

**MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
5th DAY APRIL OF 2011**

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 5<sup>th</sup> day of April 2011, at the place and date duly established for holding of such a meeting.

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

Mr. Swig 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. Swig 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. Swig 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:

Rick Swig, President  
Darshan Singh, Vice President  
Rosario M. Anaya  
Francee Covington  
Leroy King  
Agnes Briones Ubalde

And the following were absent:

Miguel M. Bustos

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:**

**REGULAR AGENDA**

- (a) Authorizing a First Amendment to a Letter Agreement with the Office of Economic and Workforce Development to administer the SF Shines Façade and Tenant Improvement Program to roll over \$95,574 from a previous term and add an additional \$250,000, for a total amount not to exceed \$845,574; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 43-2011)

Presenter: Licinia McMorrow, Agency Staff

Speakers: Dorris Vincent

Vice President Singh put forth a motion to move item 4(a).

Commissioner Covington seconded Mr. Singh's motion.

Commissioner Anaya asked what was being done for the underserved members of the community that have barriers through employment and need job training.

Ms. McMorrow indicated that this particular program does not provide additional funding for people with barriers through employment; it is focused on construction and improvement of existing businesses.

Commissioner Anaya asked: (1) if anyone who receives these types of funds has a commitment to hire people from the community; (2) are those positions first identified, and (3) if those positions are identified, are they asked what type of training they require in order to get those positions.

Ms. McMorrow stated the program targets existing businesses and is focused on business retention. As a result of improvements and/or growth of the business, they would be subjected to, on a voluntary basis, the Bayview employment and contracting policy. There are contracting requirements where the business participating in seeking grant funds would have to acquire three bids for the scope of their projects, one of which has to be from 94124. Ms. McMorrow stated in so far as businesses complying with the ECP, they would have to make a good faith effort to hire 50% of their employees from the project area.

**ADOPTION:** IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 43-2011, AUTHORIZING A FIRST AMENDMENT TO A LETTER AGREEMENT WITH THE OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT TO ADMINISTER THE SF SHINES FAÇADE AND TENANT IMPROVEMENT PROGRAM TO ROLL OVER \$95,574 FROM A PREVIOUS TERM AND ADD AN ADDITIONAL \$250,000, FOR A TOTAL AMOUNT NOT TO EXCEED \$845,574; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (b) Authorizing a Letter Agreement with the City and County of San Francisco, acting by and through its Department of Public Works, in an amount not to exceed \$350,000, for planning, project management, preliminary engineering and design, and federal environmental review of the Bayview Transportation Improvements Project; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 44-2011)

Presenter: Wells Lawson, OEWD

Speakers: Dorris Vincent

Commissioner Anaya put forth a motion to move item 4(b).

Vice President Singh seconded Ms. Anaya's motion.

**ADOPTION:** IT WAS MOVED BY COMMISSIONER ANAYA, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 44-2011, AUTHORIZING A LETTER AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROU++GH ITS DEPARTMENT OF PUBLIC WORKS, IN AN AMOUNT NOT TO EXCEED \$350,000, FOR PLANNING, PROJECT MANAGEMENT, PRELIMINARY ENGINEERING AND DESIGN, AND FEDERAL ENVIRONMENTAL REVIEW OF THE BAYVIEW TRANSPORTATION IMPROVEMENTS PROJECT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

AGENDA ITEMS 4(c) AND (d) WERE PRESENTED TOGETHER, BUT ACTED ON SEPARATELY

- (c) Conditionally approving a combined Basic Conceptual and Schematic Design for a one-story modular real estate sales and marketing office to be built and operated by HPS Development Co. LP, a Delaware limited partnership, on Agency-owned land and adopting environmental findings pursuant to the California Environmental Quality Act; Hunters Point Shipyard Redevelopment Project Area. (Resolution No. 45-2011)
  
- (d) Authorizing a Second Amendment to the Interim Lease with HPS Development Co. LP, a Delaware limited partnership, to build and operate a real estate sales and marketing office on Agency-owned land (Block 56) under terms that include an initial five-year term with five one-year options and an annual rent payment of \$12,000 and adopting environmental findings pursuant to the California Environmental Quality Act; Hunters Point Shipyard Redevelopment Project Area. (Resolution No. 46-2011)

Presenter: Thor Kaslofsky, Agency Staff

Speakers: None

Commissioner Covington asked how the \$1,000 per month lease amount was determined.

Mr. Kaslofsky stated public access allowing meetings to occur at the Welcome Center, as well as the beautification of the area, hosting, and paying for the installation of the art piece, it was determined that \$1,000 per month was the appropriate rent for the site.

Commissioner Covington asked what they were envisioning as community events on the particular site.

Ms. Lynn Bell of Lennar stated they are envisioning community and the business social mixers, art workshops, cultural events that would engage the immediate local community.

Commissioner Covington asked for more information on cultural events.

Ms. Bell envisioned Dr. Rose's young dance troupe who have performed for many years in the community, having a community event at the Center and engaging not only the local community but the expanded community of San Francisco to participate in some of these events to connect the local community with the more expanded community. She envisions it as large opportunities for them to have events that create an opportunity to network and then interlink this

community which, to some degree, has been isolated with the expanded community of San Francisco.

Commissioner Covington asked if the modular building can be reconfigured internally to accommodate a dance performance and audience.

Ms. Bell indicated that there is a large flat L shaped decking area with stairs that can accommodate a large amount of people with a kitchen that's been built that can extend to the outside so it will provide them the opportunity to do catering. Events they envision can be smaller intimate events to much larger events that can accommodate up to 200 people.

Commissioner Covington asked for information on the irrigation for the plantings

Mr. Lum stated watering of the plants will be a drip irrigation system.

Commissioner Covington asked how many real estate offices are anticipated on the Shipyard. Ms. Covington stated she was asking this question because there have been a number of realtors from the Bayview area who have attended various Commission meetings and requested that they be included in the sales of the units either as a broker or agents. Ms. Covington asked if the center was for Lennar's use only or would there be other offices.

Ms. Bell stated it will be an information center/master sale center. She indicated that not only would it be the initial sales opportunity for Lennar on the blocks that they would be building and selling, but also for other builders that would be coming in; this would be their initial center.

Commissioner Covington asked if this would be in phases or co-exist in the same space.

Ms. Bell stated at this stage, since there are no other participating builders that have purchased any other blocks, it would be just them but at some stage other builders will be utilizing the center as well. It will be the initial center for selling, but depending on what the market will be at the time they launch sales, it could be that each one of the blocks they are building on may have a small sales location as well.

Commissioner Covington asked when they expect the building to be up and running.

Ms. Bell indicated the center will coincide with the construction of the building at the same time they begin construction of block 50. As far as installation of the building, that date has yet to be determined.

Mr. Kaslofsky stated the term of the agreement would start no sooner than the construction of the building, and the construction has to start within the next 18 months. It is their hope to start construction by the end of this year subject to the market and financing for Blocks 50 and 51.

Commissioner Covington asked if Tabernacle and other builders are anticipating having their own offices or will they be going into the master office.

Mr. Kaslofsky stated Block 51 which is the Tabernacle group, has over 180 units and believes they would eventually have their own sale center.

Commissioner Covington put forth a motion to move Item 4(c) and 4(d)

Commissioner Ubalde asked how many parking spaces are available for both Lennar staff and people attending community events that will be held.

Mr. Kaslofsky stated on site there are 5 parking spaces for staff, one reserved for ADA, and 34 parking spaces on the street within walking distance. There are close to 80 parking spaces around the Innes Court Driveway.

Commissioner Ubalde asked what the operating hours were.

Mr. Kaslofsky stated the center would be open normal business hours, five days a week, with events ending at 8pm, and CAC meetings starting at 6 pm and ending between 8-9pm.

Commissioner Ubalde seconded Ms. Covington's motion.

Commissioner Anaya asked if the CAC was given an opportunity to make recommendations regarding the project.

Mr. Kaslofsky stated the CAC did not have too many recommendations and had no reservations about moving the project forward; they were very supportive.

President Swig asked for clarification of when construction would start.

Mr. Kaslofsky stated construction will have to begin within 18 months, potentially 28 months. Construction of the facility is being tied to the construction of Blocks 50 & 51, and is dependent upon the financing of the two blocks when construction will start.

President Swig indicated by his estimation on the facts given, that would mean construction would begin July-August 2013. Mr. Swig expressed that he and his fellow Commissioners are very anxious to move construction forward in Bayview Hunters Point and will be relentless about pushing to get construction started.

Director Blackwell stated the construction of the center will coincide with the construction of Blocks 50 and 51. The next action relative to Blocks 50 & 51, which will give a clearer sense of when construction will begin, are the vertical disposition and development agreements for those blocks which the Agency's attorney and Lennar's attorney are currently reviewing the documents. That will be signal to the Commission and the public when the vertical construction will be taking place. Mr. Blackwell indicated that one aspect is to have the disposition and development agreements ready, but most importantly, have Lennar's financing in place to go forward with the construction. The financial market is not what it was a few years ago and there is a fair amount of uncertainty with regard to timing and terms of financing for the first two blocks, which is the reason why the Commission is getting an open ended answer to their question of when construction will start on the center.

President Swig stated that he and his fellow Commissioners would like to see the project move forward and will do nothing to stand in the way of getting the project up, running and active, and out of the ground.

**ADOPTION:** IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER UBALDE, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 45-2011, CONDITIONALLY APPROVING A COMBINED BASIC CONCEPTUAL AND SCHEMATIC DESIGN FOR A ONE-STORY MODULAR REAL ESTATE SALES AND MARKETING OFFICE TO BE BUILT AND OPERATED BY HPS DEVELOPMENT CO. LP, A DELAWARE LIMITED PARTNERSHIP, ON AGENCY-OWNED LAND AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

**ADOPTION:** IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER UBALDE, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 46-2011, AUTHORIZING A SECOND AMENDMENT TO THE INTERIM LEASE WITH HPS DEVELOPMENT CO. LP, A DELAWARE LIMITED PARTNERSHIP, TO BUILD AND OPERATE A REAL ESTATE SALES AND MARKETING OFFICE ON AGENCY-OWNED LAND (BLOCK 56) UNDER TERMS THAT INCLUDE AN INITIAL FIVE-YEAR TERM WITH FIVE ONE-YEAR OPTIONS AND AN ANNUAL RENT PAYMENT OF \$12,000 AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, BE ADOPTED.

5. **MATTERS NOT APPEARING ON AGENDA:** None
6. **PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA, BUT AGENCY RELATED MATTERS:** Ace Washington
7. **REPORT OF THE PRESIDENT:**

- President Swig advised the listening public audience that their opportunity to take control of the future is in their hands by sending emails, writing notes, telephone, and contacting their assemblymen, State Senators, or Governor's office to show their discomfort with the concept of banning redevelopment agencies in California, especially the San Francisco Redevelopment Agency. Mr. Swig asked the public to continue lobbying Sacramento to express and show their support of continuation of the San Francisco Redevelopment Agency.
- President Swig reminded the public that the Commissioners Retreat is scheduled April 26<sup>th</sup>, from 9am – 3pm at the South Beach Harbor; the public is invited to attend.

8. **REPORT OF THE EXECUTIVE DIRECTOR:**

(a) *Update on Governor's proposal to dissolve Redevelopment Agencies*

- Director Blackwell reported that the California Redevelopment Association conference was held in San Jose for three days filled with informative workshops on workforce development, affordable housing, to implementation of public/private partnerships, and strategies for infill development. Staff from the Redevelopment Agency was well represented as presenters on a number of panels.



- Director Blackwell indicated that there was nothing new to report in terms of Sacramento. There has not been any action taken in either house of the legislator due to 2/3 votes required to eliminate redevelopment agencies and redirect the property tax dollars; those votes are not there. There is speculation that the Governor may redraft the bills in a way that would allow for a majority vote to eliminate Redevelopment but the financial benefits to the State of such a maneuver would be diminished. Mr. Blackwell indicated that everything he is hearing at this point suggests, given the stall in budget talks in Sacramento, there probably will not be any action until June.

**9. COMMISSIONERS' QUESTIONS AND MATTERS:**

- 10. CLOSED SESSION:** (a) Pursuant to Government Code § 54957.6 to confer with Agency designated representatives regarding negotiations with 1) the International Federation of Professional and Technical Engineers (IFPTE) Local 21 representing the Engineers and Architects bargaining unit, the Management/Supervisory bargaining unit, and the Professional/ Technical bargaining unit; and 2) the Service Employees International Union (SEIU) Local 1021 representing a miscellaneous employees bargaining unit. Agency negotiators: Fred Blackwell, Amy Lee, Diane Iwata, and James Morales; (b) Pursuant to Government Code §54957.6 to confer with Agency's designated representatives regarding negotiations with unrepresented employees: Deputy Executive Directors, Agency General Counsel; Human Resources Manager, Commission Secretary, Executive Assistant to Executive Director. Agency negotiator: Fred Blackwell.

**11. ADJOURNMENT:**

It was moved by Commissioner King, seconded by Commissioner Singh, and unanimously carried that the meeting be adjourned at 5:30 p.m.

Respectfully submitted,

Gina E. Solis  
Agency Secretary

**ADOPTED:**