

**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
3rd DAY AUGUST OF 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 6 day of July 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 speaker cards, and to state their names for the record, and to limit their remarks to three minutes. 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-noticed meeting agenda.

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
Miguel M. Bustos
Francee Covington
Leroy King

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

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

3. MATTERS OF UNFINISHED BUSINESS. None.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA :

- (a) Resolution No. 103-2010, Adopting a Resolution of Support for the Agency's Regional Transportation for Livable Communities Application for the South of Market Alleyways Improvements, Phase 2; South of Market Redevelopment Project Area.

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 103-2010, ADOPTING A RESOLUTION OF SUPPORT FOR THE AGENCY'S REGIONAL TRANSPORTATION FOR LIVABLE COMMUNITIES APPLICATION FOR THE SOUTH OF MARKET ALLEYWAYS IMPROVEMENTS, PHASE 2; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

- (b) Resolution No. 104-2010, Authorizing a Letter Agreement with the Mayor's Office of Housing in an amount not to exceed \$100,000 for contract administration and to provide workforce development services to residents of the Hunters View Development from August 3, 2010 to June 30, 2011 through community-based organizations, Family Services Agency serving as the fiscal agent for Urban Strategies; Bayview Hunters Point Redevelopment Project Area.

Presenter: Christina Garcia, Agency Staff, September Jarrett, MOH

Speakers: Ace Washington

Commissioner Covington asked if the service connection was a three year pilot program.

Ms. Jarrett stated that the intent is to try to sustain the commitment to the community for a three year period, and based on the outcome of the partnership with the community, they would like the project to continue beyond the twelve month period.

Commissioner Covington asked what the overall commitment was over the three year period.

Ms. Garcia stated they would continue to reevaluate the progress and outcome of future investments and make an effort to sustain that level of investment for three years. They are working as a city team on the service connection model for Alice Griffith and are unclear at this time in terms of what the total cost or request would be given pending applications and financing opportunities, including a potential Medicaid reimbursement model they will try to pilot later in the year.

Director Blackwell added that the Agency's role is not the same on each one of the HOPE SF sites. The Agency will be intensely engaged in Hunters View and Alice Griffith, and will not have this type of role in Potrero, Sunnydale, and the Westside Courts.

Commissioner asked what the overall budget supports.

Ms. Jarrett stated the first core component is the direct service team, which total 4 FTE's: a Senior Project Manager with purchasing and leadership experience, a jobs service connector (vocational specialist) coupled with the family and children specialist, and a community resident hire focused on outreach and engagement. Ms. Jarrett stated the core set of expenses are coupled with community participation, design master planning, and engagement work. She indicated that Urban Strategies has allocated resources in their budget to engage and support resident leadership and input in the remaining master planning work; those functions and costs combined create the \$590,000 budget. Other funding sources include contributions from the Dept. of Children Youth & Their Families, and the Community Development Block Grant program managed by the Mayor's Office of Housing.

Commissioner Covington asked if anyone from Hunters View would be hired.

Ms. Jarrett stated they plan to hire someone with experience in vocational direct service, and job and workforce development experience from the Hunters View community.

Commissioner Covington asked Ms. Uma Murugan, as representative of Urban Strategies, what she sees as the strengths of the community.

Ms. Murugan indicated from her interaction with the community, their strengths are a desire for residents to work and an active tenant association, which will be located in the community center.

Commissioner Covington asked Ms. Murugan to describe what she sees as the core strengths of the families at Hunters View.

Ms. Murugan stated they have not yet initiated their household assessment process but plan to assess the head of household to get a clearer picture of their skills, education, work experience, and work history. They will also be assessing what their goals are for their family as a whole, both in employment related goals as well as income and household stability. Ms. Murugan also stated that they would be assessing what opportunities are available in the San Francisco community to help match the strength of the families against the programs that are available so families can achieve their goals as efficiently as possible.

Commissioner Covington stressed the importance that everyone understand that the families in the southeast are very strong with inner strength, and that it was

very critical that everyone working on the southeast for the Agency and the City family sit down and think of the strengths of the community. Ms. Covington stated she was not hearing the internal thought process from staff members and wanted to make sure those who are working on this day to day are culturally competent so the process is successful. Ms. Covington put forth a motion to move this item.

Commissioner Bustos expressed his concern what he is hearing is that the majority of the people who are going to be hired are not from the community, and those who are involved in workforce are not from the community, therefore, they do not know the community and the community will not want to know them. Mr. Bustos believes staff should hire more than one manager for the center and at some point, would like the Commission to make that a mandate. Mr. Bustos stated if there is an organization that already exists that is used as a model for connecting community people with services, he asked why would they want to contract with an outside organization from St. Louis, and instead, why not train the existing organizations that are already there. Ms. Bustos understands the intent is good but agrees with Ms. Covington as to whether this has been thoroughly thought out. Mr. Bustos stated the thought should be what the community's needs are, not what they think they need.

Ms. Garcia stated that organization capacity building is part of their efforts. They are trying to balance the needs of the community and respond on an immediate basis and at the same time work with the existing CBO community within the neighborhood to build their capacity in order to respond. Ms. Garcia stated the local provider selected in the first year was not able to meet the needs of the community of the residents; they are now responding to feedback from the residents of Hunters View to make a change in providers. Ms. Garcia stated that for the Agency's Job Readiness Initiative (JRI), the Agency selected both organizations that are based in the southeast community as well as other organizations not based in the neighborhood, but have longer history and performance records in providing workforce services. Ms. Garcia stated the intent for Hunters View is to bring in an expert that has the history and experience working in public housing communities that are in the process of transition, and bring in the network of CBO's within the neighborhood and the broader community to facilitate those connections.

Commissioner Bustos stated the Commission is looking at this project from a local perspective and will continue to have questions and insight on the project. He indicated that both the Commission and staff care very much about the outcome of the project, the southeast community, local communities, and its sustainability.

Vice President Singh put forth a motion to second Ms. Covington's motion.

President Swig asked how many people from the community will be employed.

Ms. Murugan stated they have not made final hiring decisions but, with fingers crossed, are hoping to hire two.

President Swig thanked Commissioner Bustos for raising the issue of trust and the community. Mr. Swig called to the attention of the Executive Director that the Agency is looking for 50% hiring from the City of San Francisco on Agency construction projects and other Agency activities with the intent of hiring a significant amount of people within the Bayview Hunters Point but what he heard is someone saying, with fingers crossed, "she hopes to hire two people from the Bayview Hunters Point". Mr. Swig stated that it was unacceptable that no one has yet been hired from the Bayview community. Mr. Swig asked how Urban Strategies will ensure in the period of one year that they will outreach to 100% of the people in the community.

Ms. Murugan stated they will be knocking on doors and making home visits.

President Swig asked when Urban Strategies is expected to return to update the Commission on their community outreach efforts.

Ms. Murugan stated six months as stated in their work plan.

President Swig requested the Director to update the Commission in six months on the progress on Urban Strategies and what the progress is in the community.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 104-2010, AUTHORIZING A LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF HOUSING IN AN AMOUNT NOT TO EXCEED \$100,000 FOR CONTRACT ADMINISTRATION AND TO PROVIDE WORKFORCE DEVELOPMENT SERVICES TO RESIDENTS OF THE HUNTERS VIEW DEVELOPMENT FROM AUGUST 3, 2010 TO JUNE 30, 2011 THROUGH A COMMUNITY-BASED ORGANIZATIONS, FAMILY SERVICES AGENCY SERVING AS THE FISCAL AGENT FOR URBAN STRATEGIES; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (c) Resolution No. 105-2010, Authorizing a Reimbursement Agreement with Westfield Metreon LLC, a Delaware limited liability company, FC Metreon, LLC, a Delaware limited liability company, and MJM Management Group, a California corporation, to perform mold remediation work in an amount not to exceed \$192,925 at the Agency's Yerba Buena Gardens property adjacent to the Metreon site at 101 Fourth Street; Yerba Buena Center Approved Redevelopment Project Area D-1.

Presenter: Denise Blades, Agency Staff

Speakers: None

Commissioner Bustos asked why the \$64,000 contingency amount set aside is so high.

Ms. Blades stated it was to ensure that the Agency would not have to come out of pocket for any work that exceeded the \$128,000.

Commissioner Bustos asked why the item was before the Commission if the Agency is not funding the project.

Director Blackwell stated the Agency has a contract with MJM and in order for the work to be completed, they will be utilizing more money than what is in the contract. Therefore, there is an amendment of the agreement with MJM to include the scope of work, which ultimately, the Agency will be reimbursed by Westfield.

Commissioner Bustos put forth a motion to move item 4(c).

Commissioner Covington stated it was not clear to her and asked if MJM was doing the work.

Ms. Blades stated MJM will contract with the remediation contractor to do the work.

Commissioner Covington agreed with Commissioner Bustos that she had never heard of such a high contingency fee and asked if that was standard.

Ms. Neches stated in working out the agreement with Westfield, because the expansion joint is their responsibility, they are required to pay for the remediation of the Agency's property, but are asking that the reimbursement amount be capped. Staff asked Westfield for a 50% contingency which they readily agreed to since this type of work is subject to uncertainty until the drywall is removed.

Commissioner Covington seconded Mr. Bustos' motion.

Commissioner Singh asked when the area was last cleaned and what type of toxic do they expect to find.

Ms. Blades stated this was the first time it was being cleaned.

President Swig asked what happens if the amount exceeds the \$128,000, plus 50% contingency.

Ms. Blades indicated the agency would then have to pay the difference.

Commissioner Singh asked how many employees have been hired from the area.

Ms. McCue indicated that 74% of their workforce is from the community.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 105-2010, AUTHORIZING A REIMBURSEMENT AGREEMENT WITH WESTFIELD METREON LLC, A DELAWARE LIMITED LIABILITY COMPANY, FC METREON, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AND MJM MANAGEMENT GROUP, A CALIFORNIA CORPORATION, TO PERFORM MOLD REMEDIATION WORK IN AN AMOUNT NOT TO EXCEED \$192,925 AT THE AGENCY'S YERBA BUENA GARDENS PROPERTY ADJACENT TO THE METREON SITE AT 101 FOURTH STREET; YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1, BE ADOPTED.

5. **MATTERS NOT APPEARING ON AGENDA:** None

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

Ben Strumwasser, John Scott Larry Del Carlo, Ace Washington, Gary Lynch

7. **REPORT OF THE PRESIDENT:**

- President Swig informed the Commission that Ms. Breed received a transfer to the Fire Commission and requested that she be recognized for her service upon his return from medical leave.
- President Swig reported that the Commission held their retreat July 28th and continued this date, August 3rd. The focus on July 28th was on housing issues and housing policies with today's discussion on workforce; both of great interest to the Commission. Discussions were constructive with staff getting feedback from the Commission on many items; those discussions will involve into improved policies and greater strength to the Redevelopment Agency as it moves forward.

8. **REPORT OF THE EXECUTIVE DIRECTOR:** None

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

- Commissioner King stated he was disappointed with the direction the agency was going and asked what has happened to the policies and not recognizing people the agency has worked with throughout the years.
 - Director Blackwell stated Mr. Del Carlo was referring to a program from the Mayor's Office of Housing; those funds were no longer available due to money coming from HUD which had dwindled. Mr. Blackwell indicated it is not an Agency program and the agency is not allowed to provide technical assistance dollars with tax increment

financing. Mr. Blackwell stated there have not been any changes in Agency policies; they continue to move forward with the same approach they have utilized in the past. When the EIR services contract comes before the Commission, Mr. Blackwell stated it will be a perfect opportunity to get more clarity.

- Commissioner Covington thanked her fellow Commissioners for a good retreat. Requested the Commission Secretary send the notes from the scribe to all Commissioners via email.
- Commissioner Covington stated she did not see the EIR services contract on the Forward Calendar and asked when it is scheduled and if it will be coming to the Commission with a recommendation.
 - Director Blackwell indicated it is scheduled to be heard in September.
- Commissioner Covington asked for a précis of who the top bidder was and what the process was since staff usually selects the top scorer.
 - Director Blackwell asked Christina Garcia, Contract Compliance Supervisor to give an accurate portrayal of the process.
 - ❖ Ms. Garcia stated the Agency has two policies that govern its selection process; the Agency's purchasing policy as well as the Small Business Enterprise (SBE) Policy. The SBE policy affords a first consideration to qualified SBE's but nowhere in the SBE policy or purchasing policy does it require the selection of the highest bidder or the lowest qualified bidder, depending on the solicitation. The process of review with the review committee involved scoring, discussion, interviews, and a further recommendation from that committee was followed. Ms. Garcia did not have the details of the scoring as well as the decision making but stated she would provide that information to the Commission. Ms. Garcia indicated it clearly states within the Agency's SBE policy that if the highest bidder or lowest qualified bidder is not selected, the recommendation needs to detail why that contractor was not selected and the second highest or whoever was selected over another bidder based on scoring; all those requirements were met during the review and recommendation process.
- Commissioner Covington asked if the detailed description of why CirclePoint was not selected will be in the Commission packets.
 - ❖ Ms. Garcia indicated they would be in their packets; Contract Compliance participates in the review process to ensure fairness and alignment with Agency policies. They went through a robust level of effort on the selection process to ensure the policies were followed and explanations were provided for the decision making.
- Commissioner Covington stated she wanted to prepare staff for some dissension when the item comes before them since she is receiving calls that people are not pleased with the process; they do not feel it was transparent, in particular small business owners. Ms. Covington stated there needs to be clear overriding reasons and stated they may be clear to staff but the

Commission has to agree that they are clear and are consistent with Agency policies.

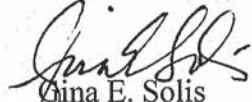
- ❖ Ms. Garcia stated within the SBE policy, there are specific provisions when an SBE is not selected. If they express an interest, the Agency will provide them with responses of the other bidders, the score sheets, and the information on the process so it is fully transparent. It was Ms. Garcia's understanding that this information was provided to CirclePoint, if not they will do so. Ms. Garcia stated staff from the HPSY project will be presenting the recommendation to the Commission; Contract Compliance's role is to only ensure the process was followed.
- Commissioner Bustos indicated, as Commissioner Covington stated, that the Commission will be looking more closely at the processes and recommendations since it is about people who have been working with the Agency for many years. He stated it should be a transparent process and expressed his concern about rumors he's hearing about deals being done even before RFP's are sent out and indicated that he hopes that is not true.

10. **CLOSED SESSION:** None.

11. **ADJOURNMENT:**

It was moved by Commissioner King, seconded by Commissioner Bustos, and unanimously carried that the meeting be adjourned at 5:32 p.m.

Respectfully submitted,


Gina E. Solis
Agency Secretary

ADOPTED:

OCTOBER 19, 2010