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**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
6th DAY OF OCTOBER 2009**

The Commissioners of the Redevelopment Agency 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 4:00 p.m. on the 6th day of October 2009, at the place and date duly established for holding of such a meeting.

President Ramon Romero called the meeting to order at 4:00 p.m.

Mr. Romero welcomed members of the public and radio listening audience and asked that all electronic devices including pagers and cellular telephones be turned off during the meeting. Mr. Romero asked members of the public who wished to address the Commission to fill out speaker cards, and to state their names for the record, and to limit their remarks to three minutes. Mr. Romero stated that the appropriate time for members of the public to address the Commission on matters not on the current Agenda, but related to general Agency business, would be Item 6 on the agenda. This portion of the Agenda is not intended for debate or discussion with the Commission or staff, and members of the public should simply state their business or matter they wish the Commission or staff to be aware of, and if they had questions, to follow-up with staff or Commissioners during a break or after adjournment. It is not appropriate for Commissioners to engage in a debate or respond on issues not properly set in a publicly noticed meeting agenda.

1. RECOGNITION OF A QUORUM

The Commission Secretary announced the presence of a quorum with the following Commissioners present:

Ramon Romero, President
Rick Swig, Vice President
London Breed
Linda Cheu
Francee Covington
Leroy King
Darshan Singh

Fred Blackwell, Executive Director, and staff members were also present.

- 2. REPORT ON ACTIONS TAKEN AT PREVIOUS CLOSED SESSION MEETING, IF ANY.** No Reportable Action.
- 3. MATTERS OF UNFINISHED BUSINESS.** None.
- 4. MATTERS OF NEW BUSINESS:**

CONSENT AGENDA

- (a) Approval of Minutes: Meeting of August 18, 2009.
- (b) Approval of Minutes: Meeting of September 1, 2009.
- (c) Resolution No. 103-2009, Authorizing a First Amendment to the Exclusive Negotiations Agreement and a First Amendment to the Predevelopment Loan Agreement with 474 Natoma, LLC, a California limited liability company, to extend the Schedule of Performance through August 21, 2010; South of Market Redevelopment Project Area; Citywide Tax Increment Housing Program.
- (d) Resolution No. 104-2009, Authorizing a First Amendment to the Personal Services Contract with Westcoast Maintenance Service, a sole proprietorship, to increase the budget by \$60,000, for a total contract amount not to exceed \$167,938, to provide cleaning, maintenance and related services; All Redevelopment Project Areas and Citywide Housing Sites.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT APPROVAL OF MINUTES FOR THE MEETING OF AUGUST 18, 2009 (MS. CHEU ABSTAINED), APPROVAL OF MINUTES FOR THE MEETING OF SEPTEMBER 1, 2009 (MS. BREED ABSTAINED); RESOLUTION NO. 103-3009, AUTHORIZING A FIRST AMENDMENT TO THE EXCLUSIVE NEGOTIATIONS AGREEMENT AND A FIRST AMENDMENT TO THE PREDEVELOPMENT LOAN AGREEMENT WITH 474 NATOMA, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO EXTEND THE SCHEDULE OF PERFORMANCE THROUGH AUGUST 21, 2010; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM; RESOLUTION NO. 104-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH WESTCOAST MAINTENANCE SERVICE, A SOLE PROPRIETORSHIP, TO INCREASE THE BUDGET BY \$60,000, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$167,938, TO PROVIDE CLEANING, MAINTENANCE AND RELATED SERVICES; ALL REDEVELOPMENT PROJECT AREAS AND CITYWIDE HOUSING SITES, BE ADOPTED.

REGULAR AGENDA

- (e) Resolution No. 105-2009, Authorizing a Designated Period for Two Years Additional Service Credit under CalPERS and Certifying Compliance with California Government Code Section 20903.

Presenter: Amy Lee, Agency Staff

Speakers: Alex Tonisson, Stanley Muraoka

Commissioner Covington asked Ms. Lee what she anticipates the impact will be on the remaining architectural staff and upon the agency as a whole.

Ms. Lee stated that Agency's architectural and engineering staff are working hand in hand with the Planning Department with the reduced need for the architectural and engineering staff unit workload for future plan amendments. Ms. Lee anticipates hiring an architect rather than a senior or junior architect which would be more consistent with work that would be required.

Commissioner Covington asked if the remaining staff will have an opportunity to apply for the senior architect position.

Ms. Lee stated that in terms of the need for the senior architect position, when the time comes in hiring an architect, the junior associate will have an opportunity to apply for that position.

Commissioner Covington put forth a motion to adopt.

Commissioner King seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 105-2009, AUTHORIZING A DESIGNATED PERIOD FOR TWO YEARS ADDITIONAL SERVICE CREDIT UNDER CALPERS AND CERTIFYING COMPLIANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 20903, BE ADOPTED.

- (f) Resolution No. 106-2009, Authorizing a First Amendment to the Legal Services Contract with Shute, Mihaly & Weinberger LLP to provide specialized legal services primarily related to public trust and state park issues in the Candlestick Point Area of the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas in the amount of \$200,000, for a total contract amount not to exceed \$450,000; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas.

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None.

Commissioner Swig put forth a motion to adopt item 4(f).

Mr. Swig asked if the expense is fully reimbursable by the developers.

Mr. Kaslofsky confirmed.

Commissioner King seconded Mr. Swig's motion.

ADOPTION: IT WAS MOVED BY MR. SWIG, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 106-2009, AUTHORIZING A FIRST AMENDMENT TO THE LEGAL SERVICES CONTRACT WITH SHUTE, MIHALY & WEINBERGER LLP TO PROVIDE SPECIALIZED LEGAL SERVICES PRIMARILY RELATED TO PUBLIC TRUST AND STATE PARK ISSUES IN THE CANDLESTICK POINT AREA OF THE BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS IN THE AMOUNT OF \$200,000, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$450,000; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

- (g) Resolution No. 107-2009, Authorizing a First Amendment to the personal services contract with Renaissance Entrepreneurship Center, a California nonprofit corporation, to extend the term for one year to September 15, 2010, and increase the contract amount by \$155,865, for a total aggregate amount not to exceed \$225,865, for outreach, coordination, and support services to the Bayview Merchants Association; Bayview Hunters Point Redevelopment Project Area.

Presenter: Licia McMorrow, Agency staff.

Speakers: Lola Whittle, Ben Kaufman, Al Norman, Ace Washington

Commissioner Swig congratulated the Bayview Merchants Association for moving the neighborhood forward satisfactorily. Commissioner Swig put forth a motion to move item 4(g).

Commissioner King seconded Mr. Swig's motion.

Commissioner Singh asked who the current President of the Bayview Merchants Association was.

Ms. McMorrow stated Al Norman is the President.

ADOPTION: IT WAS MOVED BY MS. SWIG, SECONDED BY MR. KING, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 107-2009, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH RENAISSANCE ENTREPRENEURSHIP CENTER, A CALIFORNIA NONPROFIT CORPORATION, TO EXTEND THE TERM FOR ONE YEAR TO SEPTEMBER 15, 2010, AND INCREASE THE CONTRACT AMOUNT BY \$155,865, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$225,865, FOR OUTREACH, COORDINATION, AND SUPPORT SERVICES TO THE BAYVIEW MERCHANTS ASSOCIATION; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (h) Resolution No. 108-2009, Approving An Amendment Of The Agency's Fiscal Year 09/10 Budget To (1) Increase Expenditure Authority For Additional Grant Reimbursements From The U.S. Department Of Commerce, Economic Development Administration; (2) To Increase Expenditure Authority For Additional HOPWA Funds; (3) To Allocate \$28.6 Million For Payment To The Educational Revenue Augmentation Fund; (4) To Increase The Amount Of Bond Proceeds To Be Received By The Agency In An Additional Aggregate Principal Amount Not To Exceed \$28.0 Million; (5) To Amend The Agency's Fiscal Year 2009-10 Statement Of Indebtedness To Conform To The Changes In The Budget As Set Forth In The Supplemental Appropriations Request And Corresponding Obligations.

Presenter: Amy Lee, Agency Staff

Speaker: Ace Washington

Commissioner Cheu put forth a motion to move item 4(h). Ms. Cheu also thanked staff for continuing to find solutions that minimize the impact on Agency's projects.

Commissioner Singh seconded Ms. Cheu's motion.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 108-2009, APPROVING AN AMENDMENT OF THE AGENCY'S FISCAL YEAR 09/10 BUDGET TO (1) INCREASE EXPENDITURE AUTHORITY FOR ADDITIONAL GRANT REIMBURSEMENTS FROM THE U.S. DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION; (2) TO INCREASE EXPENDITURE AUTHORITY FOR ADDITIONAL HOPWA FUNDS; (3) TO ALLOCATE \$28.6 MILLION FOR PAYMENT TO THE EDUCATIONAL REVENUE AUGMENTATION FUND; (4) TO INCREASE THE AMOUNT OF BOND PROCEEDS TO BE RECEIVED BY THE AGENCY IN AN ADDITIONAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$28.0 MILLION; (5) TO AMEND THE AGENCY'S FISCAL YEAR 2009-10 STATEMENT OF INDEBTEDNESS TO CONFORM TO THE CHANGES IN THE BUDGET AS SET FORTH IN THE SUPPLEMENTAL APPROPRIATIONS REQUEST AND CORRESPONDING OBLIGATIONS, BE ADOPTED.

- (i) Resolution No. 109-2009, Approving Amendments To The Yerba Buena Center Redevelopment Plan To Extend By One Year The Time Limit On The Effectiveness Of The Plan Pursuant To Section 33331.5 of the Community Redevelopment Law and To Extend Tax Increment Authority For Affordable Housing Funding Pursuant To Sections 33333.7 (Senate Bill No. 2113) and 33333.8 and Authorizing Transmittal To The Board Of Supervisors Of The City And County Of San Francisco; Yerba Buena Center Redevelopment Project Area.

Presenter: James Morales, Agency General Counsel

Speakers: Andrew Bryant, Linda Lucero, John Noguchi, Ace Washington

Commissioner Covington asked if the particular item would be incorporated into one document with the 12 ordinances included.

Mr. Morales stated that would not be the case; when the Board of Supervisor's amend the Redevelopment Plan, the Agency then produces a new amended plan with the amendments being incorporated into the underlying document. Mr. Morales indicated that when the Board of Supervisors and the Agency approved the Emporium site area which expanded the territory, it essentially kept the Yerba Buena Center's original plan as amended separate from the Emporium site area in 2000. Mr. Morales stated that as part of the proposed resolution, all that staff has done is take the 2000 amendment which expands the Emporium site area, and incorporate it in to the appropriate provisions of the original Redevelopment Plan.

Commissioner Covington asked how the extension is going to help the Agency with the 6,000 unit deficit.

Mr. Morales stated that as long as there is a Yerba Buena Center Redevelopment Plan in full affect, the Agency has access to tax increment for affordable housing as part of the agency's ongoing program and obligation; the Agency can use tax increment to build affordable housing anywhere in the City, it is not limited to a particular project area. Mr. Morales indicated that with the one year extension, the thought has not been thought out collectively about the amount of money that would go towards affordable housing for the next year, but that would be part of the discussions. The one year extension would give the Agency an opportunity to use some additional tax increment for affordable housing.

Commissioner Covington asked what the projected figure is.

Mr. Morales indicated that a budget has not yet been formulated for 2010/2011 but will begin the process shortly.

Commissioner Covington put forth a motion to adopt item 4(i).

Commissioner Swig seconded Ms. Covington's motion. Mr. Swig complimented Mr. Morales and staff for creating another beneficial opportunity for the community.

Commissioner Breed requested staff look into signage opportunities which would enhance the area and help the public locate the various establishments within the Yerba Buena Gardens as a whole.

ADOPTION: IT WAS MOVED BY MS. COVINGTON, SECONDED BY MR. SWIG, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 109-2009, APPROVING AMENDMENTS TO THE YERBA BUENA CENTER REDEVELOPMENT PLAN TO EXTEND BY ONE YEAR THE TIME LIMIT ON THE EFFECTIVENESS OF THE PLAN PURSUANT TO SECTION 33331.5 OF THE COMMUNITY REDEVELOPMENT LAW AND TO EXTEND TAX INCREMENT AUTHORITY FOR AFFORDABLE HOUSING FUNDING PURSUANT TO SECTIONS 33333.7 (SENATE BILL NO. 2113) AND 33333.8 AND AUTHORIZING TRANSMITTAL TO THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (j) Resolution No. 110-2009, Authorizing a Letter Agreement with the Mayor's Office of Housing in an amount not to exceed \$2,253,745 to provide funding to Hunters View Associates, L.P., a California Limited Partnership, for the HOPE SF revitalization project Hunters View, Middle Point and West Point Roads (Block 4624, Lots 3, 4 & 9 and Block 4720, Lot 27) and making environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program.

Presenter: Sally Oerth, Agency Staff

Speaker: Ace Washington

Commissioner Cheu put forth a motion to adopt item 4(j).

Commissioner Singh seconded Ms. Cheu's motion.

ADOPTION: IT WAS MOVED BY MS. CHEU, SECONDED BY MR. SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 110-2009, AUTHORIZING A LETTER AGREEMENT WITH THE MAYOR'S OFFICE OF HOUSING IN AN AMOUNT NOT TO EXCEED \$2,253,745 TO PROVIDE FUNDING TO HUNTERS VIEW ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR THE HOPE SF REVITALIZATION PROJECT HUNTERS VIEW, MIDDLE POINT AND WEST POINT ROADS (BLOCK 4624, LOTS 3, 4 & 9 AND BLOCK 4720, LOT 27) AND MAKING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM., BE ADOPTED.

5. **MATTERS NOT APPEARING ON AGENDA:** None

6. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS

Speakers: Ace Washington, Charles Range

7. REPORT OF THE PRESIDENT:

President Romero stated that his term on the Commission expired in September, has served three full terms, almost 12 years on the Commission, and would not seek reappointment to the Redevelopment Commission. Mr. Romero stated that his last meeting will be the next regularly scheduled Commission meeting, and will have more comments then.

8. REPORT OF THE EXECUTIVE DIRECTOR:

Mr. Blackwell updated the Commission on the Hugo Hotel. The Commission authorized a resolution of necessity for the use of eminent domain to acquire the property, and as part of those instructions were to go to trial if staff was not able reach a settlement agreement with the owners, particularly on the price. Staff did go to trial from August 31st through September 11th. The Agency's position was that the property offer of \$3.6M, but the owner felt the value was \$5.6M. The jury set the fair market for the Hugo Hotel at \$4.6M. The Agency's next step is to make the payment to acquire the property at which point the Agency will receive title and confer with the SOMPAC to determine the next steps. Mr. Blackwell stated that affordable housing with retail on the ground is being discussed for the property. Mr. Blackwell acknowledged the Agency Housing staff Olson Lee, Jeff White, Project Manager, Mike Grisso, and Andrico Penick, Agency's Counsel on the project. Mr. Blackwell stated an RFP will be issued in the beginning of 2010 for the demolition of the property.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

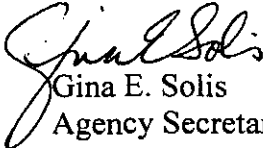
- Commissioner King stated that it was a pleasure working with President Romero over the last twelve years, wished him luck in his future endeavors. Mr. King stated they had their differences over the years but worked together and developed a respectful and meaningful relationship.
 - President Romero stated that he too enjoyed working with Mr. King and appreciated his friendship, and stated more than any Commissioner, he will miss him the most.
- Commissioner Breed reminded everyone that Commissioner King will be honored at the SPUR luncheon on Nov. 2nd and congratulated Mr. King. Ms. Breed stated students from the Bayview Hunters Point will be performing a live installation entitled, "Welcome to the Neighbor Hood", about the environmental issues that affects their neighborhood. The exhibit will run from Oct. 21st through January 10th, the opening reception is scheduled for Thursday, Nov. 12th at 762 Fulton at the African American Art and Culture Complex.

10. **CLOSED SESSION:** None.

11. **ADJOURNMENT:**

It was moved by Commissioner Breed, seconded by Commissioner King, and unanimously carried that the meeting be adjourned at 5:33p.m.

Respectfully submitted,


Gina E. Solis
Agency Secretary

ADOPTED: