -- the  
14 recommendation would be to revise section one of the  
15 ordinance. This is again, your agenda item two. And  
16 at the end of the existing section one language, which  
17 is titled environmental findings, we would add the  
18 language, in that -- in that action, and this is

19 referring to the CEQA findings, the first item on your  
20 agenda, in that action, excuse me, the Board recognized  
21 that the Commission on Community Investment and  
22 Infrastructure, CCII, on November 23rd, 2015, approved  
23 resolution number 70-2015, which adopted California  
24 Environmental Quality Act findings, including a  
25 statement of overriding considerations and a Mitigation

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1 Monitoring and Reporting Program as required by law.  
2 As part of the CCII approval of its  
3 resolution number 70-2015 and other approval actions  
4 related to the Golden State Warriors event center and  
5 mixed-use development project, CCII imposed on the  
6 project sponsor, as conditions of approval, those  
7 aspects of mitigation measures N-TR-2B and N-TR-18  
8 concerning transportation impacts that are identified  
9 as project responsibility -- as project sponsor  
10 responsibility in the MMRP, the Mitigation Monitoring  
11 and Reporting Program.

12 The CCII resolution and the CCII CEQA  
13 findings are on file with clerk of the Board of  
14 Supervisors in file number 150994 and incorporated



15       herein by reference. What this essentially does is it  
16       recognizes that two mitigation measures that the budget  
17       analyst has pointed out, and indicates that they've  
18       been part -- they've been imposed as conditions on the  
19       project by -- by the Commission on Community Investment  
20       and Infrastructure.

21               CHAIRMAN FARRELL: Okay, thank you,  
22       Mr. Malamut.

23               To our budget analyst.

24               BUDGET ANALYST: Okay, yes. I just wanted to  
25       clarify the reason we put this recommendation. And you

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1       know, I'm willing to accept what the city attorney  
2       says, is that none of the documents that we saw, did it  
3       explicitly say that if there wasn't sufficient money  
4       for the MTA, to implement all the transit measures that  
5       are being considered by this legislation, it never  
6       explicitly said, if MTA can't afford to do it, then the  
7       Warriors are responsible for this list of things that  
8       we list in the mitigation measures.

9               So that was really the difference. We  
10       understand that it was in CEQA. We understand it was

11 in the mitigation measures. We understand it was in  
12 the OCII resolution. Nowhere, it was implied, but  
13 never stated explicitly that if the revenues fall  
14 short, that that's what the Warriors are going to be  
15 doing. So you know, I'll defer to the city attorney on  
16 this one, but I think that's a really key point here  
17 and why we made the recommendation.

18 CHAIRMAN FARRELL: Thank you. No,  
19 Ms. (Inaudible) I think -- I think you'll find  
20 agreement on -- on this entire panel here and -- and --  
21 and the full Board as well.

22 So, Mr. Malamut, assuming that your language  
23 definitely does take that into account and satisfies  
24 that concern, I think that's presently something I  
25 would certainly support.

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1 And so at this point, colleagues, unless  
2 there are any questions, entertain a motion to accept  
3 that language into the -- into item number two.

4 SUPERVISOR MAR: So moved.

5 CHAIRMAN FARRELL: Okay. Motion by Supervisor  
6 Mar will be taken without objection.



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