

Edwin M. Lee
MAYOR



Mara Rosales
CHAIR

Miguel Bustos
Marily Mondejar
Leah Pimentel
Darshan Singh
COMMISSIONERS

Tiffany Bohee
EXECUTIVE DIRECTOR

101-0112016-002

Agenda Item **5(a)**
Meeting of February 16, 2016

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
17th DAY OF NOVEMBER 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 17th day of November 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 1:09 p.m. Roll call was taken.

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

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

2. Announcements

A. The next scheduled Commission meeting will be a regular meeting held on Tuesday, December 1, 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 August 18, 2015 and September 1, 2015
- b) Authorizing a third amendment to the legal services contract with the Thomas Law Group to increase the contract amount by \$100,000 for a total aggregate amount not to exceed \$250,000 (Action) (Resolution No. 73-2015)

PUBLIC COMMENT

Speaker: Shamann Walton, Executive Director, Young Community Developers (YCD) and Bayview resident

Mr. Walton wanted to speak about Item 5(d) but did not have time to stay for comment. Chair Rosales allowed him to speak on Item 5(d). He stated YCD had been able to place dozens of individuals directly on Shipyard projects. The Community Benefits Agreement (CBA) dollars they had received from Lennar for various Phase 1 DDA mitigation items allowed them to cover union dues and pay for drivers' licenses and restitution for members in the system. YCD provided training resources and stipends for certifications on lead and asbestos abatement, hazardous waste removal, OSHA safety, CPR, and other trainings, which helped prepare individuals for careers in the construction industry. He stressed their work with Lennar had made it possible for them to place individuals not only in the Shipyard but throughout the Bay Area. Mr. Walton reported YCD was a managing general partner along with AMCAL for Block 49, which was comprised of 60 affordable units at 50-60% AMI, scheduled for completion in April 2016. Without Lennar and CBA, this would not be possible.

Commissioner Bustos motioned to move Items 5(a) and Commissioner Pimentel seconded that motion.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT minutes for the regular meetings of August 18, 2015 and September 1, 2015 BE ADOPTED.

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

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO 73-2015, AUTHORIZING A THIRD AMENDMENT TO THE LEGAL SERVICES CONTRACT WITH THE THOMAS LAW GROUP TO INCREASE THE CONTRACT AMOUNT BY \$100,000 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$250,000, BE ADOPTED.

REGULAR AGENDA

- c) Authorizing a Memorandum of Understanding with the City and County of San Francisco Mayor's Office of Housing and Community Development to grant up to \$8,259,000 in Tax-Exempt Bond Proceeds, subject to approval by the Oversight Board and Department of Finance (Discussion and Action) (Resolution No. 74-2015)

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

PUBLIC COMMENT

Speaker: Sam Moss, Mission Housing Development Corporation (MHDC)

Mr. Moss was in support of this item and stated on behalf of MHDC, they supported using this money in the way it had been described in the presentation. Mr. Moss explained the majority of the properties were MHDC assets and were small sites which were purchased or inherited through public funds from the 1980's - 1990's and were in dire need of rehabilitation and modernization. He described a long-term concern of the City regarding the small sites program and long-term rehabilitation and upkeep and was pleased this money would update and modernize these older properties while keeping them affordable and in the high quality that the residents deserved.

Chair Rosales stated she was very pleased with the resolution and the direction of this item. She recalled the item had been a topic of discussion for a couple of years and was pleased OCII could grant the kind of support to the Mission District. Ms. Rosales added the City would apply its contracting and local hiring requirements to this work.

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

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO 74-2015, Authorizing a Memorandum of Understanding with the City and County of San Francisco Mayor's Office of Housing and Community Development to grant up to \$8,259,000 in Tax-Exempt Bond Proceeds, subject to approval by the Oversight Board and Department of Finance, BE ADOPTED.

- d) Workshop on the Community Benefits provided through the Hunters Point Shipyard Phase 1 and Candlestick Point/Hunters Point Shipyard Phase 2 Disposition and Development Agreements; Hunters Point Shipyard and Bayview Hunters Point Redevelopment Project Areas (Discussion)

Presenters: Tiffany Bohee, Executive Director, OCII; Tamsen Drew, Senior Project Manager, Hunters Point Shipyard/Candlestick Point Redevelopment Project, OCII; La Shon Walker, Community Relations Director, Lennar Urban; Raymond Lee, Contract Compliance Supervisor, OCII

PUBLIC COMMENT

Speakers: Gladys Harris, Co-founder and Executive Director, FranDelJA Enrichment Center ("Center"); Karen Bohalt Ortega, Mental Health Consultant, FranDelJA Enrichment Center; Jahaira Estrada, parent; Joniqua Smith, parent; Tarah Owen, parent; September Jarrett, Program Director, Mimi and Peter Haas Fund; Peter Varma, National Association of Minority Contractors; Melenik, Bayview Hunters Point ("BVHP") resident and housing advocate; Maria Luz Torre, parent; Jac Taliaferro, Lahitz TV Digital Media; Derf Butler, Owner, Butler Enterprises; Kathy Perry, community member; Arthur Washington, CEO, NORCAL FDC; Colin Hegarty, Compass Family Services; Shanna Trujillo, Townsend Management Inc.; Dr. Veronica Hunnicutt, Chair, Shipyard CAC; Dorris M. Vincent, Shipyard CAC and BVHP resident

Ms. Harris stated she grew up in what is now Alice Griffith and still lived in the community. She and her sister had always wanted to provide something for the children in the Bayview area. Sixteen years ago they worked with the City to build their Center, which provided quality infant, toddler and pre-school care to community families. Ms. Harris expressed concern that in September 2017 they would lose their playground due to redevelopment. This would put their operation at risk because they were required to have a playground. Ms. Harris stressed with all the new redevelopment plans in the area, there was no provision for childcare. She added that besides supporting families, FranDelJA also provided jobs for the community. Ms. Harris reminded OCII of a big ceremony which took place a few years ago in order to announce to Bayview residents that the new development would include a 10,000 square foot facility for childcare which FranDelJA would operate. That promise has not been kept. Ms. Harris read letters from parents commending the FranDelJA Center, teachers and staff. She asked OCII to help her in efforts to continue the services of their Center.

Ms. Ortega was recently informed of the impact Phase II of the redevelopment plans would have on FranDelJA and the community. During her time at the Center, Ms. Ortega reported she had witnessed the positive impact the Center's care had on children and families who might otherwise be at risk of violence, abuse and/or neglect. She stated the children at FranDelJA were offered a secure and nurturing environment. They had access to warm meals, books, learning interaction and a safe environment. Children were given a foundation for academic success and social and emotional growth and wellness. Ms. Ortega reported many of the FranDelJA families and staff lived in Alice Griffith and the nearby area and if the Center were forced to close down or move to another community, many families in the area would no longer have access to toddler and pre-school care. She urged Commissioners to allow the Center to continue its operations within the same area.

Ms. Estrada stated her son attended the FranDelJA Center and if the Center closed, it would create a major hardship and future uncertainty for her because it was very difficult to find childcare in the area.

Ms. Smith stated she was an employee of FranDelJA and that her child also attended the Center and urged Commissioners to help keep the Center in operation and continue to provide the neighborhood with quality childcare.

Ms. Owen stated she had two children attending FranDelJA and she is also an employee there. She recalled it took her two years to get her son into the Center because there had been a long waitlist. During that wait, she had to stay home with her son and was unable to work. Ms. Owen reported there was no other childcare facility nearby in their community and was concerned that if the Center closed, she would not only lose her childcare, but would also would lose her job. She asked Commissioners to help keep the Center in operation.

Ms. Jarrett stated the Fund, a family foundation formed in the 1980's, focused on high quality childcare for San Francisco's low income families. She wanted to highlight the grave oversight in the CBA dealing with childcare and early education, which had been completely overlooked. Ms. Jarrett reported that in the Bayview (BV), there were 574 subsidy-eligible low income families from area code 94124 on a waiting list for childcare. She also reported the BV had among the lowest rate of school readiness and children from that area entered kindergarten behind other children in terms of readiness. Ms. Jarrett stated data showed that high quality early learning was a sound social and economic investment, especially for the first years (0-5). It was estimated that for every dollar invested in high quality childcare, the public saved \$7+ in remedial education, welfare and incarceration. Data also showed if children were not served early on, the public paid for it later. Ms. Jarrett stated it was tragic that FranDelJA was now being threatened by redevelopment. She recalled the original plans did call for a new childcare center but those plans had been abandoned and 18 months later, there was still no resolution. Ms. Jarrett stressed this concern must be addressed and included in the development plans and asked OCII to take this situation under consideration.

Mr. Varma stated that his trade association was the only organization in the nation supporting minority contractors. He explained that CAP (Construction Assistance Program) was very helpful to local minority contractors, allowing them to grow their businesses, get assistance in bonding, insurance and financing and then, with that capacity building, be able to hire more people in the community. Mr. Varma stressed these kinds of programs needed to be continued so small contractors could grow bigger and hire more locals from within their community. He stated his organization worked in collaboration with Butler Enterprise, Lennar and OCII to come up with solutions to help not only minority contractors, but local suppliers as well. Mr. Varma recommended that the 20% goal for local suppliers be increased, so that small business suppliers could also grow. He was pleased with the overall results and hoped this progress would be able to continue.

Mr. Melenik thanked OCII for the presentation on the CBA. He was concerned the affordable housing development plan for the units at the Shipyard and Candlestick did not meet the requirements of the law, which he cited, and reported the percentage requirements for extremely low and very low income category were not included in OCII's planning strategies. He read from the Executive Summary the affordable portions were defined in the Phase I DDA as parcels to be retained by the agency and designated for affordable housing to be built by the Successor Agency.

Mr. Melenik stated the Phase I developer was required to give the Successor Agency at no cost one additional affordable housing parcel, Block 49, for the development of 60 affordable housing units and was required to finance the construction of those units. He noted the price range indicated in the notification for Block 49 excluded the extremely low and very low income categories and, therefore, denied those families access to these units. Mr. Melenik announced this was in violation of the legal requirements and he asserted he would fight this injustice.

Ms. Torre stated she was there in support of childcare in the Bayview. She had been informed there were no plans to include any quality childcare in the developer's plans or to move and keep FranDelJA within their neighborhood. This was a great concern to the community and was not acceptable. Ms. Torre reported there was a lack of childcare in the BV and taking care of the children was essential to the community. She requested OCII require the inclusion of childcare in these plans and also relocate FranDelJA within the community. Ms. Torre stated childcare kept children learning and parents earning.

Mr. Taliaferro stated his economic concerns in San Francisco primarily involved tourism and technology. He explained in 2001 his company proposed to gut out two buildings in the Shipyard at Hunters Point and create high level media production companies. Lennar shut them down, but they had seen that coming. He reminded Commissioners that media and entertainment companies need to grow as well. At a rally in the Mission recently Mr. Taliaferro reported he had learned there were over 3,000 homeless children in San Francisco, as counted by the school district, he inferred the number was probably more like 5,000, directly related to the cash flow of economics. He believed Lennar had not been dealing with them fairly or truthfully. Mr. Taliaferro requested a meeting with Lennar about the development of arts, media and entertainment in the Shipyard. He wanted Lennar to step up and include not only minority contractors but workers in his industry in their development plans.

Mr. Butler was there to speak on behalf of CAP at the Hunters Point Shipyard, which they operated, and was very proud of the work that has been completed at the Shipyard. He reported that since June 2013, they had held 22 workshops at the Shipyard, held 150 one-on-one counseling and technical assistance sessions helping people put together bids, held over 368 pre-bid meetings and provided outreach to make sure the entire community was aware of the opportunities. He reported that there had been over 550 drop-ins to the CAP office by contractors. Mr. Butler felt the numbers displayed by OCII staff were outstanding in terms of participation, community contractors and workers. He explained the first month on the job they had held an access-to-capital workshop which resulted in a detailed needs analysis which revealed that 90% of community contractors did not have the capability to finance the projects they were receiving. They brought in experts to help in financing and how to get pre-development money for the contractors. They had a team go door-to-door to sign up suppliers in their community. Mr. Butler wanted OCII to be aware of the aggressive positive effort being taken to make sure everyone in the community was not only informed but also participating in the project.

Ms. Perry had been following the CBA and the DDA's for this project. She explained she was currently working in media and had written an article about this item. She reported she had been a program director for Hunters View, which had a developer, but was a smaller project. She was aware of the challenges facing the developer as well as the City and wondered if, in this instance, it was the duty of the developer or the duty of the City to plan for ancillary services to the community, especially in light of the current FranDelJA situation. Ms. Perry stated CBA was the most comprehensive one she had ever seen. She explained the developer had to deal with finance and negotiation, which was very complex, and commended Lennar for their work given the restrictions put upon them. She asked OCII and Lennar to look at the workforce program in detail.

Mr. Washington stated his organization provided small business loans in San Francisco that currently had a state charter with a federal and state trust fund with a portfolio of 400 loans in California. He was concerned there was a deficiency with the minority community and women-owned businesses, especially contractors and restaurants. Mr. Washington explained that in order to be a part of CAP, they had to become very innovative and develop a financing program to allow contractors to get the financing to purchase equipment and hire employees. Initial assessment showed that 90% of the applicants would not qualify through bank lending; their program and CAP, had been able to provide these loans. Mr. Washington stated contractors represented the most natural way of being able to create employment for the community and provide good wages. He felt that although the program needed to be able to provide more technical support, it was an excellent program.

Mr. Hegarty was in support of the inclusion of FranDelJA in the BVHP plans and redevelopment. He stated his organization helped homeless and at-risk families find housing and self-sufficiency in the Tenderloin with focus on childcare and early education development. He explained his organization operated a program similar to the FranDelJA Center and understood the importance of having a childcare program in the BV. He reported the majority of their clients were minority women and single mothers, to abandon these women and children would be a great injustice. Mr. Hegarty urged OCII to include childcare and early education in their plans for this project.

Ms. Trujillo stated her company has been based in the Bayview since 2000 and management has participated in CAP workshops and provided services to Candlestick Point and Hunters Point projects, providing assistance to contractors for training and outreach. She believed this program was effective and helpful for all contractors.

Dr. Hunnicutt stated on behalf of the CAC, she has been advocating for development of the Shipyard for over 20 years. She was very pleased with Lennar's execution of the development and especially with the community benefits and assistance to community with obtaining jobs, preparation for home ownership and rental opportunities. Dr. Hunnicutt added that local CAP contractors often hire qualified local individuals from their community and for that reason, CAP was very effective. She was pleased the Shipyard artists would have a home, and that the BVHP community would receive funds from Lennar through the Legacy Foundation and the Small Business Assistance Program. She was also pleased with the Alice Griffith build-out. Dr. Hunnicutt noted OCII staff was working with Lennar to bring them into compliance and thanked Commissioners for moving this project forward.

Ms. Vincent stated the DDA was developed under Mayor Brown and she had been a part of that process. She admitted they had neglected the childcare item and took responsibility for that. In order to find a solution, they would now need participation from the community and had scheduled a meeting the following evening to share concerns and plans for childcare. She wanted to assure the public that childcare and the FranDelJA Center would not go away and that Ms. Walker (from Lennar) would not let that happen, but they needed to work on this item quickly.

Commissioner Bustos noted that in the presentation it was stated the developer was not in compliance with certain community benefits in the DDA. He also noted that staff was holding discussions with the Police Department, the Fire Department and Unified School District about programming public services on the Community Facilities Parcels. Mr. Bustos requested that one of the OCII Commissioners participate in these meetings and volunteered for this. He also noted the developer was not in compliance with the Small Business Program as far as publishing a directory of local suppliers through CAP. Mr. Bustos stated Lennar did not have time to wait and directed Ms. Walker to get this going quickly. The directory was crucial as it helped community members, both professional services and construction.

Ms. Walker responded that the directory in question was presently up and running and being disseminated. She pointed out that contractors had access to the directory once they signed contracts with Lennar. In conversations with the City and OCII, it had been noted they would like more frequent "Meet and greet" opportunities to bring contractors and suppliers together. Ms. Walker pointed out that they were responding to this request as well as adding professional services to the list of people who received the directory.

Commissioner Bustos requested OCII be invited to the "Meet and Greet" events. He added Lennar needed to do more because the African American population was decreasing in San Francisco. In order for this to stop they needed Lennar to get involved to stop this decline. Mr. Bustos suggested they get the BV and HP communities and other communities throughout the City to participate; however, he noted that other City partners needed to get involved as well, especially MOHCD and other City agencies.

Commissioner Singh inquired about what the difference was between before and now.

Ms. Drew inquired about whether Commissioner Singh was asking about compliance. She responded this was the first time they had done a comprehensive update on the Phase I and II CBA's and their implementation.

Commissioner Singh inquired about what still needed to be done.

Ms. Drew responded Lennar needed to come into compliance with the Small Business Programs stipulations, specifically the directory of local small businesses, quarterly workshops as well as requiring and tracking consultants and contractors to purchase 20% of the value of their Shipyard-related purchases from BVHP small businesses. This was not currently expressly required or tracked and needed to be implemented. Also, Ms. Drew explained Lennar still needed to provide additional funding for the job training and assistance program. They were supposed to spend \$2.2 million and to date have only spent \$1.8 million. She added Lennar also needed to comply with the outreach and status report provisions.

Commissioner Singh inquired about whether there was any provision for childcare.

Ms. Drew responded there was no childcare provision for Alice Griffith in Phase II or the Phase I development. She agreed there was a need for childcare and noted OCII had been meeting with FranDeJJA to find them a permanent location in Candlestick.

Commissioner Pimentel commented that childcare was critical because the average family spent more than half of their salary on childcare. She noted that parents on waiting lists for childcare were not able to work and ended up leaving the City. For that reason, it was very important that a childcare center be provided for these families. Ms. Pimentel inquired about what percentage of the Shipyard artists were local from the BV community; inquired about what the strategy was for increasing the number of women minority firms participating and bidding in this project; inquired about how comprehensive the outreach was in the community.

Ms. Drew responded she did not have the artist information at this time. However, STAR, the Shipyard Trust for the Arts, had done a survey of existing Shipyard artists and would get back with the information. She deferred to Ms. Walker for the second question.

Ms. Walker responded to Commissioner Singh's question regarding the job training shortfall. She explained that it amounted to \$475,000 and Lennar had a plan for acceleration of job training expenditures over the next two years. However, there had been no activity on the project from 2008 to 2012 and that was the reason for the shortfall. Regarding outreach, Ms. Walker explained Lennar had a robust outreach program and were always looking to enhance the program further. However, in terms of increasing the number of women into the program, they had not done anything that specifically targeted women. Ms. Walker read from a letter from one of the new home owners and distributed the letter to Commissioners. The letter stated the homeowner endorsed Lennar's Below Market Rate opportunity at the Shipyard. The homeowner had learned about the program from the City's MOHCD. Her rent had become unaffordable and had been looking for alternatives and reached out to SFHDC and participated in one of Lennar's home-buyer workshops, where she was helped with the application process. After she won the lottery, she stated that MOHCD staff helped her transition into her new home at the Shipyard.

They were now happy homeowners and had recently welcomed a new baby into the family. Ms. Walker announced that the HP Community website was now up and running, and included BMR information, construction updates environmental mitigation information as well as links to OCII's RFP page. She added they would continue to keep the information current.

Chair Rosales stated her business, which was certified as a local business, had received a notice of upcoming opportunities and were keeping her informed of updates. She inquired about compliance with the Core Community Benefits Agreement. Ms. Rosales noted Slide 10 displayed the total SBE's were 54.2% of achievement, of which San Francisco-based SBE's were 27.7%. She inquired what the 16.2% represented.

Ms. Drew deferred to Ms. Walker to answer the question.

Ms. Walker responded she was not prepared to speak about the Core Community Benefits Agreement, but explained the Implementation Committee had just recently created a brand new grant with expenditure for a rental assistance program.

Ms. Drew responded that of the total number of dollars, 16.2% were SBE's.

Mr. Lee clarified that the 16.2% was a subset of the San Francisco SBE's, so roughly 58% of all San Francisco business dollars were going to contractors in Bayview Hunters Point.

Chair Rosales inquired about whether the majority of that number consisted of minority business male-owned companies.

Mr. Lee responded the number represented the total of all contract dollars. He stated he could parse that information out just for BVHP.

Chair Rosales explained she would like to see that information not just for the district, but to be able to see a diverse pool of contractors from the district were receiving those dollars. She noted Slide 14 and its reference to technical and financial assistance. She inquired about the cash flow issue and whether the financial assistance listed in the slide was available to cover the cash flow problem.

Mr. Lee responded this was a mobilization fund that was capped at \$50,000 per recipient and added the majority of contractors that OCII met with were recipients of this fund. However, he added \$50,000 was not enough to cover contractor expenditures.

Chair Rosales inquired about whether there was any mechanism to shift money into the funds where it might be needed more.

Ms. Walker responded the mobilization fund was seeded at \$250,000 by Lennar through the Implementation Committee and because it was only a maximum of \$250,000, the loans were capped at \$50,000 maximum loan amount. She added Lennar was in the process of securing matching funds. Ms. Walker explained the initial construction activities were met with resistance by banks because of the risk involved. Lennar had responded to this setback with this seed money fund and were starting to get some commitments of matching funds with the objective of increasing the fund to \$1,000,000 and then be able to increase the loan amounts in the future.

Mr. Butler added in addition to the seed money, they had brought in a number of companies to talk to contractors about alternative financing with companies like Lending Club and On Deck and provided workshops with them. Mr. Butler stated they were advising contractors to not bite off more than they could chew. They recommended contractors do an analysis before they bid on the project in order to make sure of their financial position and thus be able to grow into the future with the proper financing, credit, etc. He explained they were trying to educate contractors on how much they would need for payroll, taxes, equipment, etc. in the short-term and the long-term.

Chair Rosales inquired about whether they match contractors of limited capacity with other contractors so they could joint venture; inquired about Slide 17 and inquired about who made the decision on the CBO's.

Mr. Butler responded in the affirmative and added they also talked to the primary contractor to get them to purchase the necessary materials to bridge the cost until the first payment was received. He added they usually tried to match limited capacity contractors with larger, stronger companies for best joint venture results. Mr. Butler stated this was a very tough industry to be successful in however, the opportunities are there and are great.

Ms. Drew responded the developer decided who the CBO's would be.

Chair Rosales inquired about the OCII Community Builder Program; inquired about whether OCII would consider this kind of model in their own housing portfolio development.

Ms. Drew responded OCII partnered with community based developers for the development of affordable housing. She explained they had already met the 300-unit requirement in the DDA but would continue with this as they moved forward in the development of their own stand-alone affordable housing in Candlestick and the Shipyard.

Executive Director Bohee responded there were two upcoming RFP's at Candlestick Point and as Lennar built out the urban retail, across the street there were mixed -income sites along with two 100% family affordable sites that would provide nearly 300 units of housing collectively. She explained that the intent is to issue one RFP, bring the terms of that RFP to the Commission, provide for community partners to be a part of the process and encourage the community-based partnerships in the same way.

Chair Rosales inquired about who had done the graphics for the African market places in Slide 28.

Ms. Vincent responded that it was an artist.

6. Public Comment on Non-agenda Items - None

7. Report of the Chair

Chair Rosales stated that she did not have a report.

8. Report of the Executive Director

Executive Director Bohee announced that the forward calendar had two more meetings in December.

9. Commissioners' Questions and Matters

Commissioner Singh announced that the Chronicle had published an article about the lottery system and the article indicated that there were many complaints from the African-American community about it.

Executive Director Bohee responded that the Board of Supervisors was currently considering neighborhood preference legislation. She explained that as discussed, OCII staff was reviewing the draft legislation in relationship to the existing project area and contractual housing preferences. Due to urban renewal, OCII contracts and agreements had a series of existing preferences which include: Certificates of Preference, Ellis Act displacement as well as preference for San Francisco residents and workers. She announced MOHCD would be reporting on this topic at an upcoming meeting, focusing on the Certificate of Preference program and resident demographic information on who was securing the affordable rents.

Chair Rosales recalled seeing a report about that when she started with OCII but had not received one since.

Commissioner Singh inquired about who ran the lottery.

Executive Director Bohee responded that the specifications of the selection process were put forth in the development agreements in the loans and OCII also contracted with the Mayor's Office of Housing and Community Development Program Director key staff to set up the lottery.

Chair Rosales requested they receive the next report from MOHCD regarding these issues.

Commissioner Pimentel stated she would like to attend the meeting with Lennar and the FranDeIJA Center and Compass Family Center. She stated she was hearing from many Hunters Point residents who were not aware they qualified for a Certificate of Preference and of the process to obtain and find the required documentation to be considered for the certificate. Ms. Pimentel stated she would like to know about their outreach process, their target audience, etc.; so community members could learn about these opportunities. She added she would like to see some highlighted case studies of individuals with successful outcome of the Certificates of Preference and how they achieved their

Chair Rosales commented there was an item on the Certificate of Preference program on the forward calendar.

Commissioner Bustos recalled they had discussed holding a workshop sponsored by OCII in the Bayview community to educate people on the Certificate of Preference program and help them with their credit, budget, and savings on how to be a homeowner, etc.

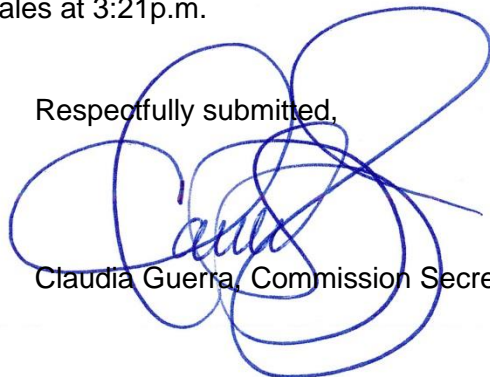
Chair Rosales stated MOHCD and the developers are currently sponsoring these types of housing readiness workshops.

10. Closed Session – None

11. Adjournment

The meeting was adjourned by Chair Rosales at 3:21p.m.

Respectfully submitted,



Claudia Guerra, Commission Secretary