

**MINUTES OF A REGULAR MEETING OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
7th DAY OF JUNE 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 7th day of June 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

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.
- 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 March 1, 2011
- (b) Authorizing an Amended and Restated Depository Agreement in the amount of \$940,000 with Mission Housing Development Corporation, a California public benefit corporation and the Mayor's Office of Housing in conjunction with the acquisition and rehabilitation of 63 very low income rental units, Mariposa Gardens, to identify projects to be rehabilitated and to permit the use of funds for administration; Citywide Tax Increment Housing Program. (Resolution No. 63-2011)
- (c) Authorizing a First Amendment to the Personal Services Contract with MJM Management Group to increase the budget by \$30,000 for a total amount not to exceed \$555,000 for steam cleaning, power washing, tree maintenance, and litter and graffiti control services for the newly improved alleyways between Mission, Folsom, Sixth, and Seventh Streets; South of Market Redevelopment Project Area. (Resolution No. 64-2011)
- (d) Authorizing a Second Amendment to the Personal Services Contract with the Central Market Community Benefit District to increase the budget by \$150,000, for a total not to exceed \$450,000, and extend the term by one year, ending June 30, 2012, to continue the community guides program on Sixth Street and adjacent alleyways to provide social service outreach and assistance to businesses, residents and visitors; South of Market Redevelopment Project Area (Resolution No. 65-2011)
- (e) Authorizing a 2011-2012 Fiscal Agent Agreement with the County of Marin in an amount not to exceed \$380,500, from July 1, 2011 to June 30, 2012; Housing Opportunities for Persons with AIDS Program. (Resolution No. 66-2011)

- (f) Authorizing a 2011-2012 Fiscal Agent Agreement with the County of San Mateo in an amount not to exceed \$878,500, from July 1, 2011 to June 30, 2012; Housing Opportunities for Persons with AIDS Program. (Resolution No. 67-2011)

ADOPTION: IT WAS MOVED BY COMMISSIONER BUSTOS, SECONDED BY COMMISSIONER COVINGTON, AND UNANIMOUSLY CARRIED, THAT APPROVAL OF MINUTES FOR THE REGULAR MEETING OF MARCH 1, 2011; RESOLUTION NO. 63-2011, AUTHORIZING AN AMENDED AND RESTATED DEPOSITORY AGREEMENT IN THE AMOUNT OF \$940,000 WITH MISSION HOUSING DEVELOPMENT CORPORATION, A CALIFORNIA PUBLIC BENEFIT CORPORATION AND THE MAYOR'S OFFICE OF HOUSING IN CONJUNCTION WITH THE ACQUISITION AND REHABILITATION OF 63 VERY LOW INCOME RENTAL UNITS, MARIPOSA GARDENS, TO IDENTIFY PROJECTS TO BE REHABILITATED AND TO PERMIT THE USE OF FUNDS FOR ADMINISTRATION; CITYWIDE TAX INCREMENT HOUSING PROGRAM; RESOLUTION NO. 64-2011, AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH MJM MANAGEMENT GROUP TO INCREASE THE BUDGET BY \$30,000 FOR A TOTAL AMOUNT NOT TO EXCEED \$555,000 FOR STEAM CLEANING, POWER WASHING, TREE MAINTENANCE, AND LITTER AND GRAFFITI CONTROL SERVICES FOR THE NEWLY IMPROVED ALLEYWAYS BETWEEN MISSION, FOLSOM, SIXTH, AND SEVENTH STREETS; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA; RESOLUTION NO. 65-2011, AUTHORIZING A SECOND AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH THE CENTRAL MARKET COMMUNITY BENEFIT DISTRICT TO INCREASE THE BUDGET BY \$150,000, FOR A TOTAL NOT TO EXCEED \$450,000, AND EXTEND THE TERM BY ONE YEAR, ENDING JUNE 30, 2012, TO CONTINUE THE COMMUNITY GUIDES PROGRAM ON SIXTH STREET AND ADJACENT ALLEYWAYS TO PROVIDE SOCIAL SERVICE OUTREACH AND ASSISTANCE TO BUSINESSES, RESIDENTS AND VISITORS; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA; RESOLUTION NO. 66-2011, AUTHORIZING A 2011-2012 FISCAL AGENT AGREEMENT WITH THE COUNTY OF MARIN IN AN AMOUNT NOT TO EXCEED \$380,500, FROM JULY 1, 2011 TO JUNE 30, 2012; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM; AND, RESOLUTION NO. 67-2011, AUTHORIZING A 2011-2012 FISCAL AGENT AGREEMENT WITH THE COUNTY OF SAN MATEO IN AN AMOUNT NOT TO EXCEED \$878,500, FROM JULY 1, 2011 TO JUNE 30, 2012; HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM, BE ADOPTED.

REGULAR AGENDA

AGENDA ITEMS 4(g) – 4(n) WERE PRESENTED TOGETHER, BUT ACTED ON SEPARATELY

- (g) Authorizing a Personal Services Contract with Goodwill Industries of San Francisco, San Mateo & Marin Counties, a California nonprofit Corporation, in a total aggregate amount not to exceed \$360,500, for workforce services in connection to the agency's Job Readiness Initiative, for a term of twelve months with one six month extension option; Bayview Hunters Point, Hunters Point Shipyard and Visitacion Valley Redevelopment Project Areas. (Resolution No. 68-2011)

- (h) Authorizing a Personal Services Contract with Girls 2000, a California nonprofit Corporation, DBA Hunters Point Family, in a total aggregate amount not to exceed \$210,500, for workforce services in connection to the agency's Job Readiness Initiative, for a term of twelve months with one six month extension option; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas. (Resolution No. 69-2011)

- (i) Authorizing a Personal Services Contract with San Francisco Conservation Corps, a California nonprofit Corporation, in a total aggregate amount not to exceed \$300,000, for workforce services in connection to the agency's Job Readiness Initiative, for a term of twelve months with one six month extension option; Bayview Hunters point, Hunters Point Shipyard and Visitacion Valley Redevelopment Project Areas. (Resolution No. 70-2011)

- (j) Authorizing a Personal Services Contract with Young Community Developers, Inc., a California nonprofit Corporation, in a total aggregate amount not to exceed \$210,000, for workforce services in connection to the Job Readiness Initiative, for a term of twelve months, with one six month extension option; Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas. (Resolution No. 71-2011)

- (k) Authorizing a Personal Services Contract with Asian Neighborhood Design, a California nonprofit Corporation, in a total aggregate amount not to exceed \$100,000, for workforce services in connection to the agency's Job Readiness Initiative, for a term of twelve months, with one six month extension option; Mission Bay, South of Market, and Transbay Redevelopment Project Areas. (Resolution No. 72-2011)

- (l) Authorizing a Personal Services Contract with Positive Resource Center, a California nonprofit Corporation, in a total aggregate amount not to exceed \$100,000, for workforce services in connection to the agency's Job Readiness

- Initiative, for a term of twelve months, with one six month extension option; Mission Bay, South of Market, and Transbay Redevelopment Project Areas. (Resolution No. 73-2011)
- (m) Authorizing a Personal Services Contract with Mission Hiring Hall, Inc., a California nonprofit Corporation, in a total aggregate amount not to exceed \$403,000, for workforce services in connection to the agency's Job Readiness Initiative, for a term of twelve months, with one six month extension option; Mission Bay, South of Market, and Transbay Redevelopment Project Areas (Resolution No. 74-2011)
- (n) Authorizing a Personal Services Contract with Asian Neighborhood Design, a California nonprofit Corporation, in a total aggregate amount not to exceed \$100,000, for workforce services in connection to the agency's Job Readiness Initiative, for a term of twelve months, with one six month extension option; Visitacion Valley Redevelopment Project Area. (Resolution No. 75-2011)

Presenter: Christina Garcia, Agency Staff

Speakers: Oscar James, Shirley Jones, Bradley Bradley, Shawn McFallin, Lyn Rawls, Don Marcos, Diamond Stewart, Domico Dones, Shamann Walton, Victor Marquez, Malama Kuka, Jermaine Jackson, Lena Im, Stevie Norris, Laurie Bernstein, Coy LaVan Harris Jr., Steve Suzuki, Jamie Brewster, Michael Swenk, Jeremy McClure, Ace Washington, Antoinetta III, Claude Everhart, Melody Daniel, Markeisha Law, Sawna Joyce, Janet Gomes, Brett Andrews, DeWitt Lacy, Kathy Perry, Dorris Vincent

Commissioner Bustos thanked the clients of all the agencies for coming out to speak and share their experiences with so much heart. Mr. Bustos explained that it is a very difficult situation but he was of the opinion that something could be worked out. Mr. Bustos reminded the audience that redevelopment was created to eliminate blight and build communities and people, not just to build buildings. He stated that the Commission did not want to be put in a situation where they had to choose one organization over another because they are all doing such a great job helping the community but acknowledged that everyone was going to lose something. Mr. Bustos suggested they move everything except for Mission Hiring Hall (MHH) and Young Community Developers (YCD), which would solidify the rest of the money and then figure out the rest later outside of this budget item.

Director Blackwell explained that moving all the items except for Mission Hiring Hall and YDC would severely limit the Agency's flexibility to be responsive to those two agencies, because the reality is that there is no new money so it would be almost impossible to be able to help those two organizations. He suggested the best thing to do would be to discuss the reasons behind the recommendations that

have been brought forth before continuing even though it may not change anything.

President Swig suggested that they take Director Blackwell's suggestion and have Ms. Garcia elaborate on the two most difficult choices, which are MHH and YCD, and provide more reasoning on why their funding has been jeopardized.

Ms. Garcia responded that for the northeast sector they had \$900,000 in the first round of funding for the first 18 months and they will have \$603,000 available for the next 18 months. This is directly related to the closure of the Yerba Buena Center (YBC) project area and there is no more additional tax increment money being generated and they are not providing those workforce services to the YBC service area as they move forward. This represents both a reduction in funding as well as a reduction in the scope of services. In addition, they had previously been outsourcing the administration of these contracts to the (inaudible) and the Mayor's office and not doing much of the due diligence themselves to look at who the organizations were serving. Now that they have systems in place, they are able to see much more clearly who the organizations are serving and what the outcomes are. To date, the MHH South of Market Employment Center (SMEC) has served 811 people, of whom only 32% (259) people have been project area residents. Of those 259, only 63 people were actually South of Market residents, which includes the entire 94103 zip code. The SMEC has been funded historically to serve South of Market project area residents and the employers within YBC primarily. They are only serving 63 people in the first 17 months. The additional people they have served to get to the 32% are comprised of: 132 people (16%) from Bayview and 64 people (8%) from 94134. Ms. Garcia reiterated that the reason for community redevelopment law and tax increment money is to remove blight in project areas and part of that blight is to help build up the people in those project areas and allow them the economic opportunities and the jobs created in those project areas. In the past the Agency has been providing SMEC funds to do that but they have observed in the first 18 months that SMEC is serving a very small proportion of project area job-seekers. The review committee discussed the risks, particularly at this time with the potential elimination of redevelopment, the challenges and concerns about the Agency spending its funds appropriately and the criticism that redevelopment agencies are not supporting general city services and city programs that should be funded through city dollars. The committee felt it was crucial to decrease the redevelopment investment to equal the proportion of people that SMEC was actually serving from the project area. The funding recommendation from the review committee is proportional to that 32% so they can continue to serve those project area residents. Ms. Garcia also indicated that they have had multiple conversations with SMEC about this issue, starting with the beginning of contract negotiations and orientation to this program. Ms. Garcia

stated that SMEC and YCD have been receiving funds from the Agency for a long time. The JRI initiative is a new way of doing business for the Agency and she acknowledged that it may be painful to adjust to the new program. As such, they have tried to give both organizations as much support and leeway to move to a point where they were truly providing the job readiness services that were part of the RFP and that they were contracted to do. As noted in the 6-month and 12-month reports, they made a point to let SMEC know that they were proportionately serving a very small number of project area residents in order to try to make sure that outreach efforts would increase. The Agency suggested that they partner with the JRI providers in the southeast to increase their area of influence but unfortunately they have not been able to move the dial in a positive direction and in fact the percentage continues to decrease. Ms. Garcia claimed that SMEC has been unable to increase their outreach efforts in order to attract those project area job seekers and serve them with redevelopment funds.

Commissioner Bustos inquired about whether there was a way the city could help with the situation if 32% are from the project area and the rest are San Francisco residents that are trying to get into these programs.

Director Blackwell responded that he has offered to have conversations with the board members from MHH. He stated that in the spirit of full disclosure everybody knows that the Agency is not the only entity to have a constraining budget situation. Mr. Blackwell stated that he was not sure what the city's ability would be to respond to a request like that.

Ms. Garcia went on to talk about YCD in Bayview. She displayed the review committee scores for the four organizations and the funding levels. The review committee was comprised of a total of 9 people who participated in the review process, of which two were Agency staff, 4 were community representatives, and the rest were from the Mayor's office and other city staff. Ms. Garcia indicated that even though YCD had the lowest score of all of the recommended organizations, it is still receiving the second highest recommendation in Bayview, which is just \$500,000 less than Hunters Point Family (HPF). The HPF recommendation does represent an increase in funds because the review committee saw through their proposals that they were incorporating the best practices, particularly of paid work experience, in order to better serve their job seekers. Ms. Garcia referred to Mr. Walton's comment during public comment that YCD has served the largest number of people within the Bayview; however, JRI made a shift from the historic way of funding and is focused on quality of services vs. quantity of services. One of the problems identified prior to JRI coming into the community is that many of the CBO's did not have the ability to provide the comprehensive services needed in order to get somebody job-ready.

YCD was the primary service provider in the Bayview Hunters Point and was also doing construction placement. CityBuild now does the construction placement for the Agency and they have been getting excellent results from that. When they entered into the contracts for JRI, they spoke with each of the providers about the concept of quality vs. quantity (\$4,000 per job-seeker to help them remove their barriers). What they have seen with YCD is that they are very good at removing and addressing the transportation and childcare barriers and are typically able to remove those barriers within one day. Where they have lacked success is on the more long-term barriers such as criminal history, education, behavioral health, etc. and within their proposal they did not adequately address how they were going to improve or adapt their services in order to be able to make those commitments. Ms. Garcia reiterated that JRI is set forth as a competitive process and the review committee felt that the three other organizations being recommended had demonstrated a much stronger ability to help the job-seeker in all service areas than YCD. In addition YCD was placed on a 90-day probation after the first six months because they were having significant problems in their outcomes across the board and they were given a clear list of recommendations set by the review committee, including developing a job-readiness training curriculum, developing stronger outreach, looking at their organizational and case-management structure, etc. and it took them a significantly longer time to meet those benchmarks. Nevertheless, it was felt that YCD was making very strong progress even in the midst of an executive leadership transition. Ms. Garcia stated that YCD has put in the work; however, YCD still has room to grow and they still tend to lean on quantity, touching multiple people lightly, rather than fewer people deeply and making those systemic changes. In addition, YCD represented within their proposal that they had received an award from the Office of Economic & Workforce Development (OEWD) for the JRS (Jobs Readiness Services) program. The JRS program looks similar to the JRI program but its outcomes and emphases are flipped, so instead of focusing on people with 2 or 3 barriers, JRS focuses on people with one barrier and moving them forward quickly. The review committee felt that the JRS program was a much better match for YCD given their track record and their service delivery and felt a reduction from JRI was appropriate.

Commissioner Anaya asked Ms. Garcia to comment on the statement made about the quorum not being present when the recommendations were made.

Ms. Garcia deferred to Mike Grisso, Project Manager for South of Market Project Area.

Mr. Grisso explained the matter was held before the executive sub-committee of the PAC and a vote to support the staff's recommendation. When the item was

moved to the full PAC, there was not a quorum present. The issue was discussed with the remaining PAC members and it was decided without any objections to move forward based on the executive sub-committee's recommendation.

Commissioner Covington wanted to thank all the young people who came out this evening to tell their stories. Ms. Covington acknowledged that many of them might have been nervous speaking before a commission for the first time, and commended all of them for the fabulous job they did in speaking and hoped they will continue to be involved in the life and discussions of San Francisco. Ms. Covington also thanked the people in the PAC's and the CAC who participated in the whole process and thanked Agency staff. Ms. Covington explained that she has been very involved in JRI for the past two years and the monthly meetings that have been held about the need for a barrier removal in education and a smooth, continuous process. Ms. Covington acknowledged the Agency's constrained budget; however, she noted that YCD was given a list of corrective actions and everything was checked off that list a year ago. Ms. Covington indicated that YCD has made great progress, they have a new Executive Director who is performing extremely well, and her concern is that when the Agency gives money to new organizations, it is tantamount to being last hired, first fired, which is something the community is very familiar with. Ms. Covington stated that there must be some remediation in the numbers for YCD because they are moving in the right direction. Ms. Covington stated that YCD has a tremendous amount of good-will in the community, people have relied upon them for years and that even during the rocky times, YCD is known to the community and people feel very comfortable going to them. Ms. Covington indicated that people are reticent to go to new organizations because of all the changes and the upheaval that goes along with change. Ms. Covington inquired about the money allocation from Ms. Garcia.

Ms. Garcia responded that YCD applied to serve Bayview only, so in terms of budget, the allocation for YCD would be for Bayview only and no new organizations are being recommended in that area.

Commissioner Covington asked Ms. Garcia to explain the \$90,000 decrease in the YCD budget and how that figure was arrived at.

Ms. Garcia explained that in the first round they had a total of \$725,000 available and now they have \$701,500 and that is the first portion of the decrease in available funds and would be represented within the YCD recommendation. In addition, HPF was recommended for an additional \$30,000 and Goodwill is being recommended for an increase in Bayview of \$156,000.

Commissioner Covington recommended that the \$3,650 increase for Goodwill, the \$8,040 increase for the Conservation Corps and part of the \$30,000 increase for HPF be considered for YCD, with the proviso that discussions with them regarding a deeper concentration on barrier removals be considered a benchmark that they would have to meet.

Ms. Garcia responded that the way the review committee asserted the recommendations and the way they have funded organizations through JRI is on a per-jobseeker cost that is asserted by each of the individual organizations in their programs. Ms. Garcia indicated that they would have to go back to the review committee to look at the total number of people served in order to make changes in those outcomes. For example, the overall increase for Conservation Corps or Goodwill is \$3,650, which does not necessarily equal one jobseeker, so they have had to round off some of the recommendations at the direction of the review committee so that they make sure they are funding each organization to serve X number of people. Ms. Garcia stated that there is a range for each organization. With Goodwill, 25% of their award goes directly into their jobseeker pocket through stipends and incentives and the paid work experience and another 25% of their grant budget goes to non-profits within the community that they are partnering with.

Commissioner Covington responded that she felt that all of the community based organizations are golden and she had nothing negative to say about any of them. Ms. Covington indicated that she was very heartened to hear the testimonies of the people that had spoken on behalf of the services they had received. Ms. Covington stated that she was not sure about having to go back through the entire process and that the reason they are there tonight is to make a decision so the monies can flow for barrier removal. People have been waiting and are still waiting and a decision needs to be made at this meeting to move forward.

Director Blackwell responded that one way to move on Ms. Covington's recommendation would be to simply provide a restoration number for YCD, rather than try to figure out where to extract monies, and in that way give the Agency more flexibility in figuring out how to get there.

Commissioner Covington inquired as to whether YCD is receiving any money for paid work experience.

Ms. Garcia responded that YCD has not incorporated paid work experience into their program.

Commissioner Covington inquired as to whether paid work experience was included in the RFP.

Ms. Garcia responded that within the RFP was a section where people could propose innovative programs and paid work experience through those programs. YCD did propose additional training programs but they did not include paid work opportunity stipends.

Commissioner Covington stated that this brings up the point that Commissioner Bustos made which is that you have a national organization that has in-house best practices from all over the country and then you have a CBO that has concentrated all of its energy and creativity in one community. She indicated that YCD should not be penalized for not having offered that program while money is available, which you can tell them to use for a specific activity.

Ms. Garcia stated that one could draw the same parallel with HPF as a very neighborhood focused type of organization, and that HPF has actually incorporated paid work experience into their program. The review committee noted that HPF did incorporate those best practices in their proposal for the second round. Ms. Garcia reiterated that this is a competitive bid for proposals and is focused on looking for the best possible programs and services to meet the needs of the community and the scores of the review committee reflect their recommendations on which of those programs would provide the best services for the neighborhood.

Commissioner Covington inquired about who were the four community people on the panel.

Ms. Garcia responded Jason Tramew from Bayview PAC, Christine Johnson from the Shipyard CAC, Christina Charles from the Visitacion Valley CAC and a resident of Sunnyvale, and Terra Whee, also from Visitacion Valley. Ms. Garcia also stated that Dorris Vincent was a representative at the full PAC to champion these recommendations and who was also a huge supporter of JRI. She stated that the Bayview PAC did endorse the recommendations of the review committee. Commissioner Covington inquired as to whether Ms. Vincent was on the review panel.

Ms. Garcia responded that Ms. Vincent was not on the review panel.

Commissioner Covington stated that she would like to hear from the one members of the review committee and also from Ms. Vincent, who are both present at the meeting.

Mr. Jason Tramew, Bayview Hunters Point resident, PAC member, and representative member of the JRI review committee, stated that he wanted to make two points about scope of work and he thought that the staff spoke directly to that issue. The review committee felt that the scope of work of the JRI was about multi-barrier deep service and they reviewed the scope of work presented in the proposals. They selected organizations including YCD that were the strongest applicants in that regard but also in their relative merits they selected applicants for funding that reflected their scope of work. The second is the process. This was a review committee for the southeast community that went through the Economic Development Employment and Housing subcommittee which unanimously approved, then went to the full PAC, and with the exception of one member, was unanimously approved with the recommendations as they are right now. Mr. Tramew stated that it was very difficult to make cuts to anyone but that the JRI is a program designated for a specific scope of work.

Ms. Vincent acknowledged how difficult the job was going to be and that all the organizations came before the CAC. Ms. Vincent explained that she is the chair of the Business & Employment subcommittee. She stated that she did believe that the review committee did an excellent job according to what they had before them. Ms. Vincent indicated that she has always been a strong supporter of YCD; her own daughter graduated from their program. Ms. Vincent stated that she thought they moved up with the problems that they were having because of who they are. She stated that she was not sure where the Agency was going to find the money because it wasn't on the table when the review was being done.

Commissioner Covington reiterated that she had made a recommendation, not a formal motion, that there be additional monies found for YCD, which she understood would decrease the amounts given to the other organizations. Ms. Covington stated that she was in no way recommending that the entire \$90,000 be restored but that some amount between \$30,000 and \$40,000 be restored to YCD. She understands that it is all about numbers and stated that she would be happy to have a sidebar with either a staff member or with the Director to come up with a particular number. Ms. Covington also indicated that the recommendation included the proviso that staff work with YCD to get their numbers up on the deeper issues that have to be addressed in terms of barrier removals, like education, preparation for GED, mental health, and previous incarceration.

Commissioner King stated that he would not make a decision on this right now and proposed postponing the decision for now to allow for more discussions and more investigation. He stated that he is concerned about cutting monies to their programs without being able to figure out how they are going to support them.

Commissioner Anaya suggested that they consider continuance to have more time to really look at figures and to hear from Mr. Marcos and Mr. Walton again and then come back with figures that make some sense. Ms. Anaya stated that she did not see the sense in taking money from one organization to give to another and would like to recommend a continuance. Ms. Anaya continued by stating that the Agency is one of the few redevelopment agencies that does include money for workforce development and they are very lucky to have that component in this city. Also with her experience with CBO's, the work that she has seen done by the staff here has been excellent. Ms. Anaya stated that the national organizations have more staff and bigger budgets and they are hurting the CBO's. Ms. Anaya indicated that they have to look at what is best for the San Francisco communities and who serves them best.

President Swig requested clarification on whether the \$1,784,000 number represents the total dollars or whether that number can increase.

Ms. Garcia responded that was the ceiling on the amount.

President Swig also indicated that he was wrestling with the idea that it is disrespectful to think that the Agency could overthrow at their whim the will of the committees that have been working on such a crucial project as this, because the committees involved have also been supported by subcommittees, which are the PAC's. Mr. Swig indicated that these are community-based committees that have put in their time, energy and diligence in coming up with these recommendations and indicated that it is very difficult for the commission to overthrow their direction no matter how much a particular organization may suffer by it. Mr. Swig suggested that they move this forward to not stop the train and potentially throw out the baby with the bathwater. Mr. Swig inquired as to the consequences of saying right now that \$35,000 be redeployed from those other organizations to YCD. He wanted to know what injuries would be suffered by the other organizations and would it severely compromise their ability to perform.

Ms. Garcia responded that to instruct staff to go back and renegotiate the contracts at dollar amounts that are different from the committee's recommendation would mean that they would have to recalibrate the total number of people served by each organization depending on the tipping point of the number of people being served and the staffing in order to determine how deep those cuts would be and how they would be spread across the other organizations. Ms. Garcia stated that her greatest concern is a gap in service delivery because these contracts end June 30.

President Swig indicated that to have gaps in service would undermine the entire process and there will be other organizations that would suffer as a result. Mr. Swig stated that they must move forward with this tonight. Again he inquired as to the consequences of passing this item tonight with Commissioner Covington's suggestion of arbitrarily redeploying \$35,000 of funds from other organizations to YCD in the spirit of compromise. Mr. Swig wanted to know if that can be done without undermining the integrity of the whole situation.

Ms. Garcia deferred to legal because this includes specific contracts with the CBO's, all of which have been signed by the non-profits recommended.

Director Blackwell indicated that it would be best to have a range of between \$35,000-\$40,000 so they can make the adjustments on a per-person expenditure level.

General Counsel Morales explained that if the Agency were to take this action because it does not indicate specific amounts associated with the individual contracts, they would be delegating to the Director to negotiate different lower amounts for the other groups and a higher amount for YCD. This would be a final action taken by the Director, would not be reviewable, and would not come back before the Commission. Mr. Morales indicated it would require that the staff renegotiate all the contracts.

President Swig addressed Mr. Marcos and thanked him for his service and for his organization's service and dedication. Mr. Swig reiterated that market conditions have changed, Yerba Buena Center is no longer a redevelopment neighborhood but with that change, the funding that used to exist is no longer there. Mr. Swig then inquired of Mr. Marcos as to whether he could help the Commission and his own cause as to how they can overlook the protocols and directions and to be able to continue the financial support that was there for them before.

Mr. Marcos indicated that he will help the Commission in anything they can do. However, he stated that MHH will not take any funding from another organization and he opposed that idea. Mr. Marcos indicated that their program was changed by the staff and he said that the original JRI proposal indicated that the northeast has an existing system that the Agency is going to invest on and that there is one CBO organization that is providing that service, which was not JRI. JRI came along later and changed the system, which used to be based on job placement. He stated the organization was choking trying to provide the number for all those years and they had saturated the services for that target area but never gave up because that is their priority population. Mr. Marcos stated that they will never give up on that. But to create some flexibility and to be able to do more,

their other focus was to help the businesses in the project area succeed by giving them the workforce they needed. That is why people from all over the city came to MHH. They were not like the other agencies in that they were not case workers or social workers. Their strength was their relationships with the employers and that was taken away from them. The employers came to MHH. JRI in south of market is focused only on construction. He stated that Ms. Garcia then told him that they are no longer doing non-compliance for non-construction jobs. Mr. Marcos reiterated that this is not about the money. JRI has diminished their capacity and put a chokehold on them by restricting their recruitment to project area residents, putting them through training, which they do not do, and providing case management, but the job placement was their key activity.

President Swig requested that Mr. Marcos give them further direction. He indicated that \$403,000 is not a paltry amount but with a significant decline in funding inquired as to what the implications are for the organization, for the community and what the organization can do with the \$403,000 being offered. Mr. Swig also inquired as to what the significant give-up is with the cuts that are being made.

Mr. Marcos indicated that it was really \$266,000 for the year and he said he would help them if that is all that they have. Mr. Marcos said they should go ahead to move the motion and fund all the other organizations as recommended. He supported all the other organizations mentioned and that he believed they should get their rightful funding. He stated that they will do the work and that his organization works with all the other organizations mentioned tonight. He stated that he wanted them to know that things have changed not because the economy but because somebody changed the idea of what his organization was supposed to do. They were happy doing it and were doing it very well and also reiterated that you cannot have a true workforce system without job placement and without employers being part of it. Otherwise you are just doing social work. Mr. Marcos stated that employers used to look at CBO's and just roll their eyes so they changed the entire approach and now employers look at MHH as a viable service that makes their businesses succeed. Employers do not worry about compliance because they will meet their compliance goals through MHH. As a matter of fact, one of the services they provided was compliance assistance for employers because employers were having a difficult time with that.

Vice President Singh inquired as to how they scored 69, 79, 79 and who scored them.

Ms. Garcia indicated that was the average score from the northeast review committee that was comprised of 5 people including a representative from the

SOMA PAC as well as a representative from the SOMA stabilization fund. Each of the review committee members individually scored the proposals out of a total of 100 points, and then they added all the scores together, divided by 5, to get the average score for each organization.

Vice President Singh indicated that MHH had the lowest score but wanted to know how that was possible since they have been around for a long time.

Ms. Garcia indicated that no one questioned MHH's ability to work with employers and connect people to jobs and indicated that their outcomes are strong. Unfortunately, they are using a significant portion of their funding to serve non-project area residents and that is not what the JRI program is about. Within the RFP, they asked each organization to provide a history and a track record of their workforce development performance and if they were an existing JRI provider, to reflect on their outcomes and experiences with JRI. SMEC noted that only 30% of their clients were project area residents but they made no mention of how they would improve or correct that and increase the percentage of project area residents. The review committee in their scores looked at how the program was designed, who it was intended to serve and whether the organizations and their programs meet that need and the review committee felt that SMEC had not done an adequate job demonstrating that they would be able to increase the number of project area jobseekers that they were serving. Ms. Garcia also stated that in the meeting with Don Marcos related to permanent workforce, he had asked about Mission Bay, which is not governed by redevelopment policy when it comes to the permanent end-use jobs. Those jobs in Mission Bay are governed by the city's resource policy that is administered by OEWD and Ms. Garcia encouraged Mr. Marcos to connect with OEWD about how to best leverage those permanent end-use jobs in Mission Bay. Also the YBC area has expired and information was requested about their outreach efforts, particularly related to the YBC Emporium site, the Westfield/Bloomingtondale mall, and they had made roughly 10-15 placements over the 12-months working with the Agency in Westfield, which is the one place that they continue to generate tax increment funding. However SMEC indicated that it was very challenging to work with the multiple individual businesses within the mall since most of them have HR online at their headquarters and they felt their time was better spent working with the larger employers like the St. Regis. Ms. Garcia stated they have encouraged SMEC to continue that work as part of JRI and they do see that as part of their program.

Vice President Singh inquired of Director Blackwell as to what is the method to continue this item.

Director Blackwell responded that continuing this item will create a hiccup in the services being provided because these are all contracts that expire at the end of June and if there are no new contracts in place, there will a period of time in which services are in jeopardy.

Commissioner Anaya inquired as to whether they could include in the recommendation that they talk with MHH to see if there is any way that they can benefit from the experience that MHH brings in those contacts with private employers that perhaps will bring employment to the package of redevelopment.

Director Blackwell responded that unlike in the southeast area, where there is a clear distinction between the barrier removal work and the placement work, where the barrier work takes place in CBO's and CityBuild is doing placement, in the northeast project areas, MHH and the other providers are doing both barrier removal and placement. The relationship that the Agency has with CityBuild in the southeast is not the same in the northeast and part of that is in recognition of the fact that MHH has a strong placement history. Mr. Blackwell acknowledged that the Commissioners have a great deal of respect for MHH and for Mr. Marcos and the work he has done, but Mr. Blackwell clarified that what Mr. Marcos is saying is that Mr. Marcos does not agree with the direction the Agency is headed in terms of JRI and the barrier removal work and he thought they were at an impasse in terms of working with MHH. It was Mr. Blackwell's opinion that Mr. Marcos feels that the Agency should be funding MHH to do placement and that the barrier removal part of it with the case management required is not a direction that the Agency should be headed. Mr. Blackwell was not sure that additional conversations will resolve this issue.

Commissioner Anaya indicated that unless barrier removal exists you cannot serve the community well. Ms. Anaya stated that the issue is who does what and because she believed that MHH does excellent work, she feels strongly that the Agency continue talking to MHH about the issue of placement and barrier removal and gain some clarification on who does what.

Director Blackwell responded that the Agency has a good relationship with MHH and with Mr. Marcos and that they would continue to have conversations with MHH. However, he stated that they have had these conversations in the past.

Commissioner Anaya thanked Mr. Marcos for his good work throughout the city and the community and also for his efforts during this meeting to not take money from other organizations to give it to MHH. Ms. Anaya again stated that she wanted to find a way to continue working with MHH.

President Swig requested of Director Blackwell, at the request of Ms. Anaya, and with due respect to the history of MHH, to have staff conduct a special review of policies, procedures and protocols on how they can incorporate job placement as a funded part of the program in the next fiscal year.

Director Blackwell responded in the positive but reiterated that job placement is still something that they are funding MHH to do in the northeastern part of the city.

Ms. Garcia stated that MHH is the sole referral partner for construction jobs in the northeast. Just as CityBuild provides the construction labor referrals in the southeast, SMEC does that in the northeast. But across all the JRI contracts, including MHH, there are job placements outcomes and they do expect them to do job placement. CityBuild in the southeast is about construction and the rest of the JRI providers are looking at end-use permanent employment and in the northeast SMEC does both construction and other permanent end-use jobs and that is also the expectation for PRC and AND. She stated that mostly what they are creating now are construction jobs but everyone is expected to do some level of job placement.

Commissioner Covington indicated that they did not have an opportunity to hear from Mr. Walton and wanted to hear from him as well on this issue.

Mr. Walton, Executive Director-YCD, thanked the Commission for the opportunity to re-address the Commission and stated that he did not take his job lightly and that he has made attempts to contact the Agency over the past few months about these issues with no response. Mr. Walton stated that they received the probation letter in July and that YCD responded in August prior to Mr. Walton's arrival. When he got there, he finally got redevelopment staff on the phone, sent another memo to address all the issues set forth in the probation letter and that it took six months to get off probation because Agency staff was not responsive. Mr. Walton stated that they did not put paid work experience into the proposal because everything was being denied from staff. He stated that the changes they had made in a 10-month period was unmatched and he commended his staff for all the work they had done. In addition he stated that he had responded to the fact that they were able to adapt to changing the services they could provide and they have adapted. Mr. Walton stated that they have completed the research about what jobs will become available and making direct placement in small businesses, so they do have placement mechanisms in place. The reason they did not include stipends in the proposal is because they have been denied everything they were trying to do. Mr. Walton defended the work that had been done at YCD within the parameters they have been allowed to do under this round

of funding. He stated that the Agency could not do what they do without CBO's like YCD. Mr. Walton also stated that he would not want to take funding from other grass roots organizations. He stated that YCD does not have problematic issues nor do they have capacity or program issues. Mr. Walton indicated that none of the issues that were raised during this meeting had been raised during the previous conversations he has had with agency staff. He indicated that the cut of \$90,000 was extremely disproportionate especially when redevelopment staff has commended the good strides that YCD has made.

Commissioner Covington wanted clarification from Mr. Walton as to whether he was rejecting the proposal, which is not a formal motion, for staff to review the numbers and figure out a way to restore between \$30,000 and \$40,000 to the YCD budget.

Mr. Walton indicated that he would agree to it as long as the money is not being taken away from other grass-roots organizations.

Commissioner Covington stated that the money the Agency has is finite and there is no money that can come from any other place because the budget has been set. Ms. Covington indicated that all they can do is to reapportion the monies that have been given to each organization in order to make up some of the money taken away from YCD. She stated that she needed to make sure that Mr. Walton understands that if he declined the restoration of the money, it would be gone.

Mr. Walton indicated that he is declining the money if it comes from the small grass-roots CBO's, but also added that there are other large organizations that have been apportioned money that are not small grass-roots organizations.

Commissioner Covington stated that she wanted to make a motion that the Agency approve the items affecting the southeastern sector of the city, items G, H, I, J and N with the following changes: that the amount of \$30,000-\$40,000, with a firm number to be determined by the Executive Director in consultation with staff, be restored to the YCD budget, and that the monies come from the monies given to those organizations based outside of the southeastern portion of the city.

President Swig clarified that K, L, and M will be considered separately in another motion.

General Counsel Morales clarified that the ultimate goal is to shift some funds only to YCD from Bayview Projects. He clarified that these contracts are also constrained by tax increment and what areas they are serving; thus they were

divided up into Visitacion Valley, Bayview, and the northeast to reflect the source of funding. Mr. Morales then stated that in order to make the changes in the Bayview to increase funding for a Bayview program, one could only look to the Bayview contracts because that is the source of funding.

Director Blackwell added that the restoration funds for YCD will have to come from Conservation Corp and Goodwill if they did not want to touch anything from HPF.

Commissioner Covington clarified that the funds will come from organizations based outside the southeast portion of the city, but then stated that they should take each item separately because bundling them will not work. Ms. Covington stated that she would like to move on Item H as proposed, that HPF receive an amount not to exceed \$210,500 for workforce services.

Commissioner Bustos seconded Ms. Covington's motion.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER BUSTOS, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 69-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH GIRLS 2000, A CALIFORNIA NONPROFIT CORPORATION, DBA HUNTERS POINT FAMILY, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$210,500, FOR WORKFORCE SERVICES IN CONNECTION TO THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS WITH ONE SIX MONTH EXTENSION OPTION; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS, BE ADOPTED.

President Swig then went on to state that Ms. Covington made a motion to approve Items G, I, J, and N with the proviso that \$30,000-\$40,000 will be moved into YCD at the discretion of the Executive Director with consultation with staff.

Commissioner Bustos seconded Ms. Covington's motion.

Commissioner King stated that he did not think the way they were moving forward with the motions was legal.

President Swig requested clarification from Mr. Blackwell as to whether this procedure was legal.

Commissioner King stated that he did not truly understand what happened tonight and is still confused. Mr. King stated that the first request was that these items be continued and he thought that was the best idea they had. He agreed that first they get some clear direction from YCD and MHH. He said he was not in favor of Commissioner Covington's motion and was opposed to it.

President Swig stated that he had a motion and a second and had to call for a vote. He again restated the motion to approve Items G, I, J, and N with the proviso that \$30,000-\$40,000 be redeployed into YCD from the general pool of funds at the discretion of the Executive Director with consultation with staff. President Swig called for a vote.

Commissioner King abstained.

Commissioner Bustos seconded the motion.

Commissioner Covington voted in favor.

Commissioner Anaya voted in favor.

Vice President Singh voted in favor.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER BUSTOS, COMMISSIONER KING ABSTAINED, (COMMISSIONER UBALDE ABSENT), AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 68-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH GOODWILL INDUSTRIES OF SAN FRANCISCO, SAN MATEO & MARIN COUNTIES, A CALIFORNIA NONPROFIT CORPORATION, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$360,500, FOR WORKFORCE SERVICES IN CONNECTION TO THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS WITH ONE SIX MONTH EXTENSION OPTION; BAYVIEW HUNTERS POINT, HUNTERS POINT SHIPYARD AND VISITACION VALLEY REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 70-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH SAN FRANCISCO CONSERVATION CORPS, A CALIFORNIA NONPROFIT CORPORATION, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$300,000, FOR WORKFORCE SERVICES IN CONNECTION TO THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS WITH ONE SIX MONTH EXTENSION OPTION; BAYVIEW HUNTERS POINT, HUNTERS POINT SHIPYARD AND VISITACION VALLEY REDEVELOPMENT PROJECT AREAS;

RESOLUTION NO. 71-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH YOUNG COMMUNITY DEVELOPERS, INC., A CALIFORNIA NONPROFIT CORPORATION, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$210,000, FOR WORKFORCE SERVICES IN CONNECTION TO THE JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS, WITH ONE SIX MONTH EXTENSION OPTION; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS; AND RESOLUTION NO. 75-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH ASIAN NEIGHBORHOOD DESIGN, A CALIFORNIA NONPROFIT CORPORATION, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$100,000, FOR WORKFORCE SERVICES IN CONNECTION TO THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS, WITH ONE SIX MONTH EXTENSION OPTION; VISITACION VALLEY REDEVELOPMENT PROJECT AREA, BE ADOPTED, WITH THE PROVISIO THAT \$30,000-\$40,000 BE REDEPLOYED INTO YCD FROM THE GENERAL POOL OF FUNDS AT THE DISCRETION OF THE EXECUTIVE DIRECTOR WITH CONSULTATION WITH STAFF.

President Swig stated items K, L and M and the approval of those contracts still need to be acted on.

Commissioner Bustos thanked everyone involved who worked on the contracts and appreciated the time spent on this. Mr. Bustos also reminded everyone that the Commissioners are also volunteers, are also part of the community and felt as though they have an obligation to voice their concerns. With regard to MHH and the northeast section, Mr. Bustos recommended that since AND has already gotten the contract for Visitacion Valley, they take the northeast recommendations and remove AND from that part of the city for that work and give that to MHH and keep PRC at the 100 and increase MHH at 500 and 3000.

President Swig asked Mr. Marcos to return to the podium to respond to taking the money from other organizations.

Mr. Marcos indicated that he did not want the money.

Director Blackwell reminded the Commission that they have had some testimony from the head of South of Market PAC that said that basically this went through the executive committee and that they had not had a chance to weigh in as a full PAC. Mr. Blackwell suggested that before they make any changes regarding AND that they have conversations with the full PAC first.

Mr. Marcos stated that there was no quorum and then they all agreed. Mr. Marcos wanted to know how they could do that.

Commissioner Bustos requested that the previous second be removed to set forth a new motion where they meet with people from the PAC and have a discussion regarding Items K, L, and M.

Director Blackwell suggested that if they want the PAC to weigh in on these items, he needed to consult with the Project Manager from South of Market to find out what the schedule is to know whether or not they would be able to get back to the PAC and have a conversation.

Mr. Marcos stated that he was an original, elected member of the PAC and he was not able to defend anything that they were putting together and if the Agency is going to meet with the PAC, Mr. Marcos indicated that he would resign from the PAC.

General Counsel Morales stated that any time any member of a PAC is being considered for funding, that member must recuse himself from the conversation and step out of the room and that this is not the first time they have dealt with this issue. Mr. Morales indicated that Mr. Marcos is aware of that. Usually what the organization does is invite another representative, who is not a member of the PAC to come and participate in the discussion. Mr. Marcos was given that opportunity and he did not invite anyone from his organization to participate in the discussion. Mr. Morales indicated that they did not discuss the item when there was not a quorum. He also indicated that it was discussed at a different meeting of the executive subcommittee of the PAC, where there was a quorum and the item was approved. Mr. Marcos was not at that meeting and no one from his organization was at that meeting. Mr. Morales also stated that there was a PAC meeting scheduled for this month and that they would put the item on the agenda as top priority.

President Swig addressed Commissioner Bustos and suggested no action be taken on this item and therefore they will reschedule these items when staff is available.

Director Blackwell stated that the next PAC meeting is the day before the next commission meeting.

President Swig stated that at the next Agency meeting the items will be presented as before and the difference is that there will be testimony at the next meeting with regard to the direct question of whether the PAC unanimously supports the items as presented.

General Counsel Morales stated that in that case the items will need to be continued.

Commissioner Bustos set forth the motion to continue.

Vice President Singh seconded the motion.

Commissioner Covington requested that a date be inserted into the motion.

Commissioner Bustos suggested that they use the date of the next commission meeting, which would be June 21. Mr. Bustos then restated the motion that they continue these items until June 21.

ADOPTION: IT WAS MOVED BY COMMISSIONER BUSTOS, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 72-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH ASIAN NEIGHBORHOOD DESIGN, A CALIFORNIA NONPROFIT CORPORATION, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$100,000, FOR WORKFORCE SERVICES IN CONNECTION TO THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS, WITH ONE SIX MONTH EXTENSION OPTION; MISSION BAY, SOUTH OF MARKET, AND TRANSBAY REDEVELOPMENT PROJECT AREAS; RESOLUTION NO. 73-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH POSITIVE RESOURCE CENTER, A CALIFORNIA NONPROFIT CORPORATION, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$100,000, FOR WORKFORCE SERVICES IN CONNECTION TO THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS, WITH ONE SIX MONTH EXTENSION OPTION; MISSION BAY, SOUTH OF MARKET, AND TRANSBAY REDEVELOPMENT PROJECT AREAS; AND, RESOLUTION NO. 74-2011, AUTHORIZING A PERSONAL SERVICES CONTRACT WITH MISSION HIRING HALL, INC., A CALIFORNIA NONPROFIT CORPORATION, IN A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$403,000, FOR WORKFORCE SERVICES IN CONNECTION TO THE AGENCY'S JOB READINESS INITIATIVE, FOR A TERM OF TWELVE MONTHS, WITH ONE SIX MONTH EXTENSION OPTION; MISSION BAY, SOUTH OF MARKET, AND TRANSBAY REDEVELOPMENT PROJECT AREAS, BE CONTINUED UNTIL JUNE 21.

- (o) Authorizing a Letter Agreement with the Office of Economic and Workforce Development in an amount not to exceed \$580,750 for contract administration of economic development services from July 1, 2011 to June 30, 2012 through two

community-based organizations: (1) the South of Market Foundation d/b/a Urban Solutions; and (2) Asian Neighborhood Design; South of Market Redevelopment Project Area (Resolution No. 76-2011)

Presenter: Angela Hayward, Agency staff

Speakers: Oscar James, Ace Washington

Commissioner Anaya asked who the person is who does contract administration at the OEWD.

Ms. Hayward responded that they coordinate with Holly Lung, Amy Cohen.

Commissioner Anaya inquired as to who would be supervising this project.

Ms. Hayward indicated that Holly Lung administers the contracts; however the Agency monitors the contracts as well.

Mr. Grisso responded that the OEWD handles all the invoicing and contract administration but in terms of actually directing Urban Solutions and their work, that is primarily himself and his assistant Project Manager.

Commissioner Anaya clarified that it is Agency staff that handles the contracts and specifically, Holly Lung. Ms. Anaya put forth a motion to move item 4(o) moved the item.

Vice President Singh seconded Ms. Anaya's motion.

Commissioner Bustos reiterated that the idea about Urban Solution has come up before and he wanted to remind everyone that the Agency takes their job seriously in working with the community and asked Urban Solutions to make more effort to keep in communication with the community so more people know that they are working with the community in order to alleviate the notion that they are an outside organization not based in the local community.

Commissioner Covington requested an overview of discussions that took place at the PAC concerning this item.

Mr. Grisso responded that this item was unanimously approved by the PAC. There were discussions about the ArtWalk, the new program that was added to the budget this year. Other than that discussion, the item was strongly supported by the PAC.

Commissioner Covington asked whether the ArtWalk is the same as the Gallery Walk. Ms. Covington asked how many arts-related organizations they have in the target area.

Mr. Grisso explained that the ArtWalk used outside artists to put temporary art installations along Sixth Street but he did confirm that they do have some arts organizations on Sixth Street and one or two art galleries.

Commissioner Covington asked for clarification about money used for design of the new police station and why that did not come under the San Francisco police department.

Mr. Grisso responded that the Agency is paying for the design and construction of that station. The police department is paying for all the furniture, equipment and the staffing and lease costs for the station.

Commissioner Covington inquired as to know how much money the Agency gives to Urban Solutions.

Mr. Grisso responded that \$420,000 is being proposed, which includes all the activities they do on Sixth Street. He stated that Urban Solutions does not receive funding for any other project areas.

Ms. McNulty stated that in the past when there was a Western Addition project area, Urban Solutions received an annual grant of \$62,000. When the project area sunsetted, the grant ended. However, the Agency made \$800,000 available to OEWD and the Fillmore Economic Development Action Plan to continue funding efforts. Out of the \$800,000, Urban Solutions is in contract for a grant of \$60,000, to support a training program for mobile food vendors and development of an artisan market place, partnering with La Cocina. The other city funding received by Urban Solutions is a \$70,000 grant with community development block grant funds.

President Swig asked about where their offices are and some history of Urban Solutions.

Ms. McNulty responded that they are on Mission Street between 6th and 7th Streets in the project area. Urban Solutions was created as a South of Market foundation in 1992 after the Loma Prieta earthquake when it was decided to create the redevelopment earthquake recovery area. An organizing committee made recommendations for ways things could be done differently in the South of Market project area. The South of Market Employer Center and the South of

Market foundation were created in order to be able to create small businesses and get people jobs in the neighborhood, instead of displacing people.

Commissioner Bustos apologized for getting Urban Solutions confused with another agency that sounds similar, Urban Strategies.

Ms. McNulty stated that two restaurants that they are hoping to open in the project area will create 40 jobs next year and they have referred them to SMEC. By developing the businesses, there is significant job creation happening in the project area.

Commissioner Covington thanked staff and the members of the pact and everyone who has been working on Sixth Street and stated that the efforts are really showing.

President Swig wanted to acknowledge Mayor Lee, who has been very supportive in asserting his recommendation to the police department that they get this police substation installed as soon as possible. Mr. Swig wanted to recognize Mayor Lee and his staff for getting the project substation completed.

ADOPTION: IT WAS MOVED BY COMMISSIONER ANAYA, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED, THAT RESOLUTION NO. 76-2011, AUTHORIZING A LETTER AGREEMENT WITH THE OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT IN AN AMOUNT NOT TO EXCEED \$580,750 FOR CONTRACT ADMINISTRATION OF ECONOMIC DEVELOPMENT SERVICES FROM JULY 1, 2011 TO JUNE 30, 2012 THROUGH TWO COMMUNITY-BASED ORGANIZATIONANIZATIONS: (1) THE SOUTH OF MARKET FOUNDATION D/B/A URBAN SOLUTIONS; AND (2) ASIAN NEIGHBORHOOD DESIGN; SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, BE ADOPTED.

- (p) Conditionally Approving the Combined Basic Concept and Schematic Design for a residential building on Block 3 West 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. 77-2011)

Presenter: Kelley Kahn, Agency staff

Speakers: Ace Washington

Commissioner Covington expressed her appreciation for the overall pleasant appearance and design of the building. Ms. Covington asked the architect about the terrace.

Mr. Alex Seidel, Seidel Architects representing Urban Housing Group, responded that the terrace was about 84' long and about 10' wide.

Commissioner Covington inquired as to how many people the terrace could accommodate.

Mr. Seidel responded about 50 people and could accommodate a small event and indicated that it was accessible to everyone in the building. He stated that the fitness room was right behind it and was part of the common area of the building.

Commissioner Covington inquired about the ground floor plan which was designated for retail and asked what kind of retail they are expecting to place in that space.

Mr. Seidel indicated that in speaking with the owner, they would like to offer a food service or restaurant on the southwest corner where there is outdoor café seating as well as neighborhood retail-serving.

Commissioner Covington inquired about more specifics on the neighborhood retail-serving.

Ms. Kahn responded that the intent is that it will be where the people living in the neighborhood could get their day-to-day business activities taken care of, whether that be food or dry cleaning or a book store. Ms. Kahn explained that this space could accommodate small business or larger business.

Commissioner Covington inquired about whether the stoops would be accessible to people who are passers-by or will there be a way to block them off.

Mr. Seidel responded that currently it is designed for the stoops to be accessible and one could walk up the stairway to a secure front door. He indicated that two units would share one stoop and the front door would be the line of security. The units also have an interior entry from the building which offers handicap accessibility.

Commissioner Covington inquired about how high the windows are from the ground on the units with the stoops.

Mr. Seidel responded that they are 6' above the street at the sill height.

Commissioner Covington inquired about whether the copper screen will remain copper-colored or will it change over time.

Mr. Seidel indicated that it will weather naturally and the color will get darker over time.

Commissioner Covington indicated that she was happy that there were enough parking spaces for each unit. Ms. Covington inquired as to whether there was any proposed pricing.

Mr. David Sobel stated that there were a variety of floor plans starting in the 600 sq. ft going up to 1200 sq. ft. in size. Current market pricing for units in that range start at Mission Bay around \$2,000 and go up to \$3,400/month.

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

Vice President Singh seconded Ms. Covington's motion.

President Swig stated that the Agency had approved the project on Block 2 and that the whole key to Fourth Street is to create a walking street that is retail on both sides, like a Union Street, a Chestnut Street or West Portal. In order accomplish that, you must have buildings on both sides all the way from the park down to the water. Mr. Swig inquired as to when these buildings will be built in order to create this community.

Ms. Kahn responded that Mission Bay is coming out of the housing recession and they have had a number of residential parcels on Fourth Street sell and the development teams are moving quickly through the design process. Ms. Kahn stated that Block 13 East, an agency-sponsored affordable housing project, which is also approved, ground floor retail, is hoping to get started mid-2012. Block 2 ground floor construction is also looking to start construction in about 12 months and is currently going through design development. Block 3 West will begin construction in March 2012. Block 4 West, which is an urban housing project, is already there and that they anticipate being able to present a schematic design for Block 5 in about two months, which just recently sold. Ms. Kahn stated that by the end of 2013 they are anticipating they will have at least four projects come online very close in order.

President Swig inquired about Blocks 6 and 7.

Ms. Kahn responded that Block 6 is an Agency affordable housing parcel which is probably 2 or 3 years out. A development team is being put together for Block 7 and they do anticipate having a schematic design before the commission in the next six months.

President Swig inquired about the timing for breaking ground for Block 7.

Ms. Kahn responded it would probably be late 2013.

President Swig stated that the vulnerability of that area will be Parcels 6 and 7 as far as closing in Fourth Street and creating a passageway that is developed and active.

Ms. Kahn indicated that the good news is that all the other projects are clustered so there will be no gaps until one reaches the very southern end. Ms. Kahn also indicated that all of this housing development triggers more parks to be built and they are moving ahead with construction of the first children's park in Mission Bay. As far as the strip park, P17 and P16 are completed and P15 will begin construction in 9-12 months.

President Swig indicated that he had vision of the people who will be working in the squares bounded by 15, 17, 25, and 18 to be able to get housing in north Mission Bay or beginning south Mission Bay and safely walk up Fourth Street which will be populated and that they will have the opportunity of walking across a park and into a village. Mr. Swig inquired as to what was behind the copper design element and will there be a conflict between the design and the ability of people living behind the design to get adequate light and to make sure those apartments are preferred.

Mr. Seidel responded that the units behind the copper screen are one-bedroom units but are narrower and wider and they have more windows than a typical one-bedroom unit. The living room and the dining room both have windows. He explained that anytime it is a living room looking through the screen, it actually is a completely clear view out. Some of the dining rooms have clear views and some have filtered views with a pair of French doors with a Juliette balcony that you can step out on and get into the space between the screen and the building. Mr. Seidel indicated that they are considering a 50% perforation which when held up is viewable even when looking through the screen. He indicated that those units will actually offer more light and air than the other units.

ADOPTION: IT WAS MOVED BY COMMISSIONER COVINGTON, SECONDED BY COMMISSIONER SINGH, AND UNANIMOUSLY CARRIED THAT RESOLUTION NO. 77-2011, CONDITIONALLY APPROVING THE COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR A RESIDENTIAL BUILDING ON BLOCK 3 WEST 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.

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

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

Speakers: Oscar James, Gary Lynch, Ace Washington

7. **REPORT OF THE PRESIDENT:**

- President Swig reported that a very special day was about to occur on Thursday, June 9 at 11am when the celebration will begin for the dedication and open house at Westbrook Plaza, a joint development between South of Market Health Center and Mercy Housing, which is comprised of 49 units of affordable family housing and a 20,000 sq. ft. community health clinic. Mr. Swig expressed his wishes for everyone to come and support this event.

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

- Director Blackwell reported that since the last meeting the reform package introduced by Senator Wright in the Senate was reintroduced in the Assembly and has 14 Democratic co-authors, which suggests reforming redevelopment rather than ending redevelopment. Mr. Blackwell reported that he thought it highly likely that over the next couple of weeks the Assembly and Senate will be taking action on the budget and things do not seem to have changed in the number of votes that the Governor has been able to get to eliminate redevelopment. What is different this time around is that in November voters passed legislation that prohibited legislators from getting paid if there is no budget. As a result it is highly unlikely to see budget deliberations drag on through September and October, as seen in previous years. Rather, legislators are pushing to have budget approved in June for signature by the Governor in July.
- Director Blackwell reported on an item that was requested at the last meeting—periodic reports on the hiring process at Hunters View. To date of the total work hours committed: 68.1% are going to SF residents; 42.1% are

going to Hunters View; 13.3% to 94124; 13.7% other than SF. Breakdown by race: 52% African American, 38.8% Latino, 4.4% Caucasian, 3.6% Asian-Pacific Islander, 1.2% other. Gender: 21.4% female; 78.6% male. In terms of process, there are 7 priority items in terms of Hunters View. First is Hunters View public housing residents with their names on the lease, second is San Francisco Housing Authority residents within 94124, third is Housing Authority residents in 94134; fourth is Housing Authority residents in other zip codes; fifth is Hunters View Communities of Opportunity members; sixth is Bayview Hunters Point project area residents and seventh is San Francisco residents. The way the list is maintained is that it starts with Urban Strategies which is the provider on the ground and they work with the Housing Authority to verify residency with Hunters View residents and if there is residency, they are placed on the priority one list and if there is no verifiable residency, they are prioritized along the other items. If they are eligible, Urban Strategies works to get them on the list. CityBuild maintains that list with the priorities, they verify addresses and confirm residency with the Housing Authority and when contractors submit requests, and people are dispatched based on the priority list. Once a person is working, the Agency generates reports on local hire hours based on what is completed in the system. Staff also goes through and checks it manually to verify residency as well. Lastly, Mr. Blackwell indicated that in the packets there is an update on the balance sheet by areas of work that the Director's office will now be providing to the commissioners on a quarterly basis when they can, so that they can look at that list and see what the balances are for housing work, community and economic development work and other things.

9. COMMISSIONERS' QUESTIONS AND MATTERS:

- Commissioner Bustos inquired of Mr. Blackwell as to whether the next commission meeting will be their last meeting, if the budget goes through.
 - Mr. Blackwell responded not necessarily. He thought it was likely that a budget will be passed and the item discussing the elimination of redevelopment will either not be taken up or it will fail or there will be reforms introduced rather than elimination. Mr. Blackwell stated that it is completely possible for the legislator to pass a budget that does not have elimination of redevelopment in it.
- Commissioner Bustos inquired if there was anything the commissioners could do as an agency. He suggested that they organize a meeting with people from the entire project areas together to let them know what is at stake and to get their reaction. Mr. Bustos indicated that after he spoke to the CAC as well as community members, they are now all beginning to

organize in order to express their concerns. Mr. Bustos stated that he cannot do that by himself but would be willing to work with staff to set a date for a meeting.

- Director Blackwell responded that an information session like a Town Hall with the community is totally possible and invite stakeholders. Mr. Blackwell indicated that they have prepared project area-specific factsheets based on the feedback they received at the commission retreat that lay out, by project area, what is at stake and which is ready to be sent out. Mr. Blackwell stated that he and President Swig have put together an op. ed. submitted to the Chronicle as well as the Business Times. He stated a Town Hall would allow them to do an education session.
- Mr. Bustos recommended or requested that a commission meeting be held in Bayview Hunters Point and ask the elected officials to attend because if they are going to vote on the future of redevelopment, they should be in the room with the commissioners and with the community and have public comment regarding redevelopment.
- President Swig indicated that he and Vice President Singh will meet with the Director Blackwell tomorrow morning and discuss the feasibility from a logistical and timing standpoint.
 - Director Blackwell indicated that if it is not a special meeting, then it would probably have to be the next meeting.
- Commissioner King stated that he had been speaking to one of the developers, Kofi Bonner, who told him he was not able to get any money or loan money, and requested a closed session at the next meeting to discuss to give the developer some money to get the projects and jobs and get the developer moving.
- President Swig indicated that they could have a meeting about it and that he has done some research with Director Blackwell and there are simply no funds available right now to help him.
 - Director Blackwell indicated that the Agency does not have tax increment money from the Shipyard to loan out at this point.
- President Swig added that they had a wonderful event for Commissioner King at Yoshi's at the Fillmore Center and that they installed an impressive

bust of Jim Jefferson and Mr. King and recommended everyone go by and see. Mr. Swig reminded everyone that the Fillmore Center and other projects would not exist without the hard work and dedication of these two great leaders.

- Commissioner King thanked all the Commissioners and the public for attending and said he appreciated the honor.

10. CLOSED SESSION: Pursuant to Section 54957 of the California Government Code, a public employee performance evaluation for the position of Executive Director.

11. ADJOURNMENT:

It was moved by Commissioner King, seconded by Commissioner Singh and unanimously carried that the meeting be adjourned at 9:10 p.m.

Respectfully submitted,

Gina E. Solis
Agency Secretary

ADOPTED: