

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
5th DAY OF NOVEMBER 2013**

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 5th day of November 2013, 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 1:02 p.m. Roll call was taken.

Commissioner Ellington – present
Commissioner Mondejar - present
Vice-Chair Rosales – absent
Commissioner Singh – present
Chair Johnson – present

Vice-Chair Rosales arrived at 1:30p.m.

2. Announcements

A. The next regularly scheduled Commission meeting will be held on Tuesday, November 19, 2013 at 1:00 pm (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, if any – None.

4. Matters of Unfinished Business – None.

5. Matters of New Business:

CONSENT AGENDA – None.

REGULAR AGENDA

- a) Authorizing the issuance of Tax Allocation Bonds for the Mission Bay South Redevelopment Project Area in an aggregate principal amount not to exceed \$70,000,000, and approving and directing the execution of an Indenture of Trust, and a Bond Purchase Contract, and approval of other related documents and actions, Mission Bay South Redevelopment Project Area. (Discussion and Action) (Resolution No. 52-2013)

Presenters: Tiffany Bohee, Executive Director; Leo Levenson, Deputy Director, Finance & Administration

PUBLIC COMMENT

Speakers: Dr. Espinola Jackson, Advocate and Bayview Hunters Point (BVHP) resident

Dr. Jackson stated that this would be the last time she would come before the Commission. Dr. Jackson reminded the Commission that redevelopment started in 1968 in BVHP and that the work there still has not been completed and that there were laws passed which required that the programs under the San Francisco Redevelopment Agency (SFRA) in the 50's and 60's be completed. Case in point, Dr. Jackson spoke about the promise made to move her church which was being damaged by water after a highway was built nearby. That church has never been moved. Dr. Jackson urged the Commission to keep their promises and complete all the work.

Chair Johnson stated that she had been reading through the bond indenture and noticed a new role for an independent redevelopment consultant and inquired whether that role was specifically for the purposes of writing a report in the case that there was any disposition of property that would affect the tax revenues available to repay the bonds. She requested that Mr. Levenson expand on that role and inquired about whether there would be an RFP process or whether that would overlap with someone already on the financing team.

Mr. Levenson responded in the affirmative, that they were planning on using their existing fiscal advisor as the independent redevelopment consultant and that the consultant role would come into play if there was anything happening on the site that might impair the ability to repay the bonds, such as the sale of a large parcel of land from a taxable entity to a tax-exempt entity, which would reduce the amount of tax increment to be able to repay the bonds. He explained that, in that case, they would need to produce a report from an independent consultant which would show whether they still had the capacity to cover more than 1.25% or more of what is necessary in order to repay the bonds. Mr. Levenson responded that he was not sure if an RFP would be necessary or not. He stated that they included an amount of money for consultants related to their financing just for that kind of situation on every ROPS and for the other kinds of reports that might be needed for bonds and added that it should not cost very much.

Mr. Levenson responded that at the time they prepared the budget, they did not realize how large the assessed valuation would be for Mission Bay South when the new roles were published and, at that time, the \$35 million was the amount of bonding expected for Mission Bay South.

Mr. Levenson explained that it was a low estimate, based on the roles and interest rates at that time, and that they had not yet engaged a consultant for more detailed calculations. He stated that the \$70 million was a very optimistic number and did not expect them to reach the full amount, but rather thought it might be more in the \$50-\$60 million range.

Commissioner Mondejar pointed out that it was stated on page 3 of the memo that the bond issuance was based on the MBS OPA and inquired if they could get a copy of the OPA. She stated she was asking because she had worked on another project where the OPA was tied to the bonds and there were some items that she wanted to look at.

Mr. Levenson responded in the affirmative.

Executive Director Bohee stated that they would be able to provide Ms. Mondejar with a copy of the South OPA, along with the amendments, and guide her to the relevant parts of the financing which would be the financing plan and the separate tax allocation pledge agreement.

Mr. Levenson responded that it would be around 5 ¼ % as current rates were going and stated that their fiscal consultant had looked into getting a rate of 4 ¼ % and stated that even that would be over \$60 million.

