

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
5th DAY OF MAY 2015**

The members of the Commission on Community Investment and Infrastructure of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 1:00 p.m. on the 5th day of May 2015, at the place and date duly established for holding of such a meeting.

REGULAR MEETING AGENDA

1. Recognition of a Quorum

Meeting was called to order at 1:08 p.m. Roll call was taken.

Commissioner Bustos - present
Commissioner Mondejar – present
Commissioner Singh – present
Chair Rosales – present

All Commission members were present.

2. Announcements

A. The next scheduled Commission meeting will be a regular meeting held on Tuesday, May 19, 2015 at 1:00 p.m. (City Hall, Room 416).

B. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting

Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.

C. Announcement of Time Allotment for Public Comments

3. Report on actions taken at previous Closed Session meeting – None

4. Matters of Unfinished Business - None

5. Matters of New Business:

CONSENT AGENDA

a) Approval of Minutes: Regular Meeting of April 21, 2015

- b) Authorizing a First Amendment to the Exclusive Negotiation Agreement with MA West LLC, a Delaware Limited Liability Company, a Commercial Project on Transbay Block 5 (Assessor's Block 3718, Portion of Lot 025 and Portion of Lot 027), located on Howard Street between Beale and Main Streets; Transbay Redevelopment Project Area(Discussion and Action) (Resolution No.23-2015)

PUBLIC COMMENT - None

Commissioner Mondejar motioned to move Item 5 (a) and Commissioner Singh seconded that motion.

Secretary Guerra called for a voice vote on Item 5 (a).

Commissioner Bustos – abstained due to absence of previous meeting

Commissioner Mondejar – yes

Commissioner Singh – yes

Chair Rosales – yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH ONE ABSENTION THAT THE MINUTES FROM THE REGULAR MEETING OF APRIL 7, 2015, BE ADOPTED.

Commissioner Bustos motioned to move Item 5 (b) and Commissioner Singh seconded that motion.

Secretary Guerra called for a voice vote on Item 5 (b).

Commissioner Bustos – yes

Commissioner Mondejar – yes

Commissioner Singh – yes

Chair Rosales – yes

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT RESOLUTION NO.23-2015, AUTHORIZING A FIRST AMENDMENT TO THE EXCLUSIVE NEGOTIATION AGREEMENT WITH MA WEST LLC, A DELAWARE LIMITED LIABILITY COMPANY, A COMMERCIAL PROJECT ON TRANSBAY BLOCK 5 (ASSESSOR'S BLOCK 3718, PORTION OF LOT 025 AND PORTION OF LOT 027), LOCATED ON HOWARD STREET BETWEEN BEALE AND MAIN STREETS; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

- c) Approving a Budget for period July 1, 2015 through June 30, 2016 and authorizing the Executive Director to submit the Budget to the Mayor's Office and the Board of Supervisors (Discussion and Action) (Resolution No.24-2015)

Presenters: Tiffany Bohee, Executive Director; Sally Oerth, Deputy Director

PUBLIC COMMENT

Speakers: Francisco Da Costa, Director, EJA; Dr. Espinola Jackson, Bayview Hunters Point (BVHP) resident; Ace Washington, Community Activist; Bishop Ernest Jackson, Grace Tabernacle Church

Mr. Da Costa requested when presentations are long, such as the one presented, OCII provide copies of the presentation for the public so they could follow along with a printed copy. He suggested the presentation was too convoluted and stated it was a shame the public did not come to the OCII meetings. Mr. Da Costa stated the Commissioners were able to rubber stamp the budget. Mr. Da Costa stated OCII wasted millions of dollars all the time, but could not spare any money for a San Francisco Tabernacle Church that needed repairs. Mr. Da Costa inquired about who could afford the affordable housing and wanted to know who it was intended for. He reminded Commissioners of Mayor Lee's goal to build 30,000 affordable units in the City but the areas where the affordable housing was being built was on liquefied and contaminated ground. He stated the Shipyard was a Superfund site and most of the buildings being built there would have to be torn down because the Shipyard had contaminated soil. Mr. Da Costa lamented there was no representative sitting on the Board of OCII Commissioners from the Bayview or the southeast sector of the City.

Dr. Jackson inquired from the City Attorney, Robert Bryan, whether OCII had executive privilege to carry out its functions, because she claimed they were overriding the Governor's purpose for the Commission. She reminded Commissioners they had taken an oath with the Ethics Commission. Dr. Jackson stated she had requested help from OCII for her Church, in the Bayview since 1968, which was falling apart but never received any help from OCII. She also inquired about who could afford the affordable housing being built by OCII because it was not affordable to San Francisco residents. She asked Commissioners to compare the rents to income of the poor people living in San Francisco. She reminded Commissioners that affordable housing was being built on toxic sites and people had died on 3rd Street due to environmental hazards. Dr. Jackson asked that this budget not be passed until money for her Church was allocated.

Mr. Washington sang about OCII not fulfilling its obligations in the Fillmore and spoke about conspiracy, about where all the black people had gone, and about City Hall.

Mr. Jackson spoke on behalf of Grace Tabernacle Church and stated he was trying to secure funds for repairs on the Church. He stated he would be meeting with Executive Director Bohee and the Department of Public Works (DPW) to clarify the issues with the Church.

Commissioner Bustos inquired about the RFP's for affordable housing and wanted to make sure that older, local & minority businesses had an opportunity to get some of the new business. Mr. Bustos reiterated his previous request for bios on the firms being considered for selection for new business to make sure they had a good track record and that non-profits were included.

Ms. Oerth assured Commissioner Bustos the RFP's would be available to Commissioners before they were published.

Commissioner Bustos inquired about the 83-17% percentage of rental housing vs home ownership; inquired about what they could do to convince people to stay in the City and be able to buy their own home because 17% seemed very low. Mr. Bustos commented that it would be a shame for people to have to rent their whole lives if they could purchase a home. Mr. Bustos inquired about what the market price was for affordable home ownership.

Ms. Oerth responded the range was from \$200,000 to upper 300,000 depending on income and size of the unit.

Commissioner Bustos commented that as time passed, those prices would increase and inquired about how they could shift this situation to create more opportunity for home ownership. He stated that somewhere there had to be a disconnect because when he walked down the streets in the Mission, nothing was happening. Mr. Bustos suggested all the City agencies come together to create a plan to offer more opportunities for home ownership so people were not displaced and were able to have a stake in their community. He suggested they hold a meeting/workshop with MOHCD and/or the Planning Commission and other agencies and include the public to discuss this issue because OCII contributed lots of money to the affordable housing effort and they needed to be more creative because the plan wasn't working. Mr. Bustos asked staff to organize this workshop/meeting and establish limits on what OCII could and could not do.

Ms. Oerth responded this was a pressing problem for various policy makers. She explained it was more difficult to fund home ownership than rental because there were more affordable housing financing tools on the rental side, such as low income housing tax credits and tax exempt bonds. However, on the home ownership side, those tools were not available, so it created a greater burden on public agencies to subsidize the construction cost of each unit. Ms. Oerth stated OCII was looking at these same questions but it was a balancing act.

Executive Director Bohee agreed with Commissioner Bustos. She explained the goal to build 30,000 affordable units was a citywide approach and OCII's piece was to contribute 3,000 units. Ms. Bohee described different approaches to the problem, such as a core stabilization approach for impacted neighborhoods, which involved acquisition of sites and a land use approach, different from OCII's land use approach, which was very narrow and only targeted in three specific areas and controlled by the Planning Department. She suggested they look at it from a zoning perspective, capitalizing on the State density bonus, which OCII used in Hunters Point. Ms. Bohee added the State density bonus law allowed up to 120% of median income, which might capture that middle-income band of those who did not qualify for low-income units. She reiterated this had to be a combined coordinated approach throughout the City and stakeholders.

Chair Rosales stated she felt there was an opportunity to accelerate the low income housing and that OCII should hold a workshop with the public in which OCII could help shape policies on their own properties and lead by example. Ms. Rosales believed that more questions and more listening and less preconceived ideas about what things should look like could result in some new ideas and outcomes. She added OCII would have sufficient budget allocated for more public meetings as well as new staff to help with this issue as well.

Commissioner Mondejar inquired about who made the decision about having more rental units than ownership units and asked for clarification which was reflected in the presentation were all projects that were underway and that the decisions had already been made.

Ms. Oerth responded many of these projects had been underway, such as the Alice Griffith public housing revitalization, which was an existing rental project. She explained that through some of the Transbay RFP's, they were developed as rental. However, she added there were six new RFP's and they could have discussions on how to set those up. Ms. Oerth indicated there were certain restrictions on some projects, lending themselves more to rental than home ownership. She explained that lots of different factors went into these decisions, such as the right kind of mix, the size of the building, the income they wanted to serve. She also added there would be more opportunities to make decisions on the programming discussions before the RFP's were published.

Commissioner Mondejar inquired about whether OCII covered up to 110% AMI on the affordable housing.

Ms. Oerth responded in the affirmative and added there were also projects where they made assumptions on the projected pipelines. Ms. Oerth responded the rental housing was typically 60% median income and below, the majority at 50%. The supported housing targeted extremely low, 30% of AMI and below. She explained that home ownership opportunities ranged from 80% to 110% of median income, depending on certain restrictions for that project area.

Commissioner Mondejar inquired about whether the \$45 million in new bonds for new housing was in the OCII budget and approved; inquired about the amount in bonds that had been approved so far and whether they were tax-free or taxable.

Ms. Oerth responded that these were proposed new bonds depending on potential state legislation allowing for this and if so, they would come back to OCII for approval to issue those bonds, which had not yet happened. To the bond amounts, Ms. Oerth responded that she did not have that number but knew they had \$107 million in debt service each year for bonds issued and that she would be able to get the total outstanding amount for Commissioner Mondejar. Ms. Oerth responded that OCII's existing debt portfolio included both taxable and tax-free bonds. She explained that affordable housing bonds typically tended toward the taxable bonds because they were not consistent with other affordable housing financing tools such as tax credits; the non-housing bonds were typically tax-exempt.

Commissioner Mondejar inquired about whether OCII had secured approved funding for the DAHLIA software; inquired about whether the new program would include the Certificate of Preference (COP) program; inquired about whether there was budget to be able to find the remaining COP holders. Ms. Mondejar recalled that there was a non-profit organization designated to finding those COP holders.

Ms. Oerth responded the \$140,000 allocated in the budget was for new software program since the workshops and the plan was to launch it this fiscal year. She added that this was the Mayor's Office of Housing and Community Development (MOHCD's) program, which OCII was contributing to, and that it was an ongoing and long-standing project, the first phase (home ownership) of which would be launched later this spring and the second phase (rentals) later in the fall. Ms. Oerth responded that the new program would interface with the COP records that OCII had. Ms. Oerth responded OCII had an annual budget with MOHCD for the COP program and their budget only included money for staffing for this activity. Ms. Oerth responded that there was outreach done two years ago and completed and asked that the question be tabled until Maria Benjamin of MOHCD was present to respond.

Commissioner Mondejar inquired about the budget for South Beach and Yerba Buena Gardens (YBG), which had not yet been transferred to the City as of yet, if they turned over those properties within the year.

Ms. Oerth clarified that not all the assets would go to MOHCD. She explained that affordable housing assets went to MOHCD but depending on the particular asset, they could end up in different places. For example, South Beach Harbor was moving to the Port, the Jesse Street Garage was going to be sold and YBG would be transferred to the City. She added that in terms of the budget, the Port and the Garage revenues were included in the budget because OCII was still collecting revenues from them and they did not know when those revenues would no longer be on OCII's books.

Commissioner Singh supported Commissioner Bustos in holding a workshop for the public regarding housing. Mr. Singh inquired about why the budget last year reflected \$8,400,000 for employees and this

year reflected only \$779,000; inquired about how many employees they currently had; inquired about what kinds of positions they were looking for; inquired about the salaries for all positions as well as the six new positions.

Ms. Oerth responded there was a significant change between budget year 2014-15 and 2015-16. She explained that the reduction in this budget reflected the fact that many employees had moved to City or to Port positions. This budget reflected only those employees still working on OCII projects and programs and that employees no longer working on OCII projects had been taken off the books. However, she clarified that some staff that had moved from OCII employment to City employment were still working on OCII projects. Employees at South Beach Harbor would be moving to the Port and so, even though they were adding employees, there was still a net reduction in the budget. Ms. Oerth responded that in the budget they were proposing 46 FTE's, which was an increase of six positions. The six new positions included a Deputy General Counsel, Human Resources and Administrative Services Manager, two senior development specialists, a project manager and a Management Assistant II to help staff with all the projects they needed to keep working on. Ms. Oerth responded there was a chart (Table 5) on page 10 of the budget indicating classifications and positions with salary ranges.

Executive Director Bohee reminded Commissioners that OCII had adopted two bargaining agreements with Locals 21 and 1021 and that these salaries were a function of the new bargaining agreements.

Chair Rosales was pleased to find out that Elations could accommodate payments and inquired about whether they had additional budget for that. She requested clarification regarding Table 3, where it was indicated that if one of the line items came in under budget, it could be tapped.

Ms. Oerth responded in the affirmative, that it was already included in the budget. To the second question, Ms. Oerth responded that they could reprogram between those expenditure categories. As an example, she explained if there were expenditures budgeted for other professional services that came in under budget and there was a need for asset management, that line item could be reprogrammed to meet that need.

Chair Rosales reopened Public Comment to allow Dr. Jackson to ask a question at the request of Commissioner Bustos.

Dr. Jackson inquired about who was paying for the bonds that were being discussed. She requested that MOHCD be present at the meetings during discussions of the COP program. Dr. Jackson stated she was a certificate holder and was concerned about the COP program were going to end in 2016. She complained City workers coming into the community to find COP holders were not from the community.

Commissioner Singh motioned to move Item 5 (c) and Commissioner Mondejar seconded that motion.

Secretary Guerra called for a voice vote on Item 5 (c).

Commissioner Bustos - yes
Commissioner Mondejar - yes
Commissioner Singh - yes
Chair Rosales - yes

ADOPTION: IT WAS VOTED UNANIMOUSLY BY FOUR COMMISSIONERS THAT
RESOLUTION NO.24-2015, APPROVING A BUDGET FOR PERIOD JULY 1, 2015 THROUGH

JUNE 30, 2016 AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT THE BUDGET TO THE MAYOR'S OFFICE AND THE BOARD OF SUPERVISORS, BE ADOPTED.

- d) Authorizing a ground lease with Mission Bay Block 7 Housing Partners, LP, a California Limited Partnership, for the construction of a 198 unit low-income affordable family rental housing (plus two manager's units) development at 588 Mission Bay Boulevard North (also known as Mission Bay South Block 7 West), and adopting findings pursuant to the California Environmental Quality Act; Mission Bay South Redevelopment Project Area (Discussion and Action) (Resolution No.25-2015)

Presenters: Tiffany Bohee, Executive Director; Pam Sims, Development Specialist, Housing Division; Raymond Lee, Contract Compliance Supervisor

PUBLIC COMMENT

Speakers: Francisco Da Costa, Director, EJA; Dr. Espinola Jackson, BVHP resident; Bishop Ernest Jackson, Grace Tabernacle Church

Mr. Da Costa stated that all the land called Mission Bay was public trust land, which had been given to the Santa Fe operations to the Southern Pacific and then later on to Catellus. He reminded Commissioners that all the land in San Francisco had belonged to the Muwekma Ohlone tribes and had been stolen from them. He claimed the Mission Bay was contaminated land and that one million tons of toxic soil had been removed in Sacramento and 400,000 tons in Oakland and brought to San Francisco to UCSF, where the hospital was built. Mr. Da Costa spoke about affordable housing and appreciated the fact there was one Commissioner from the Mission who understood the situation. He wondered who could afford the affordable housing and stated that redevelopment was supposed to help the poor. However, market price units were now over 300% and affordable housing was below 400%. He pointed out that the Academy of Art University was buying rental units and converting them to dormitories. Mr. Da Costa advised OCH and Mayor Lee to put those 30,000 affordable housing units in places where the land was not contaminated and asked them to have compassion for the poor in San Francisco.

Dr. Jackson stated that in 1992 Vice President Dan Quail had visited Hunters Point because the community had applied for a grant for a Resident Management Council, under which people living in public housing would be trained to work in the housing project. Subsequently, she explained, the tenants would be able to purchase their apartments. Dr. Jackson stated this was called the HOPE program and received the funds from the San Francisco Housing Authority. Former Mayor Willie Brown transferred those funds to City Hall and the tenant programs ended.

Bishop Jackson inquired about whether there would be full disclosure about who would be conducting the outreach program and where it would be conducted; he inquired about how people in the various communities would know about the program. He referred to builder, Mr. Gonzalez, and inquired as to whether he would be recruiting from disenfranchised communities and from people living in the City and County of San Francisco. Bishop Jackson commented that Commissioners needed to have eye contact with the people that come up before them for Public Comment.

Commissioner Singh inquired whether the contractors had done previous work with the City; inquired about compliance; inquired about who would be getting the parking spots if there was going to be only one parking spot for 4 units and inquired about why it was set up that way; inquired about whether there

was a list of who would be getting the affordable housing units; inquired whether they would be holding workshops for applicants.

Ms. Sims responded that the general contractor (GC) for this project was Nibbi Brothers.

Mr. Lee responded that in terms of contractor selection, the subcontractors bids had been received on April 14 and they would be meeting with Nibbi during the following week to discuss their bid summaries.

To the parking question, Ms. Sims responded that one parking spot for 4 units was the maximum allowed by the Mission Bay Design for Development, so that was the maximum the developer could get onsite. She added that this was a transit-rich area with a transit first policy, close to MUNI lines and the Caltrain station and that all amenities in the neighborhood were walkable or accessible by transit. A carshare pod was available as well. Ms. Sims responded that they were still discussing the parking process and were considering holding a lottery for onsite parking. She explained that the developer would be doing the outreach and marketing, taking applications and would be working with the MOHCD on the program. Likewise, she responded that the developer would be holding workshops to help applicants with credit issues or any financial issues as part of the outreach process to help prepare applicants.

Commissioner Singh restated his displeasure about the parking situation and inquired about whether there were garages in the area.

Executive Director Bohee responded that through the former Agency and OCII, there were approximately 1,000 units or five stand-alone developments from middle income to supportive housing and senior housing. She explained that this parking standard was very comparable to other projects and had been common in that area for the last decade. Ms. Bohee added that because of the restrictions on development in Mission Bay, it was very expensive to dig into the water table and added that building more parking would result in less affordable units. Ms. Bohee responded there were a number of commercial parking areas, both UCSF garages and surface lots, and that overall there were between 4,000 – 6,000 parking spots available in that area.

Commissioner Bustos inquired if they could look at the outreach plan for the COP program to see how they could get the COP holders into the affordable units. Mr. Bustos referred to the statement that 25% to 50% of the units would be going to applicants working in higher education institutions and inquired what level that was.

Ms. Sims responded that it was college level.

Commissioner Bustos expressed his concern that this project was very UCSF-heavy, because it targeted higher education and health care employees to receive the units. His interest was getting people back into the City and his concern was that UCSF would have lots of new arrivals to San Francisco. He stressed that there were people who had been San Francisco residents for a long time who also needed homes. Mr. Bustos inquired about what measures they were taking to make sure that long-time residents would have the opportunity to get into these homes rather than new UCSF arrivals. He stressed the need to take a look at how this outreach program was being created and requested holding another meeting because it looked like UCSF was the winner here and they needed to be fair about it and spread this out among other higher education institutions and health care providers. Regarding compliance Mr. Bustos pointed out that there had been complaints regarding the designated developer of this project and inquired about whether there was a way for OCII to meet with the developer to let them know OCII was involved in the selection and was taking it seriously.

Mr. Lee responded in the affirmative. He stated that he had misspoken earlier and OCII had met with the GC the week before and the GC was supposed to provide additional information soon. He assured Commissioner Bustos that they would be able to set up another meeting with OCII participation if there was interest.

Commissioner Mondejar observed that in the presentation, it was stated the CAC had fully approved the project and inquired about whether anyone from the CAC was present.

Ms. Sims responded the CAC members had attended previous actions during Requests for Funding and schematic design approvals, but because this was an ancillary document, they were not in attendance.

Chair Rosales inquired about marketing for these units and pointed out that soon the DAHLIA software program would be available. She expressed concern that the same issues were repeatedly being brought up, specifically the question about how people were finding out about the available housing opportunities and was surprised that people were still unaware of these programs. Ms. Rosales inquired about how OCII would know, when staff stated that the developer would do this and the MOHCD would do that, that it had actually been done; inquired how they would know who in fact were going to be the beneficiaries of the affordable units; inquired about whether there was a list of the Community Based Organizations (CBO's). She indicated that if there was one, she would like to see it before Maria Benjamin's presentation. Ms. Rosales reiterated that they needed a way to ascertain whether the outcomes from all their efforts had been successful. She indicated that no matter how successful they were purported to be, they may still need to be supplemented with assistance by a private sector marketing specialist so that people understood the timeliness and the work involved in this process.

Ms. Sims replied due to OCII actions and partnership with MOHCD, they had worked to expand the outreach process to benefit San Francisco residents in getting these units. She explained the developer often conducted the outreach and worked with a non-profit organization in the community that was well qualified to get the word out. That non-profit organization also helped households having difficulty qualifying with financial issues or other issues, so that they could properly apply as a candidate for these units. Ms. Sims responded that there was a panel of non-profit organizations located throughout the City and a list of CBO's, which Maria Benjamin would provide during her presentation.

Executive Director Bohee responded there are a variety of organizations that serve as access points to diverse communities for a targeted approach and outreach to local residents. She gave an example of the San Francisco Housing Development Corporation, the LGBT Resource Center, a veteran's center, and another organization in the Mission and others that existed as reference points for people beyond the newspapers, direct mailings and the standard outreach approach. Ms. Bohee explained that the CBO's were familiar with marketing in San Francisco, had a proven track record and that working with CBO's had yielded good results as far as finding COP holders and attracting San Francisco residents.

Commissioner Bustos recalled his idea from the last meeting about a public workshop for people to learn how they could get into the process and to be able to get credit counseling, application counseling, etc. so that once the units became available they would be ready to get into them. He stressed OCII should take a leadership role and invite MOHCD to attend. This workshop could be held on a Saturday morning and they could have their church partners help in spreading the word as well.

Chair Rosales pointed out their GC's tended to be the same companies but indicated that there were others. She inquired about whether they could ascertain which GC's had a better track record with their

SBE policy so OCII would be able to compare contractors; inquired about how they could create a report card on contractor performance.

Mr. Lee responded they had the history in terms of SBE participation and workforce so they could gather that information for Commissioners and would be able to generate this report.

Executive Director Bohee responded that the last quarterly report showed a relative report card for the last quarter on contractors, construction and professional services. She pointed out that from a workforce standpoint, Nibbi was one of the highest at 77% and on the professional services and contracting side, they were above 50%.

Commissioner Mondejar acknowledged that they were approving a ground lease with this item but pointed out that Commissioners had many concerns with other issues. She stated it seemed like every time they pass these kinds of items, the same concerns with the other issues came up without including any solution to address those concerns. Ms. Mondejar inquired whether they could add conditions, such as tracking progress and outcomes, to the resolution.

Ms. Oerth responded that the terms of the basic ground lease dealt with rent and leasing of the site. She explained that marketing and occupancy terms were part of the already approved loan and those terms required the developer to submit a marketing plan which OCII must approve. The actual details of how they would market this would come later. Ms. Oerth reiterated that the terms of this lease further implemented the terms of the loan, which stated that the developer had to turn in the marketing plan at the start of construction so there would be plenty of time to work with CBO's and stakeholders for early outreach. Ms. Oerth assured Commissioners that the marketing plan would be very detailed and they would be able to address some of these concerns during that discussion.

Commissioner Mondejar replied she understood that; however, these same concerns were repeated over and over and moving forward they needed assurance that their constituencies were being served by the outreach plan.

Ms. Oerth responded that the tool for implementing those marketing ideas would be the marketing plan and suggested they hold a walk-through of the developer marketing plan. If OCII developed more robust and aggressive outreach plans, then they could hold the developer to them.

Chair Rosales inquired about when they would have that plan.

Ms. Oerth responded they could include it in their comprehensive housing portfolio presentation with Maria Benjamin from MOHCD the following month. She indicated the presentation, like the Shipyard project presentation, would provide breakout information on who had applied what zip codes and neighborhoods they were from, etc. for the projects completed to date. As a companion to that, Ms. Oerth stated that they could provide a breakdown of the marketing plan and how it was being prepared.

Chair Rosales stated that she would like OCII to have input in creating a marketing plan template, which would become the mandate for the developer moving forward.

Commissioner Bustos expressed concern there was not enough room to move around in this resolution item and that he was still uncomfortable about the ground lease being too UCSF-heavy. He inquired about whether they could change this once it was voted on that day.

Ms. Oerth responded that the terms of the DDA and loan agreement had been negotiated and approved by OCII prior to Commissioner Bustos' appointment to the Commission. She added the ground lease had been prepared to be consistent with those documents and were considered approved and executed documents.

Executive Director Bohee described the UCSF exchange that had taken place previously. She explained that once UCSF had determined they would not be able to develop the affordable sites themselves, there were liquidated damages owed and due to the SFRA at the completion of the second phase of the hospital which was projected at 10-12 years out. In order to accelerate the liquidated damages payment in 2013 for \$5million, the UC Regents, at the direction of OCII, had to negotiate down the preference number for public health care and higher education institutions. Ms. Bohee reiterated that OCII had directed UCSF to bring those preference numbers down and to broaden the scope, which was why OCII had been able to approve the DDA and the OPA and the three other subsequent actions. She added OCII would not have received the \$5 million if those preferences had not been there.

Commissioner Bustos pointed out that basically OCII was building UCSF's affordable housing. He inquired whether those units would be going to a janitor.

Executive Director Bohee pointed out that it was maxed out at 50 and 60% AMI, so it would be going rather to nurses or technicians.

Chair Rosales recalled that this item had come up during one of their early meetings. She added that it did not cover doctors.

Commissioner Mondejar pointed out that this was a ground lease they were approving and that all the other requests would come after this was approved.

Chair Rosales inquired as to whether this approval was time sensitive.

Ms. Sims responded that there were time implications because all the funders were in line, the tax credits had been received and the project was ready to close the week of May 18.

Executive Director Bohee added that once tax credits were received for a project, they had 90 days to close; otherwise they risked losing the tax credits. She explained that they needed the other capital sources from the State, the construction lender and the tax credit equity investor because the \$16 million was not enough to build this project.

Commissioner Mondejar pointed out they needed to be building and needed housing because they had a goal. She stressed the real issue was to be more vigilant in the future that the concerns that had been brought up were addressed and resolved.

Chair Rosales clarified that when they had the housing workshop, they would come up with the marketing plan template which would solve the target population concerns regarding housing applicant preferences and all that would be addressed in the marketing plan. She inquired about what vehicle would be used to apply that future marketing plan to this project; in other words, what would be hook that would attach those two together.

Executive Director Bohee stated the marketing plan was not due until a month after construction starts and in accordance with other agreements approved by OCII, the marketing plan would be approved in the

fall of 2015. To the extent that OCII developed a template, they would incorporate the template into future marketing plans to be developed by staff.

Ms. Oerth pointed out that the marketing plan was an attachment to the loan agreement, so when the loan agreement was approved, there already existed a general marketing plan form. She added that the actual marketing plan must be submitted and approved by a certain date, which was a requirement of the OCII funding and that would be the contractual hook.

Chair Rosales summarized that this was the contractual hook so when the time came for marketing, OCII input and direction would be implemented.

Commissioner Mondejar reiterated that they were committed to UCSF who had paid \$5 million to get this moving.

Ms. Oerth stated OCII had already approved the loan agreement with a marketing plan form attached. She explained they had time between now and then to unpack the marketing plan template and if there was something else that needed to be added, they would have time to do that. The requirement to include the marketing plan was already there.

Chair Rosales clarified that a skeletal marketing plan place holder was already included in the loan agreement but the approved marketing plan would have to be followed or the developer would be in breach of the agreement.

Ms. Oerth assured Commissioners that the marketing plan would cover many of the concerns raised by Commissioners, such as publications, community meetings, communication methods, reasonable accommodations for applicants, among others.

Commissioner Singh motioned to move Item 5 (d) and Chair Rosales seconded that motion.

Secretary Guerra called for a voice vote on Item 5 (d).

Commissioner Bustos - no
Commissioner Mondejar – yes
Commissioner Singh – yes
Chair Rosales – yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH ONE NAY THAT RESOLUTION NO.25-2015, AUTHORIZING A GROUND LEASE WITH MISSION BAY BLOCK 7 HOUSING PARTNERS, LP, A CALIFORNIA LIMITED PARTNERSHIP, FOR THE CONSTRUCTION OF A 198 UNIT LOW-INCOME AFFORDABLE FAMILY RENTAL HOUSING (PLUS TWO MANAGER'S UNITS) DEVELOPMENT AT 588 MISSION BAY BOULEVARD NORTH (ALSO KNOWN AS MISSION BAY SOUTH BLOCK 7 WEST), AND ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

e) Authorizing a Second Amendment to the Personal Services Contract with MJM Management Group, a California Corporation to extend the term by three years for a management fee of

\$482,180 with a total aggregate management fee not to exceed \$1,223,420, for property management services at Yerba Buena Gardens; former Yerba Buena Center Redevelopment Project Area (Discussion and Action) (Resolution No.26-2015)

Presenters: Tiffany Bohee, Executive Director; Denise Zermani, Senior Development Specialist, Real Estate Division; John Updike, San Francisco Real Estate Director

PUBLIC COMMENT

Speakers: Virginia Grandi, the Yerba Buena Alliance; Linda Harrison, Executive Director, Museum of African Diaspora (MOAD); Jesse Jacobs, Owner, Samovar Tea Lounge; Misty Rasche, Owner, B Restaurant and Bar; Sean Jeffries, Millenium Partners; Helen Sause, Yerba Buena Alliance and retired SFRA member; Francisco Da Costa, Director, EJA; Paige Scott, General Manager, Yerba Buena Ice Skating Center; Eric Dudorf, Vice President, Yerba Buena Gardens (YBG) Festival; Dr. Espinola Jackson, BVHP resident; Marlene Samson, YBG janitorial subcontractor.

Ms. Grandi announced that this year the Alliance would celebrate its 24th year anniversary. She expressed the Alliance's support of MJM Management and of Mary McCue and her staff and their dedicated long-standing commitment to Yerba Buena. Ms. Grandi stated that MJM had been an active and key supporter of the Yerba Buena Alliance and that MJM and Ms. McCue had worked very hard to make Yerba Buena the world class destination and the art heart of downtown San Francisco. She applauded Ms. McCue and her dedicated team for making the space clean, safe and green and attracting thousands of visitors every year. Ms. Grandi was in support of this contract extension in hopes that it would move forward.

Ms. Harrison explained that MOAD was located at 3rd and Mission, near the St. Regis Hotel and she was in support of this contract extension. She described Yerba Buena as a safe, beautiful area where people downtown flocked to eat, rest and enjoy the scenery but acknowledged that behind the scenes was a management company that made it all possible. Ms. Harrison pointed out that Yerba Buena was secured not only for visitors but also for the cultural institutions in that area, like MOAD. She described how MJM assisted in security measures when MOAD and other cultural institutions in the area held outdoor events. She added that MJM acted as an ambassador between the different institutions in the area.

Mr. Jacobs spoke in support of this item. Mr. Jacobs described YBG as their flagship location where customers from all over the world were able to relax at the tea lounge from inside basically a glass box and look out at the gardens. He referred to MJM as being part of the Samovar team.

Ms. Rasche stated that her business had been a tenant for almost a decade and described the support of MJM as outstanding. Her partners and staff were in full support of the contract renewal.

Mr. Jeffries was in support of this item and stated that Millenium Partners had been a developer in the Yerba Buena area for over 20 years. He recalled that they had been attracted to that area based on the beauty and uniqueness of the public space called YBG. He stated that while building local public spaces, such as Jessie Square and Yerba Buena Lane, among others, they had worked intimately with MJM and their team for its insight and planning of those public spaces. Mr. Jeffries described MJM as an integral part of everything that had happened in Yerba Buena and wanted to assure the continuity of the first class management provided by MJM during the transition of assets to the City.

Ms. Sause was in support of this item. She opened with the question of why they had public places maintained by private firms. Ms. Sause explained that during construction of the Gardens, they realized that public works were easily underfunded, which had been the experience of many of the City parks.

They were determined that this special space would be a test of security and continuity of beauty and they set out to carefully select firms to manage and maintain the area. Ms. Sause described this as very complex work and stated that the management firm played a very important role because it had to be able to deal with thousands of people passing through the Gardens every day and keep it clean and fresh all the time. Ms. Sause commended Ms. McCue in making this a community effort and creating a network between buildings and businesses.

Mr. Da Costa stated that when he worked at the Presidio, he had established infrastructure maintenance, tactical and support group had worked with the 6th Army and the National Park Service and had retired with the U.S. Park Police. He stated that he had spent hundreds of hours in YBG and had seen the good work done by the MJM Management Group. However, OCII needed to remember the YBG employees and include them in shared equity. In his opinion they should be paid no less than \$26/hour and management \$35/hour for the great job that were doing. Mr. Da Costa stressed that the people responsible for maintaining this beautiful, clean, safe place should be compensated for it and has career jobs.

Ms. Scott was in support of this item and stated that MJM and their staff was a major part of the success of their business. She stated that MJM was supportive of their programs and services and because of the pristine condition of the Gardens, it continuously brought people into the area. Ms. Scott informed that thousands of children went through their skating and bowling center and when they left the facility, they were able to go out into a beautiful and safe place. Through direct involvement, MJM had created an effective community and network of businesses in the area.

Mr. Durdorf stated he had served as president of the Festival for eight years and had worked closely with MJM and, in particular, with Ms. McCue, who served on their board. He explained that not only did they maintain the facility at a very high level but understood that the community they served included the organizations serving Yerba Buena. Mr. Durdorf stated that Ms. McCue served as a center for information and activism which allowed businesses to unite and speak as one voice and created a sense of community through public service and mutual support. He described her as the Mayor of the YBG District and as someone who understood that her success was not just the YBG but also the businesses and institutions in the area.

Dr. Jackson stated she had lived in the Yerba Buena area on Clementina Street when she was a girl and recalled that in the early 1940's; the area was called South of Market and filled with African Americans. She thanked MJM Management for their good work because she stated it was not like that when she was growing up.

Ms. Samson wanted to address the pay question and stated that she had worked with Ms. McCue for over 10 years. She informed Commissioners that the people hired were from San Francisco and that they had employees living in affordable housing in the Mission Bay and Yerba Buena areas. She stated that Ms. McCue was very proactive in procuring employee raises, compliance, pensions, health benefits, etc. and all their employees were community and well paid. She recalled that Ms. McCue had replaced the previous company prior to Samson's company because they had not met her high standards. Ms. Samson added that they had been going green for a long time and worked to protect the environment.

Commissioner Singh inquired about how long Ms. McCue had been working with OCII.

Ms. McCue responded for 22 years, since 1993.

Commissioner Mondejar inquired as to why they had not put out an RFQ this year and whether that was because this was an extension.

Ms. Zermani responded that they were waiting to transfer the property to the City and as soon as they heard from the Department of Finance, they would move forward with the transfer. She explained that an RFQ process would take at least six months and they were just trying to buy some time. She added that the City would probably issue an RFQ after the transfer.

Chair Rosales thanked the public for their comments and realized that everyone usually took the great beauty and maintenance of the YBG for granted.

Commissioner Bustos motioned to move Item 5 (e) and Commissioner Singh seconded that motion.

Secretary Guerra called for a voice vote on Item 5 (e).

Commissioner Bustos - yes

Commissioner Mondejar – yes

Commissioner Singh – yes

Chair Rosales – yes

ADOPTION: IT WAS VOTED UNANIMOUSLY BY FOUR COMMISSIONERS THAT RESOLUTION NO.26-2015, AUTHORIZING A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH MJM MANAGEMENT GROUP, A CALIFORNIA CORPORATION TO EXTEND THE TERM BY THREE YEARS FOR A MANAGEMENT FEE OF \$482,180 WITH A TOTAL AGGREGATE MANAGEMENT FEE NOT TO EXCEED \$1,223,420, FOR PROPERTY MANAGEMENT SERVICES AT YERBA BUENA GARDENS; FORMER YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- f) Authorizing a Second Amendment to the Yerba Buena Gardens Programming Agreement with Yerba Buena Arts and Events, a California non-profit, public benefit corporation to extend the term by three years for an amount not to exceed \$225,000, with a total aggregate amount not to exceed \$2,100,000, for programming the public open space at Yerba Buena Gardens; former Yerba Buena Center Redevelopment Project Area (Discussion and Action) (Resolution No.27-2015)

Presenters: Tiffany Bohee, Executive Director; Denise Zermani, Senior Development Specialist, Real Estate Division; John Updike, San Francisco Real Estate Director

PUBLIC COMMENT

Speakers: Francisco Da Costa, Director, EJA; Raul Panzer, Administrative and Social Media Assistant for YBG Festival and speaking on behalf of Alleluia Panis, Artistic Director of KulArts, Yerba Buena Arts and Events (YBAE); John Calloway, former San Francisco Arts Commissioner and Program Administrator for the Visual Performing Arts of San Francisco School District #5; Linda Lucero, Executive Director, YBG Festival; Helen Sause, Yerba Buena Alliance & former Director of Yerba Buena; Al Perez, President, Filipino American Arts Exposition; Marcus Shelby, local artist and teacher and member of the San Francisco Arts Commission; Aaron Grizzell, Board of Directors President of YBAE.

Mr. Da Costa stated all cities needed great cultural centers and open spaces, which he described as a place to go with one's children and breathe good air. He reminded Commissioners that lots of high rises were being built with open spaces on top but nobody knew about them. He stressed that as a city they needed to

invite more creative architects to create more Yerba Buena centers all over San Francisco and in doing so they needed to be sure to divert traffic from those open spaces. Mr. Da Costa stated that every aspect of Yerba Buena Center should be holistic and that whoever got the contract should preserve and improve what was there and that the workers and investors must be compensated in a fair and decent manner.

Mr. Panzer read a statement prepared by Ms. Panis. She explained that KulArts was a presenter of Filipino, Contemporary and Tribal Arts and co-presented the annual Pearl Lantern Festival and Parade along with the Filipino American Development Foundation and YBAE. She announced that in the month of May, they would be presenting over 50 artists in the Filipino Arts Festival at different historic Filipino locations throughout San Francisco. Ms. Panis described the Yerba Buena Festival (YBF), now celebrating its 15th year, as a model for all presenting arts organizations, using public space and including a wide range of genres, with admission free programs that benefitted all San Franciscans and visitors. Ms. Panis applauded the YBF for providing paid performance opportunities to artists in an established festival format with great visibility. She was in support of this item.

Mr. Calloway was in strong support of this item. He stated that YBAE was the most successful program in the City, not only in terms of the space, but in providing a wide variety of performers and entertainment with free programming, open to public access, and offering diversity in programming not only culturally but generationally, for the young and old, and which has brought in lots of tourists.

Ms. Lucero explained that the YBF was established with the support of the SFRA and the mission of the Festival was and has continued to be to enhance the quality and vitality of life of the YBG public spaces through the presentation of free world class performances which reflected the diversity and creativity of San Francisco and beyond. She underscored that everyone deserved the joy and sustenance that only live performance offered. Ms. Lucero stated that at the YBF, art and people thrived and connected in a place that had the least amount of public space that could be established and it was built for all people. She explained that many of the artists were San Francisco-based and that there was a large loyal fan base from San Francisco who attended on a regular basis as well as a continuous influx of tourists and conventioners. Ms. Lucero described the YBF as a treasured community resource, which had just celebrated its 15th anniversary. She added that she had worked with SFRA and OCII since 2000 and hoped their important work would be able to continue.

Ms. Sause was in support of this item. She apologized for a mistake she had made 20 years ago. The Center for the Arts was supposed to have programmed the Gardens at that time, but the Center became so busy getting its own facilities going that the Gardens didn't happen. After two years, they notified the Center that they needed to contract separately for the programming of the Gardens. Ms. Sause referred to Mr. Mario Garcia Durham, who started the groundwork for programming of the arts for the outdoor performance spot that he and Linda had carried on to be internationally known. Unfortunately, Mr. Garcia Durham had left to go to the National Endowment for the Arts for their programming of outdoor performances. What Ms. Sause regretted was that she had written a brief contract with Mr. Garcia Durham and had never brought a proper contract to the SFRA. Ms. Sause felt strongly that this programming contract should not be put out to bid because these services had to be assured long enough to be able to give advance notice to contract with the artists and to prepare future grants.

Mr. Perez explained that their signature event was the annual Pistahan Parade & Festival held at the YBG and was one of the first community cultural events held at the Gardens when it opened 22 years ago. Mr. Perez mentioned that he also served as Commissioner of the Entertainment Commission and was in support of this item. He informed that in 2014, YBAE offered over 100 free outdoor performance events which attracted major resources to the CCSF. In fact, the Comptroller's Office had just completed a study

on the economic impact of outdoor events in San Francisco, which showed that in 2014, 3.3 million people attended these events and spent approximately \$290 million dollars. Also, in 2014, a total of 1.6 million out of town visitors reported that the main reason they visited San Francisco was to attend one of these events. Mr. Perez concluded that the YBAE not only had a positive impact on San Francisco tourism and economy, but also greatly enriched the downtown area.

Mr. Shelby spoke in support of this item and about the opportunities that the YBF had provided to Bay Area musicians. He explained that for over 10 years, the programming has represented the best in terms of diversity and cultural contributions and has provided a place for people to take their families to see musical groups and performances and has created a destination spot for art, culture and music in the City. Mr. Shelby added that the YBF has also provided commission and performance opportunities for local artists.

Mr. Grizzell spoke in support of this item. He thanked OCII for all that they were doing to uphold the arts and support the formation of an organization that had become an international model and site for people all over the world to enjoy the arts free of charge. He explained this was an important endeavor to the people of San Francisco and that this could be seen by the composition of the YBAE Board of Directors, a group of people of diverse background and interests, who had come together to create an open and engaging space that represented the core of San Francisco. Mr. Grizzell thanked Commissioners for their open-mindedness and flexibility for allowing this type of organization to continue to exist long into the future.

Commissioner Bustos stated he was not the person in the picture he held up and also unfortunately had not been present at the party that past Sunday. He commended the YBAE for their hard work and hoped that Commissioners would get invited to the next event. He reiterated that San Francisco was an international city and this kind of project was what set San Francisco apart from other cities.

Commissioner Singh agreed with Commissioner Bustos and stated that they used to get invited to all the YBG events and hoped they would be invited again.

Commissioner Mondejar commented that she thought it was Commissioner Bustos in the picture.

Commissioner Bustos motioned to move Item 5 (f) and Commissioner Singh seconded that motion.

Secretary Guerra called for a voice vote on Item 5 (f).

Commissioner Bustos - yes
Commissioner Mondejar – yes
Commissioner Singh – yes
Chair Rosales – yes

ADOPTION: IT WAS VOTED UNANIMOUSLY BY FOUR COMMISSIONERS THAT RESOLUTION NO.27-2015, AUTHORIZING A SECOND AMENDMENT TO THE YERBA BUENA GARDENS PROGRAMMING AGREEMENT WITH YERBA BUENA ARTS AND EVENTS, A CALIFORNIA NON-PROFIT, PUBLIC BENEFIT CORPORATION TO EXTEND THE TERM BY THREE YEARS FOR AN AMOUNT NOT TO EXCEED \$225,000, WITH A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$2,100,000, FOR PROGRAMMING THE PUBLIC OPEN SPACE AT YERBA BUENA GARDENS; FORMER YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

6. Public Comment on Non-agenda Items

Speakers: Al Norman, BVHP contractor; Francisco Da Costa, Director, EJA; Dr. Espinola Jackson, BVHP resident; Dorris Vincent, San Francisco resident; Bishop Ernest Jackson, Grace Tabernacle Church

Mr. Norman appreciated what OCII had done to ensure that Bayview black contractors could work but he stated there were some GC's that made sure that black contractors were not on the same playing field as everybody else. He complained the big GC's, like Nibbi Bros micro-managed the black contractors and set it up so that black contractors received enough money to do the job and get it done and pay salaries but not enough to make any profit or pay for benefits for their employees. He stated Mr. Lee was trying to help them but needed more help from OCII. Mr. Norman stressed they were faced with these problems every day and were being misused and mistreated at the Hunters Point Shipyard and added that Lennar needed to do more. Mr. Norman accused the GC's of cooking their books and suggested OCII have them open up the books and investigate. Mr. Norman stated this was why the same GC's kept getting the contracts from the City.

Mr. Da Costa recalled that San Francisco used to have a Human Rights Commission and compliance officers. Now they had a City Administrator and the Mayor who worked with the developer and the City Administrator and they did whatever they wanted to do. He stressed Mr. Norman had taken the time to come to the meeting to talk about the situation in BVHP because he could not make ends meet, even though he was busy with his company and his employees. Mr. Da Costa spoke about corruption and stressed that contractors must be paid union wages as well as health benefits, workers compensation, etc. and that OCII must investigate the actions of the GC's they continued to work with.

Dr. Jackson stated San Francisco did not have a certified compliance officer who could check on whether contractors were doing the right thing. She stressed that promises had been broken and the City continued giving money to the same GC's over and over again. Dr. Jackson stated they needed to watchdog the GC's because they were not doing the right thing.

Ms. Vincent supported Mr. Norman's statements and informed Commissioners the contractors would be coming before her subcommittee to explain the situation there. She had hoped their small businesses were getting a piece of the pie, but that was not happening. Ms. Vincent also spoke about affordable housing and lamented there was nothing available in the housing market for young, educated, working, single people with no children to be able to purchase homes. Ms. Vincent also stressed the need to create housing for teenagers out of school and out of foster care. She suggested building dormitory-like buildings and setting them up like a college situation with house parents for guidance.

Bishop Jackson expressed his support for Mr. Norman, who represented a league of Black, Hispanic and Pacific Islander contractors who were good contractors and who should be participating in some of the mega projects at BVHP. He thanked OCII for enlisting his church as one the sites to help with the marketing and grass roots outreach efforts to educate people about affordable housing. Bishop Jackson indicated his church, Grace Tabernacle, had been in the Bayview for over 60 years and the former Executive Director, Fred Blackwell, had begun helping them. He explained that they were severely impacted when redevelopment came through that area and built up the street around the church and then promised that they would elevate the church. But then they disappeared. Bishop Jackson stated that Mr. Blackwell had started implementing some safety features to help prevent some of the accidents that were happening to people as a result of the street situation.

7. Report of the Chair

Chair Rosales stated that she had no report.

8. Report of the Executive Director

Executive Director Bohee announced that the grand opening ceremony for 1180 Fourth Street would take place the following day, at the corner of Channel and Fourth Street, the gateway to Mission Bay, with over 1,000 units of extremely low income, supportive housing, senior housing, middle income housing and family housing with 261 children for the 150 homes, 50 of which were for the formerly homeless. She explained that OCII had provided the capital funding and the City had provided rental subsidies for those 50 homes through Health and Human Services. This event was open to the public and there would be on street parking and parking lots.

PUBLIC COMMENT – None

9. Commissioners' Questions and Matters

Commissioner Singh stated he felt they should help Mr. Norman as much as possible. He also announced that Helen Sause's husband had died and he sent his regrets because he had been a good friend. Lastly Mr. Singh let Commissioners know that he would not be present at the next meeting.

Commissioner Bustos echoed Commissioner Singh's comments. He stated that for years OCII had been trying to get all of this to work for the community through local hire of business and that even though they had been told that it was all working, perhaps but it really wasn't working or working to the degree that they would like. Mr. Bustos stressed the need to speak with their partners about what it meant to be a good partner. He encouraged the Commission to set up a call to speak to the appropriate people and address this issue within the next week or two. Mr. Bustos expressed concern that contractors should not have to struggle to get buildings built in San Francisco and that OCII must enforce their authority to make sure things were being done right.

Commissioner Mondejar echoed those comments and suggested they investigate Mr. Norman's hardship issue to see what they could do.

Chair Rosales reiterated the reason she had wanted to find out about the Elation system's ability to track payments and awards as well as the ability to issue contractor report cards was to be able to address exactly these kinds of issues. Ms. Rosales observed there was a Hunters Point Shipyard and Candlestick Point community benefits update presentation by Lennar coming up on the calendar in early June, which might address these issues. However, prior to that, she requested a performance audit in terms of contract compliance. Ms. Rosales pointed out that it was one thing to see that the goals were being met on a macro big picture level but when you drilled down deeper, the situation might be different. Ms. Rosales stated that she had been hearing these kinds of comments for the past month and appreciated the comments by Mr. Norman.

Commissioner Bustos agreed with conducting an audit but for the immediate future, he suggested holding a meeting with Lennar, OCII and Board of Supervisor President London and Supervisor Cohen to send a clear message to those concerned that this was about the use of City resources and they needed to be more vigilant. Mr. Bustos suggested they hold another meeting with the subcontractors to hear their side of the issue as well.

Chair Rosales stated that both were needed-- the meetings and some kind of a performance review dealing with payments to see if the information was accurate. She stressed that small business should not be burdened so much that they could not grow.

10. Closed Session – None

11. Adjournment

The meeting was adjourned by Chair Rosales at 4:55 p.m.

Respectfully submitted,


Claudia Guerra, Commission Secretary