

**MINUTES OF A SPECIAL MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
7TH DAY OF JANUARY 2014**

The members of the Commission on Community Investment and Infrastructure, of the City and County of San Francisco, met in a special meeting at the Southeast Community Facility, Alex L. Pitcher, Jr. Community Room, 1800 Oakdale Avenue, in the City of San Francisco, California, at 4:00 p. m. on the 7th day of January 2014, 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 by Chair Johnson at 4:15 p.m. Roll call was taken.

Commissioner Ellington – present
Commissioner Mondejar – absent
Vice-Chair Rosales – present
Commissioner Singh – present
Chair Johnson – present

Commissioner Mondejar was absent; all other Commission members were present.

2. Announcements

A. The next regularly scheduled Commission meeting will be held on Tuesday, January 21, 2014 at 1:00 pm (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 that 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, if any – None.

4. Matters of Unfinished Business – None.

5. Matters of New Business:

CONSENT AGENDA – None.

- a) Approval of Minutes: Regular Meeting of November 19, 2013
- b) Approval of Minutes: Regular Meeting of December 3, 2013

PUBLIC COMMENT – None.

Commissioner Ellington motioned to move Items 5(a) and 5 (b) and Vice-Chair Rosales seconded that motion.

Secretary Jones called for a voice vote on Items 5(a) and 5 (b).

Commissioner Ellington – yes
Commissioner Mondejar – absent
Vice-Chair Rosales – yes
Commissioner Singh – yes
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 4 COMMISSIONERS WITH ONE ABSENCE THAT APPROVAL OF THE MINUTES OF THE REGULAR MEETINGS OF NOVEMBER 19 AND DECEMBER 3, 2013 BE ADOPTED.

REGULAR AGENDA

Items 5 (c) and 5 (d) will be called together but voted on separately.

- c) Adopting environmental review findings pursuant to the California Environmental Quality Act and approving the Streetscape Plan and the Signage Plan for Candlestick Point and Major Phase Application for Major Phase 1 and conforming changes to the Project Documents pursuant to the Disposition and Development Agreement with CP Development Co., LP, subject to the approval from the affected City Departments and Mayor under and to the extent required by the ICA and Planning Cooperation Agreement; Hunters Point Shipyard and Bayview Hunters Point Project Areas. (Discussion and Action) (Resolution No. 1-2014)
- d) Adopting environmental review findings pursuant to the California Environmental Quality Act, and conditionally approving Schematic Designs for the Alice Griffith Housing Development Blocks 2 and 4 pursuant to the Candlestick Point and Hunters Point Shipyard Phase 2 Disposition and Development Agreement with CP Development Co., LP; Bayview Hunters Point Redevelopment Project Area. (Discussion and Action) (Resolution No. 2-2014)

Presenters: Tiffany Bohee, Executive Director; Wells Lawson, Senior Project Manager, Hunters Point Project Shipyard Phase II & Candlestick Point; Marisela Flores, Project Manager, McCormack Baron Salazar; Feng Xiao, Architect, Torti Gallas; Yusef Freeman, Vice President, Project Management, McCormack Baron Salazar

PUBLIC COMMENT

Speakers: Dr. Veronica Hunnicutt, Chair CAC Shipyard; Dr. Espinola Jackson, Resident, Bayview Hunters Point; Robert Woods, Chairman, Black Human Rights Leadership Council; Linda Richardson, Resident, Bayview Hunters Point; Dorris M. Vincent, Resident, Bayview Hunters Point and member of Hunters Point Shipyard (HPS) CAC; Ace Washington, San Francisco resident; Dennis Lumsey, San Francisco resident and APRI member; Oscar James, Bayview Hunters Point resident; Gary Banks, founder of Family Restoration House and former member of the project area committee; Scott Madison, member of Hunters Point Shipyard (HPS) CAC; Lavelle Shaw, President, Alice Griffith Tenant Association; Rev. Arnold Townsend, San Francisco resident; Connie Ford, San Francisco Labor Council and Fillmore resident; Erika

Katske, Director, San Francisco Organizing Project; Pastor A. Walker; Menelik, Bayview Hunters Point (BVHP) resident; Marie J. Franklin, Founder, Shoreview Environmental Justice Inc.

Dr. Hunnicutt spoke in support of this item. She stated that CAC members were very pleased with the schematic designs and that the concerns expressed by the residents were properly addressed by Lennar and the OCII. She stated that residents were particularly pleased by the fact that they would not have to move off-site during construction and would be able to move directly into their new residences. Dr. Hunnicutt stated that the CAC would continue to work with Lennar, the OCII and community partners.

Dr. Jackson objected to this item because she stated that the Commission did not have enough information to vote on this subject at this meeting. She stated that Alice Griffith project was built on landfill site where toxic contaminants were present to date. She expressed her disapproval of construction plans that call for underground garage. Further, she stated that the Alice Griffith residents do not have the financial resources to afford these proposed units.

Mr. Woods spoke in opposition of the project. He stated that community members make less than \$17,000 a year and, therefore, nobody in the community would be able to afford to move into these new residences. Mr. Woods stated that locals would not be able to participate in this project and would have to leave due to gentrification of the area.

Ms. Richardson spoke in support of the proposed project. Ms. Richardson stated that the residents of Bayview appreciated all the work that had gone into this project and were in support of this project. She stated that the Commission had an obligation to approve the project after waiting so long for its fruition.

Ms. Vincent spoke in support of the proposed project. She stated that community meetings had been ongoing for over a year and that the people of the community had been heard. She further stated that the project designs have been changed to reflect the community's input. Ms. Vincent urged the Commission to pass this item.

Mr. Washington was not happy that the OCII Commission came to this meeting without the city government channel to record or broadcast the meeting. He spoke about community reform and expressed his concerns that African Americans would not be able to afford or participate in this project in the future.

Mr. Lumsey spoke in opposition of this project. He stated the project is being proposed in an area that contains toxic contaminants and is unsafe for human habitation. He spoke about the need to create permanent jobs for the local population, in particular African Americans who reside in the Bayview area. He stated that construction jobs are temporary and that when construction is completed, people will be displaced and forced to leave the area. Mr. Lumsey stated that there will be no lasting benefit to African American community from this project.

Mr. James spoke in support of this project. He stated that he is a long-time resident of the Bayview area. He stated that parts of the Bayview were still toxic and other parts were not. He stated that there was no landfill in the area where Alice Griffith is currently located; however, he stated that the ballpark is located on landfill. Mr. James explained that all the land comprising this project that was landfill should have an ERI and be tested for human safety. Mr. James asked that Lennar provide childcare centers as well as after-school programs in the Alice Griffith area to help the tenants who were relocated from South Basin and other areas into Alice Griffith.

Mr. Banks expressed support of this project. He explained that Family Restoration House was involved in workforce development. He pointed out that a great amount of scrutiny that had been done on this project via regulatory bodies. Mr. Banks felt that there would be many community benefits for residents such as jobs and housing. He urged approval of the project.

Mr. Madison spoke in support of the project. He stated that he recently visited the Shipyard and was very pleased to see many people at work building houses. He stated that he is hopeful that the proposed project would provide many jobs for community members. He urged approval of this item.

Mr. Shaw expressed support for this project. He stated that had been a community member of Alice Griffith since 1966. Mr. Shaw felt that community members needed to continue to fight for jobs and for African Americans to stay in the area. He supported moving forward in the development of the area.

Rev. Townsend expressed support of the project. He stated that the community members have spoken and could no longer continue to live in the current conditions. He spoke about affordable housing, not free housing, and stated that it was essential that there would be an economic component to this project, so people could start new post-construction jobs and continue to live there. Rev. Townsend stated that the residents were responsible for making sure that history did not repeat itself. He urged Alice Griffith residents to be strong and to keep fighting for jobs and affordable housing.

Ms. Ford stated that she had been working on this project for a long time and one of the things that brought them to this point was the commitment by the developer and the City that Alice Griffith would be rebuilt, and that affordable housing and jobs would be made available. She stated that Alice Griffith being rebuilt was the best news of 2014 and that this day represented the opportunity for the City to be able to move this project forward.

Ms. Katske stated that both she and Ms. Ford were both members of the implementation committee of the core community benefits agreement and was very pleased to see this project moving forward. She spoke about the many benefits arising from this project and that the opportunity for housing and jobs were being worked on right now.

Pastor Walker stated that he had lived in the community for 50 years and had been working with the former Redevelopment Agency from the start of this project. He explained that this project encompassed approximately 800 acres, creates 10,000 new jobs including construction and post-construction permanent jobs, over 3,000 new affordable homes or 32% of the housing, and \$82 million in community benefits expenditures. He spoke about the Legacy Foundation offer of scholarships, training, and other community programs. He thanked the OCII for all their hard work and urged the Commission to move forward with this item.

Mr. Menelik expressed appreciation on the work done on the presentation but expressed concern about the project. He reminded the Commissioners that by law the people whose residences were torn down should be able to move into replacement units at the same income category and his concern was that the people who were originally destined for those units would ultimately not be able to live in them. Mr. Menelik also spoke about employment opportunities and training for community residents.

Ms. Franklin spoke about environmental issues in the Bayview. She stated because the Bayview sits downhill, the air does not circulate in the Alice Griffith area. She stated that air purification ventilation systems should be installed in all units in the project for safety and health reasons. Ms. Franklin pointed out that there was no open space on the hill for 650 households and requested that the plans include parks with adequate equipment. She referred to Shoreview Park and stated that the OCII needs to complete it because the former Redevelopment Agency left it unfinished.

Chair Johnson inquired about the bicycle network and requested clarification on the location of the cycle tracks and their impact on main traffic corridors. Ms. Johnson stated that she wanted to make sure they were thinking about where people would be going on the bike tracks; inquired about planning for the transit center in the Shipyard.

Mr. Lawson responded by directing Commissioners to page 25 of the power point presentation and explained that the cycle track would skirt the edge of the park to avoid intersections and would end up being adjacent to the commercial and residential density at the tip of the wedge park and then come right through. He explained that there would be a class 3 facility that would connect between the retail center and the park as well as a class 2 facility on Gilman. Mr. Lawson pointed out that the former bike route that was behind the proposed retail center had been located on a big hill and was changed to get closer to the retail center on Ingerson Avenue.

Commissioner Ellington expressed a concern about lot reconfigurations and lots that were moved around to streamline the Alice Griffith project. He inquired which lots were agency-owned and which were workforce housing, the difference between the two, and whether there would be a change in value given that they were being moved to a later phase. He further asked for clarification which were the OCII-owned lots and which lots belonged to Lennar, and whether they would be built at the same time as the surrounding market rate lots. Lastly, he inquired about where the \$6 million from state parks was coming from and what the funds would be used for.

Mr. Lawson displayed slide 27 and responded that the lots shown there would be built out with Alice Griffith public housing replacement units as well as new affordable housing units (504 units in total). He explained that the move would allow them to be able to work on vacant land. That land would be developed by MBS and then will be transferred back to the Housing Authority, owned by them and then leased back on a long-term ground-lease to MBS, as required by HUD when dealing with a land swap. Mr. Lawson pointed out that this set-up was not unlike any other projects in the City except that this one was on housing authority land and not City land. As to the question regarding values, Mr. Lawson responded that the market and workforce lots would be developed later, which should increase value because it would add to the neighborhood revitalization.

Executive Director Bohee added that the blue represented the agency lots and would come to the OCII via a disposition process and the stand-alone lots were Lennar-developed lots under the DDA.

Mr. Lawson added that the horizontal infrastructure and the pads for the development would be done at the same time and Lennar would dispose of the properties at the same time because it would be unlikely that one lot would sit vacant as opposed to the other and they would be marketed to third party developers or be built by themselves. Mr. Lawson assured the Commission that Lennar's interests were aligned with those of the OCII.

Executive Director Bohee pointed out that slide 19, displaying the refined phasing plan, reflected the major phase one which was the tan color and the next phase was the green color, representing

the horizontal infrastructure. She explained that the idea was to get buildable pads for development and doing all the infrastructure and planning work to bring forth affordable, market-rate, and workforce housing, as well as commercial and park development.

Mr. Lawson responded to the question regarding parks by explaining that this was the parcel being sold adjacent to the current Alice Griffith site but which would become the portion of state lands that would transfer to OCII and where they would be building the first two blocks 2 & 4. He added that the 2009 legislation allowed them to take down land in phases and the first phase included that area plus more which would amount to a \$6 million contribution in value. Mr. Lawson explained that the contribution would be used for both capital improvements to the parks in accordance to the General Plan and for supporting a fund for ongoing operations and maintenance.

Commissioner Singh inquired whether there was a materials board pallet for the project and whether they were able to get a list of Certificate of Preference holders. If so, how many units of the first phase would be saved for Certificate of Preference holders. He further inquired as to whether the units would have a backyard and what is onsite parking ratio per unit.

Executive Director Bohee directed the Commission to the correct page of the package and the schematic design as well as to the table in the back of the package.

Chair Johnson responded to Commissioner Singh that they would be able to get physical models and a physical mock-up of Alice Griffith Blocks 2 & 4 in the near future. She also stated that there was a new push to find and identify Certificate of Preference holders.

Mr. Lawson responded to Commissioner Singh's question regarding Certificate of Preference holders by explaining that 248 affordable units in Alice Griffith would be available to Certificate of Preference holders first. To the backyard question, he responded that the open space is at the podium level with the shared resources and each individual unit would not have a backyard.

Ms. Xiao responded that Blocks 2 & 4 had 51 spaces each for 93 units in Block 2 and 91 units in Block 4. She added that visitor parking would be on the street only and that parking would be above ground on the first floor, not below ground. She explained that they had limited land and they would be encouraging people to use public transit in that area.

Commissioner Singh inquired as to why there were not enough parking spaces.

Mr. Lawson responded that they had created a parking maximum in this project of no more than one stall per unit and that it was always anticipated that the project would provide lower parking ratio per unit. He explained that the Mayor's Office of Housing (MOH) had reviewed the demand for parking in affordable housing projects and parking was not raised as an issue in this matter.

Chair Johnson added that they needed to continue to work on the parking regulations on residential streets around the project. She explained that where there was land constraints, parking would always be a challenge but she suggested that they continue to look at the types of regulations in the residential streets around that area.

Regarding the infrastructure, Chair Johnson inquired where the sanitary network would end and outflow to because she did not see that reflected in the information provided. Ms. Johnson commented about how amenable the streetscape plan would be to traffic flow and asked staff to keep the layout in mind to make sure it flowed well; she inquired about the retail space in Blocks 2 & 4 and whether there were plans for commercial space in the project.

Mr. Lawson responded that the effluent generally moved in the northeasterly direction toward the southeast wastewater treatment facility and added that this project was designed not to have stormwater on site which meant that 10% of sewerage flows would move in a southeasterly direction.

Ms. Flores responded that there was no plan for retail and that during separate phases to come, Lennar would be providing retail space, while MBS would be providing housing and community and supportive services space. She added that the latter could be converted to retail later if needed.

Mr. Lawson added that the ground floor would be activated with commercial-like uses but noted that there was 800,000 sq. ft. of retail across the street which would be developed into neighborhood local small businesses and confirmed that there would be spaces for neighborhood serving retail in the project for later use.

Vice-Chair Rosales inquired about the relocation plan of existing Alice Griffith residents and what was being done to avoid any possibility of displacement. She inquired about the meaning of "As Qualifies" in terms of the relocated residents. She sought clarification about the community benefits and how they would be implemented and who would manage them. Ms. Rosales expressed concern that the issue of toxic clean-up, which had already been addressed many times, kept coming up every time they discussed the Shipyard and Candlestick and wanted someone to discuss due diligence on this matter.

Mr. Lawson confirmed that relocation of Alice Griffith tenants would be done in phases. He explained that the replacement units were integrated into the first two blocks as well as a series of blocks beyond that and that there would be successive moves over the years to bring residents into the new buildings.

Ms. Flores added that the site plan was developed with relocation concerns in mind and they had decided that it made sense to start with Blocks 2 & 4 because they were on vacant land. The majority of public housing replacement units were on the first three blocks and part of the relocation strategy was to build on vacant lots first and then directly relocate those residents who qualified for those units. She explained that later more townhomes would be built at the bottom of the site plan, and by that point whoever was left and qualified would be moved but that should happen only once. Ms. Flores added that they had submitted a request for qualifications for a relocation consultant and that they would be able to make a selection to hire for that position by February. She explained that the relocation consultant would develop a very detailed and comprehensive relocation plan so that everybody would be adequately and properly relocated.

Mr. Freeman responded that this project fell under the Right to Return legislation. He explained that the phrase "As Qualifies" referred to what tenants would qualify for in terms of unit size and number of bedrooms. He added that some residents are currently under-housed and if they currently had a two-bedroom unit but were qualified for a three-bedroom unit, they would be moving into the unit with the correct number of bedrooms for their qualification.

Mr. Lawson responded that to the community benefits question by stating that these were cash contributions that had been made to various funds specified in the community benefits plan. He explained that the scholarship program would be supervised by the Legacy Foundation to distribute funds via a community process; the education improvement fund would go to schools; the wellness contribution would be handled through the Southeast Health Center, etc. Mr. Lawson added that there were a specific set of triggers that indicated when the money was to be disbursed

and where it would be going and that the Legacy Foundation would be managing the disbursement of most of the funds.

Executive Director Bohee added that the expenditure of these funds would come up for Commission review and consideration and that 90 days after OCII approval of these funds, the dollar amounts would be disbursed. She added that Lennar has already deposited \$7.2 million with the San Francisco Foundation established as fiscal agent but there would also be oversight through the core community benefits as well as the Legacy Foundation and the OCII.

Mr. Lawson stated that the issue of toxicity kept coming up because there were a variety of environmental justice concerns. He noted that it was important to distinguish between the Shipyard site and the Candlestick site. Mr. Lawson reminded Commissioners of last summer's meeting regarding the status of the Shipyard clean-up, which was ongoing under stringent federal laws as well as state and federal regulations. He indicated that the Candlestick site had unknown sources of fill, not unlike the Marina, Mission Bay and Emeryville, which by San Francisco law, required extensive testing of the soil which Lennar was currently starting. Mr. Lawson explained that there were ongoing controls to make sure there were no toxic releases as well as air quality testing, which has been heavily regulated in the City. The environmental impact report would analyze these issues and would require that Lennar take extra measures first to ensure the stability of the site from a toxicology standpoint before taking any other action.

Commissioner Singh returned to the parking issue. He inquired about whether a person would have to wait for a bus if they had to go somewhere and inquired about what would happen if a person became sick and needed medical attention but did not have a car because there was no parking space for them.

Mr. Lawson responded that the densities in this project were similar to those in Russian Hill and Chinatown where supply of parking is similar. He explained that they would be doubling the amount of transit being introduced to the area to provide more and better transit there. Mr. Lawson stated that this was the current thinking about transit and reminded Commissioners that this would be an urban development with some of the highest densities in San Francisco, which unfortunately resulted in limited parking.

Vice-Chair Rosales motioned to move Item 5(c) and Commissioner Ellington seconded that motion.

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

Commissioner Ellington – yes
Commissioner Mondejar – absent
Vice-Chair Rosales – yes
Commissioner Singh – yes
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 4 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 1-2014, ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING THE STREETScape PLAN AND THE SIGNAGE PLAN FOR CANDLESTICK POINT AND MAJOR PHASE APPLICATION FOR MAJOR PHASE 1 AND CONFORMING CHANGES TO THE PROJECT DOCUMENTS PURSUANT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH CP DEVELOPMENT CO., LP, SUBJECT TO THE APPROVAL FROM

THE AFFECTED CITY DEPARTMENTS AND MAYOR UNDER AND TO THE EXTENT REQUIRED BY THE ICA AND PLANNING COOPERATION AGREEMENT; HUNTERS POINT SHIPYARD AND BAYVIEW HUNTERS POINT PROJECT AREAS, BE ADOPTED.

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

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

Commissioner Ellington – yes
Commissioner Mondejar – absent
Vice-Chair Rosales – yes
Commissioner Singh – yes
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 4 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 2-2014, ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND CONDITIONALLY APPROVING SCHEMATIC DESIGNS FOR THE ALICE GRIFFITH HOUSING DEVELOPMENT BLOCKS 2 AND 4 PURSUANT TO THE CANDLESTICK POINT AND HUNTERS POINT SHIPYARD PHASE 2 DISPOSITION AND DEVELOPMENT AGREEMENT WITH CP DEVELOPMENT CO., LP; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Chair Johnson called for a five-minute recess.

- e) Authorizing a Phase II Rental Housing Disbursement Agreement with Hunters View Associates, L.P., a California limited partnership, and Hunters View Partners 2, L.P., a California limited partnership, in an aggregate amount not to exceed \$21,775,220 for the development of approximately 106 very low and low income rental units plus one manager's unit, pursuant to the Hunters View Phase II-III Rental Housing Loan Agreement, Middle Point and West Point Roads; Bayview Hunters Point Redevelopment Project Area; and, Authorizing a Replacement Housing Plan for 54 units planned for demolition in Phase II of the Hunters View Revitalization Project, for Hunters View housing development; Bayview Hunters Point Redevelopment Project Area. (Discussion and Action) (Resolution No. 3-2014)

Presenters: Tiffany Bohee, Executive Director; Pamela Sims, Project Manager, Mayor's Office of Housing and Community Development; George Bridges, Contract Compliance Specialist; Margaret Miller, The John Stewart Company; Catherine Etsel, The John Stewart Company

PUBLIC COMMENT

Jac Taliaferro, La'Hitz Media; Kathy Perry, YMCA; Vendell White, Hunters Point Mothers against Crime; Genese Hughes, Hunters Point Committee for Environmental Justice and Hunters View resident; Leo Otis Martin, Hunters Point Mothers & Fathers against Crime and Hunters View resident; Tessie Este, Hunters View resident; Reggie Higgins, Hunters View resident; Iose Julio, Hunters View resident; Dennis Lumsey, ABU; Ace Washington, San Francisco resident; Dr. Espinola Jackson, BVHP resident

Mr. Taliaferro stated that he is the owner of Alta Studios as well as La'Hitz Media and is hoping to be able to create and operate a media center at the Shipyard. He stated that he operated a media

workshop for students on one of the John Stewart properties for about a year, which offered film and media training to kids in the community, but that the John Stewart Company no longer allow his operation. Mr. Taliaferro stated that there was no respect for black entrepreneurship and was in support of more African American ownership of businesses at Candlestick. He felt that Candlestick could be turned into an entertainment center for concerts and soccer matches with African American ownership.

Ms. Perry stated that she was the Project Manager for Services at Hunters View and worked for the Bayview YMCA. She referred to Mr. Washington's comments and his research and historical data collection. She read a 1958 final location report for the Western Addition, which indicated that a site office was located there in 1958. Her point was that the same problems were still going on as existed back then. She was in support of this Phase II and urged its completion as soon as possible.

Ms. White stated that she was currently living in Phase I and spoke about the problems with her living conditions there. She asked about getting help fixing her apartment and wanted to know how the OCII intended on maintaining new buildings when they were not fixing what they had already built.

Ms. Hughes spoke about Hunters View and stated that they were tearing down a building right across the street and digging up toxic material. She stated that the workers doing the digging were wearing masks and goggles, but the residents living nearby had no protection.

Mr. Martin spoke in support of the rebuilding phase. He stated he is looking forward to moving into the new building. He requested that a medical facility and maintenance services be included on the premises as well as other local services so that residents would not have to leave their community to get the services they need.

Ms. Este urged the contractors and Development Team to construct better building than was constructed during Phase I. She stated Phase I buildings were falling apart. She stated that they needed to work with the residents for more community participation and better housing and information. Ms. Este announced a Health Fair that would be taking place on January 25th and invited everyone to Hunters View to participate.

Mr. Higgins stated that he had been working for a construction company that built Phase I along with Cahill Contractors and the John Stewart Company. He was in support of moving forward with Phase II.

Mr. Julio stated that he was one of the residents that had transitioned over to the new John Stewart location and that his house and the environment around it were very lovely. He indicated that his in-laws now living in a better and quieter neighborhood. He stated his belief that these new homes would provide families with a better homes, healthier life and hope for the future.

Mr. Lumsey stated that no one should reside in substandard housing, which contains asbestos. He indicated that he had moved into the new John Stewart property and had no complaints. Mr. Lumsey urged the Commission to move forward with Phase II and Phase III.

Mr. Washington stated that he was happy to announce that there was progress being made in the new project area because of the wraparound program. He suggested that surveys be distributed to residents to make sure they were satisfied before starting the next phase in the area. Mr.

Washington felt that Hunters View was one of the best programs in the area and gave the entire phase a good grade overall.

Dr. Jackson stated that it was the tenants who a long time ago brought the money into the area through three grants awarded to San Francisco. She was concerned that the City had this money for this long and has now decided to use it, along with the Hope Program money. Dr. Jackson reminded the Commission that tenants were supposed to have been trained to run the Phase I area, but Phase I was never finished and the City did not complete what they said they were going to do. She expressed concern over the fact that there was no compliance, that the buildings were leaking and the environment was still toxic.

Commissioner Ellington inquired (1) whether the replacement housing plan was one-to-one or whether there were additional units being built; (2) inquired as to whether public housing qualified as very low income; and (3) asked a John Stewart representative to address the concerns that they had heard from speakers regarding Phase I.

Executive Director Bohee responded in the affirmative that it was both one-to-one and additional units were being built.

Ms. Sims added that the total units developed in Phase II was 106 affordable with one manager's unit; 80 of those would be public housing replacement units and 26 would be the affordable tax credit units. To the question regarding very low income, she responded that up to 80% qualified as very low income and that residents would pay 30% of their income toward rent.

Chair Johnson noted that the state had challenged some of the bond proceeds which were part of the fund disbursement and asked the Executive Director for an update on this matter.

Executive Director Bohee responded that through the ROPS process, the state had challenged approximately \$3 million of the \$21 million as part of this resolution but was pleased to announce that after the meet and confer process, the state had dropped all challenges, so the full amount was expected to be expended through this disbursement agreement.

Commissioner Ellington inquired about whether there would be other disbursements coming from the OCII for future phases and inquired about what some of the other funding sources were.

Executive Director Bohee responded that overall Phase II loan amounted to about \$31 million and that this resolution covered \$21 million of that amount. She pointed out in the packet a list of other funds that would be brought to bear for future phases, including state, federal, city and other financing for Phase III. Ms. Bohee added that any future disbursements would be brought back before the Commission.

Chair Johnson stated that the 50% local hire rate goal was fantastic, but questioned the numbers so far because only 23,600 hours were actually worked out of the 440,000 hours that were goaled and inquired as to why there were so few hours.

Executive Director Bohee responded that the 23,600 hours related to Hunters View residents only, which was only a subset of the 21.5% Bayview total.

Chair Johnson then asked for clarification on her understanding that the 21.5% related to the 94124 Bayview zip code only and that the 23,600 hours were only for residents of that zip code.

Mr. Bridges responded that the number related to Hunters View residents only or 5%, so that 5% had worked the 23,600 hours.

Executive Director Bohee clarified that actual Hunters View residents had worked on 5% of construction hours, that Bayview residents had worked on 21.5% and San Franciscans had worked 50% of the hours on the Hunters View job. She added that these were excellent results and should be replicated throughout agency projects in the future as the standard.

Vice-Chair Rosales stated that she understood that 61% of the professional services providers and consultants were SBE's, of which 41.8% were San Francisco-based SBE's. Of that number, she understood that 9.1% were MBE's and 30% were WBE's. Ms Rosales inquired as to whether that meant that 30% were white women.

Ms. Sims responded that 30% were women of all ethnicities.

Vice-Chair Rosales inquired as to whether the 30% women of all ethnicities then were included in the 9.1% MBE.

Mr. Bridges asked John Stewart to follow his comments and agreed that this was a low percentage. He explained that of the 9.1% MBE's and the 30% WBE's, none were women of color and added that for the next phase and for future projects, they had been directed to increase diversity for the remaining consultants to 10%.

Ms. Etsel responded that in Phase I there were a couple of women-owned SBE's that were minorities and indicated that they wanted to improve that number in Phase II and were making a concerted effort to get as many MBE's & WBE's involved as possible.

Vice-Chair Rosales stated that it was her understanding that MBE and WBE percentages were part of the SBE number but not necessarily part of the 41.8% of San Francisco-based SBE numbers. She stated that she wanted to make sure there would be healthy representation of San Francisco-based businesses within the SBE pools. Ms. Rosales reported that issues had come to her from contractors based in the BVHP area who were minority, capable and available but who were not being used for Bayview Hunters Point projects.

Vice-Chair Rosales asked for confirmation of the subset numbers and that 30% of the total was the WBE's.

Mr. Bridges concurred. He explained that they do not double count minority and women. He added that there were two minority women who were counted into the minority category but they were not counted again in the WBE category.

Vice-Chair Rosales noted that 9.1% was a low number. She asked for confirmation that the MBE number was not just San Francisco-based but 9.1% of the entire pool.

Mr. Bridges responded that the majority of the MBE's were local businesses, which amounted to only two and which would represent \$373,013 of the \$4 million. He clarified that these percentages represented dollars, not people.

Vice-Chair Rosales inquired about the capable minority residents in the Bayview who were not being considered, even though they are working in other places in the City, as well as the fact that there was no outreach in the community.

Mr. Bridges agreed that this was a low number for minority participation with consultants and indicated that John Stewart had been notified to bring the numbers up. In future projects, the MBE & WBE participation would be reflective of most of the OCII projects.

Chair Johnson requested to see numbers of businesses in future presentations.

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

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

Commissioner Ellington – yes
Commissioner Mondejar – absent
Vice-Chair Rosales – yes
Commissioner Singh – yes
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 4 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 3-2014, AUTHORIZING A PHASE II RENTAL HOUSING DISBURSEMENT AGREEMENT WITH HUNTERS VIEW ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, AND HUNTERS VIEW PARTNERS 2, L.P., A CALIFORNIA LIMITED PARTNERSHIP, IN AN AGGREGATE AMOUNT NOT TO EXCEED \$21,775,220 FOR THE DEVELOPMENT OF APPROXIMATELY 106 VERY LOW AND LOW INCOME RENTAL UNITS PLUS ONE MANAGER'S UNIT, PURSUANT TO THE HUNTERS VIEW PHASE II-III RENTAL HOUSING LOAN AGREEMENT, MIDDLE POINT AND WEST POINT ROADS; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; AND, AUTHORIZING A REPLACEMENT HOUSING PLAN FOR 54 UNITS PLANNED FOR DEMOLITION IN PHASE II OF THE HUNTERS VIEW REVITALIZATION PROJECT, FOR HUNTERS VIEW HOUSING DEVELOPMENT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Chair Johnson directed staff to provide more detail on the SBE numbers on this project for the total project, a table with number of businesses, % of funding received and a break-out for SBE, MBE & WBE details to be used as a template going forward.

6. Public Comment on Non-agenda Items

Speaker: Oscar James, resident BVHP

Mr. James thanked the Commission for coming to the BVHP for this meeting and hoped that it was not the last meeting to be held there for this year. He stated that he wished KPOO could be present to air these meetings so the rest of the residents could hear the discussions.

7. Report of the Chair – None.

8. Report of the Executive Director

Executive Director Bohee announced that there were updates to the ROPS. She reported that the state had given a determination in late December on ROPS 13-14B and had dropped their objection to \$3 million for the Hunters View loan, had agreed to a reduction in bond fees and

property tax, and also agreed, as part of the Mission Bay transaction, that instead of requesting property tax to pay for bond team and other consultants, that money could come out of the bond proceeds. Ms. Bohee reported that the state continued to deny the \$1 million in property tax for 200 Sixth Street, the former Hugo Hotel, a 67-unit family housing development and that the property tax request was coming from the SB 2113 areas. She explained that the basis for denial was two-fold: 1) the OCII did not have a contract and 2) they felt the obligation (which she indicated was very specific and based on statute to remedy a specific harm) was part of the broad CRL housing obligations that had either been dissolved or transferred to a successor agency. Ms. Bohee assured the Commission that staff was still fighting to get the SB 2113 replacement housing dollars as part of the funding source and indicated that the State had agreed to continue to review the final and conclusive request. She confirmed that the denial on the specific ROPS did not have broader implications on the overall obligation. The state had no objection to the 5800 Carroll Avenue senior ground-lease and took it from the overall property management plan and also approved the Mission Bay bond request for \$70 million for new infrastructure bonds. Ms. Bohee indicated that follow-up steps would be presented at the next meeting.

9. Commissioners' Questions and Matters – None.

10. Closed Session

11. Adjournment

The meeting was adjourned by Chair Johnson at 7:55 p.m.

Respectfully submitted,

Natasha Jones

Natasha Jones, Interim Commission Secretary

ADOPTED.

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