

Edwin M. Lee
MAYOR

Tiffany Bohee
EXECUTIVE DIRECTOR



Mara Rosales
CHAIR

Miguel Bustos
Marily Mondejar
Leah Pimentel
Darshan Singh
COMMISSIONERS

Agenda Item **5(a)**
Meeting of July 19, 2016

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
21st DAY OF JUNE 2016**

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 21st day of June 2016, 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 1:07 p.m. Roll call was taken.

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

Commissioner Pimentel arrived late at 2:47PM. All other Commission members were present.

2. Announcements

A. The next scheduled Commission meeting will be a regular meeting held on Tuesday, July 5, 2016 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 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 Meetings of May 3 and May 17, 2016
- b) Authorizing a Second Amendment to the Personal Services Contract with Keyser Marston Associates, Inc., a California corporation, in the amount of \$25,000 for an aggregate contract amount not to exceed \$74,500 for real estate consulting services for Transbay Block 1 (160 Folsom Street), Block 5 (250 Howard Street, Block 8 (400 Folsom Street/250 Fremont Street), and Block 9 (500 Folsom Street); Transbay Redevelopment Project Area (Action) (Resolution No. 23-2016)
- c) Authorizing Execution of the Joint Powers Agreement to join the California State Association of Counties Excess Insurance Authority as part of the Successor Agency's obligation to provide dental insurance coverage for its employees (Action) (Resolution No. 24-2016)
- d) Authorizing the Executive Director to Enter into a Memorandum of Understanding with the City and County of San Francisco Controller's Office for financial systems, accounting, and audit support, in an amount not to exceed \$344,000 for Fiscal Year 2016-17 (Action) (Resolution No. 25-2016)

PUBLIC COMMENT – None

Commissioner Bustos motioned to move Items 5(a), 5(b), 5(c) and 5(d) and Commissioner Singh seconded that motion.

Secretary Guerra called for a voice vote on Items 5(a), 5(b), 5(c) and 5(d).

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT Approval of the minutes for the regular meeting of May 3 and May 17, 2016, BE ADOPTED.

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 23-2016, Authorizing a Second Amendment to the Personal Services Contract with Keyser Marston Associates, Inc., a California corporation, in the amount of \$25,000 for an aggregate contract amount not to exceed \$74,500 for real estate consulting services for Transbay Block 1 (160 Folsom Street), Block 5 (250 Howard Street, Block 8 (400 Folsom Street/250 Fremont Street), and Block 9 (500 Folsom Street); Transbay Redevelopment Project Area, BE ADOPTED.

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 24-2016, Authorizing Execution of the Joint Powers Agreement to join the California State Association of Counties Excess Insurance Authority as part of the Successor Agency's obligation to provide dental insurance coverage for its employees, BE ADOPTED.

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 25-2016, Authorizing the Executive Director to Enter into a Memorandum of Understanding with the City and County of San Francisco Controller's Office for financial systems, accounting, and audit support, in an amount not to exceed \$344,000 for Fiscal Year 2016-17, BE ADOPTED.

REGULAR AGENDA

Agenda items 5(e) and 5(f) related to the Alice Griffith Phase 4 were heard together, but acted on separately

- e) Authorizing a Predevelopment Loan with Double Rock Ventures, LLC, a California limited liability company, in the amount of \$2,162,000 for predevelopment activities related to the development of 31 units at 2800 Arelious Walker Drive as Phase 4 of the redevelopment of the Alice Griffith public housing site; and providing notice that this action is within the scope of the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement ("DDA") and that the Program Environmental Impact report for the DDA adequately describes this action for purpose of the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area (Discussion and Action) (Resolution No. 26-2016)

- f) Conditionally approving Schematic Designs for the Alice Griffith Block 5 Development, comprising Phase 4 of the Alice Griffith Housing Development; and providing notice that this approval is within the scope of the Candlestick Point and Hunters Point Shipyard Phase 2 Disposition and Development Agreement ("DDA"); and that the Program Environmental Impact Report for the DDA adequately describes this approval action for the purpose of the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area (Discussion and Action) (Resolution No. 27-2016)

Presenters: Tiffany Bohee, Executive Director, OCII; Elizabeth Colomello, Senior Development Specialist, Housing Division, OCII, Rod Henmi, HKIT Architects; Yakuh Askew, YA Studio; George Bridges, Contract Compliance Specialist, OCII

PUBLIC COMMENT

Speakers: Timothy Reyft, Carpenters Local 22; Tom Gilberti, South Beach Marina resident

Mr. Reyft was in support of this project. He believed this was a great project for everyone because there would be many jobs and homes available for local residents. Mr. Reyft urged Commissioners to approve this project.

Mr. Gilberti stated he had asked about whether the units involved in the project were rentals or for sale and the answer he was given was this project consisted of 235 Market Rate (MR) rental units. He inquired about whether these would be subject to annual rent increase and added that in his area, rents were going up at 10% yearly. Mr. Gilberti stated if OCII was thinking of creating a stable community, this development would have to be rent-controlled and equal to the cost of living in order to create a permanent and healthy neighborhood where people could be born there, grow up and go to school, live there and die there. He also requested the exterior contours of the buildings

have a rough texture in order to control noise because the smooth metal finishes did not break up sound.

Commissioner Bustos commented this was very exciting and met the promise they had made to the folks in the community. He inquired from the residents present at the meeting about whether everyone felt good about this project because he wanted to earn back the trust of the residents. The response was positive.

Commissioner Singh inquired about how long the loan would take to be repaid; inquired about a list of prospective renters; inquired about completion date; inquired about whether all residents would have parking availability; inquired about how the parking spaces would be distributed.

Ms. Colomello responded the loan payment was deferred in order to roll into a longer permanent loan and that loan would have a 55-year term. She explained that repayment would be from any surplus cash remaining after paying all operating expenses and debt service. The current term was for three years or until it rolled into the permanent loan. Ms. Colomello responded that they did not have a list of prospective renters yet. However, they had started outreach to Certificate of Preference (COP) holders and expected to hold a lottery in September, at which time the list would be available. Ms. Colomello responded that the anticipated completion date was May 2018. She responded there were 31 units and 18 parking spaces, which was a higher ratio than usual, and was due to the high number of large families at the site. She explained they hadn't yet established how the parking would be distributed but would figure that out later during the construction period.

Vice-Chair Mondejar requested clarification regarding the two rental-readiness workshops being offered later in June in light of the fact the units wouldn't be available until 2018; inquired about how they were marketing this project. She referred to the list of preference holders and inquired about whether the 600-700 people COP holders had been contacted; inquired about when the rest of the people on the list would be contacted; inquired about why they were not sending material out to the others as well.

Ms. Colomello clarified the units in Phase 4 would not be ready until 2018. However, Phases 1 and 2 units were currently under construction and would be ready at the end of 2016. She explained that they would be doing similar outreach next year for Phase 3, which was also under construction and would be completed next year. Ms. Colomello clarified that the postcard in question was specifically for COP holders. Once they had completed outreach to the COP holders and completed the workshops, then they would begin the broader marketing to the community. Regarding whether the COP holders had been contacted, she responded in the affirmative and added that they had sent out an earlier mailing letting those people know the workshops would be offered later. Ms. Colomello responded the rest of the people would be contacted in the middle of July to early August in advance of the lottery. She clarified that the workshops were for the COP holders only because they wanted to make sure that the COP holders got first priority and were prepared and ready for this opportunity, so they reach out to them first for the 69 non-public housing replacement units.

Chair Rosales referred to the unit mix and, based on the survey downsizing the units, inquired about whether the one-bedroom units would be for one person; inquired about whether there were elders occupying those units. Ms. Rosales referred to slide 6 and inquired about what the reference to "tenant in good standing" meant; inquired about whether there was a possibility that someone could be left behind because of an eviction threat; inquired about when the "in good standing" threshold would be satisfied in this situation; inquired about what happened if a resident was not in good standing; inquired about whether that meant that they would become homeless.

Ms. Colomello responded that a one-bedroom unit could be for one, two or possibly three people, such as a couple and a child under six years of age. She responded that they had many elderly people at Alice Griffith, some of whom were moving to Dr. George W. Davis Sr. Center. She explained that the way they had developed the unit mix for each of the phases took into account the senior households, especially if they were on their own, so they would be able to have a smaller unit. That was part of the reason that the unit sizes were trending down for public housing residents. Ms. Colomello responded that “in good standing” meant that the tenant needed to be in a payment plan for back rent and not be going through any legal eviction process with the Housing Authority. To the possibility of being left behind, she responded in the affirmative but added that they were working very hard to ensure that residents were in good standing so that this would not happen. Ms. Colomello responded that the “good standing” threshold would be satisfied as they were leasing up those units and if someone did not meet the threshold for Phases 1 and 2, they could qualify for Phase 3 or future phases. She explained that if someone was not in good standing, it meant that they had been evicted and would not be eligible for housing. Ms. Colomello responded that it was possible that someone not in good standing could be left homeless, but added make sure that did not happen. She reported that there would also be other services available to them so that they would not become homeless. Ms. Colomello stressed that the goal of the project was not to make residents homeless but to make sure they had new and better housing opportunities.

Vice-Chair Mondejar inquired about how many potential “not in good standing” cases were involved.

Ms. Colomello responded that she did not have the number of those cases but could make it available.

Chair Rosales stated this issue was of concern because she recalled attending community meetings years earlier and the same exact issue had come up. At that time it was called being “qualified”. Now it called being “in good standing”.

Ms. Colomello responded that this was an important issue for the entire team as well as a focus for the services team, the developer and the Mayor’s Hope SF team to try to limit the amount of people not in good standing and to have services available to help them transition to the new housing.

Chair Rosales requested that they be kept abreast of this issue as this project moved forward.

Ms. Colomello responded in the affirmative. She added they would be able to provide updates once the marketing for the first phases had been completed and then provide regular reports on each phase’s lease-up.

Chair Rosales referred to slide 12 and requested clarification about whether the slide indicated that of the 52% SBE’s, only 11% were San Francisco-based, which would mean that 41% of the SBE’s were not San Francisco-based. She pointed out that, according to the presentation, the vast majority of businesses working on this project were not based in San Francisco and inquired about how that could be possible.

Ms. Colomello confirmed those numbers and deferred to Mr. Bridges for more detail.

Executive Director Bohee requested that Mr. Bridges walk through Attachment C in greater detail. Mr. Bridges responded that the 52% referred to credit versus 52% participation in actual dollars, so in reality that number would be closer to 20%. He explained that there was a joint venture agreement with Baines Group and Nibbi Bros., so the participation number would be closer to 22-25% because of the 35/65 joint venture and then total participation for San Francisco would be the 11%.

Chair Rosales clarified this meant that actual participation rates were closer to 50%. She inquired about where the non-San Francisco contractors were coming from geographically. Ms. Rosales reiterated that this had become a recurring issue, wherein non-San Francisco construction contractors were able to compete better than San Francisco-based companies. She reminded the team that they had a 10% threshold and that the Commission would hold all the general contractors to that threshold. Ms. Rosales expressed concern over this and stated she did not understand why this did not work on OCII projects.

Mr. Bridges responded that the actual participation credit-wise would be closer to 50%, but in actual dollars it was closer to 25%. He reported that he had done an analysis on Phase 3, Block 1, and the most recent to begin construction. In that project alone they had started with 10 small local businesses and had increased that number to include seven more African American firms and two Latino firms from the Southeast. He stated that they were working closely with Nibbi Bros. and the Baines Group to increase the number from 94124, 94134 and 94107 zip codes, so that when they go out to bid for this project, they would have a pool of contractors that had worked successfully in the first three phases. He calculated that by the time they got to Phase 4, they would continue to increase that success. Mr. Bridges added that regarding the workforce figures of 14%-15% for Block One, currently 40-50% of the workers onsite were carpenters and laborers. He explained that the reason the numbers were so low was due to the lack of operating engineers and because there were almost no San Franciscans looking for work because they were all working. The Operating Engineers Union was doing a lot of recruiting and working with City Build to increase that number.

Chair Rosales concurred that there was a shortage of workers in the City. As a follow up to Vice-Chair Mondejar's comment, Ms. Rosales inquired about whether there had been any progress on the COP surveys she had previously requested. The purpose of the surveys was to collect information about who the COP holders were and exactly what they desired as far as housing. As a follow up to the public comment, Ms. Rosales inquired about what the rental amount would be for these units.

Ms. Colomello responded that they had drafted a survey and would have something for Commissioners to review soon and they were making progress internally on that request. She responded that they had not established the rental amount yet because that was Five Points' responsibility and they would come up with that amount based on the market at the time the units were constructed.

Commissioner Singh motioned to move Items 5(e) and 5(f) and Commissioner Bustos seconded that motion.

Secretary Guerra called for a voice vote on Items 5(e) and 5(f).

Commissioner Bustos - yes
Vice-Chair Mondejar - yes
Commissioner Pimentel - absent
Commissioner Singh - yes
Chair Rosales - yes

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 26-2016, Authorizing a Predevelopment Loan with Double Rock Ventures, LLC, a California limited liability company, in the amount of \$2,162,000 for predevelopment activities related to the development of 31 units at 2800 Arelious Walker Drive as Phase 4 of the redevelopment of the Alice Griffith public housing site; and providing notice that this action is within the scope of the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement (“DDA”) and that the Program Environmental Impact report for the DDA adequately describes this action for purpose of the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area, BE ADOPTED.

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 27-2016, Conditionally approving Schematic Designs for the Alice Griffith Block 5 Development, comprising Phase 4 of the Alice Griffith Housing Development; and providing notice that this approval is within the scope of the Candlestick Point and Hunters Point Shipyard Phase 2 Disposition and Development Agreement (“DDA”); and that the Program Environmental Impact Report for the DDA adequately describes this approval action for the purpose of the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area, BE ADOPTED.

Agenda items 5(g), 5(h) and 5(i) related to the Transbay Block 1 were heard together, but acted on separately

- g) Authorizing an amendment to the Development Controls and Design Guidelines for the Transbay Redevelopment Project that increases the maximum height of Transbay Block 1 (160 Folsom Street) from 300 feet to 400 feet that is within the scope of the Transbay Redevelopment Project approved under a program Environmental Impact Report and that is adequately described in that report for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 28-2016)
- h) Authorizing, at a Public Hearing under Section 33431 of the Health and Safety Code, an Owner Participation / Disposition and Development Agreement with Block 1 Property Holder, L.P., a Delaware Limited Partnership, for the development of 391 for-sale units including 156 units affordable to low and moderate income households and ground floor retail at Transbay Block 1 (160 Folsom Street) that is within the scope of the Transbay Redevelopment Project approved under a program Environmental Impact Report and is adequately described in that report for purposes of the California Environmental quality act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 29-2016)
- i) Conditionally approving the Schematic Design of a 39-story tower and two podium buildings comprised of 391 for-sale units including 156 units affordable to low and moderate income households, underground parking, and ground-floor retail at Transbay Block 1 (160 Folsom Street), and a variation to allow projections encroaching over sidewalks greater than those permitted by the Development Controls and Design Guidelines for the Transbay Redevelopment Project, for a project that is within the scope of the Transbay Redevelopment Project approved under a program Environmental Impact Report and that is adequately described in that report for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 30-2016)

Presenters: Tiffany Bohee, Executive Director, OCII; Shane Hart, Transbay Project Manager, OCII; Jeanne Gang, Lead Architect, Gang Studio; Jenny Wong, Senior Director, Tishman Speyer; Carl Shannon, Senior Managing Director, Tishman Speyer; George Bridges, Contract Compliance Specialist; Matthew Biss, Managing Director, Tishman Speyer; Peter Reed, General Contractor, Langley Construction

PUBLIC COMMENT

Speakers: Sharaman Shariati, native Californian and future resident of 1400 Mission Street; Robert Devlin, Polaris Pacific; Jim Haas, Transbay CAC member; Moises Villeda, member and field representative for Carpenters Local 22; Tom Gilberti, South Beach Marina resident; Tom O'Connor, President, San Francisco Firefighters

Mr. Shariati named 12 friends of his who had been born and raised in California, but who had left the state within the last two years due to lack of affordable housing and the high cost of living. Another friend was moving to Oregon for better career opportunities and affordable living. Mr. Shariati added that all of these people had bachelor and some had master's degrees as well. He reported that news sources including CNN had reported recently that over 1/3 of people aged 18-34 were currently living with their parents throughout the country and that number stood at 40% in California. The reason for this occurrence was because this demographic was trying to save for a down payment on a home, pay off student loans or just could not afford the high rents. Mr. Shariati stated that he held two masters degrees and had also applied for work out of state because he could not afford a home near the big California cities. He was very pleased when he received the results of the lottery for 1400 Mission Street and reported that he recently closed on a two-bedroom Below Market Rate (BMR) unit. This would allow him to continue working at the SFMTA as a transportation engineer and planner. Mr. Shariati advocated more affordable housing to allow San Francisco workers and middle class families to stay in the City. He reported that the starting salary for new SFMTA engineers was \$76,000, which was over the San Francisco BMR salary limitation. Because of this, employees from his agency frequently left because they could not afford the high cost of the City. Mr. Shariati reported that, according to Forbes magazine, it now required a salary of over \$300,000/year to be able to afford a home in San Francisco.

Mr. Devlin reported that he was currently working on the 1400 Mission Street condominium project helping 167 new homeowners obtain a home just like the previous speaker and was there to support Block One and also more affordable housing in San Francisco.

Mr. Haas reported that he was the longest serving member of the Transbay CAC. He reported that his organization had been dealing with this parcel and block for many years and they had strongly approved it after successive meetings. Mr. Haas explained that this parcel was not part of the property conveyed to the City by the state, like the other Transbay (TB) properties, but was left over from the demolition of the Embarcadero Freeway and then purchased by the Redevelopment Agency from the State with affordable money. As a result, he explained that this parcel did not come with the same rules and restrictions as the other properties. Mr. Haas explained that the TB area plan was a programmatic plan and did not come under traditional Euclidean zoning. When this plan was put together, it was based on program goals that were more flexible. He recalled that the public parcel was located behind other small private parcels owned by several dozen people and they were concerned that those smaller parcels would never be incorporated into the larger parcels and that their wide sidewalk goals for Folsom Street would not be met. Mr. Haas thanked Tishman Speyer for purchasing the smaller parcels and incorporating them into the larger project. He stated that the CAC was pleased with the architect and the design and felt that adding the height would allow the interesting design to be better displayed. Lastly, Mr. Haas stated that more affordable housing was the best result. He urged Commissioners to endorse this project.

Mr. Villeda stated that his organization was in support of this project because it represented an opportunity for members not only to work but to live in the units they were building in San Francisco on the waterfront. He stated that Tishman Speyer had been a great partner and that they looked forward to working with them on this exciting project.

Mr. Gilberti stated that once again he was confused as to whether this property was for rent or for sale and inquired as to whether anyone could give him an answer. When told it was condos for sale, he stated that he had lived in the South Beach Marina for 27 years and one of the things he liked about that that residential project was the outdoor access via a patio. He noted that there was no outdoor access in these condos. Mr. Gilberti was pleased with the slanted windows but would prefer the patio in order to go outside, grow plants, feel the air.

Mr. O'Connor stated that his organization was in support of this project because it would allow firefighters and police officers to stay and live in the City through affordable housing. He stressed the need to have public safety professionals and officials nearby at all times and available immediately in a state of emergency and that this opportunity would allow many of those people to stay in the City and be part of the community. Mr. O'Connor reported that Tishman Speyer had been a great partner.

Commissioner Singh referred to the distribution of the 156 BMR units in this project and inquired about why they did not distribute the BMR units higher up in the building.

Executive Director Bohee responded that in order to keep the number of affordable units at the high rate of 40%, the distribution was set this way. She reported that, consistent with Citywide planning principles and OCII affordable housing participation policy, the affordable units were distributed throughout the building up to the 26th floor representing a 2/3 distribution, and above that were market rate units. She further clarified that there was a tower with 2/3 distribution of affordability and 100% of the podium was affordable.

Commissioner Mondejar pointed out that the high-rise building was beautiful and lovely and the podium was very low and dark and inquired as to why that was.

Mr. Hart deferred to the developer to respond to that question.

Mr. Shannon responded that the original zoning on this site when the TB plan was done envisioned a separate podium building on this site from the tower and the podium had always been considered to be 100% affordable. He explained that originally it had been envisioned that the podium would be built by a separate affordable developer with a subsidy from OCII, but economics had shifted and it was not possible for a low income developer to do that now. So Tishman Speyer was doing the entire project. Mr. Shannon explained that the façade treatment of the tower and podium building was originally similar and they changed the color as per direction by OCII. He added that the color could still be refined according to comments by OCII. Also, in response to the public comment, Mr. Shannon clarified that there were many balconies in the towers and townhome units, so that residents would be able to enjoy the outdoors as well as the angled windows.

Vice-Chair Mondejar clarified that the 100% affordable units in the podium were according to OCII requirements. However, she noted that the appearance of the podium was very different to the high-rise and made the podium look a bit discriminated against because it was 100% affordable. Mr. Shannon responded in the affirmative. He reported that they had worked closely with OCII on the basic design and the layout of the units. He explained that the façade treatment with the red color was in direct response to concerns by OCII. However, he clarified that they could make the facades more similar, if that was what OCII directed.

Commissioner Pimentel noted that the only communal place where the BMR affordable housing residents and the mixed income residents would come together would be the side of the affordable housing units. She requested clarification that there would be no interaction between the 100% affordable and the mixed income residents besides that one common space area.

Mr. Shannon responded that it was the contrary. He explained that this was one fully integrated project and every resident, whether affordable or mixed income, would have the same access to the same amenities and all the spaces throughout the project. Mr. Shannon stressed that this was a true public/private project for a mixed income development project and everyone would share in every amenity, and pay the same HOA dues. He clarified that there would be no distinction other than the price paid for the condo, which was private information.

Commissioner Pimentel requested clarification that the smaller building would be known as the 100% affordable building; inquired about what type of businesses would go into the retail space; inquired about how family-friendly this development would be.

Mr. Shannon responded that as per the original TB plan, the low rise building had always been zoned as 100% affordable housing, so they were meeting that commitment. However, he stressed that the building was fully connected to the rest of the project and the residents could enter the tower and use the rooftop terraces, the gym and any other amenities in the project. Mr. Shannon responded that it was difficult to commit to the retail space in advance but they had ensured OCII that it would be community serving retail. He added that they wanted to see Folsom Street flourish as the retail backbone of this new neighborhood. Mr. Shannon reported that, through the Planning Department, Tishman Speyer had developed the two condo projects on the south side of Folsom--the Infinity, which they worked on from 2005-2009, and Lumina, where residents were currently moving in. At the Infinity, the largest retail space was the Prospect Restaurant, which was very popular with residents in the neighborhood and he added that Woodlands Market was going into the base of Lumina, which would be a high-end food store serving the neighborhood residents. Mr. Shannon stated that they envisioned that type of community-serving retail in the ground floor of this building as well. He responded that this development would be as family-friendly as possible with two- and three bedroom units and the mix of the affordable matching the MR units. He stated that they welcomed as many San Francisco families into the project as possible.

Vice-Chair Mondejar wanted clarification that the two buildings would complement each other and not have the light and dark appearance difference as it was presented.

Mr. Shannon indicated that all the buildings had been designed by the same architect, would be built by the same contractor and integrated as a single project. He explained once more that the original zoning concept envisioned an affordable housing developer to do the podium and a different developer for the tower and the townhomes. However, in the end, this was integrated as one project and the difference in the color of the buildings could be changed to make sure the entire project was more compatible and complementary.

Commissioner Bustos thanked staff and the developer for thinking outside the box and for creating a great design for more affordable housing and hoped that Tishman Speyer would want to do more projects in San Francisco. Mr. Bustos stated that the developer had approached this project the right way by reaching out to the community and were very thoughtful in their work.

Mr. Shannon responded that working with OCII had resulted in a great private/public partnership. Chair Rosales inquired about the marketing plan because of the concern over the middle income target group, which included teachers, nurses, construction workers, firefighters, police officers, etc.

Mr. Shannon explained that they intended to work with OCII and the Mayor's Office of Housing (MOH) on this project in the same way they had at 1400 Mission, which would involve a proactive outreach to all of the different communities in San Francisco. He indicated that they would hire outreach organizations to help with that effort and deferred to Ms. Wong for more detail.

Ms. Wong responded that they would start outreach early within 30 days of construction and would provide OCII with a marketing outreach plan and provide monthly updates. She explained that they would have general and specific group outreach programs, which would involve general radio and newspaper ads and then target specific populations with ad translations into Spanish, Tagalog, Chinese, and other languages. They would be targeting Asian, Latino, African Americans, and LGBT communities as well. Ms. Wong stated that they would work with OCII to ensure as broad an outreach result as possible and as soon as possible.

Mr. Hart pointed out to Commissioners that the schematic design conditions required that OCII and the developer continue to work on the podium colors, materials and textures. Regarding the retail space, Mr. Hart added that there was specific language within the OP/DDA addressing the different types of use to qualify as neighborhood-serving retail. He added the Tishman Speyer had been a tremendous developer to work with and had done a great job all the way through.

Vice-Chair Mondejar commended staff for the amenities and the transportation maps, which helped give a sense of what the neighborhood would look like.

Chair Rosales expressed concern over construction impact and inquired about what other construction projects would be going on during construction of this project. She indicated that they would want to make a commitment to the neighborhood not to have a constant state of construction that they could not manage.

Mr. Hart responded that one of the developer requirements was to have a community liaison or a person who was available on call 24/7 to neighbors and also was in communication with the neighborhood by visiting different nearby buildings to let people be aware of the construction and traffic situations.

Executive Director Bohee added that the neighborhood had required that condition be included in the agreement because there had been so much TB development around Folsom Street so that now it was a condition in the agreement.

Commissioner Singh inquired about when the project would be completed; inquired about small business compliance.

Mr. Hart responded that the outside date for completion was May 2021, but added that the developer believed it could be finished by 2020.

Mr. Bridges responded that they had been working very closely with Tishman Speyer who had provided their commitment in spirit and deferred to the developer to provide more detail on this topic.

Mr. Biss responded that Tishman Speyer had been working very closely with Mr. Bridges and OCII and were very committed to complying with the SBE requirements. He added that historically their numbers would show their SBE San Francisco participation success, especially in professional services, and they would work to make the same commitment on the construction side.

Mr. Reed stated that his company had been working in San Francisco for 30 years and that he personally had been in the City for over 20 years and that they were fully committed to the outreach program as they had been in the past.

Commissioner Bustos motioned to move Items 5(g), 5(h) and 5(i) and Vice-Chair Mondejar seconded that motion.

Secretary Guerra called for a voice vote on Items 5(g), 5(h) and 5(i).

Commissioner Bustos - yes
Vice-Chair Mondejar - yes
Commissioner Pimentel - yes
Commissioner Singh - yes
Chair Rosales - yes

ADOPTION: IT WAS VOTED UNANIMOUSLY BY FIVE COMMISSIONERS THAT RESOLUTION NO. 28-2016, Authorizing an amendment to the Development Controls and Design Guidelines for the Transbay Redevelopment Project that increases the maximum height of Transbay Block 1 (160 Folsom Street) from 300 feet to 400 feet that is within the scope of the Transbay Redevelopment Project approved under a program Environmental Impact Report and that is adequately described in that report for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area, BE ADOPTED.

ADOPTION: IT WAS VOTED UNANIMOUSLY BY FIVE COMMISSIONERS THAT RESOLUTION NO. 29-2016, Authorizing, at a Public Hearing under Section 33431 of the Health and Safety Code, an Owner Participation / Disposition and Development Agreement with Block 1 Property Holder, L.P., a Delaware Limited Partnership, for the development of 391 for-sale units including 156 units affordable to low and moderate income households and ground floor retail at Transbay Block 1 (160 Folsom Street) that is within the scope of the Transbay Redevelopment Project approved under a program Environmental Impact Report and is adequately described in that report for purposes of the California Environmental quality act; Transbay Redevelopment Project Area, BE ADOPTED.

ADOPTION: IT WAS VOTED UNANIMOUSLY BY FIVE COMMISSIONERS THAT RESOLUTION NO. 30-2016, Conditionally approving the Schematic Design of a 39-story tower and two podium buildings comprised of 391 for-sale units including 156 units affordable to low and moderate income households, underground parking, and ground-floor retail at Transbay Block 1 (160 Folsom Street), and a variation to allow projections encroaching over sidewalks greater than those permitted by the Development Controls and Design Guidelines for the Transbay Redevelopment Project, for a project that is within the scope of the Transbay Redevelopment Project approved under a program Environmental Impact Report and that is adequately described in that report for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area, BE ADOPTED.

6. Public Comment on Non-agenda Items

Speaker: Tom Gilberti, South Beach Marina resident

Mr. Gilberti apologized for previously misinterpreting whether the project was for rental or for sale because he had been told it was rental. He stated that he liked the direction that OCII was going by targeting the middle income population. However, instead of affordable housing, Mr. Gilberti suggested his new residential formula, which he presented on the screen, and which was as follows: 30% open market rate, condos and rental units with rent control, open to the world so that anybody could buy in; 10% 30-year local residents of local zip codes for senior citizens 65 years and older; 15% 20+ year residents in local zip codes, so people could move around and were not stuck in one place; 20% for middle income for nurses, teachers, MUNI workers, etc.; 20% for homeless, poor seniors, veterans, disabled; graduated foster kids, Section 8, which would be low income/affordable homes. Mr. Gilberti stressed that the navigation centers needed specific places to send these people to. As a result of this mix, they would be incorporating the entire community and making it part of the housing formula. Mr. Gilberti indicated that the private sector would eventually have to face that this was the new reality. He explained that South Beach Marina had 101 BMR units, up from 83 units, as well as 300 MR units, and even with that good ratio, it was not enough to create a neighborhood because the MR units, which went up 10% every year, were chasing people away.

7. Report of the Chair

Chair Rosales stated that she did not have a report.

8. Report of the Executive Director

Executive Director Bohee announced the Grand Opening of the Dr. George W. Davis Senior Residents and Senior Center for this project at 3rd and Carroll Streets, which was a result of OCII saving \$20 million in funding for this project through the dissolution process. She reported leasing was still ongoing but was happy to report to date there were 13 COP holders who had signed leases. She attributed this high number to aggressive marketing and the fact that Section 8 vouchers had been made available through the partnership with Alice Griffith. Ms. Bohee stated, given the income requirements, this was a better project for BVHP and Western Addition COP holders because the income threshold was quite low. She added that a number of Alice Griffith seniors were also moving to the new development.

Executive Director Bohee announced there would be no meeting on July 5, so the next meeting would be on July 19, 2016.

PUBLIC COMMENT – None

9. Commissioners' Questions and Matters - None

10. Closed Session - None

11. Adjournment

The meeting was adjourned by Chair Rosales at 2:54 p.m.

Respectfully submitted,


Claudia Guerra, Commission Secretary