

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
18TH DAY OF NOVEMBER 2014**

The members of the Commission on Community Investment and Infrastructure 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 1:00 p.m. on the 18th day of November 2014, at the place and date duly established for holding of such a meeting.

REGULAR MEETING AGENDA

1. Recognition of a Quorum

Meeting was called to order at 1:08 p.m. Roll call was taken.

Commissioner Bustos - present
Commissioner Mondejar – present
Commissioner Singh – absent
Chair Rosales – present

Commissioner Singh was absent; all other Commission members were present.

2. Announcements

- A. The next scheduled Commission meeting will be a regular meeting held on Tuesday, December 2, 2014 at 1:00 p.m. (City Hall, Room 416).
- B. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting

Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.

- C. Announcement of Time Allotment for Public Comments

3. Report on actions taken at previous Closed Session meeting - None

4. Matters of Unfinished Business - None

5. Matters of New Business:

CONSENT AGENDA

- a) Approval of Minutes: Regular Meeting of October 21, 2014.

PUBLIC COMMENT – None

Commissioner Bustos motioned to move Item 5 (a) Commissioner Mondejar and seconded that motion.

Secretary Nguyen called for a voice vote on Item 5 (a).

Commissioner Bustos - yes
Commissioner Mondejar – yes
Commissioner Singh – absent
Chair Rosales – yes

ADOPTION: IT WAS VOTED BY 3 COMMISSIONERS WITH ONE ABSENCE THAT THE MINUTES FROM THE REGULAR MEETING OF OCTOBER 21, 2014 BE ADOPTED.

- b) Authorizing the Executive Director to Enter into a Pooled Funds Cash Flow Loan Agreement of up to \$21,172,676, with the Treasurer and Controller of the City and County of San Francisco to Ensure Compliance with Bond Indentures and Accommodate Potential Deficiencies in Property Tax Increment Available to fund debt service obligations identified on Recognized Obligation Payment Schedule 14-15B, subject to Oversight Board and California Department of Finance Approval. (Action) (Resolution No. 92-2014)

Commissioner Bustos motioned to move Item 5 (b) Commissioner Mondejar and seconded that motion.

Secretary Nguyen called for a voice vote on Item 5 (b).

Commissioner Bustos - yes
Commissioner Mondejar – yes
Commissioner Singh – absent
Chair Rosales – yes

ADOPTION: IT WAS VOTED BY 3 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 92-2014, AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A POOLED FUNDS CASH FLOW LOAN AGREEMENT OF UP TO \$21,172,676, WITH THE TREASURER AND CONTROLLER OF THE CITY AND COUNTY OF SAN FRANCISCO TO ENSURE COMPLIANCE WITH BOND INDENTURES AND ACCOMMODATE POTENTIAL DEFICIENCIES IN PROPERTY TAX INCREMENT AVAILABLE TO FUND DEBT SERVICE OBLIGATIONS IDENTIFIED ON RECOGNIZED OBLIGATION PAYMENT SCHEDULE 14-15B, SUBJECT TO OVERSIGHT BOARD AND CALIFORNIA DEPARTMENT OF FINANCE APPROVAL, BE ADOPTED.

REGULAR AGENDA

- c) Adopting environmental review findings pursuant to the California Environmental Quality Act and conditionally approving a Combined Basic Concept and Schematic Design for a 250-room hotel on Block 1, at the intersection of Channel and Third Streets; Mission Bay South Redevelopment Project Area. (Discussion and Action) (Resolution No. 93-2014)

Presenters: Tiffany Bohee, Executive Director; Christine Maher, Senior Development Specialist, Real Estate Division; Denise Hannan, SOMA Hotel LLC; Mark Hornberger, Hornberger & Worstell Architects; Todd Motoyama, SOMA Hotel LLC

PUBLIC COMMENT

Speaker: Corinne Woods, Chair, Mission Bay CAC

Ms. Woods welcomed Commissioner Bustos back to the OCII. She referred to a letter that the Mission Bay CAC had written to the OCII, expressing concerns such as design issues, blandness of appearance, conditions of approval, additional bicycle parking and the use and operation of the community space on the roof. Ms. Woods stated that because of its very visible location and great civic importance, the project must be of the highest quality. She reported that the developer had given an extra floor of entitlement in exchange that this be used as a community space and the CAC wanted to make sure that it would be used for that purpose. Ms. Woods endorsed this item.

Commissioner Bustos stated that the community space referred to in the presentation was a critical piece of this project and inquired about how the community would be able to access the space. He remarked that this was prime city property and giving the community the use of the space would welcome them in coming back. Mr. Bustos stated that the artwork should be a reflection of the City and inquired about using local artists for the exterior as well as the interior of the building. He offered to introduce the architects to San Francisco artists if necessary.

Mr. Hornberger responded in terms of the physical/architectural aspects of the space. They had set up the core of the building so that there were elevators from the ground to the rooftop level, including one that had an exterior entrance in order to make it more obvious how to move from ground level to top level. The elevators would be shared during business hours. He reported that there had been issues in the past about access to the entrance to community space because the entrance was usually hidden. He reported that the space would be accessible during certain periods of time during business hours. The size of the space was 2800 sq. ft. inside and outside, and it would be glass-enclosed for access during good weather and bad. Mr. Hornberger stated that they envisioned that the space would be used for reading, eating, viewing and resting and that it would include a bar. He added that the doors could be opened during the good weather and available to any and all, individual or in groups, with no restrictions as long as the fire marshal's maximum occupancy number was not exceeded.

Mr. Motoyama responded that they had heard about the community's concern about use of the space. He reported that they had looked at other community spaces in the city and observed how those spaces were being used. Mr. Motoyama stated that it would be an open space and that there would be people residing in the adjacent spaces as well as hotel guests so they would need to be careful with respect to noise level and use. He projected the space would be used for people to sit down, eat and drink, rest and socialize and possibly for informal meetings. He added that they could come back to speak about this with more detail in the future. Mr. Motoyama responded that they had hired Aubrey Maxwell as the art consultant on the project. He said they were concentrating on bringing in local artists as well as local construction workers. Mr. Motoyama introduced the consultants working on the project and had them all stand up.

Commissioner Mondejar inquired about parking spaces for cars. She commented that this was a 250-room hotel and inquired about meeting spaces for hotel guests and how the space would serve the convention population; inquired about the term "workspring"; inquired about how large the elevators would be because there would be 300-500 people in the building at any time; inquired about whether the community space could be used for large groups, like the OCII, to hold their meetings there.

Mr. Motoyama responded that there were 24 parking spaces. He responded that “workspring” referred to a collaborative meeting space or a series of smaller spaces which could be individually rented for meetings or opened up and combined for a larger gathering space. Mr. Motoyama responded that there were five elevators altogether, three for the public hotel guests and two service elevators. He responded that they were still working on the community space and if more space was desired for larger groups, they would provide it.

Chair Rosales concurred with other comments and inquired about whether the color scheme on page 5 of the handout was the suggested color because it looked like murals to her; inquired about the open rooftop and how it would be enclosed during inclement weather.

Mr. Motoyama responded that it might be a bit confusing because in the image, one was looking through the glass of the ground floor, so what she was looking at was not the building color but rather an artistic view. He added that they were considering placing large art pieces in the lobby. To the rooftop question, Mr. Motoyama responded that the open area would be enclosed with large sliding glass walls that could be operated to open up for the indoor space.

Commissioner Bustos motioned to move Item 5(c) and Commissioner Mondejar seconded that motion.

Secretary Nguyen called for a voice vote on Items 5(c).

Commissioner Bustos - yes
Commissioner Mondejar – yes
Commissioner Singh – absent
Chair Rosales – yes

ADOPTION: IT WAS VOTED BY 3 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 93-2014, ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND CONDITIONALLY APPROVING A COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR A 250-ROOM HOTEL ON BLOCK 1, AT THE INTERSECTION OF CHANNEL AND THIRD STREETS; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- d) Authorizing the Executive Director to enter into an Exclusive Negotiation Agreement with Block 1 Property Holder, L.P., for a proposed residential project on Block 1 (Block 3740, Lots 027 and 029-031) located on Folsom Street between Main and Spear Streets; Transbay Redevelopment Project Area. (Discussion and Action) (Resolution No. 94-2014)

Presenters: Tiffany Bohee, Executive Director; Christine Maher, Senior Development Specialist, Real Estate Division; Carl Shannon, Tishman Speyer; Harry Soenksen, Studio Gang; Monica Wilson, SBE Consultant.

PUBLIC COMMENT - None

Commissioner Bustos inquired about whether the affordable units would be on-site, asked for confirmation that all the units would be the same size with no separate elevators for the affordable units and wanted to make sure that all residents would be able to enjoy the amenities. Mr. Bustos pointed out that the architectural firm was headquartered in Chicago and inquired whether they would be working with people locally.

Ms. Maher responded that all the units were on-site, would be comparable and that there would be no separate elevators.

Mr. Shannon responded that Tishman Speyer has had a team in San Francisco for many years. He stated that they had hired Studio Gang because they felt they were excellent architects and that they would be using local firms for other consulting services.

Ms. Wilson responded that she was working with the Transbay Block One team. She announced that in the strategy of having strong San Francisco participation regarding SBE professional services, there was opportunity for an associate architect that had been called out in the RFQ. Ms. Wilson added that this was the heart of how the professional service procurement plan had been developed.

Commissioner Bustos commended the team for being such good partners to San Francisco. He stated that he had seen the Studio Gang building in Chicago and had always admired it and loved the design of the San Francisco building and commended the architects on their work. Mr. Bustos asked that they continue to work with local San Francisco people, whether artists, architects or construction workers and added that doing so would be a great gift to the City. Mr. Bustos felt that the idea of the building being a little higher would be better because that would mean that more people would be able to see this beautiful piece of work.

Commissioner Mondejar referred to the suggestion in the presentation that there be a separate HOA for the affordable units and a separate HOA for the market rate units and inquired about whether that had ever been done before. She stated that this seemed like a very creative idea but wanted more information about how this would work as well as what other buildings or organizations had done in a similar vein. Ms. Mondejar commented that this would be an innovative way for the below market rate owners be able to live in a beautiful building like this one.

Ms. Maher responded that she was not sure if there were any examples of separate HOA's for affordable versus market rate; however, there were examples of market rate projects with separate HOA's within them. She added that the idea was that there would be a market rate HOA and an affordable HOA that were separate with a master HOA at the top that would coordinate overall project issues.

Mr. Shannon responded that Millennium at 301 Mission had created three different HOA's for different levels of service for people in the building. He stated that the mutual goal between Tishman Speyer and the OCII was to provide permanently affordable ownership housing and minimize the dues in the affordable HOA so that they remained affordable long-term. Mr. Shannon added that they had shown in the past that they could build these projects and set up the dues at the affordable level on a stand-alone basis. He explained that what ran up the HOA dues was staffing and that by having two different HOA's, the staffing costs for the market rate HOA dues would not become a burden for the affordable owners. Mr. Shannon responded that all the owners would share in the physical architecture but stated that the crux of the matter was about the level of service. He explained that they were working with Bureau of Real Estate (BRE) and the OCII to implement this plan. There was a provision that if they could not, they would go to rental housing; however, it was his hope and commitment to provide affordable long-term ownership units with long term affordable HOA dues.

Commissioner Mondejar thanked Mr. Shannon for his explanation and stated that she wished they had had this opportunity to pursue this resolution for another project that had come up earlier;

inquired about whether Mr. Shannon was a San Francisco resident or whether he lived in Chicago; asked for confirmation that all materials and units were the same for all owners and that they were not compromising in quality of materials and the quality of units because of the difference in the HOA dues.

Mr. Shannon responded that he used to live in San Francisco, but had recently moved to Marin County.

Ms. Maher responded that all the units were comparable. She explained that they did not need to be identical but would be comparable in finishes and sizes.

Mr. Shannon added that besides having an equal number of family units, they were committed to having an abundance of two- and three-bedroom units in the building and that they were designed appropriately to make sure they were long-term affordable.

Commissioner Mondejar thanked them for doing that because it addressed the affordability of living in San Francisco and not contributing to the rise of the millionaire residents in the City. She added that this would allow others to be able to afford to live here.

Chair Rosales commended the design, indicating that it had jumped off the paper out at her. She commended the presentation and especially how it offered a visual sense of how the building would fit into the San Francisco skyline. Ms. Rosales inquired about why they were working with the BRE, as Mr. Shannon had mentioned; asked for confirmation then that this was a regulatory compliance requirement; inquired about the parking and why the affordable units would not have the same parking privileges as the market rate units.

Mr. Shannon responded that the BRE was a consumer protection agency that made sure that when developers sold ownership units, they set a fair and appropriate budget so that the homeowners association had enough money for operating expenses, such as cleaning the sidewalks and fixing elevators as well as appropriate reserves for long-term replacement, like roof replacement and long term capital items. The BRE existed as a check against the developer to make sure they were doing the right thing. He explained that they worked with a consultant to produce a budget which was submitted to the BRE in Sacramento, who reviewed it thoroughly to make sure that it included all necessary things and that they were not skimping on things that the homeowners would need to pay for in the long term. He added that when the developer received their white report to close the units, this meant that the BRE had signed off. Mr. Shannon stated that they would be working proactively with the BRE and the OCII to make sure that the budget was within the guidelines which were based on what they had just accomplished at TNDC at 1400 Mission. Mr. Shannon responded in the affirmative that the BRE was looking out for the best interests of both the affordable and the market rate homeowners to make sure that the budget was set appropriately and there would be enough funds to address the capital items long term.

To the parking question, Ms. Maher responded that the OCII-subsidized stand-alone affordable project units would have .25 parking spaces/unit, which was consistent with other projects in Transbay and which would keep the subsidy down for those projects. On the developer subsidized affordable units, the ENA read that parking would be provided at parity with market rate units, so that if the market rate had 1:1, then the developer-subsidized units would be at 1:1. Ms. Maher indicated that the developer had expressed interest in being able to provide the same .25 ratio for their affordable units. She added that the ENA stated that the OCII could consider other alternatives instead of providing parking parity, such as a transit pass, so they could pursue other options during the ENA process if the developer wanted to provide less than parking parity.

Chair Rosales stated that her concern was that normally everyone had a car and needed a car in the City and while she understood that this was a transit-friendly and easily accessible location, what they were suggesting was that affordable households did not need to have access to the same parking privileges as market rate households and that, conversely, someone purchasing a market rate unit would only be driving rather than biking or taking other forms of transit. Ms. Rosales suggested more egalitarian options on the parking issue.

Mr. Shannon responded that they were committed to doing parity if that was what the OCII wanted. He explained that the ENA was drafted to allow the possibility to take the money that would go for parking and use it to provide transit subsidies or other things that might make more economic sense for the affordable households on the developer side of the project. Mr. Shannon indicated that the ENA spelled out that unless they reached agreement otherwise, they would provide parking at parity.

Commissioner Bustos commented that there were many family units in this building and that families have cars and need parking spaces. He stated that they were going up another 100 feet and that they needed parking parity in this situation. Besides, he indicated that it was only fair that parking be equal to market rate. Mr. Bustos motioned that they approve the project without waiving the parity provision.

Executive Director Bohee asked Ms. Maher to clarify for Commissioner Bustos the potential financial impact on the developer if there was complete parity on the developer units. She clarified that what they were talking about was .25 on the affordable podium and the .25 proposal for the affordable was on the tower component.

Ms. Maher responded that the proposal she was referring to was parity in the inclusionary units in the tower; the developer stand-alone affordable units would still be .25 parking spaces/unit. For the market rate units, developer subsidized affordable, there would be 36 units in Alternative 1 or 65 units in Alternative 2, which would amount to about a \$4 million delta between providing the parking at .25 versus providing up to 1:1, which would be the impact on the developer subsidized units. Ms. Maher explained that this meant that the cost to the developer to provide the additional parking spaces at 1:1 would be \$4 million.

Mr. Shannon responded that on the 300' project, there were 36 developer subsidized units, of which they would provide nine spots so that 27 would not get parking spaces. However, that would free up \$4 million, which would be available to buy transit passes or provide other types of transit for the affordable housing units. He confirmed that they would build the full 36 on the tower side if that was what OCII wanted.

Commissioner Bustos stated that his desire would be to build the parking to parity. He said that \$4 million for the rising costs of MUNI would go quickly, anyway.

Mr. Shannon added that it would be fairly significant cost to operate the garage. He explained that the parking, if done on a valet condition, given the soil conditions and the density of this project, would cost about \$100-\$200/unit, which would be significant additional cost to the affordable owners housing payment. He stated that they were looking at other solution to try to build in some flexibility to the parking issue.

Chair Rosales suggested that they look at other options and not decide right now because perhaps not every market rate owner owned a car or would use a car given the options of Uber, having a

driver, etc. She added that what they wanted would be for the owners of the affordable units to have the choice of spending money on the parking or not.

Executive Director Bohee explained that their goal was to provide a middle income housing project and to do that they needed to constrain the cost of the HOA to the affordable housing owners. She added that if this meant that overall project costs would then go up or that this plan could not be implemented because of the BRE or HOA costs, then they still needed to consider other options. Ms. Bohee stated that through the ENA process, staff would review and study other options and present them later.

Commissioner Mondejar inquired about bike spaces.

Mr. Soenksen responded that there would be a minimum of 110 bike spaces and added that they were still looking throughout the low grade parking levels to see where else they could add additional bike spaces.

Chair Rosales stated that she did not know anyone except for her son who rode a bike in San Francisco.

Commissioner Mondejar responded that this was the trend in San Francisco. She stated that she would second the motion with the parking issue pending.

Chair Rosales clarified that the motion would be made with the caveat that the parking issue would be sent back to the bargaining table for further discussion later.

Commissioner Bustos motioned to move Item 5(d) and Commissioner Mondejar seconded that motion.

Secretary Nguyen called for a voice vote on Items 5(d).

Commissioner Bustos - yes
Commissioner Mondejar – yes
Commissioner Singh – absent
Chair Rosales – yes

ADOPTION: IT WAS VOTED BY 3 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 94-2014, AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT WITH BLOCK 1 PROPERTY HOLDER, L.P., FOR A PROPOSED RESIDENTIAL PROJECT ON BLOCK 1 (BLOCK 3740, LOTS 027 AND 029-031) LOCATED ON FOLSOM STREET BETWEEN MAIN AND SPEAR STREETS; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- e) Status Report on OCII's Small Business Enterprise (SBE) and Construction Workforce Programs. (Discussion)

Presenters: Tiffany Bohee, Executive Director; Raymond Lee, Contract Compliance Supervisor

PUBLIC COMMENT – None

Commissioner Bustos inquired about slide #6 regarding MBE's broken down by ethnicity and asked for a retrospect on this for the last four quarters. On page 7-8 regarding overall summary of

professional services vs. construction and supplies, Mr. Bustos clarified that professional services included the higher paying jobs, such as architects and engineers, which he noted had gone up dramatically, but pointed out that the construction part of this figure had only gone up .05. He stated that this was the group that he was interested in most, because that was the group that needed to make more money to be able to stay in San Francisco. He was hoping that this sector comprised of construction workers from San Francisco would increase and be getting the jobs. Mr. Bustos inquired about the 50% goal for OCII vs. the 30% goal for the rest of the City. He stressed that they had set the number at 50% local hire because they were very intentional about it and even though there had been resistance from trade unions, etc., he stated that they were very serious about achieving that number. Mr. Bustos added that this was 100% city resources so 50% local hire was not that difficult and was still the goal.

Mr. Lee responded that staff has been focusing on construction activities as well. He explained that OCII has a prevailing wage requirement for contractors on all of its projects which meant that the state prevailing wage rate for all construction job classifications must be paid on OCII projects. He acknowledged that the rate of increase was lower but added that the pay might actually be higher in some instances with overtime, etc. Mr. Lee agreed that the challenge was to bring more San Francisco residents into the construction fields given the dangers and the heavy labor involved. With regard to getting a retrospect on the MBE data, Mr. Lee responded that staff would try to get past information, but staff had not been collecting that prior to now. He clarified that what staff did during the last report was to collect the minority women data moving forward but stated he would attempt to retrieve more past data as well. Mr. Lee concurred with Commissioner Bustos on the 50% local hire issue.

Chair Rosales referred to Slide 6 regarding the minority business enterprise breakdown and asked for confirmation that not all the MBE's were San Francisco-based. She stated that it would be helpful to see both from a larger geographic and demographic perspective in order to get a better sense of who was working in San Francisco. She stated that she was encouraged about the report on Alice Griffith residents working on infrastructure projects. She asked for confirmation that the WBE numbers and percentages were not minority women, so if minority women were to be separated from non-minority women, the MBE component might be higher. Ms. Rosales inquired as to whether they were double-counting, meaning that if there was a business owned by a minority and by a woman, would that be counted twice.

Mr. Lee responded in the affirmative. To the WBE numbers, Mr. Lee responded in the affirmative and stated that it was a combination of minority and women. Mr. Lee responded that the information was pulled out exactly as was represented and confirmed that it was double counted because a business owned by a minority and by a woman would be shown twice.

Chair Rosales indicated that for the future they needed to be pulled out separately; otherwise the numbers would be inflated. She inquired about Slide 8 regarding aggregated professional services and construction and supplies and inquired whether this SBE number included everybody, from a geographic, ethnicity and gender standpoint. Ms. Rosales stated that it would be helpful to break the SBE number down further to show how many were MBE's or MWBE's or WBE's from San Francisco and outside of San Francisco. On the workforce program, she inquired about the last report which had been helpful because of the comparison between OCII and the City. Ms. Rosales recalled that that report demonstrated that for the percentages of all workers on City jobs to which local hire ordinance applied, Latinos represented 38% of all workers and 52% of City-based workers. She added that this type of demographic data would be interesting to have for OCII projects with regard to who was coming into the City to work versus who was local, and with dealing with subsequent housing issues, etc. Overall Ms. Rosales stated the report was very

good and encouraging. She suggested that have a discussion on how to create the pipeline of construction workers for their projects in the future.

Mr. Lee responded that they would add an MWBE column to the data for the purpose of identifying women who are also minority. Regarding Slide 8, Mr. Lee responded in the affirmative including San Francisco businesses, etc. He stated that the B1 and B2 attachments included an aggregation of minority data but to the extent possible, they would break it out in more detail.

Commissioner Mondejar inquired about whether slide 15 referred to the OCII suggested corrective measures for workforce challenges. She referred to previous comments by Commissioner Bustos and clarified that professional services were not necessarily all lawyers, architects and engineers but also included cleaning, security, landscaping and graphic design services or personal services. Ms. Mondejar inquired whether professional consulting services vs. personal services could be broken out.

To the first question, Mr. Lee responded in the affirmative; that these were measures that they thought might help with respect to any deficiencies with the contractors. To the last question, he responded that they could try to break out services in further detail.

Executive Director Bohee responded that professional services included largely the former group and that in the Mission Bay, Soma Hotel Group, professional services referred mainly to architects and engineers. She explained that construction and suppliers services included construction sub-contractors such as the framers, glaziers, etc. and then the workers. Ms. Bohee clarified that on slide 13, which showed the bar chart, the presentation was divided by geographic area. She stated that when Mr. Lee referred to Bayview Hunters Point, there were really two projects that were solely OCII-sponsored affordable housing projects and they showed on the workforce side over 50% of workers for Hunters View and Dr. Davis Senior Center. Ms. Bohee added that, through their partnership with CityBuild, where they did the best on the construction worker side, was where an abundance of resources were put toward it by OEWD, OCII and the developer. She stated that this was reflected in the temporary workforce hires because both public and private dollars were put into that area.

- f) Workshop on the revised conceptual designs for a proposed 550-foot tall approximately 700,000 square foot commercial project on Transbay Block 5 (Assessor's Block 3718, portion of Lot 025 and portion of Lot 027), located on Howard Street between Beale and Main Streets; Transbay Redevelopment Project Area. (Discussion)

Presenters: Tiffany Bohee, Executive Director; Courtney Pash, Acting Project Manager, Transbay; Scott Seyer, Geotsch Partners, Andrea Cochran

PUBLIC COMMENT – None

Commissioner Bustos requested that they try to promote local artists for this project, whether for sculpture or paintings and any other forms of art.

Mr. Seyer responded that they had already been considering local artists.

Commissioner Mondejar commented the design and echoed the remarks by Commissioner Bustos regarding incorporating local art as well as local artists into the project. She recommended art that would be more inviting to the community and the residents of San Francisco.

Chair Rosales stated that she liked the lobby and the landscaping. She inquired about a picture of a man walking in a field on the phone.

Andrea Cochran responded that this was an image of grasses and a field piece of nature which folks could walk through for contemplation.

6. Public Comment on Non-agenda Items – None

7. Report of the Chair

Chair Rosales stated that she had no report.

8. Report of the Executive Director

Executive Director Bohee referred to the informational memo in the Commissioners' packets regarding a proposed change of funding source for Yerba Buena capital improvements.

Executive Director Bohee also reported that they had received the January-June Recognized Operations Payment Schedule (ROPS) letter from the State Department of Finance and was pleased that for the first time in 2.5 years, there were no comments or need for a meet & confer. She stated that this reflected the great work of the staff. There were mutually agreed upon changes in the process but no budget modifications or adjustments necessary. Ms. Bohee stated that the letter would be provided at the next meeting.

Executive Director Bohee announced that there had been a Lennar-sponsored press event the day before with news regarding a proposed partnership with a publicly-traded nationally-recognized urban retailer, Maceritch. She reminded Commissioners that the second amendment to the DDA had transferred all of the Candlestick land to Lennar, and that Candlestick Park was currently undergoing demolition/deconstruction by Lennar. Ms. Bohee added that OCII had approved the major phase, which would provide for half-million square feet of retail, which would be provided by Maceritch. The development team with new retail partner intended to build this new mixed income, mixed use center with movie theatres, restaurants, for-sale residential, rental opportunities, a community facility space as well as a 220-room hotel, all of which would be in place in 2018 and represented a billion dollars of investment. Ms. Bohee added that they had been working with the City's permanent workforce team at OEWD to make sure people were preparing for the retail and hotel opportunities as well as ongoing work in construction. Ms. Bohee indicated they would bring the retailer in for an informational presentation at beginning of the year.

PUBLIC COMMENT – None

Commissioner Bustos stated that he had seen that event on the news and in the future would like to be notified of these types of events, so that Commissioners could attend.

Executive Director Bohee stated that the event was put on by Lennar and that Lennar had put together the guest list. She pointed out that the OCII had not been invited to the press event. She stated that this would be rectified with them in the future.

Commissioner Mondejar stated that she had seen that event in the news and that the Mayor had acknowledged the OCII but the Commissioners were not present and that was not right. She requested a presentation on that item in the future.

9. Commissioners' Questions and Matters

Commissioner Mondejar stated that she had seen that there was funding for the Children's Creativity Museum and inquired about whether they had hired a new executive director.

Executive Director Bohee responded that there was an interim Executive Director, Kate Akos, and the Children's Creativity Museum board was still actively searching for a permanent director.

10. Closed Session – None

11. Adjournment

The meeting was adjourned by Chair Rosales at 3:49 p.m.

Respectfully submitted,



Lucinda Nguyen, Interim Commission Secretary