

**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
17th DAY MAY 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 17th day of May 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
Leroy King
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.

3. MATTERS OF UNFINISHED BUSINESS. None.

4. MATTERS OF NEW BUSINESS:

CONSENT AGENDA:

ALL MATTERS LISTED HEREUNDER CONSTITUTE A CONSENT AGENDA, ARE CONSIDERED TO BE ROUTINE BY THE REDEVELOPMENT AGENCY COMMISSION, AND WILL BE ACTED UPON BY A SINGLE VOTE OF THE COMMISSION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A MEMBER OF THE COMMISSION OR THE PUBLIC SO REQUESTS, IN WHICH EVENT THE MATTER SHALL BE REMOVED FROM THE CONSENT AGENDA AND CONSIDERED AS A SEPARATE ITEM:

- (a) Approval of Minutes: Regular Meeting of January 18, 2011
- (b) Approval of Minutes: Regular Meeting of February 15, 2011
- (c) Approving a Memorandum of Understanding With the Mayor's Office of Economic and Workforce Development and an Associated Letter Agreement with FOCIL-MB, LLC, a California Limited Liability Corporation, for the receipt and use of DTSC brownfield grant funds for the Park P10 and surrounding Mission Bay Drive improvements and adopting environmental findings pursuant to the California Environmental Quality Act; Mission Bay South Redevelopment Project Area. (Resolution No. 59-2011)

ADOPTION: IT WAS MOVED BY VICE PRESIDENT SINGH, SECONDED BY COMMISSIONER ANAYA, AND UNANIMOUSLY CARRIED, THAT APPROVAL OF MINUTES FOR THE REGULAR MEETING OF JANUARY 18, 2011; APPROVAL OF MINUTES FOR THE REGULAR MEETING OF FEBRUARY 15, 2011; AND RESOLUTION NO. 59-2011, APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE MAYOR'S OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT AND AN ASSOCIATED LETTER AGREEMENT WITH FOCIL-MB, LLC, A CALIFORNIA LIMITED LIABILITY CORPORATION, FOR THE RECEIPT AND USE OF DTSC BROWNFIELD GRANT FUNDS FOR THE PARK P10 AND SURROUNDING MISSION BAY DRIVE IMPROVEMENTS AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

REGULAR AGENDA

- (d) Conditionally Approving the Combined Basic Concept and Schematic Design for the Public Safety Building on Block 8 in the Mission Bay South Redevelopment Project Area and adopting environmental findings pursuant to

the California Environmental Quality Act; Mission Bay South Redevelopment Project Area. (Resolution No. 60-2011)

Presenters: Kelley Kahn, Agency Staff, Charles Higuera (Project Manager, San Francisco Department of Public Works), Paul Wilford (HOK Architects), Mark Cavagnero (Mark Cavagnero Associates), Joanne Hayes-White (Chief, San Francisco Fire Department), Greg Suhr (Chief, San Francisco Police Department)

Speakers: Kevin Simons, Corinne Woods, Jack Bair, Oscar James, Espanola Jackson.

Commissioner Bustos requested that Agency staff address some of the issues that were put forth by the San Francisco Giants.

Ms. Kahn responded that the team has been working over the past two months on finding technical solutions to the interface between the development of the building and the fire station operations along Mission Rock Street, which they will both share. Ms. Kahn mentioned they had already settled on some solutions to the traffic and circulation problems and is very close to a final solution.

Commissioner Bustos asked Mr. Bair if that was sufficient for him.

Mr. Bair concurred.

Commissioner Bustos stated that it would be a tragedy to have a small technicality stand in the way of such a wonderful project. Mr. Bustos thanked the Police and the Fire Chiefs for attending the meeting and for all the work they do every day and stated that they deserve a space. Mr. Bustos then inquired as to whether the soup kitchens will then be relocated.

Ms. Kahn responded that the soup kitchens will have to be relocated and that the Agency has been working with them and assisting them in that move.

Mr. John Updike, San Francisco Real Estate Division, indicated that they have had very positive discussions with the Missionaries of Charity about this project and their need to find a new location.

Commissioner Bustos inquired about the art they are considering putting near the building. Mr. Bustos expressed excitement about the development of this project, remembering that it was not a good neighborhood while he was growing up there. He then recommended looking for local artists from San

Francisco perhaps from the Bayview or Hunters Point, to create the impression that San Franciscans are artists.

Ms. Kahn responded that the public art project is being run by the Art Commission and that she would communicate Commissioner Bustos' comments back to them.

Commissioner Bustos backed the idea of local hire, mentioning that there are many San Franciscans who can use the 730 jobs that are to be created. He reiterated that looking to the communities that need these jobs is very important and would be like helping them create their own city, which they will do with a lot of love, passion and skill. Mr. Bustos put forth a motion to move this item.

Commissioner Covington indicated that the project looked wonderful and asked if the windows of the building are operable.

Mr. Wilford stated that the windows are not operable because of security but fresh air will be brought into the building every day with great energy conservation from the roof through the ceilings of each story of the building.

Commissioner Covington inquired about the location of the public transit stop as it relates to the building location.

Ms. Kahn responded that it was right in front of the building.

Commissioner Covington inquired about the color of the cast-in-place concrete because on the pedestrian level one is faced with sheer walls and wanted to know how to soften the appearance for pedestrians.

Ms. Kahn responded that the concrete itself is not colored but that there will be patterns in the concrete for a more interesting appearance and also indicated that the concrete has a rich texture and is very attractive. Ms. Kahn stated that they wanted to add some strength to the building so the base is a richer material that becomes lighter as it moves up. She also indicated that there will be trees and seating along the street.

Mr. Wilford responded that there is only a single story of that material so the scale of the building will be more like a garden wall.

Mr. Cavagnero indicated they will be using an old-fashioned type of concrete with lots of patterns and indentations so it looks more like stone and not like a parking structure that has large monolithic cast concrete walls. This will have a

great deal of texture and discipline to it so it will look more like a stone wall and like a civic building should look.

Commissioner Covington indicated that she is still concerned that to the pedestrian it will seem like a bunker.

Mr. Cavagnero replied that there are a number of windows at the base which are being placed with the rhythm of the building so there is not too long a stretch without windows. The problem with the building is that it is very long, 145', so even with windows there will still be a fair amount of wall.

Commissioner Covington inquired as to whether the windows will be clear or opaque.

Mr. Cavagnero responded that some will be translucent and some are clear depending on security needs. Where they can be clear, they will be clear and where there are security concerns, the windows will be translucent. So there will be light and glass but from the outside no one will be able to see inside so as to preserve privacy and security.

Commissioner Covington stated that she thought there was a great benefit to having public buildings appear open and approachable. Ms. Covington inquired about workforce goals as it relates to the city goals since the Agency's goals are much higher.

Mr. Higuera responded that the project is under the jurisdiction of the Human Rights Commission and they have defined the local business enterprise goal for the project for both professional and construction services. They had set 15% participation for professional services and the architect team and their consultants currently stand at nearly 15% of participation. On the construction side it is set at 10% which they expect to meet and exceed. Mr. Higuera stated that they are working with both HRC as well as the Office of Economic Workforce Development (OEWD) as it pertains to local hiring. They have already selected the CM/GC which represents 10-15% of the total construction value of the work and basically are providing oversight and management of the construction forces. Roughly 85-90% of the construction trade work has yet to be bid out and that will begin in late fall and continue through the middle part of 2012.

Commissioner Covington indicated it is important they keep those numbers in mind and do as much local hiring as possible. Ms. Covington stated that this is a very critical issue to the Agency and she wished them luck with that. Ms.

Covington stated how important this project is and she was very glad to see that it is about to come to fruition and that groundbreaking is imminent. She indicated that they will be working closely with the Giants to address their concerns which are quite valid and assure that the safety vehicles as well as the Giants fans can get in and out without obstruction. The buildings overall are wonderful to look at and she particularly likes the historic fire station and how it fits into the scheme of things. Ms. Covington reminded the audience first responders deserve to work in a pleasant environment and it is essential that it be up-to-date and a place that people would like to go to. She stated how happy she was to learn that this building will have a community room as well. Ms. Covington seconded this item.

Commissioner Ubalde thanked the chiefs of the departments for coming to speak about this item. Ms. Ubalde inquired as to what staff will be in this building. She referred to the Hall of Justice where there was a children's waiting room and wanted to know if there would be one for the new building.

Mr. Higuera responded that the Public Safety Building is relocating the Police Command Staff to the new location but not the entire police force as well as the entire IT staff and equipment. He also indicated that this facility is designed with essential seismic safety which means that it is 1.5x stronger structurally and has other aspects of resiliency which will allow it to operate off the grid for up to 96 hours without being replenished with additional fuel or with the evacuation of the accumulated fuel while it waits to be reconnected to the grid.

Ms. Ubalde inquired about server consolidation of all IT departments. She stated that there had been an attempt in the past to bring all the IT departments together to keep them protected in the event of a natural disaster or emergency situation. Ms. Ubalde wanted to clarify that this is what they are attempting to do and that they have those efficiencies and capabilities in place to ensure that in the event of some safety hazard those particular systems will be protected so that communication is maintained.

Mr. Higuera responded that they are aligning themselves with the larger directive from the city to be efficient and economical in the operation of the data centers that are spread throughout the city.

Ms. Ubalde inquired about the plaza and what the final construction would look like. Ms. Ubalde inquired as to whether they are considering installing a fountain or any water features for this project. She stated that in San Francisco there are very few fountains and that they are a very nice place for people to meet.

Ms. Kahn responded that they were not considering a water feature because the site is very windy and not protected, so it is not a warm spot where people would be drawn to water. The other issue is that the Art Commission is in the process of designing the plaza and getting proposals from many different artists so it is possible that a water feature might be included. Ms. Kahn stated they do not have control of that and they cannot commit to any one design at this time.

Ms. Ubalde inquired as to whether a café or restaurant or any kind of eating place for the staff is being considered for both the public safety building and for the firehouse.

Ms. Kahn responded that their goal is to have people coming and going in and out of the building as much as possible and the site is located one block from 4th Street which is a main retail corridor which goes through Mission Bay South. The idea is that the people working in the building will inhabit the retail corridor and keep it vital during the day. Ms. Kahn stated that there are no retail plans for within the buildings themselves.

Ms. Ubalde stated that she is very supportive of this project for this neighborhood and was very happy to hear about having a community room, which will add much value not only to the community but enhance the interaction between public safety officials and the residents of San Francisco. Ms. Ubalde thanked all the people who have worked on this project and stated how much she looks forward to the final outcome in 2014.

Vice President Singh inquired about when the project is completed would it have the same colors and also inquired about the final completion date.

Ms. Kahn responded that if approval comes tonight, construction would start in November 2011 and from that point it would take about two years to complete.

Mr. Singh also inquired about the status of the Hall of Justice on Bryant Street.

Mr. Higuera responded that the Hall of Justice will be vacated over a period of time and that there are a number of ongoing projects, chief among them would be a replacement jail which would come more under the standards for incarceration of prisoners. Mr. Higuera mentioned other projects such as the relocation of the District Attorney's Office, Adult Probation, Police Investigations, Office of Chief Medical Examiner, and Police Traffic Division, which are all projects that will find new locations over time as the finances of the city allow it either as a general obligation bond supported by the voters or as a general debt fund financed projects. Those projects combined will take up to

12-15 years to carry out. Once they have vacated the west wing of the Hall, they can set about to demolish that wing, clear the site and make it available to the Superior Court for a new court building. The Superior Court also resides in the Hall of Justice in the east wing. Mr. Higuera indicated the city's desire to establish one facility to house both the jail and the courts at 850 Bryant which is the long-term plan for the replacement of the Hall of Justice.

Mr. Singh inquired about how many construction jobs will be created during this project.

Mr. Higuera responded that most likely thousands of jobs will be created to complete this many projects. The total project value for this work is about \$1.6 billion which is inclusive of the \$243 million attributed to the public safety building.

Mr. Singh indicated that he would also like to address the concerns of the Giants and thanked everyone.

Ms. Covington inquired about whether people who do not speak English will have any idea what the new public safety building is. Ms. Covington stated that there are 40,000+ people who go to Giants games as well as neighborhood people and thought there should be something displayed on the building that tells people what is housed in the building so that in time of need and/or stress, people know where to go.

Commissioner Anaya inquired about the jobs that will be created by this project and wanted to know what other jobs besides construction will be created. Ms. Anaya also inquired about the kind of workforce training that potential workers will have to undergo before they get the jobs.

Mr. Higuera responded that 730 jobs will be created by the project and also stated that they are just at the beginning of considering how they will embrace the community in terms of local hiring, what new work opportunities will be created, especially in regard to the apprentice category, and that they are working very closely with OEWD as well as HRC and would be happy to come back and report their progress on that front at a future meeting.

Ms. Anaya wanted reassurance that they will be coming back to the Agency to give a report and asked President Swig to add that to a future agenda. Ms. Anaya thanked all the individuals who are responsible for this project and commended everyone for the communication and the caring that is being shared

between the Giants, the Police Department, the Fire Department and personnel to make this project a success.

Commissioner King thanked everyone for the wonderful job they have done and said to keep up the good work.

President Swig reiterated the importance of their relationship with the Giants and to make sure that their verbal commitment is handled in writing accordingly. Mr. Swig stated that the commitment to the Giants absolutely transformed that entire corner of this city since they were the first ones there and since that time, they have transformed that community. Mr. Swig also indicated that as far as local hiring is concerned, there is no neighborhood there so the most important hires should probably come out of the southeast corner of the city and the Mission because they are in the process of building a new neighborhood. Mr. Swig inquired as to how the process would work—embracing the worker communities which are underserved and which require training and should be wrapped into these projects.

Mr. Blackwell responded that the priorities for local hiring differ by project area depending upon what was written into the redevelopment plan. He stated that in Bayview there is a tiered priority, first to project area residents, then to redevelopment areas, then to 94124 and then the city. In the Mission Bay Project there is no tiered level written into the plan. So the first priority for hiring under this project would be residents from redevelopment project areas. Mr. Blackwell reiterated that this is a city project so the prioritization is for project area residents and other smaller levels of geography are not there. The funnel for construction workforce is CityBuild which almost disproportionately serves the southeast part of the city so he reassured the Commission that this area of the city will be well represented in the local hire numbers once they come in.

ADOPTION: IT WAS MOVED BY COMMISSIONER BUSTOS, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 59-2011, CONDITIONALLY APPROVING THE COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR THE PUBLIC SAFETY BUILDING ON BLOCK 8 IN THE MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (e) Conditionally Approving the Combined Basic Concept and Schematic Design for a residential building on Block 2 in the Mission Bay South Redevelopment Project Area and adopting environmental findings pursuant to the California Environmental Quality Act; Mission Bay South Redevelopment Project Area (Resolution No. 61-2011)

Presenter: Catherine Reilly; Agency Staff

Speakers: Corinne Woods, Kevin Simmons, Oscar James

Commissioner Covington asked what kind of retail uses are being envisioned.

Ms. Reilly stated that the space is being designed so that it will be flexible and with multiple entrances. She stated that the community has been vocal on what they are looking for. It is a privately owned property so they cannot demand what they put in there. However, one of the goals for Mission Bay overall is to have a community meeting to figure out what are the uses that the neighborhood would like to see in that area. The 4th Street corridor has always been thought of as the community heart of Mission Bay so they envision smaller community-serving uses for that space, including restaurants, laundry and other uses that would appeal to the neighborhood so they don't have to walk outside. The design allows for flexibility of use from larger to smaller break-up of that space.

Mr. Jeremy Cyr indicated that they don't know who those users are yet. They recently just engaged a retail broker consultant to assist them with that question. Mr. Cyr indicated that they were trying to design as much flexibility as possible into the space and they think it is probably a 3 or 4 user space.

Commissioner Covington inquired about the penthouses, whether they had balconies and the approximate square footage of the 2-bedroom unit.

Mr. Cyr responded that the square footage would be between 1050 and 1150 to as high as 1200 for two bedrooms.

Commissioner Covington inquired as to whether the penthouses are larger than the standard two bedrooms.

Mr. Cyr stated that the penthouses should be referred to more as just the top floor, will probably be within the same range and will have larger balconies because they step back away from the façade.

Commissioner Covington asked if the regular two-bedrooms have balconies.

Mr. Cyr responded that not every unit in the building has balconies. He stated that over half of the units do have balconies.

Commissioner Covington inquired as to what the breakdown was of types of buildings: studios, one and two bedrooms.

Mr. Cyr stated that it was primarily one and two bedroom units that have the balconies and the studios do not have one. Each of the units are designed to have a significant opening, a large sliding element, like the French Juliette balconies, where there is large amount of area that the units can open out to and get the connection to the natural environment.

Commissioner Covington indicated that she was very happy to learn that people have windows and doors that they can open to the outside world and be able to block out the city noise but stated that is always good to have really polluted air coming in from time to time to remind one of where they came from. Ms. Covington stated how much she appreciated the design, in particular the curvature of the building and the setback of the penthouse level which reminded her of old-fashioned style architecture. Ms. Covington asked if there was any discussion about the stoops along Vara; she indicated there have been problems in the past with those kinds of entrances as they are set back from the street, have doors made of glass and as such, they set themselves up as an invitation to crime.

Mr. Cyr responded that there was a fair amount of consideration put into the entrances and that they will be addressed as they move forward with the design development but that they are not displayed in the drawings at this time. He indicated that they have looked at options that offer a degree of privacy and control of the personal space but not feel like a barricade at the same time.

Commissioner Covington inquired about how tall the ceilings are on the first floor because people on the outside will be able to determine fairly quickly whether or not that space is occupied, which is another safety concern.

Mr. Cyr indicated that the ceilings will be 9'4" tall. He stated that there is a horizontal mullion line which is at 6' eye level and will have some kind of screening behind that window or frosted glass so as to eliminate the opportunity to see directly into that unit from the street. Mr. Cyr indicated that this was a challenging balance but that it seemed more important to provide the opportunity to allow those windows to open.

Commissioner Covington indicated her preference for the frosted glass and a good compliment. Ms. Covington inquired as to whether one had to use the stoop in order to reach the unit or is there an interior entrance from the garage.

Mr. Cyr responded that all of the units are accessed from the garage and the primary entrance is from the interior of the building. He indicated that a direct connection to the street was considered a preferable urban gesture in the city. Mr. Cyr stated that the tenant may choose to use the outside entrance as a primary access or it may be used primarily for guests.

Commissioner Covington inquired about whether each unit will have their own individual addresses.

Mr. Cyr indicated that there will be one address for the building.

Commissioner Covington indicated that lighting will be key for the outside entrances, such as timed lighting at night or for when tenants are on vacation or away so there will be no clue that people are not at home and which will also be visually pleasant for drivers or pedestrians passing by. Ms. Covington stated that having the lighting be consistent for all of the stoops would really help with security. Ms. Covington then inquired about the blue space in the interior.

Mr. Cyr responded that the blue space is the swimming pool and adjacent is a spa or hot tub and an area that connects the two courtyards via a breezeway, thus trying to engage the tenants with water in different ways. The third floor has a common use area on the interior with kitchen and living area and other socializing areas as well as a fitness component which connects ground, second, and third level. One of the features of the pool is that one of the corners connects to that common use area and there is also a waterfall, like an infinity pool. The idea is that even when the pool is not in use it will still be visually appealing. The pool is 20' wide and 50' long, about 3-4' deep and will be heated.

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

Commissioner Bustos seconded Ms. Covington's motion.

President Swig inquired about the location of a hotel or two across the street and the traffic and noise coming from the hotels.

Mr. Cyr responded that along Channel Street it is primarily offices and lounge style lobbies. Mr. Cyr indicated that one of their goals was to have something

that was going to work on all the streets. They did not consider avoiding what was happening across the street in the planning but rather to make it part of the neighborhood and in that way making each street special. Mr. Cyr mentioned that there are great views of the city and the ballpark, which were also part of the overall consideration.

President Swig stated that across the street there is a 550-room hotel, not that there is a shadowing issue, but he wanted to know what the height is from the hotel.

Mr. Cyr responded that portions of the site will go up to 160'.

President Swig underscored the challenge of designing a site such as this; but to take into consideration future developments; that there will be a hotel across the street of approximately 550 units.

Commissioner Ubalde inquired about what type of lighting will be installed and where will lighting be positioned in the area as far as public and pedestrian safety.

Mr. Cyr indicated that there is a street master plan which has regular lighting along all the public streets as well as the private street, so all the frontages will be heavily lit from the additional street light. The street lighting will provide substantial illumination at night and lighting will be provided at all of the individual stoops and other entrances to the building. He indicated caution to not overlight because of energy use but will make sure to have adequate illumination around the entire perimeter of the building so it is a safe place to be.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER BUSTOS, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 61-2011, CONDITIONALLY APPROVING THE COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR A RESIDENTIAL BUILDING ON BLOCK 2 IN THE MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (f) Authorizing a Purchase and Sale Agreement with McCormack Baron Salazar, Inc., a Missouri corporation, for the sale of real property located at the southwest corner of Arelious Walker Drive and Carroll Avenue, Assessor's Parcel Block 4884, Lot 25, and adopting findings pursuant to the California Environmental Quality Act; Bayview Hunters Point Redevelopment Project Area. (Resolution No. 62-2011)

Presenter: Kate Hartley, Agency Staff

Speakers: Espanola Jackson, Oscar James, Ace Washington

Commissioner Ubalde inquired about environmental impact implications that were referred to by the speakers.

Ms. Hartley responded that the parcel area is slightly over two acres and forms a western parcel in an area of the redevelopment district which consists of hundreds of acres. Ms. Hartley stated that last summer many hours of environmental review, presentations on infrastructure plans, construction standards, and structural design were conducted, all of which passed for approval. The issues raised were covered at the planning department, the board of supervisors and the Agency for all the acres in the district.

Commissioner Bustos indicated then that there seems to be a disconnect between what the people in the community are saying and what the Agency is saying and stated that he does not feel comfortable with this situation until there is resolution. Mr. Bustos stated that historically people in the southeast have been shortchanged and if it turns out that this land is not solid and there is an earthquake with liquefaction, once again a community that has been underserved will be put in danger. Mr. Bustos stated that there needs to be more discussion around this issue to reveal the facts and that the fears that are being brought forth are legitimate and need to be alleviated. Mr. Bustos stated that he did not want to move this item right now until this is fixed.

Ms. Hartley responded that this parcel consists of the two acres that are immediately adjacent to Alice Griffith, with the same soil conditions. There were extensive reviews of the build ability of the parcels. The developer has issued an RFP for an architect for Phase I and master planning, of which one of the most important parts is for the architect and the development team to work with the residents to talk about structural issues, the foundation system, the utility installation and to assure the residents that the building standards that they will be implementing on soils like this, which have had success in the past in build-outs in other locations of the city, will be safe. Ms. Hartley indicated

that they were hoping to move forward with that plan so they can get the HUD grant funds available to accelerate that process so that they can get to the residents and talk about all of these issues in a very detailed and thorough manner and not in a general, vague way. The plan is for the residents, the architects and engineers to have regular working sessions which the master planning process will achieve.

Mr. Bustos clarified then that what they were actually approving at this meeting was the process to begin working with the community and obtaining the information so that everyone feels safe and comfortable.

Mr. Blackwell clarified that the actual conveyance of the state land to the Agency was part of the decision-making that took place last summer when the disposition of development agreement was approved for the overall project. The conveyance of the state land has already been approved. Mr. Blackwell also clarified that the action right now is just a purchase and sale agreement. The development agreement still needs to come before the Agency and in between now and then will have the opportunity for the residents and the builders to have their discussion.

Commissioner Bustos asked Ms. Jackson if she understood what was just said.

Ms. Jackson stated that she did not understand what was just said.

Commissioner Bustos indicated that they need to get to the point of resolution.

Ms. Hartley responded that this is a very isolated action which does not approve any building or any specific architectural design. This will enable the Choice Grant to move forward because it would establish site control for the developer but first all the work related to closing the state parks and the trust exchange agreements would have to occur. Ms. Hartley indicated that they are a long way off from any building and will be back before the Agency to report on the architectural process; they are anxious to move forward with the master planning and work with the Alice Griffith tenants to lay out these issues before them. This action is critical to obtaining the funding from the Choice grant, which will move the process forward faster.

Commissioner Covington stated that she would feel more comfortable about this issue if she had members of the CAC present. She inquired as to whether this issue had come before the CAC.

Ms. Hartley indicated that they presented this to the Bayview Hunters Point project area committee which is the general process of the Choice Neighborhoods grant and the transfer of these properties was enthusiastically supported. Ms. Hartley indicated that they had met with the Board of Supervisors previously that day and had resident support. Ms. Hartley reiterated that the message received was that anything they can do to accelerate the Alice Griffiths revitalization process, including these land transfers and the Choice grant is supported.

Commissioner Covington indicated that she was happy to hear about the Board of Supervisors being in favor of this, but still wanted someone from the community with a different opinion. Ms. Covington stated that what they are hearing is that they still need more information about the safety protocols as well as addressing the possibility of liquefaction during a major earthquake and indicated that she would like to continue this item.

Commissioner Anaya seconded the continuance of this item.

Director Blackwell responded that the Choice Neighborhood grant application is due June 1 and if they do not have site control in place, they will be foregoing the opportunity to apply for the \$31 million grant. Mr. Blackwell explained that this is a part of the overall package of approvals from the last Agency meeting in preparation for that grant application and that this part is just a trailer. All the support from the community was voiced at the last meeting; however, those people are not present at this meeting.

Commissioner Covington stated that this explanation would not be sufficient for her to move this item and she thought there needed to be a special meeting of a one-item agenda at which they can address this issue. Ms. Covington inquired of Mr. Blackwell whether he had received any community calls related to this.

Mr. Blackwell indicated that he had received resounding community support for applying for the Choice Neighborhood grant.

Commissioner Covington stated that earlier someone stated that they could not get in touch with her and she replied that she is always available to the public and always returns phone calls. She stated that three weeks ago she requested a new phone and wanted that request expedited.

Ms. Hartley indicated that given the time sensitivity of the application, she stressed that this is an action that is related to the timing of the HUD grant but that they will be back before the Agency before anything happens on the parcels

for schematic design approval, development agreement, etc. Ms. Hartley explained that there will be many opportunities in the future to stop development if there is no subsequent satisfaction on the questions raised here regarding building, design and structural standards.

President Swig indicated that he would like to hear from all the commissioners as to their position on this issue before issuing a continuance.

Commissioner Covington indicated that she was not trying to railroad the process.

Commissioner Anaya stated that she felt very uncomfortable approving this resolution tonight. Ms. Anaya indicated that before Commissioner Covington mentioned a continuance, that she was going to suggest a continuance also. Ms. Anaya stated that communication with the community could occur even in one week, and that they must be able to respond to the concerns and questions of the community.

Commissioner Ubalde indicated that the action before them is very timely and sensitive and because of her experience working with federal grant requests, she stated that they are in danger of losing \$31 million dollars if they do not take action. Ms. Ubalde heard a resounding amount of support from the community at the last Agency meeting and there will be continued conversations with the community as there have been in the past in the Bayview project with residents, the CAC, staff and other representatives from those impacted by the development there. Ms. Ubalde acknowledged what Ms. Jackson and others said but she did not support a continuance and believed they should move forward with the action so as not to lose the opportunity to get the \$31 million and be able to implement a very needed service in the community that they have been waiting for over a long period of time.

Commissioner King indicated that they have debated this issue and they should not delay it any longer and made a motion to move forward with the action.

Commissioner Bustos acknowledged that no one is going to be 100% for this issue on either side, but if they are able to address some of these concerns then he felt that he could move forward with the action. Mr. Bustos acknowledged the time sensitivity pertaining to a grant deadline for that amount of money but wanted to move forward with the understanding that nothing will be built until they have some very clear conversations with the community to alleviate some of these concerns. Mr. Bustos seconded the item.

Vice President Singh stated that he was going to second the motion to move this item.

President Swig indicated that he thought it would be irresponsible to not move forward because they risk losing a \$30 million grant. Mr. Swig stated directly to Ms. Hartley that for the record, nothing will be built on the site without the approval of the Agency and that even if they get the grant and buy the land, that action does not affirm or suggest approval of building anything on the land at this point. Mr. Swig reiterated that the purpose of approving the item tonight is to allow the Agency to appeal for a \$30 million grant but does not approve any building or acknowledgment of the condition of the land on the site, but simply allows the Agency to support the community by getting the application for the grant accomplished. Mr. Swig asked Ms. Covington if she would like to withdraw her continuance.

Ms. Covington stated that she had a second to her motion to continue so she needed a moment to think about it.

Ms. Anaya indicated that she did not think they would lose the investment if they postpone this action for one week. Ms. Anaya inquired as to why the Agency would make an investment of money only to find out later that this site is not an appropriate place to build upon. Ms. Anaya again reiterated that they should conduct more investigation before moving forward with the item.

Director Blackwell clarified that this action is not a purchase but a conditional sale. The action to convey the land to the Agency was a decision that was made when the development agreement was approved last August. The land is coming to the Agency from the state and what this action will do is allow the Agency to sell the land to McCormack Baron Salazar conditionally upon the approval of a Choice Neighborhood grant. Mr. Blackwell indicated that there are still subsequent approvals that need to take place in order to execute the development.

President Swig added that with that potential sale to the developer there will be full disclosure, full due diligence, full disclosure of everything that is required, because this may be land which is inappropriate for development regardless of the blanket of the environmental findings of the project. Mr. Swig stated that perhaps this little two- acre square may be deemed inappropriate for development but that will be fully disclosed to the developer. At that time, even if they choose to buy it, the Agency will be subject to further testimony, study and determination that this piece of land is either appropriate or not for development and they will still have the option of saying no. Mr. Swig stated

that he felt there were sufficient safety contingencies in place as well as public and community support to move forward with this and not jeopardize the grant.

Commissioner Covington indicated that if the other commissioners are comfortable with moving the item, she would withdraw her motion to continue for a week.

Commissioner Anaya indicated that she would withdraw her second.

Commissioner Covington wanted everyone to understand the reasons for her hesitancy, which was to ensure that the checks and balances are in place because even though there was support at the first meeting, it is known that any discussion of redevelopment is a volatile discussion and there needs to be checks at every point with community members. Ms. Covington stated that she wanted the CAC members to be aware of that as well and that it was the absence of the CAC at this meeting that was daunting for her.

Mr. Swig acknowledged the motion to move the item from Commissioner King with a second from Commissioner Bustos. Mr. Swig acknowledged the need to honor and respect the concerns of Ms. Jackson and Mr. James; whose positions he felt should be recognized more fully than any engineers and soils specialists because they have history with the area. Mr. Swig indicated that his position was to move this item forward for the better good of the community with the pledge that the Agency will protect the community interests.

ADOPTION: IT WAS MOVED BY COMMISSIONER KING, SECONDED BY COMMISSIONER BUSTOS, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 62-2011, AUTHORIZING A PURCHASE AND SALE AGREEMENT WITH MCCORMACK BARON SALAZAR, INC., A MISSOURI CORPORATION, FOR THE SALE OF REAL PROPERTY LOCATED AT THE SOUTHWEST CORNER OF ARELIOS WALKER DRIVE AND CARROLL AVENUE, ASSESSOR'S PARCEL BLOCK 4884, LOT 25, AND ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, BE ADOPTED.

4. MATTERS NOT APPEARING ON AGENDA: NONE

5. PERSONS WISHING TO ADDRESS THE MEMBERS ON NON-AGENDA BUT AGENCY-RELATED MATTERS:

Tessie Ester, Lee Otis Martin, Espanola Jackson, Ace Washington, Oscar James, Larry Del Carlo

6. REPORT OF THE PRESIDENT

- President Swig encouraged everyone to attend the honoring of Commissioner King and the late, Jim Jefferson with their plaques at the Heritage Center the next evening. Mr. Swig commended Mr. King and Mr. Jefferson who have been the cornerstones of their communities.
- President Swig requested that the Executive Director look at the opportunity of getting feedback on the key issues as discussed previously by the speakers on hiring, discrimination, or any questions raised. Mr. Swig also requested that at every Agency meeting an update on hiring practices be incorporated into the Executive Director's report, which will include staff, CityBuild, and the developers entrusted by the Agency, and hold them all accountable with the progress that should be happening out there, and state why or why not people are getting hired. Mr. Swig indicated that the Agency and staff should be able to provide the assistance they need in hiring so that locals do not have to take things into their own hands and, in that way, they can move forward in correcting any injustices or wrongs going on and everyone will be made aware of what is going on. Mr. Swig went on to state that any corrective measures that are requested by the community of any Agency-related entity will be looked into on an official level and dealt with as need be.

7. REPORT OF THE EXECUTIVE DIRECTOR

- Director Blackwell responded that on the issue of hiring at Hunters View, he would be happy to report on progress on the Executive Director report. He stated his frustration about complaints coming from the community that are out of line with the numbers they are receiving. Mr. Blackwell indicated that the numbers being presented in terms of work hours are over 60% for San Francisco residents, over 40% for Hunters View residents and 13% by residents in the 94124 area, which are numbers that exceed the Agency's goals for hiring and are higher than any other project that they have worked on. Mr. Blackwell stated that the first line of action is to understand why the numbers are so out of line with what they are hearing from the community. The numbers he is seeing deserve praise rather than the level of criticism they are receiving.
- Director Blackwell reported on the action in Sacramento and stated that the Governor released the revised budget with the elimination of redevelopment still in the Governor's proposal. Mr. Blackwell felt that this question is not likely to be resolved until the budget is resolved. The reform measures brought up at the last Agency meeting will see their way into the budget debate regarding redevelopment. Mr. Blackwell stated that in the past couple of years they had not seen budgets at the state level until around October. This year, because of voter action, if the budget is not approved by the legislature on June 15 and signed by the Governor by July 1, the legislators will not be

paid. Mr. Blackwell indicated that it will probably not be until October that any real budget is produced.

- Director Blackwell acknowledged that Mr. Del Carlo and his staff have been working on the depository agreement for a while which, to his understanding, is an action that does need to come before the Agency. Mr. Blackwell indicated that he will discuss at the next Agenda Review with the President and Vice President that the item be calendared on the agenda for the next meeting.

8. COMMISSIONERS' QUESTIONS AND MATTERS

- Commissioner Anaya wanted to make sure that the issue about the Mission Housing Development Corporation is on the agenda for the next meeting and thanked Mr. Blackwell for doing that. Ms. Anaya also inquired about what is being done about bringing small developers along with the big developers from the city as well as from the underserved communities. Ms. Anaya stated that she would like some proof that this is really happening and would like to see how they are making sure that they are carrying out affirmative action for developers and for contractors. Ms. Anaya inquired if they could take a look at the contracts of the big developers they now have working throughout the city and make sure that those contractors and subcontractors are members of the community.
- Commissioner Bustos reminded the audience that redevelopment was created because of blight which was created because of historical neglect of communities. He stated that what they are trying to do in Bayview Hunters Point is what they owe to the community to rebuild the community and to give the community a place they can be proud of. Mr. Bustos stated that if they allow redevelopment to be eliminated, it will not help the cause of those underserved communities but will undermine it. He indicated that they need to be very vocal about the need to keep redevelopment and make use of the delegation to keep redevelopment in the minds of everyone, especially those who want to vote against it. Mr. Bustos requested a special meeting on a Saturday in Bayview, hosted by the Agency and suggested they invite the delegation, the assembly members and the state senators to come and present to the community why they are against redevelopment. He reminded everyone that the Agency commissioners are appointed by the Mayor because they are community people and at least deserve that much respect. But most importantly, he felt that those people who are going to vote against the community need to have the guts to go out into the community and tell the community why they are voting against redevelopment. Mr. Bustos indicated that he would very much like to work with President Swig, Vice President Singh and Executive Director Blackwell on this project.
 - President Swig stated they would take the suggestion under advisement during agenda setting.

- Commissioner Ubalde requested an update on the discussions between Westfield and the Mission hiring hall, what was going on with the job workforce development piece around the local hiring of people for developing that area as well as the discussion around the Filipino Cultural Center. Ms. Ubalde requested a brief update and then continuous updates on this issue.
 - Director Blackwell stated that the brief update on the Filipino Cultural Center is that the Cultural Center has raised the point with Westfield that the money that was set aside for tenant improvements was not enough and are requesting that Westfield set aside more money for that purpose. At this point Westfield's position is that a deal was broken, that it was publicly stated and they don't have any more money to provide for that. Mr. Blackwell indicated that he has been trying to broker a deal for the past two weeks and they are at an impasse. His recommendation would be to put this item on the agenda over the next couple of weeks in order to provide the Agency with an update.
- Commissioner Ubalde stated that she would like to recommend that action to the Executive Director through the chair to schedule that item for the next meeting.
- President Swig stated that jurisdictionally the Yerba Buena Center is no longer a redevelopment area and inquired as to what the Commission can actually achieve other than have a hearing to surface the issues.
 - Director Blackwell indicated that was about all they could do because the Agency does not have the same kind of leverage that they once had in this issue; however, the fact is that the Agency did approve the MOU and the agreements with Westfield and the Filipino Cultural Center when they provided approval for the renovation. An update on the aspects of the agreement that are still outstanding make sense but will not bring much power into the issue.
- President Swig agreed that they will put this issue on the agenda but questioned who has the hammer to break the impasse.
 - Director Blackwell stated that he believed both sides of the negotiation need prodding to move forward.
- Commissioner Singh agreed 100% with Commissioner Ubalde that they had been trying to complete this for a long time and they should put this on the agenda and find something for the Filipino Cultural Center. Mr. Singh also agreed with Commissioner Anaya about the fact that they now have lots of big contractors and should have some small contractors to do some of the jobs, like the Mission Housing Development Corporation.

- Commissioner King inquired as to what is actually on the agenda for the next meeting and wanted to make sure that the issue about the Filipino Cultural Center does get on the agenda as well as Mission Housing Development Corporation.
- President Swig agreed that both those items will be on the agenda for the next meeting.

9. CLOSED SESSION: None

10. ADJOURNMENT:

It was moved by Commissioner King, seconded by Vice President Singh, and unanimously carried that the meeting be adjourned at 7:22 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED: