

Edwin M. Lee  
MAYOR



Mara Rosales  
CHAIR

Marily Mondejar  
VICE-CHAIR

Miguel Bustos  
Leah Pimentel  
Darshan Singh  
COMMISSIONERS

Nadia Sesay  
INTERIM EXECUTIVE DIRECTOR

**MINUTES OF A REGULAR MEETING OF THE  
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE  
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE  
7<sup>th</sup> DAY OF MARCH 2017**

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 7th day of March 2017, 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 1:10 p.m. Roll call was taken.

Commissioner Bustos - present  
Vice-Chair Mondejar - present  
Commissioner Pimentel - present  
Commissioner Singh - present  
Chair Rosales - absent

Chair Rosales was absent; all other Commission members were present. Vice-Chair Mondejar resided.

**2. Announcements**

- A. The next scheduled Commission meeting will be a regular meeting held on Tuesday, March 21, 2017 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 February 7, 2017

#### **Public Comment - None**

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

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

Commissioner Bustos - yes  
Vice-Chair Mondejar – yes  
Commissioner Pimentel - yes  
Commissioner Singh - yes  
Chair Rosales - absent

**ADOPTION:** IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT APPROVAL OF MINUTES FOR THE REGULAR MEETING HELD ON FEBRUARY 7, 2017, BE ADOPTED.

### REGULAR AGENDA

- b) Authorizing a Permanent Loan with Alice Griffith Phase 4, L.P. in an amount not to exceed \$12,986,033, for the development of Phase 4 of approximately 31 units of low-income family rental housing; Alice Griffith Public Housing site, 2800 Arelious Walker Drive; and an updated replacement housing plan; and adopting environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area (Discussion and Action) (Resolution No. 11-2017)

Presenters: Nadia Sesay, Interim Executive Director; Jeff White, Housing Program Manager; OCII, Daniela Greville, McCormack Baron Salazar (MBS); Elizabeth Chilton, San Francisco Housing Authority

#### **PUBLIC COMMENT**

Speakers: Terry Anders, Anders & Anders Foundation; Oscar James, native resident Bayview Hunters Point (BVHP); Falaofut Satele, Alice Griffith (A.G.) Tenant Association and A.G. resident; Al Norman, President, Bayview Merchants Association & BVHP resident; Lindy Kenner, Anders & Anders Foundation; Sally Oerth, Deputy Director

Mr. Anders explained that his community-based organization foundation worked with male and female ex-offenders who were in and out of drug rehab in District 10. He inquired about whether there would be any community benefit money for organizations such as his. Mr. Anders explained that ex-offenders in D10 represented the largest concentration of ex-offenders in the City. His goal was to break the cycle of recidivism through job opportunities and employment. He inquired about how many ex-offenders would be able to work on this project and how many community based organizations in D10 would be getting financial support to be able to help local residents in the rebuilding of public housing projects such as this one. Mr. Anders also suggested residents be given some financial incentive, such as having their rent money go toward a purchase agreement toward ownership of the unit. He was in support of helping residents be able to purchase homes.

Mr. James was in support of this project. He recalled how nice the Alice Griffith developed had looked when it opened in 1962 and then years later it was discovered that the materials used had been third grade materials, which was why the buildings had deteriorated. Mr. James hoped that Grade A materials were being used for this development now. Mr. James also requested training for A.G. residents to learn how to become landlords, childcare center workers, store employees, etc. He stated that the City should invest in the tenants so they could become self-sustaining and pay their rent. Mr. James hoped this project helped community members to be viable citizens.

Ms. Satele stated that she had seven children and two grandchildren. She supported this item and thanked Commissioners for listening to the residents. She stated that she was in a four-bedroom unit currently and encouraged people to sign up for the larger units when they became available.

Mr. Norman stated that he was in support of this item. He stated that he had been a resident of BVHP for over 70 years. He suggested that Commissioners get out and see the community. Mr. Norman reported that the developer was causing local contractors to go bankrupt and people were being treated unfairly. He claimed that this housing was not being built for BVHP residents but for the yuppies coming into the area.

Ms. Kenner stated that she had received a call from a woman originally from A.G. who had been incarcerated and now wanted to get back into her union. Ms. Kenner explained that this person needed \$781, tools and work clothes and there was nowhere for people in public housing with barriers to go for help in this kind of situation. She reported that it was easy to incarcerate a person at \$60,000/year but very difficult to get \$1,000 to put someone released from jail back to work. Ms. Kenner requested that OCII put aside some financial aid to help the ex-offenders.

Commissioner Singh inquired about who would get the four- and five-bedroom units; inquired about the rent.

Mr. White responded that it would be the bedroom size plus one, so a household of five would qualify for a four-bedroom and a household of six for a five-bedroom. He deferred to the developer for the rent question.

Ms. Greville responded that there were two types of units. For returning public housing residents, the rent would be 30% of their income up to a certain rent, which exact amount she did not have available, but stated it was a low rent for four- and five-bedroom units for tenants that make up 50% AMI. Ms. Greville explained that there were also tax credit units for residents in general public who had gone through the lottery process. She added that there were no five bedrooms available for them but the four-bedroom rent would be \$1,450/month for a renter at 50% AMI.

Commissioner Singh inquired about how someone with very low income could afford \$1,450/month; requested confirmation that the interest rate was at 3% and how long would it be set at 0%; inquired about whether this was a loan or a grant and whether it was for 55 years.

Ms. Greville responded that these were federally set rents.

Mr. White responded in the affirmative. He responded that the interest rate would be set between 3% and 0% subject to negotiations with the tax credit investor. They sometimes need a lower interest rate to provide comfort that the loan can be repaid over its term and to ensure that compliance with IRS regulations that the funding does not appear to be a grant. Mr. White responded that this was a loan and the term was for 55 years.

Commissioner Pimentel referred to page 6 and inquired about what the relocation process was and what the relocation costs were.

Mr. White deferred to Elizabeth Chilton to answer this question.

Ms. Chilton responded that the relocation costs were mitigated by the Housing Authority and each resident had two options. One was to receive a self-move allowance, which was a fee determined by the Federal Highway Association. For a one bedroom unit, considered three furnished rooms, the allowance was \$1,165; for a two-bedroom, which was four furnished rooms, the allowance was \$1,374; for a three-bedroom, it was \$1,665; for a four-bedroom, it was \$1,925; for a five-bedroom, it was \$2,215. Ms. Chilton explained that the units went up to 8 rooms furnished, at \$2,505 and each additional furnished room was \$265. She reported that at A.G., there were no units over five bedrooms and Five Point covered the costs. The other relocation option was to have a commercial mover provided by the Housing Authority, which paid the commercial mover directly with no cap.

Commissioner Bustos expressed concern about Mr. Norman's comments and spoke about the issue of how contractors were being treated. He stressed that OCII was trying to do what was right and correct the wrong that redevelopment had done. Mr. Bustos informed Mr. Norman that OCII had held a meeting in the BV with the community in February, which had been very effective. He suggested that perhaps they needed to do more in order to get involved with how small contractors were being treated. The developers had gotten the message about lifting everyone up and perhaps this issue needed to be revisited. Mr. Bustos stressed that the intention was not for small contractors to go bankrupt, so if there were still issues, they needed to bring in more people to solve this problem. Concerning the project, Mr. Bustos hoped that MBS took to heart the comments from residents and the community. He felt that the project was a good one and should move forward.

Vice-Chair Mondejar stated that she supported this project. She inquired about the conversion of the replacement units and why the size of the units had been changed.

Mr. White responded that there were two types of replacement units; 1) public housing replacement units, and 2) Community Redevelopment Law replacement units. Public housing replacement units replace every unit of public housing that is demolished. However, the public housing replacement units are replaced with units sized to match to size of the existing households in place. As a result, the unit mix of 1, 2, 3, 4 and 5 bedrooms of the new replacement units will not match exactly the unit mix demolished. The existing households at Alice Griffith require more 1 and 2 bedroom units and fewer 4 and 5 bedroom units.

Interpretation of Community Redevelopment Law, however, requires OCII ensure that demolished units of each type (# of bedrooms) are replaced. The new public housing replacement units at Alice Griffith Phases 1-4 count toward the CRL requirement units, and meets and exceeds the requirement for 1, 2, and 3 bedroom units. Since the demand from the existing households at Alice Griffith is for smaller units, the unit mix at Alice Griffith includes fewer 4 and 5 bedroom units. As a result, OCII has the obligation per CRL to replace the 4 and 5 bedroom units not required by the existing AG household composition. The Housing Replacement Plan describes how that obligation will be met.

Vice-Chair Mondejar inquired about what happened to the five bedroom unit, if a family in a five-bedroom unit is determined under assessment to only need four.

Mr. White responded that the public housing replacement unit for that family would be appropriate for their current family size. The five-bedroom unit would be built somewhere else, which could be in A.G. or in any of the projects where OCII had jurisdiction, which could be Transbay, Mission Bay or the Shipyard.

Ms. Oerth clarified that all existing households at Alice Griffith would get housed to the bedroom size that met their needs and they were also ensuring that the exact unit mix would be built through OCII funded projects, so both needs would be met. Ms. Oerth explained that residents there today would be housed appropriately for their family size, and likewise, the unit sizes that were originally built at A.G. would be replicated either at A.G. or at another location.

Commissioner Mondejar inquired about whether the current residents understood this process.

Ms. Oerth responded that unfortunately the terms “relocation” and “replacement unit” were being used interchangeably. However, she explained, A.G. residents were being relocated into new A.G. units, which were being resized to the current household. Separately, there was a replacement housing plan which had to do with just the physical replacement of unit sizes which could be located at A.G. or other locations, but which was not tied to the people living in those units currently. So the unit mix was being replaced in their portfolio in general.

Vice-Chair Mondejar inquired about whether they could open Public Comment again.

Mr. Morales responded that Public Comment had been closed but could be opened up again at her discretion.

Vice-Chair Mondejar announced that Public Comment would be opened up again.

Ms. Satele stated that she had six children and two parents living with her and was in a four bedroom unit. She felt like she needed a five-bedroom unit, but realized that it would cost more money. She acknowledged that households changed and she was educating many of the residents about this situation and the changing of unit sizes by family need. Many families did not need the bigger units and they were paying more money for them. She asked residents whether they really needed this size unit and whether they could afford it. She thanked OCII for listening.

Mr. Anders spoke about the availability of units and the tearing down of units. He felt strongly that renters should be given the opportunity to lease with the option to buy because he explained that renters would never be able to participate in home ownership unless given some financial options through financial creativity. Mr. Anders reported that people throughout the City were coming to this area for home ownership, so renters had to be given the option to buy their own units.

Referring to Ms. Satele’s situation, Commissioner Singh commented that it was very difficult to afford to live in this City if you had a very large family.

Vice-Chair Mondejar inquired about whether there were any community benefits for this project; inquired about whether A.G. was all rental units.

Ms. Oerth responded that the A.G. project was a part of the larger HP Phase II and Candlestick Point project and bringing a revitalized development to this neighborhood was a key community benefit. She explained that there were a variety of services that were part of this grant but nothing else that was additional to this project. This was one part of the larger project which contained a larger community benefits plan by the master developer. Ms. Oerth responded in the affirmative that the A.G. units, like all public housing units as well as new tax credit units were rentals, which was consistent with the financing mechanism with low income housing tax credit, which required that all units be rental.

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

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

Commissioner Bustos - yes  
Vice-Chair Mondejar – yes  
Commissioner Pimentel - yes  
Commissioner Singh - yes  
Chair Rosales - absent

**ADOPTION:** IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION No. 11-2017), AUTHORIZING A PERMANENT LOAN WITH ALICE GRIFFITH PHASE 4, L.P. IN AN AMOUNT NOT TO EXCEED \$12,986,033, FOR THE DEVELOPMENT OF PHASE 4 OF APPROXIMATELY 31 UNITS OF LOW-INCOME FAMILY RENTAL HOUSING; ALICE GRIFFITH PUBLIC HOUSING SITE, 2800 ARELIUS WALKER DRIVE; AND AN UPDATED REPLACEMENT HOUSING PLAN; AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

## **6. Public Comment on Non-Agenda Items**

Speaker: Oscar James, BVHP native resident

Mr. James referred to the Black Cuisine event that had taken place the previous Saturday and reported that there had been a great turnout for this event. Mr. James referred to the period from 1944-1968 when displaced residents had been given \$4,500 plus a Certificate of Preference (COP) and arranged by the Joint Housing Authority. Mr. James recalled that with that money, he had been able to afford to buy a home. He hoped that OCII would consider giving some kind of financial assistance to all low income residents as a down payment on a home.

## **7. Report of the Chair**

Vice-Chair Mondejar stated that she had no report.

## **8. Report of the Interim Executive Director**

Interim Executive Director Sesay stated that she had no report.

## **9. Commissioners' Questions and Matters**

Commissioner Singh commended Vice-Chair Mondejar on her performance during the meeting.

## **10. Closed Session - None**

## **11. Adjournment**

The meeting was adjourned by Vice-Chair Mondejar at 2:11 p.m.

Respectfully submitted,

*Natasha Jones for Lucinda Nguyen*

Interim Commission Secretary