



JAPANTOWN TASK FORCE

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ECONOMIC DEVELOPMENT, PLANNING & PRESERVATION OF JAPANTOWN

Notes From the Land Use/Transportation Committee Meeting of the Japantown Task Force Union Bank Community Room Thursday, June 14, 2019

Board Member Present:

Glynis Nakahara, Kenta Takamori, Alice Kawahatsu, Judy Hamaguchi, Rich Hashimoto

Staff Present:

N/A

Others Present:

Jeremy Chan, Paul Wermer, Linda Walsh, Karen Kai, Bob Rusky, Jessica Sharp, Cynthia Boedihardjo

The meeting began at 6:00 p.m.

New Business:

NewEra proposal for 1700 Post Street/Buchanan Street

See NewEra Powerpoint Slide attachment

Jessica Sharp and Cynthia Boedihardjo came to speak about NewEra, a Zen Tea House and Sound Lounge, which will be opening on 1700 Post (the upstairs corner of Post/Buchanan).

Their programming includes tea services/ceremonies, community talks, sound therapy, and showcasing local and global Asian artists.

They will sell cannabis in a small portion of the space to generate revenue. The revenue will support the entire business concept, including supporting local artists and the community at large. Building off her experience in Salesforce's philanthropy branch, Sharp would like to also support Japantown's local nonprofits.

NewEra's targeted audience is working professionals, with an aim to host "women-friendly" events. Sharp is looking to present a different space from typical cannabis dispensaries.

Sharp and Boedihardjo also spoke about the medical benefits of cannabis, in particular for seniors. They are hoping to create an intergenerational space, and they aim to increase education with respect to cannabis use.

NewEra intends to partner with other merchants, allow community organizations to use the space during non business hours (for fundraisers, etc.), and partner with community events, including organizing a Silent Disco during Kimono Day.

The building will include security guards in and out of the retail store.

Process/timeline wise: They have not signed a lease to the space, as they are first gathering community input.

Out of the 120 applications, the city has only processed 4 applications. NewEra is planning to open the tea house / sound lounge first, and then open the cannabis portion later (perhaps 2 years after) when the permit comes in. When the permitting process comes around, NewEra is looking to (later) get a letter of support from the Japantown Task Force.

There was some discussion about proximity to schools (specifically K-12). As far as Sharp's lawyers know, pre-school is not included. Once one cannabis business opens, other cannabis businesses may not open in that area.

They see themselves as a "Cultural Lounge" or "Experience Center" and hope to have a diversity of programming. Boedihardjo described that this type of wellness center is a new type of business, and they hope to act somewhat like a gym (with respect to drop in / repeat customers utilizing a diversity of programming).

The cannabis sold will be vaped and for indoor use. This will take place in a separate room with HVAC. There will be no combustion, which minimizes smoke output. They will discourage people to vape outside. They will enforce this through their security guards and signage. A concern was expressed that security guards cannot regulate the activity of people off the property, and not to oversell the authority to enforce. NewEra also hopes to enforce through cultural norms (ex. setting an "Asian household" like environment), and structure the environment to encourage customers to vape inside.

It was asked how much revenue will be made from cannabis sales. Sharp said they do not know yet because cannabis is a new market. Currently SF dispensaries earn \$5-\$30 million a year (pre tax), with about 50% taxed.

NewEra currently does pop up events and invites JTF and the community to partake. Currently, their events are structured to have cannabis intake occur at a separate location in the event. Their events by default use microdosing (5 milligrams or less, analogous to drinking a glass of wine) because the expectation is that most of the users are beginners. They will have a staff training program with respect to dosage and its impact on customers. They encourage customers to take public transportation and rideshare (including providing discount codes) and will act similarly to bartenders with respect to taking care of intoxicated customers.

New Era's hours will be from 10am-10pm. Daytime will be marketed to tourists, while the evening will focus on community / local members.

They plan to do some renovations, including adding an elevator for accessibility purposes. Daniel Burnham who did Proxy will be their architect.

A comment was made with respect to the target audience (high income women / high end life style) and the extent to which that is inclusive to the community. Sharp acknowledged the concern, and said that although this is the aesthetic, they want to be inclusive to the community. NewEra also said they're happy to discuss discounts for people in the neighborhood. With respect to access to the space, they plan to have a financial, merit based (with respect to

diversity), and lottery based system when capacity is full. When capacity is not full, then anyone can drop in.

NewEra is an incubator to an equity applicant. This is a requirement for the permit. The purpose of this law is to benefit people who were negatively targeted and impacted by the War on Drugs. The equity applicant has their own separate business, and NewEra is contracted for 3 years to pay for rent and provide business guidance, accounting services, etc. The equity applicant is a manufacturer, and NewEra plans to carry the equity applicant's line of product.

NewEra aims to not be a cash only business. Although federal banks do not process payments, local and community banks are able to process payments (i.e. debit card).

NewEra aims to create a culture of responsibility. Sharp noted that cannabis leads to customers become lethargic and sleepy, whereas alcohol leads to belligerence and aggression, so the risks, while valid, are different.

Rich Hashimoto mentioned that the property owner is currently hardshipped right now due to vacancy laws. NewEra is ready to start today with respect to negotiating the lease.

Pedestrian Safety

This topic surfaced as a result of the recent fatality on Geary involving a paratransit vehicle. In the interests of time, it was suggested for this topic to be deferred to next month.

Paul motioned to defer the topic to the next meeting and invite SFPD and Vision Zero to the next Land Use meeting. Karen seconded. It was so moved.

Unfinished Business:

Bikeshare

The SFMTA proposal is to establish a Bikeshare station on Buchanan St, west side, north of Sutter.

Processwise, JTF will vote on the specific proposal. Kenta reversed his process,

Karen motioned to oppose the proposed bikeshare location (on the west side of Buchanan St, north of Sutter). It was seconded by Paul.

Jeremy asked about some of the offerings that left included in their email, such as to be a "major sponsor" and invest in large events and festivals. They are currently the largest sponsor for Carnaval this year in the Mission. They also offered to provide custom Jtown wraps on their bikes and engage with merchants to do joint promotions.

Bob mentioned that Lyft filed a lawsuit for the City, arguing that the City soliciting proposals for dockless biking services violates Lyft's exclusive right to contract to provide docking and non docking bike stations. This signals that there is a huge interest in docking services (hence why Lyft wants to keep their right to it).

Paul expressed that dockless bikes are more equitable and a more effective system, since you can spread out smaller bike stands across multiple areas that are accessible to all bike users.

Jeremy said that he is less concerned with the distinction of dockless vs. docked bikes, because the docked bike stations can be removed at any time, and the stations can simply be removed if dockless bikes become more widely introduced.

Kenta expressed that he opposed the proposal as it stands. The families that attend Nihonmachi Little Friends walk their children to the door, and the location of the station hampers that. Glynis also opposes the site proposal because most of the surrounding merchants and organizations feel it will be a negative impact to their business.

Alice gave her appreciation for speaking with the businesses, as it helps give JTF a greater face with the neighborhood.

The motion to oppose the proposed bikeshare location (on the west side of Buchanan St, north of Sutter) passed. The Committee will recommend to the board to oppose the proposal.

Kenta noted that SFMTA is not obligated to listen to JTF. However, SFMTA did agree to wait, pending JTF's input. SFMTA could ignore JTF's recommendation and place the station at the Buchanan/Sutter. Alternatively, they may put it in another location without a specific process.

JTF may either oppose bikeshare entirely or propose an alternative location. Kenta said it is to Japantown's advantage to propose an alternative location.

Kenta discussed that the dock vs. dockless model is untested, and that no one really knows the answer. Paul said he has observed this in other locations in the US and Europe. Docked stations work in dense, downtown areas to cover the last half mile from transit to office. For neighborhoods, dockless bikes are more effective.

Ros said that we should clarify the values/goals that our committee's decisions are based on and make a decision based on those values. Kenta appreciated the point and said that these values start to interact and compete with each other.

It was discussed the large use of the bikeshare stations closest to Japantown (Safeway and Raymond Kimbell), and that GoBike has been creating incentives for users to return bikes to stations.

Karen said the lack of bikes at a station indicates that people are leaving Japantown but not returning to Japantown. If people were attending Japantown, the opposite would occur – people would not have the ability to dock in Japantown. Karen said that across from Safeway is a good test for Japantown since it is across from the Geary/Post commercial corridor. She also said the cultural aesthetic of the neighborhood is important value of the community.

Jeremy said the GoBike data reflects full stations and increased number of trips, in particular during Japantown's peak business hours, which indicates people using the bike stations to visit Japantown.

Paul and Karen expressed their disapproval at the lack of process and lack of strategic planning. Ros said that she is concerned at the lack of community control in the neighborhood.

Glynis commented that there is a bike rack (not GoBike) on the street in the Fillmore, on Fillmore between Sutter and Bush. She also commented that talking to community members in Japantown during their visits, pretty much everybody said "I support the idea of bikeshare, just not by me." She predicts that pretty much everyone would say "Not in my backyard" and that we would never make everybody happy.

Kenta said that from the bikeshare stations listed in the hearing, stations ranged from 41-72 feet. 41 feet would imply 2 parking spots. Concerns were expressed about smaller sizes not being an option in Japantown since smaller docking stations would fit Japantown better.

Bob said that if a station needed to be added, on the sidewalk on the west side of Laguna between Post and Geary would be the ideal location. Glynis said Hotel Kabuki is objecting that location because of noise.

Glynis also repeated Clint's comment from the board meeting which she thought made sense: if someone cannot find a parking spot on Post, they can park in the garage and be near their destination (versus if they were trying to go to a Sutter location, the garage is farther away). So locating docking stations near the parking structure makes sense and diminishes inconvenience to customers with cars.

Paul suggested the landscaping place near the Sequoias on Geary between Laguna and Gough. He suggested SFMTA could negotiate an agreement with the Sequoias.

Karen said she is opposed to the big 72 feet non negotiable docked station. "If GoBike is willing to work with us, I am willing to work with them." The issue is that GoBike has so far presented an inflexible relationship and parameters.

Judy expressed that she did not want JTF to be blamed or scapegoated for the introduction of docked bike stations. Bob commented that it would be divisive to the community to point fingers as to who is or is not responsible.

Kenta discussed the risk of saying no entirely could mean that JTF will be left out of the process.

The committee discussed in general whether the letter should be amended to reflect an intent to oppose any docked bikeshare station that is not implemented with a collaborative effort, as well as a willingness to work with GoBike to discuss a bikeshare station solution.

It was suggested the language to be broad, such that it could encompass multiple solutions (smaller sized stations, alternative location, etc.) It was commented that we do not have to mold our alternatives or solution to GoBike's way.

Alice also commented that GoBike and SFMTA should acknowledge the lengthy, in depth conversations, time, and labor that the committee has dedicated to this issue.

Glynis said that GoBike's communication with property owners that does not trickle down to merchants is a problem. This is how we end up with people not hearing about it.

Jeremy motioned to have the intent of the letter reflect a willingness to work with GoBike to discuss a bikeshare station solution, as well as the committee's intent to oppose any proposal that is not a collaborative effort. Paul seconded. It was so moved by a unanimous vote.

Public comment:

There will be a service for Vicky Mihara (of Paper Tree) on Saturday June 29 (11am) at Buddhist Church of San Francisco.

Announcements:

N/A

The meeting adjourned at 8:25 p.m.

The next meeting will be at 6:00 p.m., Thursday, July 11, 2019 at the JAACL HQ.