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MAYOR



Marilyn Mondejar
CHAIR

Miguel Bustos
VICE-CHAIR

Dr. Carolyn Ransom-Scott
Mara Rosales
Darshan Singh
COMMISSIONERS

Nadia Sesay
EXECUTIVE DIRECTOR

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
6TH DAY OF NOVEMBER 2018**

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 6th day of November 2018, 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 1:00 p.m. Roll call was taken.

Commissioner Rosales - present
Commissioner Scott - present
Commissioner Singh - present
Vice-Chair Bustos - absent
Chair Mondejar - present

Vice-Chair Bustos was absent. All other Commissioners were present.

2. Announcements

A. The next scheduled Commission meeting will be a regular meeting held on Tuesday, November 20, 2018 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 Meeting of September 18, 2018

PUBLIC COMMENT - None

Commissioner Rosales motioned to move Item 5(a) and Commissioner Singh seconded that motion.

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

Commissioner Rosales – yes
Commissioner Scott - yes
Commissioner Singh - yes
Vice-Chair Bustos - absent
Chair Mondejar – abstained due to absence

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH ONE ABSENCE AND ONE ABSTENTION THAT APPROVAL OF MINUTES FOR REGULAR MEETING OF SEPTEMBER 18, 2018, BE ADOPTED.

REGULAR AGENDA

b) Authorizing a Personal Services Contract with Urban Analytics, LLC, a California limited liability corporation, for fiscal consultant services related to tax allocation bond secondary market annual disclosure obligations and other bond-related tax analysis in an amount not to exceed \$82,500 (Discussion and Action) (Resolution No. 41-2018)

Presenters: Nadia Sesay, Executive Director; John Daigle, Senior Financial Analyst

PUBLIC COMMENT – None

Commissioner Singh inquired about whether the \$82,500 was for the entire term of the contract.

Mr. Daigle responded that the \$82,500 was for the entire term of the contract.

Chair Mondejar confirmed that this contract was for three years and that OCII had used Urban Analytics before.

Mr. Daigle responded in the affirmative.

Commissioner Singh motioned to move Item 5(b) and Commissioner Rosales seconded that motion.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 41- 2018, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH URBAN ANALYTICS, LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, FOR FISCAL CONSULTANT SERVICES RELATED TO TAX ALLOCATION BOND SECONDARY MARKET ANNUAL DISCLOSURE OBLIGATIONS AND OTHER BOND-RELATED TAX ANALYSIS IN AN AMOUNT NOT TO EXCEED \$82,500, BE ADOPTED.

- c) Conditionally authorizing the conversion of 25 off-street residential parking spaces in an existing building containing 315 parking spaces at 185 Channel Street (MBS Block 2) to provide accessory parking for a neighborhood-serving grocery use proposed for the site, approving an amendment to the Basic Concept / Schematic Design originally approved in Resolution No. 61-2011 and approving a variance to the Mission Bay South Design for Development; Mission Bay South Redevelopment Project Area (Discussion and Action) (Resolution No. 42-2018)

Presenters: Nadia Sesay, Executive Director; Gretchen Heckman, Development Specialist, Housing Division; Marc Slutzkin, Project Manager, Mission Bay; Megan Jennings, Coblenz Patch Duffy & Bass LLP, representing the building owner, UDR; Dmitri Vardakastanis, Co-owner of Gus' Community Market

PUBLIC COMMENT - None

Commissioner Scott stated that she had recently visited the site and was very pleased that they were coming to District 10 (D10) and that the additional parking places would be welcomed. She had recently learned that the community Smart & Final grocery would be closing in November so there would be more community residents in D10 looking for grocery stores.

Ms. Heckman clarified that this was in D6 but was very close to D10 and would be accessible to both.

Commissioner Rosales inquired about whether they knew why Market Hall had left the area. She stated that she was a customer of Gus' Market and there was always the need for more parking.

Ms. Heckman responded in the negative.

Mr. Slutzkin responded that he believed the community felt that the Market Hall price point was very high and residents had expressed concern that it was too expensive.

Ms. Jennings responded that she had heard from the developer UDR that Market Hall was going for a captive audience from the immediate vicinity and that they had been limited in finding that audience. She explained that Gus' Market was pursuing a different model both in terms of price and customer base.

Commissioner Rosales inquired about what the incentive was for Gus' Market to come to the neighborhood.

Mr. Vardakastanis responded that they had been interested in that part of the City because they had long felt it was underserved. He explained that since Safeway was the only other grocery store in the area, they felt that they could add more of a diverse offering to the neighborhood and that by adding the word Community in their name that they could serve everyone in some capacity.

Commissioner Singh inquired about the market rate; inquired about how much it would cost to park there for one day; clarified that were 165 parking spaces not being used.

Ms. Heckman responded that the parking rates had varied between \$300 to \$350/month for residents.

Ms. Jennings responded that at present the parking spaces were only available to residents on a monthly basis and that they rented the parking space for a month at the rates mentioned earlier. She responded that the analysis showed that the parking utilization had been under 50% for quite a while.

Chair Mondejar asked for clarification that there were 315 market rate units with 1:1 parking and only 50% of those spaces were being utilized; clarified that 25 spaces would be used for Gus' Market and inquired about the remaining spaces; inquired about how old the building was.

Ms. Jennings responded that it was consistently under 50% utilization. She responded that the 25 spaces for Gus' Market would be the first step in this process because they wanted to support success of the market as their tenant. She explained that UDR had been in discussion with OCII staff to use another portion of the garage for use by other businesses in the area. However, that issue was not before OCII at this meeting but she reported that they would be coming back to OCII in the next few months with that proposal. Ms. Jennings responded that the building was completed in 2014.

Chair Mondejar was pleased to hear that there would be additional parking opening up in that area. She stated that she was a customer of Gus' Market and welcomed them to the area.

Commissioner Scott inquired about whether the parking would be free or not.

Ms. Jennings responded that the parking for Gus' Market would be free. She added that when they came back to OCII for other uses, it might include a paid component to support other retail uses.

Commissioner Rosales motioned to move Item 5(c) and Commissioner Singh seconded that motion.

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

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

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 42-2018, CONDITIONALLY AUTHORIZING THE CONVERSION OF 25 OFF-STREET RESIDENTIAL PARKING SPACES IN AN EXISTING BUILDING CONTAINING 315 PARKING SPACES AT 185 CHANNEL STREET (MBS BLOCK 2) TO PROVIDE ACCESSORY PARKING FOR A NEIGHBORHOOD-SERVING GROCERY USE PROPOSED FOR THE SITE, APPROVING AN AMENDMENT TO THE BASIC CONCEPT / SCHEMATIC DESIGN ORIGINALLY APPROVED IN RESOLUTION NO. 61-2011 AND APPROVING A VARIANCE TO THE MISSION BAY SOUTH DESIGN FOR DEVELOPMENT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

d) Approving the California Public Employees' Retirement System (CalPERS) Resolution authorizing an amendment to the contract between the Successor Agency and CalPERS to incorporate a previously-approved employee contribution to retirement benefits (Discussion and Action) (Resolution No. 43-2018)

Presenters: Nadia Sesay, Executive Director; April Ward, Senior Personnel Analyst

PUBLIC COMMENT - None

Commissioner Singh motioned to move Item 5(d) and Commissioner Scott seconded that motion.

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

Commissioner Rosales – yes
Commissioner Ransom-Scott - yes
Commissioner Singh - yes
Vice-Chair Bustos - absent
Chair Mondejar – yes

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 43-2018, APPROVING THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE SUCCESSOR AGENCY AND CALPERS TO INCORPORATE A PREVIOUSLY-APPROVED EMPLOYEE CONTRIBUTION TO RETIREMENT BENEFITS, BE ADOPTED.

6. Public Comment on Non-Agenda Items - None

7. Report of the Chair

Chair Mondejar announced that she had no report.

8. Report of the Executive Director

- a) Marketing Outcomes Project Report; 2500 Arelious Walker Drive (Alice Griffith Phase 3), for a recently completed 122-unit HOPE SF affordable housing rental multifamily development, including 93 public housing replacement units, 28 affordable housing rental units, and one manager's unit; Bayview Hunters Point Redevelopment Project Area (Discussion)
- b) Marketing Outcomes Project Report; 255 Fremont Street (Natalie Gubb Commons, Transbay Block 7), for a recently completed 120-unit affordable rental development, which includes one manager's unit; Transbay Redevelopment Project Area (Discussion)

Presenters: Nadia Sesay, Executive Director; Pamela Sims, Senior Development Specialist, Housing Division; Jeff White, Housing Program Manager

PUBLIC COMMENT - None

Commissioner Rosales was very pleased about this announcement. She referred to the comment about 61% return to Alice Griffith (AG) and inquired about why it wasn't 100%. Ms. Rosales recalled a meeting in the past where there were AG residents who were worried about moving away because they did not trust that they would be able to come back. She inquired about why out of 12 Certificate of Preference (COP) holder applicants only two got in.

Ms. Sims responded that these were 94 public housing replacement units which were not in the lottery. She explained that this involved returning AG households who were not living on site at the time of the general information notice and, as a result, had lost their standing to have a public housing replacement unit. However, Ms. Sims reported that in order to embrace the community who wanted to return to AG, they had provided a first preference status to those households who had moved away so that they could come back. Ms. Sims added that in Phases 1 or 2 there were only a handful of AG returnees who had applied; this time they had 36 AG households who applied, which was a great representation and showing and which highlighted the growing success of the program. Regarding the COP holders, she responded that for these two properties it depended on when they were leasing up. Of the households that were under-income, the subsidies that were usually available from the Q Foundation were not available because they had run out of their subsidies for the year. She added that others had changed their mind and they had a number of COP holder households who did not respond to any communication to this or responded that they wanted to be put on the waitlist.

Commissioner Rosales commented that she would love to meet the Q Foundation members to thank them because they were always so helpful and supportive.

Ms. Sims responded that she would coordinate with them for one of the upcoming meetings.

Commissioner Scott stated she had spoken to some COP holders who were excited; however, some of them were making a little too much to qualify but also were not making enough to live in San Francisco. Dr. Scott reported that this was heartbreaking to them because they thought that by moving out they would have a place to come back to. Instead, it appeared that they could not get into the housing. She stated that she was bewildered by this issue.

Chair Mondejar stated that she believed that if COP holders were over the limit there was a 5% allowance for them to still qualify.

Mr. White responded that the tax credit regulations in 2018 had changed. He reported that the new "income averaging" program would allow them to take some of the affordable units up to 80% AMI from what was previously 60%. Therefore, COP holders who were just a little bit over in their income would now qualify up to 80%. Mr. White explained that the evidence they had for COP holders over the past 5 or 6 lotteries showed that there was a wide range of all AMI levels and that they had missed some holders because they were over income. He reported that for the next project, which would be Mission Bay South 6 West, they would be using the income averaging approach as well as for Transbay Block 4 where the AMI went much higher. Mr. White stated that this was a good idea and that they would be proactive in notifying those folks.

Chair Mondejar that she hoped these changes were being communicated to everyone because very often people just give up when they are turned down in the housing process.

Mr. White responded that this was a good idea and that they would be proactive in notifying those folks.

Ms. Sims added that when the developer or leasing agent deemed the household over or under income, they tried to let applicants know about the next opportunity coming up. She reported how much easier DAHLIA (online system) had made the process for COP holder applicants and that the process was now much more consistent and effective.

Chair Mondejar inquired about whether the Natalie Gubb Commons units were one bedroom studios; inquired about whether AG had up to five bedroom units now.

Ms. Sims replied that Natalie Gubb Commons units had one, two and three-bedrooms. She replied that the AG units in the lottery system did not have five-bedroom units, but rather had one, two and three bedrooms. She clarified that there were AG units with four and five bedrooms, but those were for the public housing replacement only.

9. Commissioners' Questions and Matters

Commissioner Singh inquired about upcoming meetings during the holidays.

Executive Director Sesay responded that there would be a meeting on December 18, 2018.

Public Comment was reopened for one person.

Speaker: Gregory Williams

Mr. Williams stated that with the housing development they were trying to adequately calculate the information with regard to funding and to ensure that the funding was appropriate for the project and proposals that were addressed. He inquired about whether OCII was following the FHA Federal Housing Authority regulations. He stated that he was there because he owned the wealth and had been trying to acquire financing for 10-12 years from the banks and wanted to provide better stability and to be able to utilize the financial means in an appropriate establishment so that the proposals were legitimate and not for self-gain or selfish reasons and were also for the homeless. He also mentioned Treasure Island.


10. Closed Session – None

11. Adjournment

Commissioner Scott motioned to adjourn and Commissioner Rosales seconded that motion.

The meeting was adjourned by Chair Mondejar at 2:01 p.m.

Respectfully submitted,


Jaimie Cruz
Commission Secretary