

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
21ST DAY OF MAY 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 21st day of May 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 830 9581 **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 1:15 p.m. by Chair Brackett. Roll call was taken.

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

Vice-Chair Scott and Commissioner Aquino were absent. All other Commissioners were present.

2. Announcements

- a) The next regularly scheduled Commission meeting will be held **in person** on Tuesday, June 4, 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 830 9581

Secretary Nguyen 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 May 7, 2024

PUBLIC COMMENT - None

Commissioner Lim motioned to move Item 5(a) and Chair Brackett seconded that motion.

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

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

ADOPTION: IT WAS VOTED BY TWO COMMISSIONERS WITH TWO ABSENCES AND ONE ABSTENTION THAT APPROVAL OF THE MINUTES FOR REGULAR MEETING OF MAY 7, 2024, BE ADOPTED.

Executive Director Kaslofsky recommended that Item 8a) be moved up on the agenda to be heard prior to Item 5b).

Commissioner Drew motioned to move 8a) to be heard prior to Item 5b) and Commissioner Lim seconded that motion.

Secretary Nguyen called for a voice vote on the motion to move Item 8a) up on the agenda to be heard prior to Item 5b).

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

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH TWO ABSENCES THAT THE MOTION FOR ITEM 8a) TO BE MOVED UP ON THE AGENDA TO BE HEARD PRIOR TO ITEM 5b), BE ADOPTED.

8a) Introduction of Daniel Adams, Director of the Mayor's Office of Housing and Community Development (MOHCD) (Discussion)

Presenters: Daniel Adams, Director, MOHCD; Maria Benjamin, Deputy Director, Home Ownership & Below Market Rate Programs, MOHCD

Commissioner Drew thanked Mr. Adams for attending the meeting and requested that he expand on the partnership between OCII and MOHCD on the Certificate of Preference (COP) program. She pointed out that OCII had received feedback from many COP holders and their descendants that they were having problems either getting the certificate and/or applying for housing and asked him to share their plans for easing that burden on COP holders and helping them get into the housing being built for them.

Mr. Adams stressed his commitment to expand their outreach and was open to ideas to improve the program. He responded that he would have no specific answers to those questions before having the chance to confer with Ms. Benjamin on certain issues.

Commissioner Drew requested an update to a previous discussion that OCII was funding certain positions that were still open in the COP program and inquired about whether those positions had been filled.

Ms. Benjamin responded that they currently had one vacant position and that they had filled the vacancies in staff with other staff. She reported that currently 4.5 employees were working on the COP program and there were no delays. Ms. Benjamin explained that if there was a delay in receiving the certificate, it could be due to an issue with identification or displacement documentation. They had cut back on the bureaucracies that had been carried over since redevelopment to cut down on paperwork to what exactly they needed to move things along more quickly. The process had been upgraded through their Salesforce system to modernize these efforts.

Chair Brackett thanked Mr. Adams for attending the meeting. She stated that they were looking to the Director to focus on the vision for charting new paths and specifically the COP program. Ms. Brackett was grateful and pleased to hear that they had increased the AMI to 150%. However, it had come to their attention that most COP holders and a large percentage of the black population in San Francisco (SF) could not afford affordable housing any more. Their most recent report indicated a

40% decline rate of housing applicants who did not make enough money. She inquired about what his vision was to change that.

Mr. Adams responded that they struggled to obtain deep affordability across all their housing program areas and he was not surprised to learn that COP holders could not afford affordable housing. He indicated that one of the greatest challenges was that operating expenses across many developments were increasing and as a result more subsidies were required to maintain them. They relied on local operating funding for the homeless and formerly homeless residents and a senior subsidy to help with the lower income levels. Mr. Adams stressed that the issue was about having the funding to keep those subsidies going. He was pleased that the City had passed a \$300 million bond in March 2024 to allow them to continue with their current pipeline and was hopeful about a regional bond that could bring between 4-8x that amount to the City should it pass in November. With those additional resources, they would be able to provide subsidy levels that deepened the affordability. Mr. Adams maintained that it really came down to having the subsidies that they needed to get to those deeper affordability levels and to be able to increase the number of units that they were offering.

Chair Brackett referred to Props A and C to support the homeless and formerly homeless populations with more affordable housing. However, 47% of the homeless population was African American in SF and they were overlapping with COP holders. She inquired about where the Prop C money was going and how was it being used to help the COP holders as well as the homeless and Black American populations; inquired about where this was going if these subsidies were to be put in place to help this situation.

Mr. Adams responded that he would need to do more research into Prop C to understand that situation. He referred to the Our City Our Home Committee which had oversight of the use of those funds and added that the primary department that facilitated that committee's work was the SF Department of Homeless and Supportive Housing (HSH). Mr. Adams explained that MOHCD accessed those funds for new production of supportive housing but the program side was managed by HSH. He added that MOHCD administered the eviction program, ERAP (SF Emergency Rental Assistance Program) and the right to counsel and those funds came from a variety of sources including Our City, Our Home. Mr. Adams stated that he would be happy to provide an update as to the Our City Our Home expenditures and where those funds were flowing to. He related that in his previous role as senior advisor to the Mayor, he was involved with acquiring properties for conversion to permanent supportive housing. Those acquisitions were funded through Our City Our Home dollars and those dollars had accrued since 2018 when the legislation was enacted but there was litigation, so taxes accrued without any expenditures. As a result, the City had amassed \$300 million and was able to leverage \$250 million from the state in order to buy 700 units of now permanent supportive housing. Much of the funding now that was coming through the Our City Our Home program was dedicated to programmatic and operational support for the existing permanent supportive housing infrastructure. However, he explained, with the economic turn experienced by the City, the revenue from taxes had dropped significantly and now they were not seeing the same kind of capital contributions that they had expected in order to continue to produce this housing. He stated that he would need to follow up with staff for more specifics on these expenditures to see how they applied to COP holders.

Chair Brackett thanked Mr. Adams and his team for their work and was impressed with how they were able to move around 350 families in Chinatown from SRO's within one year. She inquired about whether there was the same strategy considered for the Mission District, OMI (Ocean View-Merced Heights-Ingleside) neighborhoods, Bayview or the Tenderloin and other areas where there were families that needed bigger units and whether there was a way to replicate those efforts in areas that needed more attention.

Mr. Adams responded that the program in question had relied on vouchers from the Housing Authority to move those residents into larger units and he thought that replicating that program would make sense. However, that would rely on the availability and distribution of the vouchers by the Housing Authority.

Chair Brackett inquired for the COP committee about what was his commitment to having descendants getting all the full benefits that their parents received through COP vouchers A and C and would the same rules still apply to the descendants regarding citywide housing.

Mr. Adams responded that he would have to confer with Ms. Benjamin to get more detail on this. He was very much in support of the COP program and thought extending the number of people to receive benefits to descendants was a great idea. He was very pleased that OCII was administering this program and he was very excited to partner with OCII on this in the future.

REGULAR AGENDA

- b) Authorizing an Amended and Restated Memorandum of Understanding with the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") for Administration of the Legacy Foundation Homeownership Grant Program to increase the amount by \$200,000 for an aggregate total in an amount not to exceed \$380,000 from the Community Benefit Fund of Hunters Point Shipyard Phase 1 Disposition and Development Agreement; Hunters Point Shipyard Redevelopment Area (Discussion and Action) (Resolution No. 11-2024)

Presenters: Thor Kaslofsky, Executive Director; Lila Hussian, Senior Project Manager

PUBLIC COMMENT

Speaker: Oscar James, native resident Bayview Hunters Point (BVHP)

Mr. James stated that he was a COP holder and commended the program. He was concerned about COP information being provided publicly on buses and through other media which did not include phone numbers for COP holders and/or homeless to directly call for help. Mr. James stated that people had been calling him for the number and he asked the Commission to provide that number.

Commissioner Drew commended the Legacy Foundation for coming up with a solution to address a current need regarding the China Basin project in order for 10 COP holders to be able to take advantage of homeownership in this project.

Chair Brackett asked Ms. Hussain and Ms. Benjamin to come forward. She thanked them for the work they did on this project as well as their work with CAC members to help people find permanent homes. She also thanked the OCII housing team and other staff who worked on this.

Ms. Hussain stated that Dr. Hunnicutt (Dr. Veronica Hunnicutt, Board member, the Legacy Foundation) could not be present at this meeting but that she would extend comments to Dr. Hunnicutt for her work on this as well as other Legacy members.

Executive Director Kaslofsky commended Chair Brackett and Dr. Hunnicutt on their leadership work on how they could provide more help to COP holders. He stated that their work was quiet but impactful and that this idea had come from them.

Chair Brackett added that the Legacy Foundation funded scholarships so that SF youth could go to college and worked in the community to make it possible for people to grow and improve.

Commissioner Lim motioned to move Item 5(b) and Commissioner Drew seconded that motion.

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

Commissioner Aquino - absent

Commissioner Drew - yes

Commissioner Lim - yes

Vice-Chair Scott - absent

Chair Brackett - yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH TWO ABSENCES THAT RESOLUTION No. 11-2024, AUTHORIZING AN AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING WITH THE SAN FRANCISCO MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT ("MOHCD") FOR ADMINISTRATION OF THE LEGACY FOUNDATION HOMEOWNERSHIP GRANT PROGRAM TO INCREASE THE AMOUNT BY \$200,000 FOR AN AGGREGATE TOTAL IN AN AMOUNT NOT TO EXCEED \$380,000 FROM THE COMMUNITY BENEFIT FUND OF HUNTERS POINT SHIPYARD PHASE 1 DISPOSITION AND DEVELOPMENT AGREEMENT; HUNTERS POINT SHIPYARD REDEVELOPMENT AREA, BE ADOPTED.

c) Authorizing a First Amendment to the Personal Services Contract with ALH Urban & Regional Economics, a sole proprietorship ("Contractor"), to increase the contract amount by \$75,000 for a total not to exceed amount of \$124,000 to provide economic advisory services related to the Disposition and Development Agreement for Candlestick Point and Phase II of the Hunters Point Shipyard; Hunters Point Shipyard and Bayview Hunters Point Project Areas (Discussion and Action) (Resolution No. 12-2024)

Presenters: Thor Kaslofsky, Executive Director; Nikki Henry, Development Specialist

PUBLIC COMMENT - None

Commissioner Drew motioned to move Item 5(c) and Commissioner Lim seconded that motion.

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

Commissioner Aquino - absent

Commissioner Drew - yes

Commissioner Lim - yes

Vice-Chair Scott - absent

Chair Brackett - yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH TWO ABSENCES THAT RESOLUTION No. 12-2024, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH ALH URBAN & REGIONAL ECONOMICS, A SOLE PROPRIETORSHIP (“CONTRACTOR”), TO INCREASE THE CONTRACT AMOUNT BY \$75,000 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$124,000 TO PROVIDE ECONOMIC ADVISORY SERVICES RELATED TO THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR CANDLESTICK POINT AND PHASE II OF THE HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD AND BAYVIEW HUNTERS POINT PROJECT AREAS, BE ADOPTED.

- d) Authorizing the Executive Director to execute a Memorandum of Understanding with San Francisco Public Works for its Infrastructure Task Force to provide coordinating services for the completion of infrastructure improvements related to enforceable obligations in the Transbay Redevelopment Project Area in an amount not to exceed \$100,000 for Fiscal Year 2023-2024 and in amounts not to exceed \$100,000 annually in future fiscal years, subject to the annual appropriation of funds; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 13-2024)

Presenters: Thor Kaslofsky, Executive Director; Benjamin Brandin, Project Manager

PUBLIC COMMENT - None

Commissioner Drew noted that they were looking to have the MOU in place for the remainder of the project area term and considering that there might be some cost escalation by SF Department of Public Works (DPW) over the next 13 years, she inquired about whether there was a cost escalator included in the MOU.

Mr. Brandin responded that the contingency was meant to cover that. He explained that the \$7500 monthly budget shown demonstrated that this was DPW’s upper limit. They saw some of the complications regarding the coordination work with DPW focused primarily around the temp terminal site. Under Ramp Park and Block 12 were less complicated and, as noted in the presentation, there were other agreements with DPW where they provided coordination staff to facilitate work on those projects. So, the purpose of the Task Force was to play a supportive role to OCII as the master developer. Mr. Brandin provided some background: in both HPS Candlestick Point and Mission Bay (MB), there were existing agreements that allowed DPW staff to play this Task Force role. In particular there were inter-agency coordination agreements that existed between master developers and city agencies. In Transbay (TB), because OCII served as the master developer, there were no inter-agency agreements, which resulted in OCII having to enter into all of these different MOU’s. As a result, the Task Force was playing the same role that it played relative to the other project areas. Regarding the budget, Mr. Brandin explained that they worked with Task Force staff to evaluate the time requirements related to OCII’s other project areas to determine on the TB Infrastructure Task Force budget. Because it was subject to annual appropriation, the recognized obligation payment schedule budget would have to be prepared every fall for TB, which meant Mr. Brandin would be working with Task Force staff to make sure that the \$100,000 limit covered what they needed. If it wasn’t enough, he would have to come back before OCII and request approval for any appropriations increase.

Commissioner Drew stated that she would support an annual escalator.

Mr. Brandin stated that they would work on including that within the MOU and he thanked her for the suggestion.

Executive Director Kaslofsky stated that the budget for this year was \$100,000. He explained that every year when OCII approved the budget, they would be approving a series of MOU's, from MOHCD, DPW and other city agencies, which would have annual amounts. If the budget needed to be adjusted up or down, it would be proposed at that time, first in the ROPS and then in the annual budget and would be adjusted as needed. He thanked Commissioner Drew for her suggestion.

Chair Brackett thanked Mr. Brandin for his presentation. She stated that she was pleased that they now had a more formal contract in place with DPW so they could continue their work in their parks and recreation areas as more families would be moving into Block 2 in TB.

Executive Director Kaslofsky wanted to acknowledge and thank the DPW as a good partner to OCII and stated that it has been there, as well as other city departments, when needed.

Commissioner Lim motioned to move Item 5(d) and Commissioner Drew seconded that motion.

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

Commissioner Aquino - absent

Commissioner Drew - yes

Commissioner Lim - yes

Vice-Chair Scott - absent

Chair Brackett - yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH TWO ABSENCES THAT RESOLUTION No. 13-2024, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH SAN FRANCISCO PUBLIC WORKS FOR ITS INFRASTRUCTURE TASK FORCE TO PROVIDE COORDINATING SERVICES FOR THE COMPLETION OF INFRASTRUCTURE IMPROVEMENTS RELATED TO ENFORCEABLE OBLIGATIONS IN THE TRANSBAY REDEVELOPMENT PROJECT AREA IN AN AMOUNT NOT TO EXCEED \$100,000 FOR FISCAL YEAR 2023-2024 AND IN AMOUNTS NOT TO EXCEED \$100,000 ANNUALLY IN FUTURE FISCAL YEARS, SUBJECT TO THE ANNUAL APPROPRIATION OF FUNDS; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

e) Conditionally authorizing an Amended and Restated Grant Agreement between the Mexican Museum and the Successor Agency and authorizing the transmittal of the Amended and Restated Grant Agreement to the Oversight Board of the City and County of San Francisco (Discussion and Action) (Resolution No. 14-2024)

Presenters: Thor Kaslofsky, Executive Director; Marc Slutzkin, Deputy Director, Andrew M. Kluger, Chair, Mexican Museum; Miguel Galarza, Founder & Principal, Yerba Buena Engineering Construction and representative, Mexican Museum Building Committee; Jim Morales, General Counsel and Deputy Director

Executive Director Kaslofsky recognized Andrico Penick, Director, San Francisco Department of Real Estate and pointed out that their department administered the city lease referenced in the presentation.

PUBLIC COMMENT

Speakers: Oscar James, native resident Bayview Hunters Point (BVHP); Tricia Gregory, Owner, Heavyweight Trucking; Ron Arana, SF general building contractor; Nora Wagner, Vice-Chair, Board of Trustees, the Mexican Museum; Sochi Xochitl Castañeda, Secretary, the Mexican Museum; Silvia Flores, Coordinator, Fundraising Committee, the Mexican Museum; Losonia Mansfield, Owner, Mansfield Construction and Clean-up Company; Denisha (inaudible); Michael Gregory, member, African-American Construction Collective; Nick Colina, Administrator of Operations, Anco Iron and Construction Inc.; Hector Colina, Owner, Anco Iron and Construction Inc.; Susana Rojas, Executive Director, Calle 24 Latino Cultural District; Miguel Guzman; Genesis Romero, Administrative Assistant, the Mexican Museum; Diane Levy, Director of Education, the Mexican Museum; James Jackson; Fernanda Partida, Board member, the Mexican Museum; Daniel Galvez, muralist; Luis Orozco; Kevin Ortiz, co-President, San Francisco Latino Democratic Club; Sandra Acevedo Hanns, Board Chair, Education Committee, the Mexican Museum and founder/CEO, iGreen Media Group; Andrew Kluger, Chair, the Mexican Museum; Alfredo Pedroza, Board member, the Mexican Museum and Chair, SF Chamber of Commerce; Nour Al-Hasawi, Saudi-American Family Office

Mr. James stated that he was around when the idea of the Mexican Museum first came up to the Redevelopment Agency and they had just completed the African Museum. He asserted that the Mexican people were the first people besides the Muwekma Ohlone people here in SF and that this was their land and he urged the Agency to do whatever possible to complete this museum. Mr. James stressed that the residents of the City needed to learn and know about the Mexican culture and history that contributed to the creation of SF.

Ms. Gregory stated that she was in support of this item. She stated that the Building committee had done extensive outreach to include the micro LBE's (Local Business Enterprises) and commended them for their work.

Mr. Arana stated that he was part of the LBE community and also a small business owner. He echoed the thoughts and comments of other speakers and was in support of this item. Mr. Arana shared his experience as a builder of similar projects on a smaller scale. He had witnessed first hand the positive transformations that these projects brought to the community. Mr. Arana stated that the Mexican Museum would support local labor by creating jobs and supporting small businesses. This project would have a vast potential impact on the community by not only generating employment but also enriching and enhancing the Mexican community for the long-term.

Ms. Wagner was in support of this project. She was born and raised in Mexico City, was the former education director of the Mexican Museum for 16 years when it first opened and eventually became Vice-Chair of the Board. She felt that it was vital to have cultural representation in this community in a nation of immigrants. She stated that the Latino population was very large and some of those cultures predated the founding of the city. The Mexican Museum had artifacts dating from the pre-hispanic era to the present and had a record of outstanding educational programs for children and adults. Ms. Wagner indicated that the Museum has been working on the building for a long time and now it needed to complete the interior. The City of SF needed this museum and she urged support by Commissioners.

Ms. Castañeda stated that she was born in Mexico and came to the U.S. 30 years ago. She described her history in working with immigration programs. She felt strongly about educating Latino children so that they could learn and know their history and culture. Ms. Castañeda called herself a philanthropist and stated that she would use her fundraising capabilities as well as share her large South American network of partners with the Museum Board.

Ms. Flores announced that there would be a fundraising event for the Mexican Museum on June 27 at the Four Seasons Private Residence Tower at 4pm hosted by the Homeowners Association President, Larry Weiner. She described why it was so important to support the Mexican Museum, including heritage preservation, public and community education, community empowerment and pride, artistic promotion, and economic impact. Ms. Flores stated that this was the first fundraiser of the year and that they were planning many more fundraisers for the future.

Ms. Mansfield was born and raised in SF and was excited about the opportunity to participate in this project and to grow her business by working with the Museum. She was in support of this item and of extending the length of time they needed to make this work. She stated that her grandfather was Cuban and her grandmother was Cherokee Indian and as a Cuban-Cherokee-African-American woman, she looked forward to the completion of this museum to be able to share her history with her children.

Ms. Denisha stated that she was excited as an Afro-Latina to see her history and past. She was also pleased about the jobs that would be created for LBE's and was in support of this project.

Mr. Gregory was in support of this item. He stated that the Museum had done extensive outreach to the micro LBE's and he was in support.

Mr. Nick Colina stated that he was a third-generation Mexican living in the Bayview since the 1960's and that his dad and he ran a third-generation family-owned business. He stated that in the 60's his dad returned home to SF to start his business and by now they had worked on many projects for the City of SF. This project was about their legacy and to show how Mexican and Latino families helped build the City. Mr. Colina was in support of this project along with the SF Latino-Black Builders Association.

Mr. Hector Colina recalled working on different Latino projects in SF over many years, including the installation of a mural by artist Rufino Tamayo (Mexican painter of Zapotec heritage, born in Oaxaca). He wanted to continue participating in the building of SF. He was in support of this item.

Ms. Rojas stated that she was in support of this item. She felt this was an important item not just for the enhancement of Mexican culture and history, but also for economic purposes and education of the ethnic diversity in this City.

Mr. Guzman stated that he was a native San Franciscan and of Mexican heritage. He was in support of this item. He was pleased for the cultural history and legacy that would be left behind for future generations and also for the jobs that would create opportunities for local workers and local small businesses.

Ms. Romero read a letter on behalf of a former Board member of the Mexican Museum, Gemi José González, which recalled the placement of the first stone for the Mexican Museum. He stated that this was a dream come true for him.

Ms. Levy read a letter from Juan Luis Conde (Board member, Mexican Museum), who asked for the extension of support for the museum for the reasons of representation and diversity. He stated that strong communities deeply rooted in the Mexican culture had long been established in San Francisco, where 50% of the state population was now of Mexican heritage. Mr. Conde stated that the museum would bring tourists to the City and that future generations would benefit from this museum. Ms. Levy was in support of this item.

Mr. Jackson stated that he was a native San Franciscan and small business owner and was in support of this item. He stated that his business was a micro company and that his employees were all local. Mr. Jackson was grateful for the opportunity to work on this project because this kind of project did not become available very often. It would also be great for the city.

Ms. Partida stated that she was also an arts professional besides being on the Mexican Museum Board. She urged Commissioners to pass this item. She expressed concern that the cultural realm in SF was suffering, especially after the pandemic, because most of the cultural institutions were closing and this museum would be very important for the City.

Mr. Galvez stated that he painted his first mural, the popular Carnaval mural, in 1983 at 24th and Mission and that the mural began to deteriorate. He related that the community loved the mural so much that they had raised \$75,000 to restore it in 2016. Mr. Galvez stressed that murals provided a rich cultural history but they didn't last forever and that museums could keep all the artifacts safe forever. The Mexican Museum would hold all the treasures for everyone to enjoy in years to come.

Mr. Orozco stated that he represented artists who created children's content. He wanted to speak about SF showing its competitive advantage by showing the City's vitality and diversity and the cultures that thrived in this City. He stated that he had taken artists to places all around the world and everywhere they went, there was a Mexican or Latino Museum, including most cities in the U.S. He urged Commissioners to pass this item.

Mr. Ortiz stated that he worked with a team of people working toward the completion of the Mexican Museum. He felt strongly that the museum would attract visitors and Latinos from all over the world at a time when economic recovery was much needed. He indicated that Latinos were not well represented in SF and that the completion of the museum would help affirm, respect and honor the Latino experience. He was in support of this item.

Ms. Acevedo stated that she was Chilean and had been in SF since 1981. She advocated that the Mexican Museum would mean a commitment to diversity, inclusivity and would benefit local businesses. It would create a venue for special events and educational lectures and be a place where children could learn about Mexican and Latino art and history. She urged Commissioners to support the Mexican Museum.

Mr. Kluger stated that he had a message from Miguel Bustos (former Chair, OCII), who was in New York, to OCII Commissioners. Mr. Kluger read an email from Mr. Bustos for Commissioners to support and pass this item.

Mr. Pedroza stated that he was a native resident of SF and the Mission District and supported this item. He commented that his was not about another building being built in the City, but about embracing diversity and about bringing equity and representation to the cultural landscape. This would not just boost art and culture, but create jobs to help rebuild SF.

Ms. Al-Hasawi stated she was from Saudi Arabia and an American citizen. She referred to Alta California (as opposed to Baja California). She stated that the plight of the Mexican Museum came to their attention about a year ago and they did research on the background, the politics and the funding situation of the museum. It seemed ironic to her that there were Mexican and Latino museums all over the world and the U.S.; however, there were all sorts of obstacles to getting the museum built in SF. The family came to the decision to support the museum and had contributed \$500,000 to this effort and would backstop any further needs going forward. She urged Commissioners to support this item.

Ms. Castañeda came forward one more time to read a letter of support from Mario Diaz (Honorary Board member, Mexican Museum). Mr. Diaz commended the museum volunteers for their steadfast devotion to this project over the past 24 years. It had not been easy for any non-profit to fundraise during the past decade because of the pandemic and the fact that companies had changed their priorities and were dropping the arts out of their funding focus and/or moving out of SF altogether. However, he felt that many tourists would still come to SF and they would visit this museum. He stressed the need to finish the museum because this was a great opportunity for the City to bring collections from private collectors to SF. He congratulated all involved and thanked them for their efforts.

Commissioner Lim commented that he thought the museum was supposed to be built years ago and inquired about what had happened. He stated that he was glad that he was there today to see that the museum would get built.

Commissioner Drew thanked everyone for coming out to speak on behalf of the museum. The presentation demonstrated that the partnership between OCII, the City, the SF Department of Real Estate and the Mexican Museum Board was more coordinated in their effort. She stated that having the third-party auditors come in was jarring to her and she was appreciative that staff incorporated their audit recommendations into the grant amendment. She stated that she supported this item.

Chair Brackett outlined the history of how they had gotten to this place. This specific project area location was the site of much displacement of people of Latino, Filipino and black descent. She described the history of redevelopment in the area as well. She remembered taking pictures in front of the mural on the plaza with her granddaughter when her granddaughter was 1 year old and the sign out front said "Mexican Museum Coming Soon". Her granddaughter was now 7. She reviewed the timeline to demonstrate the challenges that the museum team had faced:

1)- On June 1, 1993 a resolution from the SF Redevelopment Agency was put forth to approve the first disposition of land for the standalone museum building. After 8 agreement amendments the Agency finally agreed to work with the museum.

2)- In 2006 the property was acquired by the developer.

3)- In 2008 the Agency entered into an exclusive development deal to develop the plaza of which 35,000+ sq. ft. was promised to the museum exclusively.

4)- In 2010 the Agency also signed an agreement with the museum to provide technical assistance to the SF Arts Commission in the amount of \$820,000 to support the museum. Chair Brackett mentioned that she had still not gotten a report from the Arts Commission as to whether that money was ever received. This was not mentioned in the audit.

5)- Later, the developer entered into an agreement with the museum to provide \$5 million as an operating endowment to support the operation of the museum, which was not mentioned in the audit and it was still not clear if that was ever provided.

Chair Brackett pointed out as noted in audit findings that no lease agreement was ever turned over to the museum until 2022. Therefore, this meant that from 1993 to 2022 the museum did not have access to the space. Chair Brackett acknowledged all the discussion about things moving slowly but she stressed that this was part of the City government functions and now they needed to look at the full picture. OCII was now focused on equity and on righting the wrongs of the past as opposed to the goals of the former Agency. She stressed that it was unrealistic to expect that the same amount of work could be done with money allocated in 2010 and unrealistic that contractors might be able to squeeze their budget to match a lack of investment in this project.

Chair Brackett did not think this proposal went far enough. Again, she argued that it was not realistic to expect the museum to raise \$38 million in 18 months nor was it realistic to expect the museum to raise \$5 million in 12 months. She felt it was unfair to set unreal expectations for a group that had been going through a lot already, including changing the design of the museum space, which was not mentioned in the presentation today and not brought up by any of the groups involved.

Chair Brackett suggested they amend this resolution to make this situation more equitable in terms of fund-raising. She wanted OCII staff to hold more meetings with the museum to figure out how OCII could creatively help them raise the \$38 million and she wanted to see some of the monies raised in terms of goals met. The museum should continue to raise as much as they could, but the expectation of raising \$38 million within 18 months created too much pressure.

Chair Brackett suggested that they do a one-year check-in with a one-year extension with an additional 4-year extension with a bi-annual check-in along with some checks and balances to ensure that they were following the recommendations of the audit. She asked fellow Commissioners to be amenable to amending this plan and allow for adequate time to fundraise for this project.

Commissioner Lim said he was in agreement with that idea.

Commissioner Drew stated that she would not be in support of extending the time, because she had serious concerns about the issues raised in the audit. Ms. Drew stated that she would like to move forward with the staff proposal as it was with the 18-month extension and then revisit at that time when they could see what progress they had made.

Chair Brackett inquired about what concerns Commissioner Drew had in the audit.

Commissioner Drew responded that she was concerned about the audit findings regarding OCII's administration of the funds, the disbursement agreements, and the lack of capital raised to date by the museum. She wanted to make sure they had the capital and capacity to move forward to deliver on this long-standing promise. Ms. Drew stressed that this was a team effort and OCII was fulfilling

their part by extending the 18 months. They could then revisit after the 18 months to see what would need to happen next and also to see how the museum was working with the City as their landlord as well as how were coming along in funding the project.

Chair Brackett stated that she appreciated Commissioner Drew's perspective, but that it was important that they stuck to the facts. The Mexican Museum was operating under a certain set of rules which had changed since the Redevelopment Agency. The audit presented some information which was not current. The audit remarks were about prior practices that had nothing to do with the recent amendments. Ms. Brackett stressed that they needed to review the accuracy of the audit remarks to understand when certain things triggered on certain dates. Both OCII and the museum had been in compliance for a long time. She asked Mr. Slutzkin to review some of the changes made by OCII with regard to audit findings, reporting procedures, etc.

Mr. Slutzkin responded that one of the biggest changes was in 2016, during the 4th and 5th disbursement agreements, when they started to pay as a reimbursement process rather than pay up front, so that they were then able to verify the invoices where legitimate expenses had been paid and that had been the process ever since. He added that sometimes OCII fronted some money to pay for things to help projects get started but that was one of the biggest changes. Mr. Slutzkin indicated that he thought part of the problem was that all this happened around dissolution when some of the practices were not the best.

Chair Brackett stated that she was willing to table this item until a later date.

Executive Director Kaslofsky pointed out that this grant expired on June 14, 2024 and that there was an Oversight Board (OB) meeting scheduled for May 30 to approve the extension. He added that certainly they could reschedule this item for a later date as well as the OB meeting; however, then they risked being outside the grant term and he was not sure what impact that would have on the Department of Finance (DOF) potential approval. He explained that when enforceable obligations expired, they essentially ceased to exist and if they delayed this matter to a later date, they would be operating outside of the grant period and there was some risk in that. Mr. Kaslofsky urged that Commissioners deal with the matter now.

Chair Brackett asked for clarification as to whether the amendment under consideration before them was under the purview of the Commission or the Executive Director.

Executive Director Kaslofsky responded that unlike some of the other project areas, this grant was the enforceable obligation, rather than a development agreement, and then they also had professional services kinds of contracts, which typically were under the auspices of OCII or the Executive Director. He explained that any change to the term of this grant in particular would have to go through the same process that they were conducting now. The six-month extension was at the discretion of the Executive Director. However, any other change would have to go through OCII, the OB and then the DOF.

Chair Brackett stated that she would like to recommend another amendment that reflected that the six-month extension was under the purview of OCII.

Executive Director Kaslofsky clarified that Chair Brackett was proposing a five-year extension with a six-month check-in and was now adding that the six-month extension be at the purview of OCII.

Chair Brackett responded in the negative. She clarified that she understood that they were under the gun to make a decision now and reminded everyone that Commissioner Drew had stated that she would not agree to an additional extension. So, because they almost lacked quorum during this meeting, what she was recommending was that the amendment not be for five years and instead of being at the discretion of the Executive Director to extend for six months, it would come back to the Commission before the six months was up and they would decide what to do at that time, namely whether to extend it for another five years or to extend it for six months. And that it would be at the purview of the Commission and not the Executive Director at that moment. That was her offer for the amendment at this point.

Executive Director Kaslofsky deferred to Mr. Morales for more clarification on this item.

Mr. Morales clarified that because this was a suggestion for an amendment, the Commission had to move the amendment first and then vote on it, so they needed to be very clear about it. The current term of the grant extension was one year plus a six-month extension at the discretion of the Executive Director with certain conditions to be met for the Executive Director to authorize that extension. It was his understanding that the amendment was to substitute the Commission for the Executive Director in considering the six-month extension. Mr. Morales referred to page 6 under Article 2 of the grant agreement where it referred to substituting the Executive Director with the Commission. He clarified that this would have to go to the OB to take the final action and then to DOF for the subsequent review. He concluded that if they voted on this today, they would be voting on the resolution as amended. However, the first action would be to vote on the amendment.

PUBLIC COMMENT

Speaker: Luis Orosco

Mr. Orosco commended Chair Brackett for displaying such empathy to the Mexican Museum group in the struggles that they had had in pursuing this project as well as Commissioner Drew's statement that she supported the project. He was sure that between the three Commissioners present, they could find some compromise, maybe not five years, but perhaps three years, for example. Mr. Orosco encouraged that they work toward a solution today to make their children and community proud.

Chair Brackett moved to amend the current resolution of Item 5(e) to add that the one-year plus the six-months extension be at the discretion of the Commission and that it be brought back before the Commission later for further approval and Commissioner Drew seconded that motion.

Secretary Nguyen called for a voice vote on the amendment to Item 5(e).

Commissioner Aquino - absent

Commissioner Drew - yes

Commissioner Lim - yes

Vice-Chair Scott - absent

Chair Brackett – yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH TWO ABSENCES THAT THE AMENDMENT TO RESOLUTION No. 14-2024, TO ADD THAT THE ONE-YEAR PLUS THE SIX-MONTH EXTENSION BE AT THE DISCRETION OF THE COMMISSION AND THAT IT BE BROUGHT BACK BEFORE THE COMMISSION LATER FOR FURTHER APPROVAL, BE ADOPTED.

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

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

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH TWO ABSENCES THAT RESOLUTION NO. 14-2024, CONDITIONALLY AUTHORIZING AN AMENDED AND RESTATED GRANT AGREEMENT BETWEEN THE MEXICAN MUSEUM AND THE SUCCESSOR AGENCY AND AUTHORIZING THE TRANSMITTAL OF THE AMENDED AND RESTATED GRANT AGREEMENT TO THE OVERSIGHT BOARD OF THE CITY AND COUNTY OF SAN FRANCISCO, WITH THE AMENDMENT TO ADD THAT THE ONE-YEAR PLUS THE SIX-MONTH EXTENSION BE AT THE DISCRETION OF THE COMMISSION AND THAT IT BE BROUGHT BACK BEFORE THE COMMISSION LATER FOR FURTHER APPROVAL, BE ADOPTED.

6. Public Comment on Non-Agenda Items

Speakers: Julian Billotte, Master Tenant, Hunters Point (HP) Shipyard, Building 116; Lorna Kollmeyer, HP artist

Mr. Billotte read a letter from the independent master tenants of HP Parcel B buildings 115, 116 and 125 and hereby formally requested immediate redress. The master tenants of Parcel B had been taking care of the buildings since 1984 and since the signing of the interim lease in 2008, they had been working to keep the buildings operational. However, now they were restricted by the constraints of the outdated interim lease and the lack of resources. The letter indicated that the original roofs built 82 years ago needed an immediate overhaul. These buildings were vital to the artists who depended on them because each artist was a small business. They were asking OCII to work with them, with their direct landlord Five Points, and their indirect landlords, the City of San Francisco and the U.S. Navy, to find an immediate solution to these pressing safety issues. Mr. Billotte stated that on May 9, 2024, he had walked Executive Director Kaslofsky and colleagues from OCII and the Mayor's Office through the buildings to survey the roof problems firsthand. He reported that they had been seeking assistance to the problems indicated for a few years and had tried working through different channels to no avail. He asked for immediate help in the interest of public safety.

Ms. Kollmeyer stated that it was refreshing to witness firsthand how the Commission handled all the issues they were faced with. She stated that she was the owner of an ornamental plaster business and owned the last archive of all the different ceiling medallions and brackets and other objects that homeowners citywide needed to fulfill a restoration project in an authentic way. She was the last surviving business to do this work in SF and she pointed out that she was surviving because she was at the Shipyard, the last affordable space for a small woman-owned business. Ms. Kollmeyer explained that since Lennar left them floundering in 2018, with major capital improvements that needed to be done on their buildings, they had trusted that the efforts of OCII and other parties would come up with a solution to put a roof on their buildings, so they could continue to work at the Shipyard. She described that the buildings roofs were leaking now. As the tenant group, they felt like they were a football being flung around between the City, the Navy and Lennar. So, she was pleased to hear the conversations about righting the wrongs of the past because this was one of

those issues. They urgently needed help now. Ms. Kollmeyer also asked that the tenants be included in the conversations between the parties regarding this solution.

7. Report of the Chair

Chair Brackett stated that she had no report.

8. Report of the Executive Director

- b) Evaluation panel recommendation of a team led by Curtis Development to develop, own, and operate affordable housing mixed use projects on Mission Bay South Block 4 East; Mission Bay South Redevelopment Project Area (Discussion)

Presenters: Thor Kaslofsky, Executive Director; Phillip Wong, Development Specialist, Housing; Charmaine Curtis, Principal, Curtis Development; Cathy Davis, Executive Director, Bayview Senior Services

PUBLIC COMMENT - None

Commissioner Drew stated that she was very pleased to see this and was looking forward to seeing this progress.

Chair Brackett announced that she attended the Hardhat tour of Building 9A at 400 China Basin with OCII staff the previous week and was pleased to see it all coming together. She described how each unit had natural light coming through and that each unit had a washer/dryer. The project had convening space and spaces for children and families and she was very pleased with the work being done with these below market rate units.

Chair Brackett referred to this project being in two phases and requested more detail on that. She inquired about whether that included the idea of building up and requested their thoughts around maximizing the MB site space with the most units possible.

Mr. Wong responded that they were within the initial phase of developing the concept massing because they were currently limited to 165 units within the MB South redevelopment area plan. He explained that they were going through the initial stages of reviewing half of the space to build a midrise building and possibly a tower to accommodate the 165 units. He added that later in the summer they would be seeking a predevelopment loan agreement amount to pursue additional concept and schematic design for a Phase 2 project, which they currently did not have entitlement for in terms of units, to make sure that the two buildings, probably midrise or high-rise towers, worked together in terms of design and programming. This was the ethos for going forward with the RFQ process as they wanted to bring aboard a group that was visionary and knowledgeable with OCII projects to give them license to work with OCII's design, review and planning team and come up with something magnificent.

Executive Director Kaslofsky added that this was a very classic large block approach, the same as the Block 2 approach, where a design team and a development team was selected and the project was funded, designed and developed in phases.

Chair Brackett inquired about whether there was any resolution needed at this time.

Executive Director Kaslofsky responded that this was simply advisory at this point. They would be working with this team to negotiate an exclusive negotiations agreement and a predevelopment loan. So, the next action steps would be those two items and updates would be forthcoming.

9. Commissioners Questions and Matters - None

10. Closed Session - None

11. Adjournment

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

The meeting was adjourned at 4:45 p.m.

Respectfully submitted,



Lucinda Nguyen
Acting Commission Secretary