

London N. Breed  
MAYOR



Bivett Brackett  
CHAIR

Alex Ludlum  
VICE-CHAIR

Vanessa Aquino  
Tamsen Drew  
Dr. Carolyn Ransom-Scott  
COMMISSIONERS

Thor Kaslofsky  
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  
15TH DAY OF AUGUST 2023**

The members of the Commission on Community Investment and Infrastructure of the City and County of San Francisco met in a regular meeting in person at 1:00 p.m. on the 15th day of August 2023.

**REMOTE ACCESS:**

**WATCH LIVE ON SFGOVTV:** <https://sfgovtv.org/ccii>

**PUBLIC COMMENT:**

Members of the public may provide public comment in-person at the noticed location or remotely via teleconference (detailed instructions available at: <https://sfocii.org/remote-meeting-information>). Members of the public may also submit their comments by email to: [commissionsecretary.ocii@sfgov.org](mailto:commissionsecretary.ocii@sfgov.org); all comments received will be made a part of the official record.

**INSTRUCTIONS FOR PUBLIC COMMENT:**

**DIAL:** 1-415-655-0001      **ENTER ACCESS CODE:** 2662 485 1232      **PRESS #**      **PRESS #**  
**again to enter the call. Press \*3 to submit your request to speak.**

**REGULAR MEETING AGENDA**

**1. Recognition of a Quorum**

Meeting was called to order at 1:00 p.m. by Vice-Chair Ludlum. Roll call was taken.

Commissioner Aquino - present  
Commissioner Drew - present  
Commissioner Scott - present  
Vice-Chair Ludlum - present  
Chair Brackett - absent

Chair Brackett arrived late; all other Commissioners were present.

**2. Announcements**

- a) The next regularly scheduled Commission meeting will be held **in person** on Tuesday, September 5, 2023 at 1:00 pm at City Hall in 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 from participants dialing in:**  
Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Commission adopts a shorter period on any item. We recommend that members of the public who are attending the meeting in person fill out a "Speaker Card" and submit the completed card to the Commission Secretary. All dial-in participants from the public will be instructed to call a toll-free number and use their touch-tone phones to provide any public comment. Audio prompts will signal to dial-in participants when their audio input has been enabled for commenting.

**PUBLIC COMMENT CALL-IN: 1-415-655-0001 ACCESS CODE: 2662 485 1232**

Secretary Nguyen read the updated instructions for the public to call in.

- 3. Report on actions taken at previous Closed Session meeting - None**
- 4. Matters of Unfinished Business - None**
- 5. Matters of New Business:**

**CONSENT AGENDA - None**

**REGULAR AGENDA**

**Agenda Item Nos. 5(a) through 5(c) related to Transbay Block 2 East were presented together but acted on separately**

- a) Authorizing the commitment of permanent gap loan funds in an amount of approximately \$61,961,845 to Transbay 2 Family, L.P., a California Limited Partnership, for the development of 184 affordable rental housing units (including two manager's units) at Transbay Block 2 East; and providing notice that this action is within the scope of the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project Final Environmental Impact Statement/Environmental Impact Report, a Program EIR, and is adequately described therein for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 24-2023)
- b) Authorizing a First Amendment to the Predevelopment Loan Agreement with Transbay 2 Family, L.P., a California Limited Partnership, to increase the loan amount by \$4,500,000, for a total aggregate loan amount of \$8,000,000 for the development of 184 affordable rental housing units (including two manager's units), a child care facility space, and retail space at Transbay Block 2 East; and, providing notice that this action is within the scope of the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project Final Environmental Impact Statement/Environmental Impact Report, a Program EIR, and is adequately described therein for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 25-2023)

- c) Authorizing a Horizontal Ground Lease with Transbay 2 Family LLC, a California Limited Liability Company, to facilitate and fund, in an amount not to exceed \$2,333,653, site work on Transbay Block 2 to prepare for the construction of 335 affordable rental units in two projects, one at Transbay Block 2 East for 184 affordable rental housing units and one at Transbay Block 2 West for 151 affordable rental housing units; and providing notice that this action is within the scope of the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project Final Environmental Impact Statement/Environmental Impact Report, a Program EIR, and is adequately described therein for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 26-2023)

Presenters: Thor Kaslofsky, Executive Director; Kim Obstfeld, Senior Development Specialist, Housing Division; Pamela Sims, Senior Development Specialist, Housing Division; Michael Kaplan, Mercy Housing

## **PUBLIC COMMENT**

Speaker: Oscar James, native resident Bayview Hunters Point (BVHP)

Mr. James stated that he was in favor of this project. He expressed concern about Certificate of Preference (COP) holders in the Western Addition and Hunters Point and wanted assurance that these people would have priority in securing the units held under this project. Mr. James also expressed concern about former inmates who were holding certificates and asked that the agency contact probation offices so that they could contact the certificate holders just released from prison and help them move forward to secure housing.

Vice-Chair Ludlum asked that staff address Mr. James' concerns regarding COP holders and whether there were specific policies regarding previously incarcerated individuals.

Ms. Sims responded that all COP holders within the OCII affordable housing projects would receive first priority, including descendants of the original holders. She acknowledged that the previously incarcerated was not a preference status that is used to lease-up affordable housing units but she stated that she had made note of this and would bring it back to MOHCD to discuss whether they might qualify for other preferences.

Executive Director Kaslofsky clarified that there was no higher preference than a COP holder, so an individual who was previously incarcerated or not would have equal preference.

Commissioner Scott inquired about whether notice could be sent out to all facilities dealing with the previously incarcerated.

Ms. Sims asked for clarification about what facilities specifically she was referring to.

Commissioner Scott responded that they should address them all: jails, prisons, treatment centers, etc. and let them know that the COP program included ex-offenders. She noted that there were other City housing programs for ex-offenders and indicated that George Davis was one of the organizations that helped with housing and jobs.

Ms. Sims stated that she would take this information back to the Mayor's Office.

Executive Director Kaslofsky pointed out that in the presentation it was stated that there was an affirmative marketing period for COP holders, which was an advanced outreach timeframe ahead of the housing construction to give advanced time to COP holders. That process involved different outreach organizations in the community (CBO's), which were certified to offer housing counseling and outreach, so there was a vast communication network of housing opportunities, in particular for Transbay (TB) Block 2. He emphasized Ms. Sims' statement that the communication would go far and wide.

Commissioner Aquino was very pleased with this housing project. She referred to the "surprising fees" and inquired about whether they were always reserved, how much was allocated for them and whether they had a budget or limit.

Ms. Obstfeld responded that the surprising fees were not a surprise, but rather were part of every project budget. She explained that in this instance they were requesting that they be moved from the larger permanent tranche of residential funding to be funded instead during the predevelopment period. The fees comprised approximately \$1 million and were City fees typical to all OCII construction projects. Given the complexity of this site and the challenges of the location and building type, which is a midrise, and not typical for OCII, they wanted to pay it earlier than is typical. The fees are due upon issuance of the first addendum, which was the rough grade and foundation permit. Ms. Obstfeld reported that paying these fees early would allow OCII to get deeper into the permit process prior to closing on construction financing and to formally start on the vertical construction.

Commissioner Aquino also asked for consideration for transitional youth who were those coming from group homes and foster care, because they were on their own once they turned 18 years old. She stressed that services for transitional youth were greatly needed. Ms. Aquino also listed other districts within the City that needed special attention.

Ms. Obstfeld responded that 40 units had been put aside for formerly homeless households and explained that those individuals would be referred to the site by the City's Department of Homelessness and Supportive Housing (DHS) through the coordinated entry program. She clarified that currently they were targeting those units for families and added that an adult with child would be a good fit for this program. Ms. Obstfeld clarified that they did not have a preference for single transitional age youth and that group was not currently being targeted for this housing. However, she pointed out that they could potentially be eligible for this housing and stated she would discuss this further with DHS. Ms. Obstfeld also confirmed that the second priority following COP holders were those eligible for displaced tenant housing preference.

Chair Brackett pointed out that there would be parking for 96 bicycles but no residential car parking in either development. She noted that there was going to be an elderly population housed here that usually used vans for transportation and there would be no on-street parking or stopping. She inquired about what was being designed into this project to support the parking issue. She was also concerned about the ADA for the elderly. She noted that elderly sometimes have problems getting to their doctor appointments and wanted to hear more about services for the elderly.

Ms. Obstfeld acknowledged that there was no car parking on the site and they were aware of that going in due to the challenges and cost of construction and the constraints of the site. However, she revealed that the site was extremely well-served (the "best-served") by public transportation and as part of the grant that the project had applied for, residents would receive free vouchers for public transit so they would have unlimited access to public transit. Ms. Obstfeld reported that staff would be available to help them work through this process. She deferred to Mercy Housing for more detail on this issue.

Mr. Kaplan stated that when they began their marketing, it would be clear that there would be no parking on site. He explained that it was very difficult to street park in that neighborhood and the garages in the area were expensive, so this fact would be made very clear so those interested so that they could make the proper decisions about their housing. Those that decided to live there would have access to public transit with the free transit passes. Also, car share and bike share services would be available. Resident services would be provided on site for those with disabilities so they could be connected to paratransit services. Mr. Kaplan stated that a food bank would also deliver to the site once or twice a week.

Executive Director Kaslofsky asked Mr. Kaplan to discuss drop-off areas and loading zones.

Mr. Kaplan explained that there would be loading on all three sides of the property. Pick-up and drop-off for childcare would be on the Clementina side and there would be a white zone pick-up and drop-off area for residents on Folsom. The commercial loading zone would be on Main Street and the same for TB Block 2 West. He added that much investment had been made in bike infrastructure for bike lane improvements.

Chair Brackett referred to the application process and inquired, in particular, about background checks and restrictions because of certain types of offenses.

Ms. Obstfeld responded that as part of the marketing plan, the team would submit a tenant selection plan which would clearly articulate any anticipated background or credit checks as well as any findings that might determine that an applicant was ineligible. She explained that for a family project, these were usually limited; however, there were disqualifying factors and certain offenses that would disqualify an applicant from, for example, living near small children. To the extent that offenses were identified in a criminal background check, the on-site service would be able to help that applicant find housing in a different location. She deferred to Mr. Kaplan for more information on that matter.

Mr. Kaplan stated that there were certain violent crime/felony/sexual criminal activity that would screen out potential applicants. But for the most part, their intent was to screen people in, rather than out. On-site service would try to help someone with lease violations to get housing and work through those violations.

Chair Brackett inquired about the specific types of violent crime that would disqualify an applicant.

Ms. Sims responded that, when they reviewed the marketing and tenant selection plan, they had to assure compliance with the Fair Chance Ordinance (Police Code Article 49). The offenses that were most troubling to property management were arson and pedophilia (especially in a family building) as well as robbery.

Misdemeanors were not a prohibitive crime. She stated that she would supply a list of specific crimes for Commissioners.

Chair Brackett replied that this was something they should discuss because this issue had come up several times over the years past. She referred to the subject of credit in the application process and inquired about whether MOHCD had done anything to make it easier for applicants to get housing even if they had some credit problems.

Ms. Sims responded that things had progressed since she had been working with MOHCD. They started out with the requirement that applicants had to be making 2.5x the rent amount and subsequently, this had been lowered to 2x. Also, in 100% affordable housing, they have now prohibited the use of credit scores and ratings in the selection process and stated that in the last couple of marketing reports, she had not seen any denials based on credit. So, they were making some progress on this issue.

Chair Brackett thanked staff for all the work they had been doing in becoming more inclusive and trying to bring people into their properties.

Commissioner Scott referred to organizations that helped with the first and last month rent and inquired if there was a list of those organizations that OCII could send to others that supported those agencies.

Ms. Sims replied that when individuals applied for affordable housing on DAHLIA, they were directed to work with a housing counselor. She explained that they had non-profits that worked with the housing counseling agency which was a panel that worked with MOHCD and entered into an MOU providing outreach and workshops. They also addressed any money or credit matters and helped with the application process to answer questions about the building or site or other matters. Ms. Sims stated they work with the MOHCD list of approved organizations.

Commissioner Aquino referred to parking and inquired about providing shuttles to take children to school.

Chair Brackett responded that with regard to public schools, the school site must request a yellow school bus for pick-up at that site, which was done only on an as-needed basis and depended on how many children would be picked up and whether they had a route in that area. She explained that the only exception to this would be if the child was a special education student, in which case they would have to do a pick-up.

Commissioner Scott motioned to move Item 5(a) and Commissioner Aquino seconded that motion.

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

Commissioner Aquino - yes  
Commissioner Drew - yes  
Commissioner Scott - yes  
Vice-Chair Ludlum - yes  
Chair Brackett - yes

**ADOPTION:** IT WAS VOTED BY FIVE COMMISSIONERS THAT RESOLUTION NO. 24-2023, AUTHORIZING THE COMMITMENT OF PERMANENT GAP LOAN FUNDS IN AN AMOUNT OF APPROXIMATELY \$61,961,845 TO TRANSBAY 2 FAMILY, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR THE DEVELOPMENT OF 184 AFFORDABLE RENTAL HOUSING UNITS (INCLUDING TWO MANAGER'S UNITS) AT TRANSBAY BLOCK 2 EAST; AND PROVIDING NOTICE THAT THIS ACTION IS WITHIN THE SCOPE OF THE TRANSBAY TERMINAL/CALTRAIN DOWNTOWN EXTENSION/REDEVELOPMENT PROJECT FINAL ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT, A PROGRAM EIR, AND IS ADEQUATELY DESCRIBED THEREIN FOR PURPOSES OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Commissioner Scott motioned to move Item 5(b) and Commissioner Drew seconded that motion.

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

Commissioner Aquino – yes

Commissioner Drew - yes

Commissioner Scott - yes

Vice-Chair Ludlum - yes

Chair Brackett – yes

**ADOPTION:** IT WAS VOTED BY FIVE COMMISSIONERS THAT RESOLUTION No. 25-2023, AUTHORIZING A FIRST AMENDMENT TO THE PREDEVELOPMENT LOAN AGREEMENT WITH TRANSBAY 2 FAMILY, L.P., A CALIFORNIA LIMITED PARTNERSHIP, TO INCREASE THE LOAN AMOUNT BY \$4,500,000, FOR A TOTAL AGGREGATE LOAN AMOUNT OF \$8,000,000 FOR THE DEVELOPMENT OF 184 AFFORDABLE RENTAL HOUSING UNITS (INCLUDING TWO MANAGER'S UNITS), A CHILD CARE FACILITY SPACE, AND RETAIL SPACE AT TRANSBAY BLOCK 2 EAST; AND, PROVIDING NOTICE THAT THIS ACTION IS WITHIN THE SCOPE OF THE TRANSBAY TERMINAL/CALTRAIN DOWNTOWN EXTENSION/REDEVELOPMENT PROJECT FINAL ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT, A PROGRAM EIR, AND IS ADEQUATELY DESCRIBED THEREIN FOR PURPOSES OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

Commissioner Scott motioned to move Item 5(c) and Commissioner Aquino seconded that motion.

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

Commissioner Aquino – yes

Commissioner Drew - yes

Commissioner Scott - yes

Vice-Chair Ludlum - yes

Chair Brackett – yes

**ADOPTION:** IT WAS VOTED BY FIVE COMMISSIONERS THAT RESOLUTION No. 26-2023, AUTHORIZING A HORIZONTAL GROUND LEASE WITH TRANSBAY 2 FAMILY LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO FACILITATE AND FUND, IN AN AMOUNT NOT TO EXCEED \$2,333,653, SITE WORK ON TRANSBAY BLOCK 2 TO PREPARE FOR THE CONSTRUCTION OF 335 AFFORDABLE RENTAL UNITS IN TWO PROJECTS, ONE AT TRANSBAY BLOCK 2 EAST FOR 184 AFFORDABLE RENTAL HOUSING UNITS AND ONE AT TRANSBAY BLOCK 2 WEST FOR 151 AFFORDABLE RENTAL HOUSING UNITS; AND PROVIDING NOTICE THAT THIS ACTION IS WITHIN THE SCOPE OF THE TRANSBAY TERMINAL/CALTRAIN DOWNTOWN EXTENSION/REDEVELOPMENT PROJECT FINAL ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT, A PROGRAM EIR, AND IS ADEQUATELY DESCRIBED THEREIN FOR PURPOSES OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

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

Speaker: Oscar James, representative of BVHP

Mr. James praised the Commissioners for dedicating their time to help the community and youth so that they could function as a part of the City. He mentioned that he had conducted a presentation on the history of BVHP going back to the 50's and talked about how the community had benefited in recent years from OCII activities. He thanked Commissioners for coming out to hear his talk and for their support.

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

Chair Brackett stated that she would reserve her report for the next meeting.

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

Executive Director Kaslofsky had two updates: one on the replacement housing legislation SB 593, introduced by Senator Wiener in February 2023. Mr. Kaslofsky reported that this legislation had passed through the State House and Senate and if the vote went through in the full Assembly, they expected this legislation would be on the Governor's desk within the next month. He specifically thanked Mattie Scott, President of the Freedom West Homes Board of Directors; Dr. Veronica Hunnicutt, Chair CAC, Hunters Point Shipyard; Jim Morales, OCII General Counsel and Deputy Director; Elizabeth Colomello, OCII; Housing Program Manager John Daigle, Debt Manager; Mina Yu, OCII Budget and Project Finance Manager; and Rosa Torres, OCII Deputy Director, Finance for their work on this issue.

The other update was on the affordable housing project in Mission Bay (MB), Block 9 project, which was comprised of 140 units of supportive housing for the formerly homeless. Mr. Kaslofsky reported that this project had won the Americas Awards for Excellence from the Urban Land Institute (ULI). He directed Ms. Obstfeld to give an update on this event.

Ms. Obstfeld was pleased to announce that the MB South Block 9 "HomeRise at Mission Bay" was named recipient of the ULI for Excellence in 2023. She described the project as well as the award and shared recent images of the project.

Commissioner Aquino stated that she had ridden her bike through the area recently and applauded everyone's efforts in this project.



**PUBLIC COMMENT - None**

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

Commissioner Aquino stated that she recently attended the affordable housing event at the SE Community Center in the Bayview district to hear a panel discussion on City housing matters. She reported that Senator Scott Wiener and others named attended as panelists and spoke about the shortage of housing and affordable housing, the goal to build 82,000 homes in the next 8 years, and the funding required and obstacles. One panelist who was a community leader provided insight about how important housing was for all and to not judge any individuals. Ms. Aquino was pleased that this event showed that housing was becoming a top priority in San Francisco.

Commissioner Scott stated that this discussion took her back to the time when Commissioners went as a group on tour to MB and there were different speakers regarding housing. Ms. Scott recalled that this event was so significant because of the churches and organizations that had attended to take the tour and participate in this issue. She stressed that taking the tours was very important and made a great impression on people and organizations and was a great way to get people involved.

Commissioner Drew thanked Executive Director Kaslofsky for updating Commissioners on the MB South Block 9 award. She stated that this was very special because ULI was such a well-respected organization and that this spoke volumes about the quality of work that OCII was performing. She congratulated the team for their hard work on this project.

Chair Brackett referred to the fact that only 3% of COP holders were actually getting any housing and inquired about how they could ensure that more COP holders and those who were actually displaced would receive this housing instead of it going to applicants through the normal MOHCD process. She thanked OCII staff for their hard work, especially for continuing to work for development during and since the pandemic.

Executive Director Kaslofsky stated that it would be premature to comment on how they would build that housing. He stated that there were about 2.5 acres in MB, the last developable affordable parcels in MB, which could be primary focus for use of replacement housing. He stated that there were other areas of interest as well, such as the Western Addition, which was where some of the displacement took place. Mr. Kaslofsky reported that they had already started much of the policy work on this issue and when they had an outline of it, he would like to share it with Commissioners. He emphasized that COP holders were the first priority for housing and they would continue the strong outreach efforts to reach those displaced.

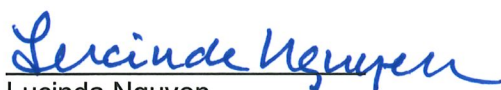
**10. Closed Session - None**

## **11. Adjournment**

Commissioner Scott motioned to adjourn and Commissioner Drew seconded that motion.

Chair Brackett adjourned the meeting at 2:09 p.m.

Respectfully submitted,



Lucinda Nguyen  
Acting Commission Secretary