Chair Johnson stated that there was a blended rate with publicly issued bonds.

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

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

Commissioner Ellington – yes

Commissioner Mondejar – yes

Commissioner Singh – yes

Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 4 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 52-2013, AUTHORIZING THE ISSUANCE OF TAX ALLOCATION BONDS FOR THE MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$70,000,000, AND APPROVING AND DIRECTING THE EXECUTION OF AN INDENTURE OF TRUST, AND A BOND PURCHASE CONTRACT, AND APPROVAL OF OTHER RELATED DOCUMENTS AND ACTIONS, MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- b) Update on the status of Hunters Point Shipyard local contracting and construction workforce hiring; Hunters Point Shipyard Project Area. (Discussion)

Presenters: Tiffany Bohee, Executive Director; Thor Kaslofsky, Hunters Point Shipyard Project Manager; Danny Cooke, Executive Vice President, Lennar Urban; Derf Butler, President, Butler Enterprise Group, CAP Program; George Bridges, Contract Compliance Specialist; Scott Smith, President, James E. Roberts-Obayashi Corporation

PUBLIC COMMENT

Speakers: Al Norman, President, Al Norman Mechanical Inc.; James Mabrey, Owner, All Day Every Day Janitorial Services; Ace Washington; Angelo King, BVHP resident; Dr. Veronica Hunnicutt, Chair, CAC Hunters Point Shipyard; Doug Parrish, President and CEO, Red Dipper

Mr. Norman stated that they were pleased that Lennar Urban and Butler had provided local businesses with a level playing field in the bidding process in this project. Mr. Norman stated that he appreciated the opportunity to work on the project because he felt that this was his own backyard and they never get a chance to work in anyone else's backyard.

Mr. Mabrey stated that his business was a San Francisco-based LBE located in the BVHP and that he had bid on the Block 50/51 contract but was not awarded it because his bid was too high. He stated that he employed workers from the BVHP and was looking for opportunities to hire more men and women from that area. Mr. Mabrey stated that Butler had invited the local SBE's to an event which would allow them to access money programs which would help them float the contracts. He stated that this was significant because the local SBE's normally would not have access to money and usually there was no level playing field as far as having more opportunities for getting jobs and that this opportunity was being provided right in their own neighborhood. Mr. Mabrey asked the Commission to try to ensure that all the local businesses get better competitive opportunities in the bidding process, where the business can actually make some money to maintain stability and to be able to sustain the work when the big companies leave so that they can keep their core employees working and move to the next job.

Mr. Washington stated that he supported Butler Enterprises because he had worked with Mr. Butler in the Fillmore and supported the entire project because he felt it must move forward after so many years of planning.

Mr. King stated that he had reviewed and had co-written the ECP a long time ago and currently was working with Butler Enterprises and the SBE's on the CAP program. He stated that at first what he noticed among the SBE's in the area was apathy because the feeling was that the local businesses did not really have an opportunity after being denied so often. After putting together a cohesive competitive bid, which was not awarded, with no follow-up, callback or any information on what had happened with a bid, local businesses were skeptical about even trying to bid. Mr. King explained that part of what they had to do in the 50/51 projects from the beginning was to convince local businesses that the players at the table wanted to see them be part of this project and that it would be worth their time to go to the workshops, listen to the information and submit a bid. Mr. King stated that the success of the program and proof that a real level playing field had been established would have to be judged by how many local businesses were actually bidding, especially African American contractors from District 10.

Dr. Hunnicutt stated that volunteers had spent hours and worked hard to move this project forward and she urged the Commission to pass this item. She expressed concern over inaccurate and incomplete reporting by the San Francisco Chronicle and other news media about what was going on in the Shipyard. Dr. Hunnicutt stated that the CAC was working on a plan to work directly with the OCII, the Board of Supervisors and their stakeholders to make sure that pertinent and factual information was being disseminated. She used as an example an interviewer from a local radio station who referred to Lennar as a "rogue" agency, which Dr. Hunnicutt cleared up. She stated that Lennar had risen to the challenge of providing the resources for the community. Dr. Hunnicutt recommended working with Executive Director Bohee to coordinate this effort. She requested an invitation from the OCII to enable the CAC to make a full presentation of the work and progress on the Shipyard, accompanied by representation from the IC Committee, the Legacy Foundation, YCD and from subcommittee chairs on housing and business to speak on the milestones on the Alice Griffith project development.

Mr. Parrish explained that the Red Dipper was a solar panel company providing solar panel installations, training and manufacturing, and a joint venture with Sunlight and Power, which had

received the contract to provide solar paneling for Block 50 and that they were currently bidding on blocks 53 & 54. Mr. Parrish stated that the CAP Program workshops had been very beneficial in terms of allowing small businesses to gain visibility and transparency with builders and general contractors as well as securing capital for funding. He was in support of the Lennar project.

Commissioner Singh recognized Mr. Angelo King, former President of the Bayview Hunters Point CAC and Mr. Al Norman. Mr. Singh inquired as to how Butler Enterprises had advertised the CAP program and inquired about how many people they had on their lists.

Mr. Butler responded that they were using a number of different techniques; one was to develop a database of all minority- and women-owned businesses, local businesses and SBE's located in the 94124, 94107 and 94132 zip codes. Once that list was compiled, they did a complete email blast, made phone calls and sent out faxes. They also disseminated information to the Bayview Merchants Association, the African-American and Hispanic Chambers of Commerce and all the ethnic chambers so that they could get the information out to their constituents and stakeholders. Mr. Butler explained that after the initial email blast, they followed up with three more within the timeframe of the pre-bid meeting and outreach workshop or other activities. Mr. Butler responded that they had every Merchants Association, every Chamber of Commerce, the CAC and all the stakeholder organizations. He added that then they customized the outreach list to the scope of work being requested; for example, for underground utility, they tailored their list to those companies performing that work. Mr. Butler reported that the base list for contractors in the BVHP area was comprised of nearly 500 companies, which also included professional services construction-related companies providing surveying or testing, etc.

Commissioner Ellington thanked staff for the presentation and in particular, Lennar, for the good faith efforts that they had put forth as far as providing multiple, general contractors and expansion of the CAP program. Mr. Ellington inquired as to whether there was a Roberts-Obayashi Corp. representative present at the meeting. He pointed out that, after looking at the summary of contract awards for Blocks 50/51, it seemed that contracts for common trade professions were being awarded to subcontractors who were not in the City, for example, a dry wall company out of Milpitas, an electrical company from Pleasanton, etc. Mr. Ellington inquired about whether there was a pattern of issues that they had noticed when receiving bids from local contractors and what was missing from that general process. He also inquired about whether there had been a conversation with Mr. Butler about needs assessment and if there was any indication as to what these contracts were missing.

Mr. Smith responded that what was missing was the receipt of bids in all the trades. He explained that they had received bids from local subcontractors in less than half of the trades and the talked about the difficulty of obtaining high percentages of participation in high dollar trades, i.e., plumbing, mechanical, electrical, carpentry. He stated that initially after not receiving any bids from local drywall subcontractors, they went out and searched the neighborhood, found a local subcontractor who eventually did bid the project but who was too high, then met with him personally to go through his numbers to make him more competitive on Blocks 53/54. His numbers were then revised for Blocks 50/51 but there was still too much of a gap. Mr. Smith explained that the subcontractor eventually rebid on Blocks 53/54 and at present it looked like he would be getting a couple of projects out of the 11 buildings. He reported that they had not received any local bids on electrical for 50/51, but did have a local subcontractor for 53/54 and it looked like they would be awarded the contract. Mr. Smith stated that now that word had gotten out, they were seeing much higher participation for 53/54.

To the next question, Mr. Smith responded that as a company, they did not put up barriers, such as subcontractor bonding requirements. He explained that throughout the years, they have helped subcontractors make payroll and keep cash flow going so they were not limited in their ability to work on the projects. Mr. Smith stated that they have been relying on Butler to go back out to the areas where they were not getting coverage to find anyone in the community who had not bid on the project. If they had no local subcontractor for a non-urgent piece of work to start construction on 50/51, they would continue to try to find someone to fill that spot. He reported that on 53/54 this was taking longer to get together because it had been broken into 11 building projects.

Mr. Ellington asked Executive Director Bohee about what steps had been taken for assessing internal capacity to ensure proper oversight to make sure goals are met.

Executive Director Bohee responded that they had compliance staff but that this was not just simply a compliance issue. She explained that the OCII had an implementation role to ensure that they were doing all they could do within the letter and spirit of the development agreements to make sure they were meeting the goals not only for the professional vertical side, but also the professional services contracts, the contracting side as well as the hiring side. Ms. Bohee stated that it all starts with direction from the Commission, which has made it a priority through executive management, from the deputies who oversee the projects to the Senior Project Managers and all the way down that functional line to make sure that they understand and their development partners understand what the requirements are and how they will be implementing it. Ms. Bohee explained the importance of the OCII being brought in on the front end of the project, so as to avoid being in a reactionary mode which would not be a good position to be in with so many units to develop. She stated that they have spent time with the district supervisor, the contractor and executive management of Lennar to make sure those entities understand that this is a priority and those entities are in turn expected to deliver results. Ms. Bohee stated that there were 11 different building permits being reviewed, which has created a ripple effect throughout the project work load and additional resources have been brought in where appropriate to make sure they would be able handle that work flow and deliver the results.

Chair Johnson thanked staff for the presentation and stated that she was very pleased to find out that there were lessons learned on both sides, by the local businesses as well as the general contractors. Ms. Johnson stated that when she left the Hunters Point CAC, there was a new system being implemented by the City to track local hire and particularly construction jobs and asked Thor to provide an update on that issue.

Executive Director Bohee responded that the new tracking system was called Elations and that the City and County of San Francisco as well as OCII had been using it.

Mr. Bridges explained that when a project went out for bid, it was set up in Elations, a web-based certified payroll tracking system. On a weekly basis, the developer would have their General Contractor and all the subcontractors submit certified payroll. The data from each employee (hours worked per day, benefits and hourly rate) was entered into the system so that various types of reports could be generated at any time for an overall accounting of the local hires, number of minority or women, right down to the local Bayview community (District 10: 94124, 94107 and 94134 codes). He reported that to date, 9,926 hours had been generated and of that number, approximately 41.2% were from San Francisco; that there had been 32 workers from San Francisco working on site and a total of 124 in general on site. Of that number, 20 actually lived in District 10. Mr. Bridges stated that they were doing well in terms of diversity and even though the Bayview contracting policy did not contain minority and women goals, he reported that approximately 6% were female.

Chair Johnson inquired about how much time the individuals were working and whether they were approaching FTE or whether it was really more sporadic than that. She inquired if there was any way to pull out that information.

Mr. Bridges responded that there were ways to do that but he reiterated that their program was designed to track total workforce hours and the goal was based on that. He stated that they could manipulate the data to generate what the gross wage would be for Bayview residents or San Francisco as a whole.

Chair Johnson stated that she felt it was important to be able to gather the information that was requested and that perhaps this subject might be pertinent as discussion for another time.

Mr. Bridges added that their City Build partner also tracked some of the data in a slightly different manner and they could work with City Build to pull out that information.

Vice-Chair Rosales thanked staff, Lennar and all the presenters for the presentation. She stated that she took to heart the pledges of past as well as future good faith efforts and looked forward to the next report and was pleased to hear about all the excellent strategies which would help the relationship between local business and contractors going forward. Ms. Rosales reiterated how critical the issue of notice was for any contractor to indicate when an opportunity was present, but noted that as per page 6 of the report, several of the BVHP SBE's indicated that they had not received notice of bid opportunities and inquired as to what had happened in that situation.

Mr. Cooke responded that he was not sure how that had happened. He stated that after working with redevelopment for 25 years, they well understood all the processes that must be gone through. He stated that they issued the bid on the website, published it through several publications, sent letters out, sent email blasts to subcontractors that they had used in the past and even after all that, there were still people who claimed they did not get notice. He stated that in one case a subcontractor stated that he had never received a notice but they were able to produce a copy of the letter that was sent to him and he ended up being awarded that contract. Mr. Cooke added that sometimes addresses might be incorrect on the list or the subcontractors might not have gone through the certification or something else may have changed, but he assured the Commission that they used the most recent list that they had.

Mr. Kaslofsky added that sometimes the businesses may have an email which belonged to an admin person who was no longer with the company and the email address of the business has not been updated. He stated that typically during the pre-bids they try to remind subcontractors to update their information and send it to OCII or the City Contract Monitoring Department.

Executive Director Bohee responded that in order to reduce the margin of error with the email lists, the contractor would be able to directly download and export into an excel sheet the latest lists from the City's LBE, DBE as well as from the OCII website.

Mr. Cooke added that they recognized that there were communication issues in the first bid of 50/51 and reiterated that they currently used a three-layered communication system consisting of email, fax and telephone. Mr. Cooke explained that there might be discrepancies in the data at the start of a project but as they engaged more contractors and the database was being developed, the discrepancies would be flushed out and communication would be expected to improve as they moved forward.

- c) Final Workshop on the Long-Range Property Management Plan pursuant to Section 34191.5 of Assembly Bill 1484 ("Redevelopment Dissolution Law"). (Discussion)

Presenters: Tiffany Bohee, Executive Director; Tracie Reynolds, Manager, Real Estate and Development Services Division

PUBLIC COMMENT

Speakers: John Elberling, TODCO Group, Yerba Buena Consortium Neighborhood Alliance; Karen Slater, artist, Hunters Point Shipyard (HPS) representing the Shipyard Trust for the Arts (STAR); Virginia Grandi, Yerba Buena Alliance; Helen Sause, Retired SFRA Deputy Director and board member of the Yerba Buena Alliance; Richard Bolingbroke, artist and Board President, STAR; Richard Petersen, Real Estate Committee, STAR; Ace Washington

Mr. Elberling stated that the OCII staff and team had done a great job working with stakeholders to figure out a future for Yerba Buena Gardens (YBG). Mr. Elberling expressed concern over the status of the Gardens with the impending Moscone Expansion Project (MEP). He wanted to draw attention to the fact that the OCII would continue to be the policy and management oversight body for the Gardens until the transfer was completed perhaps in 2015 and by then major redesign of parts of the Gardens for the MEP would have been finished. He reported that there were major changes being proposed by the MEP to the Children's Garden and parts of the CB2 and to date those in charge of the MEP had been acting as if the OCII did not exist. Instead, they had been telling the Alliance what would be happening to the Gardens even though this property belonged to the OCII and the OCII remains the policy setting body for it. What had brought this into focus was when the architects of the MEP told the Alliance that the Children's Learning Garden would "have to go" because it was in the way of their exit route to 3rd Street. Mr. Elberling emphasized that it was not the architects' decision to make; rather, it was the decision of the OCII. He reminded Commissioners that the OCII's job was to protect the integrity and the quality of the Gardens. He stated that he was at the meeting to strongly communicate to the MEP that they must regard the OCII as an equal partner with regard to any redesign of the gardens and work with the OCII to come up with the best solution possible for all concerned. He felt optimistic that the final decision made by the Mayor and Board of Supervisors in 2014 would be the right one.

Ms. Slater read a prepared statement and stated she had copies to distribute. She stated that STAR was founded in 1995 and had worked for many years to protect the vision and the reality of the HPS artists' community. Ms. Slater talked about the transfer of ownership of the HPS buildings to the City and reminded Commissioners that the Shipyard offered perhaps the last place for affordable working spaces in San Francisco. She stated that STAR hoped to be part of the future in managing, maintaining and growing the HPS arts community to help the HPS artists become a permanent part of the development there.

Ms. Grandi reminded Commissioners that the last time she appeared before the Commission, she spoke about the principles that the Alliance had put forth for the future of the YBG. Ms. Grandi urged Commissioners to consider those principles. She acknowledged several people in the room who were also in support of the Alliance's principles and supported Mr. Elberling's comment about the impact of the MEP on the YBG.

Ms. Sause complimented OCII staff on the excellent work they had done in analyzing what the community's goals and thoughts were and in keeping the public abreast of the process. Ms. Sause explained that the Yerba Buena Alliance has over 70 community members. She summarized the Alliance's principles agreed upon by the community as guidance for the Gardens' future and urged

Commissioners to use those principles to guide them in making decisions for the future of Yerba Buena: that all the public open spaces and buildings remain so and that any displacement of those uses be prohibited; that all sources committed for operation of the Gardens be used solely for that purpose; that the Gardens be maintained and overseen by a first-class professional organization and be governed by a dedicated, single body. Ms Sause stated that the model that the Agency had provided so far had worked well to oversee the diverse uses with no dominant use. She underscored Mr. Elberling's comment that the MEP posed a huge threat to the Gardens and urged the Commission to get involved to ensure the future of the open space and multiple uses of the Gardens.

Mr. Bolingbroke acknowledged the presence of the artists and STAR Board members at the meeting and thanked the OCII staff for all their hard work in this process. He supported the recommendations of the OCII staff regarding the disposition of a new Shipyard artist replacement building, a specific use building, which would be an essential part of the new art center and serve as the nucleus of a possible arts district. Mr. Bolingbroke directed Commissioners' attention to Goal 3 of the General Plan that states that "to recognize and support individual artists and arts organizations, a combination that is vital to a thriving arts environment" because OCII was recommending that STAR and the artists maintain control of the spaces. Mr. Bolingbroke reported that the STAR Board had been read itself for that possibility with 8 new artist members as part of the Board and that they were looking forward to managing the studio building. He invited Commissioners to the upcoming open studio event taking place on November 9 & 10.

Mr. Petersen stated how pleased he was to work with the OCII staff and that their dedication was incredible.

Mr. Washington stated that he was concerned about the Western Addition. He spoke about Yoshi's bankruptcy and about its transfer to the City.

Chair Johnson stated that there were several situations where the OCII wanted some disparate properties currently being managed by the Redevelopment Agency to transfer to the City in a way that would allow them to continue to be jointly managed, such as the YBG and Mission Bay Parks. She stated that the Property Management Plan was a misnomer because the OCII worked on the transfer, but did not actually know what would happen once the property was transferred or sold because the OCII was not aware of what the management structure would be, especially in the cases of Mission Bay and the YBG. Ms. Johnson stated that they would look at the suggestions that PFM had made on the YBG report, take the best of those models and also apply them to the Mission Bay Parks. She stated that the management structure of some of the parcels that needed to be jointly managed was currently undecided but they would continue to work with the City on the best disposition for all.

Executive Director Bohee responded that they took the concerns of their stakeholders very seriously with respect to both the transfer and the future of YBG once the City became the holder of those assets. Ms. Bohee directed Commissioners to the letters from Ms. Sause and Mr. Elberling in their packets. Ms. Bohee stated that she had met with the MEP team, which was a partnership between the Convention Center, the Office of Economic Development and the Department of Public Works, two weeks before. As a result of that meeting OCII staff had identified four areas of concern, in essence, wherever the proposed expansion touches down that might impact landscaping, children's space, restaurant space, operation and management issues. The MEP team expressed a willingness to work with OCII and the community to address these concerns. Ms. Bohee stated that a more coordinated process would be necessary to handle this issue and the City had started working on a plan to work with OCII as well as with the impacted

stakeholders. She had asked that the MEP team bring back their proposals to the Commission and announced that this was on the calendar for December.

Vice-Chair Rosales inquired about: whether the OCII could suggest, recommend, participate, or influence the decision on custodianship of the YBG rather than leave it up to the City to make its own decision; what exactly was meant by the “City”; if they were interested in having a participatory conversation with the City, whether the invitation would go to Naomi Kelly, the City Administrator or someone else.

Executive Director Bohee responded in the affirmative, that the OCII could make certain recommendations as part of its resolution. Ms. Bohee added that the PFM report had put forth a number of models: where the fee title would be owned by the City but a third party, either ground-leased to a non-profit or a development authority, would be brought in to manage the Gardens. She explained that the City had accepted and had agreed to operate YBG as a single asset as it currently stood, was reviewing the models as described above and were currently conducting its own assessment process. To the second question, Ms. Bohee responded that the “City” was primarily the City’s Department of Real Estate under the jurisdiction of the City Administrator. To the third question, Ms. Bohee responded in the affirmative and that the City Administrator would be the clearinghouse for this type of issue.

Commissioner Mondejar requested that Commissioners receive an update on this issue.

Executive Director Bohee responded that staff will keep Commissioners informed on this issue.

Chair Johnson expressed concern about the form of the final PMP (Property Management Plan) because she felt that the memos and diagrams that had been displayed were more like descriptions of the Plan. Ms. Johnson inquired about what the PMP would be comprised of itself and how detailed would it have to be in terms of what persons or departments the property would be transferred to.

Executive Director Bohee responded that the actual form of the PMP and the data required was proscribed in Dissolution Law. She explained that there were four categories for disposition and that some basic facts about the property were required, but that they would not need to designate a particular department or arm within the City. She offered the 706 Mission PMP approved in July 2013 as an example to provide a sense of what the PMP would ultimately look like.

Chair Johnson replied that the 706 Mission Project was easier to comprehend because the disposition was a sale to a development team and therefore the Plan was very clear. She stated that Ms. Bohee’s answer lent itself to optimism about the disposition of most of these properties. Ms. Johnson explained that the PMP could really be seen as more of a halfway point where the eventual use would be stated and then more discussion would have to happen about who would be managing the property and what the models would be.

Chair Johnson raised concern regarding the HPS with community facilities parcels. She pointed out that there were six acres, most of which would be designated as schools, firehouses and police stations and that less than an acre had been designated for other community facilities. Ms. Johnson stated that the Community Benefits Agreement in Phase I DDA allowed for a separate body, basically the group managing the Legacy Fund, to determine what the land uses would be. To that end, Ms. Johnson inquired as to whether that would be part of the restricted land use going to the City.

Ms. Reynolds responded that the land uses outlined in the Phase I and II DDA were very broad for community-serving uses, such as social services, senior services, education, etc., but that the main requirement was that those uses be selected in collaboration with the community. Therefore, the land uses did not have to be set up for standard community facilities such as schools or police stations, but rather could be a senior or childcare center. Ms. Reynolds explained that under the DDA, the OCII still held the obligation to work with the community to determine what the uses would be and to assist with the financing sources for the development. She stated that ultimately real estate would be transferred to the City, but that the City had stated that they were hoping the OCII would remain active on this issue to help determine those uses.

Chair Johnson stated that most of the community facilities in that area would be defined not necessarily by what people wanted but by the requirements therein. Ms. Johnson inquired about one small parcel which was not defined within the PMP, and which was meant to be open space for the community and the jurisdiction of which was supposed to be under the Legacy Fund board. Ms. Johnson stated that the next action on this item would take place at the November 19 meeting and asked Commissioners to direct questions to OCII staff.

- d) Workshop on the Streetscape Master Plan, Signage Plan and Major Phase 1 Application for Candlestick Point; Candlestick Point and Phase 2 of the Hunters Point Shipyard Project Area. (Discussion)

Presenters: Tiffany Bohee, Executive Director; Wells Lawson, Senior Project Manager, Hunters Point Project Shipyard Phase II & Candlestick Point; Evan Rose, Designer, Urban Design Plus

PUBLIC COMMENT – None.

Chair Johnson inquired about: where the bus rapid transit would go since the Yosemite Bridge did not yet exist; whether the Class 2 bike lane was on Harney Way or not; whether there would be grey water. Ms. Johnson stated that she had noticed that car share was not represented in the requirements for parking spaces in buildings and on the street. She expressed desire to see an increased consideration of car share and to start looking now at some of the requirements for how parking would work, so that by 2015-16 they would be in the right place.

Mr. Lawson responded that they had been working with the MTA on an interim bus rapid transit which would connect the current Caltrain station into the project site, and believed the proposal was to loop it around the CPX route. He stated they would get back to the Commissioners on that question. Mr. Lawson responded that the bike lane was on Harney Way and that there was an error on page 61. To the grey water question, Mr. Lawson responded in the affirmative and explained that since the project was approved, the PUC had changed its code to allow for residential toilet flushing with grey water. To the car share issue, Mr. Lawson stated that they would see it sooner than 2015/16 because they would be bringing forth the schematic design for the vertical buildings on Alice Griffith. He added that the approved Candlestick Design for Development document already had a car sharing requirement for the vertical construction, which effectively required that for between 1 and 50 residential units, 1 must be provided for every 200 units.

Commissioner Ellington stated that he especially appreciated the streetscape work on this project and the consideration of the preservation of the history as well as the character of the neighborhood. Mr. Ellington inquired about: whether there were any other modes of transportation that would connect the two sides, Candlestick and the Shipyard, other than the cycle track; the statement regarding utilities during the presentation on underground garbage.

Mr. Lawson responded that the bus rapid transit would connect to both sides on the same bridge and a pedestrian lane, so the bridge would include 2 lanes for bus rapid transit, 12-15' for bikes and another several feet for pedestrians. To the garbage question, Mr. Lawson responded that this was a system built by Transvac and would be wholly owned, maintained and operated by Recology. He added that this technology was widely used in Europe and the United States,

Executive Director Bohee stated that this system was new to the City and would be regulated by the City together with the PUC, DPW, and the City Administrator to set residential and commercial rates. She added that utilities are regulated in some form by the City and that staff had been discussing this issue with the relevant utility regulatory arm of the City. Ms. Bohee reiterated what Mr. Rose had stated: that this would represent a unique opportunity for the City to do something different and reduce the number of trucks on the streets, which would be significant for the Bayview.

Vice-Chair Rosales inquired as to whether it was the City's responsibility to demolish Candlestick Point.

Executive Director Bohee responded in the negative, that it was the developer's responsibility to demolish Candlestick Point with a \$30 million cost and that otherwise it would have been the responsibility of the Department of Recreation & Parks.

6. Public Comment on Non-agenda Items – None.

7. Report of the Chair – None.

8. Report of the Executive Director

Executive Director Bohee reported that there were a couple of updates: 1) That they expected to receive an initial determination from the State Department of Finance (DOF) on ROPS 13-14B, which was the balance of the fiscal year that went through the budget process. She explained that there would be a meet and confer process, where the OCII would have the opportunity to submit written documentation within five days, then an in-person meeting to be scheduled, and then a final determination from the State by mid-December before the next round of property tax was due. She stated that by the next meeting on November 19 they should have some determination and that the letter would be shared with the Commission; 2) Regarding outstanding litigation with respect to municipal derivatives and a proposed settlement approved by the Commission and reported out in closed session with Wells Fargo for \$27,000 and then a proposal to take those proceeds and set them aside in a litigation trust fund with outside counsel. She reported that they had received word back within the last 48 hours from the DOF that they had approved the settlement but had not approved setting aside that amount of funds in a trust fund because there was no enforceable obligation. Ms. Bohee stated that they would take those funds and apply them for litigation fees with the rest of the plaintiffs.

9. Commissioners' Questions and Matters

Chair Johnson requested that Commissioners let staff know of planned absences from upcoming meetings in light of the upcoming holiday season.

10. Closed Session:

- a) Pursuant to Government Code § 54957.6 to confer with its designated representatives, but take no action, regarding negotiations with 1) the International Federation of Professional and Technical Engineers (IFPTE) Local 21 representing the Engineers and Architects bargaining unit, the Management/Supervisory bargaining unit, and the Professional/ Technical bargaining unit; and 2) the Service Employees International Union (SEIU) Local 1021 representing a miscellaneous employees bargaining unit. OCII negotiators: Tiffany Bohee, Leo Levenson, Carol Isen, Vitus Leung, April Ward.

Chair Johnson announced that the Closed Session would be continued to another date.

11. Adjournment

The meeting was adjourned by Chair Johnson at 4:25 p.m.

Respectfully submitted,

Natasha Jones

Natasha Jones
Interim Commission Secretary

ADOPTED: