

London N. Breed
MAYOR



Bivett Brackett
CHAIR

Dr. Carolyn Ransom-Scott
VICE-CHAIR

Vanessa Aquino
Tamsen Drew
Kent Lim
COMMISSIONERS

Thor Kaslofsky
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
5TH DAY OF MARCH 2024**

The members of the Commission on Community Investment and Infrastructure of the City and County of San Francisco met in a regular meeting in person at 1:00 p.m. on the 5th day of March 2024.

REMOTE ACCESS:

WATCH LIVE ON SFGOVTV: <https://sfgovtv.org/ccii>

PUBLIC COMMENT:

Members of the public may provide public comment in-person at the noticed location or remotely via teleconference (detailed instructions available at: <https://sfocii.org/remote-meeting-information>). Members of the public may also submit their comments by email to: commissionsecretary.ocii@sfgov.org; all comments received will be made a part of the official record.

INSTRUCTIONS FOR PUBLIC COMMENT:

DIAL: 1-415-655-0001 **ENTER ACCESS CODE:** 2662 837 8805 **PRESS # PRESS #**
again to enter the call. Press *3 to submit your request to speak.

REGULAR MEETING AGENDA

1. Recognition of a Quorum

Meeting was called to order at 1:05 p.m. by Vice-Chair Scott. Roll call was taken.

Commissioner Aquino - present
Commissioner Drew - present
Commissioner Lim - present
Vice-Chair Scott - present
Chair Brackett - absent

Chair Brackett was absent. All other Commissioners were present.

2. Announcements

- a) The next regularly scheduled Commission meeting will be held **in person** on Tuesday, March 19, 2024 at 1:00 pm at City Hall in 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 from participants dialing in:
Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Commission adopts a shorter period on any item. We recommend that members of the public who are attending the meeting in person fill out a "Speaker Card" and submit the completed card to the Commission Secretary. All dial-in participants from the public will be instructed to call a toll-free number and use their touch-tone phones to provide any public comment. Audio prompts will signal to dial-in participants when their audio input has been enabled for commenting.

PUBLIC COMMENT CALL-IN: 1-415-655-0001 **ACCESS CODE:** 2662 837 8805

Secretary Cruz read the instructions for the public to call in.

- 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 January 16, 2024

PUBLIC COMMENT - None

Commissioner Drew motioned to move Item 5(a) and Commissioner Aquino seconded that motion.

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

Commissioner Aquino - yes
Commissioner Drew - yes
Commissioner Lim - yes
Vice-Chair Scott - yes
Chair Brackett - absent

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT APPROVAL OF THE MINUTES FOR REGULAR MEETING OF JANUARY 16, 2024, BE ADOPTED.

REGULAR AGENDA

- b) Workshop regarding priorities for developing affordable replacement housing units under Senate Bill No. 593 (Discussion)

Presenters: Thor Kaslofsky, Executive Director; Elizabeth Colomello, Housing Program Manager; Pam Sims, Senior Development Specialist; Lynette Mackey, NCLF

PUBLIC COMMENT

Speakers: Oscar James, native resident, Bayview Hunters Point (BVHP); Clay Norman, Owner, Integrity Plumbing and Vice President, San Francisco Hyper Local Building Trades Contractors Collective; Lynette Mackey, Certificate of Preference (COP) Program, Lynx and New Community Leadership Foundation (NCLF); Sophie Maxwell; Demetrius Williams, Owner, CIW & Sons Plumbing, Co., Inc. and President, San Francisco Hyper Local Building Trades Contractors Collective

Mr. James stated that he was in support of this project. He expressed concern over how the community would be advised about it. Mr. James requested that OCII set up a meeting in BVHP at the new facilities there for OCII to come out to present on this item. Mr. James stated that they could invite community members from the Western Addition, Hunters Point and the Mission as well as have contractors be present. He recalled that it had been over 10 years since OCII had come out to the community to speak. Mr. James requested that they change the date of the next meeting to April 2 for the COP item because he would not be able to attend the March 19 meeting and he wanted to be there for that subject.

Mr. Norman was in support of this item. He stated that it would lead to nothing but positive things and would support economic growth and community development. Mr. Norman was pleased that OCII worked with local Hyper contractors who hired the local workforce which helped stimulate the economy and build the community.

Ms. Mackey stated that she was on the other side of this issue working with the COP Program and Lynx and she stated it was amazing that these buildings were being built for the displaced and the homeless. She thanked OCII for everything they were doing.

Ms. Maxwell stated that she had come for something else but this was about community and about building San Francisco (SF). She stressed that this was a way to sustain the City and she thanked OCII for this.

Mr. Williams was in support of OCII having jurisdiction of developing these units and supported the local contractors to come out and be part of the development phase and hire local workforce. He supported Mr. James' suggestion that OCII hold a meeting in the community.

Commissioner Drew commended staff for listening to the public as well as Commissioners in terms of prioritizing the COP holders and local businesses for this project. She understood that this project was being done hand-in-hand with the City and inquired about what the power and authority of OCII would be; inquired about what OCII would directly control; inquired about how they could ensure that their priorities were being honored and carried out.

Executive Director Kaslofsky responded that they could not address her questions at that time because this was about the program outreach and creating the general framework of the policy. As it was laid out today, Mr. Kaslofsky explained that in existing project areas such as Mission Bay (MB) and Hunters Point (HP) Shipyard, where OCII not only owned land but had land-use authority and projects come to OCII for approval and entitlement, they would continue to exercise those powers within existing project areas. Outside of existing project areas, especially if it was a Mayor's Office of

Housing and Community Development (MOHCD) project, OCII would work with MOHCD on a project-by-project basis. He reported that SB593 would allow for OCII to do the financing, OCII would conduct the bond issuance and would be responsible for the debt service for the project. In the past, prior to 2012, OCII assisted with the financing and paid MOHCD to implement the project. However, in this case, OCII would probably not be involved with construction management and would not be exercising land-use authority, and that was where they were so far. Mr. Kaslofsky explained that the next step would be for OCII to determine what projects it would undertake outside of the project areas and once that was done, they would initiate a conversation with MOHCD to determine what the best role would be for OCII in certain projects. However, at a minimum, OCII would be doing the financing and then would work on developing a Memo of Understanding (MOU) for OCII roles and responsibilities.

Commissioner Drew suggested that OCII work to create a priority project list with MOHCD so that there was a clear understanding of the goals and priorities of those projects. She inquired about whether they would just be coming to OCII when they need financing for projects outside of OCII.

Executive Director Kaslofsky responded that most of the initial financing available would likely go to MB projects. MOHCD was looking at projects in the Western Addition which might become available for OCII. Because financing was dependent on the City's fiscal situation, he was not sure if the next bond issuance would be allowable within the next five years. Therefore, OCII would be working on just those projects which would come to OCII for approval in the first instance, which would be the bond issuance approval and then for any loan agreements and disbursements, so OCII would see all projects coming through in the very early stages. He explained that MOHCD had a list of projects that they were funding, some in need of GAP funding. However, OCII had not gotten to the stage of negotiating with MOHCD as far as which ones were the highest priority; however, Western Addition had been an area of concern and would likely be one of the earlier projects. After that, not much bond money would be left based on the City's fiscal situation and it could be five years from now for anything beyond that geography that they were looking at.

Commissioner Drew suggested that, considering an MOU was being proposed between OCII and MOHCD, a priority project list be created and brought before OCII for approval for purposes of transparency with the community and also that they do that in a public forum to discuss these projects.

Executive Director Kaslofsky stated that they would bring that to Commissioners in the form of a bond issuance proposal, stating how much money the City had available based on what the Controller and the Mayor's Budget Office told OCII and then OCII could look at the projects and their costs and propose a group of projects for that particular bond issuance to OCII. He reported that this would be the time that OCII would be able to look at what that list was. By that time, they would have gone through an evaluation of what was ready and how much money was available.

Commissioner Drew referred to the City's budget capacity for bonding and inquired about who in the City would make that determination about whether or not there was increment available to fund these projects.

Executive Director Kaslofsky responded that there were two layers to that question, one of which was a technical quantitative layer to determine what the absolute amount of residual increment was. He explained that the residual component was the portion of tax increment that just went to the City and not to the other taxing entities and that replacement housing would rely on that funding. Mr.

Kaslofsky reported that the City Controller provided them with a tax increment availability report on a biannual basis and that amount went to the City for other City needs in conjunction with the overall Mayor's Office budget process that allocated monies to different programs and projects. So OCII was working with them to figure out how much money would be made available for replacement housing projects.

Commissioner Drew clarified that in order for OCII to have the funds for these priority projects in replacement housing, they really needed to advocate through the City's budget process both in the Mayor's Office and the Board of Supervisors.

Executive Director Kaslofsky agreed with that statement and confirmed that that normal budget prioritization process was correct. However, unlike other project areas where OCII had enforceable obligations, where there was a contract and OCII was required to issue bonds for infrastructure or housing that was to be built for projects where OCII owned the land, this funding was a new enforceable obligation but at the City's discretion.

Commissioner Drew referred again to project prioritization as related to specific bond issuances and inquired about whether it would make sense to pull back and have a higher-level list outside of the bond issuance decision. She explained that just like the City had a list of housing projects and a housing project pipeline, OCII could similarly create longer-range planning in advance of a bond issuance to consider what their priorities would be long-term for this replacement housing. This could be a single list that might span several different bond issuances.

Executive Director Kaslofsky responded that they would have to get back to her on that because he believed that the list in question might already exist with MOHCD, because OCII had its known excess land opportunities in existing project areas and everything else was either an unknown project or a project that MOHCD knew about. He thought that perhaps 75% of what Commissioner Drew was asking for already existed but he stated that he and staff could bring more information to Commissioners to bring deeper insights into the affordable housing pipeline that was forthcoming.

Commissioner Drew responded that that would be a valuable resource for Commissioners in order to understand what the housing opportunities were on the horizon, near term or long-term that these funds would go to finance.

Vice-Chair Scott thanked Ms. Colomello for the clear informative presentation. She referred to the terms "low" and "extremely-low" income and inquired about what exactly they meant. Dr. Scott stated that it was understood from the community that "extremely-low" income meant only \$23,000 or less/year, which was not enough to qualify for housing. Now she understood that the bar had been raised to \$109,000, which was considered low-income.

Ms. Colomello responded that they focused on the lowest AMI's they could feasibly fund. They tried to get a range of AMI and most of their projects averaged 60% and lower. She explained that the largest percent of their portfolio was at or under 50% AMI, which for a family of four would be \$72,000 and for one person would be \$50,000. At 40% AMI a family of four would be \$64,000 and 30% AMI would be \$43,000 for family of four. To reach the "extremely-low" income households, she reported that operating and rental subsidies were needed, so for many of their Local Operating Subsidy Program (LOSP) units, the families would only pay a percentage of their income and not the full rent. Ms. Colomello added that they were able to secure a set aside of project-based subsidies

at the two Shipyard projects after they started construction, so with the subsidy the families there would be able to pay only a portion of their income for a higher AMI than they would normally be able to afford. She stated that it was a combination of tiering as well as what the project could afford and then incorporating operating subsidies into units. She added that in areas where they could have a few higher AMI units, they used those to subsidize having a project with a deeper affordability.

Vice-Chair Scott inquired about what the income would be for a family of two.

Ms. Colomello responded that at 50% a family of two would have an income of \$57,650/year.

Executive Director Kaslofsky asked Ms. Colomello to speak about the senior projects, some of which units went down to 15% AMI.

Ms. Colomello referred to the new City Senior Operating Subsidy (SOS) being implemented because so many seniors were on a fixed income and needed the low and very-low rents. She explained that this operating subsidy worked like a project-based Section 8 subsidy funded by the City. She described the Transbay (TB) TB2 West project with 60 SOS units, which OCII had approved earlier this year, which had a high number of LOSP units and the SOS subsidized units were set at 15% and 25% AMI.

Vice-Chair Scott referred to outreach and inquired how they were planning to advertise this as well as communicating with the communities.

Ms. Colomello responded that they would incorporate this into their early outreach and marketing plans which were required. She explained that they had an entire plan for outreach to COP holders, which included community outreach options, which were reviewed to do the most advertising possible to reach the maximum number of community members. And they were always looking for new ways to do this.

Executive Director Kaslofsky referred to the Mission Bay (MB) Block 9A project where they had the developer representative Michael Simmons speak to the community regarding affordable home ownership, which units were going for \$200,000 to \$500,000. He announced that there were one-, two- and three-bedroom units available. Mr. Kaslofsky explained that what Mr. Simmons talked about was using the arts as a medium to communicate and Dr. Scott had given him direction to reach out to the churches, which he did. They usually did this around the time of the project, so that applicants knew that this was a call to action to apply for these homes and units during the application period. He also announced that Chair Brackett as well as Dr. Scott had met with the new MOHCD director, Dan Adams, and had asked him to work with OCII to conduct an affordable housing workshop within the community. Mr. Kaslofsky reported that Mr. Adams had committed to working with OCII to do that. Mr. Kaslofsky reported that they had conducted multiple Citizens Advisory Committee (CAC) meetings regarding affordable and replacement housing that OCII administered. In October they were at BVHP at the Shipyard CAC and the Housing Subcommittee CAC to talk about replacement housing and to get feedback from the community. They also met with the TB and MB CAC's, so there was a great deal of outreach to the community. They met with the HP Shipyard CAC with Dr. Veronica Hunnicutt four times/month, so there was always an opportunity for the community to meet with OCII.

Vice-Chair Scott referred to the timeframe to reach out to COP holders for replacement housing and the statement that, at a certain point, if they didn't reach them, they moved on to other groups. Dr. Scott inquired about lengthening that timeframe so that the community might find out about groups like the NCLF or Lynx to help them respond to this information. She referred to many faith-based groups as well as the Bayview News and the Sun Reporter and suggested holding a media press conference for outreach. She inquired about what the timeframe was for getting the information to COP holders as well as small business owners regarding this issue.

Ms. Colomello responded that their outreach work was constant and continuous. As far as extending the amount of time that people had to apply for housing, they needed to go through the lease-up process within a certain amount of time. This was why they were constantly seeking COP holders so that they would be ready when the opportunity became available.

Ms. Sims stated that the 400 China Basin had gone to those lengths to reach different communities, neighborhoods, newspapers etc. to share the information about this project. With the template that Michael Simmons provided to OCII, it had become a great way to think about outreach for all of their projects. Ms. Sims referred to the impact that NCLF and Lynx was having on the COP program. She reported that not only were they finding original displaced adults but their descendants as well. Unfortunately, many of the original displaced adults were deceased and now their descendants had become older. Ms. Sims reported that it was more difficult to convince descendants to apply for an affordable housing opportunity because their lives were established by now. The younger descendants were a very different group of people and more interested in housing.

Ms. Mackey stated that at NCLF they were conducting the research to try to find the displaced. She stated that it was hard work, intense, but they were finding them. She stated that the problem was that once they found them, they turned them over to MOHCD, and the Mayor's Office was not able to process as much paperwork as OCII was sending through. Therefore, applicants might not be eligible for current housing because they had not yet been processed by MOHCD. Ms. Mackey mentioned that she herself was one of those and she had started the process a long time ago. Her brother was processed, but she was not. She explained that when OCII contacted MOHCD, they told her that they were backed up and could not process any faster. Ms. Mackey inquired about why MOHCD did not have more staff to be able to keep up because if this was a priority for OCII, it should be a priority for MOHCD as well. She stressed that they were out there doing the work and she was honored to be a part of the process. However, she wished that MOHCD was aware that they needed more workers on their side to process what OCII and NCLF was sending through.

Executive Director Kaslofsky thanked Ms. Mackey for bringing up this issue. He responded that MOHCD members would be attending the OCII March 19 meeting to talk about some of the efficiency improvements they had made to the program. He acknowledged that they did have some staffing issues and had since staffed up. They also streamlined the types of documentation required as well as the timing of the documentation process.

Ms. Sims added that they had hired a person to staff the COP hotline. Her name was Cora Stone and she was doing a great job. Ms. Sims stated that she would be presenting on this at the March 19 meeting, but it was important to know that with the addition of 2 ½ staff members, their efficiency had improved by 200%.

Vice-Chair Scott referred to the documentation necessary for COP holders to identify themselves. She felt strongly that a birth certificate or the school record should be sufficient for that.

Ms. Sims responded that the school record was no longer a required document. Now it was simply a document that showed family lineage and some kind of identification. She reported that out of the 292 applicants in process, their lineage had already been confirmed, and all they needed to do was to show their ID. She stated, however, that they were not coming in, so the MOHCD staff was calling them to verify ID and the COP certificate would be issued.

Vice-Chair Scott thanked everyone for that information.

6. Public Comment on Non-Agenda Items

Speaker: Oscar James, native resident BVHP

Mr. James stated that he had 8 people, some were his grandchildren and great-grandchildren, who were COP holders applying for housing at the 400 China Basin housing and were having problems doing this. He also referred to Mrs. Dorris Vincent.

Executive Director Kaslofsky interrupted Mr. James to state that this would be covered under the Report of the Chair.

7. Report of the Chair

Vice-Chair Scott announced that they were there to honor and give recognition to Ms. Dorris Vincent, a great City leader, who had passed away. She announced that Executive Director Kaslofsky would provide a reading of a letter from the Mayor's Office and then Dr. Scott would share the obituary.

Executive Director Kaslofsky acknowledged that they had lost a great human being and a great leader in the passing of Dorris Vincent. In offering condolences to the Vincent family, the Hon. Mayor London Breed had presented the family with a condolence letter, which Mr. Kaslofsky read at the funeral which had taken place two weeks prior. He acknowledged the presence of Ms. Vincent's granddaughter, Alise, at the meeting. Mr. Kaslofsky read the letter again to the public. He pointed out that Ms. Vincent acted as counsel and advisor to not only the Mayor but to the Governor as well.

Vice-Chair Scott read Ms. Vincent's obituary, which described her life story as well as her roots in San Francisco.

Ms. (Sophie) Maxwell stated that she had had the opportunity to work with Ms. Vincent when they were part of the project area committee and they went out to get community members to come to the college to vote for them. She stated that of course Ms. Vincent would get more votes than anyone else because of her great popularity within the community. Ms. Maxwell stated that she learned so much from Ms. Vincent. One best bit of advice was to never arrive late to the meeting and never leave early because those were the times when many decisions were made. Ms. Vincent was well-read and brilliant and when a decision was made, everyone felt comfortable following her lead because she always did her homework. She seemed to be everywhere and at every meeting, sitting quietly, listening. Ms. Mackey suggested that one of the buildings be named after Ms. Vincent because that would become part of the legacy. She was a gift to the City and would always be a special part of SF.

Mr. James stated that Ms. Vincent was a treasure, an angel with invisible wings. She loved everybody and she helped everyone, including Mr. James himself. He advised the young people to step up because Ms. Vincent was going to be a hard act to follow. They would miss her.

Ms. Colomello voiced her appreciation for and gratitude to Ms. Vincent, who was a huge advocate for the affordable housing programs in the Shipyard and Candlestick Point. She made sure that the housing met the needs of the people being housed, especially COP holders and neighborhood residents. Ms. Colomello sent condolences to the family on behalf of the OCII housing team.

Commissioner Drew stated that before she became a Commissioner, she was the Project Manager at the HP Shipyard and worked closely with Ms. Vincent. She recalled that Ms. Vincent was very gracious and very thoughtful about the housing program and very giving to the community. Ms. Vincent was a hero to her and this was a huge loss to SF but she felt that Ms. Vincent would continue to guide them all as they moved forward with this work.

8. Report of the Executive Director

Executive Director Kaslofsky gave an update on some administrative issues. He announced that they were adding staff and filling openings in Housing, Planning and Project Management and would be closing out those vacancies soon.

Executive Director Kaslofsky also announced that they were planning a staff retreat in order to build staff cohesion and camaraderie. He stated that they would be discussing the state of the Agency as well as other topics, including what stories they were telling about OCII when they were out in the community. They would also discuss how their work was benefiting the community and aligning their work with the goals of the communities. They would also be discussing what they did well and what they could do better and looking for improvement opportunities. Mr. Kaslofsky announced that they would be scheduling these kinds of retreats on a regular basis in the future. He reminded Commissioners that they had only been back in the office since the last year after the pandemic.

Regarding information technology, Executive Director Kaslofsky reported that they were planning on modernizing and investing in many systems. Last year they started an overhaul of their website to make it more relevant and engaging. He added that the website had more work to be done which would take place over the next few months.

Regarding data and records management, Executive Director Kaslofsky reported that the systems were outdated. Therefore, beginning next fiscal year, they would begin transitioning their stand-alone Microsoft access databases to a centralized enterprise level system, including their Contract, Resolution and Compliance databases. The OCII microfiche files would be digitized to make them more accessible and searchable as well as digitization of the COP program and records. All these projects would ensure that OCII data and records were secure and accessible.

9. Commissioners Questions and Matters

Commissioner Drew requested that Dan Adams, the new MOHCD Director, attend the next OCII meeting for discussion of the COP item. She stated that it would be helpful to hear from the new MOHCD leadership in terms of their implementation of the project and his personal philosophy about the program and how his team would be implementing some of the improvements discussed at this meeting.

Commissioner Drew also referred to the fact that some of the information that Commissioners were hearing was not getting out the community and requested from Executive Director Kaslofsky that during the upcoming staff retreats, they examine what could be done to increase community engagement and turnout. She also requested information regarding the actual numbers of people that attended those meetings because those meetings took a great deal of staff time and work and she wanted to make sure they were being effective when they were going out to the community.

Executive Director Kaslofsky responded to Commissioner Drew that they had already reached out to Mr. Adams to request his attendance at the next meeting but he had a conflict on March 19. Mr. Kaslofsky stated that they would try again to get him to attend.

Commissioner Drew requested that Executive Director Kaslofsky make it clear to Mr. Adams that it was critical to hear from him regarding the COP program and the replacement housing obligations, which OCII and MOHCD were about to undertake in partnership.

10. Closed Session - None

11. Adjournment

Commissioner Aquino motioned to adjourn and Commissioner Drew seconded that motion.

Vice-Chair Scott requested a moment of silence in honor of the death of Mrs. Dorris Vincent. The meeting was adjourned in honor of Dorris Vincent at 2:47 p.m.

Respectfully submitted,


Jaimie Cruz
Commission Secretary