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**MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO  
HELD ON THE 15<sup>th</sup> DAY OF DECEMBER 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 15th day of December 2009, at the place and date duly established for holding of such a meeting.

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

Mr. Swig 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. Swig asked members of the public who wished to address the Commission to fill out speakers cards, and to state their names for the record.

Mr. Swig requested that due to the numerous speakers present to speak on Item 4f, that remarks be limited to two minutes. Mr. Swig reminded the public this was only a hearing on this item, that there would be no final resolution at this meeting. On December 17th, the Planning Commission would be holding a hearing on the item and would take on a discussion of the Draft EIR, as well. He also stated should anyone have comments that were not heard on this item, that you may write a letter to the Agency with your comments regarding the Draft EIR. Mr. Swig expressed his empathy to the public in regard to the reduced time limit, but felt there would be future opportunities for public comment prior to resolution of the item. He thanked them for their cooperation.

Mr. Swig 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 member 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-notice meeting agenda.

**1. RECOGNITION OF A QUORUM**

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

Rick Swig, Acting President  
London Breed  
Miguel Bustos  
Francee Covington  
Leroy King  
Darshan Singh

**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: November 3, 2009
- (b) Authorizing a First Amendment to a Ground Lease with 650 Eddy, L.P., a California limited partnership, for 650 Eddy Street in conjunction with the development of 83 very low-income rental units; Citywide Tax Increment Housing Program. (Resolution No. 147-2009)
- (c) Authorizing the application for the 2010 Regional Transportation Improvement Program Grant Funds, and the acceptance and expenditure of an amount not to exceed \$1,109,000 for the Arelious Walker Drive Stairway Improvement Project located at the intersection of Arelious Walker Drive and Innes Avenue; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 148-2009)
- (d) Approving an Amended and Restated Indenture of Trust, a Remarketing Statement, and Related Documents for Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements); Hunters Point Shipyard Redevelopment Project Area. (Resolution No. 149-2009)

**ADOPTION:** IT WAS MOVED BY MR. KING, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT THE MINUTES FROM THE REGULAR NOVEMBER 3 2009 MEETING; RESOLUTION NO. 147-2009, AUTHORIZING A FIRST AMENDMENT TO A GROUND LEASE WITH 650 EDDY, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR 650 EDDY STREET IN CONJUNCTION WITH THE DEVELOPMENT OF 83 VERY LOW-INCOME RENTAL UNITS; CITYWIDE TAX INCREMENT HOUSING PROGRAM; RESOLUTION 148-2009, AUTHORIZING THE APPLICATION FOR THE 2010 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM GRANT FUNDS, AND THE ACCEPTANCE AND EXPENDITURE OF AN AMOUNT NOT TO EXCEED \$1,109,000 FOR THE ARELIOS WALKER DRIVE STAIRWAY IMPROVEMENT PROJECT LOCATED AT THE INTERSECTION OF ARELIOS WALKER DRIVE AND INNES AVENUE; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; AND RESOLUTION 149-2009, APPROVING AN AMENDED AND RESTATED INDENTURE OF TRUST, A REMARKETING STATEMENT, AND RELATED DOCUMENTS FOR REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 7 (HUNTERS POINT SHIPYARD PHASE ONE IMPROVEMENTS); HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

**REGULAR AGENDA**

**(e) Election of Officers 2010.**

Commissioner Swig announced that the office of president for the Redevelopment Commission was vacant and asked for nominations from his fellow commissioners.

There was a nomination by Commissioner King that Mr. Swig be president.

Commissioner Singh seconded the nomination.

Commissioner Swig asked if there were any other nominations. Hearing none, Mr. Swig closed the nominations. Mr. Swig then asked Madame Secretary to call the vote.

It was unanimously voted that Commissioner Swig be the 2010 president of the Redevelopment Commission

Commissioner Swig thanked his fellow commissioners for this great honor and challenge. He then moved forward with the nomination for election of Vice President

There was a nomination by Commissioner King that Mr. Singh be Vice President.

Commissioner Covington seconded the motion.

Commissioner Swig asked if there were any other nominations for Vice President. Mr. Swig asked if there were any comments from the public regarding nomination of Vice President. Hearing none, public comment was closed.

It was unanimously voted that Commissioner Singh be the 2010 Vice President of the Redevelopment Commission.

**(f) Public Hearing on the Adequacy of the Draft Environmental Impact Report for the Candlestick Point – Hunters Point Shipyard Phase II Development Plan Project; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.**

Presenters: Stan Muraoka, Tiffany Bohee

Speakers: Jim Lazerus, Conny Ford, Treatha Stroughters, Sedrick Jackson, Matt Reagan, Christina Sandoval, Lashawanda Collins, Stormy Henry, Derek Green, Kenya Ellison, Ronae Kent, Sululagi Palega., Rev. Arelious Walker, Dr. Veronica Hunnicutt, Christopher Wagner, Gary Banks, Al Norman, Tera Gray, Wing Lee, Victoria Vandercourt, Dr. Ahimsa Porter Sumchai, Mannie Flores, Derek Toliver, Lonell Howard, Cardell Coleman, Tim Colen, Chris Jackson, Michael Theriault, Tim Paulson, Rev. Alexander, Lloyd A. Giller, Nyese Joshua, Alex Toeaina,

Pastor Dan Solberg, Francisco Da Costa, Jaron Brown, Christian Pradia, Mica Allen, Dennis Kelley, Ronald Lewis, Rhonda Winter, Karissa Cou, Falla Satale, Mrs. Satale, Juana Tello, Diane Wesley-Smith, Sister Stephanie Hughes, Doug Parrish, Ms. Jocelyn, Angelo King, Gabriel Metcalf, Daniel Landry, Christine Johnson, Dedria Smith, Randall Evans, Ace Washington, Richard McRee, Cecille Caterson, Leon Muhammad, Eric Brooks, Saul Bloom, Tara Hui,

**COURT REPORTER TRANSCRIPT VER BATUM**

PRESIDENT SWIG: Is there anybody else in the audience who would wish to comment at this time to the Commission on this subject?

(No response from the audience.)

PRESIDENT SWIG: Okay. Hearing no further requests to speak on this item, I will close public comment now and turn to my fellow commissioners, beginning with Commissioner King.

COMMISSIONER KING: Well, I think, boy, we have been on this Lennar thing now for maybe months. How many years or months? I think we have gone over this thing, the EIR. We have gone over every aspect of this thing. I don't think we can continue to get delayed today. This delay seems like it wants to defeat the project altogether, you know, to give another 45-day. We have got so many delays. So I would like to make a motion that we give a 15-day delay, and let them have that. I think they can handle it in 15 days and then move forward. Otherwise we -- you know, Lennar, everybody else, will be out of business and everything else, if we have delays. It's a tactic of trying to defeat the project altogether. And that has been a question of these delays, so I think maybe we could give a 15-day delay.

PRESIDENT SWIG: Thank you, Commissioner King. Any other Commissioners wish to comment at this time? Commissioner Singh?

COMMISSIONER SINGH: Yes. I think it's a reasonable time, 15 days, so I second that.

PRESIDENT SWIG: Any other Commissioners? Commissioner Breed?

COMMISSIONER BREED: I just wanted an explanation on the relationship between Alice Griffith and the EIR, and how these two relate to one another.

MS. TIFFANY BOHEE: Through the Chair, Tiffany Bohee with the Mayor's Office. The project proposes a maximum of 10,500 units. Of those 10,500 units, it is proposed that 256 units, that is all of the units at Alice Griffith would be rebuilt as part of the integrated project, so the EIR analyzes the environmental effects with that proposal.

COMMISSIONER BREED: And what about the additional -- I mean, I want you to -- Well, really, I understand the details around the project and the mixed use and

everything else. Can you give an overview explanation of how this relates to the future of Alice Griffith?

MS. TIFFANY BOHEE: Yes, thank you Commissioner. The environmental document and the project itself talks about the rebuild of Alice Griffith as part of the broader development project. That is consistent with a conceptual framework, which the City and Agency endorsed PAC and CAC, Proposition G. Those two elements are tied together as part of this project. Lennar has committed, through its endorsement of the financing plan, to providing additional subsidies for the Alice Griffith development, as well as Agency housing. There is a gap that exists considering all of the sources that are available. Any delays to this project, that is delays moving through the process. The action before you is simply a Public Hearing.

COMMISSIONER BREED: I understand that.

MS. TIFFANY BOHEE: No action, no City decision will happen until the spring, should we complete this process that we are undergoing now.

COMMISSIONER BREED: The point I wanted you to clarify is what a delay -- the impact of a delay to Alice Griffith specifically.

MS. TIFFANY BOHEE: A delay from this project will further --

COMMISSIONER BREED: A delay by extending the EIR --

MS. TIFFANY BOHEE: Yes.

COMMISSIONER BREED: -- by anywhere from 15 to 18 45 days?

MS. TIFFANY BOHEE: A 45-day delay will jeopardize our ability to get any City decision on this project by mid-June. It is a delay to the overall project, and specifically a delay to the conditions that -- to ameliorate and to fix the conditions at Alice Griffith. You cannot move forward with any particular project approvals. This is the first step.

COMMISSIONER BREED: I do understand that, so what I'm saying is, if there is a delay, then if we waited to approve this EIR, I understand that what that means is any other projects that we want to move forward on with regards to this, will not -- we will not be able to proceed until we pass an EIR.

MS. BOHEE: That is correct.

COMMISSIONER BREED: I understand that. But what I'm trying to understand clearly is what the impacts are? What is the time plan? What are you trying -- when are the nuts and bolts going to happen of the project? When are we going to get to Alice Griffith? When is this going to stop? Where are the jobs? Where is the training taking place? Is this stuff simultaneous to what is happening right now with this EIR? I'm trying to just understand the time lines here. And I'm trying to understand what is happening separately to prepare residents for jobs? And what is happening separately

to make sure that there is a transition and no one is displaced? What is happening as we speak that would create a problem if this were delayed, is what I'm trying to get at here.

MS. BOHEE: As a result of a specific delay on this project, the delays to Alice Griffith could be indefinite. We need to answer those questions. The first step is answering the issues that are presented in the Environmental Impact Document, depending on when that comment period closes. If that comment period closes in a year, that delays the project by at least a year or two. If the comment period closes in six months, that again delays the project. So the first step is answering the environmental issues that are required by law, and then you can move forward with the project. And we can't move forward with any of the job training programs, any of the financial commitments in advance of any (inaudible) approvals that Lennar has made. Those subsidies and commitments that Lennar has made through endorsements and financing of the plan, through Prop G, through, private benefits, those cannot move forward. Everything stops until this process is complete.

PRESIDENT SWIG: I think the Director has a supplemental question, or answer.

DIRECTOR BLACKWELL: Well, so if I understand your question, Commissioner Breed, I think you are asking if the project overall would be delayed or forgone, what would be the impact on the rebuild of Alice Griffith. Is that kind of the question?

COMMISSIONER BREED: Yes.

DIRECTOR BLACKWELL: So let me try to answer that. If the -- a big part of the way that the Alice Griffith rebuild would be financed is through the constellation of agreements that are embedded in the agreements that are associated with this. Just to give you an example, kind of the amount of work and the challenges associated with the public housing rebuild in general, we are struggling to really put together all of the financing necessary to complete Hunters View, which is the first Hope SF site. And there would be an even larger struggle to get the financing together for Portrero Hill, for Sunnyvale, and the west side coops, which are the other hope SF sites and Alice Griffith. If Alice Griffith were not included in the overall plan that is included -- in which you are in the EIR right now, it would be a substantial amount of time before Alice Griffith would be able to go forward.

COMMISSIONER BREED: Which is why it would be delayed indefinitely?

DIRECTOR BLACKWELL: Right. Because the financing would be in jeopardy. And just the approval process would have to start all over from scratch. But the other thing I want to point out is that because of the importance of Alice in the overall framework here, Alice Griffith is a part of the first phase of development of this overall project. So what was laid out in terms of 10,000 units of housing, in terms of the hundreds of acres of open space, in terms of the 2.5 million square feet of commercial space, Alice Griffith is going to be among the first things to happen in all of that. And so approval of this actually fast tracks the development of Alice Griffith. And to not have it included, as I said, results in indefinite delay in terms of rebuilding.

COMMISSIONER BREED: Okay. Thank you. So I guess my concern is, are we ready to take on the responsibility of what this project entails as a whole, as it relates to the commitments that we are making to this community; that is what I would like to know, in terms of the job readiness and training. And also, I was under the impression that none of the residents would be completely displaced out of the area. They would be moved from one side to another, once the development was done, and they would stay within the context of the area. So I just want to know what is being done by the Agency, because if we are being asked to fast track this process, to follow the process and to not extend the deadline, and to move forward, so what are we ready for? Are we ready to follow through with the commitment that we are making in terms of the job, the training and placement of the residents? Are we ready to move forward with making sure that they are ready to purchase homes; that we are setting up whatever is necessary to establish credit, to give them home buyer workshops and things of that nature? Are we ready for what we are in the process -- what we are about to undertake.

DIRECTOR BLACKWELL: Just a couple of answers to that. One is we have, in addition to the presentations that have been made on the EIR itself and other stuff, we have also been making presentations to the PAC and CAC about the various elements of the plan and the community benefits associated with it. One of those presentations, which was held about two months ago, focused specifically on workforce development. And there were actually two presentations that were made: One is kind of a picture of the overall workforce development system strategies that are in play citywide; and the second presentation focused specifically on the shipyard and the things that will be in place in order to make sure that the job opportunities that are being created will actually be realized. Are we ready today? No. We are working on the development of the infrastructure to do that, but later on, you will hear our recommendation with regard to the job readiness initiative, which is an integral part of being ready, making sure that we have community based organizations on the ground that are doing the outreach, that are doing the assessment, that are doing the intake and doing the training and referring to CityBuild. Embedded in the Community Benefits Agreement, some of the folks talked about it this evening, are investments in -- additional investments in workforce development, additional investments in housing, counseling and home buying assistance, and things of that sort. So we won't completely be ready until we are through the approval process and have all the resources in play to provide the kind of infrastructure that that you are talking about, but we are actively working towards being ready.

COMMISSIONER BREED: So we can't guarantee anyone, especially not the residents of the Bayview that they are guaranteed to have access to these housing opportunities, because we can't give them preferential treatment over anyone else?

DIRECTOR BLACKWELL: So, yes; according to the Fair Housing Law, you cannot discriminate in terms of housing based on any kind of protective class, including race, age, or gender. And the reading that we have --

COMMISSIONER BREED: What about residence?

DIRECTOR BLACKWELL: Right; this is what I need to explain. If you set geographic preferences for affordable housing, and the demographics of the

neighborhood where you set that preference are not equal to that of the City or reflective of that of the City, the result of that is discrimination based on race. In other words, unless you have demographics in the neighborhood that allows you to set neighborhood preferences. And by implementing those neighborhood preferences, there is not an adverse racial or other kind of impact; you can't really set those neighborhood preferences.

COMMISSIONER BREED: I just have some concerns about the information that is being communicated from both sides. I think that there were a lot of inaccuracies and public comment from both sides; and that was really upsetting to me. And it made me want to delay more so, so that the public has a chance in order to really vet this EIR and give adequate comment; and the comment should be reflective of the EIR and not misinformation. And so I'm just very concerned about this process, and I want to make sure. Ms. Bohee, could you just really -- I don't know if you have those numbers ready, but I know you said in your presentation, the number of meetings, the public meetings, and so on and so forth, that took place. There have been hundreds of meetings to discuss this matter to prepare the public for what is to come. There has been tons of outreach. There has been aggressive outreach, because we knew that this was coming down the line. And we also knew that we were not going to be able to satisfy each and every person that had an opinion about this matter. My biggest concern here is the fact that people who, many of them that came to speak today, I know personally; and I know they live there; I know that they have concerns; I know that they don't want to see delays; I know that they want to move this project forward; but I also have some serious concerns about the fact, as I said before, the fact that there is a lot of misinformation out there. And I think that it's important for me to receive, to allow the public time to review this document, so that I have public comment that helps me to make the best decision as a commissioner that I can make. And I don't feel like the public comments that I received today was public comment that would allow me to move forward comfortably with this process. And so, you know, I'm -- I'm definitely in support of meeting a delay halfway. And if we -- at least I know that Commissioner King had made the recommendation that we do 15 days. I know that the CAC and the PAC, so I know that the CAC and the PAC don't want it to extend this for 45 days. And I think that it's reasonable to meet them halfway on this, and I'm at least willing to go the extra mile to come to some sort of mutual agreement here, understanding that there has to be a middle ground here, and we have to be reasonable here. And we need to give the public adequate time to read this document and provide public comment, so that we can make the best decision in moving forward with this project. So that is what I would like to see happen, so that is what I would like to support. Thank you.

PRESIDENT SWIG: Commissioner Covington?

COMMISSIONER COVINGTON: Thank you, Mr. President. First of all, I want to thank everyone who came out this evening. We all live very, very hectic and stressful lives. And for you to carve out time out of your very busy schedules, and your family obligations to come and speak with us directly is greatly appreciated. There were 60 speakers on this item. And while some of the comments were not targeted or emphasized the Draft EIR, all of the comments were very passionate and thoughtful. And I certainly want to also express my appreciation of the demeanor and the manner in which people conducted themselves this evening, because often things can get out of

hand when people are so passionate about things. So I want you to know that this was duly noted by this Commissioner, and continue in that vein. The extension of the 15 days, I think is very good, and I certainly support that. There have been hundreds of meetings, as people have said. I have attended some of these meetings as a member of the Public Housing task force, and as a member of the Workforce Development task force. People have been given ample opportunity to speak, to review documents, to speak with experts, and still people say they need more time. But the clock is ticking, you know. Time is a quantity like anything else. You can't go on, and on, and on, and on. You have to make a decision. You have to move forward or say, you know, this is not something that we can DO. So two weeks is appropriate. I think it's an appropriate extension. It is not 45 days, but if you know you have two additional weeks, then it is time to carve up the 4000-page document just as we did you know, in (inaudible) against the Vietnam War, you know, you take pages 1 through 108 and take this group of people and talk about it, whatever. I mean, these are not new, new challenges, to our community. These are not new ways of digesting a huge amount of information. And it can be done. It may mean that your holiday break is not as restful as you had anticipated. But we all agree, this is very important. So if you front burner it, it will happen. You will be able to say, you know, page by page, these are the concerns that we have as an organization, we have as an ad hoc group, that I have as an individual. So I really encourage everyone, you know, to grapple with it. It is a huge document. But it was produced by human beings who are bright and capable, and now it will be read by human beings who are bright and capable; and those folks are you. I want to either ask Mr. Muraoka, Stan Muraoka to answer a couple of questions, or Ms. Bohee can handle them. I was a bit distressed by some of the things that we have talked about that people still don't seem to know about, particularly, eminent domain. Can somebody please tell us how eminent domain in Bayview-Hunters Point differs from the way that domain has been utilized in the past by this agency?

MR. STAN MURAOKA: Stan Muraoka of the SFRA staff. In response to your question, Commissioner Covington, the project, as it is put forth and evaluated in the EIR proposes no eminent domain. In that sense, the power of eminent domain, is already included in the existing Bayview-Hunters Point Plan, and in the Hunters Point Shipyard Plan. And specifically, in our redevelopment plan and in our most recent one here, the Bayview Plan, there is a restriction on the use of eminent domain for any residential property. And so whether –

COMMISSIONER COVINGTON: Could you say that again, please?

MR. MURAOKA: Yes. There is a restriction in our redevelopment plan on the use of eminent domain on any residential property; that cannot be done. And the other point about eminent domain is that under state law, there is a time limit when it can be used; so it can only be used within the first 12 years of a redevelop project. And then the final point on eminent domain is that the purpose for which it can be used under state law, that the redevelopment can proceed forward is to eliminate blight. And so if the property is not blighted, and it's not residential, then we can't use it for that purpose, either. To recap going back into the EIR, most of the property is under public ownership. The plan, as it has been formulated and presented in the document and to the public, the majority development occurs on essentially reusing property that has ever been within the ownership of the City and County of San Francisco or the U.S.

Navy, in the Phase II Development Plan. There are some pieces of the project that may or may not involve private property, and that is disclosed the environmental document, as well.

COMMISSIONER COVINGTON: Thank you. I think that the whole point about eminent domain is very, very important; and sometimes people feel that we have learned nothing from the Western Addition. The new way that eminent domain will be utilized in the Bayview is in stark contrast to the way it was used when it was used in the Western Addition. And I think there are wonderful safe guards in place for people who own private residences. I also wanted to know about the fire station. Is there a plan for the fire station and where would that be?

MR. MURAOKA: As discussed in the environmental document, there is space reserved within the project site for a fire station. And it, you know, isn't specifically identified as a site that is carved out, if you will, or set aside solely for a fire station. But within the project there are -- there is room for what we call the community facility parcel. This is different from the set aside in the Phase I DDA for the community parcel. This is -- and that was something that you have had discussions here from other agency staff related to the Phase I DDA and the QPE about the community parcels. This is a parcel of land within the project that can be used for future community facilities. And, an analogy to this would be what about we set up in the Mission Bay South Redevelopment Project, where in that project, we have identified that there possibility could be a site that would be used for community facilities. And that EIR, in that project, it could be either a police facility or a fire station, or some other type of community facility. And so, similar to that, what has been built into this project and included in the EIR is the potential to build a fire station, as the need arises, as this project is built out. So I would refer you to the Utilities -- or to actually the Public Services section, the environmental document, and there is a discussion about the future need for a new fire station and how that would be accommodated.

COMMISSIONER COVINGTON: Is there room for both --

MR. STAN MURAOKA: Yes.

COMMISSIONER COVINGTON: -- a fire station and police station?

MR. STAN MURAOKA: Yes. Yes. There is discussion on police services, (inaudible) new police facilities.

COMMISSIONER COVINGTON: Yes. Because with almost 11,000 new homes, people do need rapid response to their requests for help, whether it be police or fire.

MR. STAN MURAOKA: Yes.

COMMISSIONER COVINGTON: Okay. So I'm glad that you reviewed that for us. Peregrine falcon.

MR. STAN MURAOKA: Now there has been identified and documented that there is a pair of nesting Peregrine falcons; their habitat is the Regunning Crane, the large crane

that is on Hunters Point Shipyard and it's on one of the piers. That is not slated for any development. And so, in fact, the Regunning Crane in the proposed plan would be retained. What has been evaluated in the biology section of the EIR is particular impacts of the proposed development; not only on the peregrine falcon, but on other sensitive species. And, you know, for the most part the impacts are either not there; or that there are mitigation measures that are notes in the environmental document. If this project were to move forward, the mitigation measures would be imposed the development in the form of a mitigation monitoring program, so that they become mandatory elements of the project as it proceeds. So back to the peregrine falcons, there are measures in place to not disturb their habitat, and to retain them to the extent that they so desire to continue to nest there.

COMMISSIONER COVINGTON: Thank you. How many -- I don't have the numbers directly in front of me -- but how many Certificate of Preference holders come from the Bayview area?

MR. STAN MURAOKA: I would have to refer to Agency housing staff, who work on the Agency's certificate program.

COMMISSIONER COVINGTON: Okay. Thank you. I see Deputy Director Olson Lee approaching the microphone.

DEPUTY DIRECTOR OLSON LEE: Olson Lee, Deputy Executive Director. There are approximately 2000 Certificate of Preference holders -- or original Certificate of Preference holders for the Bayview-Hunters Point.

COMMISSIONER COVINGTON: Okay, thank you. And so those certificate holders would be, if they qualified, they would be first in line for the affordable housing?

DEPUTY DIRECTOR OLSON LEE: Absolutely. The rules that the Commission adopted related to the Certificate of Preference program would be incorporated into the regional -- in the plan for this particular project. The only exception, perhaps the only exception, would be the replacement housing units which would be for the residents of Alice Griffith, and that is the whole purpose of providing those replacement units.

COMMISSIONER COVINGTON: Thank you, very much. And as I said at the beginning of my comments, I agree with the 15-day extension.

PRESIDENT SWIG: Thank you, Commissioner Covington. Commissioner Breed, do you have another comment?

COMMISSIONER BREED: Yes. Since it appears we are only going to be able to get a two-week extension, I would propose that we have another hearing or another meeting prior to the vote on this EIR in a time frame that is sufficient to allow members of the public to review the EIR, so -- the Draft EIR, so that prior to our decision, we get a better sense of -- well, I personally as a Commissioner get a better sense of what people actually think of the EIR, and less of the delays and so on and so forth. So I would like us to hold another hearing or another meeting prior to the vote, within a sufficient time frame between now and the deadline, or the extended deadline. I think

we had originally anticipated bringing this EIR before the Commission on the January 5th meeting, Mr. Blackwell, was that the case? Or with the extension, what will it be now?

DIRECTOR BLACKWELL: So the comment period was scheduled to close on December 28th. The two-week extension would have the comment period closing on January the 12th. Fifteen days would be the 12th; two weeks would be the 14th. If you wanted to have another hearing before the closing of the commentary, the only opportunity would be the January the 5th meeting, which is the next meeting. The next step, just to be clear, is that after the comment period closes, staff then works on -- Planning staff and Redevelopment Agency staff will be working on a Response to Comments document. So everything that happens in this hearing and the Planning Commission hearing, the written comments that come in, will all be processed, and there will be a Response to Comments document. And if there needs to be a changes to the Draft EIR before it becomes a final EIR, that is -- that is all that happens. The approval before the final EIR -- Stan, remind me when that was. I think it was in April 8th --

MR. STAN MURAOKA: Stan Muraoka again, of Agency staff. Director Blackwell, what we have projected out as a possible time line, based on the public hearing -- or the public comment period closing on the 28th was that we would publish the comments and Responses document on April 8th and bring it forward to the Commission at the next meeting in April, which I believe would be the week of April 20th. And at this point, I'm not sure -- I'm not clear on whether it would be a regular meeting at this Commission or a special meeting of the Commission.

COMMISSIONER BREED: So we won't approve this until April, with the -- along with public comments. Will each of the comments made here today be responded to in the EIR, as well?

DIRECTOR BLACKWELL: In the Response to Comments document is the one that captures everything that has been said in response to it.

COMMISSIONER BREED: Okay, right. I would -- I would still, I would want to have another meeting or to allow further via public hearing at our January 5th meeting. Hopefully, I can get the support of the Commission to do that, and that would be really helpful to me in making my decision to move forward with the EIR. Thank you.

PRESIDENT SWIG: Any other Commissioners wish to make a comment? Okay. I'll just wrap quickly. I would like to echo Commissioner Covington. I appreciate the commentary today. Certainly both sides are very passionate on the subject. And as we move forward on this for the next several years, if not decade, I'm sure the commentary will continue to be just as passionate. We have heard -- I agree with Commissioner Covington in that we have heard some fact, and we have heard some fiction, and we have heard some fact from both sides, and we have heard some fiction from both sides. Because I have read document, and I have scratched my head on some of the comments. And then I found some of them accurate. We heard that the area is grossly underserved, there is no doubt about that. The voters did approve, through Prop G, this, this development. And we owe it to the voters, to -- as we did two weeks ago in our

commentary on the high speed rail issue. When the voters speak, we have to pay attention to that. And we just can't be arbitrary by going in another direction. I would think that it would be abhorrent to hold Alice Griffith -- or hold this process hostage because of Alice Griffith, or even bring up the subject. I don't know how many people in the audience have actually been through Alice Griffith, and walked through Alice Griffith, and who haven't. If you haven't -- if you haven't walked through it and you are making comments about it, go take a walk. And then it may make your commentary different, because there is an extreme sense of urgency about Alice Griffith, and I'm pleased to hear that this will be one of the first areas -- or the first area addressed. Now, there have been over 170 public meetings on this subject, and I'm sure there will be 170 more. At the same time, we have heard commentary on the fear that there are serious contaminant issues, that there are impacts on flora and fauna, and rising cean levels. I want to make it clear to everybody in the audience, you have been heard very, very clearly, and nobody on this commission has any ear plugs in their ears, and we listen indiscriminately. The EIR process is a 45-day -- sorry -- is a process in this term which is schedule in on December 28th. It is difficult for many projects to stay within the period. And I would like to see it continue on 12-28. However, I also listen to people, and I believe in compromise. And I agree that what Mr. King has proposed is a fair compromise. And I have heard from my fellow commissioners, that they agree that that is a fair compromise. So I would like to support Mr. King and Mr. Singh with a 14-day extension. And I agree with Commissioner Covington, it will cause some people to work a little harder, and spend a few more nights reading in a shorter period of time. And we heard from Mr. Theriault earlier -- he has left the building, but he actually prescribed the best way to read his document; because if you take the Summary, and then you look at the areas that most concern you, the Summary document is a great way to navigate the entire EIR. It's very thorough and will provide that opportunity. So we have a motion, and we have a second, so I would like to put it to a vote. All those in favor please say, "Aye."

COMMISSIONER COVINGTON: Aye.

COMMISSIONER BREED: Aye.

COMMISSIONER SINGH: Aye.

COMMISSIONER KING: Aye.

PRESIDENT SWIG: Any opposition or extension?

(No response.)

PRESIDENT SWIG: Hearing none, the item is adopted unanimously. And the extension, the motion to extend for 14 days of the period from December 28th until -- or 15 days, sorry.

DIRECTOR BLACKWELL: I just wanted to clarify. I think that the motion that Commissioner King put on the floor was for 15 days --

PRESIDENT SWIG: 15 days. I apologize.

DIRECTOR BLACKWELL: -- which would be January 12th, Tuesday.

PRESIDENT SWIG: All right. So an extension to January 12th, is that acceptable to you? That is what was voted on, and we will go with that. And with regard to Commissioner Breed's commentary at having further meetings, I will work with the Commissioners and get a sense of their -- their issue with that, and we will put that on the January 5th Agenda, if appropriate.

MR. MORALES: Mr. President?

PRESIDENT SWIG: Yes, sir.

MR. MORALES: I believe, if you are going to hold a hearing on the EIR on January 5th, you have to continue this Public Hearing, because this has been noticed, especially under the CEQA statute; and I think you have to continue it to a date certain in order to preserve that notice, if that is your intent.

PRESIDENT SWIG: So we have actually --

COMMISSIONER SINGH: 15 days.

PRESIDENT SWIG: So the first item is a separate item, and we passed that item, so now we have a recommendation that we need to have a second item. I would like to recognize Commissioner Breed, please.

COMMISSIONER BREED: I would like to make a motion, to move that we continue the hearing to the January 5th meeting, 2010, of the Commission.

COMMISSIONER COVINGTON: Second.

PRESIDENT SWIG: Commission Covington seconds. Commissioner King?

COMMISSIONER KING: I don't know what this is doing. Continuing this on? I don't get it, the motion.

PRESIDENT SWIG: Can I see if I can get some clarification from counsel.

COMMISSIONER KING: We just passed it, and then she makes another motion.

MR. MORALES: Mr. President, you actually closed the Public Hearing in your comments. And that is the traditional or standard practice for a Public Hearing on a Draft Environmental Impact Report. And because this was especially noticed to this date and time, in order to hold another hearing, you have to continue it, or in effect reopen that hearing to another date. So that is why you need this special motion, if that is you what want to do. You can't just do it separately through agenda review. You have to do it by motion here.

PRESIDENT SWIG: Okay. Will reopening or continuing have any impact on the previous motion?

MR. MORALES: No.

PRESIDENT SWIG: All right. So we can have another -- we can continue the hearing without jeopardizing that date which we have just voted on for closing the overall comment period; correct:

MR. MORALES: Correct.

PRESIDENT SWIG: All right. So Commissioner King, I believe what Commissioner Breed would like to hear more commentary on the subject, but it will not impact your motion in any way, shape, or form; simply she wants to hear more commentary, and that would be the continuance. Correct?

MR. MORALES: Correct. In case the extension of time which you have already granted is essentially for written comments, and what you are now considering is the additional opportunity for oral comments at a Public Hearing.

PRESIDENT SWIG: So we have a motion on the floor. Do we have any further comment from my fellow commissioners?

COMMISSIONER SINGH: I don't understand. I want somebody to explain it again.

COMMISSIONER COVINGTON: Do you mind? Do you mind?

COMMISSIONER KING: It's over, everything we voted on?

COMMISSIONER COVINGTON: No. The motion to add an additional 15 days to the comment period passed unanimously; all of the Commissioners voted for that. Commissioner Breed was thinking that it would be a good idea to have another opportunity for people to come before us, you know, after they have had that two-week period to read the document as much as they can, to give us feedback. And so our counsel has said that, because this particular meeting was noticed as the time that we would be discussing the EIR, we need to legally continue the item, so that we will be in compliance with having people continue to talk about this.

COMMISSIONER KING: I'm opposed to that. That just opens up the whole thing again, that is what the motion does. We voted to make it 15 days, and now we are talking about giving her another meeting so she can vote on that. No, I'm opposed to that.

COMMISSIONER COVINGTON: No. The meeting that Commissioner Breed was proposing is the January 5th meeting. The end of the two-week period is not until January 12th, so it does not extend the time any more. It comes within the middle of that two-week period that you proposed.

COMMISSIONER SINGH: Is two weeks ending January 12th?

COMMISSIONER COVINGTON: Yes. And our meeting --

COMMISSIONER SINGH: Why is that?

COMMISSIONER COVINGTON: -- for additional comments is the 5th.

COMMISSIONER SINGH: Why not have it the end December through the 15?

COMMISSIONER BREED: Let me be clear. I'm asking for an opportunity to hear public comment on the EIR at the January 5th meeting. I'm -- that is all. I'm not asking for an extension. I'm asking to hear public -- additional public comment on January 5th, so that is what I'm asking.

COMMISSIONER KING: I'm opposed to that.

PRESIDENT SWIG: And my comment on that is that the proper hearing was even though we are on a continuance, my feeling is that is that the meeting was noticed, the document was out; clearly there was commentary that people had an opportunity to read the whole thing. And there is the opportunity for persons who have felt that they have not read the whole thing, we give them a two-week extension to do so, and they can supply a written comment, which we can read at a later point; because we get another shot at the EIR, because this is only the draft, and we are soliciting comment now. So it's not entirely necessary to have it at an open hearing, but I acknowledge your point of view.

COMMISSIONER COVINGTON: May I say one more thing? The advantage to having an additional opportunity for people who address us orally is that a lot of people have intentions to write their comments down and to get back to us, but that doesn't happen. So even if you have the two minutes to speak to us in a public forum about peregrine falcon, or whatever is near and dear to your heart, I think that we would all be better served by hearing these comments. I don't see how we could loose. It's still within the two-week period; we are not -- we are not adding time on. And I -- I think that we are blessed to have such an involved citizenry, and I would like to hear what they have to say.

PRESIDENT SWIG: Commissioner Breed?

COMMISSIONER BREED: Thank you. What this does is add more time that we as commissioners would need to listen to the public. So as far as I'm concerned, I can't -- I don't feel comfortable making a decision about something so important without giving an additional opportunity for the public to address the Commission. This does not extend anything. It just requires that on January 5th, in addition to the rest of the things that we are going to be listening to or dealing with, in terms of our policy, we are just adding time to address this item one more time. And I don't think that there is anything wrong with that. I think that it's a welcome opportunity. And I think that with all of the issues 8 that we face with redevelopment, I mean, we are never going to be popular, ever, because of the decisions that we make regarding land use, regarding people's communities. I mean, we go into communities and we change lives every single day.

And as far as I'm concerned as a commissioner, I want to be able to make sure that whatever decisions I make on this commission, that I have vetted the process appropriately before I go forward. I'm not choosing sides here. I'm choosing, as a commissioner, to make sure that I get the right information to make the best decision. So I don't think that it's going to hurt other than probably an extra hour or two, maybe three hours out of our time, to add an additional time frame to hear public comments. It's not going to create problem. It's not going to create a delay. It is going to require that staff act more diligently in making sure that they address those comments so that we can continue to meet our deadlines. It's not going to create a problem with our deadlines, and so I don't think that it's problematic. And I just think that it's something that, as a commissioner, I would like to see happen, because it would help me make the best decision I can for this process?

PRESIDENT SWIG: Any other commissioner comment?

COMMISSIONER KING: Well, I'm opposed to that. I think we have had -- tonight, we have had the question of giving the 15 days, and that is kind of opening it up again, and giving them another opportunity. I'm opposed to it. I think we made our final decision here, adding the 15 days, and that's what it should be. And opening it up again, I'm opposed. And I think that is what the motion does. And I'm opposed.

COMMISSIONER SINGH: I would like to ask the Agency Director, what do you think about this?

DIRECTOR BLACKWELL: Thank you. So a couple of thoughts. One is the -- one thing I wanted to say about this that I didn't get a chance to say earlier is that the approval process on this is very aggressive, and we are working under a very aggressive time line. And the approval process is one, unlike some of the other processes, that is sequential. In other words, you can't get to the redevelopment plan, or the transportation or infrastructure plan until you deal with the EIR. So there is a domino effect associated with the delays. I am a proponent of hearing what people have to say, in general, in this process. And so this is a motion that I don't think necessarily delays. I would be concerned if we were to entertain something that delayed or pushed beyond where we are today, at the January 12th time frame. Because I think, once we get beyond there, we are really jeopardizing the time frame for the project overall. I don't think that it will be harmful to the time frame to have another commission hearing on this. I do want to remind folks, however, that two days from now, there is a Planning Commission hearing on this. So this is not the first -- the only bite at the apple for an oral kind of response to the Draft EIR; and so I just wanted to make that point, as well.

COMMISSIONER KING: The report we get the tonight, will that go to the Planning Commission?

DIRECTOR BLACKWELL: Say that again?

COMMISSIONER KING: The decision we made tonight, the 15 days, will we notify Planning?

DIRECTOR BLACKWELL: Yes. We will notify Planning of that. We will notify Planning of that. They will still have their hearing, because it's been noticed on the 17th. Hopefully, what the Planning Commission would do is honor the decision that was made today and also grant extension, as well.

PRESIDENT SWIG: Any other commissioner comments?

COMMISSIONER SINGH: I have another question for Mr. Morales. We made a motion, a unanimous decision. So this is making another motion? Is it not nullifying the motion we made?

MR. MORALES: Commissioner Singh, I believe you are asking, is it necessary to make this motion, this one?

COMMISSIONER SINGH: Yes.

MR. MORALES: Well, as I tried to state before, this is necessary because it continues the Public Hearing portion of the comments on the Draft EIR. What you did before was continue the opportunity to write comments on the EIR to staff, so that then staff has to respond. So this -- and so if you just want extension of the time to provide written comments; you have already done that. What is before you now is the motion to have another Public Hearing like you had tonight.

PRESIDENT SWIG: With no resolution of anything, just a hearing.

MR. MORALES: It's just a hearing. It's just a hearing.

COMMISSIONER KING: All right. Let's put it on.

PRESIDENT SWIG: May I ask a question, Mr. Morales? The persons that we heard from tonight have been heard from; and therefore, as this is a continuation of the hearing, those 40 plus people who have spoken this evening, will they have the opportunity of speak themselves again?

MR. MORALES: Yes.

PRESIDENT SWIG: So it's a brand new hearing?

MR. MORALES: Well, I don't believe we can preclude anybody from testifying before the Commission on the matter. They will have another opportunity.

PRESIDENT SWIG: Okay. So we could hear the exact same people stand up here, again and give the exact responses

(Loud voice from the audience.)

PRESIDENT SWIG: Could I ask order in the chambers, please? Thank you.

MR. MORALES: The EIR hearing is supposed to be focused on the environmental analysis, as proposed. It does not usually include a discussion of the project itself and I would just note there was a lot of discussion tonight about the project.

COMMISSIONER BREED: -- about the project, yes.

MR. MORALES: But that is not what this hearing is for.

PRESIDENT SWIG: Okay. We have a motion on the floor; we have a second. Could I have a roll call vote, please?

THE SECRETARY: Commissioner King?

COMMISSIONER KING: What is the motion?

PRESIDENT SWIG: The motion is to have another hearing, to continue this hearing, on January 5th.

MR. MORALES: Correct.

COMMISSIONER KING: Let me ask the question, if I could. What our decision made here tonight, to give the 15 days, what effect did that have on that?

MR. MORALES: It does not affect it. This motion is separate from the previous motion.

COMMISSIONER KING: What effect does that have on that?

MR. MORALES: The effect would be that it gave the public additional 15 days to submit written comments on the Draft EIR; that is what you voted unanimously to do, to provide additional time to submit written comments.

PRESIDENT SWIG: And this motion has no impact on that motion?

MR. MORALES: Correct.

PRESIDENT SWIG: And your vote, sir? Commissioner Singh, your vote?

THE SECRETARY: Commissioner King?

PRESIDENT SWIG: Your vote, aye or no?

COMMISSIONER KING: Aye. I don't care. It's crazy.

THE SECRETARY: Commissioner Singh?

COMMISSIONER SINGH: Yes.

THE SECRETARY: Commissioner Bustos?

COMMISSIONER BUSTOS: Yes.

THE SECRETARY: Commissioner Swig?

PRESIDENT SWIG: Yes.

THE SECRETARY: Commissioner Breed?

COMMISSIONER BREED: Yes.

THE SECRETARY: Commissioner Covington?

COMMISSIONER COVINGTON: Yes.

THE SECRETARY: It's unanimous.

PRESIDENT SWIG: Could we have a five-minute break to give us a chance -- and we will reconvene.

(Whereupon, this concluded the discussion on the Hunters Point matter.)

**END OF COURT REPORTER TRANSCRIPT**

**RECESS**

After a brief recess, Commissioner Swig called the meeting to order and requested the hearing proceed with the next item, Item 4(g).

- (g) Resolution No. 150-2009, Authorizing a Personal Services Contract with Treadwell & Rollo, Inc., a California corporation, for the period covering December 20, 2009 through December 19, 2012 for a total aggregate amount not to exceed \$1,449,260, for technical environmental services in connection with (1) the enhanced dust monitoring program for the Phase 1 development at the Hunters Point Shipyard; and (2) the transfer of property at the Hunters Point Shipyard from the United States Department of the Navy to the Agency; Hunters Point Shipyard Redevelopment Project Area.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None

Commissioner Covington requested that Mr. Kaslofsky provide a more detailed description of each parcel during the visual presentation.

Mr. Kaslofsky indicated potential uses for parcels and where Parcel D-2 will be transferring with Parcel G and B in the coming year. Parcel G is where the stadium site is, and Parcel B is to the north. Parcel UC-1 is a street where utilities

can potentially go. UC-2 is of a similar nature. UC-1 and 2, IR-7 and 18, all three of those will be in 2011. UC-3 and D-1 will be in 2012.

Mr. Kaslofsky explained that numerous technical environmental documents are reviewed, written and finalized and this work will be done in conjunction with the ongoing CERCLA progress on these parcels, and parcels that will be transferred in the future. Staff will be bringing forward a budget amendment to the commission in the next 12 to 18 months to submit a budget for the final 18 months of this contract.

Commissioner Swig asked if there was anybody in the audience who wished to comment on this item. Hearing no request to speak on this item Mr. Swig closed public comment.

Commissioner Singh made a motion to move the item.

Commissioner King seconded the motion.

**ADOPTION:** IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 150-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH TREADWELL & ROLLO, INC., A CALIFORNIA CORPORATION, FOR THE PERIOD COVERING DECEMBER 20, 2009 THROUGH DECEMBER 19, 2012 FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1,449,260, FOR TECHNICAL ENVIRONMENTAL SERVICES IN CONNECTION WITH (1) THE ENHANCED DUST MONITORING PROGRAM FOR THE PHASE 1 DEVELOPMENT AT THE HUNTERS POINT SHIPYARD; AND (2) THE TRANSFER OF PROPERTY AT THE HUNTERS POINT SHIPYARD FROM THE UNITED STATES DEPARTMENT OF THE NAVY TO THE AGENCY; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

**AGENDA ITEMS 4(H) – 4(L) WERE PRESENTED TOGETHER, BUT ACTED ON SEPARATELY**

- (h) Resolution No. 151-2009, Authorizing a Personal Services Contract with San Francisco Conservation Corps, a California nonprofit corporation, for Workforce Services in Connection with the Agency's Job Readiness Initiative, for a term of 18 months, in an amount not to exceed \$292,050, subject to the Annual Appropriation of Funds; Bayview Hunters Point, Hunters Point Shipyard and Visitation Valley Redevelopment Project Areas.
- (i) Resolution No. 152-2009, Authorizing a Personal Services Contract with Girls 2000, a California nonprofit corporation, dba Hunters Point Family, for Workforce Services in Connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$179,970, subject to the Annual Appropriation of Funds; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.

- (j) Resolution No. 153-2009, Authorizing a Personal Services Contract with Young Community Developers, Inc., a California nonprofit corporation, for Workforce Services in connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$300,000, subject to the Annual Appropriation of Funds; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.
- (k) Resolution No. 154-2009, Authorizing a Personal Services Contract with Mission Hiring Hall, Inc., a California nonprofit corporation, for Workforce Services in connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$900,000, subject to the Annual Appropriation of Funds; Mission Bay, South of Market, Transbay, and Yerba Buena Center Redevelopment Project Areas.
- (l) Resolution No. 155-2009, Authorizing a Personal Services Contract with Goodwill Industries of San Francisco, San Mateo & Marin Counties, a California nonprofit corporation, for Workforce Services in connection with the Agency's Job Readiness Initiative, for a term of 18 Months, in an amount not to exceed \$356,925, subject to the Annual Appropriation of Funds; Bayview Hunters Point, Hunters Point Shipyard and Visitacion Valley Redevelopment Project Areas.

Presenter: Christina Garcia, Agency Staff

Speakers: Larry Jones, Robert Brookshire, Patina Holmes, Samantha Sassi, Jamall Johnson, Jason Trimiew Eli Crawford, Melody Daniel, Valentina Blutoris, Terry Anders, Don Marcos, Miquell Penn, Horatio Towe, Laurie Bernstein, Tyrell Blaylock

Commissioner Breed expressed a few concerns, and stated she would go over them quickly due to the lateness of the hour. She felt that over the past few years CBOs providing job readiness programs have failed to support the community. The only CBO that has proven results is Mission Hiring Hall. Commissioner Breed would like training and support provided to CBOs who support the communities. She was concerned there was no language in the resolution in which to enforce the training and support. Commissioner Breed would like staff to make the language clearer in this regard.

Commissioner Breed was pleased that Tide Center was involved in the program, as she had prior knowledge of their reputation. She questioned if they would be overseeing the process. Commissioner Breed stated that there was no information about Tides Center in their packets, or about any of the organizations. Although she was familiar with the organizations, the other Commissioners may not be and it would be helpful for staff to provide background of each organization at a later date. Commissioner Breed noted that no one was the dedicated enforcer of the program and wanted to know who would be holding that position.

Christina Garcia stated the Agency would be the enforcer of the capacity building program, but the program would be run by the Tides Center. The Agency plans to convene with the RFP planning group, PAC and CAC members that were part of

the review process to continue development of the capacity building program. As part of the JRI, there will be meetings to build networks, monitor activities of the CBOs, and then reports will be taken back to the PACs and CACs on a quarterly basis with clear information on the progress of the CBOs, along with what the Agency is doing to ensure full support of these organizations. Currently there is one staff person, Astrid Zometa, who is committed to the implementation of the job readiness initiative. Her responsibility is to closely monitor the organizations. She will be working with these organizations at every step. At the suggestion of Commissioner Breed, language will be incorporated into their scope of work and personal service contracts to require participation in those activities.

Commissioner Breed stated that Young Community Developers has a new Executive Director. She stated there had been several issues in the past, but now they would be moving forward in a positive direction with that organization.

Ms. Garcia expressed that the Agency was very excited about Mr. Toliver's appointment and was looking forward to working closely with him. Over the last six months, the Agency has been working with and tracking the activities of YCD. YCD has exceeded the majority of their goals. One of the challenges of job seekers is preparing for CityBuild and the Sector Academy. Currently, YCD does not have access to the barrier removal component of JRI. Once the barrier removal services and component of JRI are in place, the intent is to dramatically impact the CBOs ability to help job seekers address some fundamental barriers and challenges that they face to getting back to work.

Commissioner Breed expressed her appreciation of the barrier removal component. She felt this was one of the biggest obstacles for individuals who were seeking employment. She stressed the importance of the Agency monitoring and overseeing what is necessary to ensure the organizations are carrying out their missions, but also that the Agency would hold them accountable when they were not performing up to par. The Agency has set specific goals and guidelines which should be adhered to. In the event this does not happen, the Agency should withhold funding. She does not want to repeat past mistakes. She requested regular updates on the program, as well as a brief overview of each of the organizations to the Commission. Commissioner Breed acknowledged her review of Goodwill's budget, emphasizing they are providing most of the monies, stipends and programs, including Rubicon and Turf. She asked if the funding was for only one year.

Ms. Garcia responded that funding was for eighteen months.

Commissioner Breed expressed concern if the position for the job coach case manager would be supported if after 18 months there weren't any additional funds available for this program to move forward.

Ms. Garcia responded by saying, "Goodwill's strategy is sustainability from the start."

Commissioner Breed inquired if Zometa was the program manager and how much of her time would be invested in the program. Commissioner Breed stated that she was aware Ms. Zometa had other responsibilities within the company.

Ms. Garcia answered that a quarter of her time would be committed to the program. The case manager and job coach were committed to the program 100% of the time. Subcontracts had also been negotiated with Turf, Florence Crittenden and Rubicon. They would provide recruitment, substance abuse and legal counseling.

Commissioner Breed felt this was a great program and a model program. She stated that many program participants were coming directly from jail and faced barriers such as the amount of money they made and even over time it was still only minimum wage. Those receiving stipends, was actually lower than minimum wage. Commissioner Breed wanted to know if anything is in place to address those kinds of obstacles or to encourage people who work for Goodwill to seek other opportunities.

Ms. Garcia responded that there were the specific programs that were being presented as well as a new training program. The strategy is to employ people into the transitional work programs, with a very large percentage employed with Goodwill. Goodwill then encourages them to move up through the company and then go out to broader jobs in the community. Goodwill actually conducts training the entire time whether a person is a transitional employee or promoted to staff.

Commissioner Breed wanted to know if there were any residents from Bayview Hunters Point who were employed with the organization.

Ms. Garcia responded yes, there were many.

Commissioner Breed again expressed her thanks. She reiterated the importance of the Agency to be more aggressive to ensure these organizations are adhering to their commitment with training and readiness, but also for the employees that are housed to serve the public. She then made a motion to move the item and a motion to move all five items.

Commissioner Swig thanked Commissioner Breed for her comments and turned the floor over to Commissioner Covington for her response.

Commissioner Covington thanked the President. She expressed her excitement about the upcoming opportunities that would be presenting themselves with the Shipyard, Bayview Hunters Point and Visitacion Valley. One of her goals is to ensure people are ready for jobs when they materialize. Commissioner Covington expressed some concern about the program manager position. She was not clear on some issues, but after further review will come back to staff with further questions.

Ms. Garcia stated that there were no adjustments of the costs as they were proposed by the organizations. Staff goal for the first 18 months is to understand how the monies are correlated to the quality of the service that is provided. One thing staff will be evaluating is services, qualifications of the staff, and staff will be gathering information in order to fold in additional requirements so that the Agency will be more specific about the type of services that should be delivered, the way that those services can be delivered most effectively, and have a clearer sense of the cost associated with each.

Commissioner Covington inquired if the Commission had been given a breakdown of all proposals that were received and how they matched in terms of the points that each received. She also wanted to know if staff had been available to respondents to answer their questions about how to fill out the proposals.

Ms. Garcia responded that staff had definitely been available for any needed assistance. There had been a pre-bid conference where an overview of the request for proposals, the scope of services, eligible activities and eligible budget lines were presented and reviewed. Staff from Elation Systems attended the pre-bid meeting to provide a full instructional and training on how to access the system. Elation Systems has a direct support system which can assist applicants in filling out proposals, as well as Agency staff were available. Programmatic questions were closed at a certain point, but technical questions have been continuously responded to. Astrid Zometa and the Elation staff have done a lot of work with the organizations to ensure that they are able to access the RFP on line and have clear information on how to submit their proposal. Ms. Garcia and Ms. Zometa are working closely with the Review Committee, who also accesses all proposals on line.

Commissioner Covington stated that it is standard operating procedure to receive the entire listing of all of the respondents' names and their rankings from the panel. She inquired if Ms. Zometa would be the new coordinator for the program.

Ms. Garcia confirmed that Ms. Zometa is the coordinator and primary staff responsible for executing the contracts, monitoring the CBOs and is the interface with the CBOs. Ms. Garcia explained that the caseload ratio was much lighter than typical city staff. Ms. Zometa will have a caseload of five, and therefore will be able to spend more time in the community engaging with the CBOs.

Commissioner Covington reconfirmed that a full time person was definitely needed in order for the program to be successful. She asked that the issues of childcare and transportation be addressed.

Ms. Garcia responded to both of the issues in the broad context of the barrier removal component of the JRI. After conducting meetings and focus groups, what was included in the RFP was a priority list of barriers. Childcare and transportation were consistently repeated. A barrier removal service or mitigation funds will be used to allow CBOs access to resources to help mitigate barriers on an emergency basis. Resources are not available to solve broader childcare issues.

Ms. Garcia stated that another area of focus will be the intensive case management function provided by the CBOs. They want to ensure that the City's resources are available to job seekers and to ensure they are taking advantage of those resources. Part of the primary task of the case managers, will be to ensure that people are accessing benefits within the city. When necessary, we will be able to access the barrier mitigation fund to help address barriers.

Ms. Garcia stated that childcare is an area that will need assistance from other departments such as HSA and DCYF, in order to address the overall shortage of childcare slots, as well as the resources. Quality of childcare is also a major issue. One of the next steps is to engage with other departments that are tasked with addressing this issue and developing additional childcare slots, improving the home-based childcare community, as well as advancing additional facility based childcare to ensure that JRI, job seekers, and project area residents are able to access those resources.

Commissioner Covington encouraged Ms. Garcia to seek out those resources sooner rather than later. She inquired if fast passes will be available to people.

Ms. Garcia stated that most definitely fast passes would be made available through the barrier mitigation funds to purchase fast passes, or the CBOs would purchase the fast passes on behalf of their clients and distribute them. Also, individuals obtain fast passes through other benefits such as GA, PAYS or CALWORKS. If it is not available through other means, then it will be obtained through the JRI.

Commissioner Covington inquired how this information would be disseminated to the public.

Ms. Garcia stated that the individual CBOs are working on a marketing and outreach plan, based on current activities and current networks within the community. In addition, the Agency is researching ways to market and brand the JRI. Brochures will be provided. Additional media opportunities are being researched to ensure that individuals within the Bayview and Visitacion Valley, as well as the northeast area, are aware of the available resources. There is a plan to have billboards at the MTA stops, as well as on Facebook and Twitter. There will also be post cards for flyering and additional public service announcements through KPOO.

Commissioner Covington stated that she would like to see a comprehensive outreach plan, including a media plan. She stated that we should not rely solely on the written word, as this was a barrier which needed removal, the barrier of literacy. Commissioner Covington, again, stated her pleasure over the program and moved to second the five items being discussed.

Commissioner Swig thanked Ms. Breed and Ms. Covington for their comments. He stated that he agreed with Commissioner Breed's view of accountability of the CBOs, and although he felt strongly about this he would not request that it be put

in the resolution. Commissioner Swig agreed with Commissioner Covington's remarks in regard to transportation, childcare and dissemination of information. He felt communication should be through churches and other community organizations. He complimented and thanked everyone for a very complete program.

He also thanked the community for their patience due to the late hour.

**ADOPTION:** IT WAS MOVED BY MS. BREED, SECONDED BY MS. COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 151-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH SAN FRANCISCO CONSERVATION CORPS, A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$292,050, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; BAYVIEW HUNTERS POINT, HUNTERS POINT SHIPYARD AND VISITATION VALLEY REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 152-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH GIRLS 2000, A CALIFORNIA NONPROFIT CORPORATION, DBA HUNTERS POINT FAMILY, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$179,970, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 153-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH YOUNG COMMUNITY DEVELOPERS, INC., A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$300,000, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 154-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH MISSION HIRING HALL, INC., A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$900,000, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; MISSION BAY, SOUTH OF MARKET, TRANSBAY, AND YERBA BUENA CENTER REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 155-2009, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH GOODWILL INDUSTRIES OF SAN FRANCISCO, SAN MATEO & MARIN COUNTIES, A CALIFORNIA NONPROFIT CORPORATION, FOR WORKFORCE SERVICES IN CONNECTION WITH THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF 18 MONTHS, IN AN AMOUNT NOT TO EXCEED \$356,925, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; BAYVIEW HUNTERS POINT, HUNTERS POINT SHIPYARD AND VISITACION VALLEY REDEVELOPMENT PROJECT AREAS., BE ADOPTED.

5. **MATTERS NOT APPEARING ON AGENDA:** None
6. **PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS :** None.
7. **REPORT OF THE PRESIDENT:** Commissioner Swig welcomed the newest commissioner, Miguel Bustos. Mr. Swig stated that Commissioner Bustos brings a high degree of experience in government and community affairs and the commission is complimented to have such a person of this caliber. He also thanked his fellow commissioners for entrusting him with the presidency and he looked forward to serving. Commissioner Swig congratulated Commissioner Singh on his appointment as Vice President and stated how much he looked forward to working closely with him. Mr. Swig thanked everyone and wished them and the radio audience a Happy Hanukkah, Merry Christmas, and celebration of Kwanzaa, and most importantly, a healthy and successful new year.
8. **REPORT OF THE EXECUTIVE DIRECTOR:** Mr. Blackwell welcomed Commissioner Bustos to the commission.
9. **COMMISSIONERS' QUESTIONS AND MATTERS:** None.
10. **CLOSED SESSION:** None.
11. **ADJOURNMENT:**

It was moved by Commissioner Breed, seconded by Commissioner Swig, and unanimously carried that the meeting be adjourned at 9:00 p.m.

Respectfully submitted,

Gia S. Casteel-Brown  
Acting Agency Secretary

**ADOPTED:**

**MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO  
HELD ON THE 5<sup>th</sup> DAY OF JANUARY 2010**

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 5th day of January 2010, at the place and date duly established for holding of such a meeting.

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

Mr. Swig 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. Swig asked members of the public who wished to address the Commission to fill out speakers cards, and to state their names for the record.

Mr. Swig requested that due to the anticipated crowd to speak on Item 3a, an overflow area on the first floor on the north light corridor would be available for seating. He also requested that remarks be limited to two minutes due to the numerous anticipated speakers.

Mr. Swig 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-notice meeting agenda.

Prior to the first item being called, Mr. Swig stated that there would be a significant crowd on Matters of Unfinished Business and asked of his fellow commissioners if they desired to take an item out of order, wherein they would discuss the regular agenda first. Hearing none, Mr. Swig called the first item.

**1. RECOGNITION OF A QUORUM**

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

Rick Swig, President  
Darshan Singh, Vice President  
London Breed  
Miguel Bustos  
Francee Covington  
Leroy King

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

3. **MATTERS OF UNFINISHED BUSINESS.** 3(a) Public Hearing To Hear all Persons Interested in the Candlestick Point-Hunters Point Shipyard Phase 2 Draft Environmental Report. Continued Public Hearing on the Adequacy of the Draft Environmental Impact Report for the Candlestick Point – Hunters Point Shipyard Phase II Development Plan Project; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Area.

Presenter: Stan Muraoka, Agency Staff

Speakers: Espanola Jackson, Francisco DaCosta, Jim Lazarus, Gary Banks, Jaquin Deleon, Lisa Galley, Al Norman, Rev. Arelious Walker, Ericka Katske, Tim Colen, Mat Regan. Christopher Wagner, Dr. Ahimsa Porter Sumchai, Richard McRee, Karissa Cole, Rev. Arnold Townsend, Angelo King, Derrick Green. Patrick Uniacke, Carol Harvey, LaRonda Smith, Franklin Ross, Alex Toeaina, Linda Shaffer, Doug Parrish, Daniel Landry, Ace Washington, Tim O'Miles

**COURT REPORTER TRANSCRIPT VER BATUM**

PRESIDENT SWIG: Thank you very much. Again, I want to make sure that everybody is heard today on the subject and commentary on the draft EIR. Anybody else who has any comment on the draft EIR? All right. Hearing no further public comment, I will close public comment and turn to my fellow commissioners for their comments starting with Commissioner Covington.

COMMISSIONER COVINGTON: Thank you, Mr. President. I think we had a slight technical difficulty that's the reason for the delay. I want to first of all thank everyone who came out this afternoon to share your thoughts with us. Once again, we had some new people come out and that's always good. That's why we are here to listen to what you have to say, and I want to thank my fellow commissioners for making sure that we extend the public comment time, the oral public comment time today. I must say I have not read each and every word of the 4,400 pages. I have read most of it, and I really encourage people to go back to the document, to the original document because there are a number of things that were brought up this evening that are indeed covered in the document. I think they are covered quite well. You may not agree with the assessment that is made from the information that has been gathered, but the document is fairly comprehensive. I again encourage those of you who have particular concerns go back to the document. It is voluminous and perhaps you missed something. And if not, you know, we can all agree to disagree. And I think that this is such a huge project, and we have been talking about it for so very long that the thought that we would all be on the same page in accord is the result of thinking in a parallel universe. So I am not put off by anything that anyone has said this evening. I stand by the document and my reading of the document, and I encourage those of you who may be listening on the radio who have not read it, to please read it. I look forward to seeing your written comments of those people who are going to be preparing them. Thank you.

PRESIDENT SWIG: Any other commissioners wish to comment? Okay. I'd just like to echo some of the things Commissioner Covington said. First, I would like to thank the public very much for taking the time both two weeks ago and today for coming out and sharing your thoughts. And also I agree with Commissioner

Covington and Reverend Townsend that the document is very adequate. It is thorough. It has many answers to the questions raised today. We can't all agree on everything, and this is a great opportunity for all of us to comment on our thoughts, and we do have to weigh the adequacy versus -- the issue of adequacy versus the issue of whether we can all agree on the same item at the same time. I would like to further comment that, you know, this is just another small step in a long project, and I hope we all stay looking through the front windshield instead of the rearview mirror so that we can continue to move forward in a constructive fashion.

Just two thoughts for testimony on the DEIR, I call to the attention the transportation section which is a very difficult section. It is very clear that today the transportation issues at Bayview Hunters Point is woefully inadequate, and we talked about it with regard to the EIR for Visitation Valley. There was discussion on looking at the macro issues on transportation. Bayview Hunters Point is not just Bayview Hunters Point. It connects to the rest of the City, and Visitation Valley is part of that, and all the adjacent areas to Bayview Hunters Point is part of that, and the way people get to their jobs downtown or across town or around town is part of that. So as I commented when we were talking about Visitation Valley, I hope that as this document evolves and various authorities that have to deal with transportation really take that transportation section very, very seriously because it is so critical.

Secondly, on the issue of the environment, you know, I wish I had my crystal ball to look at what global warming will do to this world and how far the seas will rise. I unfortunately do not have that crystal ball in my bag of tricks, but I think there should be recognition certainly of environmental issues in the future in this DEIR. It is there. I just want to let you know those who have any concerns, I share those concerns with you, but they are addressed in the DEIR, and I hope that as the draft becomes finalized that any further clarity will be established. That's it. We don't have any -- Commissioner Breed I see has asked to make a comment.

COMMISSIONER BREED: Yes, I want to make a few comments. I want to thank the public for coming out to speak. I also wanted to thank my fellow commissioners for continuing this hearing so that we could hear further comments. I have been up until maybe 3:00, sometimes 4:00 in the morning trying to review the important parts of the document because of the importance. I have visited with residents. I have spoken to a number of them about certain issues that they have had. One of the biggest concerns I think I had was from some of the residents is that they really weren't necessarily interested in reviewing this document, but more importantly they were interested in the housing opportunity and the job opportunities that were promised to them because of this particular project. And so what I would like to communicate, you know, for the record is that it is important that we hold the organizations that receive support financially throughout the City to provide the housing and job opportunities, support necessary to the members of the Bayview Hunters Point Community accountable. That is going to be the most important thing that we do in the long run. We need to make sure that folks are ready for the opportunities that will exist. We can't issue or continue to issue financial support to these organizations and then not make sure that they are delivering measurable results for the people of the Bayview. That is the biggest

concern that I have encountered, and it is something that we need to aggressively address.

The second issue I have is I frequently visit family members, drop kids off, and I'm always in the Bayview Hunters Point for one reason or another. It is really tough maneuvering all over the Bayview, up the hill, down the hill. It is a very difficult place. They have difficult areas to get to with a car, let alone public transportation, and I hardly see buses traveling in the hill area. I know the 19th Polk kind of goes up West Point and some other things, but the public transportation there is ridiculous. I think that one of the things that the transportation section that I would like to have seen more of is address those issues, connecting what exists now or figuring out a way in which the transportation that is going to be addressed in the future is addressed in this EIR. I think it is going to be important that we look now, not wait until this thing is moving forward, but we look now at the transportation problems that exist in the Bayview. I have had a number of problems that have existed on the T3 line where -- you know, I can't put my kids on the T3 line to go home because there's a lot of violence and other issue that happen. So we have to address -- and I know that's not a redevelopment issue, but we need to address the current situation around the transportation issue as a whole. We need to make sure that that is addressed now and that we connect those two dots with the transportation plan because I do have some serious concerns that if we are not dealing with transportation now, how are we going to make it better in moving forward. That is an important issue as well that has been communicated by a number of the residents.

So, yes this is a large document. Yes, there's a lot of indexes and a lot of charts and other things that exist in here, but then there is also a lot of substantive information, and I felt it was a very helpful document. This is the first step in a longer process, and I think in moving forward it is going to be imperative for the public to make -- voice its concern with regards to the plans for the shipyard more importantly and to make sure their comments are included for this draft environmental impact report especially those things that you feel are most important to you. With that, I think we are pretty much one, and I thank you again all for your time and your commitment. I ask you to continue to make public comments, submit information, provide whatever materials necessary to help us, ask commissioners to make the best decision, and also talk to the folks who live around you because if you live in the Bayview Hunters Point or if you work there or if you spend time there, then there are a ton of residents that are constantly willing to step up and make their voices heard with regard to this process, but they may not always want to attend the meetings or provide written comment. So with that, I thank you.

PRESIDENT SWIG: Thank you. Commissioner Bustos.

COMMISSIONER BUSTOS: I just thank you for the opportunity to speak on this. You know I want to appreciate the public and thank you so much for being here. As a native San Franciscan it is always good to have folks that have been in community long term to sort of have that history. With that, I go to sort of what London was talking about. The community benefits should support the community. You have communities not only in Bayview, but other parts of San Francisco that have kept the fabric of that community together with nothing. They have held it

with nothing, without any attention, without any support or resources from the City. Having grown up in the Mission District back in the day, you know, we did the same thing. We had to hold it together. So I really believe that redevelopment should benefit the community that has held it together the most. With that, know that we will have -- I don't know about the other commissioners, but at least for me, will have that in mind as we go forward and encourage you to do the same as we are looking at the plans and looking at transportation as well as the housing environment. One thing in terms of the cultural aspect that really caught my interest as a whole is the way we handle our native brothers and sisters who are indigenous to the community. Ms. Jackson talked about the Ohlones and some others that should be included, and I totally agree. I think the way we handle the findings of human remains, cultural artifacts should be handled in the most culturally, spiritually and sort of proper way to do it. So I would hope that that happens. I just want to thank the public once again for everything you have said, and we have taken a lot of notes. So I appreciate it. Thank you.

PRESIDENT SWIG: Okay. Any other commissioners with comments? All right. Hearing none, before I close this hearing on the subject, I would like to thank Commission Breed, and I believe she was supported heavily by Commissioner Covington, on extending this hearing over to -- from two weeks ago to today. I think that was very valuable and an important exercise in this. I want to recognize those two commissioners and their energy towards making the extension of this hearing possible. So with that, I would like to close the hearing to hear public testimony on the adequacies of the draft EIR in evaluating the likely adverse environmental effects of the closed Bayview Hunters Point Candlestick Point Project. Thank you very much.

(Whereupon, the proceedings were adjourned.)

**END OF COURT REPORTER TRANSCRIPT**

**RECESS**

After a brief recess, Commissioner Swig called the meeting to order and requested the hearing proceed with the next item, Item 4(a).

**4. MATTERS OF NEW BUSINESS:**

**CONSENT AGENDA**

- (a) Resolution No. 156-2009, Authorizing a 2010-2011 Work Order Agreement with the Mayor's Office of Housing in an amount not to exceed \$285,000, from July 1, 2010 to June 30, 2011, for homeownership assistance activities; Citywide Tax Increment Housing Program.

**ADOPTION:** IT WAS MOVED BY MR. SINGH, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 156-2009, AUTHORIZING A 2010-2011 WORK ORDER AGREEMENT WITH THE MAYOR'S OFFICE OF HOUSING IN AN AMOUNT NOT TO EXCEED \$285,000, FROM JULY 1, 2010 TO JUNE 30, 2011, FOR HOMEOWNERSHIP

ASSISTANCE ACTIVITIES; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

**REGULAR AGENDA**

- (b) Resolution No. 157-2009, Authorizing a First Amended and Restated Ground Lease Agreement with 365 Fulton, L.P., a California limited partnership, to change the base rent amount from \$15,000 annually to \$1 annually, and make certain changes to the ground lease, for the development and operation of 120 very low-income supportive housing rental units at 365 Fulton Street; Citywide Tax Increment Housing Program.

Presenter: Erin Carson, Agency Staff

Speakers: None

Commissioner Swig asked if there was anybody in the audience who wished to comment on this item. Hearing no request to speak on this item, Mr. Swig closed public comment and turned to his fellow commissioners.

Commissioner Covington motioned to move Items 4 (b) and (c), but had a few questions prior to doing so. She asked if a waiver of the \$15K annual fee reduction to \$1 was standard operating procedure, why was it not originally included.

Ms. Carson replied that at the time of negotiations on this project, \$15K was the standard base rent. Several local operating subsidy projects have been done since negotiations, and it has become normal practice that the base rent be reduced to \$1 due to programs such as AHP that make it more competitive.

Commissioner Covington wanted to know if developers considered the \$15K burdensome in any way? Is this a deterrent to submitting a proposal?

Ms. Carson commented that it would not be onerous because the fee does not impact the developer directly. The fee is an operating expense. It is taken from the operating cash flow. There would not be any impact on the developer's ability to respond or participate.

Commissioner Covington disagreed. She felt it would impact the operator.

Ms. Carson responded that it would impact the operations, and simply increase the operating budget which increases the local operating subsidy. The primary reason for the change is the competitiveness for the age, a fee funding that creates leverage in the application for additional funding. It is somewhat typical that \$15k is a base rent, but most projects now come forward with the \$1 fee.

Commissioner Covington commented that in the future there should be no need to bring this issue before the commission since there would be a \$1 threshold for future local operating subsidy projects.

Ms. Carson confirmed this would be the case.

Commissioner Swig thanked Ms. Covington for her comments.

Commissioner Covington stated that she previously made a motion to move both items.

Commissioner Singh seconded Ms. Covington's motion to move the items.

Commissioner Swig asked if any other commissioner would like to comment. Hearing none, Mr. Swig asked if it was reasonable and customary for the Redevelopment Agency to act as a guarantor.

Mr. Olson Lee, Deputy Executive Director, responded that it is not reasonable or customary that the Agency act as guarantor. This is an extraordinary situation due to the economic condition of the State. The Agency has not had to previously provide types of guarantees for this program. Usually, takeout financing comes from the State. Due to the State's budget delay this fiscal year, underwriters at private institutions are not prepared to go forward with these projects without a guarantee from the local agency.

The issue of risk was discussed, both in terms of the likelihood that the state would not fund its obligation. Staff agreed that with both the length of time for construction, in addition to the extensions a developer has on a basic construction loan, it will provide time for the State to fix their budget situation and then be prepared to issue their bonds for the this particular housing.

The State position is they have met all obligations to date on the MHP program. Unfortunately, the credit underwriters of the private lenders are indicating that unless we provide some additional assurances, they are not prepared to finance the project. Staff is requesting the Commission's authorization to assure that the project goes forward. Basically, the issue is the question of risk. To this point, the State has reneged on any of its financing.

Commissioner Swig stated that he did not want this to be a precedent setting action. He wanted to make sure it was understood by staff that this is a very clear exceptional action.

Mr. Blackwell added that because this is a very infrequent request, the Commission does not have a formal policy regarding this type of activity. An issue which the Agency would like to bring before the Commission is a formal policy that sets not only what the criteria would be for a project of this type, but also sets thresholds for loan guarantees. Given the economic situation at the State level, and the uncertainty with regard to funds coming from State or Federal levels, banks and other investors will increasingly be looking to local agencies to provide loan guarantees.

Commissioner Swig expressed his concern that if this exception is granted, then potentially it could become standard practice. He expressed concern that regardless of the economic state of the country, this could become a fundamental

negotiating position. Mr. Swig requested staff stress to lenders that this is an exception. This will not be normal behavior of the Agency nor will the Commission approve a guarantee position

Commissioner Breed agreed with Mr. Swig's concerns. Ms. Breed stated that she thought the Agency had performed this action before, when the Agency provided a guarantee for the Banniker homes, but in a different capacity. Her understanding was that the Agency was the guarantor in order for them to secure financing for improvements to their renovation.

Mr. Lee responded that the Agency had done guarantees previously, but they were different forms of guarantees. The Banniker home situation was illustrative because the Agency was guaranteeing payment of Section 8 contracts from the federal government to at-risk development areas where there were project based Section 8s. The Agency did this for a series of projects and structured all financing with short term loans. To date, none of those guarantees have been called, and the banking community is comfortable with payment of those project based contracts by HUD. Currently, these loans do not require a guarantee.

Commissioner Breed stated that it is important for the Agency to have a policy that is very strict in terms of this policy. She expressed concerned that she didn't think this was best for the Agency

Commissioner Swig thanked Commissioner Breed for her comments and asked if there were any further comments from his fellow commissioners. Hearing none and seeing there was a motion on the floor from Commissioner Covington and a second from Commissioner Singh, Mr. Swig called for a vote on the item.

Mr. Morales stated that the vote needed to include Item 4(c) as amended with the lower amount.

Commissioner Swig then recalled the vote with the amended amount of \$15,000 to \$1 for Item 4(c).

- (c) **ADOPTION:** IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 157-2009, AUTHORIZING A FIRST AMENDED AND RESTATED GROUND LEASE AGREEMENT WITH 365 FULTON, L.P., A CALIFORNIA LIMITED PARTNERSHIP, TO CHANGE THE BASE RENT AMOUNT FROM \$15,000 ANNUALLY TO \$1 ANNUALLY, AND MAKE CERTAIN CHANGES TO THE GROUND LEASE, FOR THE DEVELOPMENT AND OPERATION OF 120 VERY LOW-INCOME SUPPORTIVE HOUSING RENTAL UNITS AT 365 FULTON STREET; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED AS AMENDED.

5. **MATTERS NOT APPEARING ON AGENDA:** None.
6. **PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS:** Ace Washington.

7. **REPORT OF THE PRESIDENT:** Commissioner Swig wished everybody a Happy New Year and a better year than last year. He expressed his pleasure to have Commissioner Bustos joining us for a full year and the constructive participation which he brings to the Commission.
  
8. **REPORT OF THE EXECUTIVE DIRECTOR:** Mr. Blackwell gave an update on the Agency's progress with the Board of Supervisors and the budget. At the end of last year, we received approval on the budget amendments that were approved by the Commission at the Budget and Finance Committee, as well as an extension for the Yerba Buena project area for one year. This is commensurate with the legislation that was passed at the State level. The last and final step on the budget issues as they relate to the Board of Supervisors is to seek authorization for the Agency to get financing approval for the \$28.6M payment to the State. This is the last step related to the State payment obligation. There has been a significant interest expressed to reinstate the process of the establishment of a project area in mid-market. We have begun the process at the staff level, reviewing what the steps will be, and to what extent the ten years of planning that had been previously done on this will help us in any way moving forward.
  
9. **COMMISSIONERS' QUESTIONS AND MATTERS:** None.
  
10. **CLOSED SESSION:** None.
  
11. **ADJOURNMENT:**

It was moved by Commissioner Breed, seconded by Commissioner Singh, and unanimously carried that the meeting be adjourned at 6:00 p.m.

Respectfully submitted,

Gia S. Casteel-Brown  
Acting Agency Secretary

**ADOPTED:**