

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
16TH DAY OF JUNE 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 16th day of June 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 1:14 p.m. Roll call was taken.

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

All Commission members were present.

Chair Rosales announced Commissioner Bustos had a courtesy announcement to make.

Commissioner Bustos announced former Commissioner Leroy King had recently passed away and wanted to do something in his honor. He stated that he had worked next to Mr. King as a fellow Commissioner on the San Francisco Redevelopment Agency (SFRA) and that Mr. King had fought hard for many years to try to undo some of the wrongs of redevelopment that had taken place over 40 years ago. Mr. King had worked to create a better future. Mr. Bustos requested a moment of silence to acknowledge Mr. King's spirit and life.

Commissioner Singh stated he had worked alongside Mr. King as a Commissioner for 18 years and that Mr. King had been like an older brother to him and would be missed.

Chair Rosales stated Mr. King had a long legacy and had made many contributions to San Francisco.

2. Announcements

A. The next scheduled Commission meeting will be a special meeting held on Tuesday, June 30, 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 May 19, 2015.

PUBLIC COMMENT - None

Commissioner Bustos 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 – yes

Commissioner Mondejar – yes

Commissioner Singh – yes

Chair Rosales – yes

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT THE MINUTES FOR THE REGULAR MEETING OF MAY 19, 2015, BE ADOPTED.

REGULAR AGENDA

Items 5(b) and 5(c) related to Alice Griffith were presented together, but acted on separately.

b) Authorizing a Permanent Loan with Alice Griffith Phase 3A, L.P., in the amount of \$23,097,522, for a total aggregate loan amount not to exceed \$25,591,042, for the development of Phase 3A of approximately 92 units of low-income family rental housing; Alice Griffith Public Housing site, 2500 Arelious Walker Drive; and adopting environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area (Discussion and Action) (Resolution No. 34-2015)

c) Authorizing a Permanent Loan with Alice Griffith Phase 3B, L.P., in the amount of \$2,684,080, for a total aggregate loan amount not to exceed \$5,128,980, for the development of Phase 3B of approximately 29 units of low-income family rental housing; Alice Griffith Public Housing site, 2500 Arelious Walker Drive; and adopting environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area (Discussion and Action) (Resolution No. 35-2015)

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

PUBLIC COMMENT

Speakers: Mike Baine, Baines Group GC; Mr. Melenik, Bayview Hunters Point (BVHP) resident; Oscar James, BVHP resident

Mr. Baine stated this project represented a great opportunity to work on the construction side with Nibbe Brothers General Contractors and Baines Group to provide jobs for local residents to be able to increase their skills and abilities. . He added both Nibbe Brothers General Contractors and Baines had many years of experience to be able to do this. Mr. Baines was in support of this item and requested the Commissioners approve it.

Mr. Melenik stated as per requirements in Section 334.13 of the Health & Safety Code & percentages mandated within it, one for one replacement for any public housing that was torn down must be replaced. He referred to Sections 256, which was one for one replacement and 248, which was for mixed housing. Mr. Melenik expressed concern that he did not see anything documents referring to §256 in this presentation and the required percentages for very low and extremely low income, which was 30% and below AMI and percentages for the §248 units, which required that 30% of new development be set aside for low & moderate and that 50% of that 30% be set aside for very and extremely low income. He also expressed concern about the affordability covenant, which was required for these developments; specifically, the 55-year affordability covenant for rental units so they remained affordable at those income levels for 55 years and 45 years for ownership. Mr. Melenik stressed these requirements were built into these developments and wanted to make sure they were being carried out by the developers.

Mr. James was in support of this item and was happy that Nibbe Brothers General Contractors was part of this project. He stated that Nibbe Brothers General Contractors had been part of BVHP development for a long time and the company was diligent about bringing in minority contractors and referred to trucker Ernie Lowe as an example. Mr. James commended Nibbe Brothers General Contractors for making sure minorities had full participation and for meeting their quotas. He urged OCII to pass this item.

Commissioner Singh inquired about the meaning of permanent loan; inquired about the interest rate; asked for clarification whether this was a loan or a grant.

Ms. Colomello responded OCII had initially made a predevelopment loan which was temporary until the entire amount of gap funding was approved. This loan would remain throughout the life of the project and had a term of 55 years. She added they were proposing a 3% interest rate but had requested flexibility to lower it should the financial projects require it, but they were expecting a 3% loan rate. Ms. Colomello confirmed that this was a loan and not a grant.

Commissioner Bustos inquired about Mr. Melenik's comments regarding affordability and monitoring of the housing requirements.

Ms. Collomelo responded they were recording affordability restrictions as part of this project. She explained the affordability restrictions were at 50% AMI, which was consistent with Community Redevelopment Law (CRL) for replacement housing. However, the public housing replacement units would serve much lower incomes because they would have an operating subsidy as well as a development subsidy, which would be 30% of income, so the replacement units would be serving a much lower income population than the added affordable units.

Commissioner Bustos was pleased that Nibbe Brothers General Contractors would be part of this project. He inquired about whether OCII had bios on contractors being hired for this project to make sure they knew how long the prospective contractors had been in San Francisco.

Mr. Lee responded OCII had begun to gather business profiles on developers and contractors working on OCII projects. He explained the Alice Griffith Phase 3 had been approved a long time ago, but would still try to provide that information for Commissioners. Regarding the listing of firms for Phase 3, he indicated there were a number of minority firms and many of them had been in San Francisco for a long time.

Commissioner Bustos stated a lot of new businesses had been relocating to the City but stressed there were many long-term businesses already in San Francisco which were struggling and wanted to make sure the long-term businesses, from professional services to the local deli, were able to partake in the opportunities this project had to offer.

Commissioner Mondejar pointed out the developer must submit an early outreach and marketing plan and inquired about whether the plan was available; inquired about when they would receive it; inquired about when this marketing plan would be presented to the Commission. Ms. Mondejar stated she would like to see the early outreach plan when it was available.

Ms. Colomello responded they had the marketing plans for Phases I and II and had received the plan for Phase 3 recently and were in the process of reviewing it. Ms. Colomello responded in the affirmative, that the plan would be presented to Commissioners. She clarified the outreach plan had to be submitted one month after construction started. She responded that OCII would make the early outreach plan available to Commissioner as soon as it was reviewed by internal staff.

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. 34-2015, AUTHORIZING A PERMANENT LOAN WITH ALICE GRIFFITH PHASE 3A, L.P., IN THE AMOUNT OF \$23,097,522, FOR A TOTAL AGGREGATE LOAN AMOUNT NOT TO EXCEED \$25,591,042, FOR THE DEVELOPMENT OF PHASE 3A OF APPROXIMATELY 92 UNITS OF LOW-INCOME FAMILY RENTAL HOUSING; ALICE GRIFFITH PUBLIC HOUSING SITE, 2500 ARELIUS WALKER DRIVE; AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

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

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

Commissioner Bustos – yes, and added in memory of Commissioner King
Commissioner Mondejar – yes

Commissioner Singh – yes

Chair Rosales – yes

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT RESOLUTION NO. 35-2015, AUTHORIZING A PERMANENT LOAN WITH ALICE GRIFFITH PHASE 3B, L.P., IN THE AMOUNT OF \$2,684,080, FOR A TOTAL AGGREGATE LOAN AMOUNT NOT TO EXCEED \$5,128,980, FOR THE DEVELOPMENT OF PHASE 3B OF APPROXIMATELY 29 UNITS OF LOW-INCOME FAMILY RENTAL HOUSING; ALICE GRIFFITH PUBLIC HOUSING SITE, 2500 ARELIOS WALKER DRIVE; AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

(d) Workshop to present Annual Affordable Housing Production Report for fiscal years 2013-14 and 2014-15, including program activities, production, marketing, and pipeline through 2020 (Discussion)

Presenters: Tiffany Bohee, Executive Director; Jeff White, Housing Program Manager

PUBLIC COMMENT

Speakers: John Templeton; Ace Washington, Community Activist; Oscar James, BVHP resident

Mr. Templeton wanted to recognize Mr. Leroy King. He stated he was working on a documentary in honor of the former Commissioner who had worked with Dr. Martin Luther King. His documentary focused on Mr. Leroy King's role in the Emory bus boycott in 1950's and on labor and civil rights in San Francisco. Mr. Templeton stated Commissioner King understood the need to be assertive about creating housing to replace the housing that was destroyed by the redevelopment agency. The goal of 10,000 replacement units would not even address the actual default. Mr. Templeton addressed the need to have one functional database with all the community benefit agreements to be able to see the totality of what had been lost over the past 70 years and what the City was still obligated to do. He referred to Mary Helen Rodgers and Geraldine Johnson and spoke about their past efforts to address the San Francisco housing situation.

Mr. Washington spoke about the future of the City and young African Americans, who might not be aware of the legislation that was currently happening in the city today. He stated the black population was decreasing because so many African Americans had already left the City.

Mr. James requested this session be closed in honor of Mr. Leroy King. He stated he had seen Double Rock built in 1962, but the problem in that community was they hadn't fought for training opportunities for youth and the education required to run businesses within their community. Mr. James recalled when he was on the Joint Housing Committee; they had built childcare centers and had provided training to residents on how to care for and run these centers. However, he stated that much of the information had been lost when they closed their offices. He requested childcare centers be opened in Mission Bay, Hunters Point and Alice Griffith so the local community could be trained to operate them. He pointed out people had been living in those projects for 50 years and asked OCII to be creative and find ways to help people in the community open businesses and run them successfully on their own. Mr. James pointed out all types of minorities lived in BVHP now, even though it was primarily African American during redevelopment.

Commissioner Singh inquired about how many units would be created once everything was completed; inquired about how many of those would be affordable; inquired how long it would take to complete the project.

Mr. White responded the total was 7,600. He responded in Transbay 35% of the housing would be affordable, in Hunters Point Shipyard Phase II Candlestick Point 32%, in Phase I 27% and overall in Mission Bay 30%. Mr. White responded the final completion would take place close to 2040.

Executive Director Bohee responded they intended to complete over 3,300 units in the next five years and in order to do that they were making a big push now to complete most of them because of the current housing crisis in San Francisco. She explained the long-term timeframe depended on the availability of land in the outward parcels of Candlestick and Hunters Point, and the entire 7,600 units would be affordable. Ms. Bohee added the three major project areas would comprise about 22,000 units, of which over 1/3 would be affordable.

Commissioner Mondejar thanked Mr. White for all his hard work in making this presentation possible. She inquired about how many units at Candlestick Point, Mission Bay and Transbay would be market rate (MR) units.

Mr. White responded there would be 7,200 units in Candlestick Point, about 4,400 in Mission Bay and about 2,400 units in Transbay.

Commissioner Bustos referred to the Board of Supervisors moratorium hearing where over 800 people from the community spoke out and demanded more affordable housing. He inquired how they would reconcile low supply with the high demand with what was being built through OCII efforts and what could they do to help with that; inquired about the neighborhood preference program and requested a description of it. Mr. Bustos suggested they have a discussion with the Board of Supervisors, especially regarding Ellis Act Preference Certificates to look at the preference order and to be able to perhaps change it.

Mr. White responded that OCII was working to accelerate the construction of those units which could be regarded as a supply answer. He explained in the past the practice had been to add restrictions to 50% AMI and Mr. White believed it would help to go to 60% AMI because 60% was still considered low income and reached an extra tier of people needing affordable housing. He added that in the Mission there was a very low percentage of affordability, like 10%, and in OCII project areas there was some forward thinking to increase those percentages. Regarding the neighborhood preference, Mr. White explained he could respond in general terms only because nothing had been approved or adopted yet. The legislation provided for 25% per supervisorial district and they would have to figure out where that would fall in the order of OCII preferences. For example, in a lottery, the order of preference would be a Certificate of Preference (COP), rental burden (in Hunters Point), Ellis Act, neighborhood preference and then San Francisco residents. He stated that only 102 people had Ellis Act preference certificates currently.

Chair Rosales referred to the 506 affordable units discussed during the presentation and inquired whether they knew how many people this would actually impact. She stressed having this number was critical. Ms. Rosales referred to recent disclosures that nearly 3,000 San Francisco children were newly homeless because of being displaced and were living in homeless encampments. She added that family housing should also include childcare, open space, affordable markets and services as well. Ms. Rosales inquired about supply and demand and still did not have a sense of what the demographics looked like in demand; inquired about what data there was to ensure that some of the upcoming projects would be family-centric.

Mr. White responded that for 1180 Fourth Street project there were about 240 children living in that location. He added OCII always considered the location of amenities and services for family housing during programming of sites. For instance, 1180 Fourth Street is near a Safeway and is located in a very transit-rich area. Mr. White responded that OCII relied on census data from the City with breakdowns of rent burden information, with approximately 61% low-income families as compared to low-income singles. He explained producing housing types relied on data from MOHCD and OCII. This ensures OCII is producing housing types for different kinds of populations.

Chair Rosales inquired about how current that census data was and expressed concern this was historic rather than current data; inquired about the neighborhood preference and asked for clarification that this was actual legislation introduced before the Board of Supervisors; inquired about whether they could get a copy of that legislation when available. Ms. Rosales referred to a suggestion by one of the speakers for an overall comprehensive tally report on the community benefits to be able to see what they had already contractually due to the client base.

Mr. White responded he could provide a briefing book completed in August 2014 by Seyfold for MOHCD with excellent data. To the question regarding neighborhood preference, Mr. White responded in the affirmative and stated that he could make a copy available.

Items 5(e), 5(f) and 5(g) related to Transbay Block 5 were presented together, but acted on separately.

- e) Adopting environmental review findings pursuant to the California Environmental Quality Act and conditionally authorizing an amendment to the Development Controls and Design Guidelines for the Transbay Redevelopment project for consistency with the proposed minor amendment to the Transbay Redevelopment plan and to add clarifying language for open space, parking, and impact fee requirements specific to general office land uses in zone one; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 36-2015)
- f) Conditionally authorizing, pursuant to the Transbay Implementation Agreement and Option Agreement, the Executive Director to exercise an option to purchase Parcel N1 (Assessor's Block 3718, portion of lot 025), located on Howard and Beale streets, from the Transbay Joint Powers Authority and to execute an owner participation/disposition and development agreement with MA West, LLC, a Delaware Limited Liability Company, for a proposed commercial office project consisting of 766,745 gross square feet of office area and 8,642 square feet of retail area on Transbay Block 5 (Assessor's Block 3718, lot 012, portions of lot 025 and 027), and adopting environmental findings pursuant to the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 37-2015)
- g) Conditionally approving, pursuant to the Transbay Implementation Agreement, the Schematic Design for a proposed Commercial office project on Transbay Block 5, located on Howard AND Beale Streets, and adopting environmental findings pursuant to the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 38- 2015)

Presenters: Tiffany Bohee, Executive Director; Shane Hart, Transbay Project Manager; Dominic Adducci, Principal, John Buck Company representing MA West; Scott Seyer, Principal, Goettsch

Partners, Architects; Raymond Lee, Contract Compliance Supervisor; Derf Butler, President, Butler Enterprise Group

PUBLIC COMMENT

Speakers: Ace Washington, Community Activist; Oscar James, BVHP resident; Pete Varma, Northern California Minority Contractors (NAMC)

Mr. Washington wanted the youth to understand what the developers were doing in a project such as this one. He stated he had retired as an activist but would continue working with his community and spoke about a program he was going to produce called C.A.S.E.

Mr. James endorsed this project. He recalled that when he started with joint housing in 1968 he had wanted to get minorities to be participants at that time. Mr. James stated he was pleased with this project because the two professional contractors involved would make sure minorities were involved and he felt the communities in question would be well-served. Mr. James referred to the architects on the project specifically, who were doing the Southeast design for the Hill Center, where Mr. James was a Board Member.

Mr. Varma stated he was there to represent minority contractors and suppliers. He explained that with small business goals, you either got small business from the San Francisco market or from other nearby cities. When small business came from outside the City, where overhead was lower, they were competing with the higher cost of doing business in San Francisco. Mr. Varma stated he was impressed by the 51% achievement of small business goal and that the majority of those small businesses were from San Francisco. He explained having the opportunity to build an office building was something entirely different than building a housing development. Mr. Varma referred to Mr. Adducci's inquiry about whether there were any minority contractors and had responded there were plenty of minority contractors in San Francisco distributed around the area. He stated he was pleased to have had the conversation with Mr. Adducci to ensure minority contractors would get the opportunity to compete and work on this project and work with his organization and Mr. Butler's group as well. Mr. Varma urged OCII to approve this item.

Commissioner Singh inquired what the total value of the project was; for such a large project, inquired as to why there were only 125 parking spaces for the entire building which would hold near 10,000 people between the offices, hotel rooms and residential; inquired whether they could increase the number of parking spaces.

Mr. Hart responded it was in the \$750 million range. He displayed a slide for parking and responded that the building parking was designed to comply with Planning Code 151.1, which provides a maximum of 3.5% of the gross floor area for parking. This code applied to all commercial projects within the downtown area. He added that City Planning reported only 9% of downtown office employees drove to work alone and another 8% carpooled, also there are 10 parking garages within a quarter mile of this building, the Transit Center was located across the street, the Muni Metro Station was within two blocks with six lines, BART was within two blocks, and nine bus lines that run along Howard and Main. Mr. Hart explained Block 5 was paying \$10.8 million of transit impact fees. For those reasons, they felt parking was sufficient and deferred to the developer for additional information.

Commissioner Singh state he would like them to increase the number of parking spaces. He inquired about the \$18.6 million for affordable housing and inquired about why it was so low; inquired about how 70 units could be built for that amount

Mr. Hart responded that the \$18.6 million was payable to OCII and that this amount would fund about 70 affordable housing units somewhere off-site.

Executive Director Bohee responded that on the Golub Project for Transbay Blocks 6 & 7, Block 7 had almost 70 units, so this was fully consistent with what they could build in Transbay. She added that there were two other blocks as well and that Transbay Block 2 provided for a number of affordable units so this leveraged the public dollars that OCII would have to put in. Ms. Bohee explained that this was how they had built the bulk of affordable housing in Transbay, so this fee was appropriate and necessary.

Commissioner Bustos commented on the beauty of the building; however, he felt that it was lost with the gray color and should stand out from all the other buildings around it. He inquired about whether they could do that through color. Mr. Bustos referred to a statement about hiring a consultant from San Francisco to find artists and recalled a recent incident where the developer had hired a consultant who had just moved to San Francisco five years prior to find a muralist for 3rd Street, when there were locals who had been here for decades. Mr. Bustos stressed the consultant did not know the history of San Francisco and was not familiar with local artists. He inquired about whether they had chosen the art consultant and whether that person was a long term San Francisco resident.

Mr. Adducci responded the profile of the building, especially with so much indoor and outdoor space, would help distinguish it within the skyline and added that final colors had not been selected.

Mr. Seyer responded the color was intended to be more blue than gray and he believed that the shape of the building would have an impact on the skyline, especially with the terraces and their refined elegance, and he believed that overall the building would stand out. To the artist question, he stated they had had one meeting with a local San Francisco consultant, Dorka Keehn, a member of the San Francisco Art Commission, to initiate talks about the project art.

Mr. Adducci responded their commitment was to use local artists; however, they had just started considering this particular part of the project.

Commissioner Bustos suggested they go visit the Bayview artist community in order to view the artwork offered there and then they would be able to contract personally with an artist who knew the area, had history in the area and who would be able to incorporate the rich San Franciscan history into the artwork.

Mr. Adducci added Mr. John Buck was personally interested and invested in the artwork for this building and would want to come out and meet local artists.

Commissioner Bustos suggested they all get together and take Mr. Buck to the Shipyard to view the different studios and see the artistic creativity on display there. He added this would be a win/win for everyone by having the artwork provided by local artists and the local flavor incorporated into it. Mr. Bustos encouraged artists to think outside the box.

Mr. Seyer stated he was pleased that Commissioner Bustos was familiar with Ms. Keene because he liked her and she had offered to provide a list of artists to meet with. He added they wanted to engage an art consultant and needed someone to help tap into that market.

Chair Rosales agreed with Commissioner Bustos regarding the art work.

Commissioner Mondejar commented that the building was very beautiful. She inquired about what the inspiration was in designing the building; inquired about how tall and how many floors the building had. Ms. Mondejar commented that they were creating a new San Francisco skyline.

Mr. Seyer responded he also needed to credit his boss, James Goettsch, on the design. He explained they had started off with a different design which was more curved, but was not responded to favorably, so they took the positive aspects and comments and redesigned the building. He pointed out that a strong influence was the heavy diagonal line that ran through the grid that resembled Market Street and they took off with that idea. Then the building took on a certain angular theme as well and the narrative was breaking it down into three parts: the upper tower, mid tower and the base, but then aesthetically breaking the parts down to scale to the streetscape level where it became more personal. So that was what they did with the facades and the materiality. Mr. Seyer explained the terraces made a strong statement as far as carving out the mass and standing out but originally had no use, so that was when the idea arose of using the terraces to be able to take advantage of the wonderful views. He pointed out that they had constructed a building a block away 200' taller with diagonal bracing all over it and another building that was 1,000' tall a few blocks away and noted that it would be difficult to compete with those sizes. Mr. Seyer responded this building was 550' to the tallest floor with 605' maximum and had 43 floors of office. He added he was very excited about what was going on with San Francisco construction right now.

Chair Rosales referred to Prop M and the hearing before the Planning Commission and inquired whether OCII projects would come under Prop M.

Mr. Hart deferred to Mr. Morales to respond.

Mr. Morales responded OCII had land use authority in Zone I under the redevelopment plan to approve this building. However, they wanted to have something from the City to confirm the allocation of Prop M square footage for this project and after discussions with the City Attorney's Office, they determined that the best way to get that confirmation was to have the Planning Commission review the project and approve it under Section 321 of the Planning Code, which was Prop M. However, they believed that if anything were to go awry, OCII still exerted ultimate authority over this project. Mr. Morales added that in the interest of working cooperatively with the City and making sure this project had all the certifications and determinations that it needed to go forward for financing, etc., they thought it best to have the Planning Commission review it.

Chair Rosales responded that this issue probably didn't warrant further questions at that time and that she would have an offline discussion with Mr. Morales about it later. She commented there were lots of things going on in Transbay and Mission Bay currently and inquired about whether the developer or the City would be coordinating all the traffic impacts. Ms. Rosales commended the entire team on the diversity of disciplines brought before the Commission regarding this project. She referred to the construction group team and inquired about what was being planned as far as work scopes and making sure that the General Contractor (GC) they chose had a good track record in retaining small businesses as suppliers and other contractors, etc. She wanted to hear about these plans before they were executed.

Mr. Hart responded they were in ongoing discussions with the Planning Department concerning all the projects. He explained that currently the Planning Department was reviewing all the major streets within Transbay as well as the Rincon Hill area to come up with a long-range plan to address the traffic impacts

in question. He added the Planning Department had all the data related to OCII projects and their own projects and were putting together all the data to come up with a resolution regarding this question.

To the SBE participation question, Mr. Lee responded they had had discussions with the developer and a consultant regarding the EOP program and the workforce component with construction workers. He agreed with Chair Rosales that it was a challenge securing small construction business participation when dealing with very large projects because small construction businesses tended to work on smaller projects and in the finishing trades. Mr. Lee added that it would be difficult to get even more small construction businesses but they were trying at the onset. He indicated that the development team had put together a work plan regarding construction workforce and deferred to Mr. Adducci for more information.

Mr. Adducci responded they were on the verge of deciding on the General Contractor. He stated that one of the fundamental qualifications was the applicant's track record in workforce and added that they had been working closely with Mr. Lee in this regard to make sure they did not choose a GC who only paid lip service and did not follow through on this aspect. Mr. Adducci explained that the bid packages had to be put together very carefully when dealing with an office building, because of the unique bonding and financing issues as well as all the other requirements. He added that they had to assemble the subcontracting team very carefully with expert help knowledgeable on the local situation to be able to maximize participation and meet all the requirements of the financial partners and lenders, etc. Mr. Adducci stressed the workforce plan was a very important piece of the project and that they were committed to it.

Mr. Butler responded that the commitment had to come from the top in any of these kinds of processes. He stated that the developer and his entire team had demonstrated their commitment under the professional services component to include small San Francisco-based businesses in the process as well as making sure that there was a diversity and gender mix and involvement by small local businesses & DBE's. Mr. Butler commended Monica Wilson for an outstanding job in the professional services component, her attention to detail and making sure that qualified local firms were brought to the table for the developer and the architects to assemble this team. Regarding the General Contractor, Mr. Butler remarked that because of the timeline of this project they had had an opportunity to begin to develop the matchmaking and analysis early in the project. He highlighted that the key to success was time and having the six months to meet with and identify the right companies to supply all the necessary tasks for this large project. This was essential in establishing a comfort level with each other and understanding the background and experience of all the businesses to be involved. Mr. Butler stated they were fortunate to have a developer who was totally committed to that process and that after this meeting they could begin the next steps on building that relationship.

Commissioner Bustos commented that if Mr. Butler had found the solution to the problem of bringing together developers to partner with diverse groups of people with different histories and capabilities, then he had struck gold and cities all over the country would be seeking this solution. Mr. Bustos added that if this was successful, Mr. Butler would be the biggest and busiest developer in the country. He pointed out that the success of a building was not just erecting it, but how you brought all the people together to make it happen, from supplying coffee to construction to artwork and everything else involved.

Mr. Butler responded that the credit went to OCII, because they had the consultant to choose the developer who was present at the table when decisions were being made. He explained that normally the developer was brought in after the General Contractor had been chosen and then they would scramble at the last minute to get everyone else on board under time constraints. So time and commitment of the developer were the key components of success.

Commissioner Singh stated there would be about 10,000 people working and living around that building and even with 2,800 residents alone, inquired how they would deal with one parking spot per 24 residents. He requested clarification on this issue.

Mr. Adducci responded there was a percentage of floor area formula that they had to follow and that they had used a mechanical parking system to maximize the number of spaces they could get for that area. He explained that if there were more spaces, they would probably not be used. However, their targeted tenants, especially for the bottom of the building where the floor plans were very large, were young tech millennial employees and all market indications were that they would be living close by and not even own cars. Mr. Adducci explained that the top area would hold more traditional tenants, such as financial and law firms, etc., who might be more likely to drive. He stated the attitude in many cities, including San Francisco, was trending toward discouraging the use of automobiles in central business districts, which was reflected in the parking formulas they were dealing with in the code.

Commissioner Singh responded that he did not believe that the Agency had ever approved any buildings with that many tenants with that small amount of parking. He inquired about who was going to get the parking.

Mr. Adducci clarified that parking would be for office tenants only and that there was no residential in this building. He added that the intensity regarding this question was particularly strong because they were right across the street from a major transit center.

Chair Rosales agreed with Commissioner Singh that even lawyers and bankers needed their cars and parking spaces. She stated there was an interesting difference based on comments regarding the need for more parking and there was a question about more construction and less parking.

Commissioner Mondejar motioned to move Items 5(e), 5(f) and 5(g) and Commissioner Bustos 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 BY FOUR COMMISSIONERS THAT RESOLUTION NO. 36-2015, ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND CONDITIONALLY AUTHORIZING AN AMENDMENT TO THE DEVELOPMENT CONTROLS AND DESIGN GUIDELINES FOR THE TRANSBAY REDEVELOPMENT PROJECT FOR CONSISTENCY WITH THE PROPOSED MINOR AMENDMENT TO THE TRANSBAY REDEVELOPMENT PLAN AND TO ADD CLARIFYING LANGUAGE FOR OPEN SPACE, PARKING, AND IMPACT FEE REQUIREMENTS SPECIFIC TO GENERAL OFFICE LAND USES IN ZONE ONE; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT RESOLUTION NO. 37-2015, CONDITIONALLY AUTHORIZING, PURSUANT TO THE TRANSBAY IMPLEMENTATION AGREEMENT AND OPTION AGREEMENT, THE EXECUTIVE DIRECTOR TO EXERCISE AN OPTION TO PURCHASE PARCEL N1 (ASSESSOR'S BLOCK 3718, PORTION OF LOT 025), LOCATED ON HOWARD AND BEALE STREETS, FROM THE TRANSBAY JOINT POWERS AUTHORITY AND TO EXECUTE AN OWNER PARTICIPATION/DISPOSITION AND DEVELOPMENT AGREEMENT WITH MA WEST, LLC, A DELAWARE LIMITED LIABILITY COMPANY, FOR A PROPOSED COMMERCIAL OFFICE PROJECT CONSISTING OF 766,745 GROSS SQUARE FEET OF OFFICE AREA AND 8,642 SQUARE FEET OF RETAIL AREA ON TRANSBAY BLOCK 5 (ASSESSOR'S BLOCK 3718, LOT 012, PORTIONS OF LOT 025 AND 027), AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT RESOLUTION NO. 38-2015, CONDITIONALLY APPROVING, PURSUANT TO THE TRANSBAY IMPLEMENTATION AGREEMENT, THE SCHEMATIC DESIGN FOR A PROPOSED COMMERCIAL OFFICE PROJECT ON TRANSBAY BLOCK 5, LOCATED ON HOWARD AND BEALE STREETS, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Items 5(h), 5(i) and 5(j) were presented together, but acted on separately.

- h) Establishing classification of positions and compensation for staff from February 3, 2015 through June 30, 2017 and establishing authority for appointment and vacation from position under said classifications and other matters (Discussion and Action) (Resolution No. 39-2015)
- i) Amending the personnel policy to add provisions concerning reinstatement rights of former employees (Discussion and Action) (Resolution No. 40-2015)
- j) Reconfirming the appointment of Tiffany Bohee as Executive Director (Discussion and Action) (Resolution No. 41-2015)

Presenters: Tiffany Bohee, Executive Director; Jim Morales, Interim General Counsel and Deputy Director

PUBLIC COMMENT

Speakers: Ace Washington, Community Activist; Oscar James, BVHP resident

Mr. Washington expressed concern about how everyone had positioned themselves as employees of the City and were now returning as employees of OCII. He was in support of people coming back to the Agency as employees because they needed to continue redevelopment activities. Mr. Washington stated he would like to have a more open relationship with Executive Director Bohee with respect to the Western Addition. He wanted to honor Leroy King and the work Mr. King had accomplished over his lifetime.

Mr. James stated he knew both Executive Director Bohee and Mr. Morales when they started working for the SFRA and commended both of them for their work and that it would be an honor for either OCII or the City to have them as employees. He recalled that when they transferred from Union 261 to SFRA, they had no union for 20 years. He stated that Commissioners King and Singh had fought for their right to be part of a union and they finally got back into 1021. Mr. James believed that everyone should be represented by a union and hoped the people returning to OCII would be able to be part of one. He recalled that he worked with the City at the same time he was an SFRA employee. He asked Commissioners to take care of their staff and watch out for them.

Commissioner Singh stated he thought Ms. Bohee was doing an excellent job. He inquired about when Commissioners would be getting insurance coverage.

Executive Director Bohee responded that it would take a Board of Supervisors ordinance change to create insurance coverage for Commissioners to be able to access the City health care system. She stated that they were looking into it and had to review this with the City and that this would require an act by the Board of Supervisors.

Commissioner Mondejar motioned to move Items 5(h), 5(i) and 5(j) and Commissioners Bustos and Singh seconded that motion.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT RESOLUTION NO. 39-2015, ESTABLISHING CLASSIFICATION OF POSITIONS AND COMPENSATION FOR STAFF FROM FEBRUARY 3, 2015 THROUGH JUNE 30, 2017 AND ESTABLISHING AUTHORITY FOR APPOINTMENT AND VACATION FROM POSITION UNDER SAID CLASSIFICATIONS AND OTHER MATTERS, BE ADOPTED.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT RESOLUTION NO. 40-2015, AMENDING THE PERSONNEL POLICY TO ADD PROVISIONS CONCERNING REINSTATEMENTS RIGHTS OF FORMER EMPLOYEES, BE ADOPTED.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS THAT RESOLUTION NO. 41-2015, RECONFIRMING THE APPOINTMENT OF TIFFANY BOHEE AS EXECUTIVE DIRECTOR, BE ADOPTED.

6. Public Comment on Non-agenda Items

Speakers: Ace Washington, Community Activist; Oscar James, BVHP resident; John Templeton

Mr. Washington inquired about when OCII was coming to the Western Addition for a special meeting. He suggested they hold a meeting in honor of former Commissioner Leroy King and also have a presentation honoring his lifetime achievements.

Mr. James echoed Mr. Washington's comment regarding the Western Addition and he promised to be present at that meeting. He recalled there were no minorities on the SFRA until he joined the Agency and now Commissioners listened to the community and based their activities on the needs of the community. Mr. James recalled that Commissioners were following the footsteps of some determined Commission members, such as Hannibal Williams, Doris Ward, Ms. Kennedy, etc., people who were very concerned about the community. He commended OCII on trying to do what the African American community had asked them to do and to help improve the City of San Francisco.

Mr. Templeton thanked the Commission for considering having a comprehensive database of community benefit agreements. He stated that the Environmental Protection Agency had just released new regulatory guidelines on environmental justice that provided the steps that local, state and federal agencies must take to determine whether their actions were in compliance with executive order and he recommended that OCII look at those guidelines. Mr. Templeton stressed the need to do something out of the box and he suggested that, instead of traditional CEQA reports, they actually conduct an environmental impact statement on the actions of SFRA and OCII, especially on the African American community, which would help clear up many issues still outstanding. He stated that there was still concern from people in the Western Addition regarding redevelopment and added that they should not leave this issue unsettled. He requested OCII find out for certain and verify what had been said, what had been promised, what had been done since and what the current status was, and stressed that this should be done officially.

7. Report of the Chair

Chair Rosales announced that she did not have a report.

8. Report of the Executive Director

Executive Director Bohee announced the group of students attending the meeting with Monica Wilson were part of the Construction Industry Workforce Initiative (CIWI), a non-profit initiative, 3-part internship program, which focused on the diversity and expansion of workforce in construction, renovation, architecture, engineering, civic engagement and urban design and included partners such as Nibbi Brothers General Contractors, Strada Investment, Obayashi & Cahill. Ms. Bohee stated OCII was proud to be involved in the leadership/mentoring, guest speaker and workshop aspects of this organization.

Executive Director Bohee announced their budget had been heard at the Budget and Finance Committee, was largely unchanged with the exception of some recommendations for administrative cuts to reduce a position, reduce training and to account for higher vacancy rate to get people onboard. She explained they were not in agreement with those recommendations and would be providing more information to be able to eliminate any cuts and reductions. Ms. Bohee stressed that they needed the staff as a result of being directed to go forward with the acceleration program. She added that anything that impacted OCII administrative operations would require immediate action.

PUBLIC COMMENT – None

9. Commissioners' Questions and Matters

Commissioner Singh reported that Leroy King's daughter had called him about her father's funeral, which would be held at Union Hall at Fisherman's Wharf in July and wanted to call this meeting in memory and honor of Mr. King.

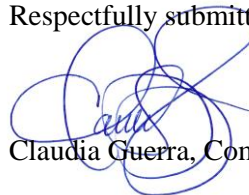
Chair Rosales referred to the ruling issued by the California Supreme Court in favor of the City of San Jose upholding their inclusionary housing policy and requested that Commissioners receive a short synopsis of that case. She stated that this might be properly directed as an assignment for Mr. Morales.

10. Closed Session - None

11. Adjournment

The meeting was adjourned by Chair Rosales at 4:54 p.m.

Respectfully submitted,



Claudia Guerra, Commission Secretary