

**MINUTES OF A REGULAR MEETING OF THE
COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE
OF THE CITY AND COUNTY OF SAN FRANCISCO HELD ON THE
21TH DAY OF JANUARY 2014**

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 21st day of January 2014, 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 1:27 p.m. Roll call was taken.

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

Commissioner Singh was absent; all other Commission members were present.

2. Announcements

A. The next regularly scheduled Commission meeting will be held on Tuesday, February 4, 2014 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 – None.

a) Approval of Minutes: Regular Meeting of December 17, 2013

PUBLIC COMMENT – None.

Vice-Chair Rosales motioned to move Items 5(a) and Commissioner Ellington seconded that motion.

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

Commissioner Ellington – yes
Commissioner Mondejar – abstained
Vice-Chair Rosales – yes
Commissioner Singh – absent
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 3 COMMISSIONERS WITH ONE ABSENCE AND ONE ABSTENTION THAT APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF DECEMBER 17, 2013 BE ADOPTED.

REGULAR AGENDA

- b) Confirming the issuance and sale of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series A Tax Allocation Bonds (Mission Bay South Redevelopment Project) in an aggregate principal amount not to exceed \$70,000,000, approving preliminary and final Official Statements and a Continuing Disclosure Certificate, and approval of other related documents and actions; Mission Bay South Redevelopment Project Area. (Discussion and Action) (Resolution No. 4-2014)

Vice-Chair Rosales recused herself from discussion of this item because one of the underwriters was a client of her law firm. Ms. Rosales then left the room.

Presenters: Tiffany Bohee, Executive Director; Leo Levenson, Deputy Director, Finance & Administration

PUBLIC COMMENT

Speakers: Corinne Woods, Chairwoman, Mission Bay CAC; Dr. Espinola Jackson, Bayview Hunters Point (BVHP) resident

Ms. Woods stated that the CAC was in support of moving forward to sell the bonds. She indicated that the Mission Bay Development Group had put a large amount of money into infrastructure and has not been reimbursed; however, they were continuing to move forward with building roads and parks and she reminded the Commission that they needed to be paid.

Dr. Jackson stated that she was there in support of Ms. Woods who had put her life into this project and that they had worked together for over 30 years on the Mission Bay project. Ms. Jackson was in support of this item.

Chair Johnson stated that they were taking up this issue because in an OCII resolution last fall, when they considered the bonds, a proviso was inserted stating that they would have a final approval of the issuance before passing things off to the Financing Authority.

Commissioner Ellington noted the mention of reduction of property tax in the presentation and inquired about the low and moderate income housing set aside and whether it affected where the money would go and whether they could be assured that the set aside would still take place.

Mr. Levenson deferred to Chris Lynch for correction. He replied that the credit behind these bonds did not include the 20% set aside for affordable housing so the 20% of the gross tax increment would not be subordinated to the bonds and would not be used for debt service on the bonds.

Commissioner Ellington motioned to move Item 5(b) and Commissioner Mondejar seconded that motion.

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

Commissioner Ellington – yes
Commissioner Mondejar – yes
Vice-Chair Rosales – abstained
Commissioner Singh – absent
Chair Johnson – yes

ADOPTION: IT WAS VOTED BY 3 COMMISSIONERS WITH ONE ABSENCE AND ONE ABSTENTION THAT RESOLUTION NO. 4-2014, CONFIRMING THE ISSUANCE AND SALE OF SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO 2014 SERIES A TAX ALLOCATION BONDS (MISSION BAY SOUTH REDEVELOPMENT PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$70,000,000, APPROVING PRELIMINARY AND FINAL OFFICIAL STATEMENTS AND A CONTINUING DISCLOSURE CERTIFICATE, AND APPROVAL OF OTHER RELATED DOCUMENTS AND ACTIONS; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

AFTER THE REGULAR AGENDA ITEM NO. 5 (B) WAS CONSIDERED, THE COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE RECESSED TO CONSIDER ITEMS ON THE FINANCING AUTHORITY AGENDA, AFTER WHICH THE COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE RECONVENED TO CONSIDER THE REMAINING AGENDA.

- c) Adopting environmental review findings pursuant to the California Environmental Quality Act and conditionally approving a Fifth Amendment to the Mission Bay North Owner Participation Agreement with FOCIL-MB, LLC, a Delaware Limited Liability Company, to allow Block N4P3 to be developed with 45 moderate rate income rental inclusionary units and 84 market rate rental units; recommending approval of the Fifth Amendment by the Board of Supervisors pursuant to Board of Supervisors' Ordinance 215-12; and submitting the Successor Agency's recommendations to the Board of Supervisors; Mission Bay North Redevelopment Project Area. (Discussion and Action) (Resolution No. 5-2014)

Presenters: Tiffany Bohee, Executive Director; Catherine Reilly, Project Manager, Mission Bay; Vicki Lundy Wilbon, President, Integral Group Community Development; Sally Oerth, Deputy Director

PUBLIC COMMENT

Speakers: Corinne Woods, Chair, Mission Bay CAC; Peter Cohen, Council of Community Housing Organizations; Dr. Espinola Jackson, BVHP resident; Ace Washington, Fillmore District resident

Ms. Woods stated that she was in support of this item, which had been 7 years in the making. She explained that the Mission Bay CAC was very aware of the difficulty in building affordable housing, even with donated land, as well as how difficult it was to do a home ownership project on affordable housing. She stated that this went to the bigger picture of affordable housing issues in San Francisco and stated that in the future they would have to look at what was feasible and consider alternative funding sources to make this possible.

Mr. Cohen stated that he and his organization did not agree with the inclusionary housing piece. He explained that a feasible mix for the market rate developer was important and took a lot of work but pointed out that the inclusionary part was not about project feasibility, but rather about policies and so the OCII was faced with a policy decision here that marketability of the market rate units would be based on feasibility. He indicated that the original obligation was for 80 units of home ownership at 120% AMI, which was the target. There are about 140+ first time home ownership units in Mission Bay so far and the original alternative discussed several months ago to make the project feasible was to switch to a rental project and reduce the number of units from 80 to 60 at 60% AMI rental targeting. This change would allow them to partner with a non-profit community based developer and qualify for 4% tax credits from the State, which would help cross-subsidize that development; so still ending up with 60 units but getting an additional financing source through the tax credits and getting to joint partner with a community based developer, which Mr. Cohen thought would be a win-win solution. However, he added, now the project was moving to 120% AMI rentals, unheard of in San Francisco, because 120% meant first time home ownership. Mr. Cohen explained that there was no such thing as 120% AMI rental project for inclusionary. Consequently, the OCII was now reducing the units further to 45 units because it had be entirely internally subsidized by the developer, thus eliminating the opportunity for state tax credits, losing the community-based non-profit developer, and targeting to a very high level income population, namely folks that could afford between \$30,000 - \$37,000/year in rent at the reduced level. Mr. Cohen inquired whether, from a policy standpoint, if the OCII was using \$8 million worth of developer subsidy, which was what the obligation was, it would be better to go for incomes at that level or the really moderate and low income level. His recommendation was to reconsider the original proposal for 60+ units at 60% AMI with a community-based developer, with secure the credit financing. He concluded that this would fit with where the City was headed on the so-called middle income pricing for housing in the entire City.

Dr. Jackson was not in support of this item. She referred to Mr. Cohen's statement regarding policy change and stated her opinion that policy changes must include input and feedback from the community. Dr. Jackson stated that she had received a letter telling her that her Certificate would expire after 2016 and wanted to know what that was about. Dr. Jackson stated that the City was bringing new people into the neighborhood and the original community members, who helped build the City, were being forced out. She concurred with Mr. Cohen regarding the AMI and asked the OCII to think about people who were not homeowners, who were on Social Security, cannot afford new housing and who were being forced to move because the old public housing was being torn down. She stated that this would result in more homelessness in the City. Dr. Jackson reminded Commissioners that most of the people now in the South of Market and Tenderloin districts came from BVHP and the Fillmore. She stated that they needed to hold more hearings and meetings before this item moved forward.

Mr. Washington stated that the OCII continued to exclude the black people in the City even though other ethnic groups continued coming in. He spoke about community reform.

Chair Johnson referred to Mr. Cohen statements and agreed with him regarding the first scenario looked at which was 60 units at 60% AMI and that they were now looking at 120% AMI with 45 units or 110% AMI with 40 units. She also agreed with Mr. Cohen when he stated that this project was really more about policy decision and not about feasibility because both scenarios could work on paper. Ms. Johnson asked Commissioners to review the table in the memo and stated that for all intents and purposes they were over-represented with very low income units in Mission Bay and that the OCII was down to their last piece of real estate on which to build moderate income housing. She stated that her definition of moderate might be higher than Mr. Cohen's; however, workforce housing was the most difficult type of housing to finance because there were not as many tools at the state and federal level to assist with it. Ms. Johnson explained that they had an excellent opportunity here to secure some private investment in very much needed housing at the in-between very low moderate and market rate.

Vice-Chair Rosales requested more explanation regarding the option Mr. Cohen had mentioned about a partnership with a non-profit community-based developer and inquired as to why that option was not offered during the presentation.

Ms. Oerth responded to this request by agreeing that this option had been one of the alternative scenarios considered. She explained that they had looked at the available financially feasible options, where one option was at one end of the spectrum, representing the more traditional affordable housing serving the very low income, much like all OCII stand-alone affordable, developed with a non-profit developer and using tax credits. She continued that they had also looked at how to serve moderate income in which tax credits were not a feasible tool at the other end of the spectrum. She stated that they had finally decided on the moderate income approach in order to keep with the intent of the OPA to serve that income tier.

Vice-Chair Rosales inquired whether that was a way of saying that the staff concluded that the partnership with the community-based developer was not feasible.

Ms. Oerth responded that both options were economically feasible; however, she explained, that to serve moderate income would involve a different financing structure.

Commissioner Ellington requested that someone speak about the different physical constraints with respect to actual space with very low affordable housing and inquired whether, if they were to build affordable housing on this site, the quality would be comparable to other market rate projects located in Mission Bay.

Ms. Oerth inquired as to whether he was referring to 100% affordable site.

Commissioner Ellington responded in the affirmative.

Ms. Oerth responded that they always intended for all of their affordable projects to be at a very high standard and that this project would be consistent with the product already located in Mission Bay. She added that there were a number of affordable housing sites already there that were as high quality as the market rate, so there would not be significant differences. Ms. Oerth added that the quality of the inclusionary would also be expected to be on par with the market rate.

Vice-Chair Rosales requested that the rental rates be repeated.

Ms. Reilly responded that based on 2013 numbers, the affordable rental 4-person household would range from \$2,400 to \$3,000/month for a one to three bedroom and that market rate for an equivalent unit would range from \$3,000 to \$4,200.

Chair Johnson added that the way they got to those numbers was to work backwards from the AMI, so that 120% of AMI family of four would be \$116,000 and 30% of that gross income would be the monthly rent and that the unit sizes are by family size. Ms. Johnson added that the monthly rent was configured based on the AMI tables which were updated periodically.

Ms. Oerth clarified that those numbers were for a family of four as an example and they would change depending on unit size because smaller households would have lower incomes.

Chair Johnson clarified further that the table ranged from one person to ten.

Commissioner Mondejar requested that Ms. Reilly address the point that Mr. Cohen had raised regarding the change from home ownership to rental and how the decision had evolved to support that change.

Ms. Reilly responded that ownership and rental were two different markets. She explained that this was not a prime site for ownership because it was very constrained and was competing with other nicer buildings which were not up against the freeway and which had more amenities. Ms. Reilly also explained that there was a 50% difference between the cost to own vs. rent in Mission Bay, so it was cheaper to rent. Considering the number of units that would have to be subsidized and, since at the moderate rate, there were no public subsidies available, this meant that the market rate units would have to fully subsidize the affordable units. With the sales prices the way they currently were as well as with the disconnect between the cost of owning vs. the cost of renting, and having to get the level of subsidies from those market rate units to subsidize the affordable for sale units, it would not be possible to get the same number of units, if any.

Timothy Cornwell, Concord Group added that there were several factors, one of which was the impact of the freeway at this specific site. By looking at other comparables trading there currently and considering all the factors involved, he explained that the adjustment would come out to about \$800,000 in supportable price. Doing the financial analysis around that number, a 15% to 20% increase in sales prices from where they were today would be required to get to that feasibility number. Unidentified stated that all the activity and affluence in San Francisco had driven the price increase and all the increases over the 2103 calendar year were included in their numbers. He concluded that an additional 20% would be required from where they were today to get back to feasibility in terms of those specific units.

Chair Johnson referred to Vice-Chair Rosales' other question regarding Mr. Cohen's statement regarding that at the 120% AMI, home ownership should be considered. However, she clarified that talking about what scenario would be preferable was really a policy discussion. Ms. Johnson took as an example two working adults with two minors or dependents, which represented two people living together making between \$55,000 and \$58,000/year. It would be a policy decision to consider whether or not that was a level at which the OCII should be encouraging home ownership or rental. Ms. Johnson stated that her personal opinion was that this project represented a great opportunity for a middle income family to be able to stay in San Francisco and raise their family by renting.

Commissioner Ellington requested further discussion on the other low income opportunities in other parts of Mission Bay.

Ms. Reilly stated that this was their last affordable housing site in the North; however, in the South, the OCII would be constructing 1,108 agency-sponsored units, the breakdown of which was as follows: 150 under construction on Block 13 East and an additional 200 units on Block 7 West. She added that there would be an additional entire block of affordable housing across Fourth Street on Block 6, with those two amounting to 350 units. Ms. Reilly continued that there would be approximately 800 units left on other sites, including Block 6, for which they were applying for an RFP this year; then Block 12 West, and then 3 East and 9/9A would comprise the great waterfront property views. Ms. Reilly concluded that those were the big sources of additional affordable housing. She also referred to Block 1, which had come before the OCII last May, and which had the possibility of having up to 53 additional inclusionary units, if they were to go with rental. Ms. Reilly concluded that if they decided to go with condos, then they would fee out and would use those funds elsewhere.

Executive Director Bohee clarified that the balance of the stand-alone units just described with the exception of Block 1 were all at the up to 50% AMI all the way from supportive no income through the direct access to housing partnership with HSA and DPH to the typical up to 50% AMI.

Ms. Reilly added that the stand-alone units could go to 110% under the OPA, but typically they would go up to 60% AMI because there were no funding sources available for projects above 60% AMI. So it would come to 60% AMI with many of those being affordable to household earning even less, more in the very low income, especially for the supportive.

Commissioner Ellington clarified that for this specific project then, they were fulfilling a specific need for the moderate income housing.

Ms. Reilly concurred and stated this would really be the only location for moderate housing because all of OCII's projects required significant subsidies above and beyond the tax increment collected by the OCII. She added that with dissolution they had no other access to other tax increment so if they could not structure projects which took advantage of tax credits bond financing, then there were no other funding sources to help fill those very significant gaps that would come up with the moderate rate.

Vice-Chair Rosales stated that she was supportive of the moderate income affordable housing; notwithstanding some of the rentals that had been described, but her concern was the marketing of those units because the phrase "affordable housing" was being equated with very low income eligibility. She explained that she was aware of people who were living in other parts of the Bay Area who would love to live in the City and who were willing to rent but were unaware that there was any option to them. She stated that people have been told that they didn't qualify because their income was too high for some of these opportunities. She was interested in understanding how the marketing of these units was going to take place.

Ms. Wilbon responded that the marketing details were not known at this time but that there were certain guidelines attached to the OPA that went beyond Certificate holders via media advertising and working with community groups, agencies, CDC's, etc. to make sure that they were getting the word out to the full population and going above and beyond that required by the OPA. She assured Commissioners that details were forthcoming and it was their intention to make sure they addressed the concerns of the OCII.

Chair Johnson referred to the Certificate of Preference holders program, how it was running its lottery and conducting its marketing, and stated that this was a discussion to be had with MOH. She confirmed that they would have the MOU with MOH at the next meeting.

Commissioner Mondejar returned to the policy question and inquired whether they were moving toward more rentals vs. home ownership and whether the OCII had any say in this; inquired about the bigger picture and this question.

Chair Johnson responded that there were two parts to this. The policy question was more about income levels, while the rental vs. for-sale came down to the numbers. She explained that the proceeds from both for-sale and rental supported the property and because of the market dynamics in that area, it was not interchangeable. Ms. Johnson added that they would not get the same amount from rent as from for-sale and asked the developer to speak more about that issue. To the bigger picture, Ms. Johnson responded that it is a bigger question because of where they were in being the successor agency and what their role was in developing the newer affordable housing. Ms. Johnson stated that there would be more opportunities for discussion on this topic when they talked about Hunters Point.

Executive Director Bohee added that in the Mission Bay North Owner Participation Agreement, the moderate was defined all the way up to 110% and that was for either rental or for-sale. She explained that in the Avalon Bay properties, they had two developments, in which Avalon Bay provided for moderate income units at 110% for rental and then others were at the lower tier. The Beacon properties, which initially included both low and moderate income level rental units, over time had become a for-sale project and there had been a conversion, an OPA amendment, which was originally at the 110% AMI. Ms. Bohee stated that this was agnostic of tenure and was just a production and as it worked out, this was the last site. For tax credit financing purposes, the master developer and other vertical developers were allowed to aggregate, especially at the very low. Ms. Bohee concluded that through the years there had been a good faith effort to market by the developer and it did not work as a for-sale site.

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

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

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

ADOPTION: IT WAS VOTED BY 4 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 5-2014, ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND CONDITIONALLY APPROVING A FIFTH AMENDMENT TO THE MISSION BAY NORTH OWNER PARTICIPATION AGREEMENT WITH FOCIL-MB, LLC, A DELAWARE LIMITED LIABILITY COMPANY, TO ALLOW BLOCK N4P3 TO BE DEVELOPED WITH 45 MODERATE RATE INCOME RENTAL INCLUSIONARY UNITS AND 84 MARKET RATE RENTAL UNITS; RECOMMENDING APPROVAL OF THE FIFTH AMENDMENT BY THE BOARD OF SUPERVISORS PURSUANT TO BOARD OF SUPERVISORS' ORDINANCE 215-12; AND SUBMITTING THE SUCCESSOR AGENCY'S RECOMMENDATIONS TO THE

BOARD OF SUPERVISORS; MISSION BAY NORTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- d) Adopting environmental review findings pursuant to the California Environmental Quality Act and conditionally approving a Combined Basic Concept and Schematic Design for a new residential and retail project on Block 7 West in Mission Bay South and an amendment to the Blocks 2-7 and 13 and Blocks 11 and 12 Major Phases, pursuant to the Owner Participation Agreement with FOCIL-MB, LLC; Mission Bay South Redevelopment Project Area. (Discussion and Action) (Resolution No. 6-2014)

Presenters: Tiffany Bohee, Executive Director; Catherine Reilly, Project Manager, Mission Bay; Kevin Wilcock, David Baker Architects

PUBLIC COMMENT

Speakers: Corinne Woods, Chairman, Mission Bay, CAC; Dr. Espinola Jackson, BVHP resident

Ms. Woods was in support of this item and was looking forward to having the next affordable housing project in Mission Bay. She pointed out that one of their concerns with open space was the muse between Family House and this block and they wanted to make sure that it felt open and welcoming and not dark and constrained and stated that the architects had responded to their concerns with that issue.

Dr. Jackson was in support of this project and said she was very satisfied with the local hiring. She stated that the developers had done a great job in working with the community and urged the OCII to pass this item.

Chair Johnson had a question regarding the schematic design and inquired whether they were looking at activating the roof. She pointed out the solar panels in the diagram but was concerned to not see anything else.

Mr. Wilcock responded that they had 23,000 sq. feet in the courtyard, a two-level podium and then another 5,000 sq. ft. in the muse. He added that it could get tricky when putting open space on the roofs of buildings because it can get expensive in terms of waterproofing as well as exiting and safety. As a result, he added, they had decided to put all the landscape down at the ground level and emphasized that half of the 23,000 sq. ft. space was at grade landscaping for mature trees and added that this had been their strategy on this project.

Chair Johnson replied that she had not been considering it for open space recreational use but rather for vegetation or more energy technologies, like solar for recycling or reheating water. She stated this might be a discussion for retrofit at this point.

Mr. Wilcock responded that they would have solar hot water to supplement the hot water heating for residents and to get them into above 15% above title 24. He explained they also implemented what was called “solar-ready”, so that solar panels could be added at a later date and they had planned for that.

Commissioner Ellington stated that he thought the designs were excellent and had questions about the retail. He stated that he appreciated the setbacks and inquired whether the architects were handling the sidewalks and the trees because it seemed that the trees were blocking the retail and inquired about what the theory was to make sure the retail remained visible to passers-by.

Ms. Reilly responded that the trees are being installed by the master developer and would also be maintained by this project. She explained that trees do not grow very quickly in Mission Bay because of the harsh weather out there and that they were not running into an issue of trees blocking storefronts.

Chair Johnson added that Fourth Street, where most of the retail was going to be, was a two-lane street and was very community-based and that the street front would not block anyone's view.

Commissioner Ellington motioned to move Item 5(d) and Commissioner Mondejar seconded that motion.

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

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

ADOPTION: IT WAS VOTED BY 4 COMMISSIONERS WITH ONE ABSENCE THAT RESOLUTION NO. 6-2014, ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND CONDITIONALLY APPROVING A COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR A NEW RESIDENTIAL AND RETAIL PROJECT ON BLOCK 7 WEST IN MISSION BAY SOUTH AND AN AMENDMENT TO THE BLOCKS 2-7 AND 13 AND BLOCKS 11 AND 12 MAJOR PHASES, PURSUANT TO THE OWNER PARTICIPATION AGREEMENT WITH FOCIL-MB, LLC; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

6. Public Comment on Non-agenda Items

Speakers: Dr. Espinola Jackson, BVHP resident

Dr. Jackson requested that the Commission hold a meeting regarding BVHP because she read in the newspaper that there were plans to change or remove the name of the community and instead call it the "Shipyard". Dr. Jackson was very disturbed to hear this after all the work that Hunters Point residents had put into this project.

7. Report of the Chair

Chair Johnson stated that there would be discussion about where the next community meetings would be held.

8. Report of the Executive Director

Executive Director Bohee stated that there would be two budget workshops coming up in April and May. She added that staff would be forwarding the budget to the Mayor's Office and to the Board for its consideration. Then the Board of Supervisors would consider the OCII's resolution to approve the budget and related administrative costs, separate from other City departments; however, typically these hearings were scheduled for June and then the budget would be adopted

once the Mayor and Board went through their processes. Ms. Bohee asserted that the next meeting would include a ROPS workshop followed by a workshop for the Oversight Board with the Oversight Board approving that ROPS and then budget discussions would begin at subsequent meeting. With respect to other matters, Ms. Bohee pointed out that Governor Brown unveiled his budget, part of which was of note and interest, because the Governor had indicated his willingness to sponsor legislation as a part of his budget for infrastructure financing districts, lowering the 2/3 voter requirement to 55%, and expanding the use of IFD's into former military bases for affordable housing purposes, which are new ideas. She stated that there was new criteria that the Governor had imposed for cities and counties in order to be eligible to use IFD's even in former redevelopment areas and added that staff would be closely monitoring this and would report on how this would relate to existing OCII obligations. Ms. Bohee cautioned that the Governor, in setting out his budget, indicated that cities and counties that wished to use this tool had to have their finding of completion with the State and they also had to not be in litigation with the State. In addition, there would be a Hunters View groundbreaking on April 17, for which the OCII had authorized a \$21 million loan and staff would be coordinating and sending the details out on that. Ms. Bohee stated that the OCII considered the Phase II loan for the 107 units of public housing replacement and new affordable housing at 50% AMI and public housing replacement which goes all the way from no income but allows 80% AMI. She concluded that there were a series of informational memos included in the packet that provided: 1) the Hunters View details of SBE statistics and follow up questions related to its services programs and 2) a detailed report from the last meeting on all outcomes with the State relating to ROPS 13-14B.

9. Commissioners' Questions and Matters

Chair Johnson thanked staff for putting together all the materials and having all the documents in Dropbox.

Commissioner Mondejar inquired about when the community meeting in the Western Addition would be taking place.

Chair Johnson responded that there was no more news on the scheduling of that meeting but added that during original discussions they considered holding that meeting to coincide with the decision regarding Yoshi's and the Fillmore Heritage Center and then center the meeting around those events.

Executive Director Bohee responded that there were items coming up this spring related to the Fillmore Heritage Center and the other loans of variable amounts of working capital loans and tenant improvement loans for four businesses along Fillmore, which needed to be discussed, some of which are bankruptcy proceedings that are part of a court decision, and others that involve renegotiations on existing terms.

10. Closed Session:

- a) Pursuant to Government Code § 54957 (b) (1) regarding the appointment of an Interim General Counsel.

11. Adjournment

The meeting was adjourned by Chair Johnson at 3:56 p.m.

Respectfully submitted,

Natasha Jones

Natasha Jones, Interim Commission Secretary

ADOPTED.

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