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**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
21ST DAY OF APRIL 2009**

The Commissioners of the Redevelopment Agency 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 4:00 p.m. on the 21ST day of April 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly-noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President
Rick Swig, Vice President
London Breed
Linda Cheu
Leroy King
Darshan Singh

And the following were absent:

Francee Covington – arrived at 4:05

Fred Blackwell, Executive Director, and staff members were also present.

2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY. No Reportable Action.

3. MATTERS OF UNFINISHED BUSINESS. None.

4. **MATTERS OF NEW BUSINESS:**

CONSENT AGENDA

- (a) Approval of Minutes: Meeting of April 7, 2009.
- (b) Resolution No. 37-2009, Amending the Model Block Rehabilitation Loan Program to clarify the allowable use of loan funds, establish asset eligibility criteria, and raise the maximum eligible income to 120% of Area Median Income; Bayview Hunters Point Redevelopment Project Area.
- (c) Resolution No. 38-2009, Authorizing a Second Amendment to the Exclusive Negotiations Agreement with Michael Simmons Property Development, Inc., a California Corporation, to extend the term 14 months from May 8, 2009 to July 8, 2010, for the development of 32 low- and moderate- income first-time homebuyer housing units at 1345 Turk Street; Citywide Tax Increment Housing Program.

President Romero pulled Agenda Item 4(c) from Consent due to public comment.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. CHEU, AND UNANIMOUSLY CARRIED (WITH MR. SINGH ABSTAINING FROM THE APRIL 7, 2009 MINUTES), THAT THE MINUTES FROM THE REGULAR APRIL 7, 2009; AND, RESOLUTION NO. 37-2009, AMENDING THE MODEL BLOCK REHABILITATION LOAN PROGRAM TO CLARIFY THE ALLOWABLE USE OF LOAN FUNDS, ESTABLISH ASSET ELIGIBILITY CRITERIA, AND RAISE THE MAXIMUM ELIGIBLE INCOME TO 120% OF AREA MEDIAN INCOME; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

- (c) Resolution No. 38-2009, Authorizing a Second Amendment to the Exclusive Negotiations Agreement with Michael Simmons Property Development, Inc., a California Corporation, to extend the term 14 months from May 8, 2009 to July 8, 2010, for the development of 32 low- and moderate- income first-time homebuyer housing units at 1345 Turk Street; Citywide Tax Increment Housing Program.

Presenter: Michele Davis, Agency Staff

Speakers: Ace Washington, Randall Evans

Commissioner Covington asked what the nature of the 14 month delay was.

Ms. Davis stated that the developer had completed the process on the schematic drawings and unbeknownst to anyone, they did not know there was going to be a significant change on the adjacent property that was going to impact the 1345 Development. Ms. Davis indicated that the design of the podium level garage being a very expensive proposition, the thought was that it would be best to scale back the garage to the needs of the development given there is parking in the neighboring area for the ultimate reuse for the substation. Ms. Davis stated that the extension was also an opportunity to look at ways of making the project more sustainable for the community.

Commissioner Covington stated her support of the project and made a motion to move the item?

Commissioner Swig seconded the motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 38-2009, AUTHORIZING A SECOND AMENDMENT TO THE EXCLUSIVE NEGOTIATIONS AGREEMENT WITH MICHAEL SIMMONS PROPERTY DEVELOPMENT, INC., A CALIFORNIA CORPORATION, TO EXTEND THE TERM 14 MONTHS FROM MAY 8, 2009 TO JULY 8, 2010, FOR THE DEVELOPMENT OF 32 LOW- AND MODERATE- INCOME FIRST-TIME HOMEBUYER HOUSING UNITS AT 1345 TURK STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM.

- (d) Resolution No. 39-2009, Approving the proposed budget for the period July 1, 2009 through June 30, 2010 and authorizing the Executive Director to submit the Budget to the Mayor's Office.

Presenter: Amy Lee, Agency Staff

Speakers: Helen Sause, Ace Washington

Commissioner Covington asked for more detail on the general fund request.

Ms. Lee indicated that supplemental appropriations were done where the Agency took over some funding from the Mayor's Office of Housing and used Bond proceeds (Tax Increment) which relieved the General Fund liability of funding those projects; where there is savings and where appropriate, consistent with the California Redevelopment Law. Ms. Lee stated that there has been communications with the Mayor's Office to see if it is appropriate use of Redevelopment Funds to fund some general fund activity or projects that could minimize the General Fund.

Commissioner Covington stated that she was glad to see additional funds added for workforce development for the Bayview. Ms. Covington asked for additional information on the feasibility study and the cost of the study.

Mr. Stephen Maduli-Williams stated that the new tax market credit is a program run out of the US Dept. of Treasury; the program is a tax credit that is available for investors who invest in low income rural areas and urban cities throughout the country. The program has been in effect for five years, similar to the low income housing tax credit. Staff has been in discussions with the Mayor's Office about doing a joint application which would result in \$100M in tax credits which would generate about \$67M in cash to invest in low income areas throughout San Francisco. Mr. Maduli-Williams stated that it would entail creating a non-profit subsidiary to manage and apply for the credits. The first step would be whether this is something the Agency would like to do, the second step would be to prepare a workshop for the Commission to discuss both the risks and rewards related to a new market tax credit application. The application would be termed a citywide application which has been done by a few cities around the country. The \$100,000 is for the cost of a consultant to prepare the application. Mr. Maduli-Williams indicated that it would be early spring of 2010 if the Agency were to apply; the next round of tax credits that would potentially become available would be \$5Billion.

Commissioner Covington made a motion to adopt the budget as submitted.

Commissioner Breed stated that she had two concerns on the budget, one of which is the website development cost; was the cost based on a quote and how much was previously spent on the development of the website.

Ms. Lee stated that the cost for the website is a temporary placeholder. Ms. Lee stated that she would provide the Commission with the cost of how much funds were previously spent in developing the website. Ms. Breed seconded the motion with the understanding that staff will come back with their recommendation on who will develop the website.

Commissioner Breed's second concern was the Trust which, at the last meeting, she proposed to look into three options and how to move forward. Ms. Breed stated that the money which has been budgeted specifically to explore the trust is a concern to her; it was her understanding that it was not money just to explore the trust, there were other options to explore, and it should not be specific to the Trust. Ms. Breed stated it should be specified as exploration of options for Yerba Buena Center/Area. Commissioner Breed stated that she had a problem with the particular language under the staff summary on page 10. Ms. Breed yielded the issue to Commissioner Swig with his recommendation.

Commissioner Swig stated that he agreed with Ms. Breed, suggested that on page 10, paragraph 3, the subject matter under Operating Trust; suggested the word Trust be explored because it is prejudicial to the process which needs to be open ended. Mr. Swig suggested that the language be replaced as "Yerba Buena long term management alternative" as the paragraph area, and in line 8, end of the words including "the possible establishment of a separate quasi public Yerba Buena Trust", Mr. Swig asked that those words be scratched because it is then

not perceived; the options would remain wide open to many alternatives and still planning for the long term.

Ms. Neches stated that Mr. Swig's suggested changes would be incorporated into the summary.

Commissioner Breed supported Mr. Swig's suggested changes, and asked staff to make those changes, not just exploring the Trust, but to look into whether or not there be a Trust, whether there is an alternative, and whether the option is to maintain as is – whether that is an option and why is that or is not an option. Ms. Breed asked that staff work with the Yerba Buena community in coming up with the best solution and communicating openly with them on the possibilities.

Commissioner Covington stated point of information – a motion is on the floor – asked if Commissioner Swig, in cooperation with Commissioner Breed, was he proposing a friendly amendment, and if so, is it entertained at this time or at a later time.

President Romero stated that he was going to ask General Counsel Morales if the Commission had to make the changes by way of a motion to amend. Mr. Romero stated it is not a resolution but a budget document.

General Counsel Morales stated that if the maker of the motion agrees to accept the changes as a friendly amendment, and everyone is in agreement to move forward, then the motion to amend would go forward.

Commissioner Covington stated that she accepts the amendment and asked for another reading of Commissioner Swig's proposed language.

Commissioner Swig stated that he proposes on page 10, paragraph 3, that the headlines stating "Yerba Buena Operating Trust", be changed to "Yerba Buena long term management alternative", and furthermore, on line 7, the language "including the possible establishment of a separate quasi public Yerba Buena Trust," be stricken.

Commissioner Covington accepted the friendly amendment.

Commissioner Breed also accepted the friendly amendment.

Commissioner Singh asked if \$3.5M is being requested for the Yerba Buena Trust.

Ms. Neches stated that the \$3.5M is unrelated to the long term management structure; the agency maintains reserve balances within the Yerba Buena system for both operating and capital reserves. The long term projections of the capital reserve account shows that it will run into short falls in a number of years. Ms. Neches stated that four years ago the Commission, working with the City, replenished the capital account balance with tax increment bonds from Yerba

Minutes of a Regular Meeting, April 21, 2009

Buena, which is being proposed this year that a portion of the tax increment bonds from the Yerba Buena Project Area be used to help replenish the capital account to ensure that the Agency is able to maintain the public facilities in Yerba Buena in the coming years.

Commissioner Singh asked if the Agency would have any jurisdiction over Yerba Buena in 2010.

Ms. Neches stated that the Yerba Buena redevelopment plan expires January 1, 2010; the Agency's land use jurisdiction will end at that point but will continue to own and operate the income producing assets and the public facilities.

Commissioner Singh asked what the Agency's obligations would be after January 1, 2010.

Ms. Neches stated that the Agency owns property in Yerba Buena, both the Esplanade and the Children's Rooftop Gardens, the land under the Metreon and the Marriott, and various other income producing property. Ms. Neches indicated that within the Yerba Buena separate account system, the Agency would continue to own and manage those assets, continue to collect the rents, and the exaction payments from the agreements which are then used for the operations of Yerba Buena Gardens, and fund the cultural facilities of the Yerba Buena Center for the Arts, Zeum, and the Arts and Entertainments programming in the Gardens.

Commissioner Singh asked how many Agency employees work for the Yerba Buena Center Project.

Ms. Neches stated presently, she works half time on Yerba Buena, an Assistant Project Manager primarily managing the gardens and other facilities in the area, members of real estate staff involved in the management of the income producing assets, administrative overhead, and finance staff.

Commissioner Cheu asked, in reference to the general fund, if there was any sense of what areas may be affected and substantial differences in the budget.

Ms. Lee stated that there may be substantial changes in where the Agency may be asked to take on previously funded projects that were funded by the General Fund that the Agency can appropriately, in compliance with the CRL, fund. Ms. Lee indicated that the Agency may be asked to reduce the impact to the General Fund; the current budget affects the general fund by an additional \$6M from the previous year.

Director Blackwell stated that last year Ms. Lee mentioned the Agency would be taking on certain housing projects that were in the pipeline that were either funded through the hotel tax or general fund; a list was provided then. Mr. Blackwell stated that most likely a list would again be provided with a list of housing projects but also infrastructure, and capital projects as well. Mr.

Blackwell stated that if there were substantial changes to the budget, staff would come back to the Commission before submitting the budget to the Board of Supervisors.

Commissioner Cheu asked, in reference to workforce development, and the issue of the lack of infrastructure to spend the funds, could the funds be used to develop the workforce development infrastructure.

Director Blackwell stated that the Agency plans on working closely with the City family on workforce development issues. CRL requires that the Agency spend Redevelopment money to focus on the employment pieces that relate to physical construction; the notion of the Agency providing capacity building grants is off limits when it comes to CRL. Director Blackwell indicated that the CDBG program with respect to Workforce Development and other flexible funding sources can be used that way, and anticipates working in tandem with the City family to make sure, collectively, to look at the investment of workforce development, and align different workforce development funding strategies with appropriate funding.

Commissioner Swig inquired why the growth as noted on page 67 in the line items for Temps and Recruitment costs in '07/08 went from \$101,000, to \$135,000 in 08/09, and currently proposed for \$144,000.

Ms. Lee stated that the increase was due to an increase of temps for historic project work, staff that have been requested to come back to wrap up certain projects on an as needed basis, and temps for vacancies that have not been filled.

Commissioner Swig stated his concern is that as the FTE's are being reduced, that the FTE's are being neutralized by part-time staffing which ends up not reducing costs. Mr. Swig also pointed out significant increases in consultant services: '08 - \$266,000, '09 - \$521,000, and current request for '09-10 - \$782,000.

Ms. Lee indicated that the cost reflects the consultant for the proposed website development, and the consultant for the new tax market credit application.

Commissioner Swig inquired as to the maintenance of machines/equipment furniture at \$169,000 in '07/08, \$193,000 in '08/09, and the current request for \$305,000.

Ms. Lee stated that the agency has been in the process of purchasing machines in lieu of leasing.

Commissioner Swig inquired as to why the increase under the Commissioners line item which went from \$60,000 in '07/08, \$60,000 in '08/09, and a jump of \$166,000 in '09/10.

Minutes of a Regular Meeting, April 21, 2009

Ms. Lee stated that the additional expenses in the Commission line item include KPOO expenditures for the broadcasting of the Commission meetings which reflects the Commissioners activities rather than miscellaneous as was previously listed.

Commissioner Swig proposed a friendly amendment on top of his previous amendment relating to references to the Mexican Museum. Mr. Swig stated that he strongly supports the success of the Mexican Museum and looks forward to visiting it when it opens, however, he pointed out that the Mexican Museum has defaulted upon the resolution the Commission adopted and have not lived up to their expectations or promises that were requested in the resolutions. Mr. Swig stated that he does not think that the assumption should be made that 706 Mission is the Mexican Museum; he would like to make it clear in referencing it, and believes Commissioner Covington had the same concern at the last meeting. Mr. Swig stated that he would like to change, as appropriate when talking to the Mexican Museum as a physical structure that it is referred to as the "proposed Mexican Museum or appropriate cultural facility". Mr. Swig stated that is the friendly amendment he would like to propose while supporting, in general, the budget.

Commissioner Covington accepted the friendly amendment.

President Romero stated that the amendments were moved and seconded by Commissioner Covington, that the proposed change by Mr. Swig be added to the earlier amendment, once that is added to the earlier amendment the resolution in whole will need to be voted on.

President Romero asked that all in favor of the second amendment proposed by Commissioner Swig, to signify Aye, but after an inconclusive voice vote, asked for a roll call vote.

President Romero asked for clarification purposes that Commissioner Swig restate the motion.

Commissioner Swig stated the language in the budget where it refers to the physical structure, that the Mexican Museum be changed to "proposed Mexican Museum" or "appropriate Cultural Facility".

Commissioner Cheu indicated that there was a statement made that the Mexican Museum was in default of the agreement, and asked what the status was.

Ms. Amy Neches stated that staff is continuing to work with the Mexican Museum and indicated there has been a lot of progress with the Mexican Museum. They have not filled their conditions in the MOU; staff expects to come back to the Commission within the next few weeks with proposed changes and a full report. In terms of the substance of the use of the money, it is intended in the language of the paragraph for the new cultural component space, more importantly in the budget page itself which becomes the budget

where it refers to the 706 Mission Cultural components. Staff felt not mentioning the Mexican Museum, since that is the institution, would not be providing fair information since they are certainly continuing to work with them. Ms. Neches stated that she wanted to be clear that it is not being set up to where if it is not the Mexican Museum the funds cannot be used for other purposes pursuant to the Commissions future direction; any changes in language the Commission would collectively suggest would be made.

President Romero asked for clarification that what the amendment proposes is already there.

Ms. Neches stated in terms of the budget page there is flexibility but the nuance of the language is within the Commissions discretion.

Director Blackwell stated that late summer, an ENA and a MOU was approved laying out the conditions under which the agency would issue a \$250,000 grant to the Mexican Museum. The two conditions were to establish an agreement that Fort Mason was comfortable with repayment of debt, and getting into a grant agreement with the Arts Commission. Director Blackwell stated that neither of those two conditions has been met, and the money has not been issued.

Commissioner Breed stated for point of clarification, based on Ms. Neches' comments, that the language as it exists opens the door for anything, where the comments made by Commissioner Swig to amend it limits it to the Mexican Museum or any other cultural institution, whereas 706 Mission gives the impression that there could be any particular project in that space.

Ms. Neches stated that the way it is written at this time it would be a cultural component for that project pursuant to the Commissions future approval of what that cultural component would be, and what the specific agreement with that cultural user would be. Ms. Neches stated that staff continues to work with the Mexican Museum with the goal of them being able to succeed as the occupier of that cultural component space. Ms. Neches indicated that the funds going into the use will become part of the agency's budget, the appropriation of the funds are subject to the Commissions future action; the \$4M would become available to be used for the project.

Commissioner Breed stated that she would like to see consistency with the specific use. Ms. Breed stated there is too much confusion and what Mr. Swig is proposing is to change it to allow it to be the Mexican Museum or another cultural institution which is different to what is stated. Ms. Breed asked for clarification.

Ms. Neches stated that the language in the paragraph is acceptable as requested by the Commission; staff will expand on the summary as requested.

Commissioner Swig stated that he requests that the name be consistent throughout so there is no ambiguity about what they are referencing. They would all like to have the proposed Mexican Museum, and if that is not allowed to happen, the space should also be designated for an alternative cultural facility. Ms. Swig asked that there be consistency through the headline, the paragraph, and the line item of the budget.

Commissioner Cheu stated that she is fine with the wording as it stands; her concern is in adding language that a message is being sent to the Mexican Museum saying, or alternative. Ms. Cheu stated it is policy, not just words, she does not believe that the message needs to be sent to the Mexican Museum since the Commission has not heard why they have not been able to accomplish the two requirements; she would like to hear more before sending any message emphasizing the fact that it could be another cultural facility. Ms. Cheu stated she would be comfortable referring to it as the "proposed Mexican Museum Project", but does not see the need to emphasize the "or alternative cultural facility" portion.

Commissioner Covington asked Commissioner Swig if he would consider withdrawing his friendly amendment.

Commissioner Swig stated that if Commissioner Covington would suggest it, he would do so.

Commissioner Covington so suggested it.

Commissioner Swig withdrew his friendly amendment.

President Romero stated the friendly amendment is withdrawn.

President Romero took a vote for the amendment described earlier.

Commissioner Covington requested that all Commissioners be given an excel spreadsheet for the Commissioners fees so they can see exactly what it is that goes in there.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 39-2009, APPROVING THE PROPOSED BUDGET FOR THE PERIOD JULY 1, 2009 THROUGH JUNE 30, 2010 AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT THE BUDGET TO THE MAYOR'S OFFICE, BE ADOPTED AS AMENDED.

- (e) Resolution No. 40-2009, Authorizing a Personal Services Contract with Community Housing Partnership Enterprises, a non-profit organization, for a term of three-years, in an amount not to exceed \$125,000, to provide move-out cleaning and repair services for vacated Agency-owned affordable housing units; All Redevelopment Project Areas and City-Wide.

Presenter: Audrey Kay, Agency Staff

Speakers: Ace Washington

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MS. BREED, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 40-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH COMMUNITY HOUSING PARTNERSHIP ENTERPRISES, A NON-PROFIT ORGANIZATION, FOR A TERM OF THREE-YEARS, IN AN AMOUNT NOT TO EXCEED \$125,000, TO PROVIDE MOVE-OUT CLEANING AND REPAIR SERVICES FOR VACATED AGENCY-OWNED AFFORDABLE HOUSING UNITS; ALL REDEVELOPMENT PROJECT AREAS AND CITY-WIDE, BE ADOPTED.

- (f) Resolution No. 41-2009, Authorizing submittal of an application to the State of California's Department of Housing and Community Development for \$14,590,639 under the Infill Infrastructure Grant Program for infrastructure improvements (the "Program") for Phase 1 of the Hunters Point Shipyard development, and execution of a standard agreement and any amendments thereto, and any related documents necessary for participation in the Program, if selected for funding; and adopting environmental findings pursuant to the California Environmental Quality Act; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: Francisco DaCosta, Doris Vincent

Commissioner Swig put forth a motion to move the item.

Commissioner King seconded the motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 41-2009, AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE STATE OF CALIFORNIA'S DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR \$14,590,639 UNDER THE INFILL INFRASTRUCTURE GRANT PROGRAM FOR INFRASTRUCTURE IMPROVEMENTS (THE "PROGRAM") FOR PHASE 1 OF THE HUNTERS POINT SHIPYARD DEVELOPMENT, AND EXECUTION OF A STANDARD AGREEMENT AND ANY AMENDMENTS THERETO, AND ANY RELATED DOCUMENTS NECESSARY FOR PARTICIPATION IN THE PROGRAM, IF SELECTED FOR FUNDING; AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (g) Workshop on the design of the Transbay Transit Center, pursuant to the Implementation Agreement with the Transbay Joint Powers Authority; Transbay Redevelopment Project Area.

Presenter: Mike Grisso, Agency Staff

Speakers: Francisco DaCosta, Norman Rolfe

Commissioner Covington stated that the project is fabulous, and the sheathing of the building looked wonderful. Ms. Covington asked about the air quality and how the building breathes.

Mr. Fred Clark stated that the building is almost entirely naturally ventilated and may occasionally need to provide supplemental heating. Mr. Clark stated the vehicles are becoming more electrically powered or naturally gas powered, therefore, the pollutants that come from a vehicle are not entering the building. The air quality in the building will be of the highest standard.

Commissioner Covington asked what the sheathing was comprised of.

Mr. Clark stated that the sheathing on the exterior is primarily glass; the intention is to make the building very light and transparent, and to make it appear to be anything but just another transit center.

Commissioner Covington asked if the building was on rollers in the event of seismic activity.

Mr. Clark stated that the engineering groups are looking at the project from the standpoint of seismic, and does perform very well. They also need to be concerned and careful about security issues, the glass is being looked at from the standpoint of withstanding explosions; it is being extremely carefully engineered, as is the entire structure.

Commissioner Cheu stated the design was very beautiful and looks forward to visiting the plaza and open parks. Ms. Cheu asked what the total square footage of retail for each phase.

Mr. Clark stated that the total square footage of retail for the entire building is 120,000 square feet. The above grade portion is 75,000 square feet.

Commissioner Cheu asked what the considerations were to existing traffic patterns.

Mr. Clark stated there is an ongoing study on traffic patterns to ensure that buses and vehicles they can control will prevent less clogging of streets.

Commissioner Cheu asked if there were other places in the world that provided inspiration for the project.

Mr. Clark stated that the project was designed specifically for San Francisco; it is an idea that you would see in Europe, Japan, or Asia, and is very rare to have such a design in the United States. Mr. Clark stated that as an architect and having traveled all over the world presenting the project, it is the most discussed project in the world and are very fascinated with the potential. Mr. Clark stated that it is more than just a transit center; it is a whole development opportunity, a rejuvenator for a neighborhood. Mr. Clark stated it is very much a San Francisco building.

Commissioner Swig asked if the center was contingent on the tower being built or is the tower contingent on the center being built, does one affect the other.

Mr. Beck stated that the projects are being developed as separate projects, the revenue from the tower is part of their overall funding plan, and the two projects are not linked; they are prepared to move forward, construct the transit center, and put into operation if the development of the tower lags.

Commissioner Swig asked if First Street would be a pedestrian tunnel from Mission Street to Market Street to minimize pedestrian traffic coming out of the terminal.

Mr. Grisso stated neither First Street nor Fremont Street is being changed since they are major automobile streets. The street south of the terminal on Natoma Street will be changed as a pedestrian only street. Mr. Grisso stated that there is a proposal for an underground connection from the rail station to the Muni/ lines on Market which would relieve pedestrian traffic.

Mr. Beck stated that they are in conversations with about the alignment of the connection whether they will go up First Street and then connect to Montgomery Street, or go to Fremont and connect to the Embarcadero.

President Romero praised the project, stated that it was very creative and beautiful. Mr. Romero asked for a brief summary on the controversy of the capacity for high speed rail.

Mr. Beck stated that the program is a single rail platform level beneath the transit center that would have six tracks, two for the operation of Cal train commuter rail, and four for the operation of high speed rail on the same level. The High Speed Rail Authority submitted an initial operating plan that would bring ten trains per hour to San Francisco; their operation plan is to have 40 minutes between the scheduled arrival and departure of the trains. Mr. Beck stated with that type of operating pattern that would be beyond the capacity of the four tracks they have. Mr. Beck stated that there will be a statement in two weeks on their approach towards an operating/design solution.

6. **PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS**

Speakers: Francisco DaCosta, Keith L. Carlisle, Ace Washington

7. **REPORT OF THE PRESIDENT:**

- President Romero reported that the Evaluation Committee came up with a process for evaluating the Executive Director which will be discussed with the Director in Closed Session.
- The Commission Retreat will be scheduled for Tuesday, June 23rd, at the South Beach Harbor.

8. **REPORT OF THE EXECUTIVE DIRECTOR:**

- Director Blackwell reported that the Visitacion Valley Plan was unanimously adopted by the Land Use Committee several weeks ago. The plan was heard at the full Board of Supervisors hearing the previous week with a lot of discussion and good public comment; positive feedback on the plan. Today, with a 10-0 vote at the first reading, the plan was adopted. There will be one more reading before implementing and adopting the plan

9. **COMMISSIONERS' QUESTIONS AND MATTERS:**

- Commissioner Singh thanked all for the flowers and cards sent on behalf of the passing of Commissioner Singh's mother.
- Commissioner Covington requested that the meeting be adjourned in the memory of Commission Darshan Singh's mother, Sardarni Kartar Kaur.

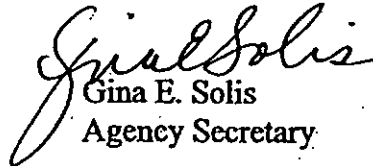
10. **CLOSED SESSION:** Continued from April 7, 2009: (a) Pursuant to Section 54597 (b) (1) of the Government Code regarding personnel matters: evaluation of performance of the Executive Director.

(b) Pursuant to Government Code § 54957.6 to confer with Agency designated representatives regarding negotiations with the International Federation of Professional and Technical Engineers (IFPTE) Local 21 representing the Engineers and Architects bargaining unit, the Management/Supervisory bargaining unit, and the Professional/ Technical bargaining unit. Agency negotiators: Fred Blackwell, Amy Lee, and James B. Morales.

11. **ADJOURNMENT:**

It was moved by Commissioner, seconded by Commissioner, and unanimously carried that the meeting be adjourned in the memory of Commission Darshan Singh's mother, Sardarni Kartar Kaur at 7:30 p.m.

Respectfully submitted,


Gina E. Solis
Agency Secretary

ADOPTED: