

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
20th DAY OF AUGUST 2013**

The members of the Commission on Community Investment and Infrastructure of the City and County of San Francisco met in a regular meeting at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416, in the City of San Francisco, California, at 1:00 p.m. on the 20th day of August 2013, at the place and date duly established for holding of such a meeting.

REGULAR MEETING AGENDA

1. Recognition of a Quorum

Meeting was called to order at 1:10 p.m. Roll call was taken.

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

All Commissioners were present.

2. Announcements

A. The next scheduled Commission meeting will be a regular meeting held on Tuesday, September 3, 2013 at 1:00 pm (City Hall, Room 416).

B. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting

Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.

C. Announcement of Time Allotment for Public Comments

3. Report on actions taken at previous Closed Session meeting, if any – None.

4. Matters of Unfinished Business – None.

5. Matters of New Business:

CONSENT AGENDA

a) Approval of Minutes: Regular Meeting of July 16, 2013

PUBLIC COMMENT – None.

Commissioner Mondejar commended Secretary Jones for putting together the minutes.

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

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

Commissioner Ellington – yes
Commissioner Mondejar – yes
Commissioner Singh – yes
Vice Chair Rosales – yes
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 5 COMMISSIONERS THAT THE MINUTES FOR THE REGULAR MEETING OF JULY 16, 2013, BE ADOPTED.

REGULAR AGENDA

- b) Authorizing the Executive Director to execute a Memorandum of Understanding between the San Francisco Office of Community Investment and Infrastructure, the Successor Agency to the San Francisco Redevelopment Agency, and the City and County of San Francisco, through its San Francisco Planning Department, for design review and environmental review services, for a term of two years, and for an amount not to exceed \$225,000 annually, for Fiscal Year 2013-14 and Fiscal Year 2014-15. (Discussion and Action) (Resolution No. 41-2013)

Presenters: Tiffany Bohee, Executive Director; Sally Oerth, Deputy Director

PUBLIC COMMENT

Speakers: Alex Tonisson, IFPTE 21 representative

Mr. Tonisson was against this item and asked the Commission to not approve this contract. He stated that the work contained in this item would be done by their bargaining unit and emphasized that contracting out would be illegal. Mr. Tonisson stated that they were working with the City Attorney's Office in trying to resolve these issues and indicated that if the Commission did approve this contract, they would file another charge on this matter. Mr. Tonisson stated that the environmental work on this contract had been done by one of their members who had left the Agency and whose position was currently vacant and had not been filled.

Commissioner Singh inquired about: how many members IFPTE 21 represented; whether the union had any relationship with the Commission at the current time; what stage of negotiations they were in with the City.

Mr. Tonisson responded that they currently had 24 members that were performing work for the Commission and that SEIU Local 1021 had 13 or 14 members. He stated that before the dissolution, they had 54 members in the Agency. Mr. Tonisson responded that their last contract agreement was an extension of the contract with the City and County of San Francisco, which was being negotiated at that time. Mr. Tonisson responded that they had been in negotiations for over a year and indicated that it was not moving forward. He reminded Commissioners that he had previously come before the Commission to report the trouble they had had with bargaining because of the disagreement over whether the union was actually negotiating with the City or the

OCII. Mr. Tonisson stated that they had met with the City Attorney at the beginning of August who would meet with the union later when he had all the information necessary about how to resolve this issue.

Commissioner Ellington inquired about who was providing the environmental and design review services for the Commission.

Ms. Oerth responded that currently they had 1.5 positions working on architectural design review and that they had a part time employee for environmental review, who has since left the Agency. She added that it would be a natural relationship to use the Planning Department expertise for these topics.

Vice Chair Rosales inquired about who represented the Planning Department employees who would be performing the services on this project and whether these services would be temporary and as needed.

Ms. Oerth responded that she did not have the answer to the first question.

Ms. Bohee responded that it would be a combination of Local 21 and SEIU for architects and engineers and for senior managers, it would be MEA.

Ms. Oerth responded to the second question in the affirmative; that the Memorandum of Understanding (MOU) was on a two-year basis and as needed.

Commissioner Mondejar inquired as to whether they have had an MOU before with the former Redevelopment Agency.

Ms. Bohee responded that the former Redevelopment Agency had entered into an MOU before with the Planning Department, when they provided services with respect to the Bayview Hunters Point redevelopment plan and environmental review associated with the EIR option stage.

Vice Chair Rosales motioned to move Item 5(b) and Commissioner Ellington seconded that motion.

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

Commissioner Ellington – yes

Commissioner Mondejar – yes

Commissioner Singh – yes

Vice Chair Rosales – yes

Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 5 COMMISSIONERS AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 41-2013, AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN FRANCISCO OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE, THE SUCCESSOR AGENCY TO THE SAN FRANCISCO REDEVELOPMENT AGENCY, AND THE CITY AND COUNTY OF SAN FRANCISCO, THROUGH ITS SAN FRANCISCO PLANNING DEPARTMENT, FOR DESIGN REVIEW AND ENVIRONMENTAL REVIEW SERVICES, FOR A TERM OF TWO YEARS, AND FOR AN AMOUNT NOT TO EXCEED \$225,000 ANNUALLY, FOR FISCAL YEAR 2013-14 AND FISCAL YEAR 2014-15, BE ADOPTED.

- c) Authorizing a First Amendment to the personal services contract with Equity Community Builders LLC, a California limited liability corporation, to extend the contract term by 18 months, for the period of September 8, 2013 through February 7, 2015, to enable continued predevelopment analyses, project management, and development services for Building 813 located in the Hunters Point Shipyard; Hunters Point Shipyard Redevelopment Project Area. (Discussion and Action) (Resolution No. 42-2013)

Presenters: Tiffany Bohee, Executive Director; Thor Kaslofsky, Project Manager, Hunters Point Shipyard

PUBLIC COMMENT – None.

Commissioner Ellington inquired about the work that would be out for bid after the 18 months.

Mr. Kaslofsky responded that there were two bodies of work that would take place through Equity Community Builders (ECB). One would assist with project management and the other would be a contract bid, consisting of a scope of services for roof, windows, painting, and replacing the doors. He stated that this would be a relatively small scope of work in the overall context of the full development of the building but that it would stabilize the exterior of the building, which currently had leaking windows, no locking doors and a roof which was not intact. Mr. Kaslofsky stated that the work would be bid out directly by OCII, as required by the EDA requirements under the state Public Contracting Code.

Commissioner Mondejar noted that Mr. Kaslofsky had mentioned that the Small Business Enterprise (SBE) was about 29% and inquired if there was a list of who they were.

Mr. Kaslofsky responded that as an attachment to the memorandum, there was a list, which outlined the various scopes of work assigned to the sub-consultants and which consisted mostly of architectural and engineering work, economic analysis, outreach and geotechnical/mechanical engineering, and construction and project management.

Commissioner Mondejar inquired whether these businesses were local.

Mr. Kaslofsky responded that they were all local San Francisco firms.

Commissioner Singh inquired as to whether any of the sub-consultants were present at the meeting.

Mr. Kaslofsky responded that none of the sub-consultants were present at the meeting but ECB was there.

Chair Johnson inquired as to whether ECB would have to update the market study done by EPS.

Mr. Kaslofsky responded that Economic Planning Systems conducted one of the macro-economic market studies for this project. He stated that in the Requests for Proposals process, the market test through the release of the disposition RFP for the property would give them more information to update that report. Mr. Kaslofsky clarified that the report itself would not be updated, but when they received information back from the market and from the institutions that sent submittals to them, they would be able to update the market information at that time, which would be late 2014.

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

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

Commissioner Ellington – yes
Commissioner Mondejar – yes
Commissioner Singh – yes
Vice Chair Rosales – yes
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 5 COMMISSIONERS AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 42-2013, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH EQUITY COMMUNITY BUILDERS LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, TO EXTEND THE CONTRACT TERM BY 18 MONTHS, FOR THE PERIOD OF SEPTEMBER 8, 2013 THROUGH FEBRUARY 7, 2015, TO ENABLE CONTINUED PREDEVELOPMENT ANALYSES, PROJECT MANAGEMENT, AND DEVELOPMENT SERVICES FOR BUILDING 813 LOCATED IN THE HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

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

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

PUBLIC COMMENT

Virginia Grandi, Representative, Yerba Buena Alliance; John Elberling, President of the TODCO Group and Chair, Yerba Buena Neighborhood Consortium; Michael Nobleza, Executive Director, Children's Creativity Museum; Linda Lucero, Director, Yerba Buena Arts and Events; Andrea MacRae, SOMA Parents Network; Helen Sause, former Redevelopment Agency Director; Oscar James, Bayview Hunters Point; Agonafer Shiferaw, retired Fillmore Street property business owner.

Ms. Grandi stated that she was speaking on behalf of the Board of Directors of the Alliance, a group dedicated to sustaining and improving the Yerba Buena neighborhood, to ask for support of the creation of an independent operating authority or non-profit trust to manage Yerba Buena and its assets. She explained that this trust would provide cost-effective services that would shield the city from legal liability, generate revenue for operating costs and financial capital improvements and secure funding through bonds and other sources. Ms. Grandi expressed concern about the evolution of the district and its mixed use impact on the Yerba Buena area.

Mr. Elberling expressed concern for the future operations of the Yerba Buena Gardens because it was believed that the City bureaucracy would try to carve up the Gardens amongst its own units and that this would not be acceptable. Mr. Eberling listed a number of principles for the future operations of the Gardens: that the area should never be commercialized, that it must be protected from future Moscone Center expansion, that funding for it must be committed permanently to support the Gardens so that they cannot be divided up by the City, that maintenance of the

buildings that house the non-profit programs for Yerba Buena Gardens be guaranteed from that source; that the operation and management of the Gardens must be done in a first class manner, including competitive bidding and not just be handed off to some bureaucracy, that the income derived from temporary rentals needed to continue to be wholly devoted to programming the ongoing activities in the Gardens, that there be a dedicated staff of professionals who have no other job but to manage the Gardens. Finally, Mr. Eberling stated that there needed to be a governing commission or Board of Trustees subject to the Brown Act rules in order to ensure an open, transparent public management of the Gardens forever.

Mr. Nobleza stated that their responsibility was to not only to provide youth arts and cultural opportunities but to provide those youth who they consider to be the next generation of innovators and entrepreneurs with the education and creative thinking skills needed to meet future challenges. Mr. Nobleza urged the Commission to support those who have been the stewards of the project to be able to continue to work together to preserve the physical and cultural spaces under a new governance model that includes and represents the diversity of the neighborhood.

Ms. Lucero reminded Commissioners that the Yerba Buena Center was built with the former Redevelopment Agency after consulting for many decades with the community and resulting in a successful public/private partnership that serves artists and businesses, social service organizations, conventioners, shoppers, diners, residents, and people of all ages and economic backgrounds. Ms. Lucero described Yerba Buena as a model of city planning and stated that the project has flourished because of the careful stewardship of the former Agency and the OCII which have 20 years of experience in overseeing the intricate relationships among the stakeholders. She reminded Commissioners of their obligation to ensure that this stewardship continues with a seamless transition and that it was vital to maintain the integrity and unity of the Yerba Buena project within one single entity such as a trust without a fixed term whose sole responsibility would be to oversee the project. Ms. Lucero urged Commissioners to work toward that goal and to include it in the property management plan so it does not change after the transition.

Ms. MacRae stated that the Network she represents came together at the Yerba Buena Gardens and she commended the City for keeping the Gardens safe and clean and believed this was due to the way it has been managed and designed. She stated that to the families and children that enjoy this site, it is more than just a park, but a place to raise families. Ms. MacRae asked for the Commission's support in keeping the Gardens together under one entity.

Ms. Sause stated that she worked on Yerba Buena for 17 years and gave some historical perspective to the issue. She explained that the plan that was built and that everyone accepts today was developed as the second plan for Yerba Buena. The first plan was developed in the 1960's for an above ground development of a convention center, 9 million square feet of offices and a 4,000-car parking garage. The community did not feel that this plan, which had been approved by the City and HUD, would serve the City and sued to stop the project and won. That forced the City and HUD to find other community-oriented development that met the expectations of the community. Ms. Sause explained that after 10 years of bitter legal battles, the decision was made to have a self-contained area where the revenue-producing uses would support the non-revenue producing uses, which satisfied the community's goals of having the Gardens with cultural uses supported and have a place that is safe to go to at any time. She stated that the integration of uses was a critical part of the plan and helped make Yerba Buena the successful entity that it is to date. Ms. Sause stated that to have different entities making decisions over these uses would be very destructive.

Mr. James spoke about the history of South of Market and the Yerba Buena project. He reminded his listeners that many Filipino-Americans, African Americans and Native Americans were relocated from that area at that time and then many businesses came into the area. Mr. James stated that the people relocated had never benefited from this project and he urged the Commission to ensure that those people had priority in creating businesses in the area so they could become self-sustaining. Mr. James also felt that it was time to have a Filipino Museum in the Gardens. Mr. James stated that there was a DDA at the Hunters Point Shipyard, which stated that community residents would get preference on hiring, training, etc. and that there also was an MOU, created in the 1970's, which declared 50% community, 100% citywide, which Mr. James requested be honored, as well as 30% of subcontracting to go to minority contractors.

Mr. Shiferaw referred to a letter that he had sent to the Mayor regarding the Fillmore Heritage Center. He expressed surprised that there was no one present at the meeting representing that community and stated that this showed the complete resignation of the black community in that area. Mr. Shiferaw stated that this was a \$100 million private/public project that has become completely irrelevant because many businesses were now going under. He stated that he has spent over 15 years on Fillmore Street and over 30 years in the Western Addition and wanted the Commissioners to understand what was happening in that area and to get involved. Mr. Shiferaw stated that all laws depend on how they are interpreted from a cultural perspective and was opposed to a few young Commission staff people being charged with interpreting the state disposition laws and telling the community how they are going to dispose of property. He urged the Commissioners to come and talk to people in the community before making any decisions.

Commissioner Singh stated there was too much information included in this one workshop. He believed that the Yerba Buena Gardens had been managed well and thanked all the people who came to the meeting to speak about it. Mr. Singh stated that they had not done enough for the Western Addition, but had left it like a stepchild, and thought that they should put more effort into reviving that area. Mr. Singh thanked Mr. Shiferaw and Mr. Elberling for speaking to the Commission.

Commissioner Ellington inquired about: the community outreach process, what the format was for those meetings and whether there would be any future meetings; the plans for meetings in the Western Addition regarding the garage and the Center. Mr. Ellington asked staff and Commissioners to remember what the purpose of redevelopment has been while they are going through the process of transferring properties and while they are considering the idea of "deep restrictions", as mentioned repeatedly by Ms. Reynolds throughout her presentation. Mr. Ellington asked staff to be more sensitive during these discussions given the history and the cultural significance of some of the neighborhoods at issue.

Ms. Reynolds responded that there was the same kind of discussion about why this was necessary, what the law required, real estate that the Commission owned and leased in the various project areas, and its different assets, especially the parks, because they were not as well defined as others. She responded that they conducted a power point presentation that was similar for all three CAC's in the major approved development project areas. Ms. Reynolds indicated that because Yerba Buena is so large and because there is funded staff for it, they also held two community meetings there and had plans to conduct one or two more CAC meetings in all the development project areas. Ms. Reynolds indicated that this was intended to be a topic of discussion for all the CAC meetings and additional community meetings in Yerba Buena Gardens. Regarding the Western Addition, she responded that they had been talking to the parties involved in that project such as the Homeowners Association, the developer, potential investors,

those involved directly in the project but had no plans to hold a larger community meeting to talk about the project.

Vice Chair Rosales voiced a continuing concern regarding the Fillmore district, particularly the lower Fillmore district and its challenges. Ms. Rosales indicated that the Commission owned specific properties and she was aware that their jurisdiction was limited but inquired whether there was a way to expand the details of the history of that area, if not during the Commission meetings, then in a community setting. Ms. Rosales stated that her father was a jazz musician on the Fillmore and felt she had a kinship with that commercial corridor and shared the neighborhood's sadness with the current condition there. Ms. Rosales inquired as to whether the Commission had any jurisdiction that would allow them to have a more robust conversation about that corridor.

Chair Johnson responded in the affirmative, that the Commission and former Agency would have enough historical impact in that area to maintain interest and ability to speak on what would happen to the Fillmore district in the future. Ms. Johnson stated that because of state law, the solution would probably develop more as collaboration with other City agencies and departments, but she felt it was the responsibility of the Commission to stay involved. Ms. Johnson agreed that it would be helpful to understand what happened in the Fillmore and support the City family in trying to rehabilitate the area in the future. Ms. Johnson inquired about: governmental uses and whether it would be necessary to lay out those specific uses in the plan or would they be able to simply categorize properties to be disposed of for governmental use; whether the same definition of why a property was defined as governmental use will be used by other City departments or agencies when those properties are transferred to them.

Ms. Reynolds responded in the affirmative, that the State wants specific details in the property management plan regarding the meaning of governmental purpose in order to avoid hiding property that could be sold, so they will need to back up the argument to define property as being used for governmental purpose. Ms. Reynolds added that at the time of transfer under those circumstances, there would be deed restrictions for that purpose so the property could not be turned into something else later.

Commissioner Mondejar inquired about: whether the \$3.4 million mentioned in connection to the Fillmore Heritage Center commercial space and its bankruptcy was owed to the Commission or vice versa; when the Moscone Convention Center revenues were set to expire.

Ms. Reynolds responded that the commercial space itself was not in bankruptcy, but that Yoshi's Jazz Club and Restaurant, the major tenant in the commercial space, was in bankruptcy. Ms. Reynolds explained that the Commission currently ground leases that space to a developer, who, in turn, subleases the space to Yoshi's, another restaurant and a gallery. The Commission's agreement with the developer required the developer to pay the Commission \$3.4 million but that was over many years and has nothing to do with the bankruptcy. She further explained that the Commission had a tenant improvement loan agreement with Yoshi's, and the connection was that the rent paid by the tenants to the developer goes toward paying the City debt service payment on a construction loan. Regarding Moscone Center, Ms. Reynolds responded that the payments are set to expire pursuant to the Commission's lease agreement with Moscone. She stated that the Commission owned the land and leased it to Moscone, and that this was a financing mechanism put in place a long time ago. Moscone paid rent under that ground lease but once the City has completed paying off all the bonds associated with the improvements done on Moscone North, the agreement lease stated that the Commission would transfer the property back to Moscone assuming all the rent payments had been made. Therefore, there was a time limit to the number of

rent payments that the Commission would be receiving from Moscone because the rent obligation would run to 2018 and the City could pay back the bonds at any time. Ms. Reynolds explained that part of that money would be offset with the 706 Mexican Museum project and part of that deal included a payment toward Yerba Buena Gardens; however, that was only a fraction and will not make up the full \$870,000. Ms. Reynolds stressed that this would be an operating revenue issue going forward and that OCII has had discussions with the City on how to address that issue related to Moscone.

Vice Chair Rosales inquired about whether there was a particular City department that staff had been talking to regarding transfer and disposition possibilities or whether it was several different departments.

Ms. Reynolds responded that staff had mostly been talking with Naomi Kelly in the City Administrator's Office and the Department of Real Estate.

Ms. Bohee added that staff did speak to a broad range of City departments from the Budget Office to Economic Development to the Mayor's Office of Housing to make sure that all the City stakeholders, whether it was an individual department's potential purview or not, were informed with the same base information.

- e) Workshop on the University of California, San Francisco's (UCSF) Long Range Development Plan (LRDP) for the UCSF Mission Bay campus; Mission Bay South Redevelopment Project Area. (Discussion)

Presenters: Tiffany Bohee, Executive Director; Catherine Reilly, Mission Bay Project Manager; Lori Yamauchi, Assistant Vice Chancellor, UCSF Campus Planning; Melissa White, Government Relations, UCSF; Cindy Lima, Executive Director, Mission Bay Hospital Project; Kevin Beauchamp, Director of Physical Planning, UCSF Campus Planning

PUBLIC COMMENT

Speaker: Oscar James, Bayview Hunters Point (BVHP)

Mr. James supported this project. He stated that he was born at UCSF, San Francisco General Hospital in 1946, but expressed a concern because this area was under the Model Cities Commission, when Mr. James was a Commissioner, and that there was a Model Cities program in the Mission, from which Mission Hiring Hall and other Mission programs were created. Mr. James stated that the people in BVHP and the people living all the way to Geneva had a right and a preference on any development that would take place in that area. He felt that all the communities and projects in the Mission should also benefit from this project, as far as preference in jobs and job training. Mr. James urged the Commission to involve the people from BVHP, the old Model Cities area, Potrero Hill and the Mission district, people who had been living in these communities long before UCSF came to Mission Bay.

Commissioner Singh stated that he thought UCSF was doing a great job and thanked the UCSF representatives for their presentation. Mr. Singh stated that he was president of the Agency in 1997 when the Agency acquired the land. Mr. Singh indicated that he did not know that the 43 acres were given by Catellus to UCSF; he thought it was only 30 and that 13 acres had been given by CalTrans.

Commissioner Mondejar inquired whether there was a CAC in this community and whether they were receiving feedback from the community.

Ms. Yamauchi responded that there had been a Community Advisory Group in the area for 20 years and that they held regular meetings with them as well as public meetings in different neighborhoods where they were located.

Commissioner Ellington inquired about Slide 9, the overall long-range development plan process and what the different colors represented.

Ms. Yamauchi responded that the orange bars denoted the major phases of the process, the blue bars denoted the details of the tasks performed under each phase, and the green referred to the EIR tasks.

Vice Chair Rosales inquired about the local hire initiative and whether they reported only on labor hours and actual workers on construction jobs or whether it reflected contractors as well. Ms. Rosales stated that she would like to see the breakdown within the population of contractors of small minority, women-owned and small business for disadvantaged contractors performing construction work.

Ms. Yamauchi deferred to Melissa White to respond to that question.

Ms. White responded that she did not have the outreach information with her but stated that she could provide it at a later time. She added that they were working with Mission Hiring Hall, which provided the details of the information requested.

Chair Johnson inquired about: the table on Slide 5 regarding future plans for inpatient/outpatient research housing and how those facilities would be spread across the various locations; whether they had received pushback or questions about their inpatient facilities and activities as far as parking, traffic and hours; the long-range management plan, specifically where it stated that the Moffett Hospital needed to be replaced or rehabilitated and also referred to changes being contemplated for Mt. Zion and inquired about whether there was any contemplation of expanding the inpatient services in Mission Bay in the next long-range development plan that goes through 2035; whether they anticipated any major issues that would need to be addressed in the EIR, particularly with regard to Mission Bay South properties, including shadow impact; in terms of Mission Bay South, whether there were additional entitled properties that UCSF would be taking ownership of or whether they were increasing density on properties that they already owned; whether the payments in lieu of tax increment would go to the OCII for affordable housing or be restricted for something else; whether the potential entitled sites that could be options for office space or otherwise were affordable housing sites; what the other options were for the Salesforce site; whether there would be any OPA amendments needed for UCSF in the eventuality of additional land needs.

Ms. Yamauchi deferred to Cindy Lima to respond to that question.

Ms. Lima responded that the project has been under construction for four years and will be completed in August so they are pretty far along in terms of the hospital facilities. She stated that they have had over 50 meetings since the beginning of planning for the facilities and have received a lot of questions and feedback on a variety of issues, including external design, the helipad, and traffic and she believed all the questions had been answered successfully. Ms. Lima stated that she believed response to this project had been different than the response to the Kaiser

project because their project was on the east side of the freeway and much of the Kaiser feedback dealt with the location at the bottom of the hill. Regarding the long-range development plan through 2035, Ms. Lima explained that the next sequence in terms of inpatient facilities would involve dealing with the Moffett issue, which would involve building a tower on the Langley Porter site that would connect to the Long Hospital. This would need to be done first before they come back to Mission Bay for Phase 2, which would be passed in 2035.

In response to the EIR question, Ms. Yamauchi responded that they have had several meetings with the City family with particular focus on plans for Mission Bay and, as part of those meetings, they have evaluated the impacts of an additional million square feet of development on the north of 16th Street campus and they concluded that they can do this without significantly increasing traffic congestion in and around Mission Bay. She stated that they believe that the Mission Bay portion of their EIR will conclude that their plans will not create a significant adverse environmental impact. Ms. Yamauchi added that they will be evaluating the shadow impacts of their development and given that their plans and the redevelopment plan allows for a portion of their site to be developed with 160' and 110' buildings, although the prevailing height is 90', they were conforming to those plans and the shadow impacts were not anticipated to be significant. She added that in the NW corner of their campus site, block 14 was designated as a San Francisco Unified School District site, currently owned by the University, but could be turned over to the district upon their request before 2027, which would allow them to build a school on that site. Ms. Yamauchi stated that they had done shadow studies of the buildings around the school site and they expected that the school site will remain unaffected by their development plan.

With regard to the ownership question, Ms. Yamauchi responded that the focus of their long range development plan was on their existing land, the 43 acres north of 16th and 14 acres south of 16th, the north of 16th being the area where they planned to increase their development by one million square feet. She stated that they were also trying to find land and/or buildings to accommodate office space and this process, although not yet concluded, would result in additional acquisition of property in and around Mission Bay. Ms. Yamauchi added that they anticipated that if they did acquire additional property in and around Mission Bay, they would be working with the OCII staff to comply with the owner participation agreement provisions concerning in lieu of tax payments.

Ms. Reilly responded that payment in lieu of tax increment was the plan for all the remaining vacant sites in Mission Bay, including some of the existing buildings. This plan required that in the event that a building was leased or sold to a tax exempt entity, the OCII must be made whole for taxes, which would occur if the OCII were able to reimburse the developer for the infrastructure as well as put in place the affordable housing. Ms. Reilly responded that UCSF was looking for office space and referred to the Salesforce properties, which are the 14 acres of land on the east side of 3rd Street. She stated that Blocks 40 and 26A, which consisted of about 100,000 square feet of vacant office space, were the only unleased sites at this point. Regarding the Salesforce site, Ms. Reilly responded that at this point there were only rumors. Regarding the land use question, Ms. Reilly responded in the negative, that it was not anticipated because if UCSF came in based on what they had done before, it would result in either an allowed primary use office or biotech or they would require a secondary use finding. She stated that UCSF had both the hospital and block 1500 Owens, where they leased a little less than 100,000 square feet for clinic space, and which required a secondary use. Ms. Reilly explained that they had required ARE, the property owner, to enter into a payment in lieu of taxes (PILOT) agreement before they would do the secondary use findings, and in that way were able to tie up most of the remaining parcels under pilots.

Chair Johnson inquired about: whether UCSF would need to conduct secondary use findings in the future; whether the fact that there would be two hospitals being built a block from each other in Mission Bay would raise concerns in the community; whether there had been any changes in their thinking about their relationship with SFMTA and public transit in Mission Bay; whether there were other lines or frequency of existing lines, other than 22 Fillmore, that they had addressed; whether they had worked with any of the bike advocacy organizations on bike lanes or routes for their employees; whether they had received any comments regarding 16th Street or Townsend.

Ms. Reilly responded that if UCSF decided to use the space for clinical office or medical clinic space, they would need to conduct secondary use findings. She indicated that the clinic uses UCSF currently had fall under a secondary use. She added that use for pure research or administrative office space was allowed under primary use and would not require a secondary use finding. Ms. Reilly added that the community was aware of the second phase of the hospital and the ultimate 550 beds, because when UC went through their first phase of the hospital in the EIR, it included the full build-out of the site. Ms. Reilly referred to Ms. Lima's statement that the big difference (between this project and the Kaiser project) was its location on this side of the freeway and added that the Potrero Hill residents were not concerned as long as the project was built well, attractive and did not exceed the heights. She added that the Kaiser project raised lots of concern because it was spilling over into Mission Bay. Ms. Reilly responded in the negative regarding community concern and added that most of the comments came from non-Mission Bay residents.

Ms. Bohee clarified that what was being proposed in the Alexandria facilities along Owens was medical doctors' offices and not a hospital, which would require secondary use findings.

Regarding the transit question, Ms. Yamauchi responded that they had been meeting with MTA staff and had been sharing their development plans with them to engage in the conversation about what the interface would be between UCSF development and public transit in Mission Bay and that this would be an ongoing conversation. She added that they have had transit issue comments from the community and would be working with the community on that issue as well.

Mr. Beauchamp added that they were actively working with the MTA to encourage them to extend the 22 Fillmore service down to Mission Bay, which was vitally important now that they would not only have critical mass of staff, employees and residents there, but patients coming to the site as well. He stated that they are monitoring their transportation effectiveness project, the EIR and the planning process and that one the long-range planning process goals was to continue to collaborate with local governmental agencies on this issue. Mr. Beauchamp responded that they had been working with The Bike Coalition on a plan to upgrade the bike lanes from Class 2 lanes to Class one, which are dedicated to bikes and separated completed from traffic, for the 4th Street Plaza through the medical center portion, south of 16th Street. He explained that on 4th Street between the Commons and 16th Street, which was originally planned to have shared bike lanes for the Mission Bay campus, the current plan was to make them dedicated. Mr. Beauchamp stated that they had been focused on what the traffic situation would look like over the long-term because they did not want to contribute unduly to intersection operations that would create significant impacts or contribute to other factors that could negatively affect employees' or patients' ability to make it to their facilities.

Chair Johnson thanked everyone for their input to the discussion and stated that they looked forward to seeing them all again soon.

6. Public Comment on Non-agenda Items

Speakers: Oscar James; Dorris M. Vincent

Secretary Jones read what Ms. Vincent had written on her speaker card. "Sorry I was late. I do support Resolution #41-2013".

7. Report of the Chair

Chair Johnson had no report.

8. Report of the Executive Director

Executive Director Bohee reported that per the Commission's request and desire to have quarterly meetings in the major project areas, ie, Transbay, Hunters Point and Mission Bay, the next meeting on September 17, would be a special meeting at Center for the Arts in Yerba Buena Gardens. This meeting would be related to Transbay items and added that the Center for the Arts was where the Transbay CAC currently held their meetings.

9. Commissioners' Questions and Matters

Commissioner Ellington inquired what time the special meeting would be held on September 17.

Executive Director Bohee responded that it was proposed for 4:00 p.m.

Commissioner Mondejar addressed what Mr. James had referred to earlier in the meeting about not having a Filipino museum in the Yerba Buena. Ms. Mondejar pointed out that there was a small Filipino cultural center on the ground floor next to Denny's and added that this center had been moved around many times and unlike the other museums in the area, was a non-profit organization and was not funded by OCII.

10. Closed Session – None.

11. Adjournment

The meeting was adjourned by Madame Chair Johnson at 4:02 p.m.

Respectfully submitted,



Natasha Jones
Interim Commission Secretary

ADOPTED: