

japantown task force, inc.

a planning, preservation, and development organization

JTF Board Meeting May 23, 2005 @ 6:00 p.m. 1765 Sutter St. Minutes

Attendees: Seiko Fujimoto, Michael Gowe, Sandy Mori (Pres.), Benh Nakajo, Rosalyn Tonai, Tetsuya Yoshida

Staff: Linda Jofuku, Darryl Abantao

Guests: Sumi Honnami, Tsuyoshi, Kitagawa Don Langley, Takeshi Oda, Kathy Reyes (Advisory Committee), Kyoko Takeda, Kenji Taguma (Advisory Committee), Rich Wada, Janice Yuen

Excused Absences: Caryl Ito, Tak Matsuba,

Absent: Scott Belser, Doug Dawkins, Mark Moriguchi,

A. Recognition of Quorum

B. Approval of Minutes: Meeting of April 25, 2005

C. Chair's Report:

I. Information Dissemination re: Starbucks Issue

Linda disseminated a packet of information including a series of press articles and letters that has been submitted to Redevelopment, Mayor and different city departments in regard to my concerns of the pending of Starbucks coming to 1600 Webster. At the April 25, 2005 board meeting, the Japantown Task Force took the position to oppose Starbucks from coming to Japantown. Some issues that were discussed include: 1.) what may and can happen in terms of legal rights of Starbucks to occupy the retail space at 1600 Webster; 2.) as a community how does the community need to prepare before the hearing with the Board of Supervisors on June 7; and 3.) the impact of Starbucks affecting the existing Mom & Pop café's and other shops currently located in Japantown.

Sandy Mori informed everyone at the meeting of her knowledge about what steps the developer and Starbucks have taken in order to proceed with opening a Starbucks in Japantown. Sandy posed some questions to the board members and guests as to where the community stands in regards to how we can prevent Starbucks from coming to 1600 Webster as well as what would happen if we cannot prevent Starbucks from occupying 1600 Webster. She stated the following; We need to do homework between now (May 23, 2005) and June 7 [hearing with RDA]. Other merchants and businesses say Starbucks could possibly bring a different crowd of customers. The residents of the 1600 Webster building may not want Starbucks to occupy that space as well."

Community members and businesspersons brought up issues regarding Starbucks coming to Japantown.

Various questions and topics were discussed including:

- Why not reveal [possibility of Starbucks occupying 1600 Webster] or [why would they] keep it a secret? (Kathy Reyes, Christ United Presbyterian Church)
 - Sandy replied, Marcia Rosen felt she complied with the Owner Participation Agreement (OPA).
- What is rent level and can Japantown businesses occupy 1600 Webster? (Don Langley, New Fillmore)

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- Sandy doesn't know about the lease level and Japantown merchants do not know the lease opportunity. Linda questioned how they (RDA) determined that Starbucks does not compete with existing cafes.
- The Redevelopment Agency made an observation and made a conclusion with no data to back it up. (Rich Wada, Community Member) –(regarding RDA staff justification to allow Starbucks at 1600 Webster)
- The accuracy of the outreach list provided by Starbucks was questioned because some of the people on the list have not been in business/in town or is currently deceased. What follow-up did they take to confirm that these people got the information or if they were interested in occupying 1600 Webster? (Rich Wada, Community Member)
 - The list that they sent is a legal measure. In 2003, the position was 'for sale' only and not 'for lease'. (Sandy Mori, Japantown Task Force President)
- One issue is procedural where they changed the contract from 'for sale', to 'for lease', [the community] was not informed at all. I remember getting the 'for sale' announcement, but that was back in '03. There was no announcement about a 'for lease' change, which is totally different. Another issue is what is defined as a franchise? It is clearly stated that we did not want a Starbucks, but does that exclude for example Peet's Coffee or other franchise types coming from the community too? (Rosalyn Tonai, JTF Board Member & National Japanese American Historical Society)
- I don't understand what Marcia Rosen and RDA said at the hearings. They are just word dancing. (Kyoko Takeda, Community Member)
- Can the Commission reject any "recommendation" by a staff member? (Rich Wada, Community Member)
 - Sandy informed everyone that Marcia Rosen made a staff decision to approve it. If they have the political will, they can overturn her decision. Linda replied they (RDA commission) would go in closed session to discuss the matters.
- Did they seem to want to release the proposal or do something to embrace Starbucks? (Rich Wada, Community Member)
 - Sandy replied that Starbucks does not like to be in a place where they are not wanted. The developers were the dishonest ones who did not want to talk to the community.
- Who were the people that met at meeting with Sandy? (Benh Nakajo, JTF Board Member)
 - Lesley Meyers, Starbucks consultant, an international Starbucks, regional manager, a local person in charge of SF operations, Carol Murata, Linda Jofuku, Rich Hashimoto, Paul Osaki, Cal Kitazumi, Paul Kodama, and Sam Nao.
- Has [Starbucks] ever been excluded in SF? (Greg Marutani, Community Member)
 - Yes, North Beach, Hayes Valley and the Sunset District. (audience)
- Has anybody been in contact with Hayes Valley or Sunset District? (Greg Marutani, Community Member)
- The list that Starbucks sent out is a purchase list and not a lease list. (Benh Nakajo, JTF Board Member)
- If not Starbucks, then what [would occupy 1600 Webster]? (Sandy Mori, JTF Board President)

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- What would Starbucks pay the Developer? They should not operate at a loss, but should it be below market rate to benefit the community? (Sandy Mori, Japantown Task Force President)
 - What about the UPS Store [also occupying 1600 Webster] (Kenji Taguma, Nichi Bei Times)
 - Benh Nakajo, JTF Board Member thought it could be helpful and Kinokuniya would probably like it. It would be helpful to business even though there is a post office in the area, but it would not be competing with any other business with anyone.
2. 2006 Japantown Centennial Celebration Update
The next meeting will be on Wednesday June 29, 2005 at 6 p.m. at JCCCNC, 1840 Sutter St.

D. Director's Report:

1. Book Project Update: Lucy Kishiue, Project Manager
Postponed to next meeting
2. Asian Pacific Heritage Festival (Information Table)
On Sunday, May 22 Darryl, Linda and Misako worked at the information table at the Asian Pacific Heritage Festival. They informed people about the issue of Starbucks and obtained many new petition signatures. There were various patrons at the festival who were willing to help us obtain signatures and brought home petitions to get more signatures.

E. Committee Reports:

1. Finance Committee
None
2. Business and Economic Development Committee
None
3. Health and Safety Committee
None
4. Cultural and Historical Preservation Committee
None
5. Communications & Marketing Committee
None

F. Other Business and Announcements

1. Changing the Muni Route:
Representatives from the Municipal Transportation Authority came to the meeting to give us information regarding changing bus routes affecting Japantown. The combination of the rising costs of fuel, benefits, and salaries, in addition to not being able to write off depreciation of vehicles has created a \$57.3 million deficit. Some possible solutions to these problems include, a fare increase for adults to \$1.50, increase in parking fines by \$10, efficiency and reduction, and a student/elderly monthly pass increase from \$10 to \$12. Some immediate changes include the 2 Clement route moving one block over to running down California Street versus currently running on Euclid Street. The 4 Sutter bus line will only run during peak

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times of the morning and the afternoon rushes. It will no longer be running throughout the day.