

**JAPANTOWN TASK FORCE  
AD HOC JAPAN CENTER MALLS TECHNICAL COMMITTEE  
MINUTES  
MONDAY, JANUARY 10, 2022  
5:30 PM - via Zoom Meeting**

**Committee Members Present:** Roy Ikeda, Sandy Mori, Glynis Nakahara, Joyce Oishi, Beau Simon, Lori Yamauchi.

**Others Present:** Jeremy Chan, Tomo Hirai, Emily Murase, Benh Nakajo, Emily Nichols, Sheridan Tatsuno, Rosalyn Tonai

**Staff Present:** Susie Kagami, Melissa Nihei Bailey, Max Nihei, Lauren Nosaka, Brandon Quan

- I. **Call to Order.** The meeting was called to order at 5:32pm.
- II. **Approval of December 13, 2021 minutes**
  - A. Approval of minutes was moved by Roy Ikeda, seconded by Beau Simon and passed unanimously.
- III. **Discussion of Comparison between Better Neighborhoods Plan (BNP) and JCHESS recommendations for Japan Center Malls blocks, and Impact of Current City Zoning (led by Lori Yamauchi)**
  - A. BNP was a City-driven plan (2009) as successor to the Redevelopment Plan which sunsetted in 2008 to address anticipated development of Japan Center Malls, Kabuki Theater and two hotels which were sold in 2006.
  - B. Japantown Cultural Heritage & Economic Sustainability Strategy (JCHESS) was a Community-driven plan (2013) which adapted the BNP but set aside certain controversial elements of BNP.
  - C. Zoning for Japan Center Malls
    1. Both the BNP and JCHESS recommended the creation of Japantown Neighborhood Commercial District (JCD) zoning, while retaining Japantown Special Use District (SUD).
    2. BNP proposed *Height limit increases* from 50 ft. to 200-250 ft. (along Geary Blvd.), but JCHESS did NOT propose changes to the 50 ft. Height limit.
      - a) Sheridan Tatsuno commented that he is wary of height limit increases that could allow corporate style buildings/condos.
      - b) Beau Simon commented that in 2022, a 50 ft. height limit is outdated as we need to build upwards.
      - c) Joyce Oishi felt that there could be benefits to the community if the height limit were changed.
    3. BNP proposed Japanese influenced design aesthetic in the rebuild of the Malls, while the JCHESS recommended Japantown Design Guidelines for all of Japantown.
      - a) Beau noted that the Design Guidelines which were developed and approved by the City are thoughtful and constructive.
  - D. Community Requirements
    1. Both BNP & JCHESS recommended:
      - a) Retain retail space in the Malls, which would function as “anchor”,
      - b) Embrace neighborhood through physical design and be outward facing to increase visibility.
      - c) Improve Peace Plaza.
      - d) Retain local businesses, while attracting both local and international stores.
    2. BNP proposed that the parking be retained.
    3. BNP recommended inclusion of affordable housing with new residential development.
    4. JCHESS recommended incorporating space for community organizations.
  - E. Japan Center Challenges

Both BNP and JCHESS recognized similar challenges.

1. Lack of modern amenities and not designed for retail use.
2. Significant renovation or reconstruction needed.
3. Disruption by renovation / rebuild could force businesses to close.
4. Rents & parking prices likely to increase if rebuild with temporary/permanent relocation of businesses.
5. Aging garage in need of upgrade and complexity of rebuilding Malls with garage.

F. Japan Center Recommendations

1. BNP focused on *long-term rebuild* of Malls with Interior upgrades in the short-term. BNP proposed that rebuild include:
  - a) Japanese-oriented retail.
  - b) Housing with sufficient height and density to ensure financial feasibility
    - i. Sandy Mori mentions that in San Francisco, Prop K limits the height of buildings depending on the shadow that they cast on public open space. Peace Plaza is considered public open space.
    - ii. Glynis mentioned that there could ways to get around Prop K if needed.
    - iii. Glynis mentioned that the Japantown Design Guidelines recommend that new development maintain view corridors of the Peace Pagoda.
  - c) Garage with appropriate amount of parking, including parking for housing
    - i. Glynis noted that Japantown is fortunate to have the Garage, and if the Malls are rebuilt, some parking in the Garage would likely be lost.
2. JCHESS proposed that a Strategic Plan for Malls be developed focusing on *improvements to existing facilities* with possible new construction in the future. The plan would propose:
  - a) Increased Visibility, Attractiveness and appearance
  - b) More Access points.
  - c) Culturally relevant businesses.
  - d) Space for community activities.
3. Both the BNP & JCHESS proposed improvements to the Peace Plaza.
4. BNP proposed that development of the Malls involve City participation, including funding for the garage; JCHESS was silent on City participation in future development..
5. BNP & JCHESS proposed that existing retail businesses be retained through construction impact management and rent subsidies. JCHESS called for support & reintegration of businesses throughout the improvement and development processes.
6. BNP proposed that the Community/City work with developers to encourage provision of affordable housing (min. 15% of units at below market) in rebuild.
7. JCHESS called for consideration of the structural integrity of the garage in future development of the Malls

G. Benefits Package.

1. BNP proposed creation of a fair and balanced public benefits package, that includes:
  - a) Retention of existing businesses.
  - b) Redesign of Peace Plaza.
  - c) Retention of affordable housing.
  - d) Improvements to Post St.
  - e) New Webster St. linear park.
2. JCHESS called for the negotiation of a community benefits agreement with Major New Development, that includes: Living wage requirements for employees.
  - a) Local hiring agreements, with job training
  - b) Job training and/or placement programs
  - c) Affordable housing or retail space.
  - d) Community Space.
  - e) Green building practices.
  - f) Child care facilities.
  - g) Traffic Mitigation.

H. Other Recommendations Relevant to Japan Center Malls

1. Both the BNP and JCHESS recommended developing a Japantown Community Land Trust

and Japantown Community Benefits District.

2. BNP recommended that a community-based organization be created to implement the BNP.
  3. JCHESS recommended the creation of a Japantown Community Development Corporation and implementing a Japantown Mello-Roos Community Facilities District and the Invest in Neighborhoods (IIN) program, as well as utilizing Japan Center Garages' Capital Improvement Funds.
- I. Salient Points from prior Ad Hoc Committee discussions
1. Focus on interior upgrades and minor exterior improvements.
  2. Complete rebuild of the Malls should occur in the long-term, given the age of buildings. Garage needs to be rebuilt, existing structure cannot physically support taller buildings.
  3. City won't commit to rebuilding garage unless they know there is a feasible development of the Malls. Developers won't commit to development of malls unless they know that the garage structural foundations needed for mid-rise buildings will be constructed with financing from the City.
  4. Existing 50 ft height limit should be reconsidered as they are not realistic for new development. Given City's priority for transit-oriented development along Geary corridor, taller buildings along Geary should be considered.
  5. Solution to problem of getting traction on community concepts is to get all parties to agree to retain services of developer, to create a scenario where everyone wins. The idea of talking with developers about future development of the Malls was discussed. EBALDC, Bridge Development, and Chinatown Community Development Center (CCDC) were mentioned. Edgar Lopez, former City architect who consults, was mentioned, as was Eric Tao, local developer of mixed-use projects. Eric is receptive to talking with JTF. Sandy noted that none of the property owners of the Malls blocks are making commitments to future development. She supported the idea of talking with developers, given the very complicated nature of developing the Malls property. She noted that the Ad-Hoc Committee needs to communicate with the Covenants Committee on this topic.
  6. Public Private Partnership is logical development mechanism.
    - a) Roy Ikeda noted that EBALDC (East Bay Asian Local Development Corporation) projects have always been Public Private Partnerships, with City government. He suggested that EBALDC be approached for advice.
    - b) Joyce noted that the Balboa Reservoir project was a PPP, in which a nonprofit development corporation developed affordable housing on the project site, which is owned by the SF Public Utilities Commission.
  7. What about a Community Land Trust (CLT)? It is interesting but not fully understood. How would it be used for a mixed use site as large as the Japan Center?
    - a) Jeremy Chan gave examples of mixed use projects with a CLT
  8. Emily Murase asked for clarification of the relationship between the BNP & JCHESS. Lori noted that the BNP was proposed but never adopted by the City as part of the General Plan. The JCHESS was proposed and accepted by the City as a set of strategies, but never codified by the City as part of the General Plan.

#### IV. Announcements

**API Council Capital Project Budget Package:** Sandy Mori reported that she was contacted by Cally Wong, Executive Director of the API Council, regarding a \$100M capital project budget package that the Council is preparing to send to SF Supervisor Matt Haney. The package is intended to fund capital projects benefitting the Asian and Pacific Island (API) communities in SF. Cally wanted to know if Japantown had capital projects which need funding, and wanted to include in the package. Supervisor Haney is preparing a resolution apologizing to the Asian communities for the discrimination and harm they have experienced in San Francisco. The API Council wants the Supervisor to put teeth into the resolution by attaching a package of projects for the Asian communities. Sandy indicated that this is a wish list, with no guarantee of City approval. Sandy mentioned funding for the Kinmon Gakuen building, as well as acquisition of property in Japantown.

#### V. General Public Comments

There were no general public comments.

The meeting was adjourned at 6:37 pm.