

**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
18th DAY OCTOBER OF 2011**

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 18th day of October 2011, 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.

Mr. Swig welcomed Tiffany Bohee, interim Executive Director, to her first meeting as interim Executive Director and wished her good luck in that position.

Ms. Bohee thanked the Commission for the welcome.

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
Rosario M. Anaya
Miguel M. Bustos
Francee Covington
Leroy King
Agnes Briones Ubalde

Tiffany Bohee, interim Executive Director, and staff members were also present.

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

At this time, the Agency Commission will consider taking Closed Session Item 10(a) out of order and recessing to Closed Session.

3. MATTERS OF UNFINISHED BUSINESS: None.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA :

ALL MATTERS LISTED HEREUNDER CONSTITUTE A CONSENT AGENDA, ARE CONSIDERED TO BE ROUTINE BY THE REDEVELOPMENT AGENCY COMMISSION, AND WILL BE ACTED UPON BY A SINGLE VOTE OF THE COMMISSION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A MEMBER OF THE COMMISSION OR THE PUBLIC SO REQUESTS, IN WHICH EVENT THE MATTER SHALL BE REMOVED FROM THE CONSENT AGENDA AND CONSIDERED AS A SEPARATE ITEM:

- (a) Authorizing a Fourth Amendment to the Legal Services Contract with Shute, Mihaly & Weinberger LLP, a Limited Liability Partnership, to increase the contract amount by \$200,000, for a total aggregate amount not to exceed \$1,250,000, to provide specialized legal services related to public trust and state park issues for the Candlestick Point and Hunters Point Shipyard Phase 2 project; Hunters Point Shipyard and Bayview Hunters Point Redevelopment Project Areas. (Resolution No. 103-2011)
- (b) Adopting a Second Amended Enforceable Obligation Payment Schedule pursuant to Community Redevelopment Law Section 34169(g), as required by AB 26. (Resolution No. 104-2011)

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER ANAYA, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO.103-2011, AUTHORIZING A FOURTH AMENDMENT TO THE LEGAL SERVICES CONTRACT WITH SHUTE, MIHALY & WEINBERGER LLP, A LIMITED LIABILITY PARTNERSHIP, TO INCREASE THE CONTRACT AMOUNT BY \$200,000, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$1,250,000, TO PROVIDE SPECIALIZED LEGAL SERVICES RELATED TO PUBLIC TRUST AND STATE PARK ISSUES FOR THE CANDLESTICK POINT AND HUNTERS POINT SHIPYARD PHASE 2 PROJECT; HUNTERS POINT SHIPYARD AND BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREAS; AND, RESOLUTION NO. 104-2011, ADOPTING A SECOND AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE PURSUANT TO COMMUNITY REDEVELOPMENT LAW SECTION 34169(G), AS REQUIRED BY AB 26, BE ADOPTED.

REGULAR AGENDA

- (c) Amendment of Salary Step for Appointment of Tiffany Bohee as Interim Executive Director. (Resolution No. 105-2011)

Presenter: Diane Iwata, Agency Staff

Speakers: None

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

Commissioner Bustos seconded Mr. Singh's motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER BUSTOS, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 105-2011, AMENDMENT OF SALARY STEP FOR APPOINTMENT OF TIFFANY BOHEE AS INTERIM EXECUTIVE DIRECTOR, BE ADOPTED.

- (d) Approving a predevelopment plan for museum space in a proposed mixed-use project on a site at 706 Mission Street (Assessor's Block 3706, Lot 93) and Agency disposition parcel CB-1-MM (Assessor's Block 3706, portion of Lot 277) as required under the Amended and Restated Memorandum of Understanding with the City and County of San Francisco, acting by and through its Arts Commission, and The Mexican Museum, a California nonprofit corporation. (Resolution No. 106-2011)

Presenters: Christine Maher

Speakers: Sean Jeffries, Rachelle Axel, Jonathan Yorba

Commissioner Bustos thanked and congratulated Board members of the Mexican Museum, Mr. Jonathan Yorba and his staff, and everyone who has worked on this project. Mr. Bustos recently heard from a CACHE Commissioner who had previously expressed her concern that she did not feel that she could support this project but in light of the program the Mexican Museum staff had put together, the strides made in the short period of time, and the media coverage they were recently receiving, she expressed to Mr. Bustos that it is a new day and was very proud to support the vote yesterday and to work with other Commissioners to support this project. Mr. Bustos stated that the Museum has now created something almost new and refreshing and has attended events they had hosted and was happy to see how people were excited at the events. Mr. Bustos put forth the idea that the Agency do something possibly with the Planning Commission so that Peter Rodriguez has an opportunity to see this happen. He recommended that the Agency staff be the sole overseer of this project so that they can move this more quickly. He wondered why they would want to put another layer of bureaucracy on top of this when the Museum can stand on its own. Mr. Bustos stated that Mr. Yorba had put together an advisory list of people who could be of assistance.

Ms. Maher responded that there was a three-way agreement between the Arts Commission, the Museum and the Agency and it was decided that Agency staff does not have the expertise in developing museums. Ms. Maher indicated that staff thought it would be useful to have the money run through the Arts Commission rather than the Agency. She indicated that this project would not be considered an Agency staff specialty. However, the Agency does have a direct funding relationship with the Museum via the \$10.5 million grant agreement and that is predevelopment and planning expenses. Ms. Maher stated that those are the reasons why the agreements were structured the way they were.

Commissioner Bustos agreed with that statement and indicated that at the next phase then perhaps they could have another conversation. Mr. Bustos put forth a motion to move this item.

Commissioner Covington seconded Mr. Bustos' motion. She stated it was a long time coming and indicated how very proud and happy she was to see this project move forward. Ms. Covington listed and thanked a number of people who worked on this project, specifically: Dr. Jonathan Lorenzo Yorba, Arianta Cervantes, Linda Wertifield, Diva Delatorre, Antelmo Delfaria, Hugo Delgado, Laura Jason, Dr. Mara Perez, and Victoria de Alba and stated that it was amazing that they had accomplished all the things involved in getting the museum going, including, the capital fund raising goals, the framework for meeting those goals, financial feasibility and sustainability for museum space, seeking partnerships and collaborations with other institutions. Ms. Covington stated that finally the stars are aligned and congratulated everyone who had worked on this project.

Commissioner King stated that over the last 15 years he had not been too happy with this Board regarding this issue but he had been working on this since the beginning and now they all see what a good idea this is. Mr. King stated that he appreciated the good work they have done and congratulated everybody who worked on this project. Mr. King specifically noted the work that Victor Marquez had done on this project, stating that he had been the pusher of this project from the beginning.

Commissioner Anaya congratulated everyone and thanked the Agency, the Board and personnel and everyone working on the Museum project from the community and the city for their tremendous vision and lauded the idea of partnering with other organizations to move this project forward. Ms. Anaya stated that this project will help the children of San Francisco.

Vice President Singh stated this has project has been a long time coming with lots of ups and downs and finally they all agree on it and he was very happy to see it coming to its fruition.

President Swig thanked everyone for their comments. Mr. Swig stated that over the past four years, he had seen when they hit bottom on this project and then the Agency threw down the gauntlet and created the challenge for the Mexican Museum to resuscitate itself and they set some high goals for the Mexican Museum, all of which have been achieved. Mr. Swig expressed his appreciation to the Arts Commission staff for taking on the administration of this project because they have the required skill set and agreed that the Agency is not in the Arts business. Mr. Swig thanked the Agency staff for collaborating with the Mexican Museum in the future. Mr. Swig indicated that Mr. Jeffries should go get the building built and then San Francisco will have a new museum.

ADOPTION: IT WAS MOVED BY COMMISSIONER BUSTOS, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 106-2011, APPROVING A PREDEVELOPMENT PLAN FOR MUSEUM SPACE IN A PROPOSED MIXED-USE PROJECT ON A SITE AT 706 MISSION STREET (ASSESSOR'S BLOCK 3706, LOT 93) AND AGENCY DISPOSITION PARCEL CB-1-MM (ASSESSOR'S BLOCK 3706, PORTION OF LOT 277) AS REQUIRED UNDER THE AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS ARTS

COMMISSION, AND THE MEXICAN MUSEUM, A CALIFORNIA NONPROFIT CORPORATION, BE ADOPTED.

- (e) Workshop on the Schematic Design of 200 Sixth Street family housing (formerly known as the Hugo Hotel), 200 Sixth Street at Howard Street; South of Market Redevelopment Project Area.

Presenters: Agency Staff, Jeff White, Matthew Priest, and Owen Kennerly of Kennerly Architecture and Planning

Speakers: Antoinetta III, Christine Ericson, Nancy Hanson

Commissioner Ubalde stated that she was thrilled that this project was finally moving forward. She remembered conversations at the beginning with the Agency and was very happy to finally have a cornerstone development in such a troubled area where she remembered walking with elementary school children and being afraid of being accosted or having something fall on their heads. Ms. Ubalde commended the staff and stated they had done a tremendous job in working with the community, in particular with SOMPAC, to get the buy-in from the residents of the neighborhood and Mercy Housing to get this project moving to much needed residents who need affordable housing and parents who need affordable child-care in the area. Ms. Ubalde inquired about the lighting that had been proposed for street level spaces because this is a high-crime area.

Mr. Kennerly stated that it was too early to have any specific design proposals on that issue but that they would be open to feedback at this time.

Commissioner Ubalde recommended that the environmental design consider lighting that addresses public safety issues and suggested creative designs around lighting that can make the building look and feel attractive but make it safe for pedestrians and incorporate that into the design element. Ms. Ubalde inquired about the 3600 sq. ft retail space and wondered if they had considered multiple incubator opportunities.

Mr. White responded that they are anticipating having the 3600 sq. ft. as three separate spaces and that it would not be one huge space. He indicated it was too early to find a specific tenant, but that they envisioned the corner space would be a larger space, perhaps fusion-ethnic type of restaurant. He indicated that they had been working with the local group to put in a small cafe that would provide some employment training. Mr. White indicated that they had also been working with Urban Solutions.

Commissioner Covington inquired how the residents were to be selected for garage space and also for balconies.

Mr. White responded that when they get to the point of having a marketing plan, there will be a lottery. He stated that parking will be first-come/first-serve in lottery order as would the selection of an apartment with a balcony and that there are 24 private balconies.

Commissioner Covington asked them to consider what population will be at home for longer periods of time in the choice of who gets the balconies. She stated that older people tend to be at home more than younger. Ms. Covington inquired if you are first

come/first served and you are #10 on the list, whether that means you get both the parking and the balcony.

Mr. White stated that they had not made any decisions about this yet. He thanked her for a great idea and stated they would take it under consideration.

Commissioner Covington asked them to please consider that. She stated that she thought the design was fabulous and that the facility was a wonderful mirror to the Plaza. Ms. Covington stated that the Plaza has the best view from the laundry rooms and assumed that the laundry rooms in the new facility would be spectacular as well. Ms. Covington noted that in the materials presented, it was stated that the ceilings would be about 8 ft in height, but inquired as to what the exact height would be-- 8½' or 9'. Ms. Covington also asked Mr. Kennerly if he knew the height of the ceilings at the Plaza.

Mr. Kennerly responded that the ceilings heights in the dwelling units will be 8'4" or 8'5" and then step down in the back units to 8' because of the mechanical systems. He stated that ceiling heights were a critical part of the design because they wanted this facility to be classified as a mid-rise rather than a high-rise building and in that case, ceiling heights are set by fire codes and building standards restrictions. Mr. Kennerly believed that the Plaza ceilings floor to floor heights were a little less than these but would have the same constraints in terms of their structure and regulations.

Commissioner Covington inquired as to whether all units will be wheelchair accessible.

Mr. Kennerly responded that yes, all units are considered adaptable to wheelchair accessibility; three units meet the federal accessibility standards and two units are set up for the hearing and vision impaired.

Commissioner Covington inquired as to when construction will begin.

Mr. White stated that he thought it would be in 2013.

Commissioner Covington inquired whether there had been any conversations about coordinating activities from one building to another, e.g., from the Plaza residence to this residence for cross-pollination.

Mr. White stated that they were thinking of having various cross pollination activities with Mercy projects and added that there are some cost-sharing advantages to that with regard to maintenance and management. Mr. White also stated that they are considering placing a car-share pod in Columbia Park about a block away.

Commissioner Covington indicated that she was envisioning some joint activities that could be held maybe twice a year, like a progressive dessert sharing between the two facilities. Ms. Covington stated that because these are sizeable populations, the more people can get to know their neighbors and get together, the more it will help boost the safety and congeniality of the neighborhood. She was envisioning to perhaps make them sister buildings.

Mr. White stated that this is another great idea and said they will consider that.

Ms. Barbara Gualco, Director of Development from Mercy Housing stated they would be happy to explore the cross-pollination idea and that they already do something like that at their other family properties. She stated that Columbia Park runs an after-school program for younger youth which is open to all families in the South of Market area and that they are considering having an enrichment program at 200 6th street directed to more of the teenage group and will be open to other youth in the neighborhood. Ms. Gualco stated that they will look into the Plaza as well.

Commissioner Covington noted that she saw a possibility of a community garden plot which would be of great interest to those with children and older residents and stated that she is a huge fan of community gardens and asked them to consider taking it off the “maybe” list and making it a “definite” item.

Commissioner Bustos commended the team on a great design and liked Commissioner Covington’s idea of getting people together and cross-pollinating, perhaps having a Mercy Day. He was delighted that it was such a great looking building and indicated that it goes well with the design of the area.

President Swig wanted to expand on Commissioner Covington’s questions as far as comparison to the Plaza. He reiterated that the Plaza was very successful and they are all very proud of it. Mr. Swig inquired about how the two buildings compare regarding module size, ceiling heights, and whether they are anticipating that the new facility will be consistent with finishes, etc.

Mr. Kennerly responded that there is a big difference in the program of both buildings. The Plaza has all studio apartments and the new facility will be all family housing with 1, 2, & 3-bedroom units. He stated that the occupancy level will range with older and younger people. Mr. Kennerly stated that in terms of the width of the units, living room spaces are all about 12’ wide and they are very generous with the larger units. He responded that he did not know the dimensions of the Plaza units.

Mr. Priest stated that the Plaza apartments are approximately 300 sq. ft. studios, pretty small, about 11’ wide, with small kitchenettes. Other than that, the level of finishes will be similar. He stated that they were anticipating full size kitchens with full size appliances and would include solid surface counter tops of stone and other finishes. Mr. Priest stated that they are working to maximize ceiling heights even in mechanical areas, which would be higher than average. He added that now they are able to do more from a green standpoint and they have discovered floor finishes and carpets with a lower toxicity level at the same price point. Mr. Priest stated that even though there is a large disparity in the size between units, the level of finishes will be higher and the level of amenities on a unit by unit basis will be much higher.

President Swig inquired about hallway width.

Mr. Kennerly stated that hallway width varies from 5’ at narrowest and the doors are recessed 18” either side so the hallway opens up to 8’ width. He added that the end of the hallway facing Howard Street (and at the other end) opens up even more.

President Swig recalled a previous project discussion about laundry rooms and inquired as to whether community laundry rooms or laundry facilities on each floor are better and

asked what their recommendation is on this. He inquired as to whether they are considering one large laundry room or multiple laundry rooms spread out throughout the building.

Mr. White responded that this depends on the type of project. He stated that this is a taller project with fewer units per floor so there is a lot of value in having fewer laundry rooms that can provide multiple machines. Mr. White added that in this configuration because laundry rooms are at the windowed end of the corridor, it would allow for other uses of the space, like amenity spaces and exercise rooms, which are not large but are available for the program. He stated that if the new facility were lower and more horizontal with more units on each floor, then a laundry room on each floor would make sense. Mr. White stated that this configuration will make more of a connection and allow neighbors to get to know each other.

President Swig clarified then that he understood that to mean there will be laundry rooms on every other floor.

Mr. White responded that there will be two larger community laundry rooms on the 3rd and 9th floor.

President Swig inquired with regard to services that will be offered in the new facility. He stated that one of the wonderful things about the Plaza is the community services offered there. Mr. Swig inquired as to what community services will be offered by Mercy or another agency in this housing development.

Ms. Gualco responded that Mercy will have a resident services coordinator onsite that will give residents information about the outside services that they need. She stated that the South of Market childcare center will have a family resource center in the building that has been looking for a long time for a spot to deliver their services on 6th Street to the families who live there. Ms. Gualco added that they will have an after-school program targeted to teens centered on enrichment and they are working with United Players across the street who wants to run a youth-led entrepreneurial business in one of the commercial spaces. Ms. Gualco also stated that they are looking to leverage other buildings in the area as well so that children can go to other after-school programs in other buildings if they want to.

President Swig thanked everyone for their work on this project and for today's presentation.

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

Speaker: Sean Templeton

7. REPORT OF THE PRESIDENT:

President Swig welcomed and acknowledged Tiffany Bohee, the new interim Executive Director and thanked her again for taking on this tremendous challenge and for her upcoming leadership. Mr. Swig also mentioned the opening of the new Bindlestiff Theatre as well as the Artwalk that was coincidentally taking place along 6th Street. He stated that the theater was beautifully done and with it being so warm out that evening, it was like taking a trip to New Orleans. Mr. Swig expressed his congratulations to Bindlestiff Studio for getting that theater opened and in use for the community and wished it a great future. Lastly, Mr. Swig wanted to encourage all the listening audience to go out and vote on November 8th because he stated that if you don't vote, you are not taking responsibility for the future leadership of the city.

8. REPORT OF THE EXECUTIVE DIRECTOR:

Tiffany Bohee thanked the Commissioners for their votes and for their confidence in her. Ms. Bohee also thanked the Mayor for his support as well as the representatives from the communities in which she has lived and worked for a long time. Ms. Bohee stated that she is ready to fulfill her duties and obligations to accomplish the good work that the Agency does. In spite of the State's proposal for realignment, Ms. Bohee stated that she is confident that they can work hard and work well to honor their commitment to taxpayers and citizens to improve and contribute to the overall health of the city and county of San Francisco with accountability and transparency. Ms. Bohee indicated that she is looking to repeat Agency success stories and provide an environment where staff can prosper and continue to showcase the valuable projects that the Agency has accomplished for San Francisco. She promised to work hard to earn their respect and trust and that she looks forward to facing the future boldly, honestly, and with innovative intelligent solutions. To that end, Ms. Bohee reported that they had just received notice from the State's Department of Finance that the Agency's community remittance payment will be decreased. Under Assembly bills 26 & 27, Ms. Bohee reiterated that AB27 provides that redevelopment agencies can continue their activity should the court uphold that ruling in January, as long as the city and Agency make an annual payment to go toward school districts and tax amenities. The state determined that the first payment would be approximately \$24.4 million. That first determination was appealed and the result of that appeal is that the State reduced that requirement by about \$10 million, so the Agency's first payment in January would be \$14.6 million. Ms. Bohee stated that this was still a lot of money but less than anticipated and that this reduction will help enable them to move forward that much faster in January. She stated that she was very happy to be able to report that good news. Next was a housekeeping matter and Ms. Bohee asked the Commissioners to please mark their calendars for an all-day retreat on January 10 from 9:30-3:30pm at the South Beach Harbor. Lastly, Ms. Bohee reported there are two meetings remaining for the rest of the year; November 15 and December 6.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner Covington shared that the Contemporary Jewish Museum opened a new exhibit on Houdini which she stated was fabulous, and also that MoAD has a wonderful new exhibit which includes films and asked her fellow commissioners to please make it a point to stop by. MoAD held their 5th Gala Celebration that past

Saturday evening which she attended with Commissioners Singh and Bustos and it was a wonderful evening. The Mission Hiring Hall Gala also took place last week and was a fantastic event. Commissioners King, Singh and Bustos also attended with her. Ms. Covington stated that she was so happy to report that so many of the organizations that they support are doing great work and making the city a better place to live. She congratulated the new interim Executive Director, Ms. Bohee, who has only been on the job for two days and she has already saved the Agency \$10 million. Ms. Covington stated that she believed that the Supreme Court will render their decision before the Christmas holiday and they will need to get together as a Commission once that decision is rendered and that it would be a good idea to let the Commission Secretary know of any travel plans between now and the middle of January.

- Commissioner Singh welcomed the President of the Planning Commission, Christina Olague. He stated that he had never seen her there before and wanted to welcome her.
- Commissioner Ubalde stated that she wanted to report on a couple of events that she had attended recently along with Commissioner Bustos. Ms. Ubalde stated that she had attended the reopening of the Bindlestiff Studio Theatre and was able to make brief remarks about the history of establishing that theater as an epicenter of Filipino-American performing arts. She stated that it was really a moving experience to work on that earlier side of activities and then come full circle as a Commissioner inaugurating this much needed community space that many community activists had fought so hard for. Ms. Ubalde thanked the previous and current Commissioners for making that event possible. Ms. Ubalde encouraged people to participate and to visit the theater which is a beautiful space, although they needed to do something about the ventilation because it was very hot in there. The other event that Ms. Ubalde attended on behalf of the Agency was the renaming of the Children's Creativity Museum at Yerba Buena Gardens and thanked the Museum staff, in particular Cathy Pickering. Ms. Ubalde mentioned that she was so very happy to also see Helen Sause, a former Project Manager back in the 90's at the event. She remembered that way back when they were trying to get the word "creativity" in the name and was very happy to discover that indeed it was included.

10. CLOSED SESSION: Pursuant to Section 54957 of the California Government Code, a public employee performance evaluation for the position of Interim Executive Director.

11. ADJOURNMENT:

It was moved by Commissioner Covington, seconded by Commissioner Ubalde, and unanimously carried that the meeting be adjourned at 5:48 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED: