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MAYOR



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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
1st DAY OF OCTOBER 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 1st day of October 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:** 2661 546 4097 **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 Chair Brackett. Roll call was taken.

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

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

2. Announcements

- a) The next regularly scheduled Commission meeting will be held **in person** on Tuesday, October 15, 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. It is recommended 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: 2661 546 4097

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 September 3, 2024

PUBLIC COMMENT - None

Commissioner Drew motioned to move Item 5(a) and Commissioner Lim 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 - absent

Chair Brackett - yes

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT APPROVAL OF THE MINUTES FOR REGULAR MEETING OF SEPTEMBER 3, 2024, BE ADOPTED.

REGULAR AGENDA

- b) Authorizing, pursuant to the Transbay Implementation Agreement, a Memorandum of Understanding with the City and County of San Francisco, acting through San Francisco Public Works, to fund and deliver streetscape and infrastructure improvements benefitting the Transbay Block 2 Affordable Housing projects in an amount not to exceed \$11,463,624; providing notice that this authorization is within the scope of the Transbay Redevelopment Project approved under the Transbay Terminal/ Caltrain Downtown Extension/ Redevelopment Project final Environmental Impact Statement/ Environmental Impact Report, a program EIR, and is adequately described therein for purposes of the California Environmental Quality Act; Transbay Redevelopment Project Area (Discussion and Action) (Resolution No. 31-2024)

Presenters: Thor Kaslofsky, Executive Director; Laura Shifley, Development Specialist, Transbay/Hunters Point Shipyard/Candlestick Point (HPSCP); Benjamin Brandin, Project Manager, Transbay; George Bridges, Contract Compliance Supervisor; Joanna Ladd, Associate Director of Housing Development, Chinatown Community Development Center (CCDC); Sean Wils, Senior Project Manager, Mercy Housing; Kathleen O'Day, Project Manager and Landscape Architect, SF Department of Public Works (SFPW)

PUBLIC COMMENT - None

Commissioner Lim referred to Slide 8, #6 and requested clarification as to when San Francisco Contract Monitoring Division (CMD) would work with OCII on the project and inquired about who had jurisdiction over this project.

Executive Director Kaslofsky responded that the only time CMD would come into play was when OCII was working with a City department and the City department was doing work on behalf of OCII. He deferred to Mr. Bridges for more clarification.

Mr. Bridges responded that this was a unique time for OCII because OCII had the opportunity to partner with other City agencies. He explained that the funding would go to SFPW and they would follow the City policies. However, in this project they would integrate OCII policies for 94124, 94134 and 94107 SE First Consideration project area in contracting and workforce. OCII would work with CMD to meet their goals. Mr. Bridges reported that on this project they meet the 50% goal and achieved 48% participation for minority and hyper-local or micro firms on this project.

Commissioner Lim inquired about whether they were following Ordinance 14B.

Mr. Bridges responded that they were not required to follow 14B. He explained that CityBuild would be the day-to-day entity for compliance of workforce and OCII would be working closely with CityBuild to make sure they were hiring locally.

Commissioner Lim reminded Commissioners that in the past the complaints had indicated that OCII had not been doing enough or were doing nothing.

Mr. Bridges responded that this was why they were excited about this because this would be the first project in which they would be working with CMD.

Commissioner Lim inquired about what use CMD would be to them if they were not following Ordinance 14B.

Mr. Bridges responded that they would be working collaboratively, so they were all working together.

Executive Director Kaslofsky added that CMD would be working on behalf of OCII and enforcing OCII Small Business Enterprise (SBE) policies and OCII and CMD would be working collaboratively. However, SFPW was the client of CMD so OCII would be enforcing OCII policies and using CMD's relationship with SFPW to enforce those policies.

Commissioner Lim responded that this made no sense because SBE participation was an OCII policy. However, CMD supported Local Business Enterprises (LBE) and pointed out that there was a big difference.

Executive Director Kaslofsky pointed out that OCII recognized City LBE certifications as long as the SBE's for construction contracting did not exceed the \$24 million gross revenue limitation of OCII program.

Commissioner Lim stated that he was not happy with this situation and that nothing would change.

Commissioner Aquino thanked staff for the presentation and was pleased with the project, especially to learn that there would be seniors in the community. She stated that she was familiar with the area and expressed concern over safety measures, such as having more lighting at night and providing very visible sidewalks. Ms. Aquino pointed out that it was very busy in that area with many cars exiting and getting onto the Bay Bridge. She inquired about whether the Transbay Block 2 windows would be double-paned for sound control.

Ms. Shifley responded that she could speak to the streetscape safety measures and stated that the sidewalks on Main and Beale Streets would be widened for greater pedestrian access. She explained that all the crosswalks on Clementina Street would be raised to serve as traffic calming measures, so that cars would not be able to speed through Clementina Street, including a midblock crossing to the park.

Executive Director Kaslofsky repeated that the sidewalks on Main and Beale Streets would be widened and there would be a mid-block break between the two buildings which would intersect at Clementina and which did not exist presently, so the area would look very differently later. He added there would be new street lighting and new street trees to create a warmer pedestrian environment and also a degree of traffic safety.

Ms. Ladd responded that the windows at Transbay Block 2 West would be double-paned, which was standard for their new construction projects and she knew from experience that these windows were successful in noise attenuation. Mr. Wils confirmed the windows at Transbay Block 2 East would also be double paned.

Commissioner Aquino was pleased to hear about the windows. She inquired about amenities and/or activities for seniors.

Ms. Ladd responded that there would on-site resident services at Transbay Block 2 West, such as community-building activities and service referral. She responded that there would be units set aside for the formerly homeless seniors, who would receive more intensive case management. Ms. Ladd reported that there would be a community room on the ground floor and a roof deck on the 6th floor overlooking the park and a laundry room.

Chair Brackett inquired about whether they had done an environmental impact study on the construction of the temporary EastCut CBD (Community Benefit District) activation taking place within the next year. She inquired about what measures such as mitigation had been taken or notification sent out to the residents and the community on safety regarding the surrounding streets and to small businesses which would be impacted by this.

Ms. Shifley responded that they had been closely working with the East Cut Landing Partners (ECLP), who ran The Crossing site there. She explained that the Main Street construction and the Beale Street construction would not occur at the same time, so the construction would not surround the site. They would phase construction an L shape, not a U shape. Ms. Shifley informed that the Project team had already been closely coordinating the construction fence lines with ECLP and that SFPW would follow their standard mitigation monitoring program, including having a point of contact for the construction team with the neighborhood or any community member. She deferred to the SFPW representative for more detail.

Chair Brackett pointed out that there had been some challenges recently in that area which had impacted small businesses. She noted that street closures even in an L shape would seriously impact them.

Ms. O'Day clarified that Clementina was not a street right now, so that it would be only one street that would be impacted at any time. She explained that they had a staging area just above Clementina rather than having staging on Main or Beale Streets, in order to avoid issues. They were required to maintain safe access throughout construction. Ms. O'Day reported that they had 88 coordinators working for SFPW and a representative would be at the construction site during operating hours to monitor. Project engineers and herself as Project Manager have developed a site access plan that ensures there are no tripping hazards (between the temporary Main and Beale sidewalk and The Crossing site), for example. They would be continually updating their website as well as asking people for names and contact information who want to be updated on the construction progress.

Chair Brackett inquired about whether there was a website link for this specific project.

Ms. O'Day responded in the affirmative. She stated that it was under Public Works Projects and then the user could type in Phase 1 Transbay Block 3 project and it would pop up. She stated she could get the exact link to OCII later.

Chair Brackett asked about the ordinance mentioned in the presentation that had gone to the Board of Supervisors (BOS) before it came to OCII and inquired about whether this was a customary practice or whether there was an issue in terms of timing.

Ms. Shifley responded that this was the first time that the City Attorney's Office had identified such an ordinance as a requirement.

Executive Director Kaslofsky added that it was a standard City requirement that any contracts over \$1 million go to the Board of Supervisors and that the dollar amount was the trigger.

Chair Brackett stated that she understood the dollar amount thresholds, but since OCII had not approved it yet and it had gone to BOS already, she wondered about the timing.

Executive Director Kaslofsky stated that the BOS was SFPW's Commission so they were getting approval while OCII was getting approval as well.

Mr. Brandin clarified that the ordinance going before the BOS was not specific to the MOU before OCII today. He explained that the ordinance in question was a blanket ordinance which would allow OCII to enter into contracts over \$1 million with City departments specific to Transbay (TB). In other

project areas, there were either master developers with project area agreements already in place with the City. This was not the case with this project, because OCII would be serving as the master developer. Mr. Brandin explained that this was simply putting in place legislation which would allow OCII to set up and enter into these types of agreements in the future. He also clarified that this was not only about this MOU coming before OCII today.

Chair Brackett referred to OCII's SBE policy and the fact that in this project OCII was contracting out to SFPW and that staff would help direct SBE participation. She referred to Mr. Bridges' statement regarding 48% and requested more clarification regarding that number.

Mr. Bridges responded that the 48% was based on the four contractors already located in the aforementioned zip code areas within D10 (District 10), which would be the First Consideration. He explained that contractor NTK, which was no longer an SBE, had worked on Mission Bay (MB) projects and were familiar with the contracting requirement for First Consideration neighborhoods. So when they submitted their bid, the goal was already indicated in the bid.

Chair Brackett was pleased about the work Mercy Housing was doing. She inquired about the roll out for the application phase and about when they would be accepting applications for both properties, both residential and commercial spaces and about whether they planned on having any technical assistance workshops available for people from all neighborhoods to apply for these spaces.

Ms. Ladd responded that for the Block 2 West senior housing, they were already deep into the process of developing the outreach plan with OCII. CCDC had submitted a draft of that plan and received comments back and were working on the MOU with consultants to do outreach to Certificate of Preference (COP) holders. She explained that the dates had not been set yet because the outreach plan was not yet approved. Ms. Ladd reported that they expected to start marketing and lease-up activities around the middle of 2025, which would be six months before the building would open.

Chair Brackett speculated that this would be around May/June 2025.

Ms. Ladd agreed.

Mr. Wils responded that for the Block 2 East family building, Mercy Housing had already submitted a draft of the early outreach plan to OCII, had received comments back and were working on a redraft of that plan. They had also begun talking to their COP outreach partner and had drafted an MOU with them. Mr. Wils explained that their building was bigger than the senior building with 33 more units and larger units, so they would start their outreach 6-9 months later and the opening would be later than the senior building.

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

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

Commissioner Aquino - yes
Commissioner Drew - yes
Commissioner Lim - no
Vice-Chair Scott - absent

Chair Brackett - yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH ONE NAY AND ONE ABSENCE THAT RESOLUTION NO. 31-2024, AUTHORIZING, PURSUANT TO THE TRANSBAY IMPLEMENTATION AGREEMENT, A MEMORANDUM OF UNDERSTANDING WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING THROUGH SAN FRANCISCO PUBLIC WORKS, TO FUND AND DELIVER STREETScape AND INFRASTRUCTURE IMPROVEMENTS BENEFITTING THE TRANSBAY BLOCK 2 AFFORDABLE HOUSING PROJECTS IN AN AMOUNT NOT TO EXCEED \$11,463,624; PROVIDING NOTICE THAT THIS AUTHORIZATION IS WITHIN THE SCOPE OF THE TRANSBAY REDEVELOPMENT PROJECT APPROVED UNDER THE TRANSBAY TERMINAL/ CALTRAIN DOWNTOWN EXTENSION/ REDEVELOPMENT PROJECT FINAL ENVIRONMENTAL IMPACT STATEMENT/ ENVIRONMENTAL IMPACT REPORT, A PROGRAM EIR, AND IS ADEQUATELY DESCRIBED THEREIN FOR PURPOSES OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA, BE ADOPTED.

c) Update from McCormack Baron Salazar and the John Stewart Company on Alice Griffith Development (Discussion)

Presenters: Thor Kaslofsky, Executive Director; Elizabeth Colomello, Housing Program Manager, Jennifer Wood, Regional Vice President, JSCo; Pamela Sims, Senior Development Specialist, Housing Division; Jim Morales, General Counsel and Deputy Director

PUBLIC COMMENT

Speakers: Demetrius Williams, President, SF Hyper-Local Building Trades Contractors Collective and Owner, CIW & Sons Plumbing Company; Ace Washington, community activist; Melvin Simmons, Owner, 1Original Construction, SF and General Contractor; Oronde Sterling, Owner, Oronde Builders and Framers and local contractor

Mr. Williams stated that he was born and raised on Jamestown Street in SF right on top of the Alice Griffith (AG) housing projects. He recalled when the Housing Authority had the buildings painted in 2004 and when Willie Brown came to help paint the facility before it was torn down. As a contractor and a member of the community, he felt it was imperative that the community be involved in the development phases of a project and be informed about what was about to happen. He stated that McCormack Baron Salazar (MBS) had not reached out to the community nor to the local contractors to provide any kind of information or to let them know what the next phase would be. Mr. Williams reported that they had to come to OCII meetings to find out what the next move was going to be. This in light of the fact that the local contractors were available and visible and wanted to participate. He reported that everyone was aware that the new AG housing projects were suffering from many problems, including plumbing, and that those who had installed the plumbing were not from the community or from SF. Mr. Williams reported that it was difficult to hold people accountable who did not have an interest in the community or in getting the project done correctly. All the resources for AG were being outsourced when there were community contractors ready and available, who would be proud to be part of the development of this project.

Mr. Washington recalled when Redevelopment Agency started this project decades ago and when developers talked about good faith efforts back then. He was appalled that the local contractor had to come to the meeting to find out what was going on and to state his case, but that this was not

new. Mr. Washington was dismayed that OCII was still working with the same developers that had demonstrated bad faith years ago, especially in the Western Addition (WA). He reported that both MBS and JSCo had bad records in the WA and in SF.

Mr. Simmons stated that he was born and raised in SF and had an office in D10. He noticed from these projects that when the community finally got the opportunity to get involved in the project as part of the workforce, they were usually hired for short-term, low-level, low-skill to no-skill positions. Once the project was finished, the developer and the GC moved on and usurped the funds from that neighborhood. But they did not bring those workers along with them. Mr. Simmons explained that the difference with local contractors was that when local contractors put local workers to work, they also gave them on-the-job training and an opportunity to have a future to succeed in the unions in SF. He contended that as long as OCII allowed out-of-state and out-of-town developers and contractors to come into SF, they would use the local workforce to meet the numbers only, but not give the local workforce a viable way to support themselves in the future. Mr. Williams stated that, in this way, they were doing the community a great disservice.

Mr. Sterling echoed the statements of his colleagues, Mr. Williams and Mr. Simmons, that they needed to hold the out-of-state contractors accountable and make sure they were in compliance. He reported that there were local developers within their collective, such as DC Williams Development Company, who needed to be a part of these projects and who should be reached out to by developers like MBS. Mr. Sterling felt strongly that they also needed to make sure that once the jobs were completed, that local workers had a permanent position in the workforce, such as maintenance. He asserted that SF did not need an out-of-state maintenance company to come in to do maintenance when there were local maintenance companies available.

Commissioner Drew wanted to acknowledge the importance of Alice Griffith (AG) to OCII and the role that OCII continued to play in that community. She recalled that AG was the first housing to be developed as part of the Candlestick Point (CP) project and Phase 2 of the Shipyard. AG was their first effort in that very large development project and it was critical that they got it right. They owed it to the AG residents and to the CP community and to the broader Bayview (BV) community to make sure this was a vibrant place to live. Ms. Drew believed that OCII still had an important oversight role with this project and she was concerned that things were not going well at AG. She wanted to hear from MBS and from JSCo about what they felt the challenges were on the site and what were they doing to correct them.

Ms. Wood stated that JSCo was a local company with headquarters in SF and that they hired from within the City. She expressed regret at hearing the comments at this meeting, because JSCo was committed to not only hiring from within the community but also to hiring residents of the property. She stated that currently they had two employees hired from the resident population. She also pointed out that the jobs they hired for did have real career opportunities and that they provided training and promote from within. Ms. Wood explained that many of their leadership personnel started as front desk clerks or doing janitorial work and had to learn the business through different levels of positions within the organization. She noted that one of their directors started in a janitorial role. Ms. Wood stated that she would relay this information back and try to do a better job to make sure the correct information about the company was shared. She also mentioned that they were hiring and that they preferred to hire local contractors. Ms. Wood stated that she was not involved in the development of future phases, but rather served as the current property management supervisor. As such, she was in charge of overseeing a team of workers at the site.

Commissioner Drew restated that Ms. Colomello had outlined several steps forward taken by MOHCD (Mayor's Office of Housing and Community Development) in partnership with JSCo both financially and operationally and inquired about what remained to be done at the site and what JSCo would do to address that.

Ms. Wood responded that they still had open positions to be filled. She explained that COVID had had an enormous impact on all the affordable housing properties they managed in the City because of the fallout. Those properties with smaller populations had better relationships with management staff and as a result, easier stabilization and return to normal operations. She indicated that they wanted to replicate that at AG where they did not have a good relationship with residents, where they had a lot of non-payment, were behind on re-certifications which resulted in subsidies being revoked and where they had to try to reinstate those. As a result, Ms. Wood felt that much of the financial problems could be solved with relational work. In addition to efforts by services, they felt they needed to make some management structural changes. She explained that a few months ago, they divided staff into two teams to create an environment where residents had a better relationship with staff that worked in the community. They eliminated the General Manager position at the property in favor of having two property manager positions and added a maintenance supervisor position. The maintenance supervisor position was still open and they were actively recruiting for that position with an in-house recruiter. She announced that everyone at the meeting would get one of their flyers for this position. Ms. Woods felt that a big part of the stabilization effort was stable staffing. She indicated that JSCo had worked with residents on payment plans and over 120 households entered into payment agreements to get back on track. And so, with that effort and with emergency rental assistance, they were starting to see residents get back to paying their rent on a regular basis. She reported that they had also been working with the Housing Authority on a regular basis to discuss the needs of the property.

Chair Brackett inquired about what those needs were, specifically.

Ms. Wood responded that one was restoring subsidies where they had been terminated and to get residents back on track with annual re-certifications. She explained that many waivers had been issued during the pandemic because they had to limit contact and residents fell out of practice of fulfilling certain responsibilities that came along with living in affordable housing. She responded that parking also presented challenges as well as maintaining their parking garages. Any incidents of damage to the parking garages resulted in a very protracted process to make repairs because of the financial situation and the difficulty getting vendors. This made it difficult to enforce the parking rules and to make sure that the people assigned to parking got those spaces versus residents that just drove in because the gate was open. Ms. Wood reported that they dealt with those challenges all the time as well as trying to make the property cleaner and operate better. She acknowledged that it was not perfect there but they would not rest until they got it right.

Commissioner Drew inquired about whether the lack of resources affected their ability to provide adequate maintenance and operation of the site.

Ms. Wood responded that lack of resources put them in a position of having to prioritize. They constantly had to assess what they could do later as opposed to what must be done now, which resulted in prioritizing to make sure the greatest needs were being addressed with the resources they had. She explained that they were not yet in a position to get everything done due to lack of resources, but they did prioritize security, trash removal, utilities, repairs to occupied units and focused on emergencies first to make sure the greatest needs were being met.

Commissioner Drew pointed out that it appeared they had a systemic or structural issue due to lack of subsidy. She inquired about whether they were making strides to get to a place where they did not have to prioritize so severely.

Ms. Wood responded in the affirmative. She stated that this was not the ideal way to operate. They would prefer to be in an environment where the income was adequate to cover everything and where they did not have to review income in detail every week. She described action plans they had, one of which was regular meetings with the Housing Authority and doing reconciliations of resident accounts with them and requesting that they increase their portion of the rent when the property was eligible for it. Ms. Wood stressed that JSCo needed to capture every rental dollar that belonged to the property so they could get back to a normal work routine.

Commissioner Drew referred to the fact that OCII was the capital fund resource along with their developer partner and there was concern that OCII's capital investments were not being well maintained once these assets were transferred. She inquired to staff about what were the checks once these properties were developed to make sure they were well maintained and adequately funded to sustain good order.

Ms. Colomello responded that MOHCD conducted annual monitoring reports which included all the financial information and which was part of the reason for ongoing meetings regarding this project. She explained there was a special process for AG specifically through ERAP (San Francisco Emergency Rental Assistance Program) to make sure the funding went to residents who needed it and into the property to address some of the issues. She explained that there was ongoing review of the financial state of the property in general which had been heightened for this property, specifically. Ms. Colomello added that additional resources had been provided to the site to help with these issues since the pandemic.

Commissioner Aquino thanked staff for the presentation. She appreciated that MBS was trying to communicate with the community; however, she stressed that it was crucial that they begin scheduling regular community meetings with the residents to discuss and listen to community issues in order to build relationships between MBS and the residents. These meetings might take a long time but they were very important. Ms. Aquino referred to a statement in the presentation that there would be continued shared office space and community-wide events and activities. She inquired about what kind of events and activities they were referring to. She had heard that the following weekend a 5K run in Dogpatch and D10 was planned, which she was pleased to hear about. This was the kind of activity that helped build relationships between developers and residents.

Ms. Colomello responded that there were regular tenant association meetings that the developer and the property managers participated in and that the services team provided a variety of activities and events. She did not have a calendar but would be able to provide a list of those activities to OCII.

Ms. Sims added that BVHP (Bayview Hunters Point) Multi-Purpose Senior Services was the primary service provider on site and coordinated the activities of all the other service providers onsite, such as the Phoenix Project, 100% College Prep and other activities such as men and women groups, Bingo, Zumba, children's summer events, holiday events, providing lunches and food pantries.

Chair Brackett referred to page 3 of the AG slides and asked Ms. Colomello to point out the parcel of undeveloped area that MBS currently owned.

Ms. Colomello responded that MBS did not own any of the undeveloped parcels, but rather they owned the areas outlined in purple. She explained that Blocks 9, 14 and 15 were the remaining phases due to be developed but they were not owned by MBS.

Chair Brackett inquired about when development was due to start on Block 9.

Ms. Colomello responded that based on the current schedule predevelopment would start in 2032.

Chair Brackett stated that this was where the problem was and pointed out that they had had this discussion several times before. The issue was that the streets were not public streets and therefore, SFPW was not able to maintain them. She added that to describe the issue at AG as being mainly about resident non-payment was a gross mischaracterization of what had been happening at the site since 2020. Ms. Brackett explained that since 2019, OCII had been receiving complaints about the property, including everything from the material used to build it, which had prevented residents from being able to use WiFi, and delays in clean-up. Since trash could not be picked up because there were no public streets, they started storing trash in public garages, the same garages that Ms. Wood had mentioned were difficult to maintain. Ms. Brackett acknowledged that it would be difficult to repair and maintain a garage that had been in disrepair for four years. There were also fires in the new units due to the use of heaters. She mentioned that she had done a walk-through of the site with JSCo and site workers and there was feces everywhere, including in the children's play yard. She had been told that the site had been cleaned up before they arrived. Ms. Brackett repeated that this was unacceptable. She explained that the reason residents were withholding their rent checks was because they kept complaining to JSCo and MBS and got nowhere. It wasn't until residents went to district supervisors and came to OCII to complain that City agencies were brought in to give them more money for more staff on site to be able to clean up and to make sure that the common areas were cleaned. That was back in 2021 and the situation still had not improved and so three years later, they were still dealing with the same issue. And it was being blamed on the residents for not paying their rent. Ms. Brackett pointed out that in the state of California, if a unit was uninhabitable, residents had the right to withhold rent until the issues were fixed in a timely manner, but these issues had not been fixed in a timely manner. She discounted the current explanation given by JSCo and stated that no one deserved to live like that. She stressed concern that this was the property that OCII had invested in and these were the same issues that had surfaced during the last OCII meeting. The fact that AG had been left to figure out how to fix the sanitary conditions by itself until 2032 was unacceptable.

Ms. Colomello responded that they were not suggesting that they wait until 2032 to address these issues. The teams were working hard to address the financial issues and maintenance issues on the site. The attitude of the partners was not to wait to fix these issues.

Chair Brackett stated that that this may not be the attitude, but the reality was this way. Residents were promised a new housing development and new homes, but to be subjected to this type of property management was not right, especially in light of the fact that these properties were supposed to be transferred quickly to MOHCD. Instead, the complaints were still coming in to OCII.

Chair Brackett read a statement regarding the work that OCII still needed to do on this issue and suggested that this was the way that transference of property would need to be handled in the

future. Her statement described the appalling conditions still remaining at AG, which had created unlivable conditions not only within the units and the apartments but also on the outside grounds. She stated that this issue was because JSCo had failed to fulfill their responsibilities and MBS had not yet started development on their designated parcel. Garbage build-up exacerbated the unsanitary conditions and created unlivable conditions. It was the duty of OCII to take more direct action to make sure that basic services such as trash removal and infrastructure upkeep were reliable. The current conditions were a breach of the trust that residents placed in OCII and the City. Ms. Brackett called for immediate action to hold the AG management accountable and called for steps to be taken without delay to resolve the aforementioned issues. She specifically proposed:

1. Monthly monitoring of immediate trash removal and clean-up of the site with a report going to MOHCD and to OCII that this was actually occurring. This must be a priority.
2. Repair of the elevators and ongoing regular maintenance of them. The elderly and disabled at AG relied on the use of elevators for transport to their units.
3. Fire safety and heat replacement. The heaters which had caused fires must be replaced immediately and then a full safety inspection of all units conducted.

Ms. Brackett referred to Mr. Washington's comments that none of this was new and that they had had the same issues with Plaza East, which had to be rebuilt 25 years later due to early deterioration. The lack of progress had directly contributed to the issues under question today and hindered OCII's ability to provide a safe and clean environment for AG residents.

4. Accountability of JSCo and MBS. Ms. Brackett called for a comprehensive review of the current property management team's performance. She recognized that they were hiring; however, there always seemed to be an issue since day one with the staffing at AG. She suggested that it would behoove JSCo to hire local workforce and residents who were qualified to do the work immediately.

Chair Brackett noted that AG was meant to be a model for what affordable housing could and should be, but it was not. Immediate action needed to be taken to make AG the reality it could and should be.

Chair Brackett stated that because OCII had been asked and been mandated by the state to transfer property to MOHCD, OCII needed to work with the Executive Director and General Counsel to see how they could work with the state legislature to undo some state policies, so that OCII could maintain jurisdiction when these properties were transferred over, and not be in this position where they had no clear oversight and therefore could do nothing while they were still receiving these complaints. Knowing that OCII had another 50 years of development in future projects with more affordable housing and low-income residents, they needed to undo the large policy issues to give OCII more control to have more enforcement policies that they could use.

Executive Director Kaslofsky remarked that Chair Brackett did a checklist to create a more engaged OCII. This hearing was effective to start improvements and to bring JSCo and MBS in closer to see what could be done, which might include involving more local contractors and working with the Housing Authority on the cashflow issues. He described other possible improvements, such as the interim playground set to be built soon. Mr. Kaslofsky stated he had already reached out to City partners, such as MTA (SF Municipal Transportation Agency) and SFPW, who maintained City streets, to specifically discuss the trash pick-up issue mentioned in the past and today as well as to discuss the parking issue.

Chair Brackett mentioned that the parking was a challenge during the pandemic when they added metered parking in that area. She suggested that parking meters and restrictions be removed in that area because not everyone could use the garage service and were parking in the streets and accumulating parking fees and debt. This had become a poverty issue and the California Supreme Ct had found that cities could not continue to collect parking fees from low-income areas where garage parking was not available.

Chair Brackett reopened Public Comment.

PUBLIC COMMENT

Speakers: Dennis Williams, Jr., local micro-developer in District 5 and Owner, DC Williams Development Company and Plaza East resident; Luke Jones, Jamestown resident

Mr. Williams stated that he was head of the advisory committee at Plaza East. He stated that he gained experience as a micro-developer by working with MBS and Strada Investment Corp. while living at Plaza East. He reported that five years was spent on an \$81 million redevelopment project at Plaza East and he gained experience in real estate development and local government and that he attended many community meetings, also attended by OCII and MOHCD. Mr. Williams stated that he had experience but no opportunities for a contract. Regarding MBS, he recalled that they had 91+ violations at Plaza East and a meeting with HUD who toured Plaza East and subsequently removed MBS from the project. Black developers, contractors and subcontractors were being black-balled and denied the jobs and Mr. Williams reported that FivePoint was doing the same thing right now. He stated that black developers, contractors and subcontractors were very experienced in construction. Mr. Williams claimed that non-compliance was running rampant through development in SF and General Contractors (GC's) were usually non-SF companies. Local contractors were being hired only in a limited capacity for construction jobs. JSCo had the lowest ratings on record but still worked in D5 and D10. Mr. Williams argued that AG looked amazing in the front of the buildings, but inside, the conditions were deplorable and federal rights violations were evident

Mr. Jones stated that he listened to many of the speakers. That outside corporations were coming in and dogging the local workers was a continuing saga and nothing has ever changed. After listening to comments from the JSCo representative, it was clear they only cared about the bottom dollar and not at all about the residents and were doing nothing to address their concerns. Mr. Jones stressed that something had to be done to get people in who actually cared about the community. He felt that City management should stop outsiders from coming into SF just to take advantage of the low-income communities.

Chair Brackett stated that she would like to try to create some measure of accountability as well as a structure that they could pass on to MOHCD and work with them as a partner in order to fix this situation. She suggested creating an Affordable Housing Task Force Sub-Committee, consisting of two OCII Commission members, one or two members of housing developments which had experienced negative situations, members of MOHCD and others, in order to determine what next steps needed to be taken for policy changes to ensure proper oversight on this issue. She understood that MOHCD was stretched thin and not always able to respond in a timely manner to issues such as this one. OCII needed to make it clear regarding policies on how the properties were to be maintained and managed and also have consequences for not being in compliance with these issues. Ms. Brackett thought at least 10 members would be sufficient with some residents as well.

Chair Brackett motioned to create an Affordable Housing Task Force Sub-Committee.

Executive Director Kaslofsky interjected that since her motion was not on the agenda, she could make a motion to add this item to a future agenda and vote then on the matter under discussion.

Chair Brackett motioned to add to a future agenda an action to appoint a Housing Task Force Committee and it was seconded by Commissioner Lim.

Mr. Morales reminded Commissioners that a resolution to agendaize a matter for a future meeting would require Public Comment.

PUBLIC COMMENT

Speakers: Ace Washington, community activist; Melvin Simmons, Owner, 1Original Construction and SF General Contractor; Demetrius Williams, President, SF Hyper-Local Building Trades Contractors Collective and Owner, CIW & Sons Plumbing Company; Oronde Sterling, Owner, Oronde Builders and Framers and local contractor; Luke Jones, Jamestown resident; Dennis Williams, Jr., local micro developer in District 5 and Owner, DC Williams Development Company;

Mr. Washington applauded the thought of setting up this Sub-Committee with developers as well as with residents and stated that this would empower the community through information. He stated that this was an historic action.

Mr. Simmons thanked OCII for considering the creation of this Sub-Committee. He felt it was a step in the right direction and appreciated Chair Brackett for bringing it up and asked the other Commissioners for their support in this effort. He stated that the issue at Plaza East would not have lasted so long if they had had a committee like this in place already. He also suggested that OCII reach out to DC Development Company because it would be a great resource for OCII in this effort.

Mr. Demetrius Williams stated that they were not there to beat anyone down but rather to lift everybody up and come up with solutions. He felt strongly that the community had to be involved to find solutions, results, progress and especially changes. Any building could be built but without OCII, there was no structure. OCII was the body that moved the issue and could hold those responsible accountable if something went wrong in the community. Mr. Williams felt strongly that they needed to make sure that MBS and JSCo were in collaboration to ensure that AG residents lived in a nice home and not a rundown apartment with a leaky roof or broken faucets and doors or where the plumbing was not working. He advocated that the solution was with the community contractors who could be contacted and who should be a part of the development phases moving forward. Mr. Williams was in support of this task force and he believed they needed a task force everywhere to make sure everyone was in compliance along with accountability.

Mr. Sterling stated that he and his colleagues were in support of this task force and thanked OCII for this opportunity.

Mr. Jones was in support of this task force and urged Commissioners to support this motion as well.

Mr. Dennis Williams thanked OCII on behalf of all the SF local micro-developers, contractors and sub-contractors in SF and specifically thanked Chair Brackett for creating this task force and stated that he would be very happy to be a member of it.

Chair Brackett motioned to add to a future agenda an action to appoint a Housing Task Force Sub-Committee and it was seconded by Commissioner Lim.

Secretary Cruz called for a voice vote on the motion to add to a future agenda an action to appoint a Housing Task Force Sub-Committee.

Commissioner Aquino - yes

Commissioner Drew - yes

Commissioner Lim - yes

Vice-Chair Scott - absent

Chair Brackett - yes

ADOPTION: IT WAS VOTED BY FOUR COMMISSIONERS WITH ONE ABSENCE THAT THE ACTION TO APPOINT A HOUSING TASK FORCE SUB-COMMITTEE BE ADDED TO A FUTURE AGENDA, BE ADOPTED.

d) Update on the San Francisco Unified School District's Mission Bay School Yard Project (Discussion)

Presenters: Thor Kaslofsky, Executive Director; Gretchen Heckman, Project Manager, Mission Bay, OCII

PUBLIC COMMENT

Speakers: Bruce Agid, Board member, South Beach Rincon Mission Bay (MB) Association and Lead, MB Elementary School Community Steering Committee

Mr. Agid thanked OCII for agendizing the MB Schoolyard project, specifically focused on SFUSD (SF Unified School District) and GC McCarthy to meet the required SBE goals. The community was supportive in ensuring that SBE's had an opportunity to perform this work and whatever was needed to move this forward in a timely manner while ensuring that the commitments were met. Mr. Agid recalled that in 1998 the MB redevelopment plan was approved and a plot of land was set aside for the elementary school. Now, 25 years later and approximately 90% of the housing designated in the plan had been completed with 6400 units of housing, 30% of which was affordable housing managed by Mercy Housing, TNDC (Tenderloin Neighborhood Development Corporation), Mission Housing and CCDC (Chinatown Community Development Center). He reported that almost all of the community benefits had been delivered to support the residents and families and now the last element was needed, which was the school. Growth in the eastern part of the City was not just focused on MB and there had been significant development both north and south of the site, as far north as Transbay. A total of 17,000 units of housing had been built with a total of 30% affordable housing with an additional 7,000 units to come over the next 10 years with 30% affordable housing and then the Shipyard, although stalled out, with more housing forthcoming. Mr. Agid reported that the construction of the school was in progress with an opening date of August 2026 and all efforts must be made to ensure that this school was completed in advance of the August 2026 date and be

ready to welcome the children. He and his committee appreciated the support of OCII and requested that OCII let his committee know how they might be able to assist.

Commissioner Aquino thanked staff for the presentation and was pleased to see this move forward, which was much needed in this growing community.

Chair Brackett thanked fellow Commissioners to be able to discuss these difficult topics and reminded Commissioners that OCII was entrusted with the responsibility of upholding the policies that promoted equity, transparency and fairness in SF. Among these were OCII's small business enterprise (SBE) and local hire policies, the cornerstones of the OCII mission, which ensured that opportunities were created for SF local businesses and workforce, especially in historically underserved communities. She inquired at what percentage the SBE compliance goals were today and whether they were meeting the SBE goals.

Ms. Heckman responded that according to the spreadsheet she had been provided the previous day, it was just above 6% SBE participation rate for the school play yard. However, she added that the spreadsheet was incomplete with many blanks and they were awaiting a full, complete spreadsheet.

Chair Brackett stated that 6% created a great concern for OCII because this project had known that it needed to abide by and maintain OCII SBE goals for over 25 years. She reminded that OCII actually approved this item four years ago in 2020 and the goals were reiterated at that time. At another OCII meeting this year, SFUSD was reminded to follow the SBE policy. They had not and to be at 6% was ridiculous and unacceptable. It appeared that SFUSD was not willing to be in compliance or willing to make any effort to ensure that good faith efforts were being made because it was known that all the other OCII projects were able to meet the 50% and above goal. Ms. Brackett inquired about why SFUSD was the only one not doing it.

Chair Brackett stated that the policies put in place were vital to protecting the interests of local workers and small businesses as well as to lending credibility to OCII. As Chair she had been actively working for over a year to highlight issues with the MB School project. Initially she had hoped that SFUSD would act in good faith and try to meet OCII obligations under their policies. However, after taking six months to respond to OCII's request for an update, they sent a public relations representative instead of their facilities director, a move which raised concerns about their seriousness in addressing these issues. During that hearing, SFUSD misrepresented their progress by stating that they were on track to complete and open the school on schedule. Then 45 days later, they issued a press release and public statement pushing the opening date back one full year. They did not communicate with the community that they had pushed back the date. This was followed by a letter sent to OCII by SFUSD which essentially refused to comply with OCII's local hire policy, falsely claiming that OCII no longer had jurisdiction over the project, which was untrue. OCII policies were explicitly incorporated into the reimbursement agreement and Master Development Agreements for MB. Ms. Brackett asserted that the actions of SFUSD represented a breach of trust and a failure to act in good faith. Moreover, last month the President of the Board of Education resigned, citing many of the same concerns raised by OCII regarding the leadership at SFUSD. In fact, in her resignation letter, former President Lainie Motamedi expressed frustration with the Superintendent's leadership, the district's fiscal health and significant discrepancies in reporting data to government agencies. Under Superintendent Matt Wayne's leadership, the issues identified had not only persisted but worsened, including hiring mismanagement, and offers extended to teachers,

counselors and staff were rescinded due to district hiring freezes. This dysfunction resulted in students returning to school this year without teachers and essential support staff.

Chair Brackett reported that on September 22, 2024, the SF Board of Education held a special meeting on a Sunday with little public notice to discuss the future of the Superintendent. Following this, Mayor London Breed announced an infusion of another \$100 million from the General Fund and assembled a team of City staff from DCYF (Department of Children, Youth & Their Families) and SF Park and Rec to take over SFUSD's financial and operational oversight. This action underscored the depth of crisis within USD and highlighted their failure to comply with their commitments.

Chair Brackett clarified that OCII was not merely a policy-making entity; rather it also had the power to enforce those policies. OCII could not allow non-compliance because this would set a dangerous precedent, signaling that OCII policies were optional. OCII must act decisively to make sure their commitment to local businesses were honored and Ms. Brackett urged the Commission to take immediate action to direct the Executive Director and General Counsel to initiate the arbitration process for breach of contract to make sure the SFUSD complied with OCII SBE and local hiring policies. This was not a legal necessity, but rather a moral imperative. Using arbitration would send a clear message that OCII would not tolerate anything less than full adherence to the policies established. Non-compliance weakened the trust set up by OCII for the public. She urged Commissioners to follow her recommendation regarding SFUSD, including FOCIL MB.

Chair Brackett asked fellow Commissioners to make a motion to request the Executive Director and General Counsel to take every measurable action to ensure full compliance with OCII's SBE policies and to do everything possible to cure it, including initiating arbitration immediately due to the time crunch, we are in October and the school year would be finished in January, that means that reimbursements would be coming to OCII sometime in February for work that does not comply with OCII's SBE policies.

Commissioner Lim seconded that motion.

PUBLIC COMMENT

Speakers: Melvin Simmons, Owner, 1Original Construction, SF General Contractor and member of D10's Hyper Local Contractors Collective

Mr. Simmons suggested that if OCII was having trouble with entities meeting their SBE goals, OCII should seek out the hyper local contractors in D10 and they would help OCII out with the percentage goal that they needed to meet in order to make this program a success.

Chair Brackett motioned to instruct the Executive Director and General Counsel to take every measurable action to ensure compliance with the OCII SBE Policy including proceeding to arbitration. The motion was seconded by Commissioner Lim.

Secretary Cruz called for a voice vote on the motion.

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

Chair Brackett - yes

ADOPTION: IT WAS VOTED BY THREE COMMISSIONERS WITH TWO ABSENCES THAT THE MOTION TO DIRECT THE EXECUTIVE DIRECTOR AND GENERAL COUNSEL TO PROCEED TO ARBITRATION WITH THE SFUSD, BE ADOPTED.

6. Public Comment on Non-Agenda Items

Speakers: Oronde Sterling, Owner, Oronde Builders and Framers, local contractor & member of Hyper Local Buildings Trade Contractors Collective; Dennis Williams, Jr., local micro developer in District 5 and Owner, DC Williams Development Company;

Mr. Sterling stated that he had a problem with the word “goal”, which he felt was not strong enough. He would like to see language change on the policy and instead of a goal, make it a requirement. Holding everyone accountable in their commitment to reach out to the local workers and residents.

Mr. Williams echoed what Mr. Sterling had just stated. He stated that there was much talk about inclusivity and good faith, but in actuality, the luxury out-of-state GC’s and developers were consistently choosing one or two companies and leaving everyone else out of work. They must be held accountable. This lack of accountability was negatively impacting D10, D5 and D11.

7. Report of the Chair

Chair Brackett stated that she had no report.

8. Report of the Executive Director

Executive Director Kaslofsky stated that he wanted to acknowledge Yvonne Babitt, who was assisting at the meetings on a temporary basis, and that her work was much appreciated.

Executive Director Kaslofsky stated that there was an update in Commissioners’ binders regarding the artists buildings at the HP Shipyard. He reported that OCII had been working with the artists and had also received an assessment from SFPW prioritizing some improvements. OCII was also working with FivePoint to make some emergency repairs to the roofs and OCII would be reaching out to the Navy for financial assistance. The delay in the transfer of the property had caused these long tenancies beyond the natural lives of these buildings.

Chair Brackett thanked Executive Director Kaslofsky for moving forward with this critical and urgent work on the artists buildings.

Commissioner Lim inquired about when the work on the roofs would be starting because the rainy season would be starting soon.

Executive Director Kaslofsky stated that he did not have a date but they were working on it urgently. He added that they had met with SFPW just the past week to visit the site and prepare an assessment and had met with FivePoint in the past week to figure out their ability to do some work as well.

Chair Brackett added that they had to get the funding first so they could hire contractors.

Executive Director Kaslofsky announced the bi-annual Open Studios event at the artists' buildings at the Shipyard would be held on October 19. It would be their 40th anniversary. There would be whole day of events with a light show during the evening and everyone was invited.

9. Commissioners Questions and Matters

Commissioner Aquino announced an event hosted by Young Community Developers (YCD) which was a 5K run at the Candlestick Park area on Saturday, October 12. It was called the We Run Bayview and was their first race event. Ms. Aquino stated that this was an opportunity to engage with the community and let them know that the Commissioners were there with them. For more information, the public could contact their website at YCDjobs.org

Chair Brackett announced the opening of the India Basin Park Café sometime in October/November in the Bayview. This would be headed up by En2Action.

Chair Brackett announced that this past Friday there was a night market at BMK North on the corner of Hudson and Third Street in the Bayview. Some of the OCII graduates from Eclectic Cookery in the Shipyard had moved into this shared commercial kitchen space and offered catering and food. Sunday brunch was served from 11am-at Soul Skillet Kitchen.

10. Closed Session - None

11. Adjournment

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

The meeting was adjourned at 3:42 p.m.

Respectfully submitted,


Jaimie Cruz
Commission Secretary