



101-0072022-002

Agenda Item **Nos. 5(a) & 5(b)**
Meeting of April 12, 2022

MEMORANDUM

TO: Commission on Community Investment and Infrastructure

FROM: James B. Morales, Interim Executive Director

SUBJECT: Appointing Thurston (Thor) Kaslofsky as Executive Director of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Authorizing execution of an employment agreement with Thurston (Thor) Kaslofsky for the position of Executive Director of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the “Office of Community Investment and Infrastructure” or “OCII”) proposes two actions related to the appointment of Thurston (Thor) Kaslofsky as the Executive Director: 1) appointing Mr. Kaslofsky to the position of Executive Director under the authority granted to the Successor Agency Commission (commonly known as the Commission on Community Investment and Infrastructure) (the “Commission”) in Ordinance No. 215-21 (Oct. 4, 2012), the OCII Resolution Establishing Classifications of Positions and Compensation Schedules for Successor Agency Staff and Establishing Authority for Appointment to and Vacation from Positions under Said Classifications, Resolution No. 21-2019 (July 16, 2019), (the “Salary Resolution”), and the OCII Personnel Policy; and 2) authorizing the execution of an employment agreement between OCII and Mr. Kaslofsky for the purpose of establishing certain terms and conditions of employment.

DISCUSSION

In December 2020, Nadia Sesay resigned as the OCII Executive Director. Recently, the Commission held a closed session to discuss the appointment of a permanent Executive Director and directed staff to prepare the necessary documents for the appointment of Mr. Kaslofsky at the Commission meeting scheduled for April 12, 2022.

London N. Breed
MAYOR

James B. Morales
INTERIM
EXECUTIVE DIRECTOR

Miguel Bustos
CHAIR

Mara Rosales
Bivett Brackett
Alex Ludlum
Dr. Carolyn Ransom-Scott
COMMISSIONERS

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Appointment of the Executive Director

Under Redevelopment Dissolution Law, OCII has the authority to enter into contracts to conduct the work of winding down a redevelopment agency, including hiring staff and acquiring necessary professional administrative services. Cal. Health & Safety Code § 34177.3 (b).

Ordinance No. 215-12 (Oct. 4, 2012) established the Commission's authority under the auspices of the Redevelopment Dissolution Law, delegated the Board of Supervisors' jurisdiction over redevelopment matters to the Commission, and authorized the Commission to take the following actions related to the Executive Director:

The Commission shall appoint an Executive Director who shall be the chief executive of the Successor Agency and who shall have the responsibility for the day-to-day management of all the affairs and activities of the Successor Agency. The Commission shall fix the salary of the Executive Director. The Executive Director shall serve at the pleasure of the Commission. The Executive Director shall possess the administrative and executive skills necessary to perform the duties of the office. The Commission may delegate to the Executive Director any of its duties it deems appropriate.

Section 6 (f) of Ordinance No. 215-12. In addition, the Salary Resolution authorizes the Commission to appoint the Executive Director "subject to the provisions of any employment agreement." Section 1 of Resolution No. 27-2017.

The Commission has interviewed Thor Kaslofsky for the Executive Director position, finds him to be highly qualified for the position and now seeks to appoint him as Executive Director effective April 12, 2022.

Employment Agreement

A draft employment agreement between the Agency and Mr. Kaslofsky is proposed for Commission review and approval. It provides specific terms and conditions of employment based the OCII Personnel Policy, the Salary Resolution, and prior employment agreements with Redevelopment Agency and OCII executive directors. To the extent that the employment agreement does not address a specific aspect of employment, the Agency Personnel Policy, Salary Resolution, and applicable law will govern the employment relationship between OCII and the Executive Director. In particular, the Salary Resolution establishes the compensation for the executive director position and thus complies with the CalPERS requirement that a position's payrate must be published in a "publicly available pay schedule." Cal. Govt. Code § 20636 (b) (1). A draft copy of the employment agreement is attached to this memorandum.

California Environmental Quality Act

Amending the Salary Resolution, appointing the Executive Director, and authorizing an employment agreement are administrative activities of OCII and are not projects as defined by the California Environmental Quality Act Guidelines Section 15378(b)(5). This administrative activity would not independently result in a significant physical effect on the environment.

Staff recommends approval of the resolutions accompanying this memorandum.

[Originated by Monica Davis Stean, Human Resources & Administrative Services Manager]

DocuSigned by:
James B. Morales
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James B. Morales
Interim Executive Director

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is entered into as of _____ by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO (commonly known as the OFFICE OF COMMUNITY INVESTMENT & INFRASTRUCTURE) (“OCII” or “AGENCY”) and Thurston (Thor) Kaslofsky (“Employee”) on the following terms and conditions.

RECITALS

A. OCII is the successor to the Redevelopment Agency of the City and County of San Francisco (“Former Agency”), is a public body separate from the City and County of San Francisco, succeeds to the organizational status of the Former Agency, and retains the authority of the Former Agency to the extent necessary to fulfill the enforceable obligations of the Former Agency in compliance with the Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34170 et seq. and San Francisco Ordinance No. 215-12 (Oct. 4, 2012).

B. OCII is responsible for complying with the obligations to wind down redevelopment activities and completing the enforceable obligations associated with redevelopment project areas that were in existence at the time of dissolution of the Former Agency, including Transbay, Mission Bay North, Mission Bay South, Hunters Point Shipyard, and the Candlestick Point area of the Bayview Hunters Point areas (the “Redevelopment Program”).

C. OCII has the authority to enter into contracts to conduct the work of winding down a redevelopment agency, including hiring staff and acquiring necessary professional administrative services. Cal. Health & Safety Code § 34177.3 (b).

D. The Board of Supervisors established, by Ordinance No. 215-12 (Oct. 4, 2012), the Mayoral-appointed Successor Agency Commission (commonly known as the Commission on Community Investment and Infrastructure) (the “Agency Commission”) as the policy body of the Agency and authorized it to appoint an Executive Director who shall be the chief executive of the Agency and who shall have the responsibility for the day-to-day management of all the affairs and activities of the Agency. Ordinance No. 215-12 further provides that the Executive Director shall serve at the pleasure of the Agency Commission, which may delegate to the Executive Director any of its duties as it deems appropriate.

E. The Agency, desiring to avail itself of Employee’s valuable training and experience, has determined it necessary and convenient and in the best interest of the Agency to obtain and assure itself of the continued services of Employee by entering into a written agreement for a fixed period of time.

F. On April 7, 2022, Employee accepted certain terms and conditions of OCII employment that were described in an employment offer letter and that are subject to final approval of this employment agreement by the Agency Commission.

NOW, THEREFORE, the Agency and the Employee do hereby agree as follows:

1. SCOPE OF EMPLOYMENT

Agency hereby designates, appoints and employs Employee to serve the Agency, and the Employee agrees to accept such designation, appointment and employment in the capacity of Executive Director of the Agency. As Executive Director, the Employee shall assist the Agency Commission in the development of policy and shall be charged with effectively and responsibly administering such policy and the business and activities of the Agency, including the formulation and execution of the Redevelopment Program for the City and County of San Francisco, all in accordance with the resolutions adopted by the Agency Commission, the provisions of the California Community Redevelopment Law, as amended by the Redevelopment Dissolution Law, the Agency By-Laws, the Agency rules and regulations, the Agency's policies and procedures, the Agency's Executive Director job description, and all other applicable laws and regulations, all subject to the direction and control of the Agency Commission.

The employment relationship between the Agency and Employee shall be governed by the Agency Resolution Establishing Classifications of Positions and Compensation Schedules Resolution No. 21-2019 (July 16, 2009) and the Agency Personnel Policy, except as is provided herein. The Employee will have full authority with respect to all personnel action regarding all other Agency employees, including but not limited to the authority to hire, terminate, and reassign, subject only to the Agency Personnel Policy and applicable law and labor agreements.

2. TERM OF EMPLOYMENT and TERMINATION OF AGREEMENT

2.1 Term

Except in the case of earlier termination as hereinafter specifically provided, the initial term of this Agreement shall commence on May 2, 2022 and shall continue for a period terminating May 2, 2025.

2.2 Termination & Severance

- A. Employee is an at will employee serving at the pleasure of the Commission under the authority of Ordinance No. 215-12.
- B. The Commission may terminate this agreement at any time, with or without cause, by a majority vote of its members. Notice of termination shall be provided to Employee in writing. Termination as used in this section shall also include a request by the Commission that Employee resign.
- C. In the event the Commission terminates the Employee during such time that Employee is willing and able to perform the Executive Director's duties under this Agreement, and the Separation is not "For Cause" as defined below, Commission agrees to pay Employee a lump sum cash payment equal to six (6) months' base salary. In exchange for severance pay, Employee agrees that at the time of payment of the severance Employee will execute a release of all claims related to Employee's employment

D. Termination For Cause.

- (1) Upon the occurrence of any of the following, the Agency shall have the right to terminate this Agreement by giving written notice to the Employee of the proposed termination; the reasons therefore, including a copy of the charges and materials upon which it is based, and the right to respond, either orally or in writing:
 - a. Any breach or neglect of duty by the Employee in the course of her employment as Executive Director under this Agreement, unless waived by the Agency in writing; or
 - b. Any illegal or unlawful conduct by the Employee.
- (2) It is understood and agreed by the parties hereto the Agency will exercise good faith in finding a breach or neglect of duty by the Employee.
- (3) In the event the Commission terminates Employee for cause, this agreement shall terminate immediately and Employee shall be entitled to only the compensation accrued up to the date of termination, and such other termination benefits and payments as may be required by law. Employee shall not be entitled to any severance benefits.
- (4) Notwithstanding the foregoing, the Employee shall be reinstated and the notice of termination rescinded if in the judgement of the Agency Commission, exercised in good faith, any such breach or neglect is susceptible of cure and is cured within thirty (30) days of the delivery of notice by the Agency.

E. Termination By Employee

Employee may terminate this Agreement upon not less than thirty (30) days written notice to the Agency.

F. Termination for Disability

Should the Employee be unable to perform the essential functions and duties hereunder on account of disability, notwithstanding being afforded “reasonable accommodation” as required by the Americans With Disabilities Act and the California Fair Employment and Housing Act, the Agency shall have the right, on sixty (60) days’ notice to Employee to, terminate this Agreement. Upon any such termination, Employee shall receive, in addition to the compensation she is otherwise entitled to, six (6) months’ severance as described in Section 2.2(c). However, if, prior to the date specified in such notice for termination, Employee’s incapacity shall have ceased and Employee shall have taken up and performed her duties hereunder, Employee shall be entitled to resume her employment hereunder as though such notice had not been given.

G. Termination if Agency Becomes Defunct

In the event that for any reason the Agency shall become “Defunct” (as defined below) this Agreement may be terminated by either the Agency or the Employee upon ninety (90) days’ written notice, such termination to be effective no sooner than the date that the Agency becomes Defunct. Upon any such termination, Employee shall receive in addition to compensation to which she is otherwise entitled, six (6) months’ severance as described in Section 2.2(c) hereunder. “Defunct” shall mean the activities of the Agency have ceased, or the loss of funding, or the activities of functions of the Agency have substantially changed, but shall not include the transfer of the existing activities and functions of the Agency to a successor or assign.

3. SALARY

For all services rendered by Employee hereunder, the Agency agrees to pay Employee at the rate of the Executive Director Classification, Step 1 (\$10,961 Bi-weekly/\$284,986 per year) per the Agency’s Resolution Establishing Classifications of Positions and Compensation Schedules, Resolution No. 21-2019 (July 16, 2009) (the “Salary Resolution”), payable at the times and in the manner established for payment of salaries for all Agency employees. Employee shall be eligible for step increases as provided for in the Salary Resolution, which also authorizes unrepresented employees, such as the executive director, to receive the percentage increase in base salary granted to and received by Local 21 employees of the Agency under their labor agreement. Accordingly, the current step increases for the position of executive director, as adjusted for percentage increases in salary received by represented employees, are the following:

Step 2 at completion of 6 month:	\$11,509 bi-weekly/\$299,234 annually;
Step 3 at one year anniversary:	\$12,084 bi-weekly/\$314,184 annually;
Step 4 at two-year anniversary:	\$12,688 bi-weekly/\$329,888 annually;
Step 5 at three-year anniversary:	\$13,323 bi-weekly/\$346,398 annually;

Any other increase in step or raises in salary during the term of this Agreement shall be consistent with the standards of the Personnel Policy except that the Agency Commission shall have the authority to review and approve the increase.

4. ANNUAL LEAVE AND BENEFITS

4.1 Vacation Leave

Upon the effective date of this Agreement, Employee shall be immediately entitled to use up to ten (10) days of paid vacation leave and, effective the first day of the first full pay period of the second year of this Agreement, shall begin accruing additional vacation credit of ten (10) days per year. Except for the first year of the Agreement, the paid vacation leave set forth above shall be credited Employee pursuant to the procedures used by the Agency to credit such leave to other Agency employees; provided, however, that employee’s accrual of vacation credit shall not be subject to the limitations of Section VI. A. 2. g. of the Personnel Policy.

4.2 Benefits

Employee shall be qualified for and entitled to, and shall receive sick leave, personal leave, holidays, health and dental insurance retirement benefits, Workers Compensation, deferred compensation, and all other statutory and non-statutory benefits granted to and received from time to time by Local 21 employees of the Agency.-The Agency shall make available group life insurance to Employee on the same terms and conditions as it makes such insurance available to other employees.

4.3 Parking

The Agency shall provide Employee with a parking space for the duration of employment, subject to the Employee's payment of parking costs charged to other employees.

5. RESTRICTIONS

Subject to the specific exceptions stated in the Section 6, during the term of this agreement, Employee shall devote their best efforts and their entire working time to further the interests of the Agency and to carry out their duties as Executive Director of the Agency as described hereunder. Employee agrees that during the term of their employment by the Agency, they will not perform any compensated professional services for any other firm, association, corporation, governmental agency, or other persons or entities without the express written consent of the Agency Commission, which consent shall not be unreasonably withheld.

6. MISCELLANEOUS PROVISIONS

6.1 Compliance with Laws

Employee shall comply with all governmental laws, ordinances, rules and regulations, and all orders and directives relating to the services to be performed hereunder.

6.2 Agreement Binding Upon Successor

Agency agrees that all obligations assumed by it pursuant to this Agreement shall be binding upon the Agency, its successors and assigns. Employee agrees that this Agreement may not be assigned by him. Agency and Employee agree that this Agreement may be amended only by the mutual written Agreement of both parties.

6.3 Indemnification

Agency agrees and does, to the fullest extent permitted by law, hereby indemnify and hold Employee harmless from and against any and all damage, loss, liability and expense (including without limitation reasonable expenses of investigation and reasonable attorneys' fees that may be charged by counsel chosen solely by Employee, and expenses in connection with any action, claim, suit or proceeding, including any expenses incurred in connection with the enforcement of the rights of Employee under this Agreement) to which Employee may be subjected as a result of a claim made or threatened and arising out of or attributable to, directly or indirectly, Employee's employment by the Agency.

7. ENTIRE AGREEMENT, EFFECTIVE DATE, SEVERABILITY

This Agreement, together with the Agency's rules, regulations and policies, including the Agency's Personnel Policy (collectively, the "Policies"), constitutes the complete agreement of the parties with respect to the subject matters referred to herein and supersedes all prior or contemporaneous oral or written promises or agreements relating to such subject matters. To the extent inconsistent with the Policies, the terms of this Agreement shall supersede the Policies. The effective date of this Agreement is May 2, 2022. The invalidity or enforceability of any provision of this Agreement shall not affect the validity, legality, or enforceability of the remainder of this Agreement, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

8. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Authorized by Agency Resolution No. 09-2022, adopted April 12, 2022.

SUCCESSOR AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO

By _____
Miguel Bustos
Commission President

APPROVED AS TO FORM:

JAMES B. MORALES
Agency General Counsel

EMPLOYEE:

THOR KASLOFSKY