

**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
21st DAY OF SEPTEMBER 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 21st day of September 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.

President Swig requested Agenda Items 4(g) and (h) follow Agenda Item (b) due to the number of seniors in attendance for those items.

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
Francee Covington
Leroy King

The following Commissioner(s) were absent:

Miguel M. Bustos

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) Authorizing a First Amendment to the Personal Services Contract with Renne Sloan Holtzman Sakai, a limited liability partnership, to increase the contract amount by \$50,000, for a total aggregate amount not to exceed \$100,000, to obtain specialized human resources services. (Resolution No. 116-2010)

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 116-2010, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH RENNE SLOAN HOLTZMAN SAKAI, A LIMITED LIABILITY PARTNERSHIP, TO INCREASE THE CONTRACT AMOUNT BY \$50,000, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$100,000, TO OBTAIN SPECIALIZED HUMAN RESOURCES SERVICES, BE ADOPTED.

REGULAR AGENDA

- (b) Resolution commending and expressing appreciation to Michael S. Cohen for his services to the City and County of San Francisco upon the occasion of his departure as director of the Office of Economic and Workforce Development. (Resolution No. 117-2010)

Presenter: Fred Blackwell, Executive Director

Director Blackwell read the following resolution:

Michael Cohen joined the City and County of San Francisco ("City") in 1995 to serve as the head of the Real Estate and Finance team of the City Attorney's Office. In that capacity, he served as lead transaction counsel on a number of complex public-private development deals in San Francisco, including the conveyance and development of the first phase of the Hunters Point Shipyard; the renovation of Union Square Park, the new de Young Museum and

underground parking garage in Golden Gate Park; the development of the Hotel Vitale on formerly surplus MUNI property along the City's waterfront; and the renovation of Harding Park Golf Course into a PGA Championship course. He also helped create and served as General Counsel to the Treasure Island Development Authority.

In 2004, Michael Cohen joined the Office of Economic and Workforce Development to manage the Base Reuse and Real Estate Development team. In 2007, Mayor Gavin Newsom appointed Michael Cohen as Director of the Office of Economic and Workforce Development ("OEWD").

During his tenure at OEWD, Michael Cohen worked extensively with local communities to promote investment, innovation and business growth.

As Director, Michael Cohen oversaw the Business Attraction and Retention, Real Estate Development, Small Business, Film, International Trade and Commerce, Workforce Development, and Neighborhood Development and Revitalization divisions.

Throughout his 15 years of service with the City, Michael Cohen championed a number of redevelopment projects including: Treasure Island, Hunters Point Shipyard Phase 1, the Candlestick Point - Hunters Point Shipyard Phase 2 Project ("CP-HPS2"), Mission Bay, and Transbay.

Michael Cohen has demonstrated extraordinary leadership and commitment to the creation of public benefits such as affordable housing, parks and open space, jobs and economic development opportunities for the City, and in particular, for neighborhoods in the City who have historically lacked access to these services.

Recently, Mr. Cohen announced his resignation as Director of OEWD after he had successfully obtained community, Agency, and Board of Supervisors approval of the CP-HPS2 Project.

Now, therefore, be it resolved that the Redevelopment Agency of the City and County of San Francisco extends its appreciation to Michael Cohen for his years of success and his dedicated service to the City and Agency and furthermore expresses its best wishes to him in all his future endeavors.

Speakers: Scott Madison, Ace Washington, Linda Richardson, Oscar James, Pastor Arelious Walker, Espanola Jackson, Claude Everhart

Commissioner King thanked Mr. Cohen for his leadership and hard work in bringing the Western Addition and the Hunters Point Shipyard to where they are now, and stated nothing would have been done in the City had it not been for Mr. Cohen's hard work and dedication. He stated that Mr. Cohen was a wonderful asset to the City and County of San Francisco and wished him luck in his future endeavors.

Commissioner Singh stated in the 15 years since Mr. Cohen began working for the City and County of San Francisco in various capacities, he has shown remarkable ability to problem solve, to get everyone to see the big picture, to collaborate for the common good cause, and to envision what a new and improved San Francisco would mean for its residents and its visitors. Mr. Singh stated those who have had the privilege of working closely with Mr. Cohen will see a large impact in the coming years in the Hunters Point Shipyard, Mission Bay, Treasure Island, and Transbay Terminal. Mr. Singh stated all those projects will come to fruition and expressed how proud he was to have had the opportunity to know and serve with Mr. Cohen. It is Mr. Singh's hope that Mr. Cohen will be working in the vicinity and expressed his sincerest thanks for a job well done.

Commissioner Covington thanked Mr. Cohen for his keen intellect on the part of the citizens of the City and County of San Francisco, for his gentle manner under pressure, under fire. Ms. Covington stated that she will never forget what she believes to have been one of Mr. Cohen's finest hours, the 13.5 hour meeting in the Board of Supervisors, at a quarter to midnight. She stated he was just as sharp, focused, and pleasant in his demeanor as he had been at 1pm that afternoon. Ms. Covington expressed her appreciation to Mr. Cohen and believes there are very few people in the great cities of the world that can get in their cars and point to the monuments of their efforts, which she stated; he will be in the select few. Ms. Covington stated San Francisco was very lucky to have Mr. Cohen and thanked him once again.

President Swig stated thanking Mr. Cohen was not enough. Mr. Swig stated Mr. Cohen is an extraordinary man who has provided the City with extraordinary gifts and dedication, likes of which he believes will not be seen in a long time. Mr. Swig met Mr. Cohen four years ago and gave him an education on City Hall and guidance on a successful initiative benefiting the tourism improvement district for 25 years. Mr. Swig indicated when he first became Commissioner of the Redevelopment Agency, Mr. Cohen discussed Bayview Hunters Point, block by block, building by building, and issue by issue; an extraordinary education and easy to understand, with a great sense of neutrality and did not present him with any bias. Mr. Swig stated there were

various speakers praising Mr. Cohen, people of different points of view, a lot of contention, a lot of emotion, but Michael has been there consistently as a consensus builder amongst the same energy everyone experienced this date. He has been able to keep things moving and kept everything constructive, and still, as Ms. Covington mentioned, a kind, gentle, even tempered man that he was when he came to the office earlier that day. Mr. Swig indicated that another appreciation of Mr. Cohen's efforts is the China SF initiative that will bring countless of millions of dollars and jobs potentially into San Francisco when San Francisco becomes the hub of business dealings between China and the U.S. He stated that Mr. Cohen is as passionate and current with that as he is about the buildings the Commission is concerned with. Mr. Swig stated because of Mr. Cohen's leadership, there have been countless numbers of companies, high tech, biotech, which have come to San Francisco due to Mr. Cohen's department, his initiative, and leadership. Mr. Swig stated for the past, the present, and the future, he hopes everyone realizes how much is owed to Mr. Cohen's dedication and passion and ability to get things done. Mr. Swig thanked Mr. Cohen for being a great gentlemen, for having tremendous care in the way he deals with all of the City's business, his conscience efforts to do it right, his passion and energy and dedication that Mr. Swig will continue to look for in his own behavior and use him as a mentor as he tries to fulfill his responsibilities he has to the City as well. Mr. Swig thanked Mr. Cohen and wished him the best in his future endeavors.

Mr. Cohen thanked everyone for the warm and heartfelt words and stated that it has been a tremendous privilege to serve the City of San Francisco. Mr. Cohen indicated there has never been anything he has ever worked on in his entire life, which he put, has put much into, as he did for the Hunters Point Shipyard and Candlestick. Mr. Cohen stated he is very proud of what has been accomplished even though it may take many years to see the benefits of that work, but stated that he has great confidence in Director Blackwell and his staff, as well as Tiffany Bohee and her team. Mr. Cohen stated that difficult issues will come up over the years, as the plans become a reality, but stated that he was very grateful that he had the opportunity ever day to go to work on something that mattered.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 117-2010, RESOLUTION COMMENDING AND EXPRESSING APPRECIATION TO MICHAEL S. COHEN FOR HIS SERVICES TO THE CITY AND COUNTY OF SAN FRANCISCO UPON THE OCCASION OF HIS DEPARTURE AS DIRECTOR OF THE OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT, BE ADOPTED.

AGENDA ITEMS 4(G) & (H), WERE MOVED TO BE HEARD IMMEDIATELY FOLLOWING ITEM 4(B) DUE TO THE LARGE NUMBER OF SENIOR'S AND COMMUNITY MEMBERS IN ATTENDANCE.

- (g) Authorizing an Assignment and Assumption Agreement with Bayview Hunters Point Multipurpose Senior Services, Inc., a California nonprofit public benefit corporation, to purchase real property located at 5800 Third Street, Lot 3 and to pay for related closing costs for an amount not to exceed \$8,800,000 for the development of very low income rental senior housing, and making environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program. (Resolution No. 122-2010)

Presenter: Pam Sims, Agency Staff

Speakers: Willie B. Kennedy, Cathy Davis, Michael Baines, Dr. Aurelius Walker, Claude Everhart, Dorris Vincent, Espanola Jackson, Linda Richardson, Frank Williams, Eric Smith, William L. Richardson

Commissioner Covington thanked everyone for attending the meeting to show their support of the items. Ms. Covington expressed her support in the project being a larger and a more accessible senior center than the one, which currently exists and was pleased that the Fresh and Easy Grocery store will be within walking distance so people will not have to take the bus and go across town for basic necessities. Ms. Covington stated 5800 Third Street has been heavily advertised as a condo complex and asked if the number would be retained or will there be a new street number for the center.

Ms. Sims stated that would be decided later in the process, it is dependent upon the sitting of the building and how the building faces. Once the street number is determined, staff will inform the Commission; it will not be 5800 Third Street

Ms. Covington stated it would be helpful for people to know so the origins of the deliberations by the Commission are not confused by different addresses. Ms. Covington asked what the estimated cost of the project was.

Ms. Sims stated they are unsure of the cost as yet since the schematic design has not been completed; they will have a better understanding of the cost once the Exclusive Negotiations process begins in a year.

Ms. Covington asked if the Senior Center would be for seniors 60 or 62 years of age.

Ms. Sims stated that too would be determined during the ENA period. Funding determines the eligibility; Federal Funding would be 62; no Federal Funding 55.

Ms. Covington asked what the unit size is.

Ms. Sims stated the one bedroom is estimated to be in the 550 sq.ft. range, with 2 bedrooms in the 830 sq.ft. range; this too will be determined in a year during the ENA period.

Ms. Covington asked if young people who are being reared by their grandparents would be welcomed.

Ms. Sims stated that too is being considered.

Ms. Covington asked for more details on the Ex-Offender Program.

Ms. Cathy Davis stated that Dr. Davis wrote his Master's thesis many years ago on seniors that were getting out of prison and it occurred to him that they would need different types of services than ex-offenders in general. They have a case management program for the No Violence Alliance through the Sheriff's Department and help find transitional housing, health care, help reintegrate ex-offenders back into society and volunteer at the Senior Center, which helps connect them back into the community. Ms. Davis stated they call senior ex-offenders the "Over the Age of 50" since they age at an earlier age. Ms. Davis appreciated what Ms. Covington pointed out that people are disabled since she has been trying to help people get into Armstrong Housing and is coming up against what Ms. Covington stated about people having grandchildren, people who aren't 62 yet, are disabled, and have no place to go. Ms. Davis indicated once they get the financing they would create additional services, not just more independent senior housing but supportive services.

Ms. Covington pointed out in talking about age 55 for those people who are not ex-offenders, some people in the community are already great grandparents. Ms. Covington would like some discussion on that since each population is different. Ms. Covington asked if the Senior Ex-Offender Program will be a component of the Senior Center or will ex-offenders be getting apartments in the building.

Ms. Davis stated some ex-offenders will be getting apartments and have case management services that offer those services at the senior center. They will be focusing on wellness and having people age in place which is their concept of what aging campus means; aging in place, living where you need to live at the level you need to live at, and not having to move out of the Bayview because there is nothing there for them anymore. Ms. Davis mentioned in talking about the African American Diaspora across the country, it happened in the Bayview Hunters Point because of housing; more people ended up moving to Laguna Honda because they are frail and elderly and do not have another alternative other than independent housing. Ms. Davis asked that those issues be looked at and create housing that addresses those needs, and to look at this beyond the usual institutional housing type project.

Ms. Covington put forth a motion to move items 4(g) & (h).

Commissioner Singh stated he too supports the project and is very interested in the Ex-Offender Program since he is involved in Ex-Offender Programs at the State level. Mr. Singh requested for more detail on the program.

Mr. Smith stated the Ex-Offender program was formed in 2002 due to the outbreak of people returning from custody back into the community. Dr. Davis and other community members recognized the fact that it was a population underserved and began round table discussions with community members, local, State and Federal Government officials about what could be done to reduce the recidivism of that population. In 2003, they received funds for their program and have, since 2002, helped over 3,000 people. They are involved in the Safety Community Re-Entry Council program that serves men 50 and older and women 45 and older who are physiologically age 12 years (their chronological age) due to stress and lifestyle. They have collaborated with over 15 to 20 organizations throughout San Francisco so ex-offenders can receive continuum care. They also have one of the first senior ex-offenders who graduated from CityBuild when the program first started. Mr. Smith indicated that they have received awards throughout the United States and have been asked by different organizations to speak about their program. They have worked with the Mayor's Office of Community Development and placed 55 formerly incarcerated people into permanent housing in one year alone. Mr. Smith stated they also started the Inter-Trenches Awards, which started in San Francisco for people who have turned their lives around and have shown the world that people can turn their lives around.

Commissioner Singh asked if they were familiar with the Re-Entry program and offered that he may be of service to help with their efforts.

Mr. Smith expressed his appreciation to Mr. Singh for his offer to help and stated that he enthusiastically looks forward to discussing the program further with him.

Commissioner Singh seconded Ms. Covington's motion.

Commissioner King expressed his support for the project and wished them well.

President Swig expressed his appreciation for everyone that came out to support the project, which he stated, which makes a difference. Mr. Swig expressed his and his fellow Commissioners appreciation for their energy and initiative for the project.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 122-2010, AUTHORIZING AN ASSIGNMENT AND ASSUMPTION AGREEMENT WITH BAYVIEW HUNTERS POINT MULTIPURPOSE SENIOR SERVICES, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO PURCHASE REAL PROPERTY LOCATED AT 5800 THIRD STREET, LOT 3 AND TO PAY FOR RELATED CLOSING COSTS FOR AN AMOUNT NOT TO EXCEED \$8,800,000 FOR THE DEVELOPMENT OF VERY LOW INCOME RENTAL SENIOR HOUSING, AND MAKING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

- (h) Authorizing an Exclusive Negotiations Agreement with Bayview Hunters Point Multipurpose Senior Services, Inc., a California nonprofit public benefit corporation, and McCormack Baron Salazar, Inc., a Missouri corporation, to negotiate a long-term lease of real property at 5800 Third Street, Lot 3, for the development of 121 very low-income senior rental housing units with a ground floor senior center, and making environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program. (Resolution No. 123-2010)

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 123-2010, AUTHORIZING AN EXCLUSIVE NEGOTIATIONS AGREEMENT WITH BAYVIEW HUNTERS POINT MULTIPURPOSE SENIOR SERVICES, INC., A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, AND MCCORMACK BARON SALAZAR, INC., A MISSOURI CORPORATION, TO NEGOTIATE A LONG-TERM LEASE OF REAL PROPERTY AT 5800 THIRD STREET, LOT 3, FOR THE DEVELOPMENT OF 121 VERY LOW-INCOME SENIOR RENTAL HOUSING UNITS WITH A GROUND FLOOR SENIOR CENTER, AND MAKING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

- (c) Authorizing a personal services contract with Arc Ecology, a California nonprofit corporation, to provide environmental information services regarding remediation plans at the Hunters Point Shipyard for a term of one year, with two 1-year extension options and one-year budgets, exercised at the Executive Director's discretion, in an amount not to exceed \$282,500 for the first year, for a total aggregate amount not to exceed \$847,499; Hunters Point Shipyard Redevelopment Project Area. (Resolution No. 118-2010)

Presenter: Thor Kaslofsky, Agency Staff, Saul Bloom, Arc Ecology

Speakers: Scott Madison, Ben Strumwasser, Michael Lynes, Eric Smith, Jackie Phillips, Claude Everhart, John Eller, Kate Kelley, Al Norman, Lonnie Mason, Christine Johnson, Tessie Ester, Terry Anders, Mindy Kener, Richard Hopson, Kristine Enea, Espanola Jackson, Dedria Smith, Al Williams, Oscar James, Saul Bloom

Commissioner King stated he opposed awarding the contract to Arc Ecology. Mr. King stated since he has been on the Board Mr. Bloom has been speaking against what the Redevelopment Agency proposed for the Hunters Point Shipyard Project, and spoke against Lennar and Mr. Bonner. Mr. King stated he opposed awarding the project to Arc Ecology from the very beginning but was asked by Mr. Bonner to support them which was the only reason Mr. King changed his vote. Mr. King stated that Mr. Bloom has not changed since the very beginning of the project where he has opposed everything from very basic plans to the bridge and other issues. Mr. King asked his fellow Commissioners to vote against awarding the contract to Arc Ecology due to Mr. Bloom's

opposition expressed to the community towards the Agency's program for the Hunters Point Shipyard and Lennar's efforts.

Commissioner King put forth a motion to reject staff's recommendation to award the contract to Arc Ecology.

Commissioner Covington stated she spent quite some time going over the voluminous amount of information on the communications and responses from the EIR because she remembered there were a few letters related to Arc Ecology's assertion that there was the backing of several community organizations for the alternative that Arc Ecology was putting forth for Yosemite Slough. Ms. Covington stated the organizations wrote letters saying that their names had been used erroneously, that they did not support Arc Ecology, and requested that the letters be part of the permanent record related to the EIR. Ms. Covington stated the 50% requirement for SBE's and hiring is a goal the Commission and the Agency support but does not apply to non-profits. She stated that the proposal submitted by CirclePoint covers that base and the fact that a number of people in their communications with her said that in order to have less dissention and less controversy with all the development that needs to be done over the next 30 years, that it is important that everyone on the team be on the same page, and that Arc Ecology is not only on the same page but sometimes in a different book. Ms. Covington stated members of each of the five firms were interviewed and stated it is a good process when there is a panel and score each candidate firm or non-profit, which is a confidential scoring, and should be taken into consideration. She stated that CirclePoint did win. Ms. Covington stated that CirclePoint is not a lightweight firm and has a deep bench when it comes to this type of work. She said there is a great disservice to CirclePoint to say that because they do not live in the community they would not care, which is not the case. She pointed out that Mr. Al Williams was on the CAC for 7-8 years who was very active and vocal. Ms. Covington stated there is a lot to be done over the next three decades and she is eager to begin the work.

President Swig stated there was an item before the Commission a few months prior where there was a custodial company that had a job with the Agency for quite some time. They did a great job, were popular, had good community relationships and trust, but an RFP was advertised and the vendor who served the Agency did not come out with the highest score. Mr. Swig stated then that it was a very hard decision when someone had been hard working and loyal, to suddenly choose someone else which is part of the process. Mr. Swig stated it was clear that CirclePoint, as the new custodial company, had a higher score. Mr. Swig asked for clarification for the SBE 501C3 issue; is Arc Ecology

meeting the standards of the hiring practices as a 501C3 versus the SBE ratio that CirclePoint has.

General Counsel Morales clarified the question as to whether Arc Ecology, as a non-profit, qualifies as a small business entity. Mr. Morales stated the answer under the policy the Commission adopted is no. The non-profit is not considered. It has been discussed and debated at the working group meeting (the Advisory body to the Commission about small business), and to date there has not been a recommendation to propose a change to include non-profits. Mr. Morales noted the City does give additional points to non-profits.

President Swig asked if CirclePoint scored more points as a SBE provider.

General Counsel Morales stated the SBE factor is a preference, a factor to be considered, but is not quantified into a certain number of points.

Christina Garcia clarified that CirclePoint is not a SBE but did include three subcontractors who are SBE's and there were no points awarded for that.

President Swig clarified that a 501C3 is not a SBE according to the Agency's Policies and Procedures.

Ms. Garcia confirmed Mr. Swig's statement.

President Swig stated he would like to read a few things he too shared from Mr. Norman's list that he too made an observation such as, where a consultant crosses the line, not being a neutral consultant but being an advocate, and sometimes he felt the advocacy went against the person that hired them. Mr. Swig indicated, as a consultant he does not always agree with some of his customers but he does not bite the hand that feeds him. Mr. Swig stated he looked at the score 81.6, 81.4 and the SBE issue, re-read all the proposals from two qualified companies who could do the job and do it well. Mr. Swig stated he respects relationships, trust, and the community's voice.

President Swig requested the Commission Secretary for a roll call vote on the item.

General Counsel Morales stated that no one seconded Mr. King's motion to reject the staff recommendation.

Vice President Singh seconded Mr. King's motion to reject staff's recommendation.

President Swig asked the Commission Secretary to take a roll call vote to reject staff recommendation of Arc Ecology.

Commissioner King – Yes
Vice President Singh – Yes
Commissioner Covington – Yes
President Swig – Yes

President Swig announced the vote was unanimous in rejecting staff's recommendation in engaging Arc Ecology for the contract.

Commissioner King put forth a motion to accept CirclePoint.

Commissioner Covington seconded Mr. King's motion.

President Swig requested a roll call vote for Mr. King's motion to accept CirclePoint.

Commissioner King – Yes
Vice President Singh – Yes
Commissioner Covington – Yes
President Swig – Yes

President Swig announced the vote is unanimous in selecting CirclePoint as the alternative provider of services to the Redevelopment Agency.

Commissioner Covington asked whether there should be public comment since a substitute motion was provided.

General Counsel Morales stated public comment was for the item, there was full public comment for the item, which included the possibility of a rejection or the adoption of another motion; public comment was satisfied and there is no need for additional public comment.

MOTION: IT WAS MOVED BY COMMISSIONER KING, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 118-2010, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH ARC ECOLOGY, A CALIFORNIA NONPROFIT CORPORATION, TO PROVIDE ENVIRONMENTAL INFORMATION SERVICES REGARDING REMEDIATION PLANS AT THE HUNTERS POINT SHIPYARD FOR A TERM OF ONE YEAR, WITH TWO 1-YEAR

EXTENSION OPTIONS AND ONE-YEAR BUDGETS, EXERCISED AT THE EXECUTIVE DIRECTOR'S DISCRETION, IN AN AMOUNT NOT TO EXCEED \$282,500 FOR THE FIRST YEAR, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$847,499; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE REJECTED.

MOTION: IT WAS MOVED BY COMMISSIONER KING, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT CIRCLEPOINT BE AWARDED THE CONTRACT.

- (d) Authorizing changes to the matching requirements, maximum forgivable loan amounts, and other program terms of the Six on Sixth Street Economic Revitalization Program for specified corner catalyst properties on Sixth Street; South of Market Redevelopment Project Area. (Resolution No. 119-2010)

Presenter: Christine Maher, Agency Staff

Speakers: Tracy Everwine, Antoinetta III, Henry Karnilowicz

Vice President Singh put forth a motion to move item 4(d).

Commissioner Covington stated there was quite a change from 15 years down to 5 years and asked if there was any consideration for a 10-year period.

Ms. Maher stated the reason for the change was due to the terms of most business leases were 5 years and Urban Solutions found that businesses were very concerned about entering into loans with 15-year terms when their leases were only running for 5 years.

Mr. Mike Grisso stated that the connection was not made that it would affect the businesses interest in the program to have a loan forgiveness period that was longer than the lease. They knew what the lease terms were but reducing the terms was to increase interest in the program.

Commissioner Covington expressed her concern in giving \$600,000 to businesses that may only be around for 5 years, and after the space is configured for a particular business, there may be a need to go back and spend more funds to attract another business. Ms. Covington recommended a 10-year period because she believes the fast track is too fast.

Mr. Grisso stated they do not expect the businesses the Agency invests in to leave in a few years and does see that most businesses the Agency has supported have stayed longer than 5 years. Mr. Grisso stated they will be careful with the larger loan amounts to get businesses that have a proven track record.

Commissioner Covington seconded Mr. Singh's motion.

President Swig expressed his concern as Ms. Covington's, and personally would prefer the item be continued for two weeks but will support his fellow Commissioners. Mr. Swig asked when does the loan period start, when the business opens or when the lease is signed.

Mr. Grisso stated it starts once the loan funds are dispersed.

President Swig expressed that he does not believe staff has thought it through and would like to ask his fellow Commissioners to rescind their motion and second because staff does not know. Mr. Swig stated it takes three years, in general, if the businesses know that they will continue operating or not. Mr. Swig indicated if staff does not know a definition point and do not know whether the loans will be forgiven in a business from the point or the point they're funded, he was very uncomfortable because they do not have a business yet and their loans are already being forgiven. Mr. Swig stated if staff does not know when the loans start and is not defined as when the business opens or when it is funded, and the business may never open and the loan is already being forgiven, that makes him very uncomfortable. Mr. Swig asked his fellow Commissioners if they will rescind their initiative to move the item and asked that the item be brought back in two weeks with revisions and further thought.

Commissioner Covington rescinded her motion to second the item and requested a substitute motion to continue the item.

General Counsel Morales stated they would just need to move to continue the pending motion and come back when requested.

Vice President rescinded his motion.

President Swig suggested that staff contact Commissioner Covington and himself to discuss their concerns. Mr. Swig stated he appreciates the PAC's consideration, support, and their understanding of continuation of the item based on the Commission's concerns.

MOTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 119-2010, AUTHORIZING CHANGES TO THE MATCHING REQUIREMENTS, MAXIMUM FORGIVABLE LOAN AMOUNTS, AND OTHER PROGRAM TERMS OF THE SIX ON SIXTH STREET ECONOMIC REVITALIZATION PROGRAM FOR SPECIFIED CORNER CATALYST PROPERTIES ON SIXTH STREET; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, BE CONTINUED.

- (e) Authorizing a Letter Agreement with the San Francisco Department of Public Health in an amount not to exceed \$1,000,345 to preserve the supply of very low income housing for the formerly homeless by providing operating subsidies and supportive services for Fiscal Year 2010-2011; Citywide Tax Increment Housing Program. (Resolution No. 120-2010)

Presenter: Sally Oerth

Speakers: Oscar James, Espanola Jackson

Commissioner Covington put forth a motion to move items 4(e) & (f).

Vice President Singh seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 120-2010, AUTHORIZING A LETTER AGREEMENT WITH THE SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH IN AN AMOUNT NOT TO EXCEED \$1,000,345 TO PRESERVE THE SUPPLY OF VERY LOW INCOME HOUSING FOR THE FORMERLY HOMELESS BY PROVIDING OPERATING SUBSIDIES AND SUPPORTIVE SERVICES FOR FISCAL YEAR 2010-2011; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

- (f) Authorizing a Work Order Agreement with the San Francisco Human Services Agency in an amount not to exceed \$599,655, to preserve the supply of very low income housing for the formerly homeless by providing operating subsidies and supportive services for Fiscal Year 2010-2011; Citywide Tax Increment Housing Program. (Resolution No. 121-2010)

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 121-2010, AUTHORIZING A WORK ORDER AGREEMENT WITH THE SAN FRANCISCO HUMAN SERVICES AGENCY IN AN AMOUNT NOT TO EXCEED \$599,655, TO PRESERVE THE SUPPLY OF VERY LOW INCOME HOUSING FOR THE FORMERLY HOMELESS BY PROVIDING OPERATING SUBSIDIES AND SUPPORTIVE SERVICES FOR FISCAL YEAR 2010-2011; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

- (i) Authorizing a First Amendment to the Personal Services Contract with the Central Market Community Benefit District to increase the budget by \$150,000 for a total not to exceed \$300,000, and extend the term by one year, ending June 30, 2011, to continue the community guides program on Sixth Street and adjacent alleyways to provide social service outreach and assistance to businesses, residents and visitors for an extended term of one year; South of Market Redevelopment Project Area. (Resolution No. 124-2010)

Presenter: Courtney Pash, Agency Staff

Speakers: Antoinetta III, Daniel Hurtado

Commissioner Covington requested a breakdown on how the additional funds will be spent, as well as a copy of the statistics quoted. Ms. Covington stated the Community Guides Program is a great success and put forth a motion to move item 4(i).

President Swig praised and thanked the community guides for their great work through their strength of character in the community in a tough environment. Mr. Swig also praised Urban Solutions who, as he stated, grasped onto working with local businesses. Mr. Swig also praised Mr. Grisso and his team for their work. Mr. Swig stated he viewed a report on Channel 2 on the growth of Sixth Street, which was a positive report. It noted the guides and the growth in businesses. Mr. Swig's concern was when someone quoted "after dark it becomes a whole new area". Mr. Swig asked Antoinetta, who lives on Sixth Street, her thoughts on what happens after dark until the sun rises; is there a need for an expansion of the Community Guides program or police presence.

Antoinetta stated the police sub-station will be operating in the beginning of the year which will be a great addition because essentially a different population appears around 8pm, not only along the street but four key corners; Minna and Sixth, Natoma, Howard, Stevenson. She believes additional police on foot

patrols where they are visible would be helpful as well as expanding the community guides program.

Mr. Hurtado was in agreement with Antoinetta; believes having more of a police presence would make the area safer after dark for people who live and work in the area. Expanding the Community Guides program is constricted due to budget constraints and concern over the safety of the community guides; they feel it is best at this time to have the guides provide services during the daylight hours. Mr. Hurtado stated it is a partnership with a number of agencies, including the San Francisco Police Department working closely with SOMPAC, and the community, to get a better understanding of what the needs are for the Sixth Street Corridor and how can they make the area safer even after the community guides program is over.

President Swig requested Mr. Grisso report back the following year on expanding safety along the Sixth Street Corridor.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 124-2010, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH THE CENTRAL MARKET COMMUNITY BENEFIT DISTRICT TO INCREASE THE BUDGET BY \$150,000 FOR A TOTAL NOT TO EXCEED \$300,000, AND EXTEND THE TERM BY ONE YEAR, ENDING JUNE 30, 2011, TO CONTINUE THE COMMUNITY GUIDES PROGRAM ON SIXTH STREET AND ADJACENT ALLEYWAYS TO PROVIDE SOCIAL SERVICE OUTREACH AND ASSISTANCE TO BUSINESSES, RESIDENTS AND VISITORS FOR AN EXTENDED TERM OF ONE YEAR; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, BE ADOPTED.

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

Jason Young, Anita Logan, Vanessa Logan, Leaotis Martin, Tesse Esther, Alex Prince, Oscar James, Espanola Jackson, Deidre Smith

7. REPORT OF THE PRESIDENT:

- President Swig reported that he had a conversation with Ms. Tesse Esther about her concerns with Urban Strategies not hiring local residents for the Hunters View project. Mr. Swig has asked Director Blackwell to make the local hiring issue a priority and requested that they have patience while Mr. Blackwell looks into the situation. Mr. Swig indicated that they will not get every answer they want in the way they want it, and resorting to the negative side will not be productive. He asked Ms. Esther to give Urban Strategies time to work with Director Blackwell in reaching some resolution to their issues.

8. REPORT OF THE EXECUTIVE DIRECTOR:

- Director Blackwell reported there have been quite a few meetings held internally and inter-departmentally, as well as at Hunters View, on the issue of Hunters View local hiring, with a meeting planned this evening with the CAC for Community Development on workforce development strategy. Director Blackwell stated it is not only a high priority for him but for the Mayor's Office of Housing, the Housing Authority, and the administration overall.
- Director Blackwell attended a forum in Portland on what the San Francisco Redevelopment Agency is doing on Neighborhood Economic Development.
- Director Blackwell asked for more direction on Agenda Item C, if the Commission would like staff to bring back the contract for CirclePoint to the Commission for final approval.
- President Swig stated there was a motion to approve CirclePoint as the vendor and move forward.
- Director Blackwell asked for clarification that the Commission did not want the item placed on the agenda.
- President Swig stated the item was not to come back before the Commission. Mr. Swig asked for General Counsel Morales' opinion.
- General Counsel Morales stated the Commission has not authorized the contract since there was no contract negotiated with CirclePoint. It is uncertain as to the amount of money, the scope of services, the terms they would accept; there needs to be action by the Commission to accept and approve the contract.
- Commissioner Covington asked how much time was being requested.
- Director Blackwell stated it would be scheduled the second meeting in October.

- President Swig stated he did not believe there was an issue with the contract; the issue was with Arc Ecology. Mr. Swig highly recommended that Director Blackwell recommend to CirclePoint that they step into the verbatim contract negotiated with Arc Ecology and stated it would be a very wise idea for them to do so and then bring it back to the Commission for their approval as soon as possible.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

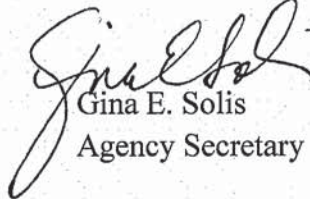
- Commissioner King asked what the status was at Marcus Garvey.
- Director Blackwell stated as far as he knows the project is moving forward as planned but will follow up and report back to Mr. King.

10. CLOSED SESSION: None.

11. ADJOURNMENT:

It was moved by Commissioner Covington, seconded by Commissioner Covington, and unanimously carried that the meeting be adjourned at 7:55 p.m.

Respectfully submitted,


Gina E. Solis
Agency Secretary

ADOPTED:

DECEMBER 7, 2010