

**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
15th DAY MARCH 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 15th day of March 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
Miguel M. Bustos
Francee Covington arrived at 4:30
Leroy King

And the following were absent:

Agnes Briones Ubalde

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.

4. MATTERS OF UNFINISHED BUSINESS. None.

3. MATTERS OF NEW BUSINESS:

REGULAR AGENDA

CONTINUED FROM THE MARCH 5TH COMMISSION MEETING:

- (a) Workshop/Update on the Implementation Phase of the Letter Agreement with the Office of Economic & Workforce Development to administer marketing and economic development programs on the Fillmore commercial corridor (between Post and McAllister Streets) for a period of two – three years, for an amount not to exceed \$800,000.

President Swig indicated that Item (a) was a continuance from the March 5th meeting requested by Commissioner Covington who was running late for the meeting due to the rain. President Swig asked to keep Item A on the agenda and since staff was present for Items (c) & (d) he requested to Item (a) directly thereafter or whenever Commissioner Covington arrived.

Commissioner Singh approved the motion, seconded by Commissioner Bustos, and unanimously carried.

- (c) Authorizing a Grant Agreement with the City and County of San Francisco, acting by and through the Municipal Transportation Agency, in an amount not to exceed \$785,000 to provide supplemental funding for the renovation of the Bayview Opera House Plaza and making findings required by Health and Safety Code Section 33445; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 24-2011)
- (d) Authorizing a Grant Agreement with the City and County of San Francisco, acting by and through its Arts Commission, in an amount not to exceed \$400,000 to provide supplemental funding for the interior renovation of the Bayview Opera House and making findings required by Health and Safety Code Section 33445; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 25-2011)

Presenter: Ricky Tijani, Agency Staff

Speakers: Judy Nemzoff, Dorris Vincent, Ace Washington, Angelo King

Commissioner Bustos commented how excited he was that this was happening and hoped that the Bayview Opera House gets approved. Mr. Bustos put forth a motion to move items 4(c) and 4(d).

Commissioner Covington seconded Mr. Bustos' motion. She indicated how important it was to retain historical and cultural heritage in the city of San Francisco and reminded all opera lovers that that was where Enrico Caruso sang

when he came to the city. Commissioner Covington mentioned that upgrades to the Opera House should continue so that it can remain with the city of San Francisco.

ADOPTION: IT WAS MOVED BY COMMISSIONER BUSTOS, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 24-2011, AUTHORIZING A GRANT AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH THE MUNICIPAL TRANSPORTATION AGENCY, IN AN AMOUNT NOT TO EXCEED \$785,000 TO PROVIDE SUPPLEMENTAL FUNDING FOR THE RENOVATION OF THE BAYVIEW OPERA HOUSE PLAZA AND MAKING FINDINGS REQUIRED BY HEALTH AND SAFETY CODE SECTION 33445; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, AND RESOLUTION NO. 25-2011, AUTHORIZING A GRANT AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS ARTS COMMISSION, IN AN AMOUNT NOT TO EXCEED \$400,000 TO PROVIDE SUPPLEMENTAL FUNDING FOR THE INTERIOR RENOVATION OF THE BAYVIEW OPERA HOUSE AND MAKING FINDINGS REQUIRED BY HEALTH AND SAFETY CODE SECTION 33445; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (a) Workshop/Update on the Implementation Phase of the Letter Agreement with the Office of Economic & Workforce Development to administer marketing and economic development programs on the Fillmore commercial corridor (between Post and McAllister Streets) for a period of two – three years, for an amount not to exceed \$800,000.

Presenter: Amy Cohen, OEWD Staff

Speakers: Erris Edgerly, Charles Melancon, Sr., Majeid Crawford, Todd Claytor, Adrian Williams, Melanie Green & Meaghan Mitchell, Roy Bennett, Ace Washington, Monetta White, Charles Spencer, Daniel Landry, Jenny McNulty

Commissioner Covington stated how much this project means to her and indicated that she has received many calls about the events in the Western Addition. She stated that people are now calling saying that things are not moving quickly enough, and expressed concern about a number of things, specifically the breakdown and disbursement of the \$187,000 in planning and administrative fees. Ms. Covington reminded them that she had requested for this meeting that there be some kind of schedule attached for disbursement of the remaining funds, which was not included. She stated that everyone needs to know how much money is left, who is going to get it, and when. Ms. Covington

asked if there was someone either from the Agency or from the Mayor's office who could provide that information to them.

Mr. Maduli-Williams stated that in 2009 the notion of funding future marketing activities and business development activities in the Fillmore was created. After the agency approved those initial \$800,000 dollars, there was significant input given to the process by Supervisor Mirkarimi, who requested that there be a community planning process, which included community outreach among other things because Supervisor Mirkarimi had his own ideas about what the needs were in the Fillmore. Mr. Maduli-Williams explained that the budget reflected the attempt by the Office of Economic and Workforce Development (OEWD) to respond to what the supervisor wanted. Regarding staffing costs, many of the administrative costs were initially hidden because there was agency staff performing the work. Now without the Agency, there is no one to actually implement the plan and that is part of the reason they considered OEWD. OEWD had a track record in the neighborhood marketplace initiative and also had the staff execute the plan. Also, OEWD had the ability to leverage the \$800,000 and turn it into something more in terms of grants and support. He stated that at that time he did not know how to implement the \$800,000 or carry out marketing efforts since the Community Benefits Districts (CBD) was not yet functioning. Administrative costs represent the cost of doing business without the Agency and trying to craft the initiative as best they could given the constraints they were under and the resources that were available. In terms of the timeline, he stated that he was not aware that Commissioner Covington had requested it and apologized for not having it. He stated that he will work with Andrea Baker and Amy Cohen and provide the Commission with the.

Ms. Cohen mentioned that the time billed as administrative cost is Ms. Baker working part-time for them and that none of the other staff in her office charge for their time. Ms. Baker is still on staff with the Agency and they reimburse the Agency for her time. She also mentioned that they intend to work as much as possible with community-based partners and is hoping that as the CBD becomes stronger they will be able to do more work with them as well as Urban Solutions and others, and specifically stated that it is not their goal to do all the work themselves. Ms. Cohen stated that the amount they are paying in staffing is small in comparison to what they get; they were asked by the Agency to create a budget for a three-year program so they have stretched it out over three years, although they are frontloading as much of the program development and delivery as possible.

Commissioner Covington agreed that there will always be administrative costs but that the percentage is worrisome because moving forward over 3 years there

will be additional administrative costs. She stated that she did not believe that the \$187,000 represented just Ms. Baker's salary.

Ms. Cohen stated that the \$187,000 figure was actually wrong. It was changed to \$215,000 (as indicated in the attachment and in the PPT), of which \$50,000 represented a five-month planning process which involved a number of community meetings, merchant surveys and surveys of community leaders, property owners, expert walks, and two community forums. A team was assembled that included Local Initiative Support Corp., AECOM, the Gellert Family Foundation of the USF Business School, Monica Hudson, Brothers for Change, and assistance from Ace Washington, including the conference center and food. She stated that they have an expenditures list from January through December that they had not made public. Ms. Cohen indicated that she could provide an accounting of how the first \$150,000 was spent which included \$50,000 on the planning, and the rest on the mini-grants, promotions, and staff time. The total administrative costs of \$215,000 is broken down as follows: \$50,000 for the planning, \$8,000 for community engagement and outreach subsequent to the planning process, and \$157,000 for staffing costs including Ms. Baker's time between Feb. 2010 and Dec. 2012.

Commissioner Covington reconfirmed that the \$215,000 included projected costs as well. She asked about the level of grant funding that has come in.

Ms. Cohen stated that the African-American Arts & Culture Complex (AAACC) has been asked to apply for a \$25,000 grant for the Fillmore Art Walks from Grants for the Arts. Ms. Cohen stated that they had asked Grants for the Arts to target the Fillmore in a program and suggested that the AAACC would be a good recipient. That grant has not been formally awarded yet. The Community Challenge Grant program has a \$30,000 grant left over from a prior cycle and not spent by the CBD. The CBD and the Community Challenge Grant administrator agreed that they could use it to devote to Streetscape activation project, specifically for the public art project.

Commissioner Covington asked if this was money that had come in before they started which would make it already-existing monies.

Ms. Cohen said yes but clarified that it was money that was going to go back into the citywide pool if not used. She stated that they had encouraged La Cocina to apply for a \$20,000 food grant from the Community Development Block Grant (CDBG) to buy a food cart that would be deployed in the Fillmore as part of the food vendor program and she was hopeful about being able to fund that. In addition, Ms. Cohen indicated that they had been invited to apply for a community challenge grant, which could potentially be as much as

\$35,000, to supplement the existing one, but that is not due until April. Ms. Cohen stated that they have also funded and continue to fund Urban Solutions, which consists of a small CDBG grant for their ongoing business development activities citywide including the Fillmore.

Commissioner Covington was very reassured to hear that Ms. Cohen's office is so active in trying to find additional monies which will help to offset the loss of some of the money. She asked if Urban Solutions was the original fiscal sponsor.

Ms. Baker indicated that Urban Solutions has not been a fiscal agent for any of these funds.

Commissioner Covington asked who sends the check to the recipient of a mini-grant once they hand in their application.

Ms. Cohen stated that the fiscal sponsor for the event mini-grants program in the last round has been the AAACC. The OEWD made a grant to AAACC, held a selection process and then told the AAACC to sub-grant to the nine recipients. The AAACC conducted the fiscal oversight and the grants management with assistance from the OEWD. The check comes from the AAACC.

Commissioner Covington then asked what the timeframe is between getting approval for the money and receiving the money. She expressed concern about the time it takes to actually get the monies in hand. She reminded them that the reason people apply for grants are because they need the money quickly.

Ms. Cohen stated that the process had taken longer this time because the AAACC was new and the project was new but the hardest part of using money from the OEWD is that they provide grants to recipients on a reimbursement-only basis. Ms. Cohen stated that she thought that the turnaround time had improved.

Commissioner Covington stated that after the planning process, things needed to move more quickly and that she is still feeling a sense of urgency even after Ms. Cohen's explanation. She stated that three years was the most expanded period of time during which this was supposed to happen. Ms. Covington indicated that she does not want them to be working up against the deadline and told Ms. Cohen that they need to step up the pace a bit to get it done. Commissioner Covington indicated that she will hold off on her other comments to allow the other commissioners to weigh in.

Commissioner Bustos asked about the mobile food part of the proposal. He indicated that now there is a Food festival in the Mission, in which the majority of the vendors are not businesses from the Mission and that 90-95% of the restaurants that are highlighted are from outside the Mission. He stated he had a huge concern over the Agency becoming involved with something located in the Fillmore that does not promote local businesses. He wanted to make sure that the community is benefiting from this program rather than fancy restaurants from all over the City.

Ms. Cohen indicated that the program is a training program which is targeted solely to people from the Fillmore. Those trained in the program will have an opportunity to rent the food cart and others will have an opportunity to apply for loans. She indicated that they do not intend to do what La Cocina has done in the Mission although one of the sub-goals is that if they had mobile vendors they could have an activation of the public spaces in the Fillmore. They are not paying La Cocina nor developing a program just to bring people in to the area, it's about training local entrepreneurs and giving them a pathway to learn how to do this, see if they like it, and provide some funding to see if they can be successful. Some people might end up with a cart, some in a truck, and some at their house renting a commercial kitchen somewhere.

Commissioner Bustos indicated that he wanted to make sure that the community has embraced the project so they can truly benefit from it. He stated that sometimes organizations come into a neighborhood and try to impose their way of doing things on a neighborhood and as a result, it's not the neighborhood that actually benefits from those services. He asked them to be very careful and keep that in mind as they move forward with it. He asked that the community be involved with that process.

Commissioner Singh asked if the Western Addition was still a project area.

Ms. Baker responded that it was no longer a redevelopment project area and the \$800,000 which the Commission authorized to OEWD is for work on the Fillmore commercial corridor between Post and McAllister. Those funds are directed primarily to businesses and activities that take place on the Fillmore corridor itself which is a part of the Western Addition, formerly a redevelopment project area.

Commissioner King stated that the Western Addition is his community and that he has been living there since 1941 and again in 1963. He stated that Urban Solutions has no solution because they are not involved in that community. He indicated that the Agency is spending a lot of money and not getting anything done. Mr. King indicated that he has not seen any real change out there in the

last 20 years and that it is a real disgrace the way they have been throwing money away like this at the Fillmore. Mr. King stated this was not the fault of the OEWD but the fault of the Agency from the director all the way down to the commissioners. He indicated they have not gotten down to the real nitty-gritty of getting anything done. He said they will be out of business if they don't come up with some new ideas.

Commissioner Anaya asked if the community had made any comments about the lack of involvement of the CBD in the planning process for the budget. She indicated that in the budget, for example, administrative and planning fees usually run about 18% when you apply for funds; however the lack of involvement from the community in the budget process has created a lot of mistrust and concern by the community about the entire process. She wanted assurances that the community will be involved in the budget process in the future.

Ms. Cohen responded that the planning process produced a set of actions that were prioritized and they published a report outlining those activities. The activities were labeled as to whether they should be funded or not and whether those activities should be staffed by the OEWD or not. This process transitioned into the development of a budget. She indicated she thought they could have done a better job at bringing other people along with them throughout the process. Ms. Cohen stated that they will be meeting with the community on a quarterly basis to keep them apprised of everything and have been sending out a bimonthly newsletter.

Commissioner Covington asked if their quarterly meetings had been at the same time of the month and indicated that there needed to be some kind of standardization of the meeting time so that people can plan ahead and attend those meetings. She asked them to make that happen.

Ms. Cohen stated that they had been conducting the meetings with Supervisor Mirkarimi's office and faced challenges finding evenings that worked for everyone including the supervisor and that was why it had been a little erratic but indicated they are committed to holding them every quarter; the next meeting is schedule on Monday, March 21, at 6pm at West Bay.

Commissioner Covington wanted to know if the meetings had been attended by Supervisor Mirkarimi himself or by a staff member. (She again asked for a timeline from Mr. Maduli-Williams that shows an accelerated pace for getting the work done so that the maximum amount of monies that are left now can be spent on whatever it is they are trying to do.

Mr. Maduli-Williams stated that the \$800,000 was transferred with the notion that the activity would take place over three years and the assumption was that it would take three years to generate the kind of foot traffic that the Fillmore needed to be more vibrant. The rationale was that it was not going to happen within a year and probably not in two years but hopefully would start to see some improvements by year three.

Commissioner Covington stated that in any granting cycle there is a period of time at the end of the grant period left for assessment, for reviewing the books, etc., so the process is really more like 2½ years, and suggested they just get in there and do it. She also indicated that the quarterly meetings be better advertised and be on a consistent day so that people who have small businesses can plan to attend. Ms. Covington wanted an update on the idea of having foods kiosks at Gene Suttle Plaza and asked if that idea had been discarded in favor of the food trucks.

Ms. Baker responded that the idea of the kiosks had not been discarded but rather have been folded into what they are doing now. She indicated that it is the hope of this action plan that they will be able to use the Gene Suttle Plaza not just to house food vendors but also to house artisans and crafts folks.

Commissioner Covington stated that a follow-up conversation with members of the community is essential so that they can understand what was proposed in terms of the kiosks; would they prefer a number of kiosks or the food truck. The kiosk permits whoever owns the kiosk to be more independent, to set their hours for the Plaza along with the other kiosk-owners as opposed to eight people getting in line for one truck for people who want to start businesses. She thanked everyone for their involvement and hard work.

Commissioner Bustos indicated that he was still concerned about the three-year timeframe because three years is a long time for a small business to be waiting for something to happen. He stated that if it's about getting foot traffic, there are a lot of ways of working with the Conventions and Visitors Bureau and neighborhood associations to be able to conduct outreach. He repeated that three years is a very long time especially since most of that time was spent on planning.

Ms. Cohen responded by saying that in the last eight months much has happened. It is not that they have been delaying the work but it takes time to develop strategic programs that are inclusive. She stated that at the beginning she thought the Agency wanted a program that would be drawn out for three years and that they had someone on the ground working with the businesses rolling out these programs. She indicated that she was hearing for the first time

tonight that that was not the case and what they are really saying is to get the money out as soon as possible. She said they can do that. She also stated that there are many things going on that were not included in the presentation. One of the benefits of having staff like Ms. Baker is that they can remain opportunistic and carry out a lot of work to promote the neighborhood. She indicated that they are already working with the Convention and Visitors Bureau who will be bringing people through the Fillmore and the OEWD is helping develop their program for the POW-WOW Conference of tour operators. Another example was that they had worked on Sunday Streets, a minor budget outlay, but which had allowed business owners to take advantage of that opportunity.

Commissioner King asked who owns all the property from McAllister to Sutter Streets.

Ms. Baker responded that some of the largest property owners in that district are the Fillmore Center which is owned by Prudential, the Szeto's own two large properties that circle the Gene Suttle Plaza, and Goodwill.

Commissioner King indicated there are two or three vacancies between O'Farrell and Fillmore.

Ms. Baker responded that yes, there are many vacancies, more than they would like, and stated that they are working very hard with the Fillmore Center and their real estate brokers, who she calls monthly for an update about leasing the space.

Commissioner King stated that he had voted for the Fillmore Center which was the biggest mistake he ever made which created that big monster sitting there and nothing has changed with its financial backing in Chicago, but nothing local. He indicated that it's a problem.

President Swig thanked everyone for their hard work on the project and reminded them that they will never get consensus and will never get the thanks that they deserve. He stated that he hoped they get some satisfaction and sense of recognition for all their hard work. He reminded them about a grant program for several hundred thousand dollars that had been carried out several years ago and wanted to know if there was a link between that grant program and the people who were awarded those grants as well as their activities in this current program.

Ms. Baker responded that there have not been any direct linkages between the grant program which they set up under the Fillmore Economic Action Plan. That grant program has been directed primarily towards events and promotions.

President Swig stated that they had given away \$360,000 in grants to entrepreneurs who at the time all lived in the Fillmore and were trying to initiate new business activities or continue their existing business activities. Mr. Swig indicated that he would like to see some evidence in the future that these entrepreneurs who were given those monies are wrapped into the current Fillmore program. Secondly, he asked the Executive Director for a “whatever happened to” informational memo to be directed back to the Commission regarding the status of the people that were given significant amounts of money to stimulate their businesses. He indicated that it is important in order for the community to be able to include those people into their program that they find out the end story regarding the \$360,000 grant.

Ms. Cohen responded that they are working with many of the recipients of that grant money on their projects and they did receive a debriefing and used that to inform their planning process.

President Swig was not aware that they had received any information on that program and requested again an informational memo about the recipients of that money—specifically how they used the money, did they use the money for the things that they granted them for and how the recipients are being wrapped into the current project. He stated there is no resolution on this, just a continuing good-luck and success with it.

- (b) Update and presentation on the Agency's Job Readiness Initiative's (JRI) first year progress report.

Presenter: Christina Garcia, Agency Staff

Speakers: Shamann Walton, Dion Jay Brookter, Melody Daniel, Sean Joyce, Samanta Sassi, Stevie Norris, Tary Moeon, Laurie Bernstein, Avery Cooper, Frances Vaifanua

Commissioner Covington stated how happy she was that things were moving along so well with this program and how proud she was of the Agency to be involved with this program. Commissioner Covington asked Ms. Garcia what the number 17 represented as shown in the pie chart.

Ms. Garcia responded that the numbers on the pie charts are actual numbers of job-seekers that have each of these barriers. On the left is the number of

identified barriers and on the right are the numbers of barriers removed. What she was referencing was the top four barriers that had been identified on the left chart and the number was 17%. The overall number of barriers removed was low related to a high-school diploma or GED, criminal history, etc. while those people are engaged in activities to remove those barriers because they are learning that this process takes longer than originally thought.

Commissioner Covington asked how the transportation voucher program works.

Ms. Garcia responded that most of the transportation barriers have been removed by providing fast passes, muni passes, BART tickets, other transportation, actual resources to pay for transportation or at other times simply helping people work out actual transportation routes. She explained that it is not always about providing dollar resources or funds. In addition, she explained that the Barrier Mitigation Fund allows for transportation resources to be expended to help someone get to and from a job.

Commissioner Covington asked about how childcare was being handled.

Ms. Garcia stated that the childcare barriers have been removed in two or three ways. One is by helping people work through what their childcare options are, both permanent and temporary. Another example would be to help the job-seeker work with a non-custodial parent to modify or address child-support payments.

Commissioner Covington asked how people are finding out that these resources are available through their local Community-based Organizations (CBO's).

Ms. Garcia responded that each CBO has their own outreach strategies and the JRI provides resources to the CBOs so they can have robust outreach activities. Goodwill and Conservation Corp. have both been part of the early stages of the outreach plan and engagement at Hunters View to offer their services; both work with non-profits on the ground and in the neighborhoods. Goodwill partners with neighborhood-based CBOs to create that link to their services since their clients need to come down to their office on Mission.

Commissioner Covington asked about monies for union dues.

Ms. Garcia responded that the Barrier Mitigation policy was developed with the CBOs so when JRI first started they knew they wanted to have a Barrier Mitigation Fund and people submitted within their JRI proposal a dollar amount in order to be able to draw on the fund. Once the CBOs were selected, JRI

worked with them to create the guidelines for using those funds because it was recognized that those are very precious resources and JRI was working with many people that needed some help; however, it is regarded as a last resort. JRI wants to make sure that the CBOs and the job-seekers are doing everything else they can before they come to the fund. Allowances have been made for those people demonstrating compelling cases to allow those funds to be used.

Commissioner Covington requested that this be put on the agenda for the upcoming meeting on Friday because this was an important issue. She stated that they are asking people to go out and pound the pavement to try to get a job and then if one of the barriers is that they have to pay their union dues within a certain amount of time, they need to have the flexibility to be able to do that.

Ms. Garcia added that many people that have the opportunity to go into construction work are often working with CityBuild or SOMAC as a referral partner. JRI has been in contact with CityBuild because often it is challenging for the CBO or the job-seeker to actually say they have the job under the condition that they can pay their union dues. JRI will allow the referring entity to provide information about jobs that are available and if there is someone on the list to be referred, then JRI can provide those funds. In addition, if it is someone who is already working and they still need to pay their union dues, JRI works with the CBO on financial management and planning so that everyone is mutually responsible for their activities. JRI is willing to pay a portion of or all of the union dues but they need to make sure that if someone is already working, that they are also contributing those resources. She explained that the Barrier Mitigation Fund resources are primarily targeted to the unemployed.

Commissioner Covington stated that on Friday they might also want to consider a revolving loan fund for this purpose because people who are offered a job will not have the resources immediately to outlay for union dues, but as they continue to work, a portion of their money can come back to the lending agency. Ms. Covington also indicated that she had a concern about gender parity; particularly that many men are receiving the JRI assistance but a lot of families are headed by women and the numbers of women involved is not increasing. Commissioner Covington commended everyone on very good work and she also thanked Mr. Maduli-Williams for his work as well.

Ms. Daniel from Hunters Point Family stated that she was not sure why there are more men than women in the program. She stated that during outreach they are careful to target men as well as females. Hunters Point Family has four youth programs, one of which is female-specific. What they are finding in the program is that females are the real go-getters and expressed that she was glad

to be able to extend services to men. She indicated that men are harder to reach and bring into the program to help them remove the barriers or assist them because in their area the men are more hard-core and it is more difficult for them to get their lives together. The females are mostly employed and are pursuing educational careers but she wanted the Agency to know that they are not targeting men over women. She also stated that they have connected many women to subsidized childcare providers to handle the childcare issue. She stated that personally she is very happy to be able to help the men change their lives out on the streets.

Commissioner Bustos referred to Congresswoman Barbara Lee in the East Bay who had developed “Remedies Clinics” in trying to eliminate some of the barriers, one of biggest being criminal history. He suggested that some of the CBOs get together with Congresswoman Barbara Lee to work through this program. He indicated that at one meeting he attended the DMV, the courts, and other CBOs showed up and were able to expunge some of the criminal records of these people and stated that within minutes that one action completely changed their lives. He also talked about “Banning the box”, another program that Congresswoman Lee and Mayor Ron Dellums worked hard on in regards to city jobs in Oakland. Mr. Bustos suggested that perhaps the Agency try to do some of these things on this side of the Bay.

Commissioner Anaya stated that many of the barriers listed and identified have been known for years by the CBOs but the CBOs have not been consulted about this issue and if they had been, we would have been aware of these issues years before now. She stated missing from the list of community barriers are computer skills and the ability to speak English. She stated she would like to follow up to review the funds that are being awarded to the CBOs to remove the barriers, such as union dues or drivers licenses, and then make recommendations that would help the community most.

Ms. Garcia responded saying the JRI could put a table together of the CBOs who have utilized the Barrier Mitigation Funds showing what it has been for, and what the acceptance and denial of those requests have been for her review.

Commissioner Singh stated that he was not familiar with how the JRI can fix the barrier regarding criminal history.

Ms. Garcia responded that that would be best answered by each of the CBOs that they fund but did indicate that they use a variety of strategies. There is a range of severity with the barriers. She gave as an example obtaining a driver’s license and stated that a job-seeker may have never taken the test and for that

reason has never had a license. In that case the JRI would assist that job-seeker in going to the DMV and taking the test, getting the training that they need to be able to drive in order to get the license. She stated that sometimes a driver has a number of fines or other legal issues that have put a hold or a suspension on their driver's license. JRI is working with Project20 so those people can do community service in lieu of paying fines in order to remedy some of these issues and each CBO works with different resources out in the community to help people address those barriers. JRI has helped people with mental health or substance abuse barriers to get into inpatient and outpatient treatment programs as well as ongoing counseling to address those issues. She stated that the 18-month report will go into great detail about how all of the barriers are being removed.

Commissioner Singh asked again specifically about how they can remove criminal history for someone who has served time in prison.

Ms. Garcia responded that criminal history is one of the most significant challenges to deal with. They conduct a great deal of job-counseling to those job-seekers in terms of what kinds of employment options they have. If someone is on probation, she stated that there is not much they can do about that. JRI does work with the CBOs to try to expunge a job-seeker's criminal history if that is an option or work with parole or probation. Ms. Garcia stated that they provide funding of \$4,000 per job-seeker which provides the CBOs a robust amount of staffing to help people via intense case management and job skills training.

Commissioner Singh stated that he works with the Board of Corrections which has a re-entry program and they are looking for these kinds of barrier-removal programs to work with and stated he would like to talk with Ms. Garcia about this at another time.

Commissioner Anaya asked how many clients were placed in jobs.

Ms. Garcia responded that the grand total of 309 job-seekers have obtained employment.

Commissioner Anaya asked what percentage of those people stayed on the job and for how long.

Ms. Garcia responded that she did not have retention information with her but believed she would be able to generate that from their database. She explained

that retention services were not something that was originally included but she understands the importance of having that information.

Commissioner Anaya asked how long the vocational training programs are that JRI offers.

Ms. Garcia responded that the intent of JRI is to connect people to the vocational training programs that are funded through the OEWD. There is a range in time from a couple of months to several months in the training time. She indicated they are still working on a system to track people from the time they leave JRI and their training through job placement and retention. She stated that the training portion of the program is just the first step in a long process.

Commissioner Anaya stated it would be very helpful to know what kinds of training programs are being offered and how long they are.

President Swig indicated that he is also interested in looking into the payment of union dues and suggested following up on Commissioner Covington's idea of instituting a revolving loan and said this should not be a free ride. President Swig stated that he understood the importance of helping people pay their union dues to get the job, but once they are working and if it is a successful placement, they should be able to pay back the loan. President Swig suggested they cover that issue during their meeting on Friday. President Swig went on to thank all involved for their hard work, the presentation and wished them continued success.

- (e) Authorizing the Bayview Hunters Point Revolving Loan Program and the allocation of funding in the amount of \$1,000,000 to provide loans to business and property owners on Third Street; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 26-2011)

Ricky Tijani, Agency Staff

Speaker: Dorris Vincent did not speak but submitted a speaker card in support of the item.

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

Commissioner Anaya seconded Mr. Singh's motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER ANAYA, AND UNANIMOUSLY CARRIED, WITH COMMISSIONER COVINGTON ABSTAINING, THAT RESOLUTION NO. 26-2011, AUTHORIZING THE BAYVIEW HUNTERS POINT REVOLVING LOAN PROGRAM AND THE ALLOCATION OF FUNDING IN THE AMOUNT OF \$1,000,000 TO PROVIDE LOANS TO BUSINESS AND PROPERTY OWNERS ON THIRD STREET; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (f) Authorizing a Loan Agreement with the San Francisco Housing Development Corporation, a non-profit public benefit corporation, in an amount not to exceed \$250,000 for tenant and façade improvements for a full-service restaurant in the ground-floor commercial space at 4800 Third Street, and adopting environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 27-2011)

Presenter: Licia McMorrow, Agency Staff

Speakers: Eskeender Aseged, Owner & Chef of Radio African Kitchen, Cynthia Fields, James Moore, LaShawn Walker, Regina Davis

Commissioner Covington requested an update from Regina Davis on how the sales are going at 4800 Third Street.

Ms. Davis deferred Commissioner Covington's request to Michael.

Mr. Simmons, Project Manager for the 4800 Third Street Development, responded that they have 18 units total, have closed 6 units, with 4 units in contracts, and are continuing to conduct marketing and outreach.

Commissioner Covington indicated that will go a long way to attract more people to take advantage of this opportunity of reasonably priced condominiums in the City. Ms. Covington put forth a motion to move item 4(f).

Commissioner Bustos asked Radio African Kitchen, as an anchor institution and business, to talk to the neighbors and the community leaders and invite them to be a part of the neighborhood because there is not enough of that in the Mission and it has created a lot of tension between some of the long-term residents and those who have just moved in. He asked them to be the light and guide this process. Commissioner Bustos seconded the motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER BUSTOS, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 27-2011, AUTHORIZING A LOAN AGREEMENT WITH THE SAN FRANCISCO HOUSING DEVELOPMENT CORPORATION, A NON-PROFIT PUBLIC BENEFIT CORPORATION, IN AN AMOUNT NOT TO EXCEED \$250,000 FOR TENANT AND FAÇADE IMPROVEMENTS FOR A FULL-SERVICE RESTAURANT IN THE GROUND-FLOOR COMMERCIAL SPACE AT 4800 THIRD STREET, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (g) Authorizing a Fifth Amendment to the Amended and Restated Tax Increment Loan Agreement, and a Fourth Amendment to the Disposition and Development Agreement with Green Blended Communities, LLC, a California Limited Liability Corporation, to cancel the Commercial Promissory Note in the amount of \$150,000 with the San Francisco Housing Development Corporation, in conjunction with the development of 18 units of low- and moderate-income ownership units and ground floor commercial space at 4800 Third Street; Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program. (Resolution No. 28-2011)

Presenter: Pamela Sims, Agency Staff

Speakers: None

Commissioner Covington put forth a motion to move item 4(g).

President Swig stated that he has a problem with this item. He stated, being in business, he too has had deals that didn't work either; it's the cost of doing business. He stated that the promissory note be sustained and if they wanted to restructure the promissory note and make it subordinated to every other piece of debt that is placed on it so that a lender knows that there is no ongoing debt payment obligation, and that it is a back-end obligation on behalf of the owner when there is the opportunity either to pay due to a transaction, or due to a change in economic climate, he would agree to that. He stated forgiving promissory notes is bad policy especially if it doesn't save a project, he indicated this will not save this project; this project will continue. President Swig stated that he did not see a pressing dire need to forgive this promissory note and stated he could not support it and is a very bad precedent. He indicated that if they were at risk of losing this project and there were other dire

circumstances, he might have a different point of view but in this case, he stated he would vote against this item.

Commissioner Covington asked whether or not there was a sense of urgency about this matter.

Ms. Sims responded that the answer would depend on who you speak with. She indicated that it is important to remember that the San Francisco Development Corporation (SFHDC) is a non-profit entity and that after they entered into this agreement, the market totally changed. She also stated that it is important to remember that they did include their developer fee they would have received for the development of the units above, as well as the commercial space. To date the Agency has not seen anything for the development of the units or the commercial space. Ms. Sims stated that in hindsight it was probably not the best deal; however, having the note over encumbers the property.

Vice President Singh stated that he agreed with President Swig and that the note should not be forgiven.

President Swig again recommended that they structure a deal where the note is subordinated to a back-end where it does not present any barrier to a lender and where it doesn't cost the developer any ongoing fees or any further stress, but he did not think it would sustain so he would like to see it reworked.

Mr. Lee offered to try to explain their reasoning for recommending the cancellation of the note. He stated that it is based on whether they have over-encumbered the true value of the parcel and this is based on their prior experience in their affordable housing program. Many years ago the Agency was involved in a lawsuit where they had structured subordinate debt on units and had basically over-encumbered the property and they lost that lawsuit and thus, they were not allowed to over-encumber the property. They followed that same principle in this case where, if you put a \$150,000 note on that property valued at \$235,000, there is still some excess value but they were also trying to maintain the developer fee for SFHDC and not put too much debt on the property. The \$250,000 that was authorized for the Radio African Kitchen is not a loan to Radio African Kitchen, but it is a loan to SFHDC, which is also encumbering the property. Mr. Lee explained that they were concerned about putting too much debt on the property and affecting the cash flow from the property that would go to SFHDC which is basically their developer fee for working on the development of not only the commercial space but the 18 units above. He stated that should the commission decide or direct the staff to structure the note in a subordinate manner, they would consider that but would

have to consult with their legal staff about whether they are able to actually over-encumber the property.

President Swig stated that they are bouncing off the bottom hopefully and the point of view on many appraisals and valuations today is at an all-time low and believes that San Francisco is on a rebound for commercial office and retail space and employment is down to 9.5%, albeit not in Bayview Hunters Point or on Third Street, but there is positive growth in the city and he stated he would advocate some patience on this and revisiting this issue a year from now, he may have a different point of view if indeed if that valuation stays the same. But he said it was too early to pull the plug and did acknowledge Mr. Olsen's point but he still said no.

Commissioner Covington stated that there was a motion but no second so the motion dies for lack of a second.

MOTION: COMMISSIONER COVINGTON MADE A MOTION TO ADOPT ITEM 4(g), THERE WAS NO SECOND, THE MOTION DIES.

- (h) Authorizing a Third Amendment to the Tax Increment Loan Agreement, and a Second Amendment to the Disposition and Development Agreement, with Armstrong Townhomes, LLC, a California Limited Liability Corporation, to modify the schedule of performance, and to modify and increase the budget by \$9,630,088, for a total amount not to exceed \$34,117,133; in conjunction with the development of 124 low-and moderate-income ownership units; 5600 Third Street; Bayview Hunter's Point Redevelopment Project Area; Citywide Tax Increment Housing Program. (Resolution No. 29-2011)

Presenter: Pamela Sims, Agency Staff

Commissioner Bustos asked about the \$400,000 going towards marketing and outreach and wanted clarification that if there has already been a lot of outreach to the churches and other organizations, how do they know that another \$400,000 will be enough and what will be different.

Ms. Sims responded that there was a lull period where anything they would try would dead end but with the market changing and there has been an increase in traffic at the site on weekends, there is continued interest; the energy is back in the market.

Commissioner Bustos asked if the pricing of the homes would decrease with this lull in activity.

Pamela Sims responded that they did not anticipate reducing the price of the units.

Commissioner Singh asked the size of the units.

Pamela Sims did not know the answer but deferred to Bridge Housing staff for the answer.

Mr. Kevin Griffith responded that the size of the units are 2 or 3 story units ranging from 2-4 bedrooms, with square footages ranging from a little over 1100 sq. ft. to over 1800 sq. ft.

Commissioner Singh asked what the total square footage of all units was.

Mr. Griffith replied he would have to do the math to answer that question but repeated the range of the square footage of each unit.

Commissioner Singh clarified that he wanted to know the cost of construction per square foot.

Mr. Griffith stated that he did not have that information with him but could provide that information at a later time. The total construction cost for the 124 units was approximately \$40 million.

Commissioner Singh stated that if the price was less than \$300,000/unit, how much was the selling price?

Mr. Griffiths said that the average sales price was in the mid-\$200,000 range, but that these were below market units which are affordable to families and are sold at below market cost in order to provide low-housing opportunity.

Commissioner Singh stated that he thought they were pretty expensive. He asked how many of the units were four-bedrooms.

Mr. Griffiths responded that 25 of the units were four-bedrooms, 52 of the units had three bedrooms and the remainder was two bedrooms. He stated there were no one bedroom units.

Commissioner Singh again stated that he thought the units were very expensive.

Mr. Blackwell stated that he wanted to remind the commission that this is a project that they have already provided full construction financing for and have

already funded the project and completed it. They have already had to increase the ceiling on income levels so that it would be open to a larger pool of potential buyers for that area. He stated that this item was being brought to the Agency because they have not reached the midway point in terms of sales and as a result, the bank construction loan and the bank that provided the construction loan is ready to leave this project. If the Agency does not provide this bridge loan, the bank will take this project and it will become the property of the bank, not of the Agency, and this would be an outcome the Agency does not want. He stated they will get this money back through the sales of the units if they were to significantly decrease the sales price of these units.

President Swig stated that unlike the previous item, this would be considered a dire situation.

Commissioner Singh agreed and said he was satisfied.

Commissioner Covington stated that they have already put over \$24 million into this project and to have the bank walk away with their money did not sit right with her. Ms. Covington put forth a motion to move item 4(h).

Commissioner Bustos seconded the motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER BUSTOS, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 29-2011, AUTHORIZING A THIRD AMENDMENT TO THE TAX INCREMENT LOAN AGREEMENT, AND A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT, WITH ARMSTRONG TOWNHOMES, LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, TO MODIFY THE SCHEDULE OF PERFORMANCE, AND TO MODIFY AND INCREASE THE BUDGET BY \$9,630,088, FOR A TOTAL AMOUNT NOT TO EXCEED \$34,117,133; IN CONJUNCTION WITH THE DEVELOPMENT OF 124 LOW- AND MODERATE-INCOME OWNERSHIP UNITS; 5600 THIRD STREET; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM, BE ADOPTED.

- (i) Authorizing a three-year Garage Management Agreement with Pacific Park Management Inc., a California corporation, for a base fee of \$12,000 a year for the operation and management of the Agency-owned public parking garage, consistent with the Agency's May 18, 2004 Disposition and Development Agreement for the site, at the Fillmore Heritage Center at 1310 Fillmore Street. (Resolution No. 30-2011)

Presenter: Tracy Reynolds, Agency Staff

Speakers: Fred Naranjo, Behailu Mekbib, Sam Tadesse, Jed Silver, Wendy Proctor, Moneta White

Commissioner Bustos commended Agency staff for their work on this project as well as Pacific Park Management Inc. Mr. Bustos put forth a motion to move item 4(i).

Commissioner Covington seconded Mr. Bustos' motion.

President Swig stated he also supported this item and asked Mr. Blackwell to comment on the issue of survival of a garage, in particular the Common Area Maintenance (CAM) charges. President Swig stated that they have a lot invested in this building and he wanted to know what has been done to work with the owner and the management of this building to lower the CAM charges instead of simply just saying, "oh, it's a problem", and placing that burden on the Agency and the parking operators. He stated that he would like to have an audit of the CAM charges if possible or an explanation from the building owner because he said he had a feeling that it could be managed better.

Mr. Blackwell deferred to Tracy Reynolds but indicated that an audit had already been done.

Tracy Reynolds stated that an audit had not been done; however, last year Agency staff spent a considerable amount of time going through the HOA budget for the building. The Agency previously did not have a good working relationship with the property management firm that ran the building, Cityscape, and the HOA board but has since, with changes in management of Cityscape as well as the HOA board, the relationship has greatly improved with a better opportunity for Agency staff to comment on the budget and have more input into the budget. Originally she said she was also suspicious of the CAM charges, especially since she was not happy with Cityscape's operation of the building but they spent many hours going through each line item and she stated that the CAM charges and the entire budget are streamlined. She thought that the CAM charges might go down this year. Ms. Reynolds reiterated that this is a building that has a lot of expenses in terms of security and utilities because it is a mixed-use building that has a jazz club and two restaurants which has costs associated with it.

ADOPTION: IT WAS MOVED BY COMMISSIONER BUSTOS SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO 30-2011, AUTHORIZING A THREE-YEAR GARAGE MANAGEMENT AGREEMENT WITH PACIFIC PARK MANAGEMENT INC., A CALIFORNIA CORPORATION, FOR A BASE FEE OF \$12,000 A YEAR FOR THE OPERATION AND MANAGEMENT OF THE AGENCY-OWNED PUBLIC PARKING GARAGE, CONSISTENT WITH THE AGENCY'S MAY 18, 2004 DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE SITE, AT THE FILLMORE HERITAGE CENTER AT 1310 FILLMORE STREET, BE ADOPTED.

Agenda Items 4(j, k, & l) were presented together, but acted on separately

- (j) Authorizing the execution and delivery of a Multifamily Housing Revenue Note, in an aggregate principal amount not to exceed Forty One Million and no/100 dollars (\$41,000,000) to assist HV Partners 1, L.P., a California limited partnership, for the financing of the acquisition and construction of affordable residential rental facilities known as Hunters View Phase I at Middle Point and West Point Roads (Block 4624, Lots 3, 4 & 9 and Block 4720, Lot 27), authorizing and approving related actions and authorizing the execution and delivery of related documents and adopting environmental findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program (Resolution No. 31-2011)
- (k) Authorizing a Second Amendment to the Second Amended and Restated Loan Agreement with Hunters View Partners 1, L.P., a California limited partnership, to modify the terms and conditions of the Agency loan agreement, Hunters View Housing Development Phase Ia, Middle Point and West Point Roads (Block 4624, Lots 3, 4 & 9 and Block 4720, Lot 27); Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program. (Resolution No. 32-2011)
- (l) Authorizing an Agency Payment Obligation Agreement with HV Partners 1, L.P., a California limited partnership, and Citibank, NA, a National Banking Association, to guarantee an amount up to \$9,631,252 in construction loan payments to Citibank, NA, for the construction of 80 public housing replacement units and 27 low-income rental units known as Phase Ia of Hunters View; Middle Point and West Point Roads (Block 4624, Lots 3, 4 & 9 and Block 4720, Lot 27); Bayview Hunters Point Redevelopment Project Area; Citywide Tax Increment Housing Program. (Resolution No. 33-2011)

Presenter: Erin Carson, Agency Staff

Speaker: Dorris Vincent (speaking on behalf of Mr. Angelo King)

Commissioner Singh put forth a motion to move item 4(j, k, & l).

Commissioner Anaya seconded Mr. Singh's motions.

ADOPTION: IT WAS MOVED BY COMMISSIONER SINGH, SECONDED BY COMMISSIONER ANAYA AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 31-2011, AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED FORTY-ONE MILLION AND NO/100 DOLLARS (\$41,000,000) TO ASSIST HV PARTNERS 1, L.P. A CALIFORNIA LIMITED PARTNERSHIP, FOR THE FINANCING OF THE ACQUISITION AND CONSTRUCTION OF AFFORDABLE RESIDENTIAL RENTAL FACILITIES KNOWN AS HUNTERS VIEW PHASE I AT MIDDLE POINT AND WEST POINT ROADS (BLOCK 4624, LOTS 3, 4 & 9 AND BLOCK 4720, LOT 27), AUTHORIZING AND APPROVING RELATED ACTIONS AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENT QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM; RESOLUTION NO. 32-2011, AUTHORIZING A SECOND AMENDMENT TO THE SECOND AMENDED AND RESTATED LOAN AGREEMENT WITH HUNTERS VIEW PARTNERS 1, L.P., A CALIFORNIA LIMITED PARTNERSHIP, TO MODIFY THE TERMS AND CONDITIONS OF THE AGENCY LOAN AGREEMENT, HUNTERS VIEW HOUSING DEVELOPMENT PHASE IA, MIDDLE POINT AND WEST POINT ROADS (BLOCK 4624, LOTS 3, 4 & 9 AND BLOCK 4720, LOT 27); BAYVIEW HUNTERS POINTS REDEVELOPMENT PROJECT AREA; CITYWIDE TAX INCREMENT HOUSING PROGRAM; AND, RESOLUTION NO. 33-2011, AUTHORIZING AN AGENCY PAYMENT OBLIGATION AGREEMENT WITH HV PARTNERS 1, L.P. A CALIFORNIA LIMITED PARTNERSHIP, AND CITIBANK, NA, A NATIONAL BANKING ASSOCIATION, TO GUARANTEE AN AMOUNT UP TO \$9,631,252 IN CONSTRUCTION LOAN PAYMENTS TO CITIBANK, NA, FOR THE CONSTRUCTION OF 80 PUBLIC HOUSING REPLACEMENT UNITS AND 27 LOW-INCOME RENTAL UNITS KNOWN AS PHASE IA OF HUNTERS VIEW; MIDDLE POINT AND WEST POINT ROADS (BLOCK 4624, LOTS 3, 4 & 9 AND

BLOCK 4720, LOT 27); BAYVIEW HUNTERS POINTS 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:** None
7. **REPORT OF THE PRESIDENT:**
 - President Swig reported that they have a firm date on a retreat which is April 26th at the South Beach Harbor. Mr. Swig thanked the Executive Director for all of his hard work and dedication trying to find the proper solution during this very difficult time at the Agency. Not only is running the Agency probably one of the toughest jobs in the city but under the circumstances with all that is going on in Sacramento, Mr. Swig wanted to especially commend the Executive Director. He stated that he would like the public to know that Mr. Blackwell and his staff as well as the Mayor's office and other related agencies have worked hard to support the Governor in reaching his goals while still sustaining the Agency's role in sustaining growth in the community. Unfortunately there are some deaf ears in Sacramento, including those who represent our city as elected officials, who need to hear some sense and know that the Agency is a different entity than many of the agencies throughout the state and be more supportive of the initiatives that are being presented. He reasserted that the Executive Director has done an extraordinary job.
8. **REPORT OF THE EXECUTIVE DIRECTOR:**
 - Mr. Blackwell reported that the staff at the Agency has been working very hard and moving our agenda through the process through these trying times. Mr. Blackwell reported that since the last time they met there has not been a lot of action but there have been many meetings. He has been working very closely with Senator Leno's staff at the Department of Finance (DOF) and with the Governor's staff to make changes to the DOF's language to ensure that any existing obligations are able to be carried out in the event that the legislature ends up supporting the Governor's proposal. Mr. Blackwell indicated that at first scan it did not look like they had gotten many of the changes that they were advocating for incorporating into this bill. He had been told there could be trailer pieces of legislation to this language for further clarification of things already in there but as of today he could not report much progress. The legislature will need 2/3 support from both the Assembly and the Senate in order to move forward in support of the Governor's proposal and Mr. Blackwell indicated that he thought it would

come down to negotiations with the Republicans in both those houses. Retention of Redevelopment is one of the negotiating items and they have asked the Agency to come up with an alternative financial proposal for the Governor. The CRA offered up a two-tiered proposal in which one tier allows agencies to voluntarily commit up to 10% in a new pass-through to schools. That 10% or below would be a commitment of a new pass-through for 10 years which, for every percentage point that an agency offers up, they get one year of planning extension. If you offer up 10% for a pass-through, you get 10 years in terms of additional planning life. The second tier is a one-time voluntary redirection of the 20% funds that would be contributed to low- and moderate-income development, which would be redirected to the schools, in exchange for a two-year plan extension. CRA thinks that they will be able to generate up to \$2.7 billion over the ten-year period which is less than what the Governor thinks he can get through the abolishment of Redevelopment but because of its voluntary nature gets around the Prop 22 barriers. Also, because it does not require bonding it doesn't run up against the Prop 58 prohibition for the state to issue debt in order to balance its budget. CRA believes that it is a constitutionally-valid proposal. It is being offered up by the five Republicans that the Governor is courting as an alternative to his proposal.

9. COMMISSIONERS' QUESTIONS AND MATTERS: None.

10. CLOSED SESSION: None.

11. ADJOURNMENT:

The meeting was adjourned by Commissioner Singh and seconded by Commissioner King, and unanimously carried that the meeting be adjourned at 8:40 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED: